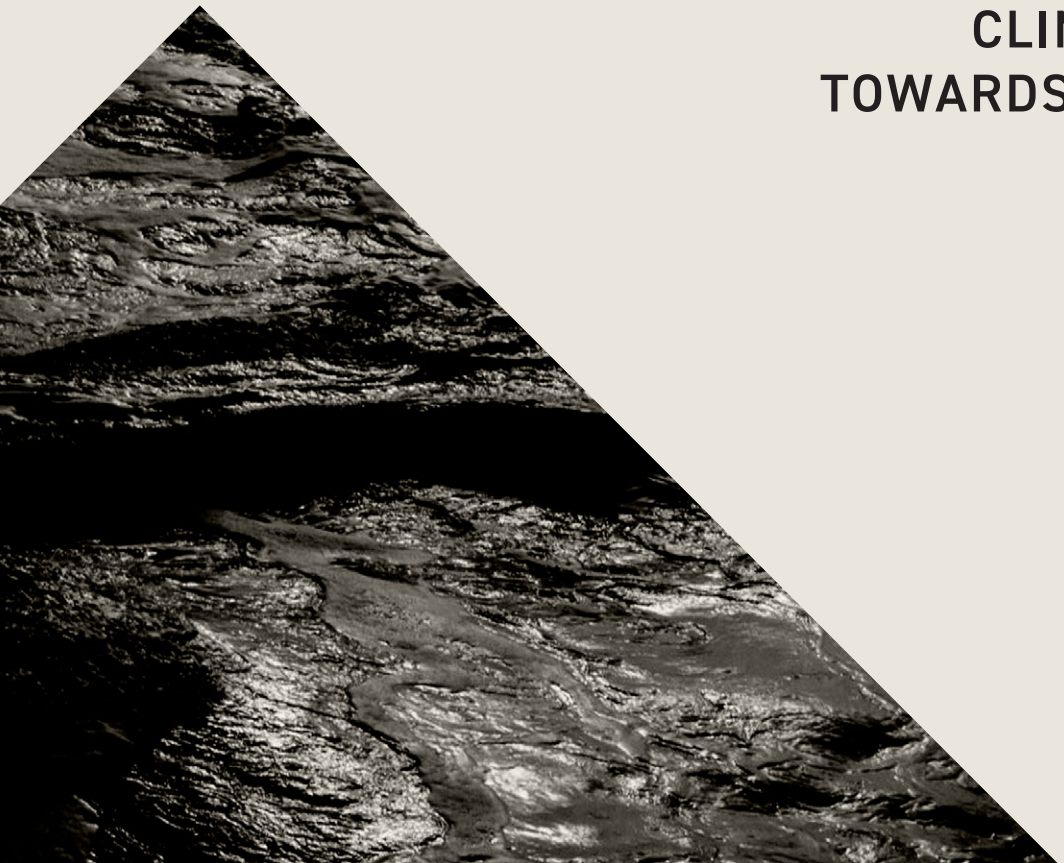
KonKraft

THE ENERGY INDUSTRY OF TOMORROW ON THE NCS

CLIMATE STRATEGY TOWARDS 2030 AND 2050



STATUS REPORT

2026

ABOUT KONKRAFT

KonKraft is a collaboration arena for Offshore Norge, the Federation of Norwegian Industries, the Norwegian Shipowners' Association, the Confederation of Norwegian Enterprise (NHO), and the Norwegian Confederation of Trade Unions (LO), together with the LO members – the United Federation of Trade Unions and the trade union Styrke.

KonKraft aims to be a premise provider for national strategies for the petroleum sector and will work to maintain the competitiveness of the Norwegian Continental Shelf (NCS), thereby helping to ensure that Norway remains an attractive investment area for the Norwegian and international oil and gas industry, including supplier companies and the maritime industry. The council is KonKraft's highest authority. In addition, KonKraft has an executive committee and a secretariat which is responsible for ongoing activities and day-to-day operations.

WHY A STATUS REPORT?

The KonKraft partnership developed the climate strategy "The Energy Industry of Tomorrow on the NCS – Climate Strategy towards 2030 and 2050" in 2020. The strategy describes the industry's efforts to achieve national and global climate goals. The development and follow-up of a common climate strategy demonstrate the partners' willingness to adapt and their ambitions for realising a low-emission society. One of the KonKraft collaboration's primary aims is to cut greenhouse gas emissions from the Norwegian oil and gas industry. In parallel with reducing emissions from petroleum activities, a new and forward-looking energy industry will be built on the NCS, comprising offshore wind, hydrogen, and carbon capture and storage (CCS). To ensure effective monitoring of the climate strategy, KonKraft prepares an annual status report showing progress towards the targets through an analysis of the opportunities across the operating companies, based on identified and planned emission reduction measures and innovative projects aimed at developing new value chains. This report is the sixth status report since the climate strategy was launched in 2020. The annual updates provide fresh insight into opportunities and developments within the industry under the KonKraft partnership.

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SUMMARY

KonKraft's 2026 status report shows that the Norwegian oil and gas industry is making good progress in reducing emissions from the NCS while continuing to make a significant contribution to Europe's energy security and Norwegian value creation.

This is the sixth annual status report on the implementation of KonKraft's 2020 climate strategy. It provides an updated picture of emissions trends, the impact of various climate measures, and the development of new value chains on the NCS.

The NCS plays a key role in Europe's energy supply. In 2025, Norway supplied around 30 per cent of the EU's and the UK's combined natural gas imports during a period of geopolitical turmoil and heightened focus on energy security. At the same time, the EU continues to pursue an ambitious climate and energy policy, aimed at achieving a 90 per cent net reduction in emissions by 2040 and net zero emissions by 2050. This highlights the need to balance energy security, competitiveness and the energy transition, with the NCS playing a crucial role.

This year's analysis shows that the industry's original target of reducing emissions by 40 per cent by 2030, as set out in the 2020 climate strategy, remains within reach – provided that the identified and planned measures are realised. Emissions from offshore installations and onshore facilities totalled 10.9 Mt CO_2e in 2025, down from 13.6 Mt CO_2e in the reference year 2005. As in last year's report, this year's forecast shows that the industry is not on track to meet the target of a 50 per cent reduction in emissions by 2030, as called for by the Storting in a 2020 resolution. Provided that all identified and planned measures are implemented, emissions are projected to fall by 42 per cent by 2030 and 51 per cent by 2035.

Power from shore is the single most effective measure for reducing emissions, particularly through projects that have already been approved, such as Troll Vest, Njord, Oseberg, Draugen and Melkøya. At the same time, several previously planned electrification projects have been removed from the portfolio since last year due to high implementation costs and uncertainty about political support for their implementation. This includes the electrification projects for the Halten, Snorre and Grane area, which together were expected to reduce emissions by 0.89 Mt CO_2 per year. The removal of these projects, among others, reduces the industry's projected power demand in 2030 by 1.9 TWh compared with last year's report. The oil and gas industry currently has no electrification projects awaiting capacity allocation or planning to apply for a new capacity reservation. The remaining projects, with a combined power demand of 0.7 TWh, will receive power from shore through existing reservations.

Energy efficiency measures play an important role in reducing the industry's emissions. By 2030, measures related to energy efficiency and reduced flaring are projected to deliver emission reductions of around 0.92 Mt CO_2e, representing a significant increase of around 80 per cent compared with last year's report. Energy efficiency measures implemented by the industry are crucial if the oil and gas industry is to reduce its emissions by 40 per cent by 2030.

The long-term forecast shows that the Norwegian oil and gas industry can significantly reduce its emissions beyond 2030 while continuing to develop activities on the NCS. Provided that all identified measures are implemented, emissions are projected to fall by around 60 per cent by 2040 and 87 per cent by 2050, compared with 2005. At the same time, the forecast shows that new measures will need to be matured and implemented in order to achieve the long-term goal of near-zero emissions by 2050.

The report shows that significant emission reductions have already been achieved in offshore maritime activities. Emissions from the oil and gas industry's core maritime segments have fallen by 29 per cent since 2008. With additional climate measures, emissions could be reduced by around 49 per cent by 2030 and 55 per cent by 2035. Including the effect of the biofuel blending requirement, emissions could be reduced by around 53 per cent by 2030 and 59 per cent by 2035. Greater reductions will require the phasing in of low- and zero-emission fuels, access to infrastructure and predictable framework conditions.

The development of new value chains on the NCS is progressing, although the various initiatives are at different stages of maturity and development. Offshore wind power could make a significant contribution to new power generation, industrial development and emission reductions, but progress in Norway is slower than anticipated and is hampered by rising costs and political uncertainty relating to key framework conditions. In the field of carbon capture and storage (CCS), Northern Lights is now operational, and several storage projects are under development. However, the market for carbon capture in Europe is developing more slowly than expected. Seabed minerals could, in the long term, contribute to Europe's security of supply of strategic raw materials, but further development will require additional knowledge and political will.

Despite the uncertainty affecting the implementation of climate measures in the oil and gas industry, and the removal of several electrification projects from the portfolio, the Norwegian oil and gas industry is continuing to make significant progress in reducing emissions on the NCS. The industry is working systematically to reduce emissions, and significant results have been achieved in just a few years. The 2026 status report also shows that the industry has significant transition potential, and that further emission reductions depend on stable framework conditions, underpinned by predictable political processes, the maturing of climate measures, and a policy framework that enables the implementation of cost-effective projects. If the NCS is to continue contributing to energy security, value creation and the energy transition, climate policy must both reduce emissions and lay the foundation for new industrial activity.

> The KonKraft 2026 status report shows that Norway's oil and gas industry is making good progress towards achieving its climate targets, while the industry continues to play a crucial role in Europe's energy security and in Norwegian value creation.

The past year has been characterised by continued geopolitical turmoil, increased international uncertainty and a heightened focus on energy preparedness and security of supply

1

BACKGROUND

The oil and gas sector is Norway's largest industry. Climate transition within this sector is crucial for achieving national climate ambitions and securing long-term employment and energy supply from the NCS. KonKraft's annual status report monitors the oil and gas industry's efforts to reduce emissions and promote cooperation and accountability among offshore players in achieving the industry's climate goals. The past year has been characterised by continued geopolitical turmoil, increased international uncertainty and a heightened focus on energy preparedness and security of supply.

The wars in Ukraine and the Middle East have highlighted the need for stable energy supplies to Europe, and Norway has continued to play its role as a reliable and important supplier of natural gas, making a crucial contribution to European energy security. At the same time, the EU continues to pursue its ambitious climate policy and is continuing to develop the post-2030 climate and energy framework, which will have an impact on both demand for oil and gas and the development of markets and infrastructure for low- and zero-emission value chains.

In Norway, the forthcoming White Paper on the petroleum sector will establish key framework conditions for the long-term development of the NCS, where energy security, value creation and the energy transition must be balanced.

1.1 The NCS is crucial to Europe's energy security.

The Norwegian oil and gas industry maintained a high level of activity and production in 2025, with total production estimated at 239.2 million Sm^3 o.e. Compared with 2024, oil production increased as new fields came on stream, and production reached its highest level since 2009. Gas production was, however, slightly lower than in the record year of 2024. The wars in Ukraine and the Middle East have highlighted the need for a secure energy supply in Europe. Norway is a key and reliable supplier of natural gas and plays a vital role in Europe's energy security. In 2025, the NCS supplied around 30 per cent of the EU's and the UK's combined natural gas imports. For Norway to maintain these deliveries in the years ahead, further exploration and development of the NCS will be needed to prevent a rapid decline in production from existing fields.

An unpredictable international situation has continued to shape European energy value chains over the past year, while the regulatory framework has become increasingly complex at both national and EU level. Pressure on the European economy is mounting due to increased defence spending, weak economic growth and rising costs for several key renewable energy technologies. Against this backdrop, emergency preparedness, security and industrial competitiveness are becoming increasingly important.

The EU has maintained an ambitious energy and climate policy and, in December 2025, agreed on a binding target of a 90 per cent reduction in net emissions by 2040 compared with 1990 levels. The target was formally adopted in 2026. The climate target is an important milestone on the path to net zero emissions by 2050 and provides the foundation for further sector-specific climate targets and policy frameworks to be developed in the years ahead. At the same time, the target reflects the EU's increasingly pragmatic approach to climate policy and includes a number of flexibility mechanisms designed to help ensure that the target is achieved. The design of the climate and energy framework for the 2030s will influence the EU's long-term demand for oil and gas, while also shaping the development of markets and infrastructure for low- and zero-emission value chains.

In parallel, the EU has stepped up its efforts to strengthen energy security. In early 2026, a plan to phase out imports of Russian gas was adopted, with the aim of ending imports completely by 2027. The phase-out of Russian gas supplies, combined with the lessons learned from the energy crisis and new geopolitical tensions linked to the war in the Middle East, has highlighted the need for more resilient and diversified supply chains. At a time when Europe is actively seeking to reduce its strategic dependencies, stable and reliable suppliers such as Norway are becoming increasingly important.

In spring 2026, the Norwegian government appointed a transition commission to assess how the Norwegian economy can maintain high levels of value creation in the face of far-reaching structural changes. One of the commission's tasks will be to examine how Norway can make best use of scarce resources such as labour, energy and nature. This work is undertaken in the context of an expected decline in petroleum activity over the coming decades and increased international uncertainty that may affect trade, investment and business location decisions. The commission is due to submit its report in spring 2027.

In parallel, the Norwegian government has begun work on a White Paper on the petroleum sector, which is also due to be presented in spring 2027. The White Paper will address key policy choices for the period after 2030, including access to exploration acreage. Furthermore, the White Paper will address technological development and how existing infrastructure and expertise can be utilised to their full potential to support the continued development of the NCS, where the petroleum industry contributes to value creation, energy security and the energy transition. This requires stable and favourable framework conditions for the industry.

Within the maritime sector, the IMO reached agreement in April 2025 on a framework for new global climate regulations for international shipping, but the formal adoption was postponed and is due to be reconsidered in October 2026. Nevertheless, there is reason to expect that the IMO will continue to work towards a global climate regulatory framework for shipping. As part of the revised national budget, the Norwegian government introduced a national climate requirement for offshore vessels in May 2026, requiring operators on the NCS to gradually reduce the greenhouse gas intensity of vessels used in petroleum activities. The requirement will enter into force on 1 January 2029 and will be progressively tightened until 2040.

1.2 KonKraft's climate strategy

In 2020, KonKraft developed the climate strategy "The Energy Industry of Tomorrow on the NCS – Climate Strategy Towards 2030 and 2050". As part of the strategy, the industry set a target to reduce emissions by 40 per cent by 2030 and near zero by 2050. In addition to reducing emissions from their own operations and associated offshore maritime activities, the oil and gas industry will create a new and forward-looking energy industry on the NCS that will include offshore wind, hydrogen and CCS. This will pave the way for further value creation and employment in an industry characterised by a high level of expertise and technological excellence as we move towards a net zero society.

In the spring of that year, during the COVID-19 pandemic and in connection with the temporary amendments to the Petroleum Tax Act, the Storting adopted a resolution calling on the government to present, in collaboration with the industry, a plan to reduce greenhouse gas emissions by 50 per cent by 2030. Since 2021, KonKraft has emphasised that achieving the final 10 percentage points needed to reach the 50 per cent target set out in the Storting's resolution will be considerably more challenging, and that both the level of investment and the cost of the measures will be significantly higher than for the remainder of the portfolio. Nevertheless, KonKraft has worked systematically to achieve the Storting's target of a 50 per cent reduction by 2030 and has highlighted in its annual status reports the need for a stronger policy framework to achieve that target. Over the past year, several climate measures that would have helped bring the industry closer to the 50 per cent target have been shelved due to high implementation costs and considerable uncertainty over the political will to implement them.

KonKraft's annual status reports provide an updated picture of how the industry is progressing towards the 2030 and 2050 goals and the development of the new value chains. This year's status report shows that the industry's target of a 40 per cent reduction in emissions by 2030 can be achieved.

The report's long-term emissions forecast is based on the operating companies' expectations for petroleum activity up to 2050, including expectations for exploration, new discoveries and new production. The forecast is subject to considerable uncertainty and highlights the need for additional measures after 2030 if the oil and gas industry is to achieve its long-term target of near-zero emissions by 2050.

Since 2020, there have been significant developments in CCS on the NCS. Northern Lights is now operational, and ten projects holding exploration licences are currently under active development. As regards offshore wind, the first two large-scale offshore wind projects on the NCS are in the planning and maturity phases, but the market in Norway and globally is characterised by high costs and political uncertainty. KonKraft has been a driving force in ensuring that vessel categories within offshore maritime activities contribute to achieving the target set out in the government's action plan for green shipping. The target is a 50 per cent reduction in emissions from domestic shipping and fisheries by 2030, including maritime activities in the oil and gas industry. Since 2008, significant emission reductions have been achieved across the core maritime segments of supply vessels, standby vessels, anchor handling vessels and IMR (Inspection, Maintenance and Repair) vessels. The underlying data and forecasts have steadily improved, providing a more robust basis for future assessments.

The forthcoming White Paper on the petroleum sector will establish key framework conditions for the long-term development of the NCS, where energy security, value creation and the energy transition must be balanced

2

STATUS AND PROGRESS OF OFFSHORE ACTIVITIES AND ONSHORE FACILITIES

This year's analysis shows that the Norwegian oil and gas industry is making significant progress in its efforts to cut emissions on the NCS, and that the industry's target of a 40 per cent reduction in emissions by 2030 can still be achieved. If all identified and planned measures are implemented according to schedule, emissions are estimated to be reduced by 42 per cent by 2030 compared with 2005 levels. The target of a 50 per cent reduction established by the Storting's resolution is not expected to be achieved before 2035 at the earliest.

2.1 Reduced emissions from petroleum activities on the NCS towards 2035

KonKraft publishes an annual status report that quantifies expected emission reductions across the operating companies on the NCS up to 2035, based on expected activity levels and identified emission reduction measures at various stages of maturity. The 2026 status report shows that the Norwegian oil and gas industry is making good progress towards achieving its climate targets. Emissions totalled 13.6 Mt CO_2e in 2005 and must be reduced to around 8.2 Mt CO_2e to meet the original target. The target of a 50 per cent reduction established by the Storting's resolution is not expected to be achieved before 2035.

