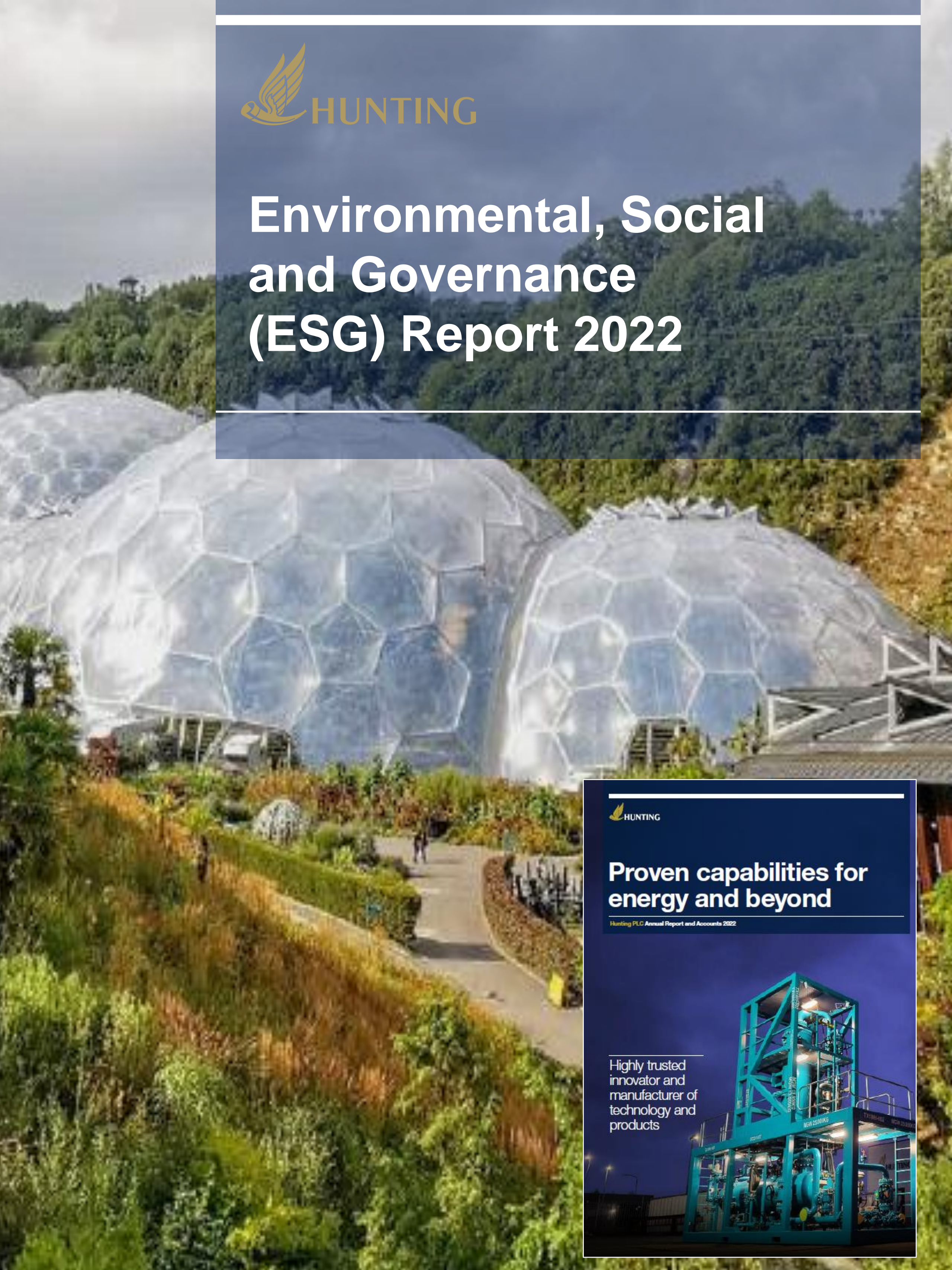




Environmental, Social and Governance (ESG) Report 2022



Proven capabilities for energy and beyond

Hunting PLC Annual Report and Accounts 2022

Highly trusted
innovator and
manufacturer of
technology and
products



Environmental, Social and Governance (ESG)

Introduction

Operating responsibly and ethically is firmly embedded in our strategy and culture. Over the past two years we have formalised our ESG programmes, which are reported to the Board's Ethics and Sustainability Committee. We have also reported in line with the SASB standards and have accounted for our contribution towards the UN Sustainable Development Goals ("SDGs").

Governance

The establishment of the Ethics and Sustainability Committee in 2021 signalled the Group's commitment to monitoring, managing and mitigating ESG matters that are both financially material in influencing the value of the business and are important to our markets, our employees, other stakeholders and the environment. These areas are overseen by the Ethics and Sustainability Committee, with executive responsibility vested in our Chief Executive, supported by the Executive Committee and internal ESG steering group.

During 2022, Hunting further enhanced its carbon reporting policies with further alignment with the GHG Protocol published by the World Resources Institute and updated its data collection platform to improve data accuracy. In the year we appointed Standard & Poor's Trucost to assure our 2022 carbon data against the AA1000 standard.

Our Approach to ESG

People are at the heart of our business, and ensuring the safety, health and well-being of every person employed by the Company, or associated with our business, is a priority.

Operating responsibly and ethically, with a focus on the most efficient allocation of resources, is firmly embedded in our strategy and culture. This is reflected in our reporting, where the most significant material issues are discussed. Please refer to the Annual Report and Accounts 2022 ("2022 AR"), or our website www.huningplc.com, for full and additional information and references about our sustainability commitments, ESG disclosures and non-financial matters.



A micro hydro generator and distribution system (HeliosAtlas™) deployed in the Philippines.

At a glance

Ethics and Sustainability Committee

Committee established in 2021 and met on two occasions in 2022.

Safety remains a priority

Zero

Fatalities
(2021 – zero)

23

Recordable incidents
(2021 – 19)

Carbon assurance procedures introduced

Appointment of Standard & Poor's Trucost ("S&P") to assure our carbon data collection in line with the AA1000 standard.

Gender diversity improvements

37%

of the Board are women
(2021 – 29%)

28%

of senior management are women
(2021 – 25%)

24%

of overall workforce are women
(2021 – 23%)

Waste and environmental impact

Zero

Environmental fines or recordable environmental incidents

Decarbonisation journey continues

New carbon reduction targets set in December 2022.

22,422

Scope 1 and 2 GHG emissions in tonnes CO₂e
(2021 – 18,859 tonnes CO₂e)

30.2

Intensity factor in kg CO₂e/\$'000 of revenue
(2021 – 36.2)

Our sustainability framework

Our approach to ESG is illustrated through our sustainability framework, which underpins our ambition to create long-term and sustainable value for all our stakeholders.

Within the context of sound ESG governance at a Board and Executive level, our six key areas of focus are:

- 1 Operating safely
- 2 Supporting and developing our people
- 3 Delivering innovative, high quality and reliable products
- 4 Fostering mutually beneficial partnerships
- 5 Supporting communities around us
- 6 Managing our environmental performance and mitigating our impacts

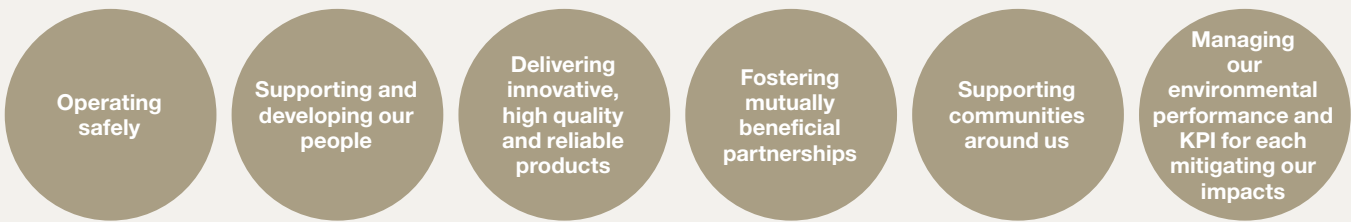
We indicate the progress we have made against these commitments on the pages that follow. As we progress our reporting journey, we will set, align, and report on additional targets and KPIs for all these commitments.

Our six focus areas align with the material issues that we have identified and support our contribution to the United Nations' Sustainable Development Goals ("SDGs").

Our Ambition

Creating long-term, sustainable value, responsibly.

Our Commitments



What this means





Image key
1 Jim Johnson (Chief Executive) and Liese Borden (Chief HR Officer) taking part in the Trees for Houston initiative at the Hunting Bayou.
2 Celebrating Safety Milestones – 10 years Accident-Free in Batam, Indonesia.
3 Hunting's QAHSE in the UK.

How we report

Framework/standard	What this is	Our disclosure and where to find it
Task Force on Climate-related Financial Disclosures (“TCFD”)	A framework for climate-related financial disclosure that is structured around four thematic areas: governance, strategy, risk management, and metrics and targets, with a strong focus on risks and opportunities related to the transition to a low-carbon economy.	Full adoption of TCFD in 2022, following initial disclosure in 2021. For further information please refer to our 2022 AR, or please see TCFD section on pages 21 to 32.
CDP (formerly the Carbon Disclosure Project)	Operates a global disclosure system, via an annual survey, to support companies, cities and regions in measuring and managing environmental impacts.	We make an annual submission to CDP. For further information please refer to our 2022 AR, or visit our website www.huntingplc.com .
Sustainability Accounting Standards Board (“SASB”)	SASB Standards, part of the IFRS Foundation, guide the disclosure of financially material sustainability information by companies to their investors, having identified the subset of ESG issues most relevant to financial performance in 77 industries.	We report against two standards: Oil & Gas – Services and Industrial Machinery & Goods, to the degree that these are relevant. For further information please refer to the SASB tables at the end of this report.
United Nations Sustainable Development Goals (“SDG”)	The SDGs comprise 17 interlinked global goals designed to be a “blueprint to achieve a better and more sustainable future for all”.	We have identified SDGs 3, 5, 6, 7, 8, 9, 12, 13 and 17 as areas where we can make a positive contribution.
Global Reporting Initiative (“GRI”)	GRI is an independent standard-setting organisation, which enables businesses to report on their significant impacts on the economy, environment and society, including impacts on human rights.	Our materiality assessment and ongoing reporting has been informed by the guidance published by GRI. For further information please see our website www.huntingplc.com .
UK Modern Slavery Act	The Act requires organisations to develop and publish a Modern Slavery Act statement in the form of an annual report, outlining the steps taken to combat human trafficking and modern slavery throughout its supply chain.	The Board approves our annual Modern Slavery Act statement, which is signed by the Chief Executive. We report annually on our website www.huntingplc.com .
UK Bribery Act	This requires organisations to put in place adequate procedures to prevent, monitor and risk assess bribery and corruption.	We report on this through our Annual Report each year. Reports are presented to the Ethics and Sustainability Committee twice a year.
UK Payments to Government regulation 2015	This requires large and publicly listed oil, gas, mining and logging companies incorporated in the UK to annually disclose the payments they make to governments on a country-by-country and project-by-project basis.	We report annually on our website www.huntingplc.com .
ISO 14001	An international standard for designing and implementing an environmental management system.	Our Quality Management System is compliant with these standards. Energy, Carbon, HSE and Quality Assurance reports are reviewed by the Ethics and Sustainability Committee twice a year.
ISO 50001	An international standard for designing, implementing and maintaining an energy management system.	

Innovation and trust determines our success

Our purpose is central to and permeates every aspect of what we do and how we do it.

Our purpose

To be a highly trusted innovator and manufacturer of technology and products that create sustainable value for our stakeholders.

Core competencies

- Systems Manufacturing
- Precision Engineering
- Print-part manufacturing

In the oil and gas sector

Oil Country Tubular Goods (“OCTG”)

Perforating Systems

Advanced Manufacturing

Subsea

Intervention Tools

and in other sectors

Carbon capture & geothermal

Data analytics & Machine learning

Medical

Aviation & Space

Naval

Power Generation

Our material ESG issues

In 2021, we undertook a materiality assessment in which we:

- identified key issues that determine our ability to create value as a business, as well as those issues that could affect the decision making of stakeholders in relation to the Company, first through a benchmarking exercise and second through direct interviews;
- mapped and prioritised these issues based on stakeholder feedback;
- considered the inputs of company leadership and aligned with our business priorities; and
- identified and reported on ten material ESG issues.

In 2022, we have continued to review and consider the external landscape and sought feedback from stakeholders. We have again considered inputs from leadership in confirming our material issues and mapping these against our commitments that form part of our sustainability framework.

