Task Force on Climate-related Financial Disclosures ("TCFD")

2024 has seen further expansion of carbon emissions data collection, with four of the Group's five operating segments reporting scope 3 emissions inventories.

We have updated our physical risk analysis with the assistance of a third-party expert and increased our financial impact analysis.

Based on these reporting enhancements, Hunting is now fully compliant with all TCFD reporting requirements.

Compliance

Under the FCA's UK Listing Rule 6.6.6R(8) for companies with the listing of equity shares in the Equity Shares Commercial Companies category, Hunting is required to report on a "comply or explain" basis against the TCFD Recommendations and Recommended Disclosures in respect of the financial year ended 31 December 2024.

The climate-related financial disclosures, which follow, are consistent with the four reporting pillars contained within the TCFD Recommended Disclosures, being:

(i) Governance (page 90);
(ii) Strategy (pages 91 to 99);
(iii) Risk Management (pages 99 and 100); and
(iv) Metrics and Targets (pages 100 and 101).

The Directors consider Hunting to be fully compliant with UK Listing Rule 6.6.6R(8), following enhancements to its reporting procedures completed during 2024, as well as the climate-related financial disclosures required by sections 414CA and 414CB(2A)-(2H) of the Companies Act 2006.

Climate policy

In 2020, the Directors approved a Climate Policy (located at www.huntingplc.com), which commits the Board to Group-level monitoring of climate related opportunities and risks.

This Policy acknowledges the goal to limit global warming to 1.5°C above pre-industrial levels in line with the 2015 Paris Accord and commits the Group to assisting in the delivery of this ambition through a reduction in its global carbon footprint.

Progress in Hunting 2030 Strategy

In 2023, the Board of Hunting announced the Hunting 2030 Strategy, which commits to the development of revenue from the energy transition sector, including low carbon geothermal and carbon capture projects, and non-oil and gas end-markets.

In 2024, the Group announced the commercialisation of its licensed Organic Oil Recovery technology, with c.$60m of contracts announced with clients in the North Sea. This technology enhances production of brownfield sites of oil and gas and has the potential to curtail the number of greenfield developments.

To increase the Group's long-term sustainability investment profile, Hunting is now targeting 25% of total revenue to be derived from non-oil and gas sources by 2030 as announced at our Capital Markets Day in September 2023. This is targeted at reducing the cyclicality of the Group's revenue and profit profile, to ensure Hunting remains an investable business through the energy cycle.

For more information on the Hunting 2030 Strategy please see pages 10 to 16.

Risk management

To capture potential climate change risks, the Group rolls out an annual climate change risk management survey to all businesses.

The survey explores the impact of climate change on the long-term outlook of each business unit, using the "business as usual" and "1.5°C" global warming scenarios.

The survey captures the risk profile of the proposed pivot to lower oil and gas-related sales, in addition to the physical risks associated with Hunting's asset base.

The risk assessment presented on pages 92 to 96 incorporates these disclosures and also reflects the financial impact of these risks in the short, medium and long term.

The Group has further developed its financial model, which analyses the carrying values of the assets held by each business and provides a perspective on the financial impact of each business unit based on these climate scenarios.

Metrics and targets

The Directors of Hunting announced new greenhouse gas ("GHG") emissions reduction targets in 2023, which include a reduction of scope 1 and 2 emissions to 50% of the baseline year of 2019 by 2030.

In March 2025, the Company set a new long-term emissions intensity target of 20kg/$k of revenue or less, based on the Group's scope 1 and 2 emissions to revenue ratio. Our intensity factor is calculated using our total scope 1 and 2 greenhouse gas emissions in kilogrammes divided by our total revenue in $'000.

Carbon data collection and assurance

The Group assured its 2023 scope 1 and 2 carbon emissions data in 2024, aligning with the ISO 14064-3 standard, a more stringent standard to report against, demonstrating the commitment by the Directors to enhance its procedures. The Group elected to use a different third-party expert from last year to provide this assurance, with no material issues identified.

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

Scope 3 emissions reporting

Hunting appointed the Carbon Trust to assist in determining scope 3 emissions inventories for its Hunting Titan, Subsea Technologies, EMEA, and Asia Pacific operating segments in 2024. This data was used by Hunting to extrapolate a total 2024 scope 3 emissions data point for the Group. Please refer to the case study on page 73 for further details.

These four operating segments account for c.53% of the Group's scope 1 and 2 GHG emissions, providing a significant level of coverage for the extrapolation of the Group's scope 3 footprint.

Management has taken the scope 3 data for the nine months to 30 September 2024 for these four operating segments and scaled this to a 12-month period to arrive at a total for these operating segments. The total was then extrapolated using the relative cost of sales amount for 2024 for all five operating segments to determine the Group's total scope 3 footprint.

The Carbon Trust was appointed to assist in the data collection work and provide support to the conversion of the data into scope 3 emissions for each of the pillars reported. In 2025, all of the Group's operating segments will be included in the data collection process.

New physical risk assessment

In 2021, the Group appointed WillisTowersWatson ("WTW") to assess the physical risk profile of Hunting's global asset base. This process was repeated in 2024, as climate models were evolved, coupled with the changing profile of Hunting's asset base, as new facilities were opened and others consolidated or divested.

The report from WTW was reviewed by the Ethics and Sustainability Committee in December 2024, which summarised the updated risk profile for the Group, reported under three climate scenarios: (i) RCP2.6 or a 1.5°C scenario; (ii) RCP4.5 or a 2.0 – 3.0°C scenario; and (iii) RCP8.5 or a 4.0°C scenario.

The timescales applied were 2030, 2050 and 2100 in the completed analysis. Fourteen climate/natural hazards were assessed, including: river flood, sea level rise, heavy precipitation, heat stress, drought stress, fire weather stress, tropical cyclone, extratropical cyclone, hailstorm, lightning, coastal flood, tornado, wildfire, and flash floods.

The analysis has concluded the following risk profile for the Group based on the current climate:

- 79% of Hunting's total insured asset base is exposed to material heat stress (2021 – 74%);
- 47% of our asset base is exposed to drought stress (2021 – 10%);
- 29% is exposed to fire stress (2021 – 22%);
- 71% is exposed to material precipitation risk (2021 – 70%); and
- 33% of our asset base is exposed to material tropical storms (2021 – 9%).

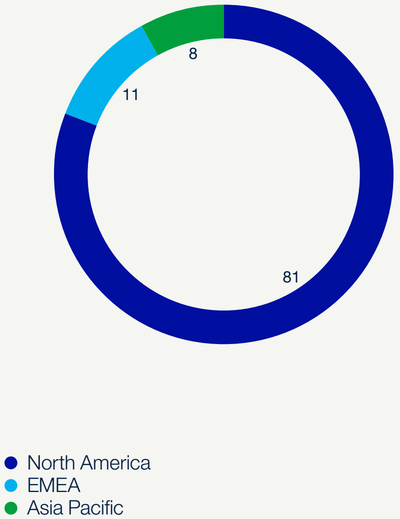
In the 2050 RCP8.5 scenario, the above values change to:

- 80% of Hunting's total insured asset base is exposed to material heat stress;
- 67% of our asset base is exposed to drought stress;
- 62% is exposed to fire stress;
- 84% is exposed to material precipitation risk; and
- 33% of our asset base is exposed to material tropical storms.