In 2025, emissions from offshore installations and onshore facilities amounted to 10.9 Mt CO_2e, a decrease of 0.1 Mt CO_2e from 2024, despite high production levels in recent years and higher oil production in 2025 than in the previous year. The decline reflects the growing impact of electrification in 2025, the companies' ongoing efforts to improve energy efficiency, and lower emissions from onshore facilities. This has offset an increase in emissions associated with production from new fields.

A compilation of the climate measures identified and planned by the operating companies shows a total emission reduction potential of 2.7 Mt CO_2e by 2030, corresponding to a 42 per cent reduction compared with 2005. As described in chapter 1.1, this year's KonKraft status report

uses the industry's original target of a 40 per cent reduction by 2030 as its benchmark, following the abandonment of several measures intended to help achieve the Storting's 50 per cent target due to high implementation costs and considerable uncertainty over political support. The potential remains largely linked to power from shore and energy efficiency measures, with several projects already approved and several others approaching an investment decision. If all identified and planned measures are implemented as planned, emissions are projected to fall to 6.6 Mt CO_2e by 2035, corresponding to a 51 per cent reduction.

Figure 1 shows the trend in emissions and the expected impact of climate measures at various stages of maturity up to 2035. The analysis is based on a review conducted with the operating companies in spring 2026. It includes the companies' climate targets, emissions forecasts, planned measures, new field developments and decommissioning activities. The figures cover total emissions from petroleum activities on the NCS, including drilling and process emissions from the onshore facilities at Kårstø, Kollsnes, Nyhamna, Melkøya and the Sture Terminal.

The measures are categorised by maturity:

- Sanctioned measures – The investment decision has been made, but the measure is not operational yet (most mature).
- Mature but not sanctioned measures – The technical details are being clarified, and the measure is approaching an investment decision.
- Concept – Conceptual studies are under way, and the measure is approaching a preliminary implementation decision.
- Opportunity/screening – Opportunities for the measure are being developed and assessed at a preliminary level (great uncertainty).

Activity on the NCS is projected to increase in the coming years. However, the implementation of sanctioned measures is expected to help avoid a significant increase in emissions. As of 2028, emissions are expected to decline significantly once again as a result of both decommissioning and implementation of several major remaining climate measures.

FIGURE 01 **PRELIMINARY EMISSIONS FORECAST – 2026**
Emissions Mt CO_2e/year

Source:KonKraft

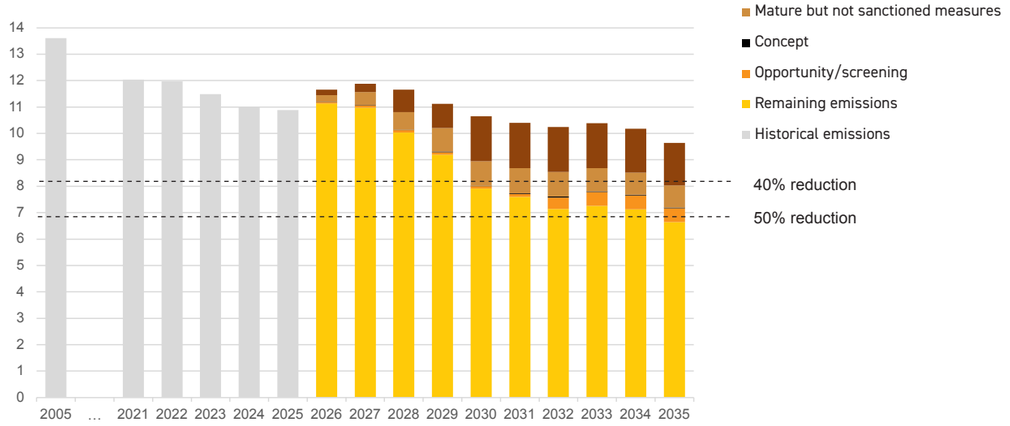


Figure 1: Updated opportunity space as of spring 2026 with projections for emissions and estimated impact of major sanctioned climate measures and measures under development. The projections include planned new field developments and decommissioning

Significant sanctioned measures planned for implementation by 2030 include:

- The completion of the electrification of Troll Vest will result in annual emission reductions of around 220,000 tonnes of CO_2e from 2026.
- Electrification of Njord will result in annual emission reductions of 120,000 t CO_2e from 2027.
- Electrification of Oseberg and Draugen is expected to achieve annual emission reductions of approximately 280,000 and 170,000 t CO_2e from 2028.
- Electrification of Melkøya will result in annual emission reductions of 800,000 t CO_2e from 2030.

By 2035, the total reduction potential will increase to 3.0 Mt CO_2e, corresponding to a 51 per cent reduction compared with 2005, provided that all identified measures are implemented.

However, there are few new, mature projects after 2030. The increase in potential up to 2035 is therefore largely linked to measures that are still at an early stage (opportunity/screening), and which are subject to greater uncertainty.

Increased activity levels are expected on the NCS in the coming years

2.1.1 Maturation of measures is crucial to achieving emission reductions in the run-up to 2030 and 2035

Further maturation of the identified climate measures will be essential if the projects are to be implemented and contribute to emission reductions by 2030 and 2035. Figure 2 illustrates the emission reduction potential in 2030 by maturity level, as well as the progression of measures between maturity categories compared with previous years' status reports.

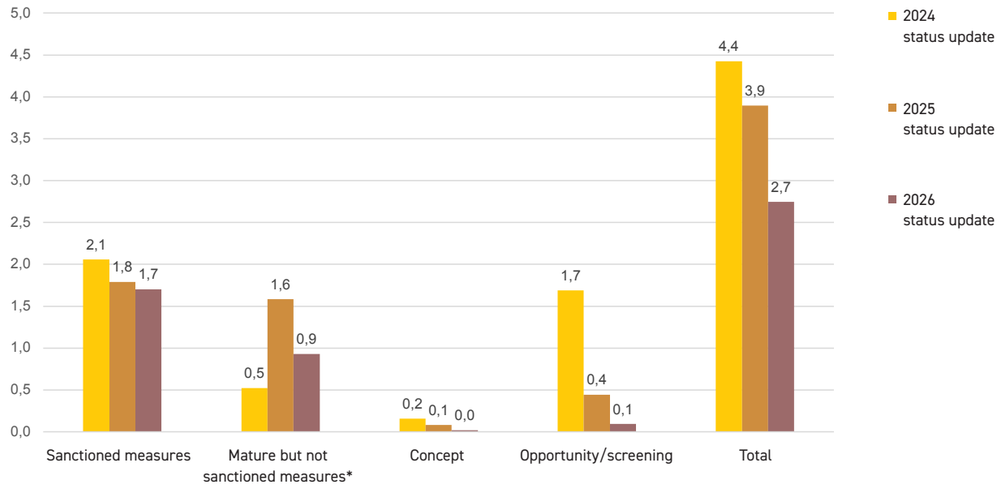
Of the total emission reduction potential in the project portfolio, sanctioned measures account for 1.7 Mt CO_2e, while mature but not sanctioned measures account for 0.9 Mt CO_2e. If only sanctioned measures are implemented, emissions from the oil and gas industry are projected to fall by around 34 per cent by 2030 compared with 2005 levels. If non-sanctioned measures are also implemented, the reduction is projected to increase to around 42 per cent by 2030.

Few of the remaining projects in the concept and opportunity/screening phase are expected to deliver emission reductions as early as 2030. It often takes about six years for major climate measures to progress from feasibility studies (DG1) to implementation (DG4). Consequently, the proportion of immature projects is expected to decline as 2030 approaches, as fewer of these projects are expected to be implemented by then.

By 2035, there is little change in the emission reduction potential from mature and already sanctioned measures, as these measures are expected to deliver emission reductions by 2030. At the same time, the emission reduction potential from projects currently in the opportunity/screening phase is projected to increase from 0.1 Mt CO_2e in 2030 to 0.5 Mt CO_2e by 2035, as shown in Figure 3. If all the identified projects are implemented, emissions will be reduced by 51 per cent compared with 2005.

FIGURE 02 CHANGES IN THE MATURITY LEVEL OF THE MEASURES IN THIS YEAR'S REPORT IN 2030, COMPARED WITH THE STATUS UPDATES IN 2024 AND 2025 (Mt CO_2e in 2030)

Source: KonKraft



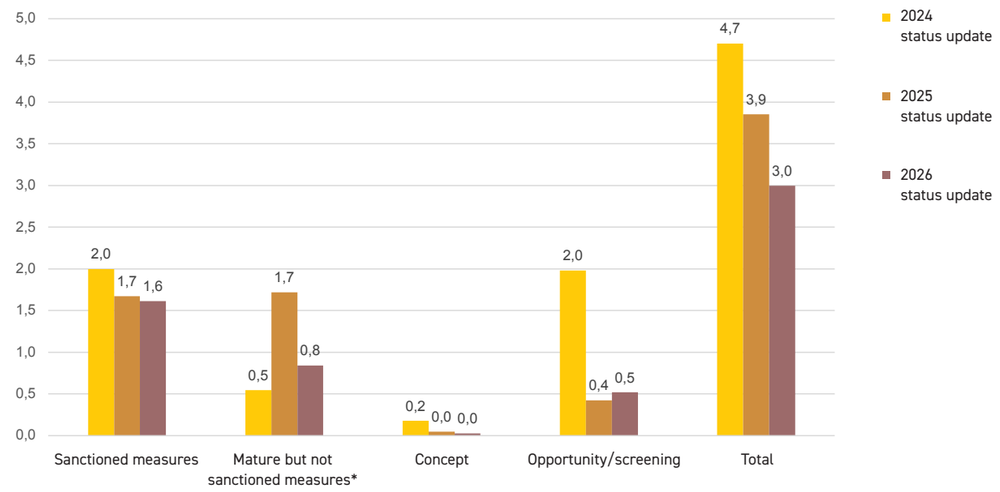
*Long-term energy efficiency efforts are included in the project stage "Mature, but not sanctioned measures".

As 2030 and 2035 approach, the overall potential for emission reductions in the project portfolio decreases compared to previous years, as shown in Figure 4. The decline is mainly due to measures being phased out of the portfolio as they are implemented, with the resulting emission reductions already reflected in the baseline projection. The decline can also be attributed to the fact that some projects included in last year's status report have either been postponed, scaled back or removed from the portfolio. This is due both to a lack of profitability in several projects and to considerable uncertainty over the political will to implement electrification measures.

The decline is due both to a lack of profitability in several projects and to considerable uncertainty over the political will to implement electrification measures.

FIGURE 03 CHANGES IN THE MATURITY LEVEL OF THE MEASURES IN THIS YEAR'S REPORT IN 2035, COMPARED WITH THE STATUS UPDATES IN 2024 AND 2025 (MT CO_2e in 2035)

Source: KonKraft



*Long-term energy efficiency efforts are included in the project stage "Mature, but not sanctioned measures"

FIGURE 04 CHANGES IN THE TOTAL EMISSION REDUCTION POTENTIAL FOR 2030 AND 2035 IN THIS YEAR'S REPORT COMPARED WITH THE 2024 AND 2025 STATUS REPORTS (Mt CO_2e in 2030 and 2035)

Source: KonKraft

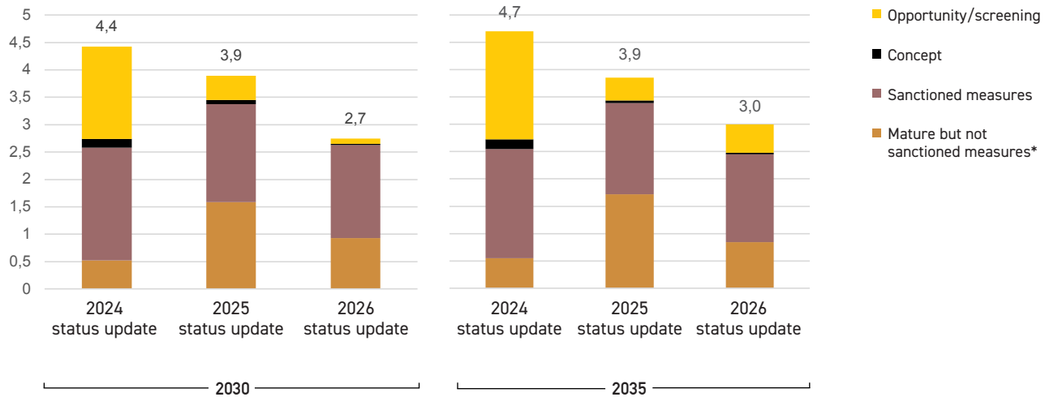


Figure 4: As 2030 and 2035 approach, and as climate measures are gradually implemented, the overall emission reduction potential of the project portfolio declines. *Long-term energy efficiency efforts are included in the project stage "Mature, but not sanctioned measures".

2.1.2 Power from shore is the measure with the greatest emission reduction potential by 2030 and 2035

Power from shore is the measure with the greatest emission reduction potential both before and after 2030, with a total emission reduction potential of nearly 1.58 Mt CO_2e by 2030 and 1.63 Mt CO_2e by 2035, as shown in Figures 5 and 6. Electrification of oil and gas installations through power from shore is essential if the sector and Norway are to achieve their climate targets.

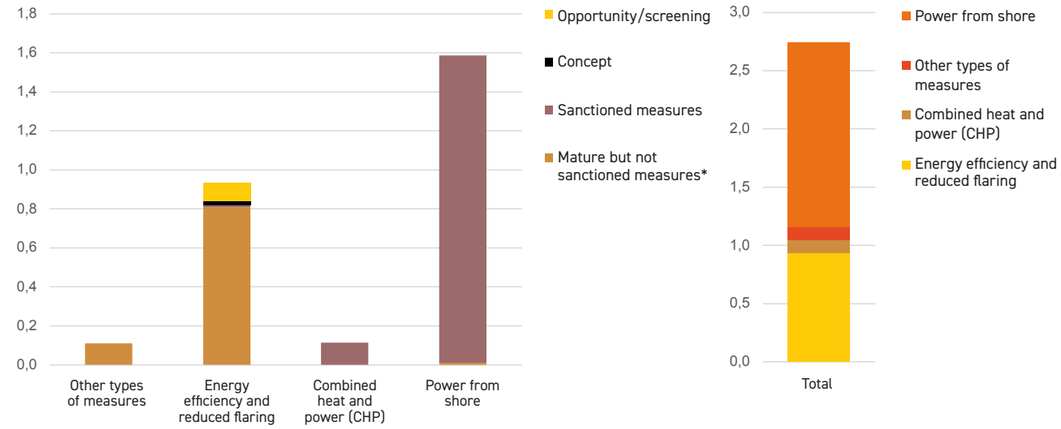
Approximately 90 per cent of the emission reduction potential from electrification by 2035 is linked to projects for which an investment decision has already been made (sanctioned measures). These include electrification of Njord, Oseberg and Draugen, electrification of the LNG plant at Melkøya, and completed electrification of Troll Vest. The remaining volume is linked to electrification projects currently in the opportunity/screening phase, with considerable uncertainty regarding both their scope and timing.

Several electrification projects that were included in the "Mature but not sanctioned" category in last year's status report have been removed from the companies' project portfolios over the past year. Power-from-shore projects that have been dropped include electrification of the Halten and Snorre areas, both of which were halted in autumn 2025 due to high implementation costs and considerable uncertainty over the political will to implement the measures. The projects had the potential to deliver annual emission reductions of approximately 440,000 and 270,000 tonnes of CO_2 respectively.

Furthermore, the licence partners decided to halt the electrification of the Grane/Balder area in April 2026, for the same reasons. However, ongoing work to further develop the Grane area includes continued consideration of electrification as a climate measure. The cancellation of these projects has only a limited impact on the industry's ability to achieve its 2030 target, as the emission reduction potential of the sanctioned measures is expected to be sufficient.

FIGURE 05 CATEGORISATION OF VARIOUS CLIMATE MEASURES WITH EXPECTED EFFECT IN 2030 (Mt CO_2e in 2030)

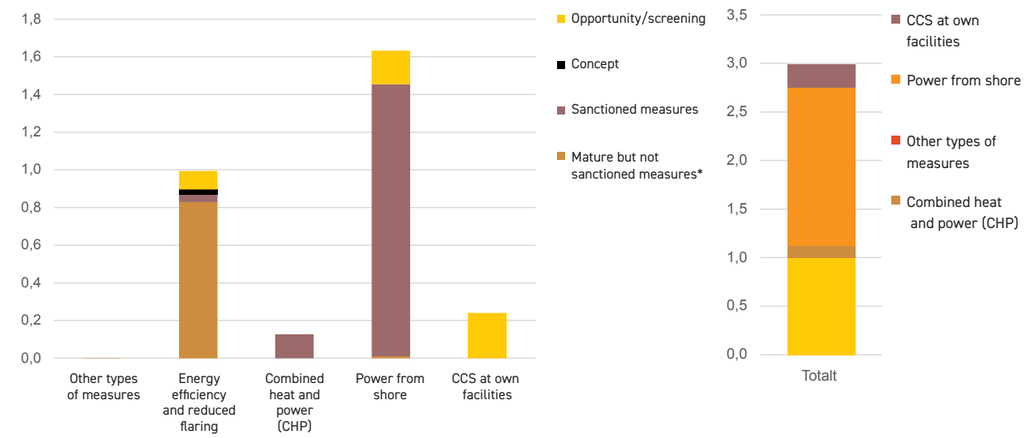
Source: KonKraft



*Long-term energy efficiency efforts are included in the project stage "Mature, but not sanctioned measures".

FIGURE 06 CATEGORISATION OF VARIOUS CLIMATE MEASURES WITH EXPECTED EFFECT IN 2035 (Mt CO_2e in 2035)

Source: KonKraft



*Long-term energy efficiency efforts are included in the project stage "Mature, but not sanctioned measures".

2.1.3 Energy efficiency is playing an increasingly important role in reducing emissions from the NCS

In addition to power from shore, energy efficiency measures offer the greatest potential for reducing emissions from the oil and gas industry over the next decade. As the largest emission reductions from electrification are realised, energy efficiency measures will play an increasingly important role in reducing emissions on the NCS.