Our commitments	Material issue	What we measure	Where to find it
Operating safely Achieving and maintaining the highest standards of safety for our employees, customers, suppliers and the public.	<ul style="list-style-type: none"> • Health and Safety. 	<ul style="list-style-type: none"> • Fatalities. • Total recordable incident rate. • Near miss frequency rate. • Vehicle incidents. 	For further information please see page 14 + SASB table (Oil & Gas Services Industry Standard).
Supporting and developing our people Attracting and retaining our highly skilled workforce. Providing training and development. Promoting diversity and workplaces that are free of prejudice.	<ul style="list-style-type: none"> • Employee Engagement. • Diversity and Inclusion. 	<ul style="list-style-type: none"> • Voluntary turnover. • Representation of women on the Board, in management and in the workforce. • Engagement level. 	For further information please see pages 15 and 16.
Delivering high quality products and services Meeting and pre-empting the needs of our customers and the environment, through innovation, customisation and the highest levels of quality control.	<ul style="list-style-type: none"> • Quality Assurance. 	<ul style="list-style-type: none"> • Manufacturing reject rate. • % of facilities compliant with ISO 9001: 2015. 	For further information, please refer to page 55 in our 2022 AR.
Fostering mutually beneficial partnerships Fostering sound and positive partnerships with our customers and suppliers, industry bodies, and regulators in the regions in which we operate. Respect for human rights.	<ul style="list-style-type: none"> • Business ethics. • Human rights. 	<ul style="list-style-type: none"> • Whistleblowing incidents. 	For further information, please refer to page 83 in our 2022 AR.
Supporting communities around us Making a positive contribution to the communities in which we operate.	<ul style="list-style-type: none"> • Community engagement. 	<ul style="list-style-type: none"> • Charitable donations. 	For further information please see pages 14 and 15.
Managing our environmental performance, mitigating our impacts Protecting and minimising our impact on the environment in which we operate and where our products are used. Focus on climate change – setting and achieving emissions reductions and mitigating climate-related risks.	<ul style="list-style-type: none"> • Environmental stewardship. • Climate reporting and decarbonisation strategy. • Climate change adaption and transition. 	<ul style="list-style-type: none"> • TCFD reporting. • GHG emissions and intensity. • Water consumption. • Environmental incidents. • Waste monitoring. 	For further information please see pages 11, 13 and 21 to 32.

Our contribution to the SDGs

The 2030 Agenda for Sustainable Development, adopted by all United Nations member states in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (“SDGs”), which are an urgent call for action by all countries – developed and developing – in a global partnership. They recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

At Hunting, we believe we can make a contribution towards achieving these goals, and that every contribution – no matter how small – can have an impact on the betterment of our society and the environment in which we operate.

We have identified nine SDGs as areas where we can make a positive contribution.

Good health and well-being



The health and safety of our employees is of utmost importance to us. We have a responsibility for the health and safety of those who use or are affected by our services and equipment. We believe that we can address employee and community health through the systems we have in place, the training and support we provide, our access to healthcare, and through innovation and technology – by building and implementing safety-enhancing features in the work we do.

Affordable and clean energy



Through the technology, products and services we provide to the oil and gas sector, we assist in the safe, and reliable extraction of resources, while minimising environmental impacts.

Responsible consumption and production



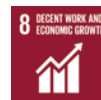
As a responsible and efficient operator we strive to limit the consumption of the materials we use, and to increase recycling and integration into the circular economy. We are conscious of the need for responsible sourcing of materials.

Gender equality



Our aim is to ensure that our workplaces and decision making are free from prejudice, and that hiring and promotion is based on merit. Not only do we aim to improve gender representation in our business, but we are specifically seeking to promote diversity on our Board and among our senior leadership.

Decent work and economic growth



We have a skilled and diverse workforce, operating in 11 countries across the globe. We place a great focus on attracting and retaining talented employees, and ensuring that they are engaged and can develop to their full potential. We have measures in place to identify and guard against modern slavery and human trafficking.

Climate action



We recognise that climate change is a global challenge and a risk to our business, and that we can make a positive contribution towards climate change mitigation by improving our energy efficiency mix, and reducing our GHG emissions. We also recognise the need to understand and plan for climate change impacts and transition.

Clean water and sanitation



We monitor and manage our water usage, understanding that water is a valuable and constrained resource, especially in some of the regions in which we operate. We protect water resources, guarding against potentially hazardous emissions to water bodies.

Industry, innovation and infrastructure



We support inclusive and sustainable industrialisation, and produce and work with innovative technology that is safe and efficient.

Partnership for the goals



We recognise that the achievement of the SDGs requires partnership and collaboration.

Through Hunting's TEK-HUB™, we seek to attract innovative individuals and companies to develop technology partnerships. By working in true collaboration, we will bring innovations to market under licence.

Singapore – new facility, lower carbon footprint

Hunting's consolidated facility in Singapore is yielding significant benefits.

The Group has now brought together the manufacturing of all product lines under one facility, to generate operational synergies and to reduce costs.

New office opening ceremony in Singapore. Jim Johnson (Chief Executive) and Daniel Tan (Managing Director – Asia Pacific).



\$2.3m

Singapore facility investment

c.45%

Reduction in electricity consumption in Singapore targeted

After a lengthy search, the integrated and award-winning development at JTC Space @ Tuas presented itself as a good real estate fit for Hunting. Most importantly, the new location needed to meet the Company's ambition for a sustainable operating site, allowing Hunting to put into practice environmental stewardship. The new development started on the right low-carbon footing as it followed guidelines set out by Singapore's Building and Construction Authority ("BCA").

This site was also a suitable location to accommodate the sizable workforce – it has a number of prominent green features, boosting the health and wellbeing of the workforce, to create a sustainable workplace. The new Hunting location is also conveniently situated within walking distance of public transport, including the Gul Circle Mass Rapid Transit ("MRT") station on the East West line, and several bus stops.

All operating activities were transferred to JTC Space @ Tuas by April 2022. The successful consolidation of the three product lines – OCTG, Completion Accessories and Well Intervention into a single highly efficient facility has resulted in enhanced administrative efficiency, improved quality services to our customers, and substantial reduction in our carbon footprint.

The building has been awarded the "Green Mark Platinum" certification by BCA. This is the highest award and accolade available in the Green Mark Incentive Scheme, a building rating system that is supported by a comprehensive framework, designed to evaluate a building's environmental impact and performance.

A key feature has been the built-in resource efficiency that will decrease electricity and water consumption through:

- the east-west orientation of the building, which reduces heat gain;
- the installation of highly efficient chilled water plants in the industrial complex, which is used for the air-conditioning systems;
- the installation of energy-efficient LED lighting throughout the facility and, in all common areas, occupancy sensors to control lighting when not in use;
- the use of accredited water fittings that reduce water flow rates and consumption; and
- its proximity to the MRT station system, which is an electric powered railway transportation – the principal mode of public transport in Singapore.

Hunting will continue to take action to reduce its carbon emissions, with existing plans already in place to further lower the carbon footprint of the Tuas facility in Singapore. This includes the option to install a rooftop Solar PV System to further reduce carbon emissions.



Sustainability was at the heart of our decision when choosing to consolidate our facilities at JTC Space @ Tuas. We have plans in place to further lower our carbon footprint. One way to achieve this is by optimising resource efficiency, including the possibility of installing solar panels."

Daniel Tan
Managing Director
Asia Pacific

www.huntingplc.com

Environmental stewardship

Our Commitment:

Protecting and minimising our impact on the environment in which we operate and where our products are used.

Material Issues:

- Environmental stewardship;
- Climate reporting and decarbonisation strategy; and
- Climate change adaptation and transition.

SDGs



Environmental management and compliance, the efficient use of natural resources such as energy, water and raw materials, as well as reducing our waste footprint, are critical areas for the business.

The Group's Quality Management System ("QMS") is compliant with the globally recognised ISO 14001 (Environmental) standard and 74% of our facilities are operated in compliance with this standard, as well as ISO 50001 (Energy Management), as we demonstrate our commitment to operating in an environmentally responsible manner with the aim of reducing the environmental impact of our global footprint.

Among the environmentally responsible initiatives that we have continued to implement across the Group during the year are:

- The introduction of energy efficiency solutions, including more efficient lighting;
- Improved water capture and recycling; and
- Increased waste recycling.

These initiatives are continuously enhanced to incrementally reduce the Group's overall carbon footprint and environmental impact.

Energy and Climate Change

Energy management, carbon emissions and related climate matters have become the subject of global focus, and intense external and internal scrutiny in recent years.

At Hunting we recognise the reality of climate change, and the role that companies have in mitigating our contributions and addressing its impacts.

The Hunting Board has committed to the principles published in the 2015 Paris Agreement, which aims to limit the increase in global temperatures.

Our Climate Policy was updated in January 2023. The Board has overseen the development and introduction of strong governance and reporting initiatives that will support Hunting's commitment to these issues in the short, medium and long term. A significant development during the year has been the advancement of our TCFD reporting.

Our Carbon Measurement, Reporting and Targets

Hunting has disclosed its Scope 1 and 2 GHG emissions since 2013, in accordance with the principles of the Kyoto Protocol, with the reporting process integrated into our non-financial reporting framework. Since our Scope 1 and 2 emissions are under our control, we choose to report and reduce these as a priority.

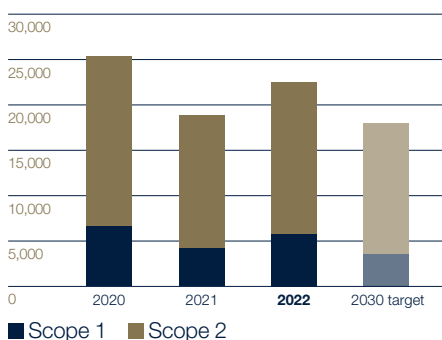
In 2022, the Board approved a new carbon reduction target of 50% from our 2019 base-line year by 2030. The Group continues to drive our intensity factor (calculated as total emissions divided by revenue) to less than 30.

In 2023, we will commence the collection of certain Scope 3 emissions, including electricity transmission and distribution emissions, commuting and business travel emissions and relevant supply chain emissions.

Hunting's Carbon Reporting Roadmap

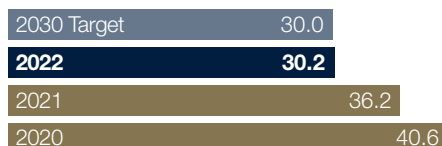
2013	2019	2020	2021	2022 and beyond
Began Scope 1 and 2 GHG emissions reporting.	Publication of first carbon reduction and intensity targets.	Initial TCFD disclosures published, including governance and physical risk analysis. External advisers appointed.	First TCFD disclosures. TCFD Steering group formed.	Full TCFD disclosure. S&P Trucost appointed to assure carbon data collation processes against AA1000 standard.
				Science-based targets considered.

Scope 1 and 2 Carbon Dioxide Equivalent Emissions (tonnes)



Intensity Factor

(kilogrammes CO₂ per \$k revenue)



Our Carbon Footprint

Setting our Scope 1 and 2 emissions targets means we have given attention to improving our energy efficiency programmes, including the introduction of low energy and higher efficiency solutions into many of the Group's facilities, along with the migration to lower carbon electricity arrangements. We are also undertaking initiatives to increase the contribution of renewables to our energy mix. Importantly, we aim to introduce a low carbon culture within our operating facilities and among our employees.

We are migrating the electricity we purchase towards more renewable and sustainable sources. In the US, where the majority of the Group's facilities are located, wind generation capacity is substantial, giving the Board confidence that a large proportion of our carbon footprint (predominantly Scope 2 electricity usage) can be eliminated by moving to renewable energy. In the UK, the Group's Aberdeen and London operations have secured renewable energy supplies. The Group also participates in a number of other initiatives, including the Energy Saving Opportunity Scheme, which requires Hunting's UK facilities to be audited for energy efficiency, with recommendations provided to reduce energy usage.

Electricity purchased – Group (GWh)



Renewable energy purchased – Group (GWh)



We participate in the annual CDP survey, and our latest submission is available on www.cdp.net. The data reported, and carbon dioxide conversion factors used to report the Group's carbon footprint, are based on those published by BEIS and DEFRA in the UK (www.defra.org.uk) and the International Energy Agency.

To monitor Hunting's climate related risks and opportunities, the Group has elected to adopt three primary carbon and climate metrics:

- Scope 1 and 2 GHG emissions (tonnes CO₂e);
- Intensity factor (kg of CO₂e per \$'000 of revenue); and
- Non-oil and gas revenue (\$m and %).

The Group's total Scope 1 and 2 emissions in 2022 were 22,422 tonnes CO₂e (2021 – 18,859 tonnes CO₂e).

In the UK, total Scope 1 and 2 emissions in 2022 were 359 tonnes CO₂e (2021 – 474 tonnes CO₂e).

The Group's intensity factor is based on total carbon dioxide equivalent emissions divided by the Group's revenue in 2022, and was 30.2 kg/\$k of revenue (2021 – 36.2 kg/\$k of revenue).

We are also starting to collect certain Scope 3 emissions data during 2023.

Climate Change Impact and Transition

As our world transitions to a low carbon economy in response to, and to mitigate, climate change, there will be a significant impact on our business and our ability to create value. Currently, around \$47.6m or 7% of our revenue contribution is from non-oil and gas sectors (2021 – \$37.6m or 7%).