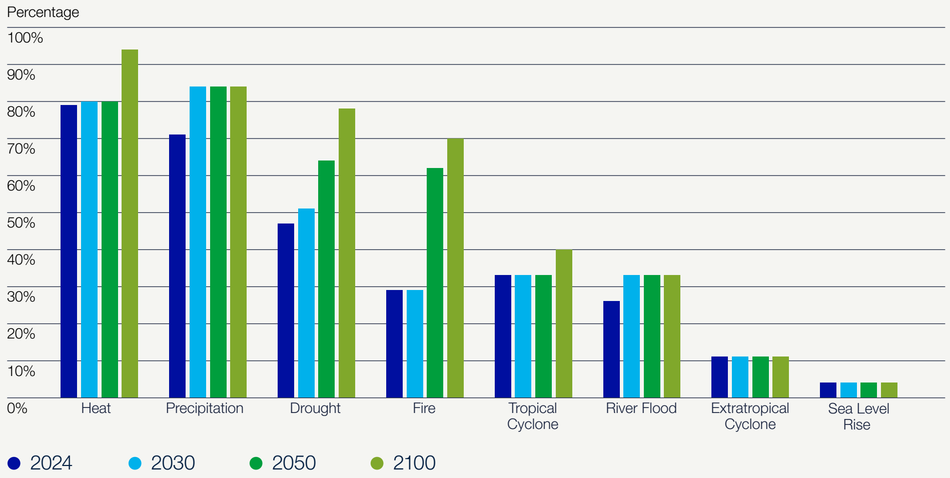
The Directors, therefore, noted that for Hunting the key climate/natural hazards are drought stress, fire stress, and tropical cyclones under the more aggressive climate change scenario, as analysed by WTW.

The geographic split of our asset base is shown in the chart on the right, which highlights that approximately 81% of the Group's assets are located in North America, with the balance mostly located in Europe and Asia Pacific.

Geographic split of asset base
%



Climate exposure of asset base by weather event – under RCP8.5 (4.0°C) climate scenario



Source: WillisTowersWatson

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

Governance

The Board of Hunting has put in place a robust climate-related governance framework to oversee and deliver on its objectives going forward. This governance framework is summarised below.

Disclosure (a) – Board oversight

The Chief Executive has been charged with oversight and responsibility for all TCFD matters.

Since 2020, the Board has been briefed by the Group's central compliance and finance functions on TCFD reporting requirements and the workstreams underway across the Group to assess compliance.

This includes evaluation of the transition and physical risks facing the Group and the opportunities climate change presents to the Company.

Climate change perspectives and strategic initiatives, including the pursuit of energy transition opportunities as well as the pivot of revenue to more non-oil and gas sales, are therefore included in the Board's strategic planning discussions, which include merger and acquisition opportunities being considered.

In 2024, the Company appointed WTW to assist in the reassessment of the Group's physical risk profile, based on the location of its current and non-current assets. This exercise will be repeated in 2027.

The Board maintains an Ethics and Sustainability Committee to monitor Hunting's overall governance and reporting framework in the area of climate change and wider ESG issues.

The Ethics and Sustainability Committee comprises the non-executive Directors of the Company, excluding the Company Chair, (pages 116 and 117) and is chaired by Dr Margaret Amos.

The Committee meets twice a year, with carbon, climate and TCFD matters being regular agenda items. This Committee also monitors, on behalf of the Board, Hunting's progress against its current emissions reduction targets.

All members of the Board attend each meeting of this Committee, with its activities and actions completed during the year detailed on pages 133 to 135.

While the Ethics and Sustainability Committee reviews these important non-financial matters, the Audit and Risk Committee retains key oversight of Hunting's public disclosures in these areas, including the information contained in its Annual Report and other Stock Exchange announcements and the evaluation of the risk profile of the Group in respect of climate change.

Further, the Audit and Risk Committee reviews the TCFD reporting, which includes the climate-related risk assessment prepared by the Group's central finance function.

Disclosure (b) – Management's role in assessing climate risks and opportunities

Members of the Group's senior leadership team including the Group Company Secretary, Chief HR Officer, General Counsel and Director of QAHSE are invited to meetings of the Ethics and Sustainability Committee.

These managers, in turn, are supported by the Hunting Executive Committee; a formal ESG internal steering group comprising operational and finance staff; and a TCFD steering group, the latter being charged with developing formal reporting and new strategies to curtail the Group's carbon footprint, to reduce its impact on the environment and to provide direction on Hunting's sustainability ambitions.

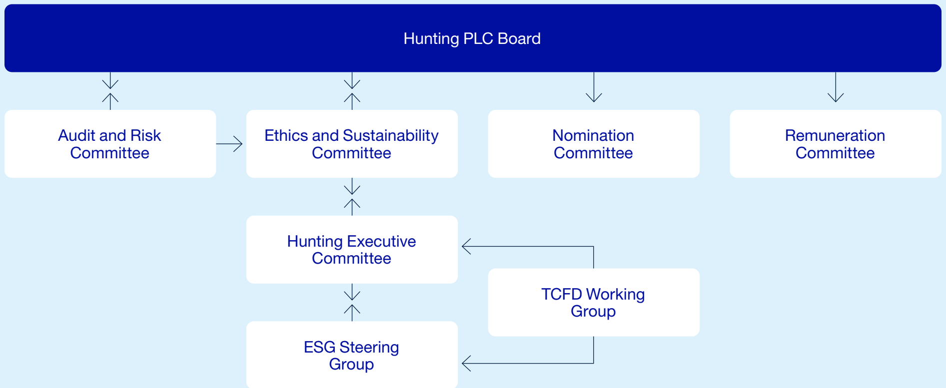
The responsibility of managing climate risks is vested in the Executive Committee, which comprises the senior operational leaders of the Company.

The Group's central compliance function oversees TCFD external reporting and compliance matters and works with the Executive Committee to develop the Company's climate-related objectives.

Management completed a Group-level and business unit-level climate risk register, which is detailed on pages 92 to 96. As part of this process, strategic opportunities were considered by each business unit, which formed part of the Group's wider plan to pivot revenue to more non-oil and gas revenue and the new market opportunities that underpin this strategy.

For more information on the Group's wider governance framework, please refer to the Corporate Governance Report on pages 119 to 130.