Energy efficiency measures comprise technical and operational measures that ensure more efficient use of energy resources and lower emissions per unit produced. This mainly involves avoiding unnecessary energy consumption by ensuring that energy is used as efficiently as possible and that no energy is wasted. A key focus is on optimising rotating equipment such as turbines, compressors and pumps, where both operational adjustments and technical improvements help reduce energy consumption in production. Reduced flaring limits the loss of valuable gas resources, while heat recovery makes use of surplus heat that would otherwise be lost. Energy consumption can be reduced further by adapting equipment and systems to changes in operating conditions over the course of their service life.

In this year's status report, the companies have identified a number of measures with significant emission reduction potential. By 2030, measures related to energy efficiency and reduced flaring are estimated to collectively result in emission reductions of 0.92 Mt CO_2e. This represents an increase of around 80 per cent compared with last year's report and reflects the companies' efforts to identify and realise further potential from such measures. The increased emission reduction effect of the measures is due both to more accurate estimates of the potential for energy efficiency improvements and to the fact that companies are increasingly considering energy efficiency measures on fields where electrification had previously been planned. The increased potential for emission reductions through energy efficiency measures, as reported in this year's report, is equivalent to electrification projects on a significant scale. This highlights the importance of continuing to work systematically to improve energy efficiency. Around 88 per cent of this potential is linked to mature but not sanctioned measures, including longer-term energy efficiency measures.

Figure 7 shows the total identified emission reduction potential from energy efficiency measures at installation level for Equinor during the period 2025–2030, broken down by measure category and level of complexity.

In addition to the measures already included in the forecast, the companies are continuously working to identify and implement cost-effective energy efficiency measures with a short implementation horizon. Significant gains can also be achieved through systematic energy management, which contributes to the continuous improvement of energy efficiency. Expertise development and awareness of energy use are key prerequisites for identifying and implementing improvements in day-to-day operations. This requires a clear organisational commitment as well as the active involvement of employees at all levels. Figure 8 illustrates how Equinor works on energy management and culture-building to promote energy-efficient operations.

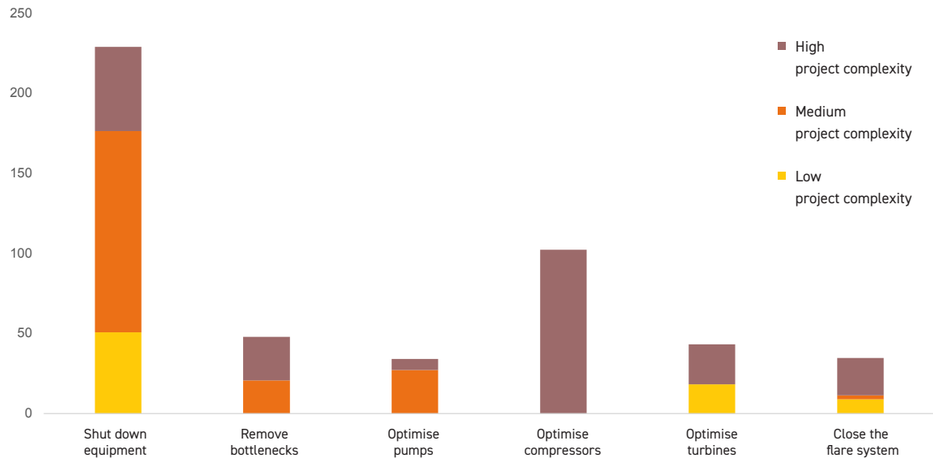
Operating companies continuously evaluate opportunities to implement cost-effective climate measures. In addition to power from shore and energy efficiency measures, combined heat and power (CHP) generation is a sanctioned measure that is expected to reduce emissions by around 0.11 Mt CO_2e per year from 2028. From 2032, CCS at Kårstø could contribute a further reduction of around 0.20 Mt CO_2e per year, but the project is currently still at an early opportunity/screening stage. Consequently, the project's effect, progress and implementation remain subject to considerable uncertainty.

FIGURE 07 EXAMPLES OF PLANNED ENERGY EFFICIENCY MEASURES: EQUINOR 2025–2030

Source: Equinor

To realise the potential from energy efficiency improvements, companies work systematically to implement major energy efficiency measures, which typically require modifications to facilities. Each measure is essentially aimed at eliminating unnecessary energy use, for example by shutting down equipment that is not needed or optimising equipment so that it uses no more energy than necessary. The figure below shows Equinor's total identified potential from such measures for the period 2025–2030, broken down by measure category and project complexity.

TOTAL POTENTIAL FROM MAJOR ENERGY EFFICIENCY MEASURES (Kt CO_2)



DESCRIPTION OF THE MEASURES

Shut down equipment
Operational optimisation identifies equipment that can be shut down without affecting production.

Remove bottlenecks
Removing process constraints enables equipment to operate more efficiently.

Optimise pumps, compressors and turbines
Technical improvements and operational adjustments increase efficiency and reduce energy consumption for rotating equipment.

Close the flare system
Gas that would normally be flared is routed back into the process. This reduces emissions and avoids the loss of valuable gas.

FIGURE 08 EXAMPLE OF ENERGY MANAGEMENT: EQUINOR IS BUILDING A CULTURE OF ENERGY-EFFICIENT OPERATIONS

Source: Equinor

Operators work systematically to make energy efficiency an integral part of day-to-day operations. This requires strong organisational commitment, with clear objectives, common work processes and concrete action plans for each facility. Through energy management and continuous monitoring of power consumption and emissions, operations teams are better equipped to identify energy losses and prioritise improvements.

Equinor is an example of a company that has developed this systematically. Through interactive energy management training and internal campaigns such as “Power Robin” and “Sløsemikkel”, awareness of good and poor energy practices is promoted across disciplines. The aim is for small operational decisions, good design and early identification of measures to collectively reduce energy consumption and emissions.

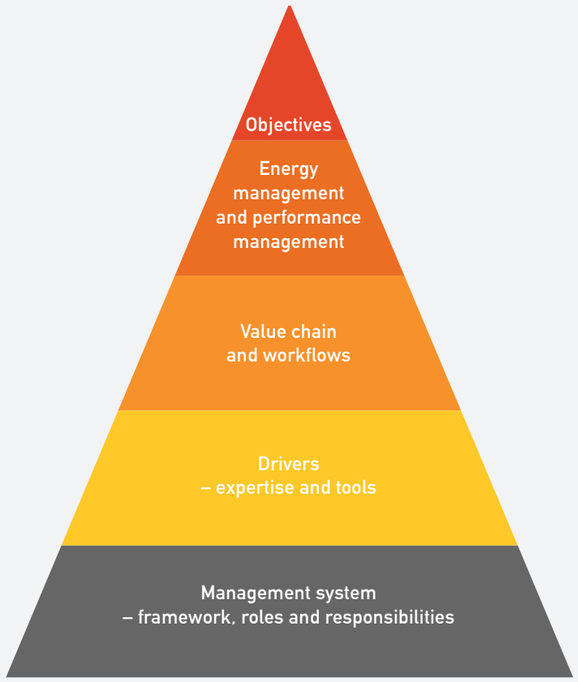


Illustration: Equinor’s energy management framework is based on a foundation of management systems, roles and expertise, with overarching objectives at the top.

Illustration: Equinor’s e-learning courses and internal campaign material are actively used to build energy awareness across the organisation.

2.1.4 Emissions from mobile rigs and units have fallen significantly since 2020

KonKraft’s climate targets also cover emissions from mobile rigs and units carrying out operations related to offshore installations, including drilling rigs and well intervention units used for production drilling, exploration drilling and well intervention.

Figure 9 shows operators’ emissions from mobile rigs and units for the period 2020–2025. The data is sourced from the Footprint database and includes units categorised as ”jack-up”, ”semisub”, ”drilling rig” and ”vessel”.

Emissions from mobile rigs and units have fallen significantly since 2020, from 0.78 Mt CO_2e to 0.61 Mt CO_2e in 2025, representing a reduction of 21 per cent. This trend must be viewed in the context of activity levels on the NCS, as emissions are largely driven by the extent of drilling activity, including the drilling of production and exploration wells. This means that the level may vary considerably from year to year, regardless of the emission reduction measures implemented. The increase from 2024 to 2025 is likely to be linked to higher exploration activity during that period.

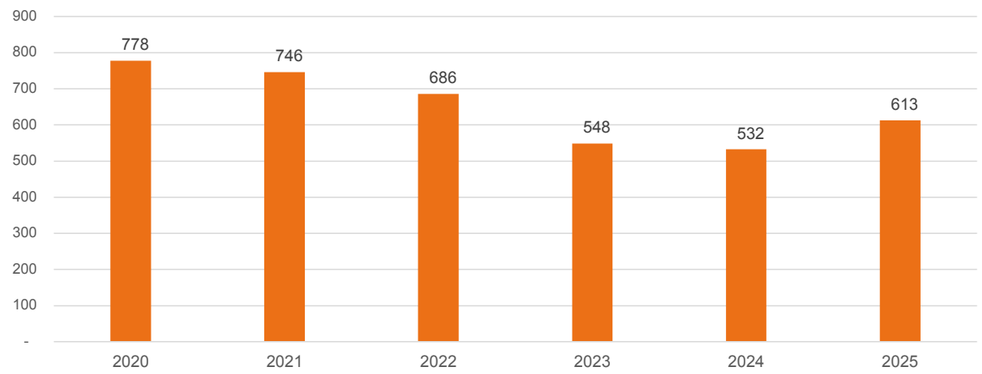
The decline since 2020 reflects both lower activity levels and the effects of measures implemented, including energy efficiency improvements and operational improvements. In some cases, tie-ins to electrified installations have enabled near-zero CO_2 emissions from drilling, including at the Martin Linge field.

Going forward, further emission reductions may be achieved through energy efficiency measures and the possible phasing-in of low- and zero-emission fuels. The phasing-in of new fuels is constrained by high costs, limited technological maturity, and the need to develop onshore infrastructure and secure access to fuels that meet sustainability criteria.

FIGURE 09 DEVELOPMENT IN OPERATORS’ EMISSIONS RELATED TO THE USE OF MOBILE RIGS AND UNITS 2020–2025

1000 tCO_2e

Source: Footprint



2.2 The Norwegian oil and gas industry can significantly reduce its emissions whilst maintaining its level of activity

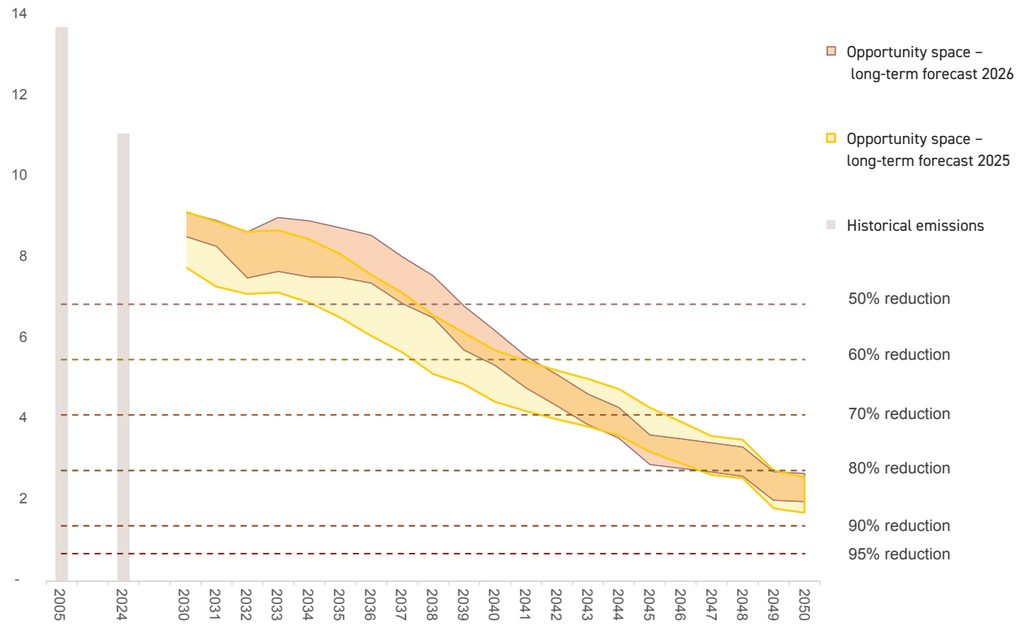
KonKraft's 2020 climate strategy set a long-term target of near-zero emissions on the NCS by 2050. Both Norwegian authorities and industry players clearly want to develop, not phase out, activities on the NCS. The annual preparation of long-term forecasts for offshore installations and onshore facilities through to 2050 highlights the need for long-term emission reductions and contributes to the discussion on what is required to achieve the long-term goal.

In the 2024 status report, a long-term emissions forecast towards 2050 was prepared for the first time. The aim is to provide a more realistic picture of the industry's expectations for long-term development on the NCS, taking greater account of possible lifetime extensions, the potential for increased recovery from existing fields, and the development of new discoveries.

To compile the long-term forecast, the operating companies have provided their best estimates of long-term activity and emissions towards 2050, including expectations relating to exploration, new discoveries, increased recovery, and decommissioning of fields, beyond what is reported in the revised national budget. There is great uncertainty associated with the forecast, but it is nonetheless important for assessing the industry's transition needs towards near-zero emissions in 2050.

FIGURE **10** LONG-TERM EMISSIONS FORECAST FOR THE NCS, 2030–2050: OPPORTUNITY SPACE IN THIS YEAR'S AND LAST YEAR'S FORECAST.($MtCO_2e$)

Source: KonKraft



2.2.1 Continued investment in climate measures will enable significant emission reductions alongside ongoing development of the NCS.

The long-term forecast for spring 2026 shows that the Norwegian oil and gas industry can significantly reduce its emissions by 2050 while maintaining its ambition to continue developing activities on the NCS. However, the scale of these reductions will depend on the extent to which identified and unidentified climate measures are implemented.

Figure 10 shows the overall opportunity space for emission trajectories up to 2050. The figure shows two partially overlapping forecast trajectories, one representing this year's forecast and the other last year's forecast. The upper line of each trajectory shows the reduction if only sanctioned climate measures are implemented, while the lower line shows the reduction if all identified climate measures are implemented. The left-hand side of the figure also shows emissions in 2005 and 2024, representing the reference year and the most recent year for which reported emissions data are available, respectively.

The largest share of the emission reduction potential is linked to measures that have already been sanctioned. At the same time, there is significant emission reduction potential in less mature measures. The long-term forecast reflects a broader range of activities than the projection to 2035 presented in Chapter 2.1, including possible lifetime extensions, the potential for increased recovery from existing fields, and the development of new discoveries. As a result, emissions in the long-term forecast are slightly higher than in the projection presented in Chapter 2.1. The two projections are therefore not directly comparable.

The long-term forecast indicates that, provided all identified measures are implemented, the oil and gas industry could reduce its emissions by 60 per cent by 2040 and by 87 per cent by 2050. The difference between the two emissions pathways highlights the importance of further maturing and implementing climate measures for which no investment decision has yet been taken. It also underlines the need to identify and implement new measures if the long-term target is to be achieved.

Compared with last year's long-term forecast, the estimated emission reduction potential is somewhat lower, and emissions are expected to be higher in the period leading up to 2040. The difference can partly be attributed to electrification projects that were removed from the portfolio in 2025, as well as to the companies' improved forecasts of future activity levels.

> The long-term forecast for 2026 shows that Norway's oil and gas industry can significantly reduce emissions towards 2050 while maintaining the objective of continued development of activity

2.3 Electrification and power demand

2.3.1 Updated forecast for power from shore to the NCS

The updated spring 2026 forecast for power from shore to the NCS shows that electricity demand is expected to increase until 2033, peaking at 16.2 TWh, before gradually declining towards 2040, as shown in Figure 11. The decline after 2033 is linked to lower expected production levels and the gradual decommissioning of fields, in line with the emissions forecasts for the NCS. The forecast indicates a total electricity demand of 15.9 TWh in 2030. The increase in electricity demand in 2030 is mainly linked to the electrification of the onshore facility at Melkøya.

Compared with last year's forecast, projected electricity demand in 2030 is 1.9 TWh lower, and nearly 35 per cent lower than in the 2022 forecast. The decline is due to the cancellation of several projects, including the electrification of the Halten, Snorre and Grane areas, as well as revised estimates of the power demand for other projects, including the electrification of Kårstø.

Electricity demand from installations in operation and installations with an approved grid connection is estimated at 15.2 TWh in 2030. The oil and gas industry currently has no electrification projects awaiting capacity allocation or planning to apply for a new capacity reservation. The remaining projects, with a combined power demand of 0.7 TWh, will receive power from shore through existing reservations. The categories in this year's power forecast have therefore been changed from last year's forecast. The category previously referred to as "Connection Approved" has been renamed "Approved Projects", while the categories "Connection Applied for" and "Identified but connection not applied for" have been merged into a single category, "Identified – Not Sanctioned Projects". The difference between "Approved projects" and "Identified – Not Sanctioned Projects" lies in whether or not the companies have made a final investment decision.

FIGURE 11 FORECAST OF POWER DEMAND ON THE NCS IN SPRING 2026 (TWh).