Our efforts to align our business model to take into account and pre-empt this transition, and the opportunities that this potential for diversification has for the business, are described in our Climate Change statement.

An integral part of our risk management approach ensures that new facilities take into account environmental impact considerations, including protection from extreme weather events, such as severe storms and flooding.

Annual Energy Summary

Energy Type	Units	2022	2021	2020
Natural gas – Group	GWh	7.9	8.5	13.7
Natural gas – UK	GWh	0.7	0.2	2.6
Vehicle consumption and process emissions – Group	Tonnes CO ₂ e	3,367	2,491	3,338
Vehicle consumption and process emissions – UK	Tonnes CO ₂ e	0.7	1.4	3.3
Electricity purchased – Group	GWh	43.4	40.5	48.6
Electricity purchased – UK	GWh	0.4	1.4	1.4
Renewable electricity purchased – Group	GWh	8.6	6.3	5.8
Renewable electricity purchased – UK	GWh	0.4	0.3	0.4

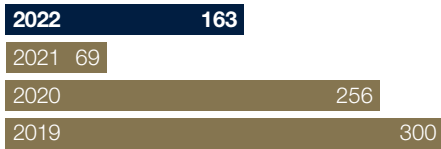
Water Management

Water management is becoming a key feature of Hunting's sustainability strategy, with measures being introduced to recycle more fresh water across the Group's facilities. Our primary water consumption is for property and equipment needs. Hunting has a number of water supplies, some provided by utility networks and some from boreholes drilled at some locations. Our long-term sustainability plans include measuring all water inputs and, from 2023, we will be reporting the percentage of water recycled in line with SASB guidance.

We monitor our water usage and operational risk, and have adopted proactive water management. Where water is used as part of our manufacturing process, the waste (e.g. cooling) water is not discharged into the original water source. For example, as part of the regional Environmental and Water Management strategy in the EMEA region, the Fordoun site monitors the water discharged from operational activities twice per calendar year. Additionally, we are committed to conserving and protecting freshwater resources whenever possible – from water withdrawal, to use and reuse where possible; whilst contaminated water is collected and disposed of as special waste, destined for further recycling.

In the year, there was an increase in water consumption as activity levels increased across the Group.

Fresh Water Consumption ('000 cubic metres)



Waste Management and Recycling

We are mindful of the need to responsibly source and consume materials.

During the year, the majority of the Group's facilities had at least one recycling programme in place. In 2019, the Group initiated a new process to quantitatively collect recycling information on metal, paper/wood and plastics.

Scope 1 and 2 Greenhouse Gas Emissions (tonnes CO₂e) per operating segment

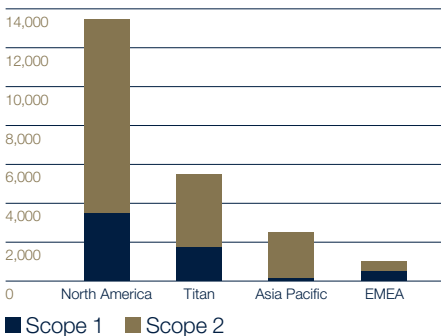


Image key

- 1 A micro-hydro generator installed in the Philippines.
- 2 Metal recycling is practiced in the majority of facilities.

Society – people and communities

Our Commitment:

- Supporting and developing our people: Attracting and retaining our highly-skilled workforce. Providing training and development. Promoting diversity and workplaces that are free of prejudice.
- Fostering mutually beneficial partnerships: Fostering sound and positive partnerships with our customers and suppliers, industry bodies and regulators in the regions in which we operate. Respect for human rights.
- Supporting communities around us: Making a positive contribution to the communities in which we operate.

Material Issues:

- Health and Safety;
- Employee engagement;
- Diversity and inclusion;
- Human rights; and
- Community engagement.

SDGs



Our ability to successfully deliver on our objectives, and the reputation that we have built over many years, rests on the values and behaviours of our highly skilled and committed employees. At 31 December 2022, the Group employed 2,258 people across our global operations (2021: 1,949 people). With 43% of these employees employed in our North America operations, 29% at Hunting Titan, 14% in Asia Pacific, and 11% in the EMEA (Europe, Middle East and Africa) operating segment.

Health and Safety

Hunting is committed to achieving and maintaining our high standards of safety, health and environment goals of “No Accidents, No Harm to People, and No Damage to the Environment”.

Our culture has entrenched best practice, and we employ rigorous Health and Safety practices. Our HSE policy guides the way we work, putting safety first and, at a minimum, complying with local regulatory requirements. Our approach ensures:

- Regular audit and maintenance reviews of facilities;
- Appropriate training and education of all staff;
- That we seek the accreditation and alignment of long-standing internal programmes with internationally recognised standards; and
- Regular reporting to the Board.

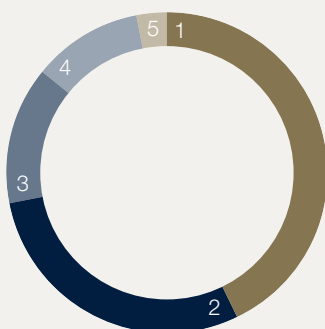
Each local business is required to develop tailored Health and Safety policies to suit their environment. Hunting has defined rules and guidelines for HSE training, protective equipment, and high-risk operations. This is covered by the Group’s Health, Safety and Environmental Global Manual that is accredited to ISO 14001: Environmental Management System and in accordance with ISO 45001: Occupational Health and Safety Management System. Our target is to achieve zero recordable incidents. In 2022:

- There were no fatalities in the Group (2021 – 0).
- Recordable incidents 23 (2021 – 19).

The total recordable incident rate is calculated by multiplying the number of incidents by 200,000 and dividing the total numbers of hours worked based on guidance issued by the Occupational Safety and Health Administration (“OSHA”). In 2022, this was 0.97 in the US (2021 – 0.99). The industry average incident rate in 2022 was 4.0 (2021 – 4.0).

The near miss frequency rate is calculated by multiplying the number of incidents by 200,000 and dividing by the total numbers of hours worked. In 2022, our near miss rate was 0.97 (2021 – 0.78) as a result of 66 near misses (2021 – 15).

Employees By Region (at year-end)



1. US 43%
2. Hunting Titan 29%
3. Asia Pacific 14%
4. EMEA 11%
5. Central 3%

Town Hall QAHSE meeting in Singapore.



We have engaged specialist services to provide climate, noise and air quality testing to achieve an accurate sample of our operations to ensure compliance and safety for all its employees. As a result of this monitoring, we have been able to continuously improve the working conditions across all platforms.

Through our internal HSE Management System OnBase, processes, communication, training and reporting are now completely seamlessly captured within one application across the Group, and ensure that all operations are in compliance with local regulatory agencies.

We operate an embedded Health and Safety training programme for all employees, with each shop-floor member of staff attending weekly "Tool Box" sessions, where HSE messaging is re-enforced.

Employee Attraction, Retention and Development

To attract and retain our highly skilled staff, and to address the key demands of the industry, our employees are remunerated fairly, which, in addition to a base salary, can comprise a range of healthcare and pension benefits and can include an annual bonus that reflects performance levels.

We are committed to training and developing all employees, which includes Health and Safety training, professional development and general career development initiatives.

Employee Engagement

Since 2019, we have increased our engagement activities through perception surveys and town hall meetings. In addition, engagement processes have been embedded within all business units to enhance transparent two-way dialogue between the Board and the Group's employees.

Our first all-employee Gallup Q12 survey took place in 2019. We are planning on repeating the survey in 2023; we will again utilise Gallup's Q12 survey.

Our employees are also encouraged to engage in dialogue with management to raise issues of concern. These procedures are supported by an independent reporting service operated by SafeCall, where confidential matters can be raised with the Board.

Diversity and Inclusion

We are a responsible employer. We are committed to creating a positive workplace environment for all our employees that is safe, respectful, fair and inclusive – free of any form of harassment, bullying and discrimination. Our approach focuses on recruitment, training and development, conditions of work and disciplinary procedures.

Hunting's Gender Diversity Policy commits us to:

- an embedded culture of equal opportunities for all employees, regardless of gender;
- require external recruitment consultants to submit their diversity policies to the Group prior to appointment;
- ensure that external consultants appointed by Hunting provide the right Board shortlists comprising of an appropriate gender balance; and
- a periodic review by the Nomination Committee of its progress in complying with best practice recommendations.

Hunting is committed to an ethnically diverse workforce, across its global operating footprint in 11 countries. We remain North America focused, with over 74% of employees from the region at 31 December 2022.

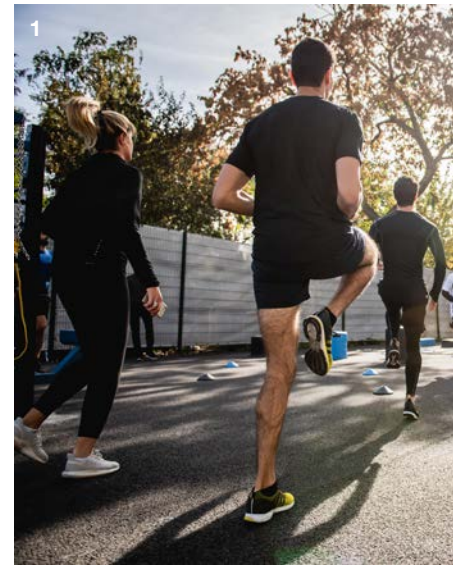
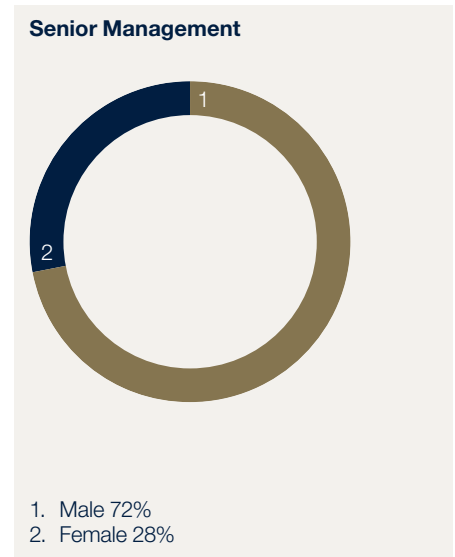
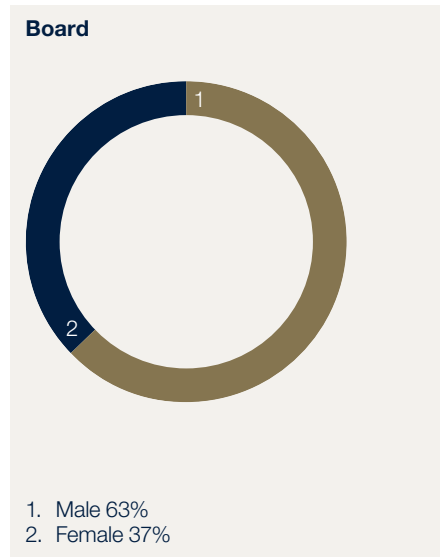
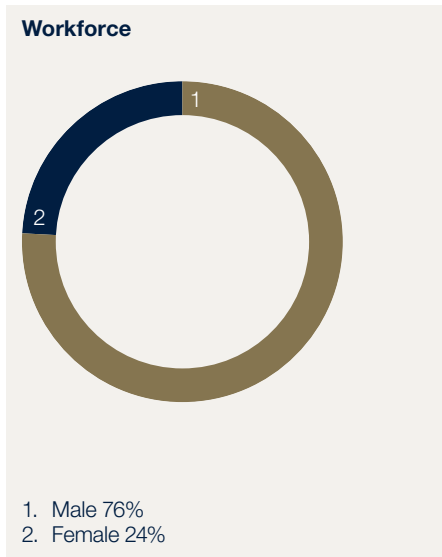


Image key

- 1 Employee fitness sessions.
- 2 Hunting's Asia Pacific community outreach initiative.



ESG governance

Our Commitment:

- Fostering mutually beneficial partnerships: Fostering sound and positive partnerships with our customers and suppliers, industry bodies, and regulators in the regions in which we operate. Respect for human rights.

Material Issues:

- Business ethics; and
- Human rights.

SDGs



We pride ourselves on the way in which our values are lived in our daily interactions, within the business and outside of it, and are committed to upholding the highest levels of integrity and ethics in all our business dealings.

Business Ethics

Hunting's Code of Conduct (the "Code") underpins all of our engagements, internally and externally.

In it, our CEO Jim Johnson notes that: "At the heart of our success has been an ethos of honesty and integrity".

All employees and business partners are provided with a copy of the Code and are expected to adhere to it. The Code of Conduct deals with a broad range of issues, including:

- Preventing corruption, including measures that prevent bribery and corruption in our dealings with government officials;
- Personal integrity, including money laundering;
- Conflicts of interest;
- Employee share dealing;
- Human rights;
- Harassment and equal opportunity; and
- Our approach to national and international trade, including compliance with laws and regulations, competition, and export and import controls.