Climate governance framework



Strategy

Disclosure (a) – Description of risks and opportunities over the short, medium and long term

Disclosure (b) – The impact of climate-related risks and opportunities

Hunting has not presented risks and opportunities based on the geographic split of its global operations or by the various industry sectors where it sells products and services, as recommended by part (a) of Strategy.

Hunting is a global energy services group focused largely on the oil and gas industry and, therefore, each of its global operating segments are faced with the same climate change risks and opportunities.

The physical and chronic risk assessment highlights the profile of the Group's asset base by region and presents a detailed risk assessment of the Group's total asset base.

Non-oil and gas revenue was c.7% of the Group's total sales in 2024 and therefore remains at a level which is not sufficiently material to analyse as a separate sector or geography.

The opportunity to transition to non-oil and gas-related sales exists in all operating segments across the Group, but notably in the North America, EMEA and Asia Pacific operating segments, which currently represent all of the Group's non-oil and gas revenue, and in the segments with high proportions of OCTG-related revenue. As such, the non-oil and gas segment of Hunting's revenue profile is not a separate business unit.

Therefore, the Board believes that the geographical/sectoral split approach to climate change analysis is not relevant to Hunting.

Climate scenarios for evaluating transition risks and opportunities

The Group uses three scenarios to evaluate transition risks and opportunities:

- **Business as usual scenario** (aligned to 2.5°C warming) – evolution of current policies and a steady advancement of current and nascent technologies;
- **Middle case scenario** (aligned to 2.0°C warming) – global Net Zero achieved by 2060, which incorporates policy response to the current energy crisis as well as decarbonisation commitments, but not as swift as under the rapid transition scenario; and
- **Rapid transition scenario** (aligned to 1.5°C warming) – global Net Zero achieved by 2050 as prescribed by the Paris Agreement. This reflects immediate peak energy, rapid hydrogen and carbon removal deployment and a consumer shift.

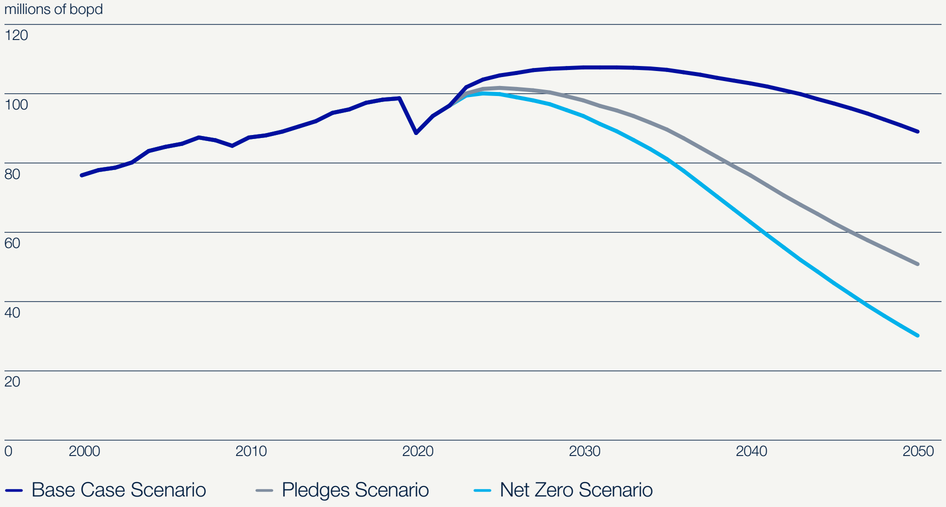
In selecting these scenarios, the Group used energy demand analysis from Wood Mackenzie (see graph on the right), which analyses a range of climate change scenarios, as well as the latest energy transition projections and oil and gas demand scenarios from the International Energy Agency ("IEA"), see graph on page 97, which is assumed to be in a Stated Policies Scenario.

The IEA research included three scenarios: the Stated Policies Scenario, the Announced Pledges Scenario, and the Net Zero Emissions by 2050 Scenario.

Climate scenarios for evaluating physical risks and opportunities

WTW has evaluated the longer-range climate risk to the Group's operating locations, applying various climate scenarios up to 2100, as noted earlier.

Scenarios for oil demand: 2020 to 2050



Source: Wood Mackenzie

Other known risks are evaluated by the Board under the Group's current operational risk programme, with estimates being made as to the likely quantitative impact.

The scenarios have been used to evaluate climate-related risks and opportunities over the short (0 – 5 years), medium (5 – 10 years) and long term (10+ years).

The short-term period aligns with the Group's usual business and financial planning time frame, the medium term aligns with the business outlook beyond the short term, and the long-term period represents the time frame by which the wide range of uncertainties surrounding the energy transition are expected to materialise.

Risks have been categorised as follows:

- Low – small to no impact on the Group's profitability ($0–$10m EBITDA) and/or ability to achieve strategic objectives;
- Medium – some impact felt to the Group's profitability ($10–$20m EBITDA) and/or ability to achieve strategic objectives, requiring some mitigation plans and action; and
- High – significant impact to the Group's profitability (>$20m EBITDA) and/or ability to achieve strategic objectives, therefore requiring critical and urgent mitigation plans and action.

Where risks have no impact on profitability, they have been categorised based on the impact on the Group's ability to achieve its strategic objectives.