Source: Offshore Norge

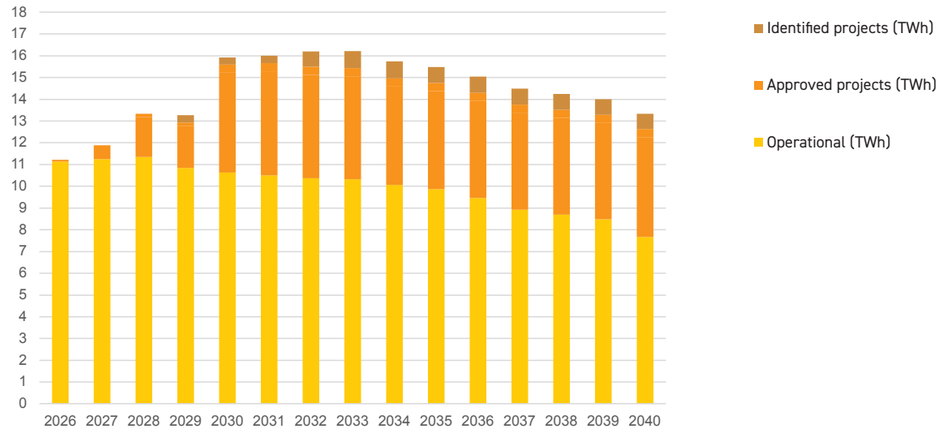
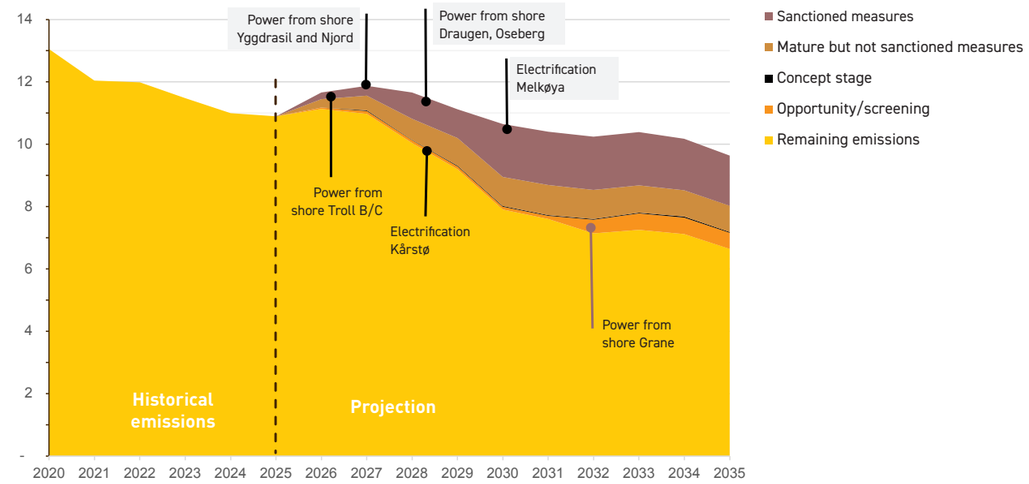


FIGURE 12 SELECTED EXAMPLES OF ELECTRIFICATION PROJECTS ON THE NCS, BY MATURITY LEVEL, WITH THEIR IMPACT ON GREENHOUSE GAS EMISSIONS 2020–2035 (Mt CO_2e/year)

Source: KonKraft



The electrification projects driving the increase in power demand towards 2030 are directly linked to emissions reductions on the NCS

This year's analysis of offshore maritime operations shows significant potential for further emission reductions

3

STATUS AND PROGRESS OF OFFSHORE MARITIME ACTIVITIES

Operating companies on the NCS have already achieved significant emission reductions from their maritime activities through years of targeted efforts to improve operational performance, energy efficiency, shore power and battery technology. Since 2008, emissions from the core maritime segments[1] have fallen by 29 per cent. This year's analysis shows significant potential for further emission reductions, with a reduction potential of 55 per cent by 2035 compared with 2008 levels. The phasing-in of low- and zero-emission fuels is crucial to achieving this. It requires a predictable regulatory framework, the development of infrastructure, and sufficient access to such fuels.

As part of KonKraft's climate strategy, it was decided in 2020 that the Norwegian oil and gas industry, together with shipping companies and rig owners, should act as a driving force in ensuring that vessel categories within offshore maritime activities contribute actively to achieving the target set out in the government's action plan for green shipping of a 50 per cent reduction in emissions by 2030.

Achieving the targets requires robust and verifiable data. This year's status report builds on and further develops the work to quantify emissions from maritime activity up to 2035 and, as in last year's report, is based on two separate analyses. The first covers the operating companies' core maritime segments, where they have vessels under long-term contracts and are therefore in a position to influence the selection and implementation of emission reduction measures. The second analysis is broader in scope and covers emissions from all offshore vessels and oil and gas tankers operating within the Norwegian Economic Zone. It is not limited to activities related to the oil and gas industry.

This year's analyses show that significant reductions in emissions have already been achieved since 2008 across all vessel segments. For several years, operating companies and shipping companies have made targeted efforts to improve operational performance, energy efficiency, hull and propeller cleaning, shore power and battery technology, in close collaboration with the supplier industry and shipping companies. To achieve greater reductions in emissions by 2035, the phasing in of low- and zero-emission fuels will be crucial. This requires predictable framework conditions, the development of infrastructure and sufficient access to such fuels.

1 Supply vessels, standby vessels, IMR vessels and anchor-handling vessels

3.1 Emissions from the oil and gas industry's core maritime segments have fallen by 29 per cent since 2008

Offshore maritime activity within the oil and gas industry includes a wide range of vessel categories and operations, with significant variation in contract types, durations, and opportunities for influence. The analysis focuses on four core segments: supply vessels, standby vessels, IMR[2] vessels and anchor-handling vessels. These are the segments where operating companies have the greatest opportunity to influence the implementation of climate measures and future emissions trends, as the vessels are on longer-term contracts with the operators and operate almost exclusively on the NCS.

Emissions across the four core segments are estimated to have fallen by 29 per cent between 2008 and 2025, as shown in Figure 13. In comparison, the total production volume of oil and gas on the NCS fell by only 1.3 per cent during the same period. Emissions were higher in 2025 than in 2024, most likely driven by an increase in activity.

Significant reductions in emissions have been achieved across all vessel categories. Over time, operating companies have worked systematically to improve operational performance, logistics collaboration, energy efficiency, shore power and battery hybridisation in order to reduce emissions from their core maritime segments. Emission reductions have been particularly significant among standby vessels, with a decrease of 53 per cent since 2008. Cooperation between operators on regional emergency preparedness has resulted in significantly more efficient use of standby vessels. Similarly, collaboration on supply logistics has led to emission reductions for supply vessels. One example is the NCS Logistics Project, described in the text box below.

Emissions data for these vessels have been collected using a bottom-up approach, with operating companies active on the NCS reporting historical data for the period 2023–2025, activity-based projections up to 2035 and the potential for emission reduction measures. The year 2008 has been chosen as the reference year for emission reductions, in line with the IMO's reference year for maritime climate targets. The data available for the period 2023–2025 are significantly more robust than those for the 2008 reference year, for which uncertainty is higher due to limited access to historical emissions data from the operators. Where the data basis has been insufficient, it has been supplemented with assumptions and upscaling methods to provide as accurate a representation as possible. The estimate for 2008 is nevertheless regarded as the best available.

2 Inspection, Maintenance and Repair

FIGURE 13 HISTORICAL DEVELOPMENT IN EMISSIONS FROM 2008 TO 2025, IN TOTAL AND PER OFFSHORE CORE SEGMENT (1000t CO_2)

Source: Offshore Norge

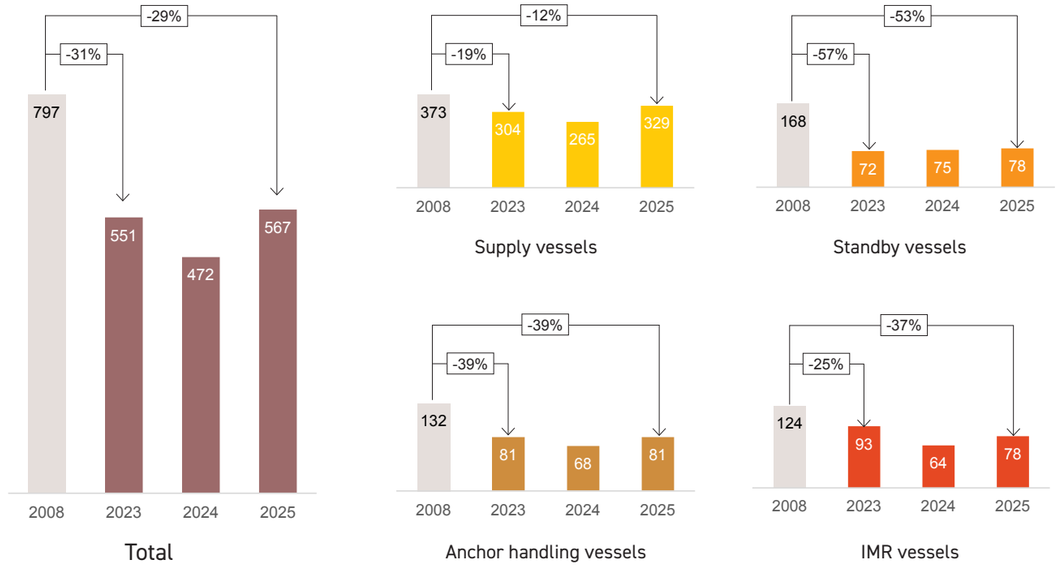


Figure: The impact of the biofuel blending requirement introduced in October 2023 is not included in the calculations.

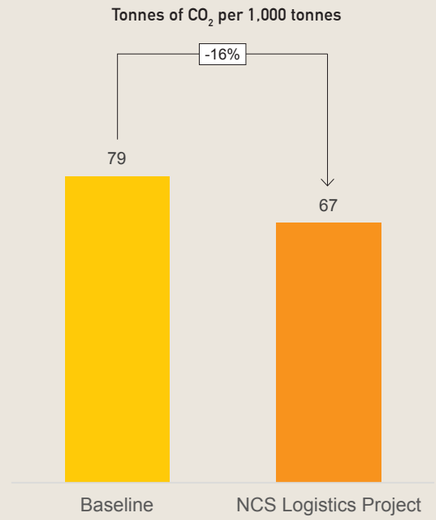
NCS Logistics Project:

Collaboration on supply logistics improves vessel utilisation and reduces emissions

Operator collaboration has reduced CO_2 emissions per tonne transported by 16%

Equinor, Vyear Energi and OKEA have established closer collaboration on supply logistics on the NCS, with vessels, bases and transport planned jointly across operations. The objective is to improve resource utilisation and reduce emissions.

The model involves a shift from dedicated vessels to a more flexible shared fleet, supported by digital planning and advanced analytics. So far, the collaboration has reduced CO_2 emissions per tonne transported by 16%.



3.1.1 Maritime emissions are expected to remain stable up to 2035 without further climate action

The baseline forecast shows how emissions from the core segments are expected to develop during the period leading up to 2035, based solely on changes in activity levels and without taking into account any additional climate measures or the effect of the biofuel blending requirement (Figure 14). Although operators anticipate a slight decline in maritime activity up to 2028, activity levels are expected to remain stable up to 2035. This underlines the importance of continuing to identify and implement climate measures in core maritime sectors in the future.

There is considerable uncertainty associated with the projection of maritime emissions data. Future activity levels on the NCS will have a major impact on the development of emissions from maritime operations. It is particularly challenging for smaller operators to forecast future activity, as this often depends on activity at marginal fields and exploration wells. To reflect this uncertainty, the operating companies have reported their expected activity levels under a high activity scenario for 2030 and 2035, shown by the light blue bars in Figure 14. Emission reductions in 2030 are estimated at 43 per cent under the baseline scenario and 25 per cent under the high activity scenario, compared with 2008. In 2035, the reductions are estimated to be 44 and 21 per cent, respectively.

FIGURE 14 BASELINE FORECAST FOR EMISSIONS FROM SUPPLY VESSELS, EMERGENCY RESPONSE VESSELS, ANCHOR-HANDLING VESSELS AND IMR VESSELS TOWARDS 2030 AND 2035 (1000t CO_2)

Source: Offshore Norge

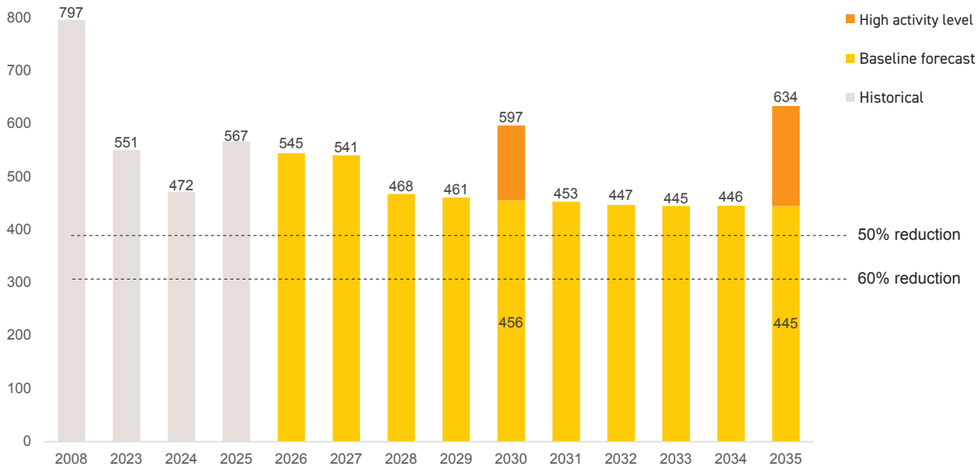


Figure: Baseline forecast for emissions from supply vessels, standby vessels, anchor-handling vessels and IMR vessels up to 2030 and 2035, i.e. a forecast of emissions without additional climate measures. Emissions given a high level of activity are shown for 2030 and 2035.

3.1.2 Climate measures could lead to emissions cuts of nearly 50 per cent by 2030, but deeper cuts by 2035 will require the phasing in of low- and zero-emission fuels

Figure 15 shows the total potential for emission reductions in the four core segments up to 2030 and 2035, provided that further climate measures are implemented. This potential is based on the operating companies' assessment of the emission reductions that can realistically be achieved within each measure category under the current framework conditions.

The emission reduction potential is estimated at 49 per cent by 2030 compared with 2008, based on the baseline activity scenario. At a high level of activity, the corresponding potential is 32 per cent. For 2035, the emission reduction potential is estimated at 55 per cent under the baseline scenario and 34 per cent under the high activity scenario. Under the high activity scenario, the increase in emission reduction potential from 2030 to 2035 is limited. This reflects both the greater uncertainty surrounding future activity levels over the longer term and the significantly higher level of emissions assumed under the high activity scenario in 2035 than in 2030.

Compared with the baseline forecast, this shows that continued targeted efforts to implement climate measures can deliver significantly greater emission reductions, also over the longer term. An example of measures that could help realise this potential is set out in the text box below.

FIGURE 15 ESTIMATE OF EMISSIONS FROM KEY OFFSHORE MARITIME SEGMENTS IN 2030 AND 2035, BASED ON THE EMISSIONS REDUCTION POTENTIAL IDENTIFIED BY OPERATING COMPANIES (1000 tCO_2)

Source: Offshore Norge

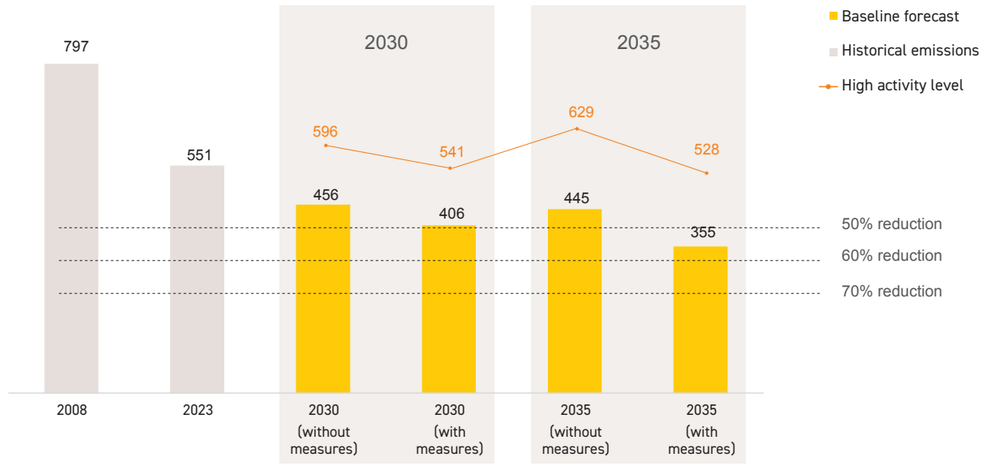


Figure: Projections for emission reductions towards 2030 and 2035, based on operator companies' identified potential for emission reduction measures. Emissions and potential for emission reduction measures given a high level of activity are also illustrated.

Example of planned measures: Next-generation IMR vessels with significant emission reductions.

REM Ocean:

Hybrid batteries and energy management technology deliver substantially lower fuel consumption and emissions

REM Ocean is an IMR vessel currently under construction, with planned delivery in 2027. The vessel is designed to minimise fuel consumption, with propulsion and deck systems configured to reduce energy use, together with a hybrid battery and energy management system that reduces the number of engines in operation and improves the efficiency of those that are running. When fuelled with MGO, fuel consumption is estimated to be around 30% lower than for a conventional IMR vessel, corresponding to a reduction of approximately 3,255 tonnes of CO_2 per year of operation. When certified biomethanol is used, emissions can be reduced by up to 90%, corresponding to as much as 7,594 tonnes of CO_2 per year of operation.

USV Challenger:

Remote-controlled and unmanned operation delivers more than 90% emission reductions

USV Challenger is a remotely operated, unmanned surface vessel delivered in 2025. It is now in the final phase of testing and optimisation. The vessel has a hybrid diesel-electric propulsion system and performs IMR operations without personnel on board.

Compared with a conventional IMR vessel performing equivalent operations, CO_2 emissions are estimated to be reduced by more than 90%. The solution also reduces risks to personnel by relocating operations from offshore to onshore.

REM Ocean

USV Challenger

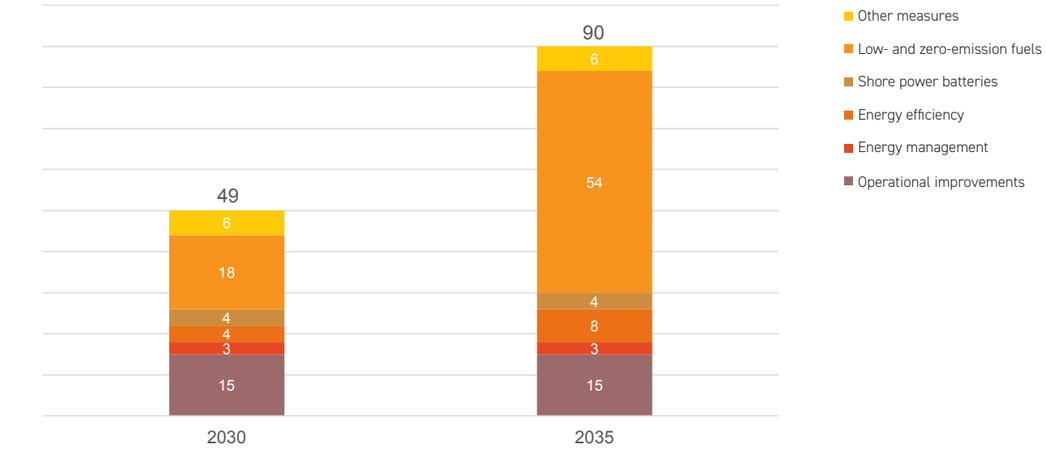
Through systematic efforts to reduce emissions over many years, the oil and gas industry has already realised much of the potential for energy efficiency, energy management, operational improvements and the use of shore power. Towards 2030, there is therefore limited further reduction potential associated with the implementation of such measures, as shown in Figure 16. One exception is logistics cooperation and coordinated sailings, which operators expect will continue to deliver greater emission reductions in the years ahead. The total potential for emission reductions from the identified measures is estimated at around 49,000 tonnes of CO_2 up to 2030.