As part of a compulsory programme for new employees, the Group provides ethics training through a Code of Conduct training course, to ensure awareness of our published policies.

Hunting's Code of Conduct training course includes detailed modules on ABC compliance and risk assessment procedures.

Through the SafeCall facility, we have created a confidential channel of communication to the Board, both within the business and in our supply chain, to report any breaches of the Code.

Human Rights

We are committed to upholding the human rights of all our stakeholders including employees, local communities, customers and suppliers, and achieve this through measures which include:

- Providing a safe and comfortable working environment for all employees and contractors;
- Respecting the rights of each individual, with a zero-tolerance approach to any form of discrimination, harassment or bullying;
- Providing training and development programmes to our global workforce;
- Acting with honesty, transparency and integrity in all of our dealings with our workforce.

This is implemented through our Code of Conduct within the business and, increasingly, in our supply chain.

We have a zero-tolerance stance on slavery and trafficking, and we expect the same from our business and trading partners.

We demonstrate our compliance to corporate regulations through:

- our Ethical Employment and Trading Policy;
- our Modern Slavery, Human Trafficking Transparency Statement; and
- Hunting's Ethics Reporting Procedures.



At the heart of our success has been an ethos of honesty and integrity."

Health and safety is a top priority

While health and safety has always been a top priority for Hunting, the arrival of COVID-19 presented an opportunity for the Group to review and refine its approach to its HSE management reporting systems. Given that in-person site visits became more challenging, the need for a seamless, integrated and cloud-based system became imperative, and has since been implemented.



Not only does the HSE management system provide for continuous reporting by all operating sites in a consistent and 'live' manner, it also provides useful insights, e.g. risk analysis, for management review and action. By monitoring and tracking 'real time' information, any potential areas of concern can be flagged and investigated, promoting a proactive safety culture.

The management system became fully operational in 2022. It allows Hunting to continuously enhance it, making it a dynamic management system that adapts to any new requirements at a Group, country and operational level. This is an additional safeguard to maintain compliance with respective regulatory agencies.

While this integrated management system has been a significant step forward in the collation and analysis of data, Hunting recognises that people remain a fundamental component of health and safety. Any system relies on the integrity of data collation and capture, and suitable checks are in place for this. Moreover, the behavioural aspect of health and safety remain a priority, particularly in recognising the dangers of workplace complacency, especially when performing routine jobs and repetitive tasks. This is where refresher safety training and ongoing communication play a significant role. Hunting places great emphasis on receiving suggestions to improve our procedures, in particular from shop-floor employees. Safety suggestion boxes and observation cards are installed at all facilities.

These are anonymous and are presented and discussed in quarterly management meetings, attended by all levels of the organisation, including managing directors, with a view to implementing corrective and preventative action plans to identify and eliminate hazard, risk, and unsafe behaviours.

HSE is recognised as a top priority right from the top of the organisation, with the Chief Executive personally driving safety engagements, and at least quarterly reporting and reviews at every level of the organisation, right up to the Board.



Technology development to drive industry efficiency

Driving technology enhancements to improve efficiencies via collaboration.

Hunting's TEK-HUB™ is an innovative company-customer partnership that seeks to attract individuals and companies in co-developing and accelerating the commercialisation of new technologies.



By collaborating with technology developers, we see benefits at several levels:



By taking technologies to market and into the field in a reduced timeframe, society accesses the benefits of that technology on a wider scale sooner. This is particularly important for technologies that reduce or offset carbon emissions. Organic Oil Recovery is an example of a technology that increases oil production, but CO₂ cost per barrel is very low compared to drilling, completing and bringing a new well online.

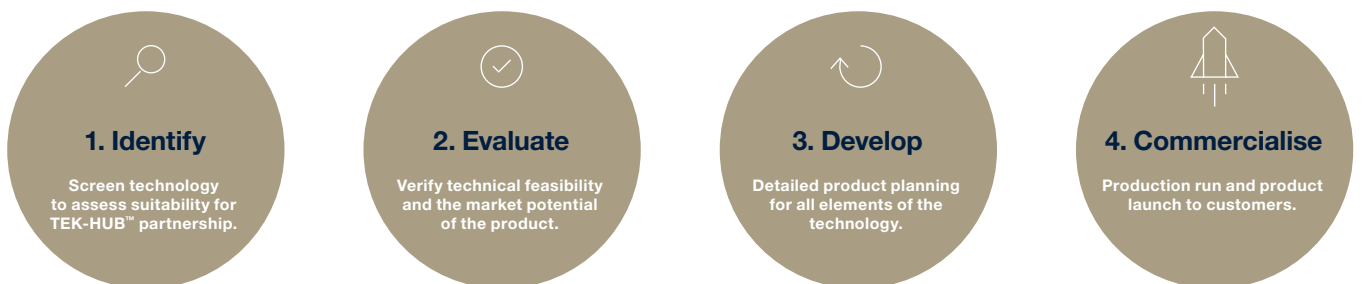


By collaborating with technology developers, Hunting avoids duplicating efforts to solve the same problem. There are financial, time and opportunity costs and energy/CO₂ savings, which free up resources to solve new problems. For example, Hunting's Ezi-Shear Seal valve demonstrates how developing an existing technology and deploying it into Hunting's core markets significantly reduced the time to market without duplicating development efforts.



The sales effort involved in commercialising a new product is energy intensive, particularly for small companies with no or limited international presence. Compare that to Hunting, with regional sales offices around the globe, which provides the opportunity for shorter travel distances to regional customers, compared to taking international flights. By combining multiple customers and technologies/product lines into each trip, the carbon cost per sale is minimised.

Our approach to collaboration.



For developers, the benefits of partnering with Hunting are significant, including access to capital, an international presence and an established and extensive customer base.

If you're a technology developer and are interested in finding out more about how Hunting can help you develop and market your idea through a global partnership, get in touch with Hunting's TEK-HUB directly by emailing tek-hub@hunting-intl.com.

Task Force on Climate-Related Financial Disclosures (“TCFD”)

2022 has seen the Directors focus on the progression of the Group’s reporting pillars of Strategy, Risk Management and Metrics and Targets.

Compliance

Under FCA Listing Rule 9.8.6(8)b for premium listed companies, 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 2022. The climate-related financial disclosures, which follow, are consistent with the four reporting pillars of

(i) Governance (page 89 in our 2022 AR); (ii) Strategy (pages 90 to 96 in our 2022 AR); (iii) Risk Management (pages 96 and 97 in our 2022 AR); and (iv) Metrics and Targets (pages 97 to 99 in our 2022 AR) contained within the TCFD Recommended Disclosures. The Directors believe that Hunting is compliant with Listing Rule 9.8.6(8)b, with the following one exception:

- Hunting has not reported its Scope 3 emissions as recommended by part (b) of Metrics and Targets and has not completed a materiality assessment. This is due to the complexity of the Group’s global businesses and its respective supply chains and the costs associated with gathering this data. The Group anticipates to be compliant no later than 2025.

The Company has not committed to a Net Zero Target, as noted below, however; during 2023 a Net Zero plan will be developed, as required by the recommendations published by the UK government.

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 global goal to limit global warming to 1.5°C in line with the Paris Accords and commits the Group to assisting in the delivery of this ambition through a reduction in its global carbon footprint.

In December 2022, the Board set new targets to be delivered by 2030. The Group will endeavour to reach these targets in the coming years as low-carbon initiatives are extended throughout the Company and are made more widely available in each geographic region of operation.

Progress in 2022

The Directors’ approach to the development of the Group’s TCFD reporting in 2022 has been to focus on the progression of the reporting pillars of Strategy, Risk Management and Metrics and Targets.

Strategy

During 2022, the Board of Hunting has considered and approved a broad-based strategic ambition to pivot its revenue and therefore its investment profile to more non-oil and gas sales. The Board has approved a strategy to target a material increase in non-oil and gas sales by 2030, to include energy transition and other markets such as medical, defence and power generation sales which align to the existing core competencies of the Group.

Risk Management

In 2021, management developed a Group-level climate change risk assessment and completed due diligence on its geographic footprint, to evaluate the transition and physical risk profile of the Group, based on different climate change scenarios extending to 2050. In 2022, management broadened the risk assessment framework to include inputs from each business unit within the Group to understand 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 29 and 30 incorporates these additional disclosures. The Group has begun to develop a high level model which explores the financial impact of each business unit based on three scenarios including

- (i) a ‘Business as Usual’ global warming scenario (ii) a Middle Case or a 2.0°C global warming scenario and (iii) a ‘Rapid Transition’ scenario or a 1.5°C global warming scenario. Further disclosures in respect of this analysis are likely to be developed in the coming years.

Metrics and Targets

The Directors of Hunting have reviewed its carbon reduction targets, which were initially published in 2019, and have increased its reduction target to 50% (from 10%) from its base-line emissions year of 2019 by 2030. This new target relates to the Group’s operational Scope 1 and 2 emissions only.

Carbon Data Collection and Assurance

During 2022, management implemented a more detailed carbon data reporting policy which aligns to the GHG Protocol issued by the World Resources Institute (www.wri.org) and also enhanced the data collection methodology through the Group’s global financial consolidation system.

To support this data collection, the Group appointed Standard & Poor’s Trucost to provide assurance services against the AA1000 standard over Hunting’s policies and Scope 1 and 2 greenhouse emissions data which are being externally published. The results of this process are to be delivered to the Company in April 2023.

Carbon Reduction Commitment

The Board believes that its primary strategy to reduce its carbon footprint will be through the securing of renewable energy electricity contracts for all of the Group’s facilities.

c.80% of Hunting’s Scope 1 and 2 greenhouse gas emissions are derived from the consumption of electricity, with each business unit now tasked with reducing its reliance on fossil fuel originated electricity.

The Directors have considered a possible commitment to a Net Zero target, but after further analysis of its current emissions profile they are still not able to make this commitment given the level of emissions derived from its North America operations. This is due to the lack of available renewable electricity capacity in Texas where the majority of the Group’s facilities are located. As noted above, the Directors have, however, committed to a stronger carbon reduction target by 2030.

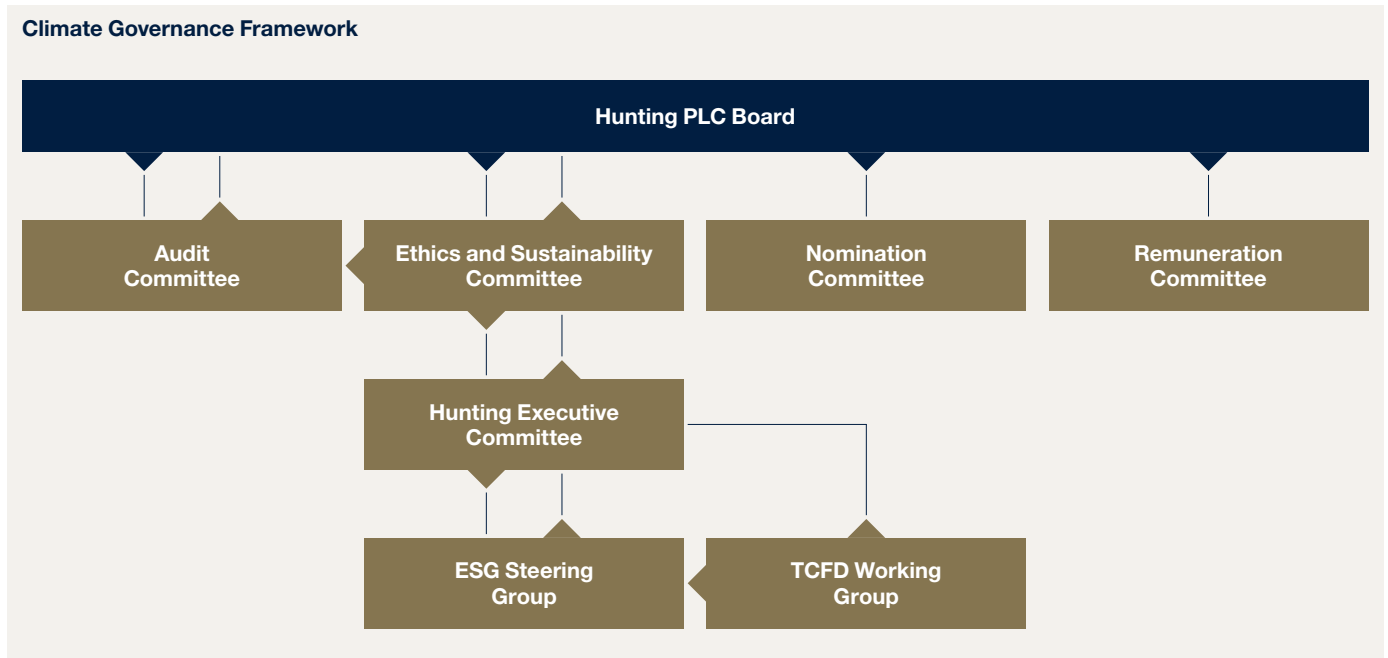
However, the Board notes that the Group’s total Scope 1 and Scope 2 emissions in 2022 were 22,422 tonnes of CO₂e and at a carbon price of €97 per tonne (www.carboncredits.com) on 21 February 2023, the total cost to the Group to purchase carbon offsets would have been c.€2.2m.