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

Climate change risk analysis

Transitional risks

Category	Description of risk	Management actions	Impact
1. Market			
Risk rating: Medium **Time frame:** Long term **Financial impact:** Revenue	Hunting's primary revenue streams are derived from the oil and gas industry, which can be highly cyclical and is driven by commodity prices. Oil and gas demand is also driven by geopolitical events and economic growth, which influence energy supply/demand dynamics. The drive by many global governments and economies to reduce emissions may impact long-term oil and gas demand, which in turn will impact Hunting's long-term revenue profile.	The Board reviews a number of primary energy demand scenarios developed by Wood Mackenzie and the IEA, which include energy transition projections and oil and gas demand scenarios to 2050. The former is presented on page 91 and the latter on page 97. The Directors also regularly receive reports from the Chief Executive on the short- to medium-term outlook for oil and gas demand, given that this is a key revenue driver for the Group. From this analysis, the Directors believe that in the Business as Usual scenario there is a robust outlook for oil and gas in the long term i.e. to 2050 and beyond, which will drive strong demand for Hunting's energy-focused products through this time frame. The Directors will continue to monitor these projections and government legislation and will also track its customers and suppliers who are also tracking energy transition developments. As noted on pages 10 to 16, the Board is putting initiatives in place to diversify its revenue streams, which do not rely on the global oil and gas market, to minimise earnings volatility over time.	As noted in the Market Summary on pages 40 to 42, market data, including rig count and drilling and production spend, published by Spears & Associates, support the Group's wider financial reporting needs in the short term, including impairment reviews. In October 2024, the IEA issued its annual energy outlook which provides a perspective on the long-term changes to energy demand and its primary energy inputs. This shows that the outlook for oil and gas, in a Stated Policies Scenario as defined by the IEA, remains robust to 2050 with oil demand remaining flat for this timescale, with a small decline in natural gas demand. The analysis from Wood Mackenzie provides a high-level view of the possible changes to global oil and gas demand and therefore to Hunting's revenue profile to 2050, which indicates possible reductions in oil and gas revenue of c.50–60% from 2023 in the Middle Case and Rapid Transition scenarios. These energy demand scenarios have implications for Hunting's long-term strategy, as the Group's products and services, and overall revenue profile, are currently largely driven by oil and gas demand and investment in the exploration and production of hydrocarbons, notwithstanding the opportunities in non-oil and gas markets as described below. The Board believes that the primary energy mix to 2050 supports Hunting's long-term focus on energy, underpinned by the pivot to non-oil and gas sales in this timescale (see opportunities below). The split of revenue between oil and gas and non-oil and gas sectors, the relevant metric for managing the risk, is disclosed in note 2 on page 18.
2. Technology			
Risk rating: Medium **Time frame:** Long term **Financial impact:** Revenue	Hunting's products and services are primarily targeted at the oil and gas industry, given its expertise and know-how of this sector. Should the pace of the energy transition be more rapid than what is currently projected, certain of the Group's product lines and technologies will be less adaptable to a lower carbon energy world or could become obsolete.	The Directors believe that Hunting's engineering excellence, particularly within the Advanced Manufacturing product group, has the ability to diversify the long-term revenue streams of the Group. As part of the business unit level risk assessment, the adaptability to non-oil and gas markets was explored. Most businesses across the Group believe that revenues from new markets, using Hunting's core competencies, will enable a level of transition to occur and are, therefore, well placed to develop non-oil and gas sales. In 2022, a global Energy Transition sales group was formed to pursue carbon capture and geothermal revenue.	International commentators believe that climate reduction commitments are very challenging, given (a) the pace of global warming and (b) the absence of technologies to assist in material carbon mitigation and reduction. The Directors of Hunting believe that its strategic ambition to assist its clients in making drilling operations safer and more efficient will place Hunting in a valuable part of the energy transition, as brownfield developments extract oil and gas more efficiently, reducing the need for greenfield project developments. Hunting's current technology offering enables the efficient and safe delivery of hydrocarbons. While there is a risk that certain products could become obsolete in the long term, the Directors believe that a number of its product lines are directly applicable to the energy transition and non-oil and gas markets which provides a level of resilience to its long-range revenue profile.

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

Climate change risk analysis continued
Transitional risks continued

Category	Description of risk	Management actions	Impact
3. Labour and expenses			
Risk rating: Medium **Time frame:** Short to medium term **Financial impact:** Expenditure	Historically, the oil and gas sector has provided highly competitive rates of pay and benefits and, therefore, has always been an attractive sector to work in. However, with recent volatility across the industry, along with the global climate agenda, there has been a change in perception of the global oil and gas sector, which may present a continuing risk of attracting and retaining skilled talent. The consequence of this risk is that employee costs may rise in the short to medium term to ensure Hunting can achieve its strategic objectives.	The Directors have monitored labour risk during 2024, through the Remuneration and Ethics and Sustainability Committees, to ensure possible labour market issues in Hunting's various regions of operation are minimised.	Labour costs – Hunting's products and services are delivered by a highly skilled workforce comprising engineers, machinists and professional services staff. The competition for talent remains a principal risk to the Company as noted on page 108, with employment costs likely to increase in the long term, to attract and retain employees to the oil and gas industry. Hunting's employee costs are disclosed in note 7 on pages 196 and 197. Energy costs – in 2024 total utilities costs amounted to c.$5.9m. It is possible that as the energy transition progresses, the cost of electricity will increase as more expensive primary energy sources are adopted. It is expected that the energy cost impact will increase in each scenario, with the largest impact expected in the rapid transition scenario.
4. Insurance and tax			
Risk rating: Low **Time frame:** Short to medium term **Financial impact:** Expenditure	Hunting is faced with the likelihood of increased operating costs, including insurance and tax costs. It is possible that Hunting's insurance costs could rise in the future, given its presence in the global energy supply chain in addition to the location of certain facilities in the Gulf of Mexico. Further, it is possible that western governments will introduce taxation on companies based on carbon footprint.	The Board has announced a 2030 Strategy, which will target a material increase in non-oil and gas revenue by the end of the decade. This initiative, in part, is to support a less volatile earnings profile, but also to minimise sector-related cost increases such as Directors' & Officers' liability insurance seen across the energy sector. Further, given that the Group has a relatively low carbon footprint, compared to other energy companies such as exploration and production businesses, any carbon-related taxation is likely to be modest, given Hunting's drive to reduce scope 1 and 2 emissions.	Given the modest level of emissions produced by the Group, the Directors believe that the potential tax cost to the Group is low. The Group maintains a broad-based insurance programme covering many risk areas. Property damage and business interruption policies are in place, which cover potential losses due to severe weather events. Given the location of certain of the Group's facilities in Texas and Louisiana, which are subject to wind storms, it is possible that the cost of this insurance cover will increase over time as the long-term risk profile of these operations increases. However, the Directors believe that given Hunting's diversified operational footprint, the risk of loss of operations is low.

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

Climate change risk analysis continued
Transitional risks continued

Category	Description of risk	Management actions	Impact
5. Financial markets			
Risk rating: High **Time frame:** Short to long term **Financial impact:** Capital and financing	With the increased attention climate change is being given by financial markets, the standing of energy related companies has come under increased scrutiny in recent years. Many investors who wish to invest in the oil and gas sector look for evidence of a Net Zero plan as part of their investment screening. Energy transition risk imputed by shareholders, lenders and market commentators has the potential to impact equity/debt funding support from financial institutions.	The Directors believe that investors and lenders will be more demanding in respect of the provision of financing in the future. However, this risk is partially mitigated by the Board's Hunting 2030 Strategy and its ongoing access to equity capital markets. The Group relies on equity and debt capital markets to fund its businesses. The Group currently has access to a $300m committed lending facility, comprising a $200m RCF and $100m term loan, which provides a strong funding base into the medium term.	The Hunting 2030 Strategy, climate policy, and the ability to diversify revenue streams to non-oil and gas markets are considered to partially mitigate the impact. **Capital investment** – it is likely that new investment in facilities will occur over time to align with the physical risk to the Group's facilities noted on page 89. However, the Directors believe that Hunting's diverse operational footprint will, in the short to medium term, mitigate the majority of operational risks as many sites are configured in similar ways, minimising the requirement for access to capital for this purpose. **Acquisitions** – Hunting has a strategy to develop its non-oil and gas revenue which, in part, will be funded by internally generated cash flows.
6. Regulatory, legal and compliance			
Risk rating: Medium **Time frame:** Short to medium term **Financial impact:** Expenditure, capital and financing	Regulatory and compliance risk with respect to climate has increased, including the introduction of TCFD reporting requirements and the demand for long-term planning disclosures to address climate change. The Directors of Hunting believe that regulatory and compliance costs are likely to increase over time as companies address carbon and climate issues, which will likely require additional human capital to meet stakeholder expectations as well as to develop and implement Net Zero strategies.	As noted in the Risk Management section on pages 99 and 100, the Directors believe that regulatory compliance with climate change legislation could differ substantially given the various government and political agendas where Hunting's stakeholders are located. Management are continuously monitoring regulatory and compliance changes across its various jurisdictions.	International policies and legislation in respect of climate change and climate action have increased at pace, examples of which include new reporting procedures introduced into the UK for publicly-listed companies along with the encouragement for all businesses to commit to a Net Zero ambition. Further to this, initiatives such as the UK's Energy Savings Opportunities Scheme, which requires energy audits of businesses to identify carbon-reduction measures, provide an indication of western governments' ambitions to achieve carbon containment. It is likely that climate-related legislation will increase over time, which will lead to higher compliance, legal, operational, and administrative costs to keep pace with these new regulations. Climate-related litigation is a further potential cost pressure, which may materialise over time, as activism increases.