The operators identify a significantly greater emission reduction potential by 2035, with estimated emission reductions of around 90,000 tonnes of CO_2. This reflects expectations of a greater phasing-in of low- and zero-emission fuels across the fleet over the longer term, which will be crucial to achieving further emission reductions from offshore maritime activities. However, realising this potential will depend on regulatory and market framework conditions, as well as the availability of and infrastructure for low- and zero-emission fuels.

The widespread establishment of CO_2 receiving terminals would, for example, enable carbon capture from ship exhaust to become a competitive alternative to low-emission fuels.

FIGURE **16** REDUCTION POTENTIAL FOR CLIMATE MEASURES WITHIN OFFSHORE MARITIME VESSEL SEGMENTS 2023–2030/2035, BY MEASURE CATEGORY (1000 tCO_2/year)

Source: Offshore Norge



3.1.3 With a biofuel blending requirement of 8 per cent, maritime emissions could be reduced by 59 per cent by 2035

The biofuel blending requirement for shipping, introduced on 1 October 2023, mandates that sustainable biofuels make up 7% by volume of the total annual sales of liquid fuels and other combustibles. The requirement will rise to 8 per cent by volume in 2027.

Figure 17 illustrates how emissions from the core maritime segments would develop if the effect of the biofuel blending requirement were attributed to offshore vessels. With a biofuel blending requirement of 8 per cent by volume, emissions in 2030 could be reduced by around 53 per cent compared with 2008 levels. Similarly, the reduction in emissions in 2035 is estimated at around 59 per cent.

The blending requirement means that operating companies and shipping companies bunkering in Norway help to finance the use of sustainable biofuels through their fuel purchases. Fuel suppliers are free to decide how biofuels are sold, provided that the overall biofuel blending requirement is met over the course of the year. Consequently, the biofuel is not necessarily used by the vessels covered by this analysis. The emission reductions resulting from the biofuel blending requirement are included in the national greenhouse gas inventory but may have been achieved in other parts of the shipping sector rather than the offshore fleet.

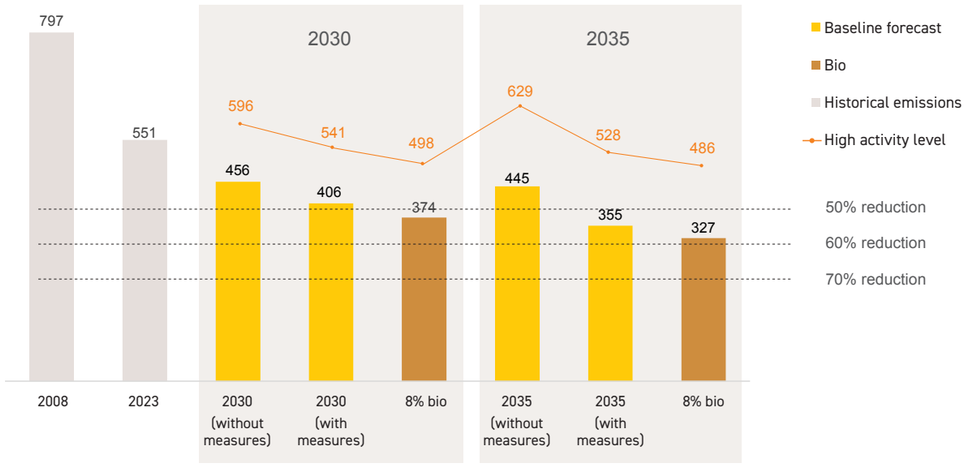
In connection with the establishment of national climate requirements, KonKraft has argued that the use of sustainable liquid biofuels should be recognised, in line with international regulations. During a transitional period,

liquid biofuels will help ensure that newbuilds with zero-emission technology are phased in in line with the fleet's replacement needs, while avoiding disproportionately high implementation costs and instability in the vessel market.

The operating companies have identified a potential as part of the emission reductions presented in section 3.1.2. This includes IMR vessels on long-term contracts, where operation on sustainable biomethanol may be an option. When liquid biofuels are not recognised under the national climate requirements, operators have less incentive to use such solutions, creating a risk that part of the emission reduction potential will not be realised. At the same time, the blending requirement means that operators contribute to financing the use of sustainable biofuels, without the biofuels necessarily being used by the vessels they operate. As a result, part of the identified emission reduction potential may not be realised.

FIGURE 17 GHG EMISSIONS FROM CORE OFFSHORE MARITIME SEGMENTS IN 2008, 2023, 2030 AND 2035 (1000 tCO_2)

Source: Offshore Norge



3.2 Greenhouse gas emissions from maritime activities related to offshore activities in the Norwegian economic zone

As in previous years, VPS has been tasked with estimating CO_2 emissions from offshore maritime activities in the Norwegian economic zone for the period 2019 to 2025. The analysis shows the development of emissions measured against the 2008 reference year. The results are based on detailed operational data from VPS's Maress software, which is installed on board and used to provide information about operating profiles, fuel consumption and emissions. For oil and gas tankers, emissions have been calculated in a separate analysis carried out by DNV, which forms part of VPS's overall assessment.

The analysis covers two main vessel categories:

- Offshore vessels: Supply, anchor handling, seismic and other offshore vessels (e.g. construction and diving vessels).
- Oil and gas tankers: Shuttle tankers, crude oil tankers, crude/oil product tankers, LNG/CNG/LPG and combined gas tankers.

For the vessels included in the 2025 analysis, around 60 per cent are based on directly reported data from Maress, while the remaining vessels have been modelled using traffic data (AIS) linked to representative operational profiles. For a small number of vessels for which no Maress or AIS data are available, emissions have been estimated using proxy-based methods based on comparable vessels and operating patterns. Vessels merely transiting through the Norwegian economic zone have been identified and excluded from the emissions calculations.

The methodology has been further developed for the 2025 analysis compared with previous years, helping to improve data quality. The data quality available for the period 2019–2025 is significantly more robust than those for the 2008 reference year, for which uncertainty is higher due to limited access to historical emissions data. The estimate of 1.45 Mt CO_2 in 2008 is nevertheless regarded as the best available estimate.

Figure 18 shows the trend in total emissions since 2019, relative to the 2008 baseline year. Domestic emissions from offshore maritime activity[3] in 2025 were around 23 per cent lower than in 2008. Compared with 2024, emissions have risen by 7.7 per cent in 2025, reflecting a higher level of shelf activity. In 2025, offshore vessels accounted for 88 per cent of total emissions, whereas oil and gas tankers account for the remaining 12 per cent.

The vessels covered by the definition offshore vessels carry out a wide range of activities and therefore have different operational profiles. These can be divided into three main segments:

- Platform Supply Vessels (PSVs)
- Anchor handling and seismic vessels
- Other offshore vessels, including construction, support, standby, cable-laying, and well intervention vessels

Figure 19 shows the development in domestic emissions in the Norwegian economic zone (NØS) for the various vessel segments in the period 2019–2025. The trend from 2024 to 2025 reflects not only a higher overall level of activity but also changes in activity levels across the various vessel segments.

Emissions from supply vessels remain relatively stable compared with 2024, despite an increase in the number of vessels. This indicates lower emissions intensity per vessel, which may reflect ongoing efforts to improve energy efficiency and operational performance within the segment. Meanwhile, emissions from construction and support vessels have increased significantly, driven in part by higher levels of activity related to subsea operations and field development. This segment is the primary driver of the overall increase in emissions in 2025.

Emissions from anchor-handling and seismic vessels have fallen, partly due to lower levels of seismic activity and efficiency measures across the fleet. Overall, this illustrates how changes in activity levels and operating patterns across the different vessel segments drive annual variations in emissions.

3 Domestic maritime activities related to the Norwegian oil and gas industry are defined as traffic between Norwegian ports and/or offshore installations on the NCS. This includes sailings between ports in Norway, between offshore installations, between ports and offshore installations, as well as stays in port or at offshore installations.

Figure 20 shows the distribution of activity hours for offshore vessels operating domestically within the Norwegian economic zone in 2025, by vessel segment. In 2025, offshore vessels recorded a total of around 1.4 million activity hours, an increase of 8.6 per cent compared with 2024.

The distribution of activity hours provides an overview of how total offshore fleet activity is distributed across vessel categories. Supply vessels account for the largest share of activity hours, followed by construction and support vessels, while anchor-handling and seismic vessels account for a smaller share. The overall increase in activity hours must be viewed in the context of higher activity levels on the continental shelf in 2025 and helps explain the trend in emissions shown in Figure 19.

Figure 21 shows the percentage breakdown of activity hours and emissions by vessel category. Supply vessels accounted for around half of total activity hours, but only 38 per cent of emissions. Other offshore vessels accounted for around one-third of total activity hours and 42 per cent of emissions, while anchor-handling and seismic vessels made up around one-fifth of both activity hours and emissions.

KonKraft's status report tracks trends in the use of shore power by offshore vessels operating within the Norwegian economic zone. Since 2019, usage has increased significantly, from around 10,000 hours in port with shore power to 190,000 hours in 2025. At the same time, the share of time spent connected to shore power during port stays increased from 3 per cent in 2019 to 47 per cent in 2025. However, this year's report shows a decline compared with 2024. Both the use of shore power and the total number of shore power hours fell in 2025, by 12 and 16 per cent, respectively. Operators point to lower uptime at shore power facilities in 2025 and note that more efficient vessel utilisation may have reduced the time spent in port. The underlying data for shore power have also changed, and the estimates are subject to uncertainty. Comparisons with earlier years should therefore be interpreted with caution and do not necessarily reflect an actual decline in shore power use.

Several shipping companies and operating companies have expressed a clear ambition to increase the use of shore power where it is available. Further expansion of shore power facilities at offshore bases and alternative quay facilities will be essential to realising the remaining emission reduction potential. Standardised and efficient connection procedures, combined with stable operational practices, could also help to increase the use of shore power in the future.

FIGURE 18 DEVELOPMENT IN EMISSIONS FROM OFFSHORE MARITIME ACTIVITY – HISTORICALLY (2008) AND THE LAST SIX YEARS (2019–2025) PER VESSEL SEGMENT, NORWEGIAN ECONOMIC ZONE (1,000 tCO_2)

Source: VPS and DNV

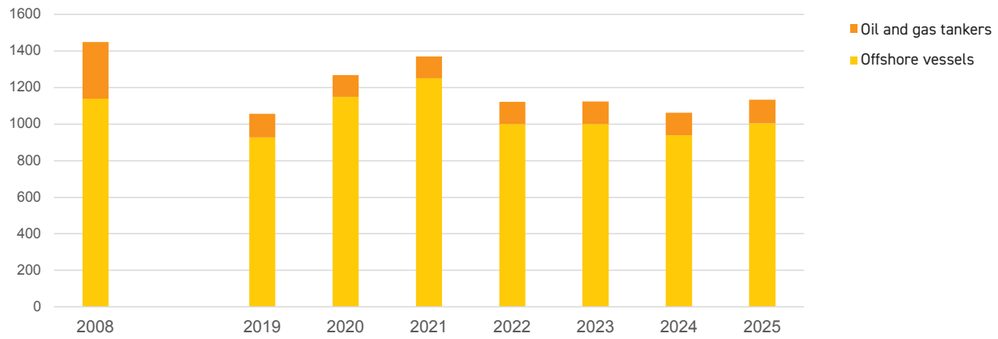


FIGURE 19 DEVELOPMENT IN CO_2 EMISSIONS PER VESSEL SEGMENT IN THE NORWEGIAN ECONOMIC ZONE, 2019–2025 (1000 tCO_2)

Source: VPS and DNV

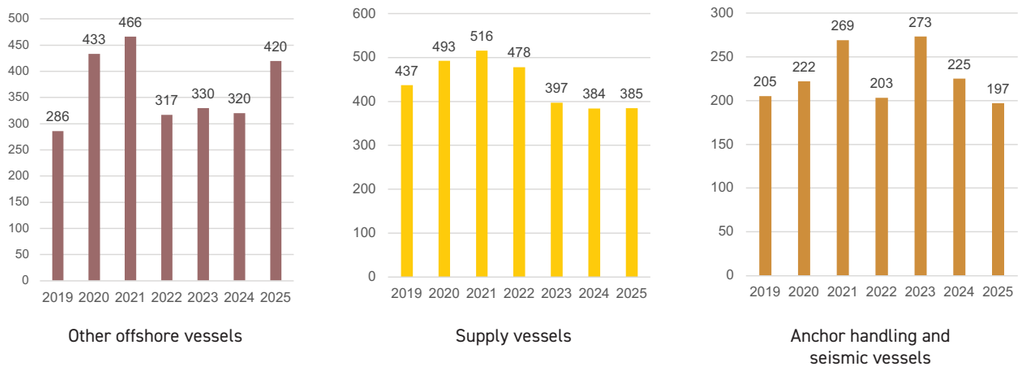


FIGURE 20 ACTIVITY HOURS PER OFFSHORE SUBSEGMENT IN 2025

Source: VPS

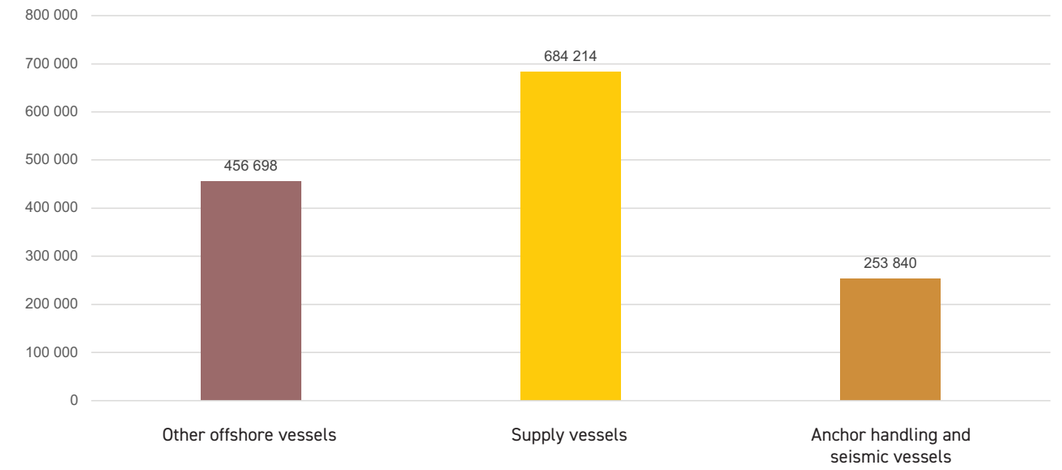
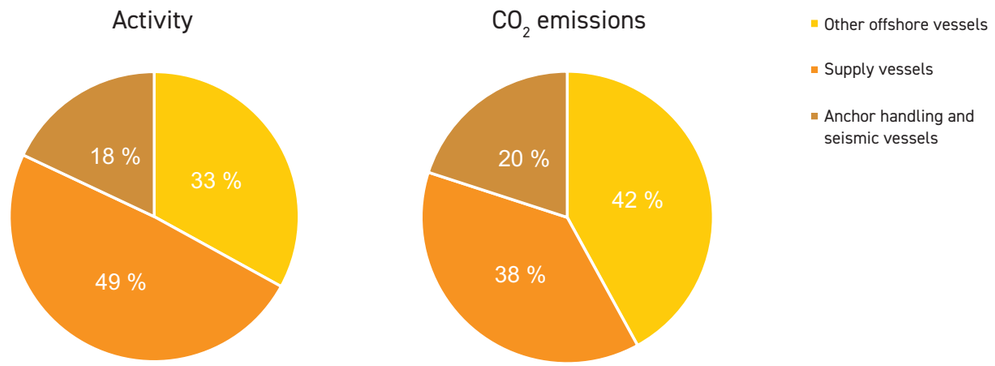


FIGURE 21 DISTRIBUTION OF ACTIVITY HOURS AND CO_2 EMISSIONS PER VESSEL CATEGORY WITHIN OFFSHORE VESSELS

Source: VPS



3.3 Measures and policies for emission cuts in the offshore maritime sector

3.3.1 Norwegian offshore vessels are subject to an increasingly comprehensive set of international climate regulations

In recent years, the EU has introduced regulations aimed at reducing greenhouse gas emissions from European shipping. As part of this, shipping was included in the EU Emissions Trading System (EU ETS) from 1 January 2024. The introduction takes place in stages with regard to which emissions and vessels are covered. The offshore fleet will be subject to reporting obligations in the EU's MRV emissions database from 2025, and quota obligations will be introduced from 2027 for offshore vessels over 5,000 gross tonnes, which applies to many vessels used by the oil and gas industry. By the end of 2026, the European Commission is to assess the possible inclusion of vessels between 400 and 5,000 gross tonnes. There is reason to believe that the quota obligation will become an important driver for maritime emission reductions, and mandatory MRV reporting will provide new insight and improved data.

In addition, the FuelEU Maritime Regulation entered into force on 1 January 2025. These regulations mandate a gradual reduction in the greenhouse gas intensity of energy consumption for vessels operating in European waters and include requirements for the use of shore power from 2030 for certain types of vessels. The goal is to reduce emissions from energy consumption by 2 per cent in 2025 and up to 80 per cent by 2050. Offshore vessels are initially excluded, but it is likely that future harmonisation of the EU's climate legislation will mean that the same vessels covered by the ETS will also be covered by FuelEU Maritime.