Scope 3 Emissions Reporting

In 2023 management is to complete a base-line assessment and commence the collection of certain Scope 3 data including electricity transmission and distribution emissions, commuting and business travel emissions and certain supply chain emissions.

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 function and the Group Company Secretary on the TCFD reporting requirements and the work streams 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.

Further, in 2021 the Directors appointed WillisTowersWatson ("WTW") to assist in the assessment of the Group's physical risk profile, based on the location of its current and non-current assets. This exercise will be repeated in 2024. 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 (pages 116 and 117 in our 2022 AR).

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 the Committee, with its activities and actions completed during the year detailed on pages 129 to 131 in our 2022 AR.

While the Ethics and Sustainability Committee reviews these important non-financial matters, the Audit Committee retains key oversight of Hunting's public disclosures on 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 to climate change. Further, the Audit Committee reviews the climate-related risk assessments prepared by each business unit, and a consolidated climate risk register 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 QAHS 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 that Company's climate-related objectives.

Management completed a Group-level climate risk register in 2021 and in 2022 developed a broader risk register following input from each business unit. The results of this process are noted on pages 23 and 24. 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 which underpin this strategy.

A summary of the transition and physical risks facing the Group are presented on pages 25 to 29.

As noted above, in 2022, more granular local reporting and data collection protocols were implemented across all of the Group's business units, with regular briefings organised by the central compliance function.

For more information of the Group's wider governance framework, please refer to the Corporate Governance Report on pages 119 to 126 in our 2022 AR.

Strategy

Disclosure (a) – Description of Risks and Opportunities in the Short, Medium and Long term

Hunting has not presented risk management analysis based on the geographic split of its global operations or by the various industry sectors it sells products and services as recommended by part (a) of Strategy. Hunting is a global energy services group, focused, almost entirely, on the oil and gas industry and therefore each of its global operating segments are faced with the same climate change opportunities and risks. Therefore, the Board believes this approach to climate change analysis not to be relevant to Hunting.

Climate Risk Management

As noted in the Risk Management section on pages 102 to 109 in our 2022 AR, the Group has a broad-based risk management process, which includes a submission by each business unit three times a year of the major risks, and mitigating controls, facing their operations. This is reviewed by the Group's Audit Committee. Climate Change risk has been included as a principal risk, given the Group's focus on the oil and gas industry as well as current sentiment within financial and investment markets towards traditional energy businesses. As part of the Hunting's TCFD reporting, Hunting's central compliance function prepares a Group-level climate risk assessment, which assesses the short, medium and long-term risks including corporate-level risks such as consideration to reputation and wider financial market risk, given the scrutiny of climate change by investors and lenders.

During 2022, the Group issued a business unit risk assessment questionnaire which 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 in respect to the impact of climate change. The central compliance function oversees the Group's annual insurance renewal for all of Hunting's businesses, working with specialists from WTW and in 2021 completed a physical climate risk assessment for Hunting's climate exposures which extends to 2050.

In the table below, 'short term' references a timeframe of less than five years; 'medium term' references a timeframe of between five and 10 years; and 'long term' references a time scale of greater than 10 years.

Climate Change Risk Analysis – based on a 'Rapid Transition or 1.5°C or lower' climate change scenario to 2050

Category	Description of Risk	Management Actions
1. Market		
Transition Risk	Hunting's primary revenue streams are derived from the oil and gas industry.	During 2022, the Board reviewed a number of primary energy demand scenarios developed by Wood Mackenzie and the International Energy Agency ("IEA"), which included energy transition projections and oil and gas demand scenarios to 2050. These are noted on page 25. From this analysis, the Directors of Hunting believe that 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 timeframe. The Directors will continue to monitor these projections and government legislation and will also track its customers and suppliers who are also developing compliance to this long-range change to the energy industry. As noted on pages 28, 29 and 95 in our 2022 AR, 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 but also to address this long-term revenue risk profile as noted in the Chief Executive's Statement on pages 26 to 29 and also on page 95 in our 2022 AR.
Rating: Low/Medium	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.	
Timeframe: Long Term		
Financial Impact: Revenue		
2. Technology		
Transition Risk	Hunting's products and services are primarily targeted at the oil and gas industry, given its expertise and know-how of this sector.	The Directors believe that the Group's engineering excellence, particularly within the Group's Advanced Manufacturing 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 December 2022, a global Energy Transition sales group was formed to pursue carbon capture and geothermal revenue. Please refer to Climate Opportunities on pages 26 to 29 and also on page 95 in our 2022 AR.
Rating: Low/Medium	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.	
Timeframe: Long Term		
Financial Impact: Revenue		
3. Labour		
Transition Risk	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.	The Directors have monitored labour risk during 2022 through the Remuneration and Ethics and Sustainability Committees to ensure possible labour market issues in Hunting's various regions of operation are minimised.
Rating: Medium/High	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.	In the year, Group-wide pay increases were implemented to attract and retain employees.
Timeframe: Short to Medium Term		
Financial Impact: Expenditures		

Climate Change Risk Analysis continued

Category	Description of Risk	Management Actions
4. Insurance and Tax		
Transition Risk Rating: Low/Medium Timeframe: Short to Medium Term Financial Impact: Expenditures	As a premium listed Company focused on the oil and gas industry, 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 likely 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 2030. 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.
5. Assets		
Physical Risk Rating: Low/Medium Timeframe: Long Term Financial Impact: Assets and Liabilities	The global operating footprint of the Group, is potentially exposed to the impact of more volatile and severe weather events due to climate change. These events have the ability to damage the Group's property, plant and equipment thus impairing Hunting's ability to generate revenue.	In 2021, Hunting focused its climate change analysis on the physical risks facing the Group including carrying out an assessment of each operational location in respect of possible extreme weather risks out to 2050. The outcomes to this analysis are presented on pages 27 to 29 and also on page 9 in the 2022 AR. In 2022, the Group completed long-range financial impact analysis on its major cash generating units. The Directors believe that given Hunting's long-term presence in Louisiana and Texas, which periodically suffers from tornadoes and other extreme weather events, has given the Group strong experience in managing this risk. The Directors are therefore satisfied that appropriate attention is given to this area.
6. Financial Markets		
Transition Risk Rating: Medium Timeframe: Short to Medium 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 funding support from equity/debt 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.
7. Regulatory, Legal and Compliance		
Transition Risk Rating: Medium Timeframe: Short to Medium Term Financial Impact: Expenditures Capital and Financing	Regulatory and compliance risk with respect to climate has increased in the past year, 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 29 and 30 in our 2022 AR, 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.
8. Reputation		
Transition Risk Rating: High Timeframe: Short to Medium 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 long term reputation. Many companies are beginning to respond to this reputational risk by addressing stakeholder concerns, which range from strong carbon reduction commitments to publishing energy transition strategies.	The Directors believe that a proportionate response to climate change planning is being implemented, which protects shareholders' short to medium term 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 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.

Disclosure (b) – The Impact of Climate Risks and Opportunities

Climate Risks Transition Risks

Market and Revenue

The Directors 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.

As noted in the Market Summary, market indicators include rig count data and drilling and production spend data, published by Spears & Associates, supports the Group’s wider financial reporting needs, including impairment reviews.

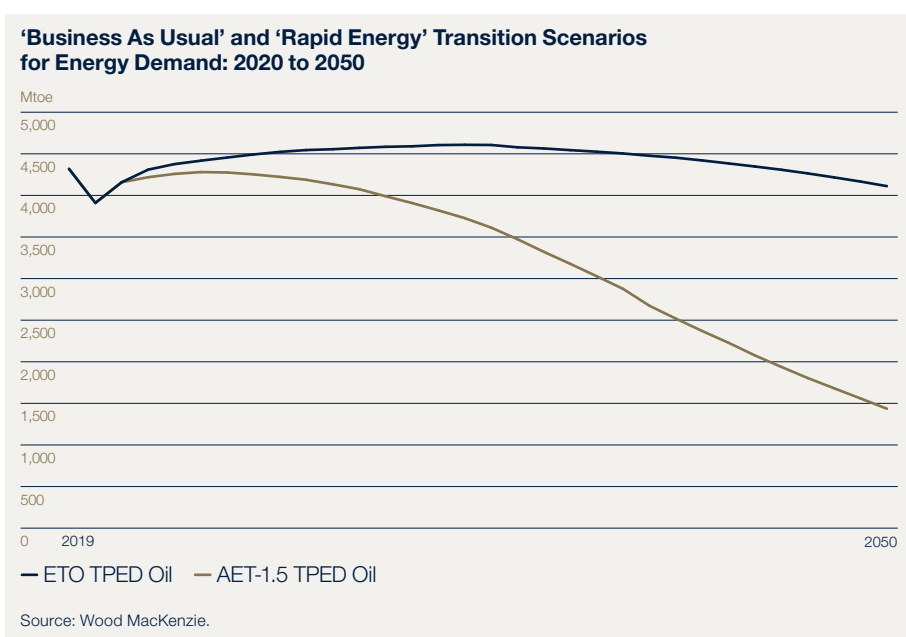
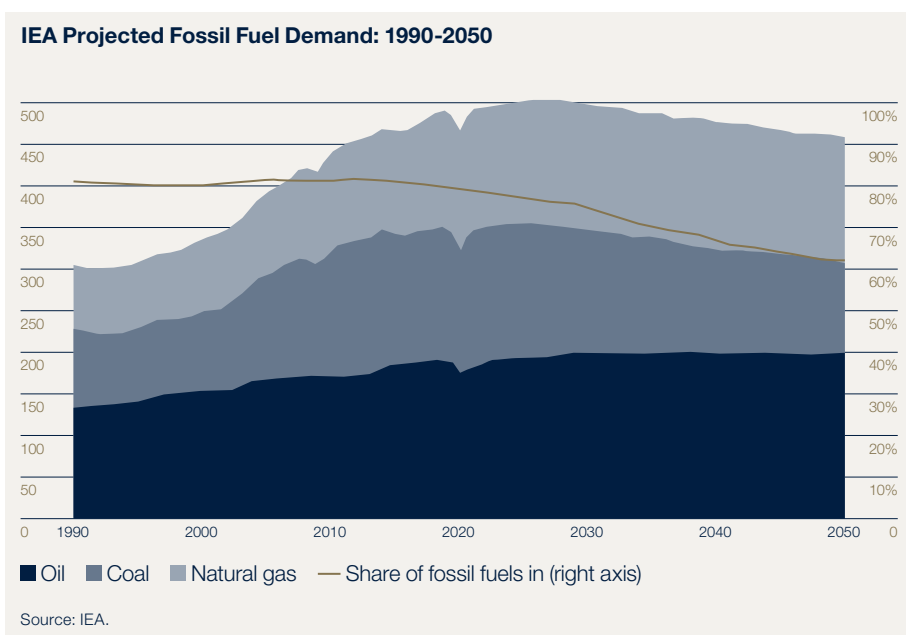
During 2022, the Board has also continued to review the long-term outlook for energy, specifically the current thinking in respect to oil and gas demand.

In October 2022, the International Energy Agency (“IEA”) issued its annual energy outlook which provides a perspective on the long-term changes to energy demand and its primary energy inputs. As noted in the chart opposite, the outlook for oil and gas, which is assumed to be a ‘Business as Usual’ scenario, remains robust to 2050 with oil demand remaining flat for this timescale, with a small decline in natural gas demand. Overall the contribution of oil and gas to the total energy mix reduces from c.80% to 60%, although the majority of this decline is related to coal and gas inputs.

The Board has also commissioned energy demand analysis from Wood MacKenzie which analyses a range of climate change scenarios. These range from a ‘Business as Usual’ scenario where global governments do not achieve their carbon reduction ambitions, to a ‘Rapid Transition’ scenario where current climate change commitments are fully met, which will contain global warming to a maximum of 1.5°C as prescribed by the 2015 Paris Accords. The chart opposite 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 a possible c.60% reduction in revenue in a “Rapid Transition” scenario.

These energy demand scenarios have implications for Hunting’s long-term strategy as the Group’s products and services, and overall revenue profile, is driven by oil and gas demand and investment in the exploration and production of hydrocarbons.

Impact: The Board believes that this primary energy mix to 2050 published by the IEA supports Hunting’s long-term focus on energy, underpinned by the pivot to non-oil and gas sales in this timescale.



Technology

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 narrative, as brownfield developments extract oil and gas more efficiently, reducing the need for green field project developments.

Impact: 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.

Regulatory, Legal and Compliance

International policies and legislation in respect to climate change and climate action have increased in 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 required energy audits of businesses to identify carbon-reduction measures, provide an indication of western governments’ ambitions to achieve carbon containment.