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

Climate change risk analysis continued
Transitional risks continued

Category	Description of risk	Management actions	Impact
7. Reputation			
Risk rating: High **Time frame:** Short to long term **Financial impact:** Capital and financing	Many stakeholders have become more aware of climate change, linking a Company's response to the climate debate to its reputation. Further, with the continued focus on oil and gas, investors in certain geographies will not invest in a traditional energy company, which may lead to a lower market capitalisation.	The Directors believe that a proportionate response to climate change planning is being implemented, which protects shareholders' interests, including earnings and capital returns. Over time, the Directors will increase the disclosures in this area as longer-term plans are agreed. The Directors and the Board monitor the Company's market capitalisation against the value of its net assets, which provides an indication of how various investors view Hunting's response to climate change. Management are focused on close investor relationships and more regular interactions, and further transparency on strategy.	Reputation risk is not easily quantified. Hunting's association with the oil and gas industry is believed to be high risk in the long term with respect to investor and shareholder perceptions, given the negative media attention of traditional primary energy sources. Recent global shifts in positive sentiment around the oil and gas industry support Hunting's ongoing development and innovation in its core products and markets, while continuing to diversify into products and technology relevant to the energy transition. The Directors believe that Hunting's strong relationships with customers and suppliers will support its ambition to play a key role in the energy transition, which will contribute to the Board's strategy of pivoting revenue to more non-oil and gas sources. Further, the Directors believe that secure energy sources from regions such as North America continue to play a key role in global economic stability.

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

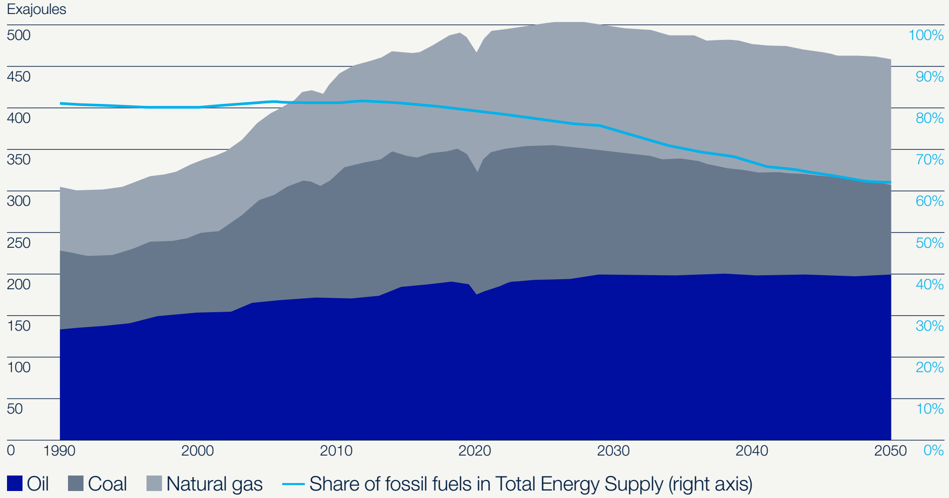
Climate change risk analysis continued

Physical risks

Category	Description of risk	Management actions	Impact
8. Assets			
Risk rating: Medium **Time frame:** Long term **Financial impact:** Revenue Assets and liabilities	The global operating footprint of the Group is potentially exposed to the acute and chronic physical risks of more volatile and severe weather events due to climate change. These events have the ability to damage the Group's operating facilities and property, plant and equipment, thus impairing Hunting's ability to generate revenue. Additionally, in terms of chronic physical risks, higher temperatures are likely to increase the requirement for operational and office cooling, but there will likely be a minor reduction in requirement for space heating in winter.	In December 2024, the Board and the Ethics and Sustainability Committee reviewed an independent report from WillisTowersWatson ("WTW") that presented the Group's physical risk profile with respect to climate change and which presented analysis of Hunting's operating locations and their respective risk profiles against a variety of weather events. The report also detailed a longer-range risk analysis incorporating a number of climate scenarios and how this could potentially impact the Group's operations. The graph on page 89 presents the Group's facilities' exposure to various severe weather events based on the physical risk climate scenarios. Given the concentration of facilities in Texas and Louisiana, c.80% of the Group's operating locations are considered to be in higher-risk areas. In 2024, a number of facilities closed due to Hurricanes Beryl and Francine; however, these closures were for only a few days. All facilities are built to withstand these weather events, which minimises production downtimes when these events occur. The Directors believe that Hunting's long-term presence in Louisiana and Texas has given the Group considerable experience in managing this risk. Considered as part of the Group's strategic planning, it is expected that the majority of products and services offered by Hunting can be manufactured in multiple facilities, which mitigates the risk of loss of revenue.	The Group has completed a new physical risk assessment, the results of which are summarised on page 89. The analysis shows that a large percentage of Hunting's facilities are exposed to heat stress, drought, flood, and precipitation risks, which can mean that in any one year, certain facilities may be offline for a short period of time if a severe weather event occurs. The Directors note the Group's international footprint, and believe that this does not have a material impact on the Group's ability to generate revenue. Longer range physical and chronic risks, as summarised in the risk assessment, show increases in the risk profile of certain weather events, including drought and fire stress, and flooding. Further, the Group has a number of specialist manufacturing facilities, including our Electronics, Energetics, Subsea and Perforating Systems products, which if a weather event was to hit one of these facilities, it would take a number of months to restore production. However, given that these separate product lines or operating facilities do not contribute to a significant level of profit before tax, the overall impact on the Group's financial statements is believed to be low risk. The Directors, therefore, believe that given the diverse product groups, different geographic locations, both in North America and internationally, the physical risk profile of the Group is sufficiently mitigated.