In April 2025, the IMO reached agreement on a framework for new global climate regulations for international shipping. The framework establishes requirements for a gradual reduction in the emissions intensity of the energy used on board, combined with economic sanctions for ships that fail to meet the requirements and incentives for the use of low- and zero-emission fuels. The requirement is intended to help support the IMO's ambitions for net zero emissions from international shipping by or around 2050. A formal decision was scheduled for October 2025, but no agreement was reached and the meeting was postponed until October 2026. Nevertheless, there is reason to expect that the IMO will continue to work towards a global climate regulatory framework for shipping.

3.3.2 The Norwegian authorities have introduced a national climate requirement for offshore vessels

In connection with the revised national budget, the Norwegian government introduced a national climate requirement for offshore vessels in May 2026. The requirement obliges operators on the NCS to gradually reduce the greenhouse gas intensity of vessels used in connection with petroleum activities, expressed as greenhouse gas emissions per unit of energy. A range of energy carriers, including RFNBOs[4], fuels based on low-carbon hydrogen, low-carbon gas, sustainable biogas and electricity, may be used to meet the requirement. The use of liquid biofuels does not count towards compliance with the requirement. The requirement will enter into force on 1 January 2029 and will be progressively tightened until 2040.

Work by the authorities on the climate requirement has been ongoing since 2023. In July 2025, the Norwegian Environment Agency, on behalf of the Ministry of Climate and Environment, submitted a proposal for climate requirements for offshore vessels for public consultation, with the consultation period closing in October. Offshore Norge and the Norwegian Shipowners' Association submitted comments on the proposal and called for the requirement to be withdrawn. The organisations consider the combined effect of international and existing national regulations sufficient to achieve the desired emission reductions. They argue that Norway-specific rules would entail disproportionate costs, result in double regulation, increase the administrative burden and undermine the competitiveness of the NCS. Like the EU, Norway should work towards a harmonised regulatory framework that simplifies reporting and avoids distortions of competition and an uneven distribution of burdens. For the Norwegian supply industry, a national requirement could create opportunities to provide new technological solutions.

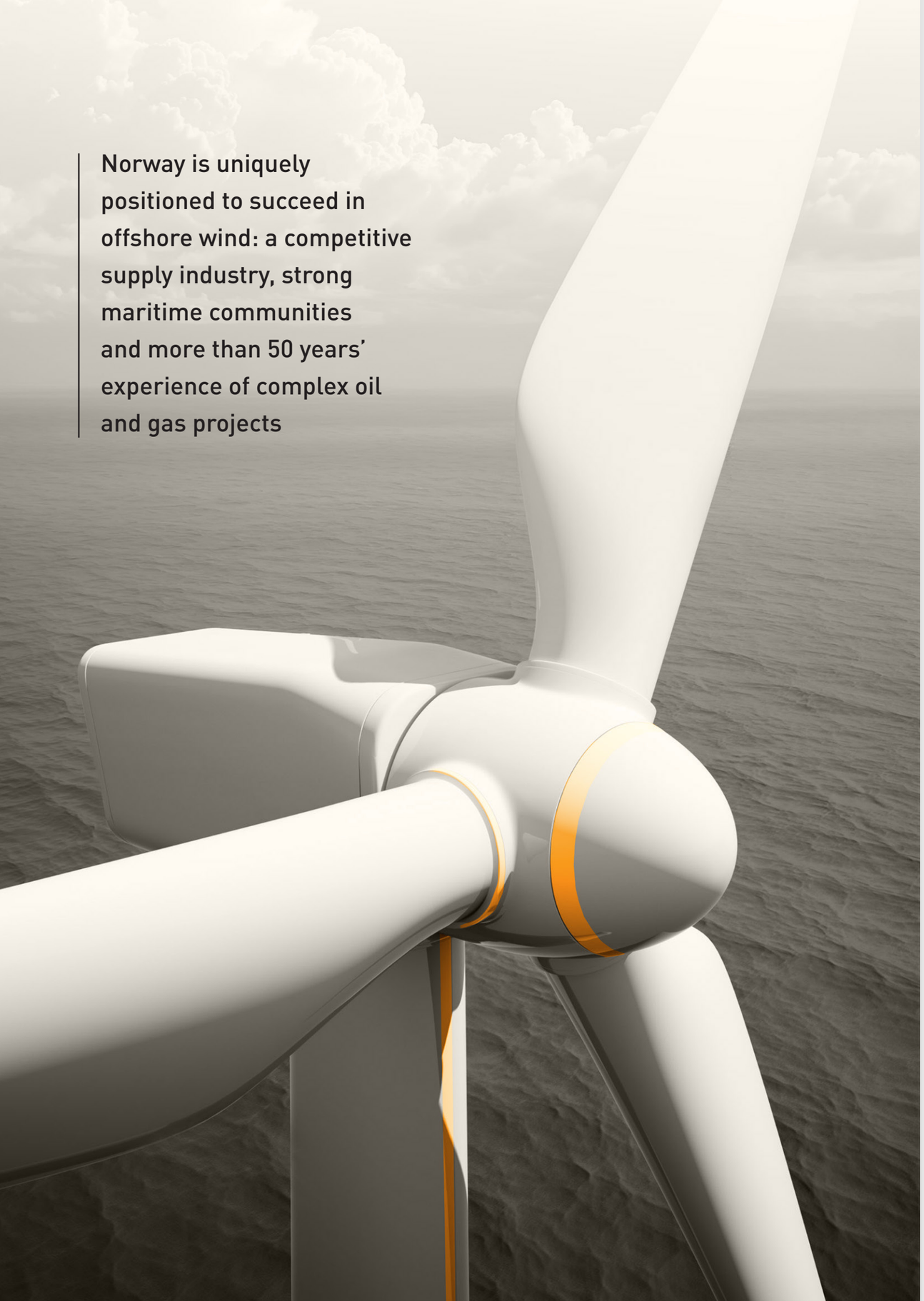
3.3.3 Policy instruments and support schemes can play an important role in commercialising technologies for reducing emissions in the maritime sector.

Operators, shipping companies and the offshore service segment report a lack of willingness to pay in the market and uncertainty regarding technology choices as barriers to further investments in climate and environmental technology. Public investment support can play a crucial catalytic role in this respect. Enova has supported maritime projects in initial stages over time, but the support is perceived to halt before solutions are commercially viable at a larger scale. Enova received a new management agreement and mandate in 2025, enabling support to be targeted towards projects in later phases. For the support framework to function effectively, it is essential that it fosters scalable solutions, encompasses support for a broad range of alternative fuels, and encourages increased investment in energy efficiency measures.

The NOx agreement between the Norwegian government and industry was established in 2008. Since then, more than 1,500 projects have received funding through the NOx Fund. In addition, annual CO_2 emissions have been reduced by approximately 2 million tonnes. The fund has been a key contributor to the scaling up of cost-effective zero- and low-emission solutions, and the projects often reduce both CO_2 and NOx emissions. The Norwegian government is considering phasing out the NOx tax with effect from 1 January 2028 or 1 January 2030. To reduce emissions further to a level below Norway's international emission commitments, the NOx tax and the NOx agreement must be phased out in a controlled manner. The winding up of the NOx Fund would weaken the policy instruments available to the maritime sector.

EU ETS compliance is expected to be a key driver of maritime emission reductions, while MRV reporting will provide new insights and a more robust data foundation

4 Renewable Fuels of Non-biological Origin



Norway is uniquely positioned to succeed in offshore wind: a competitive supply industry, strong maritime communities and more than 50 years' experience of complex oil and gas projects

4

NEW VALUE CHAINS ON THE NCS

The development of new value chains on the NCS is progressing, although the various initiatives are at different stages of maturity and remain subject to significant uncertainty. The two offshore wind projects on the NCS will be crucial to securing new power generation, lower electricity prices, industrial development and emission reductions. However, the industry faces challenges in the form of high costs, the need for greater regulatory clarity, and political uncertainty. Within carbon capture and storage (CCS), Northern Lights has entered commercial operation, and Norway has significant storage potential. However, the market for carbon capture in Europe is developing more slowly than expected, delaying new projects. The extraction of seabed minerals could, in the long term, strengthen Europe's security of supply for strategic raw materials and build on Norway's offshore expertise, but further development requires greater knowledge, a predictable regulatory framework and the political will to resume the licensing process.

4.1 Climate strategy objectives

By investing in new value chains that facilitate the transition to a zero-emission society in Norway and Europe, KonKraft will develop a forward-looking energy industry on the NCS. KonKraft's climate strategy specifically emphasises value chains in offshore wind, hydrogen, and carbon capture and storage. In recent years, seabed minerals have also been identified as a potentially important new value chain in the long term. The expertise and experience of operators, suppliers, and the shipping industry in Norway will be leveraged to develop these value chains, ensuring continued value creation and employment opportunities.

In its 2020 climate strategy, KonKraft decided to work towards realising the following ambitions related to new value chains:

KonKraft's ambitions

"Production of 1 million tonnes of blue hydrogen per year in Norway by 2032, increasing to 2 million tonnes from 2035.

A pipeline for hydrogen export between Norway and the EU will be built by 2030.

At least five European industrial companies will utilise hydrogen from natural gas with CO_2 capture and storage in their production by 2030. At least two gas power plants will use hydrogen as fuel in Europe by 2030."

Status

All Norwegian projects for the production of blue hydrogen have been cancelled due to lack of demand and market infrastructure.

Following the completion of a feasibility study, the pipeline project for exporting hydrogen from Norway to Germany has been discontinued due to insufficient demand and high costs.

Yara will supply CO_2 from hydrogen production in the Netherlands to Northern Lights, with operations expected to commence in 2026. In addition, CO_2 from hydrogen production at three different plants in the Netherlands will be supplied to Porthos, which is scheduled to start operations in 2027. EET Hydrogen has made an investment decision and plans to supply CO_2 to HyNet for storage in Liverpool Bay from 2028.

Equinor is collaborating with SSE Thermal to establish a hydrogen power station in Keadby in the UK, with the aim of storing captured CO_2 in the East Coast Cluster before 2030.

"Two carbon capture plants in Norway, Heidelberg Materials in Brevik and Hafslund Celsio energy recovery plant in Klemetsrud, transport infrastructure for CO_2 and CO_2 storage on the NCS, and Northern Lights operational by 2024."

The carbon capture plant at Heidelberg Materials in Brevik, with subsequent storage at Northern Lights, has been in operation since August 2025.

The Klemetsrud carbon capture facility finally made an investment decision in January 2025 and plans to commence operations in Q3 2029.

"CO_2 will be sent for storage on the NCS from at least five European companies by 2030."

Northern Lights has contracts with three European companies and is expected to enter into at least two new contracts for phase 2 (in addition to Stockholm Exergi and Hafslund Celsio).

"The oil and gas industry will work to further develop Norway's strong position in renewable energy from offshore wind."

Development in Norway is progressing more slowly than planned. Rising costs and political uncertainty are creating challenges both for projects on the NCS and for Norwegian companies involved in international projects.

4.2 Offshore wind power

Norway is uniquely positioned to succeed in offshore wind: a competitive supply industry, strong maritime communities and more than 50 years' experience of complex oil and gas projects. Given the current slow pace of power generation development, Norway could face a power deficit in the early 2030s (Volt/BCG; DNV et al.). A power deficit results in higher electricity prices, reduced competitiveness and a less attractive environment for new industrial investment. Offshore wind is one of the few technologies capable of delivering substantial volumes of new renewable electricity within a relatively short timeframe. The expansion of offshore wind can therefore help ensure an adequate power supply while reducing electricity prices. Offshore wind also helps to safeguard industrial jobs. The Norwegian offshore wind industry already employs around 7,000 people and generates annual revenues of more than NOK 60 billion. If the industry is to continue to grow, the domestic market is crucial. Moreover, the expansion of offshore wind and technological development can strengthen Norway's position as a supplier of floating offshore wind technology. Furthermore, offshore wind is essential if Norway is to meet its climate commitments.

The cost implications of offshore wind development have been widely debated in recent years. An analysis published by Volt Power Analytics and the Boston Consulting Group (BCG) in March 2026 concludes that Norway's first two offshore wind projects could save Norwegian electricity consumers NOK 185 billion over the period 2031–2045. This saving does not feature prominently enough in the debate on offshore wind. In total, the Norwegian authorities plan to provide NOK 58 billion in support for these two projects: fixed-bottom offshore wind at Sørlige Nordsjø II and floating offshore wind at Utsira Nord.

4.2.1 Overall development over the past year

The first two large-scale offshore wind projects on the NCS are now in the planning and maturation phase: fixed-bottom offshore wind at Sørlige Nordsjø II and floating offshore wind at Utsira Nord, where two consortia have each been awarded a separate project area.

In August 2025, the Norwegian government launched a strategy for the offshore wind supply industry and announced that a plan for the further development of offshore wind on the NCS would be presented in the second half of 2026.

In January 2026, the Norwegian Confederation of Trade Unions (LO), the United Federation of Trade Unions, the trade union Styrke, the Norwegian Electrician and IT Workers' Union, Renewables Norway, the Federation of Norwegian Industries, the Confederation of Norwegian Enterprise (NHO), the Norwegian Shipowners' Association and Offshore Norge established a joint employer–trade union working group to provide consolidated input to the government's plan and help establish a common direction for the subsequent follow-up. The working group submitted its recommendations to the government on 24 June 2026. In its recommendations, the working group emphasises the need for a realistic and comprehensive plan that both facilitates the next large-scale offshore wind projects and supports the long-term development of both fixed-bottom and floating offshore wind.

The working group further highlights the conditions necessary for profitable offshore wind development, including predictable framework conditions for developers and the supply industry, as well as scope for technology development and demonstration projects through Enova. The recommendations and supporting documentation have been published on Offshore Norge's website.

> **Norway's first two offshore wind projects could save Norwegian electricity consumers NOK 185 billion over the period 2031–2045**

4.2.2 Sørlige Nordsjø II

Sørlige Nordsjø II is the first area on the NCS to be opened for large-scale fixed-bottom offshore wind development. The area has excellent wind resources and relatively moderate water depths. With a planned capacity of approximately 1,500 MW, the project will become Norway's largest single power plant. Annual electricity generation from the offshore wind facility could contribute with 6–8 TWh, equivalent to approximately 70 per cent of current electricity consumption in Agder or 4–5 per cent of total electricity consumption in Norway. Thus, the project will represent a significant addition to the Norwegian power system, contributing to an improved power balance and lower electricity prices in southern Norway.

Over the past year, the developer Ventyr has initiated and continued the necessary site investigations, environmental surveys and impact assessments to support the licensing process. Ventyr comprises the companies JERA Nex bp (formerly Parkwind) and Ingka Investments, both of which are major players in the offshore wind and renewable energy sectors. Coexistence with the fishing industry and other sectors is addressed through structured dialogue and established processes, with this work being carried out within the applicable frameworks and principles.

In the coming period, Sørlige Nordsjø II will reach several key decision points. The completion of the licensing processes, final decisions regarding grid connection, and the further development of the project will be crucial to reaching a final investment decision. Moreover, a request has recently been submitted to postpone the project, reflecting increased uncertainty regarding cost levels, grid connection and the broader regulatory framework, which could further delay progress. At present, no specific date has been announced for the investment decision, but it is expected to be taken no earlier than once the grid solution and the licensing process have been sufficiently clarified.

4.2.3 Utsira Nord

In May 2025, the Norwegian Ministry of Energy announced a tender for three project areas at Utsira Nord, each with a capacity of up to 500 MW of floating offshore wind. The tender was delayed by several years, partly due to discussions with the EFTA Surveillance Authority (ESA) regarding the state aid model. The model was designed as a two-stage process: First, a qualitative assessment involving the ranking and allocation of project areas, followed by a competition for investment support (up to NOK 35 billion). By the application deadline of 15 September 2025, two applications had been received for the three project areas put out to tender:

- Equinor + Vårgrønn (Utsira Nord Havvind DA)
- Deep Wind Offshore + EDF Renewables (Harald Hyearfagre AS)

On 11 December 2025, the government decided to award two project areas, one to each consortium. The award gives the consortia the right to carry out project-specific impact assessments, apply for a licence, and participate in a subsequent auction for state aid.

4.2.4 Political uncertainty may affect the progress of the project

The project at Utsira Nord is now entering the licensing and environmental impact assessment phase. In February 2026, the Ministry of Energy delegated responsibility for processing project notifications and determining the environmental impact assessment programme to the Norwegian Water Resources and Energy Directorate (NVE). The consortia submitted their project notifications for public consultation in spring 2026. The environmental impact assessment programme is expected to be finalised in autumn 2026, after which the consortia will normally have around two years to prepare the environmental impact assessment and submit a licence application.

Participation in the state aid auction requires the projects to have reached a sufficient level of maturity, including the submission of a licence application. Accordingly, a realistic timeframe for the auction is around 2028–2029, with construction potentially starting in the 2030s.

Meanwhile, in June 2026, the Storting decided that an external quality assurance review should be carried out of the government's support scheme and the socio-economic basis for decision-making for the project. This is despite the Storting having previously approved the level of government support, which has also been approved by ESA.

The offshore wind industry has been critical of the decision, arguing that increased uncertainty regarding the regulatory framework could reduce the willingness to invest and lead to further delays. Furthermore, the decision sends mixed signals regarding Norway's ambitions for the development of floating offshore wind.

As a result, the decision could affect the project's progress and increase uncertainty regarding the timing of key decisions.

4.2.5 The EU's offshore wind ambitions

The North Sea Summit was held in February 2026 in Hamburg. At the summit, nine North Sea countries (including several EU member states) and the United Kingdom agreed on a joint commitment to develop 300 GW of offshore wind capacity, of which 100 GW is intended to be delivered through cross-border projects, including hybrid projects and energy islands linking the North Sea countries. There are now clear expectations for more specific political commitments on how Europe should coordinate the development of and support for cross-border offshore wind infrastructure.