Impact: 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.

Reputation

Hunting's standing in the global oil and gas industry underpins the Group's strategic objectives of delivering strongly quality-assured products and services to its customers. The oil and gas market is highly competitive and therefore Hunting's operational objectives focus on strong HSE and Quality Assurance procedures, which are disclosed on pages 55 to 57 in our 2022 AR, to maintain our leadership in the industry.

Hunting's association with the oil and gas industry is, however, believed to be a medium risk in the long term in respect to investor and shareholder perceptions, given the negative media attention of traditional primary energy sources.

However, 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 support the Board's ambitions to pivot 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.

Impact: Hunting's reputation and standing in the energy industry is critical to its long term resilience. Participation in the oil and gas industry has a potentially negative impact on reputation which may manifest itself in a lower share price and market capitalisation of the Company; however, this is offset by the positive contribution of the Group's products and technology relevant to the energy transition.

Expenditures

Hunting has not completed detailed analysis of the long-term impact of climate change on the cost base of the Group, however, notes that key components to its cost structure could be impacted over time. Further work in the area is to be completed during 2023.

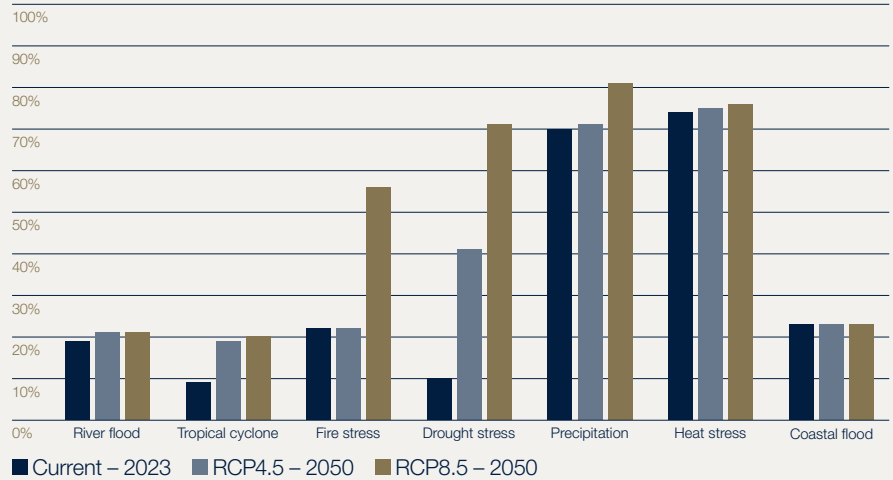
Labour Costs – Hunting's products and services are delivered by a highly skilled workforce comprising of engineers, machinists and professional services staff. The competition for talent remains a principal risk to the Company as noted on page 109 in our 2022 AR, with employment costs likely to increase in the long term, to attract and retain employees to the oil and gas industry.

Tax Costs – to encourage the pivot away from traditional oil and gas primary energy sources, it is likely that taxation of companies by governments based carbon footprint may be introduced in the future. Given the modest level of emissions produced by the Group, the Directors believe that the potential tax cost to the Group is low, as noted on page 91.

Energy Costs – in 2022 electricity costs totalled \$4.5m. It is possible that as the energy transition progresses, the cost of electricity will increase as more expensive primary energy sources are adopted.

Facility Exposure To Severe Weather Events based on RCP4.5 and RCP8.5 climate scenarios to 2050

Percentage of facilities operated by the group



Source: Company.

Legal and Regulatory Costs – with

increased stakeholder pressure to reduce the consumption of oil and gas generally, it is likely that new legislation will be introduced in the medium to long term, which will increase compliance costs.

Insurance Premiums – 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 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. However, the cost of insurance cover could potentially increase given the concentration of the Group's facilities in Texas and Louisiana.

Litigation Costs – climate-related litigation is a further potential cost pressure which may materialise over time, as activism increases.

Access to Equity and Debt Capital Markets

The Group relies on equity and debt markets to fund its businesses. These stakeholders are increasingly demanding strong ESG and long-term sustainability credentials from companies, and in the absence of this, is unlikely to fund businesses which do not give attention to this. The Group has access to a \$150m Asset Based Lending facility to 2026, with discussions already underway with key stakeholders to identify key ESG metrics to support future re-financing.

Assets and Liabilities

The Group has completed high level scenario analysis to examine the potential impact of climate change on the current and non-current assets of the Group.

Capital and Financing

The Group has not completed detailed analysis of its cash flows in respect of climate change, however the Directors note the following in respect to future capital allocations:

Capital Investments – it is likely that new investment in facilities will occur over time to align with the physical risks to the Group's facilities noted on pages 27 to 29.

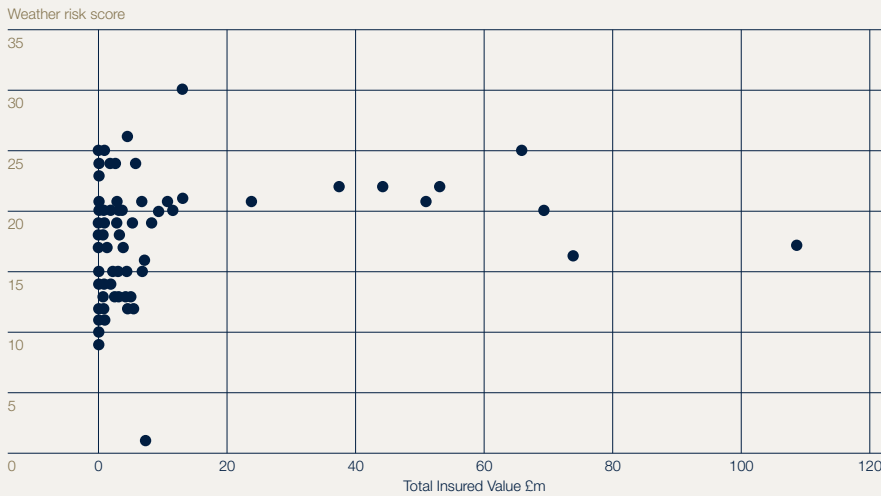
The Directors believe that Hunting's diverse operational footprint will in the short to medium term mitigate the majority of operational risks as many sites are configured in similar ways.

Dividends – the Directors note that shareholder distributions are a key element to the Group's investment case and will endeavour to support this strategy in the long term.

Capital allocations may change over time to enable the Group to pivot to non-oil and gas revenue streams, which may lead to lower distributions.

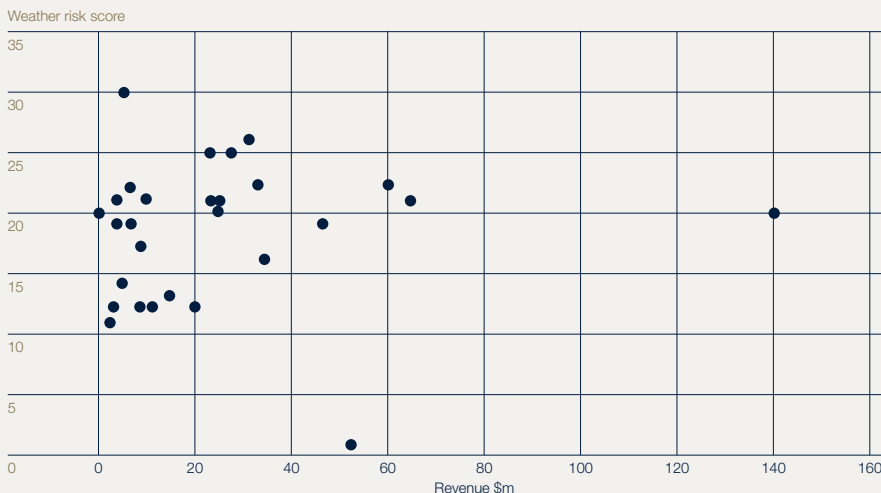
Acquisitions – Hunting has a strategy to develop its non-oil and gas revenue which in part will be funded by internally generated cash flows.

Total Invested Value (£m) by facility vs Weather Risk Score (max = 48)



Source: Company.

Revenue (\$m) by facility vs Weather Risk Score (max = 48)



Source: Company.

WTW has evaluated the longer-range climate risk to the Group’s operating locations, applying the following two scenarios up to 2050:

- Scenario 1 – RCP4.5 (an increase in global temperature by 2-3°C by 2050).
- Scenario 2 – RCP8.5 (an increase in global temperatures by 4°C by 2050).

It can be noted that in climate scenarios 1 and 2 there is an increase in weather risk, in respect of:

- (i) tropical cyclones;
- (ii) fire stress;
- (iii) precipitation; and
- (iv) drought stress.

However, all other risks are currently known and evaluated by the Board under the Group’s current operational risk programme. It is therefore noted that, on this basis, the Group’s asset base risk is appropriately mitigated for the long term with actions and controls in place.

The charts on the left present the insured asset values and revenue risk of the Group, by location, as a function of the weather event scores independently applied by WTW.

WTW applied a risk factor to 14 weather events of between 0 and 5, with the maximum possible score of 48 for all weather events.

The total insured value figure is the value of assets held at each location, which are covered by Hunting’s global insurance programme and which covers both property damage and business interruption insurances.

It can be noted all facilities report a weather risk score of between 10 and 30, with only a small number of facilities recording a higher concentration of insured assets by value.

The Board believes that the overall asset risk is mitigated across the Group’s diversified physical global operations.

The Directors have also received reports detailing where key products lines are manufactured and the relative climate risk associated with each of these sites.

Physical Risks

In December 2021, the Board and the Ethics and Sustainability Committee reviewed an independent report 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 results of this analysis are summarised below.

Impact: Given the concentration of facilities in Texas and Louisiana, locations that periodically experience tornadoes and wind storms, c.80% of the Group’s operating locations are in higher-risk locations.

All facilities are built to withstand these weather events, which minimises production downtimes when these events occur. Recent weather events in the US have shown that facilities facing such weather are only offline for a few days at a time.

As part of the Group’s strategic planning, the majority of products and services offered by Hunting can be manufactured in multiple facilities, which mitigates the risk of loss of revenue.

Similar to the asset and weather risk chart, the Directors have reviewed the Group’s revenue by operating location as a function of WTW weather event scores.

The Board understands which facilities are key revenue generators and the risk of loss should a weather event hit a particular facility. It can again be noted that a small number of facilities have a higher concentration of revenue, however, the overall revenue risk is mitigated across the Group’s diversified global operations.

Climate Opportunities

Resource Efficiency

The Group retains an ongoing lean manufacturing programme which is aimed at increasing productivity and reducing costs of operation. In 2022, the costs saving estimated by this programme were \$1.4m. Key resource inputs for the Group include the availability of power and water.

Energy Source

The Group's carbon emissions footprint, presented as a function of operating segment is noted on pages 13 and 32. 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. Tree and grass planting strategy at Group facilities to offset residual carbon emissions.

Products and Services

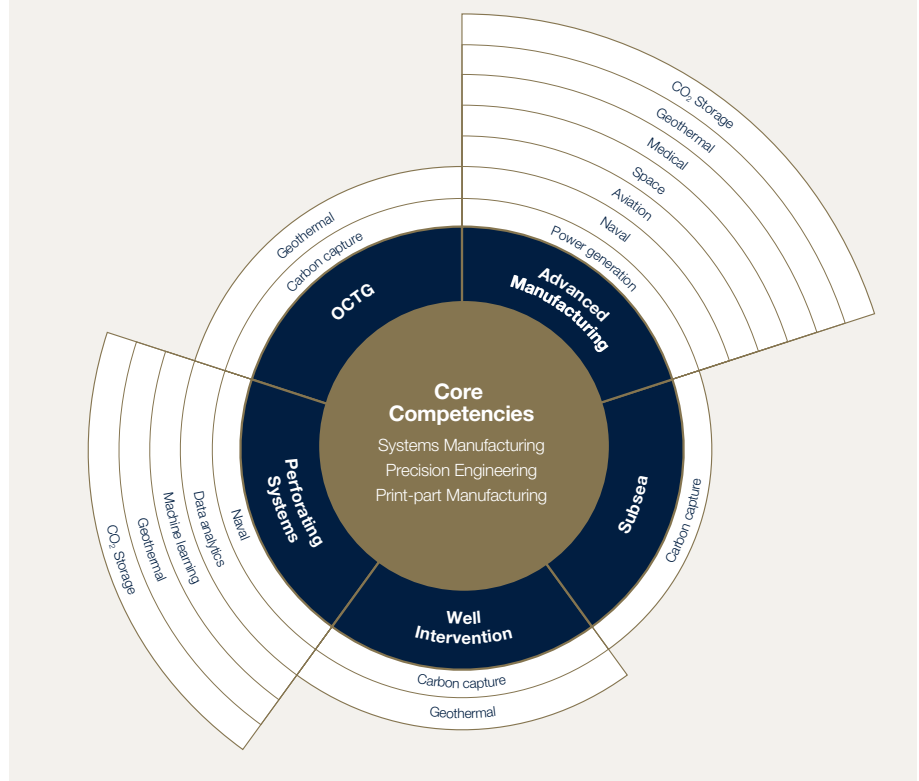
The Directors of Hunting have assessed the opportunities that climate change presents to the Group and note the following:

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 Oil Country Tubular Goods ("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 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 the 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 33 in our 2022 AR, a large number of carbon capture and storage projects are to be completed within the 2025 to 2030 timeframe, 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 stronger participation in this market.

iii. Diversification into Other Non-oil and Gas Sectors

The chart above illustrates the Group's key product lines 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.