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

IEA projected fossil fuel demand: 1990–2050



Source: IEA – World Energy Outlook

Climate opportunities

Resource efficiency

The Group retains an ongoing lean manufacturing programme that is aimed at increasing productivity and reducing costs of operation.

In 2024, the cost saving estimated by this programme was $0.5m (2023 – $1.4m).

Key resource inputs for the Group include the availability of power and water.

Energy source

The Group's carbon emissions footprint is noted on pages 100 and 101.

The Board believes that simple, but meaningful, carbon reduction strategies will drive down the Group's emissions and include:

i. Moving electricity contracts for Group facilities to renewable-based energy arrangements;
ii. Building a zero emission vehicle fleet over time, including heavy and light duty vehicles and the provision of all-electric cars to relevant staff;
iii. Installation of solar panels on relevant facilities, for a zero emission base load energy feed; and
iv. A tree and grass planting strategy at Group facilities to offset residual carbon emissions.

Products and services

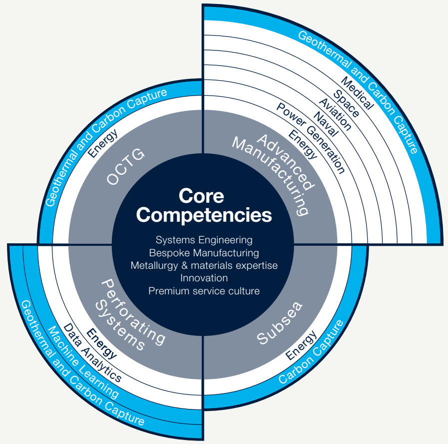
The Directors of Hunting have assessed the opportunities that climate change presents to the Group. These opportunities are considered to exist in each scenario but would be expected to accelerate and happen more swiftly in the Rapid Transition and Middle Case scenarios.

i. Participation in non-oil and gas primary energy development

An area of focus within the global energy industry is geothermal energy development. These projects present a long-term opportunity for the Company to provide OCTG premium and semi-premium connections and accessories to operators. Hunting has industry-leading products and expertise in this area and, therefore, accessing these markets is believed to be relatively low risk. The Group has analysed the global market for geothermal energy and believes that the Asia Pacific and North America regions hold good opportunities to develop revenue in this sector given the number of projects announced over the past two years.

The Directors also note that a number of the Group's major customers are also commencing their climate journey, with energy transition plans being announced. Hunting's relationship with key exploration and production companies and international energy service groups has been established over many years, with Hunting being a trusted member of the global energy supply chain. The Board, therefore, believes that Hunting can successfully leverage its brand and reputation to remain a key participant in the energy transition.

Hunting's core competencies – current and target markets



ii. Participation in carbon capture and storage projects

As noted in the Market Summary, on page 42, a number of carbon capture and storage projects are to be completed within the 2030 time frame, to offset carbon dioxide build-up in the atmosphere.

These projects, which require carbon dioxide re-injection into known oil and gas fields, or greenfield developments, present a long-term opportunity for the Company to provide OCTG, premium and semi-premium connections and accessories to operators.

The Group's Energy Transition sales group is exploring increased participation in this market.

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

iii. Diversification into other non-oil and gas sectors

The chart on the previous page illustrates the Group's key product groups and core competencies and demonstrates that the majority of Hunting's businesses have expertise to diversify into other growth sectors, such as medical, space, aviation and naval. Hunting has launched a medium-term strategy to materially increase non-oil and gas sales by 2030, which is supported by this analysis and has taken steps to drive new sales, particularly within the Group's Advanced Manufacturing group.

These opportunities are explained further as part of the Hunting 2030 Strategy on pages 10 to 16.

Supply chain

Our commitment to the delivery of innovative, high-quality, and reliable products is of material importance to the achievement of our "total customer satisfaction" goal, and this is reflected in our Quality Policy and our Sustainability Framework.

Hunting's total commitment to quality is shown through operational excellence, and a comprehensive Quality Management System ("QMS") supported by strong management oversight, which includes supply chain risk management.

The Group's supply chain is predominantly related to raw material supplies, including the responsible resourcing of readily available materials such as carbon steel, nickel, and chrome-based specialist steel alloys, which are used in the manufacture of Hunting's various products.

Traditionally, these materials constitute a very low risk in terms of availability and price changes. Over the past few years, due to geopolitical and market factors, we have seen significant supply chain disruptions, including supply chain inflation and the extension of lead times of critical components. This has resulted in a surge in demand, price increases, and uncertain availability.

Measuring and reducing carbon emissions across the Company's supply chain is intricate and challenging, but Hunting's role in this effort is driven by products that deliver more efficient drilling procedures. The Company is increasing its efforts to communicate its carbon reduction ambitions to its supplier base, through a Supplier Code of Conduct, which was introduced in 2022.

A small number of our products contain electronic components that may contain critical materials as defined by the National Research Council. These are a very small proportion of our purchased materials and constitute a low risk to the Company. However, for critical materials such as tungsten, required for Hunting Titan's charge production, we carry out regular risk assessments to identify potential supply chain risks. In addition, all other identified critical raw materials and/or components are regularly reviewed, forecasted for sales, availability, and projected market pricing, to create a purchase plan.

At all times, Hunting has existing mitigation plans in place should there be a supply chain interruption. For example, we maintain, and in some circumstances have increased, a safe stock, or buffer stock, for critical materials and components. We also have a highly diverse range of approved suppliers in place as part of our supply chain, for example sourcing from Chinese to domestic US steel mills. In some areas, we have expanded our approved supplier list.

Adaption and mitigation

As noted above, the Group is pivoting revenue to more non-oil and gas sources, including the development of Energy Transition revenue from geothermal and carbon capture opportunities.

Investment in research and development for new products and technologies is a strategic objective to maintain market leadership in the Group's core markets.

In 2024, research and development expenditure totalled $8.8m (2023 – $6.9m).

Acquisitions and divestments

As noted elsewhere, the Group's ambition to develop more non-oil and gas sales will be achieved through targeted acquisitions and an overall strategic expansion of the Group's portfolio. The Group continues to review and monitor opportunities in this area.