An investment agreement between the authorities, the transmission system operators (TSOs) and industry was also presented in Hamburg. The agreement outlines the challenges that need to be addressed through cross-border collaborative projects. The authorities committed to establishing the Offshore Financing Framework (OFF), which builds on the existing EU framework for Projects of Common Interest (PCIs). Moreover, the authorities intend to assess market models for hybrid offshore projects, further develop national regulations to provide greater investment certainty, and work towards an investment framework based on the cross-border use of two-sided contracts for difference (CfDs) and long-term power purchase agreements (PPAs). Furthermore, the TSOs will continue their work on cost-sharing arrangements for cross-border infrastructure projects between countries.

Clear changes to the offshore wind auction model

The 2025–2026 auction years produced mixed results for the offshore wind industry in Europe, with auctions in Germany and the Netherlands resulting in postponements and a lack of bids, particularly where developers were exposed to high market risk and limited public support.

Meanwhile, other markets have delivered strong results. In 2026, the United Kingdom held the largest offshore wind auction in Europe to date, awarding 8.4 GW of offshore wind capacity. Successful auctions have also taken place in France and Poland. Experience over the past two years shows that auctions incorporating revenue stabilisation and risk-sharing – particularly through CfDs – are more effective in attracting investment. By contrast, purely market-based or subsidy-free models have proved more vulnerable in a cost environment characterised by rising capital costs and supply chain constraints. This has contributed to a clear shift in European policy towards more robust and predictable auction systems.

4.2.6 Coexistence with the fishing industry

To promote predictable and constructive coexistence between the fishing and offshore wind industries in Norwegian waters, the Norwegian Fishermen's Association, the Norwegian Fishing Vessels Organization, Fiskebåt, and Offshore Norge established a joint working group in March 2022. The working group aims to contribute to a shared understanding of the situation and a more standardised approach to dialogue and collaboration. It aims to develop a playbook for coexistence, identify and highlight knowledge gaps, facilitate open dialogue across the organisations, and help establish an appropriate forum for the ongoing work on coexistence.

The playbook was developed in 2023. It describes recommended processes and practices for when and how the industries should engage with one another, discuss mitigation measures, and collaborate throughout the development of offshore wind projects. Guiding principles and overarching policy directions are set out in a separate policy document, which serves as the basis for plans and activities throughout all stages.

The playbook is a living document that will continue to evolve in line with experience gained from offshore wind development in Norwegian waters and will be revised as necessary. The most recent update was published in April 2026.

4.2.7 Constraints and needs

Most of the constraints associated with offshore wind development in Norway remain relevant in 2026. Developments over the past year have done little to reduce uncertainty regarding key framework conditions. Nevertheless, it is encouraging that the government is due to present a strategic offshore wind plan for Norway later this year. Predictable and comprehensive framework conditions are crucial to realising the potential of Norwegian offshore wind power.

Key constraints:

The development of offshore wind power on the NCS is hampered by a number of factors. Shifting policy signals and renewed challenges to established policy create uncertainty regarding framework conditions, increase risk and may delay investment in offshore wind.

Norway still lacks an overall clear, long-term plan for the development of offshore wind, including a predictable allocation schedule and a comprehensive plan for grid connection.

To provide offshore wind developers and suppliers with sufficient predictability to commit to and invest in Norway, regular licence awards should be established, supported by clear frameworks and timelines, a coordinated plan for grid connection and sufficient grid capacity, and an appropriate market and grid design, including hybrid grid solutions where relevant.

A lack of capacity and investment in shipyards and ports is also a constraint, particularly in relation to the construction, assembly and completion of floating offshore wind turbines. Uncertainty regarding future offshore wind volumes and grid development makes it riskier to invest in the industrial capacity needed ahead of demand.

Time-consuming and, to some extent, unpredictable administrative procedures are causing Norway to lag behind neighbouring countries while preventing its offshore expertise from being fully utilised.

Like several other renewable technologies, offshore wind has seen cost increases in recent years. However, analyses predict significant cost reductions over the coming decades, particularly for floating offshore wind. For the time being, investment and construction costs remain a major challenge for the pace of development.

Collectively, these constraints highlight the need for greater predictability, faster processes and early capacity-building in order to realise a competitive offshore wind industry in Norway.

Industry's desires for offshore wind development and framework conditions:

To unlock private investment and build a competitive offshore wind industry, a clear plan and more predictable framework conditions are needed. These are the key recommendations submitted to the government by the Norwegian Confederation of Trade Unions (LO), the United Federation of Trade Unions, Styrke, the Electrician and IT Workers' Union, Renewables Norway, the Federation of Norwegian Industries, the Confederation of Norwegian Enterprise (NHO), the Norwegian Shipowners' Association and Offshore Norge as input to the government's offshore wind plan:

1. a comprehensive package of measures combining, e.g., tax and financing instruments with measures to reduce risk in the licensing and implementation phases

2. the announcement and award of new offshore wind project areas only where a realistic framework is in place to ensure that the project area can be realised

3. a mandate for the Norwegian Water Resources and Energy Directorate (NVE) to identify one or two new areas for bottom-fixed offshore wind on the NCS

4. a competitive auction for support for a floating offshore wind project area by 2030

5. the implementation of measures to provide a sound basis for deciding whether to proceed with a hybrid project in the South-West Area

Before 2030, Northern Lights is expected to be the only project to commence injection operations, with a total injection capacity of 5 million tonnes (Mt) of CO_2 per year

4.3 Carbon capture and storage

4.3.1 Projected injection capacity on the NCS

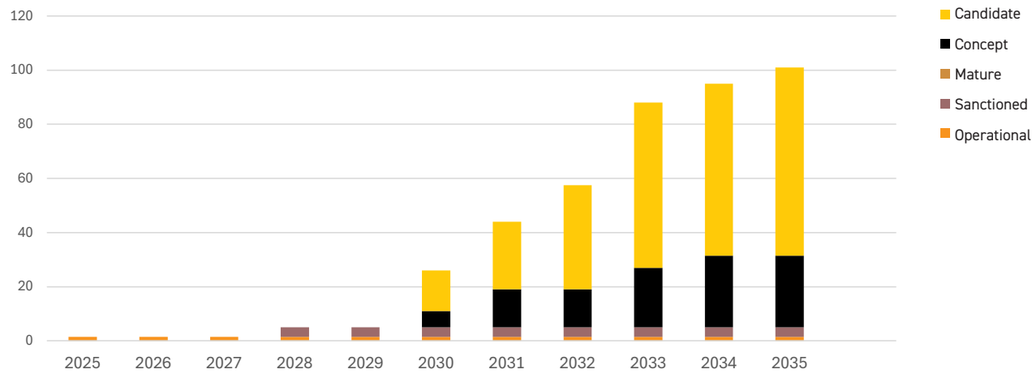
Figure 22 presents an overview of the potential total injection capacity of awarded storage licences on the NCS up to 2035. Before 2030, Northern Lights is expected to be the only project to commence injection operations, with a total injection capacity of 5 million tonnes (Mt) of CO_2 per year. The remaining storage licences are expected to commence injection during the period 2030–2035 and then gradually increase annual injection volumes. If CO_2 injection is realised in all awarded storage licences in line with the timetables set out in the work programmes, total injection capacity could reach 30 Mt CO_2 per year by 2032 and more than double by 2035. However, it should be noted that all the exploration licences are currently at the Candidate or Concept maturity levels, indicating considerable uncertainty regarding how many of the projects will ultimately be realised.

Compared with the forecast in last year's report, this year's forecast indicates a delay in the phase-in of new injection capacity and a downward revision of total injection capacity by 2035. The postponement is mainly due to the fact that several projects have applied to postpone their respective work programmes. This, in turn, is due to the European carbon capture market developing more slowly than anticipated a year ago. The downward revision for 2035 does not reflect technical factors, but rather the fact that companies have revised down their estimates of how much CO_2 they can realistically expect to capture, should an investment decision be made.

It is also worth noting that none of the projects are classified as mature, which means that a decision to proceed (BOV) has been taken. Customer commitments are required before such a decision can be made, and sufficient customer commitments are currently lacking for all exploration-phase storage sites. However, some projects have reached a sufficient level of technical and geological maturity, or risk reduction, to satisfy the company-specific requirements for this decision milestone. This also illustrates a key difference between petroleum licences and carbon storage licences. A decision to proceed for a petroleum licence does not require documentation of a sufficient market basis.

FIGURE 22 FORECAST FOR FEASIBLE INJECTION CAPACITY IN PLANNED LICENCES FOR CARBON STORAGE ON THE NCS
(Realisable Mtpa with built infrastructure)

Source:KonKraft



4.3.2 Overall development over the past year

With the exception of the start of operations at Northern Lights, activity related to the development of carbon storage on the NCS has remained largely unchanged since the previous status report. No new exploration licences for carbon storage have been awarded on the NCS since June 2025. However, three exploration licences – EXL 03 Polaris, EXL 08 Albondigas and EXL 09 Iroko – have been relinquished. In short, this, together with the delays in the work programmes, is due to the lack of a sufficient commercial and market basis for investment in carbon capture in Europe. As a result, the forecasts for carbon storage on the NCS are being pushed further into the future, and there remains considerable uncertainty regarding when operations will commence.

A similar pattern can be observed across Europe. Neither the EU nor the UK has seen any new investment decisions for carbon storage projects since April 2025. Greensand Future, which made its investment decision in December 2024, was awarded a storage licence in December 2025 and expects to commence operations in mid-2026. This will be the first carbon storage facility to commence operations in the EU. Another positive development for the carbon storage industry in Europe is that the UK has launched an application round for new exploration licences in 14 predefined areas, with licence awards planned for 2027. In addition, negotiations between the EU and the UK on linking their emissions trading schemes (ETSs) began in January 2026, with the aim of concluding the negotiations as swiftly as possible.

Through the Net-Zero Industry Act (NZIA), the EU has required oil and gas producers in the EU to establish 50 Mt of annual CO_2 injection capacity at carbon storage sites in the EU. Over the past year, it has become clear that the market for carbon capture in the EU will not be sufficient to support demand for that level of injection capacity. It has also become evident that the establishment of carbon storage facilities in the EU is progressing too slowly to meet the NZIA target. Even if injection capacity established in Norway and the UK were included, which is not currently covered by the Regulation, the aggregate annual injection capacity would still be significantly lower than 50 Mt.

Several of the oil and gas companies required under the regulation to establish carbon storage sites have brought legal proceedings against the European Commission, challenging the EU's legal basis for imposing these obligations on them.

Experience to date suggests that establishing a complete CCS value chain, involving the capture and storage of 1 Mt of CO_2 per year, requires around EUR 2 billion in cumulative state aid, including support from the EU. This includes support for both development and operation. Assuming that these value chains have an average operational life of 20 years, that level of state aid would correspond to around EUR 100 per tonne of CO_2 stored. Based on this calculation method, the state aid schemes established in Norway and the EU for CCS value chains, or for decarbonisation measures that include CCS value chains, are currently at a level likely to deliver less than 10 Mt of additional annual injection capacity beyond projects for which investment decisions have already been taken. Enova is currently conducting a consultation on an auction-based scheme, with plans for annual calls for proposals until 2032 and a maximum total budget of NOK 20 billion.

4.3.3 How have the conditions for an emerging CCS industry in Europe changed?

The industry's appetite for investment in CCS is driven by expectations of future returns based on existing and announced regulatory frameworks. In the wake of the Paris Agreement, and particularly during the period 2018–2022, there was an expectation that climate commitments would lead to the establishment of a regulatory framework that would enable a profitable CCS industry in Europe. A key factor behind this was the expectation that the EU ETS price would continue to rise to a level at which CCS could be deployed profitably without subsidies and would therefore become market driven. This expectation was driven by several factors, including a fivefold increase in the EU ETS price between March 2020 and the end of 2021, plans to introduce the CBAM and phase out carbon allowances by 2040, and the establishment of market-based mechanisms for trading carbon removal credits.

Since 2022, the EU ETS price has remained relatively stable, as has the gap between expected costs and revenues for CCS value chains. During the same period, climate policy has become a lower geopolitical priority. This is linked to several factors, including a stronger European focus on energy security, slower economic growth and concerns about job losses in the manufacturing sector. Against this backdrop, investors currently lack sufficient confidence that political measures and financial support schemes will be put in place to make investments in CCS profitable over time and capable of delivering an acceptable return. This is further reinforced by discussions surrounding the EU's planned legislative package for a future CO_2 market and infrastructure. There is widespread recognition that progress is slower than anticipated in the EU's February 2024 Industrial Carbon Management Strategy, and that regulatory changes alone will not be sufficient to achieve the desired economies of scale unless they are complemented by adequate financial support schemes.

Northern Lights: From vision to operation – and continued scaling of carbon storage in Europe

Carbon capture and storage (CCS) is an important climate solution for reducing industrial emissions and achieving Europe's climate targets. Northern Lights is the world's first open, commercial solution for cross-border transport and storage of CO_2 and, with operations commencing in 2025, has demonstrated that CCS works in practice.

In 2025, the first volumes of CO_2 from Heidelberg Materials were safely transported and stored 2,600 metres beneath the seabed in the Aurora reservoir in the North Sea. This marked a major milestone, not only for Northern Lights but also for the global development of CCS. The combination of operations, infrastructure and commercial agreements demonstrates that CCS is no longer merely an idea, but a real and operational climate solution.

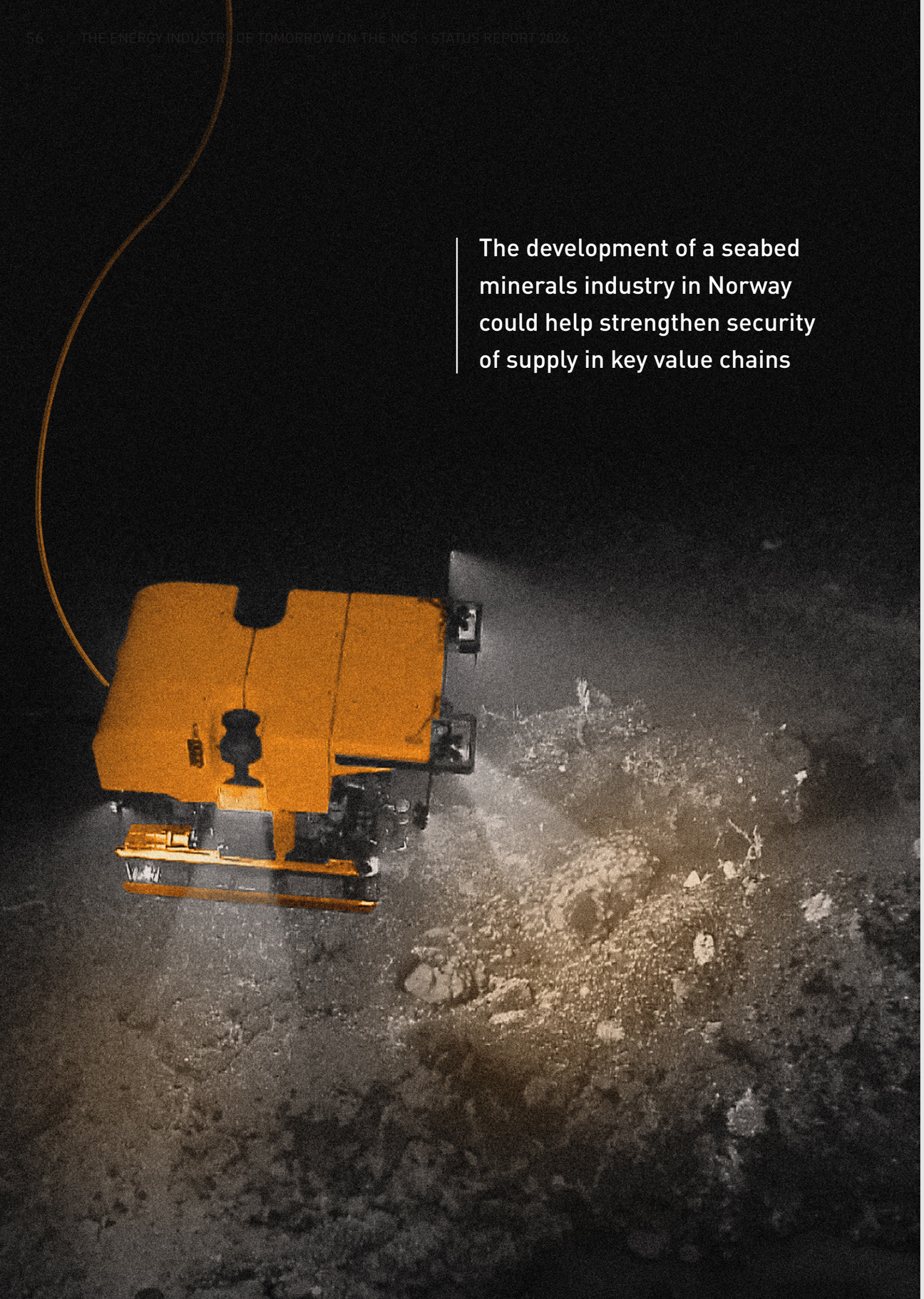
The first phase of the project forms part of Langskip (Longship), the Norwegian government's full-scale CCS initiative, with a storage capacity of 1.5 million tonnes of CO_2 per year. To meet growing demand, Northern Lights has launched Phase 2, which will increase capacity to more than 5 million tonnes per year. The expansion includes additional onshore storage tanks and pumps, a new quay for larger and more frequent ship calls, more CO_2 carriers and new offshore injection wells. The expansion is commercially driven and supported by the EU through the Connecting Europe Facility (CEF).

Northern Lights has entered into commercial agreements with industrial customers in several European countries, including Yara (the Netherlands), Ørsted (Denmark) and Stockholm Exergi (Sweden), in addition to Norwegian customers Heidelberg Materials and Hafslund Celsio. These agreements lay the foundation for a growing cross-border market for CO_2 management.

By offering CO_2 transport and storage as a service, Northern Lights is helping to establish a new market for carbon management in Europe. Infrastructure, collaboration and predictable framework conditions will be essential for further scaling.

2025 marked the year we moved from theory to practice. The focus now is on safe and reliable operations while preparing for further expansion.

Northern Lights is a General Partnership with Shared Liability (DA) owned by Equinor, Shell and TotalEnergies.