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 comprehensive Quality Management System ("QMS") supported by strong management oversight, which includes supply chain risk management. This is no easy task, especially with the various disruptions that have affected supply chains worldwide.

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 last few years, we have seen significant supply chain disruptions, resulting in a strong surge in demand, price increases and uncertain availability.

Measuring and reducing carbon emission across the Company's supply chain is intricate and challenging, but Hunting's role in this effort is driven by products which 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 Q4 2022.

A small proportion of our products contain electronic components which can 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 and multiple approved suppliers in place as part of our supply chain, for example ranging 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 including geothermal and carbon capture opportunities.

Investment in Research and Development

Hunting's investment in the research and development of new products and technologies is a strategic objective to maintain market leadership in its core markets. In 2022, research and development expenditure totalled \$4.8m.

Operations

The majority of the Group's operations are orientated to the oil and gas industry; however, all businesses have been tasked with developing more non-oil and gas revenue.

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 rebuilding of the Group's portfolio.

In December 2021 Hunting exited from the capital intensive OCTG pipe supply business in Aberdeen as part of a wider restructuring to cut costs and to refocus the EMEA operating segment on growth and profitability.

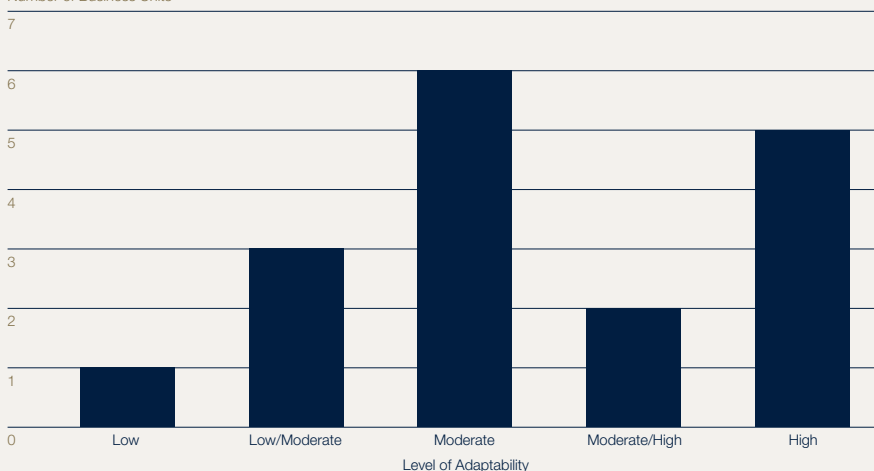
Access to Capital

The Group maintains a \$150m Asset Based Lending facility which matures in 2026.

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, and wider energy industry.

Business Unit Resilience and Adaptability

Number of Business Units



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.

A key factor that will determine 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 chart above summarises this assessment, with the majority of the Group's businesses reporting a 'Moderate' or 'High' level of adaptability if energy markets changed materially.

The Directors have also considered the potential impact that climate change could have on the financial statements of the Group. All businesses, with the exception of the Electronics, Dearborn and Trenchless units i.e. c.7% of 2022 revenue reported that long-term revenue would decline materially, by at least 50%, in the Rapid Transition scenario. The Group has also started to develop a high-level model focused on the long-term financial impact of different climate change scenarios, including 'Business as Usual', 'Middle Case' and 'Rapid Transition' scenarios.

Risk Management

Hunting's climate-related Risk Management disclosures are detailed on pages 23 and 24. During 2022, the Group's central compliance function developed 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

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 risk can be found on page 107 within Risk Management in our 2022 AR.

Each business unit within the Group completes a broad-based risk assessment three times 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 financing, reputational, legal and insurance risk as well as other operational risks faced by the Company. The Group's Audit Committee reviews the Group-level risk register three times during the year as part of its annual schedule of work with input from the Group Finance Director, Group Financial Controller, the Head of Risk and Reporting 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. The risk assessment framework was based on the TCFD guidance as illustrated in the chart on page 30.

The results of the process were reviewed and consolidated by the Group’s central compliance and finance functions and fed into the scenario analysis presented on page 29. This analysis was reviewed by the Directors at its meeting in February 2023 and will be debated further at the meeting of the Ethics and Sustainability Committee in June 2023. Further, this analysis will be completed annually as part of the Group’s wider risk management procedures.

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 units; management of the physical risk profile of each business or facility, which 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 or to introduce more efficient products and services to reduce the environmental impact of our customers oil and gas activities.

Disclosure (c) Integration of Climate Risk Identification and Management

The climate-related governance processes highlighted on page 22 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 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 on 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 number of metrics to enable investors to monitor climate-related risks and opportunities. These are presented in the accompanying table on page 31.

Disclosure (b) Scope 1 and 2 Emissions

The Group currently collects Scope 1 and 2 greenhouse emissions data based of the Greenhouse Gas Protocol published by the World Resources Institute. The data is consolidated on an operational control basis, through the Group’s central finance global financial consolidation system.

Carbon dioxide equivalent emissions are calculated using factors published by DEFRA in the UK to derive its total Scope 1 and 2 emissions.

Scope 1 emissions in 2022 were 5,778 tonnes (2021 – 4,171 tonnes) and Scope 2 emissions were 16,644 tonnes (2021 – 14,688 tonnes).

Between 2020 and 2021, the Group reported a reduction in its greenhouse gas emissions, primarily driven by lower trading activity due to the COVID-19 pandemic, but also due to a wider restructuring of the Group to prepare for a return to growth of its core markets. This process has included Hunting closing and consolidating certain facilities. As noted last year, the Directors anticipated an increase to emissions in 2022, as global energy markets recovered in line with economic activity.

As noted earlier, the Group has not completed a materiality assessment in respect of its Scope 3 emissions and has not reported any Scope 3 emissions in this report.

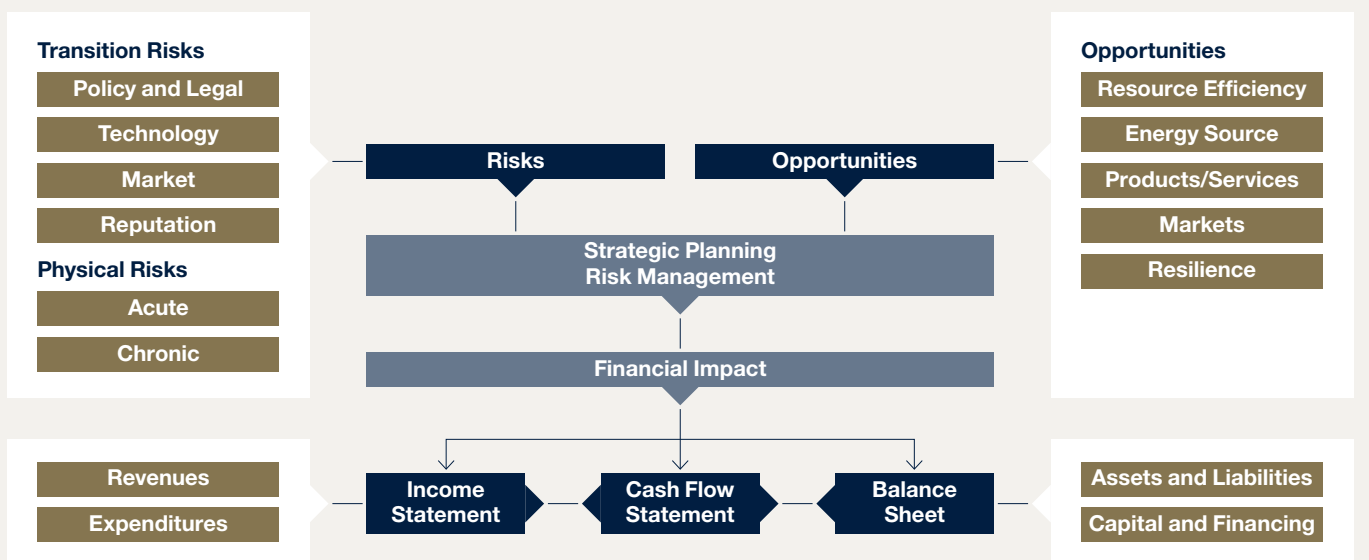
Disclosure (c) Targets

In 2019, the Group published its maiden carbon reduction targets, committing to a 10% reduction in total Scope 1 and Scope 2 emissions within 10 years while containing its intensity factor (calculated as total emissions divided by revenue) to less than 30. The base year for these targets was the carbon data reported within Hunting’s 2019 Annual Report and Accounts.

Following further discussion in 2022, the Directors have agreed to increase the Group’s Scope 1 and 2 emissions reduction target to 50% below the 2019 base-year by 2030. The equates to absolute emissions of 17,937 tonnes by 2030.

The Group has also set increased non-oil and gas targets by 2030.

TCFD Risk Assessment Chart

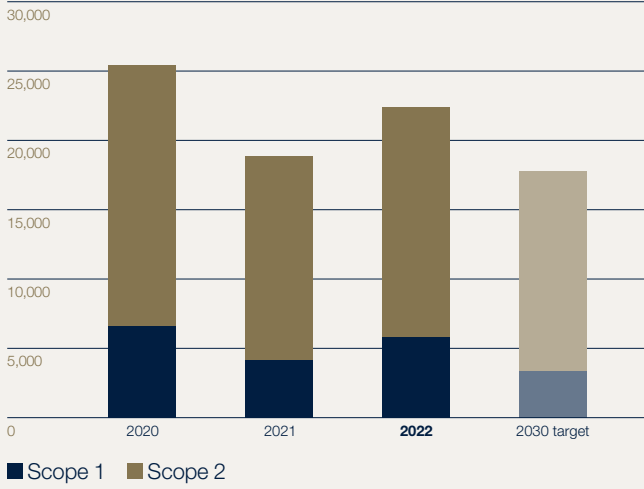


Source: TCFD – Recommendations of the Task Force on Climate-Related Financial Disclosures – 2017.

Sector Specific and Cross-Sector Metrics & Targets

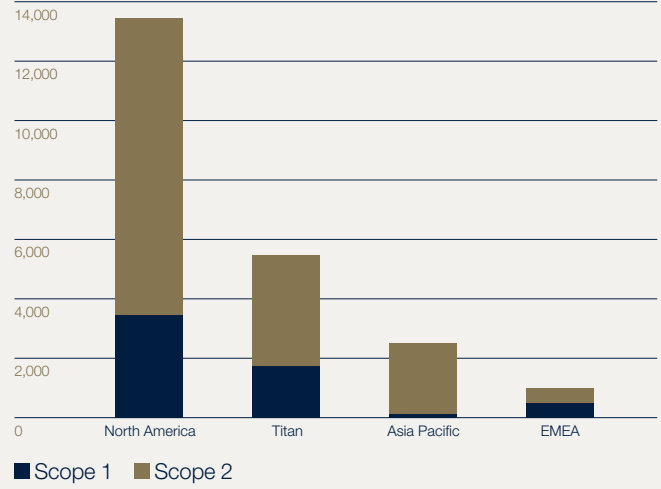
Metric	Description of Metrics/Reason for adoption	2022	2021
Revenue – oil and gas: \$m	Hunting's core markets are oil and gas related, therefore the long term monitoring of this measure assists in the understanding of the Group's resilience.	678.2	484.0
Revenue – non-oil and gas: \$m	Hunting's longer-term resilience can, in part, be monitored by the development of non-oil and gas sales.	47.6	37.6
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.	4.5	4.1
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 perceived risk profile.	4.3	4.1
Expenditure – research and development: \$m	The long-term diversification to non-oil and gas revenue will require investment in new technology and research.	4.8	4.7
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.	22.0	9.3
Scope 1 GHG emissions: tonnes	Hunting's Scope 1 carbon footprint provides investors data on the Group's contribution to climate change.	5,778	4,171
Scope 2 GHG emissions: tonnes	Hunting's Scope 2 carbon footprint provides investors data on the Group's contribution to climate change.	16,644	14,688
Water consumption: '000s cubic metres	Hunting's water consumption provides investors with data on this impact on the planet.	163	69
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.	1.4	3.2
Carbon emissions offset cost: €m	The cost of purchasing carbon credits (Scope 1 and 2 emissions only) to become a Net Zero business.	2.2	1.8
Market capitalisation: \$m	The value of the Group's equity provides an indication of the future value of the Group's cash generating assets.	662.4	378.0
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.	846.2	871.3
Renewable energy purchased: GWh	The level of renewable energy purchased provides an indication of the Group's drive to lower emissions.	8.6	6.3
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.	74	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.	70	70

Scope 1 and 2 Greenhouse Gas Emissions (tonnes CO₂e) against 2030 Target



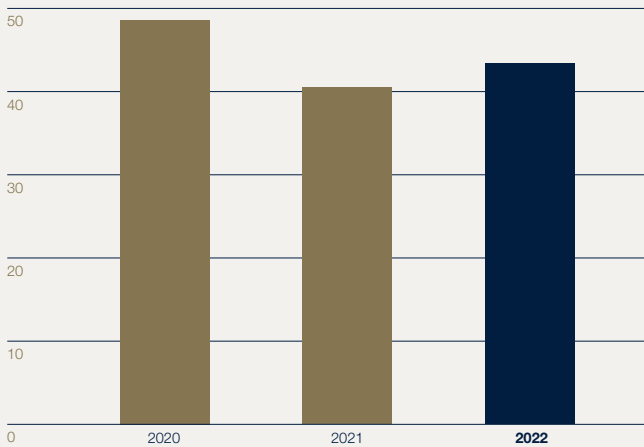
Source: Company.