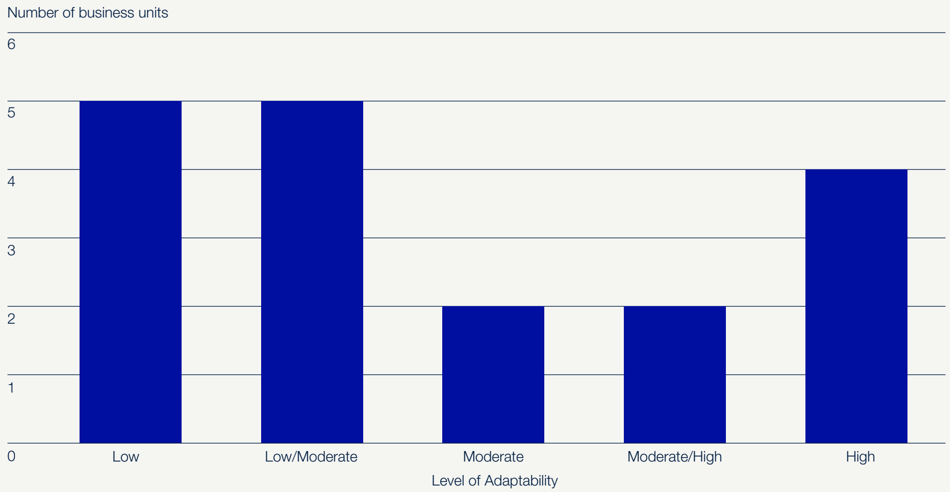
Access to capital

The Group currently has access to $300m of committed lending facilities. The Directors believe that Hunting continues to have access to both equity and debt markets, given the strength of its position in the oil and gas sector, and wider energy industry.

Disclosure (c) – climate resilience based on a 1.5°C scenario

As part of the TCFD risk assessment process, disclosures from each of the Group's business units were requested, which included details of the resilience of its operations and business model in a 1.5°C climate scenario by 2050. While Hunting is currently focused on the oil and gas sector, the Group retains diverse manufacturing capabilities and participates in sectors as diverse as aerospace, medical and space.

Business unit resilience and adaptability



Source: Company

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

A key factor that determines the impact on the Group is the adaptability of our businesses to transition to different sectors. Until our plans are further developed, we have taken a conservative approach and have considered how adaptable our businesses are with minimal capital investment.

Furthermore, for some of our businesses, the opportunities to adapt will depend on the potential development of new markets such as carbon capture and storage, the use of hydrogen as an energy source together with the expansion of the geothermal market and our ability to compete in these areas. The majority of the Group's businesses report that they have a moderate or high level of adaptability if energy markets change materially.

We have progressed scenario analysis in 2024 to allow us to further test the resilience of our strategy against the three climate scenarios identified above with reference to evaluating transition risks and opportunities, one being a 1.5°C scenario. The scenario analysis leverages the Group's extended forecast out to 2029 and is extrapolated to the long term using growth rates and assumptions that are consistent with other forward-looking financial statement elements. In the analysis modelled, the Group is considered resilient to climate-related scenarios.

Risk management

Hunting's climate-related Risk Management disclosures are detailed on page 90. As part of Hunting's TCFD reporting, Hunting's central compliance function prepares an annual business unit climate risk assessment, which assesses the short-, medium-, and long-term risks and opportunities of climate change. The assessment also gives a deeper consideration to Hunting's longer-range risks, including revenue and expenditure risks in addition to analysis of major cash generating units within the Group with respect to the impact of climate change.

Given the Group's focus on the changing oil and gas industry and the scrutiny of climate change by investors and lenders, the Directors' view is that climate change risk is a principal risk to the Group and has been embedded into our Risk Management processes to which the Group's senior leadership team can respond in an appropriate manner. Further information on climate change and energy transition risk can be found on page 108 within Risk Management.

The Group's central compliance function rolls out a specific climate-change risk assessment process to be completed by each business unit within the Group to enable an integrated risk register to be assembled.

Disclosure (a) – climate risk identification

Each business unit within the Group completes a broad-based risk assessment twice a year. The results of the process are consolidated into a Group-level risk register, which includes details of the risk and the associated mitigating controls. This includes financial, reputational, strategic, legal and insurance risk as well as other operational risks faced by the Company.

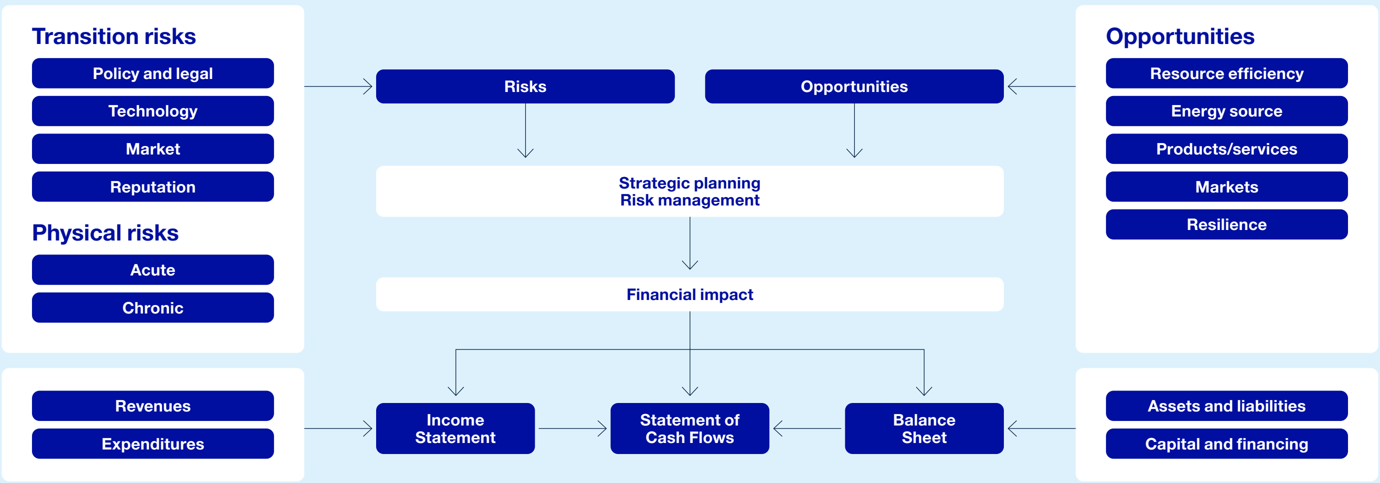
The Group's Audit and Risk Committee reviews the Group-level risk register twice a year as part of its annual schedule of work with input from the Group Finance Director, Group Financial Controller, Group Risk Manager and the Internal Auditor.

In 2022, the Group's central compliance function introduced a climate-specific risk questionnaire to all businesses within the Group, which asked for key information on transition and physical risks related to climate change, as well as strategic opportunities as the energy transition accelerates.

In 2023, a bi-annual Group-level broad-risk assessment was also introduced, bringing together responses from global heads of functions.

The risk assessment framework was based on the TCFD guidance as illustrated below.

TCFD risk assessment chart



Source: TCFD – Recommendations of the Task Force on Climate-related Financial Disclosures – 2017

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

The results of this process are reviewed and consolidated by the Group's central compliance and finance functions and fed into the scenario analysis presented on pages 98 and 99.

This analysis was reviewed by the Directors at its meeting in June 2024 and was debated at the meeting of the Ethics and Sustainability Committee in December 2024.

The analysis will continue to be completed annually as part of the Group's wider risk management procedures.