The development of a seabed minerals industry in Norway could help strengthen security of supply in key value chains

4.4 Seabed minerals

4.4.1 Trade conflicts and the dominance of certain countries call for urgent action to secure the supply of critical minerals

In its February 2025 analysis, the International Energy Agency (IEA) highlights the importance of accelerating measures to ensure the long-term security of supply for critical minerals. An escalation in trade policy conflicts has clearly influenced mineral markets. China, for instance, has systematically used its dominant position across most mineral sectors as an economic, industrial and geopolitical tool, including through price manipulation and export controls. In December 2024, China imposed export restrictions on several key minerals and extended those restrictions to additional materials in February 2025. As a result of the United States' volatile trade policy and the conflict in the Strait of Hormuz, China has further reduced exports of critical raw materials.

4.4.2 Increased extraction of metals and minerals is crucial for the energy transition

To achieve the objectives of net zero emissions, society must undergo a comprehensive transformation that entails large-scale development of low and zero-emission technologies. A diverse range of minerals and metals is essential for everything from wind turbines, cables, solar panels for electric vehicles, fuel cells, and battery storage systems. In addition to the increasing demand for minerals and metals driven by the climate transition, the defence industry's need for many of the same raw materials has risen due to rearmament amid heightened geopolitical tensions. The rapid growth in the use of artificial intelligence requires large data centres, which in turn are driving increased demand for industrial and strategic metals, particularly copper. Global mineral value chains are frequently dominated by a few countries, and the value chains are vulnerable to abrupt shifts in trade policies or emerging conflicts.

4.4.3 Norwegian seabed minerals can help strengthen the security of supply for strategically important raw materials

The EU is highly dependent on imports for several mineral and metal value chains. Due to rising trade policy tensions in recent years, the EU has identified key vulnerabilities and implemented targeted measures to mitigate their impact. The EU has identified metals and minerals that are critical for societal development, industry, technological advancement and energy transition. At regular intervals, the EU also publishes two lists of important materials: one of critical raw materials, which face a higher risk of supply disruption, and a shorter list of strategic raw materials.

Norwegian waters contain 17 of the 22 minerals listed as strategic raw materials by the EU, including four of the six rare earth elements used in permanent magnets essential for climate technologies and defence applications. The extraction of seabed minerals from relatively small areas could meet Norway's and much of Western Europe's demand for several strategic metals. Thanks to mature offshore technology developed in the oil and gas sector, the industry could become operational relatively quickly, provided there is sufficient political will.

Through initiatives such as the Critical Raw Materials Act and the Net Zero Industry Act, the EU wants to prioritise European projects for mineral activities, both extraction and processing. As regards mineral activities on the seabed, the European Commission has expressed a need for more research and knowledge about the effects of extraction on the environment, biodiversity, and socio-economic conditions before such activities can proceed, in order to limit harmful impacts on the marine environment.

In Norway, work is currently ongoing to assess the resource potential and lay the groundwork for an environmental impact assessment. The development of the seabed minerals industry in Norway can help to strengthen security of supply in key value chains. In 2025, as in 2024, the Norwegian Offshore Directorate coordinated three research expeditions in the Norwegian Sea and the Greenland Sea, collecting large volumes of bathymetric data, video data

on seabed biology and sediment cores. Further research expeditions are also planned for 2026, to be conducted by UiT, UiB, NORCE, the Institute of Marine Research and the Norwegian Offshore Directorate.

In its mapping of the deep sea, the Norwegian Offshore Directorate works closely with academia. This benefits both the government and academia. In 2026, the Norwegian Offshore Directorate plans to conduct a new resource assessment of seabed minerals based on data collected over the past few years.

So far, the resource potential of sulphide deposits has been estimated at about 40 per cent of the crusts, and they contain a variety of minerals. The sulphide deposits contain some cobalt but are primarily composed of copper and zinc, whereas the manganese crusts mainly consist of manganese, magnesium, titanium and strategic metals. The results help to identify and confirm areas of interest for mineral exploration by providing a better understanding of the geological processes shaping the sea areas within the opening area.

Furthermore, the industry has made a significant contribution through research and innovation, helping to enable Norway to develop a new, commercially viable industry in a responsible manner.

Some examples:

Closed systems prevent the formation of sediment plumes and generate little noise in the water column.

- A decision on the specific technology to be used is made only towards the end of a licence period. However, all companies operating in Norwegian areas base their work on technology developed by the oil and gas industry. Closed systems prevent sediment plumes from forming in the water column and generate very little noise.

4.4.4 Industry and academia are working together to identify the best refining methods

- Companies have invested heavily in identifying the best refining methods, taking both economic and environmental considerations into account.
- Seabed minerals are easy to crush because they have not undergone metamorphism (transformation and deformation).
- Samples of both sulphides (SMS) and crusts have undergone test refining. Finished copper has been produced from sulphides, months after the minerals were recovered from the seabed. Several strategic metals, including rare earth elements, have been produced from crusts. In addition to metals, sulphuric acid has been produced from sulphides. Sulphuric acid is essential to industry, particularly for metal recovery and the production of fertilisers. China dominates the sulphuric acid market and has threatened to halt exports.
- It has been demonstrated that seabed minerals from sulphides can be incorporated into existing processing operations with good results.
- It has also been demonstrated that strategic metals can be recovered from seabed minerals while ensuring that all solid materials are utilised.
- Residual materials from the processing of seabed minerals can be used for direct and permanent carbon capture.

4.4.5 Industry has contributed significantly to research on life on the seabed

- Industry has been directly involved in developing methods, including artificial intelligence, for mapping life on the seabed around seabed mineral deposits, and substantial amounts of data have already been collected.

4.4.6 Industry is continuously working to develop the entire value chain, from mineral to metal

- Research has identified resources with metal concentrations two to five times higher than estimated in 2023.
- Estimated volumes are now at least ten times higher than in 2023.
- Prices for most metals are 1.5 to 3 times higher than in 2023.

4.4.7 Sharing knowledge about the deep sea

- Offshore Norge has developed a project that shares the vast amounts of data collected from the Norwegian deep sea. The data are presented here: https://www.bergwerk.com/oceandata
- The EMINENT project has contributed substantial knowledge about the Norwegian deep sea through three research expeditions to the Mid-Atlantic Ridge and extensive onshore analyses. The work covers technology, biology, geology, physical oceanography, including ocean currents, and the refining of minerals into metals. The EMINENT project has resulted in two published articles on life on the seabed, and several additional scientific articles are expected to follow. Dozens of professional presentations have been delivered. The data is shared through public databases and has multiplied the amount of data available from the Norwegian deep sea. More information is available here: https://www.eminent-project.com.

4.4.8 Norway's seabed mineral potential is unique internationally

- Twenty-one nations hold licences for seabed mineral exploration in international waters under the International Seabed Authority (ISA). Some of these nations are very active, while others, particularly those with mineral resources on land, are more critical of the development of seabed mining. What all these licences have in common is that they are located far from land and in very deep waters.
- Thirteen nations are pursuing seabed mineral activities within their own Exclusive Economic Zones (EEZs). Sweden, Japan and the United States are among the leaders, and several have carried out pilot production.
- Norwegian technology for locating resources, mapping seabed biology and processing minerals is in high demand in many countries, creating significant export opportunities and supporting a substantial number of jobs in its own right.
- Following the Storting's decision to halt the process, Norway has fallen behind in launching licensed exploration. However, no other country can point to the following:
  - large, highly concentrated mineral resources, located relatively close to shore and at relatively moderate water depths
  - advanced and mature offshore technology with a low environmental impact
  - extensive data on seabed biology
  - an established supplier industry and onshore metal processing
  - mature governance of the offshore industry and world-leading environmental standards

4.4.9 Status of Norway's management of seabed mineral activities

Based on the Storting's consideration of the white paper Meld. St. 25 (2022–2023) Mineral Activities on the NCS in June 2023, the government formally decided in April 2024 to open an area of the Norwegian Sea and the Greenland Sea for seabed mineral activities. The next steps towards opening the NCS for seabed mineral activities will be to continue the government's mapping of mineral resources, adopt the necessary regulations, and conduct the first licensing round.

As early as June 2024, the first licensing round was submitted for consultation, with the aim of awarding the initial licences in the first half of 2025. The government's mapping of the areas in question has continued, while the actual licensing process has been postponed during this parliamentary term.

When the first licensing round for mineral activities on the NCS resumes, a work programme must be established for the licences granted. In connection with the Norwegian Offshore Directorate's preparation of a proposal for a work programme, the Ministry of Energy has requested input from other government agencies, including the Norwegian Environment Agency and the Norwegian Institute of Marine Research. The initial plans for seabed mineral extraction will be submitted to the Norwegian parliament as a proposition before the Ministry approves the extraction plan. The work programme during the licence period includes extensive studies of resources, technology and the environment, which are completed before the Storting considers whether to grant extraction licences. The government will present the initial extraction plans to the parliament before the Ministry of Energy approves any such plans.

4.4.10 Five regulations adopted

In autumn 2025, the Norwegian government, the Norwegian Ministry of Energy, the Norwegian Offshore Directorate and the Norwegian Ocean Industry Authority jointly adopted five new regulations under the Seabed Minerals Act, following a public consultation in the spring of the same year. The regulations represent an important step towards a comprehensive regulatory framework for mineral activities on the NCS and are intended to facilitate responsible exploration and any future extraction of seabed minerals, in line with Norway's national and international obligations.

The five regulations are:

1. Regulations pursuant to the Seabed Minerals Act (the Seabed Minerals Regulations): The regulations set out detailed rules governing the granting of licences, application requirements, the collection and reporting of data and materials, and the criteria for production licences. The aim is to ensure that the activities are conducted in a responsible and sustainable manner.

2. Regulations pursuant to the Seabed Minerals Register: Contains detailed provisions concerning the Seabed Minerals Register, which is a public register of all licences relating to seabed mineral activities.

3. Regulations pursuant to the Seabed Minerals Act, Chapter 8 regarding compensation to Norwegian fishermen: Regulates the handling of compensation claims from fishermen affected by the loss of access to fishing grounds, pollution or damage resulting from mineral activities.

4. Regulations relating to data collection and documentation in mineral activities on the NCS: Sets out detailed rules for the collection, reporting and documentation of data and samples in connection with the exploration of seabed minerals.

5. Regulations governing safety and the working environment for offshore mineral activities: The regulations apply to equipment and activities on or from vessels that are necessary for carrying out mineral activities and are not considered maritime matters.

4.4.11 Offshore industry experience and technology are essential to developing a leading offshore minerals industry

In line with the Storting report on mineral activities, the government has established a targeted and comprehensive programme to strengthen knowledge of deep-sea environmental and natural assets, as well as the prerequisites for the sustainable extraction of seabed minerals. There is significant potential for transferring knowledge and technology from the oil and gas industry, which will play a key role in both exploration and extraction.

Further research is needed across the entire value chain, from geological surveys to efficient and sustainable extraction, including studies on the impact on the environment and the ecosystem.

In their geological surveys and mapping of the seabed, the Norwegian Offshore Directorate and Norwegian universities have utilised technology developed by the oil and gas industry, including remotely and autonomously operated subsea vehicles, drilling technology, echo sounding equipment, and vessels equipped for the deployment of such advanced equipment.

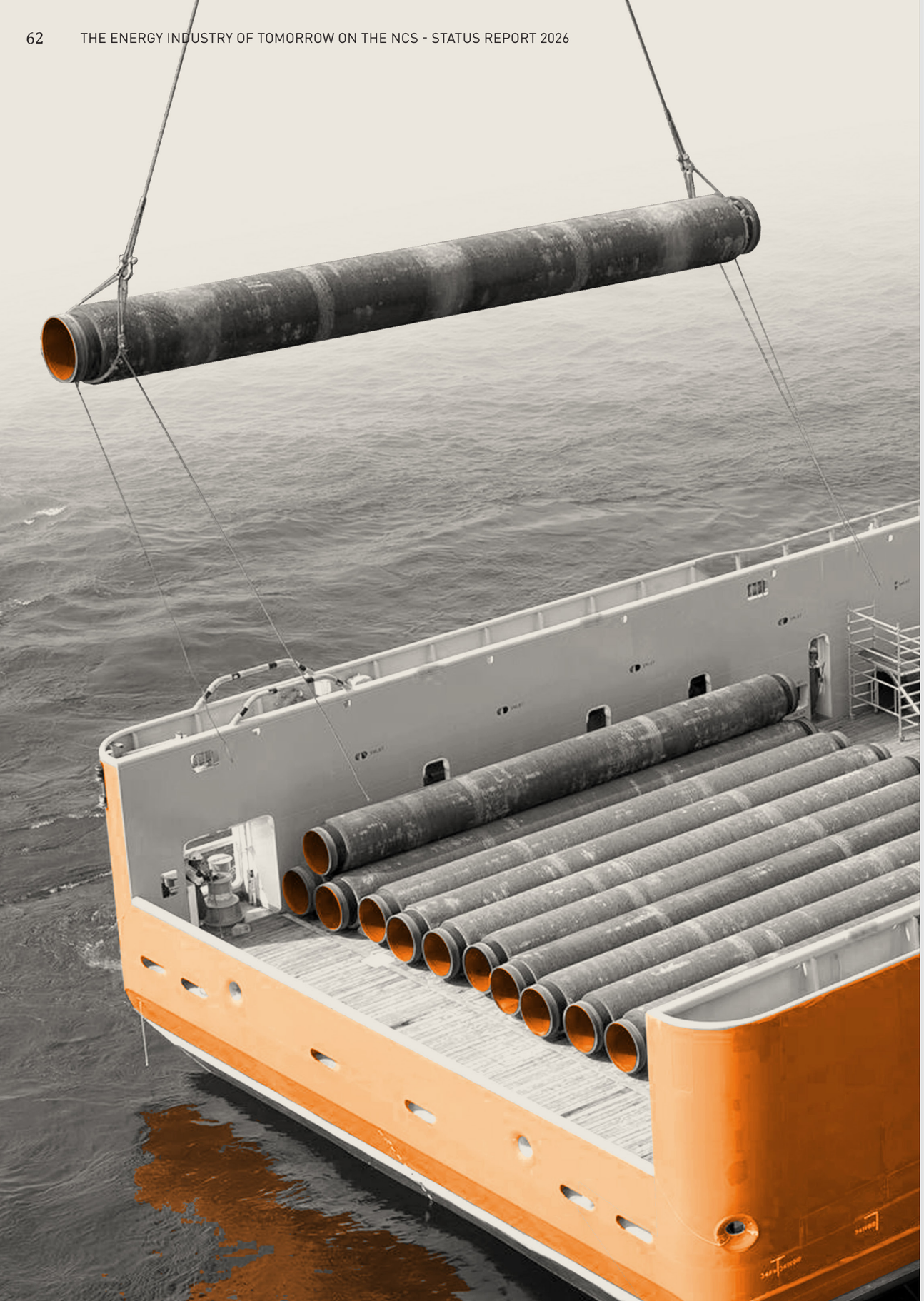
4.5 Constraints and needs

Key constraints:

- The annual government budget processes have created considerable uncertainty about when the first licensing round will be announced. The budget agreement reached in autumn 2025 means that exploration will remain on hold for as long as the budget partners continue to cooperate, and, in the worst-case scenario, for the remainder of the parliamentary term.
- Experience from the establishment of mineral activities on the mainland shows that the processes can take a long time. It is concerning and increases uncertainty for stakeholders wishing to invest in seabed minerals that the annual government budget processes cast doubt on the authorities' efforts to expedite project licensing and facilitate seabed mineral activities. At the same time, seabed mineral activities are not subject to the same requirements for local spatial planning or infrastructure development.

Industry needs:

- The authorities are making good progress in establishing the necessary regulations to conduct seabed mineral activities, although considerable work remains on certain parts of the regulatory framework. It is essential that the authorities maintain the current pace of framework development.
- Predictability is important, and the industry evaluates the activities over a longer-term horizon than the survey and data collection phase. Consequently, the process of establishing regulations for the next phase should commence immediately.
- The immediate establishment of a working group, consisting of public authorities and industry representatives, is proposed to examine opportunities and challenges in aligning the value chains for mined and landed ore.



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APPENDIX

5.1 Categorisation of fields/facilities for power consumption forecasting

Table 1 shows the individual projects included in the power forecast as shown in Chapter 2.3.

Operational	Approved projects	Identified projects
Kårstø	Yggdrasil	Goliat satellites (Alke, Lupa and Countach)
Utsira (Johan Sverdrup, Gina Krogh, Sleipner, Ivar Aasen and Edvard Grieg)	Oseberg gas capacity upgrade including partial electrification	Balder
Valhall	Melkøya CO_2 reduction	Grane
Kollsnes	Njord and Draugen	
Troll A	Kårstø emission reduction measures	
Martin Linge		
Gjøa, Vega, Nova, Duva		
Nyhamna, including Ormen Lange phase 3		
Melkøya LNG		
Goliat		
Troll Vest electrification – phase 1		
Sture		

Preparation of the status report

- Andreas Strandskog
  Offshore Norge (Project Manager)
- Trym Edvardsson
  Offshore Norge
- Leonora Leine Skorpen
  THEMA Consulting Group (consultant)
- Tora Dahl
  THEMA Consulting Group (consultant)
- Adrian Mekki
  THEMA Consulting Group (consultant)

Members of KonKraft's council

- Knut Arild Hareide
  Chief Executive Officer
  Norwegian Shipowners' Association
- Kine Asper Vistnes
  President, LO
- Ole Erik Almlid
  CEO, NHO
- Hildegunn T. Blindheim
  Managing Director, Offshore Norge
- Harald Solberg
  Managing Director, Federation of Norwegian Industries
- Frode Alfheim
  Union Leader, Styrke
- Christian Justnes
  Union Leader, United Federation of Trade Unions
- Marianne Olsnes
  Managing Director, Norske Shell
- Kjetil Hove
  Vice President,
  Development and Production Norway, Equinor
- Ståle Kyllingstad
  CEO, IKM
- Håkon Skjønberg
  Technip FMC
- Anne J. Møkster
  CEO and Managing Director, Simon Møkster Shipping AS
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  CEO, Odfjell Drilling

Members of KonKraft's executive committee

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  Offshore Norge
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  Offshore Norge
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  Styrke
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  LO
- Mohammad Afzal
  United Federation of Trade Unions
- Øyvind Slåke
  United Federation of Trade Unions
- Per Øyvind Langeland
  NHO

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Finnestad AS


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