To prioritise climate risk, in consideration of the principal risks, climate questionnaires feed into the Group-level risk matrix. As a result, climate change and energy transition risk is included in the principal annual risk list, with further Group-level discussion around inter-dependencies to understand how this risk impacts other principal risks.

Disclosure (b) – climate risk management

Following the risk identification process, management has been challenged to develop processes and procedures to mitigate and reduce its climate-related risks and impact.

This includes the reduction of the carbon footprint of each business unit; management of the physical risk profile of each business or facility, includes dialogue with the Group's insurers and other business units to develop production synergies for Hunting's product portfolio; and the broader efforts to decarbonise the Group's supply chain, whether that be to develop non-oil and gas sales such as geothermal or carbon capture or to make our activities more efficient or less carbon intensive.

The central compliance function oversees the Group's annual insurance renewal for all of Hunting's businesses, working with specialists from WTW and, in 2024, completed a second physical climate risk assessment for Hunting's climate exposures which extends to 2100.

Disclosure (c) – integration of climate risk identification and management

The climate-related governance processes highlighted on page 90 have been introduced to allow the Board to have direct oversight of the risks, opportunities, and climate-related strategies being considered by the Group's management.

There is also direct access between the Directors, Chief Executive and senior management team to enable climate matters to be challenged.

Further, the senior management team has empowered each business unit leader to address climate matters on a decentralised basis, to enable regional considerations to be integrated into the Group's overall processes. In addition, the Board has ensured that financially-orientated risks are reviewed by the Audit and Risk Committee, with the broader strategic and operational risks being reviewed by the Ethics and Sustainability Committee to ensure broad-based challenge is given to management and all levels of the workforce in this important area.

Metrics and targets

Disclosure (a) – metrics

To monitor Hunting's climate-related risks and opportunities, the Group has elected to adopt a broad set of metrics to enable climate-related risks and opportunities to be monitored. These are presented in the accompanying table on page 101.

Disclosure (b) – scope 1, 2 and 3 emissions

The Group currently collects scope 1 and 2 GHG emissions data based on the Greenhouse Gas Protocol, published by the World Resources Institute. The data is consolidated on an operational control basis, through the Group's central financial consolidation system. Carbon dioxide equivalent emissions are calculated using factors published by DESNZ in the UK to derive its total scope 1 and 2 emissions.

Scope 1 emissions in 2024 were 3,630 tonnes CO_2e (2023 – 4,169 tonnes CO_2e) and scope 2 emissions were 18,603 tonnes CO_2e (2023 – 18,430 tonnes CO_2e).

Hunting's total scope 1 and 2 emissions have been assessed to be 22,233 tonnes CO_2e (2023 – 22,599 tonnes CO_2e, restated).

Scope 1 and 2 emissions, when comparing 2024 outcomes to the prior year, have decreased by 2% despite activity increasing in the year.

The Group also reported its scope 3 emissions based on extrapolated data collected from its Hunting Titan, Subsea Technologies, EMEA and Asia Pacific operating segments.

Based on this analysis, scope 3 emissions for the Group are estimated to be 534,835 tonnes CO_2e (2023 – 353,346 tonnes CO_2e).

In 2025 all businesses within the Group will submit scope 3 emissions data.

Disclosure (c) – targets

In 2023, the Company announced new GHG emissions targets, with the Group's scope 1 and 2 emissions reduction now targeted at 50% below the 2019 baseline year by 2030. This equates to absolute scope 1 and 2 emissions of 17,937 tonnes CO_2e by 2030.

With 2024 scope 1 and 2 emissions of 22,233 tonnes CO_2e, Hunting has reduced its emissions by 38% since 2019 and needs to reduce its emissions by a further 19% to meet its medium-term target.

In March 2025, the Group published a new long-term Intensity Factor target of less than 20 by 2030.

The Group has also set a non-oil and gas revenue target of 25% by 2030. Due to the growth in Hunting's oil and gas revenue in 2024, the Group's non-oil and gas sales were 7% of total revenue or $75.1m (2023 – $75.9m/8%). The Directors remain committed to the medium-term goal of 25%.

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

Sector specific and cross-sector metrics and targets

Metric	Description of metrics/reason for adoption	2024	2023
Revenue – oil and gas: $m	Hunting's core markets are oil and gas related, therefore the long-term monitoring of this measure assists in the understanding of the Group's resilience.	**973.8**	853.2
Revenue – non-oil and gas: $m	Hunting's longer-term resilience can, in part, be monitored by the development of non-oil and gas sales as the Group seeks to diversify its revenue streams.	**75.1**	75.9
Expenditure – total cost of electricity: $m	The long-term cost of energy, including the purchasing of renewable energy, is a key metric to understanding the financial impact of the energy transition.	**5.9**	5.6
Expenditure – insurance premiums: £m	The cost of insurance, including product liability and property damage/business interruption cover, is a key metric in understanding the Group's financial and asset risk profile.	**4.0**	4.4
Expenditure – research and development: $m	The long-term diversification to non-oil and gas revenue will require investment in new technology and will form part of the Group's research and development activities.	**8.8**	6.9
Assets and liabilities – capital expenditures: $m	The investment in non-current assets provides an indication of the long-term viability of the Company's investment case.	**30.1**	34.6
Scope 1 GHG emissions: tonnes CO_2e	Hunting's scope 1 carbon footprint provides investors with data on the Group's contribution to climate change.	**3,630**	4,169
Scope 2 GHG emissions: tonnes CO_2e	Hunting's scope 2 carbon footprint provides investors with data on the Group's contribution to climate change.	**18,603**	18,430
Scope 3 GHG emissions: tonnes CO_2e	Hunting's scope 3 carbon footprint provides investors with data on the Group's contribution to climate change.	**534,835**	353,346
Water consumption: '000s cubic metres	Hunting's water consumption provides investors with data on this impact on the planet.	**90**	92
Lean manufacturing savings: $m	The Group's drive for higher efficiencies in its operations provides an indication of its efforts to lower its environmental impact.	**0.5**	1.4
Carbon emissions offset cost: €m	The cost of purchasing carbon credits (scope 1 and 2 emissions only) to become a Net Zero business.	**1.7**	1.4
Market capitalisation: $m	The value of the Group's equity provides an indication of the future value of the Group's cash generating assets.	**597.6**	620.5
Net asset value: $m	The book value of the Group's assets, compared to the Company's market capitalisation, provides an indication of the future value investors place on the Group's assets.	**902.3**	950.1
Renewable electricity purchased: GWh	The level of renewable energy purchased provides an indication of the Group's drive to lower emissions.	**10.6**	11.4
Assets exposed to heat stress risk: %	The proportion of assets exposed to heat stress risk provides an indication of the physical risk exposure of the Group.	**79**	74
Assets exposed to precipitation risk: %	The proportion of assets exposed to precipitation risk provides an indication of the physical risk exposure of the Group.	**71**	70