Scope 1 and 2 Greenhouse Gas Emissions (tonnes CO₂e) by Operating Segment



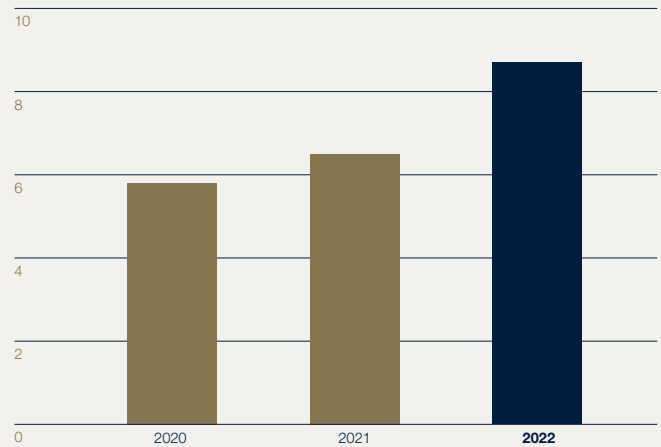
Source: Company.

Electricity Purchased by the Group (GWh)



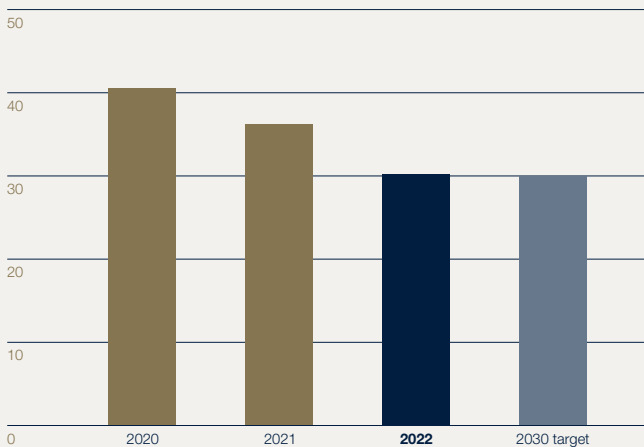
Source: Company.

Renewable Energy Purchased by the Group (GWh)



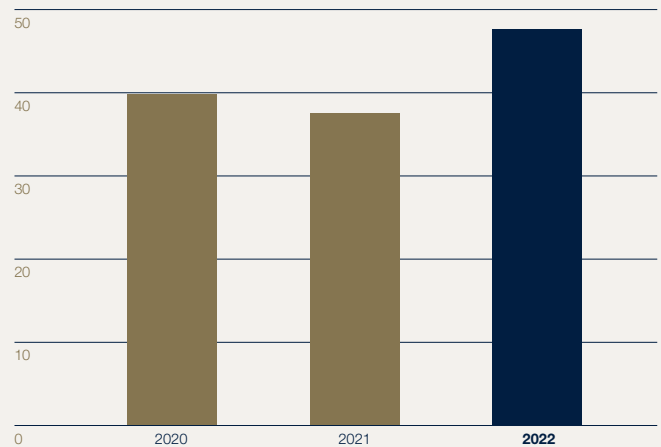
Source: Company.

Intensity Factor (kg CO₂e per \$k revenue)



Source: Company.

Non-Oil and Gas Sales (\$m)



Source: Company.

SASB - Oil & Gas Services (Accounting Metrics)				
SASB Code	Accounting Metric	Reported on (2022)	Hunting's Disclosures	Comments
Emissions Reduction Services & Fuels Management				
EM-SV-110a.1	Total fuel consumed, percentage renewable, percentage used in: (1) on-road equipment, and vehicles and (2) off-road equipment	Yes	(1) Vehicle consumption (including diesel and gasoline) and process emissions – Group 3,367 (Unit: Tonnes CO ₂ e)	Pages 65 and 66 in our Annual Report and Accounts 2022
EM-SV-110a.2	Discussion of strategy or plans to address air emissions-related risks, opportunities, and impacts	Yes	The Group's Climate Policy was published in January 2020, and was updated in January 2023 (located at www.huntingplc.com), which commits the Board to Group-level monitoring of climate-related opportunities and risks. This Policy acknowledges the global goal to limit global warming in line with the 2015 Paris Agreement, and commits the Group to assisting in the delivery of this ambition through a reduction in its global carbon footprint. Hunting has committed to reducing the absolute Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 50% by 2030 from the levels reported in 2019. In 2019 the Group's total Scope 1 and 2 emissions were 35,874 tonnes, implying a reduction to 17,937 tonnes. Strategies to further lower this target, which may over time include a plan to reach a Net Zero position, will be considered by the Board over time.	Pages 88-100 (TCFD section) in our Annual Report and Accounts 2022. Also, refer to our Climate Policy on our website at huntingplc.com
EM-SV-110a.3	Percentage of engines in service that meet Tier 4 compliance for non-road diesel engine emissions	N/a		
Water Management Services				
EM-SV-140a.1	(1) Total volume of fresh water handled in operations, (2) percentage recycled	Yes	Fresh Water Consumption - Group 163,000 (Unit: Cubic Metres)	Page 80 in our Annual Report and Accounts 2022
EM-SV-140a.2	Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities, and impacts	Yes	Hunting provides products and services to, amongst others, the upstream oil and gas industry, and thus does not engage directly within the scope of core activities relating to the areas of service provision stated within the accounting metric. The Group's primary water consumption is based on supporting property and equipment needs. Hunting has a number of water supplies, some provided by utility networks and some from boreholes drilled at some locations. Wherever possible, we work very closely with our global facilities to ensure we reduce our environmental impact, including water consumption, as we realise the importance of protecting these valuable resources. Similarly, where water is used as part of our manufacturing process, the discharge of waste (e.g. cooling) water, is not discharged into the original water source. Our method is to focus on monitoring our water usage and operational risk, and proactive water management. For example, as part of the regional Environmental and Water Management strategy in the EMEA region, the Fordoun site monitors the water discharged from operational activities twice per calendar year. Additionally, we have a commitment to conserving and protecting freshwater resources whenever possible – from water withdrawal, to use and reuse where possible, whilst contaminated water is collected and disposed of as special waste, destined for further recycling.	Page 80 in our Annual Report and Accounts 2022
Chemicals Management				
EM-SV-150a.1	Volume of hydraulic fracturing fluid used, percentage hazardous	N/a		
EM-SV-150a.2	Discussion of strategy or plans to address chemical-related risks, opportunities, and impacts	N/a		
Ecological Impact Management				
EM-SV-160a.1	Average disturbed acreage per (1) oil and (2) gas well site	N/a		
EM-SV-160a.2	Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities	N/a		
Workforce Health & Safety				
EM-SV-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), (4) total vehicle incident rate (TVIR), and (5) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	Yes	(1) Total Recordable Incident Rate: 0.97 per 200,000 hours, (2) 0 per 200,000 hours, (3) Near-miss Frequency Rate: 0.97 per 200,000 hours, (4) -, (5a) 27,857 training hours completed, (5b) -, (5c) -	Pages 63, 81 and 82 in our Annual Report and Accounts 2022
EM-SV-320a.2	Description of management systems used to integrate a culture of safety throughout the value chain and project life cycle	Yes	Hunting has defined rules and guidelines for HSE training, protective equipment, and high-risk operations. This is covered by the Group's Health, Safety and Environmental Global Manual that is accredited to ISO 14001 "Environmental Management System" and in accordance with ISO 45001 "Occupational Health and Safety Management System". Hunting's Quality Management System ("QMS") is certified and accredited for these ISO standards. Manufacturing and services are provided by Hunting facilities that are strategically located to serve its customers. All activities, products and services are provided in compliance with the Company's Health, Safety and Environmental policy. In 2022 the new management system "OnBase" became fully operational. OnBase was created as the new application to hold the framework of the Group's Global HSE Management System. The system allows Hunting to continuously enhance it, making it a dynamic management system that adapts to any new requirement at a Group, country and operational level. This is an additional safeguard to maintain compliance with respective regulatory agencies. Hunting recognises that people remain a fundamental component of health and safety, and suitable checks are in place to ensure the integrity of the data collected for OnBase is accurate, legible and uncompromised. This is where regular (refresher) training and ongoing communication play a significant role. Hunting places great emphasis on obtaining employee suggestions in respect of safety. Safety observation cards are (anonymously) collected, and presented and discussed in quarterly management meetings, attended by all levels of the organisation. Safety, Health and Environment is recognised as a top priority right from the top of the organisations, with the Chief Executive personally driving safety engagements, and at least quarterly reporting and reviews at every level of Hunting, right up to the Board.	Pages 81, 82, 84 and 85 in our Annual Report and Accounts 2022

SASB - Oil & Gas Services (Accounting Metrics)

SASB Code	Accounting Metric	Reported on (2022)	Hunting's Disclosures	Comments
Business Ethics & Payments Transparency				
EM-SV-510a.1	Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Yes	Revenues from countries with a Transparency International ("TI") Corruption Perception Score of <25 (\$m) (Revenue numbers taken from our 2021 Annual Report and Accounts) Asia Pacific 3,886,261, Titan 2,135,711, EMEA 418,909, North America 193,559	Page 59 in our Annual Report and Accounts 2021, Pages 64 and 66 in our Annual Report and Accounts 2022
EM-SV-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	Yes	At the heart of our success has been an ethos of integrity, which is made up of three core behaviours: honesty, transparency and fairness. This is the way in which we deal with each other, business and trading partners, shareholders, and the communities in which we operate. The Group has comprehensive processes, procedures and codes in place to monitor and risk-assess bribery and corruption, as well as meeting all laws and regulations. Every employee is provided with the Code of Conduct and Hunting expects them to safeguard these standards at all times, and always strive not only to do what is legal, but also what is right. Hunting also provides Code of Conduct training to every employee and the course includes detailed modules on Anti-Bribery and Corruption ("ABC") compliance and risk assessment procedures. The Group also completes a process of assessing each company role and employee for bribery risk – with a central register being maintained of these employees. During 2022, the Group commenced the rollout of a Supplier Code of Conduct to support its ethical trading policies.	Pages 63, 64 and 83 in our Annual Report and Accounts 2022. Also, refer to our Code of Conduct available on our website at huntingplc.com
Management of the Legal & Regulatory Environment				
EM-SV-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Yes	The Group's climate Policy was published in January 2020, and was updated in January 2023. It commits the Board to Group-level monitoring of climate-related opportunities and risks. This Policy acknowledges the global goal to limit global warming in line with the 2015 Paris Agreement, and commits the Group to assisting in the delivery of this ambition through a reduction in its global carbon footprint. The Board of Hunting recognises the importance of a strong governance and regulatory framework to address carbon and climate matters, as well as long-term sustainability. Therefore, in 2021 we saw the formation of the Ethics and Sustainability Committee, the formation of an internal ESG steering group, and a TCFD working group. These groups have a specific remit to review climate and carbon matters, and accelerate the development of a strong sustainability agenda for the Group's senior leadership team to address. In terms of Hunting's Carbon Reporting Roadmap, Scope 1 and Scope 2 greenhouse gas emissions reporting commenced in 2013; in 2019 the Group's carbon reduction and intensity targets were published; in 2020 the initial TCFD disclosures (including governance and physical risk analysis) were published and, in line with UK Listing Rules, in 2021 the Group reported on TCFD disclosures. Hunting engaged Standard & Poor's Trucost to provide assurance services on Hunting's published carbon data. Furthermore, in 2022 the Board approved a new carbon reduction target of 50% from our 2019 base-line year, by 2030. In 2019 the Group's total Scope 1 and 2 emissions were 35,874 tonnes, implying a reduction to 17,937 tonnes. Strategies to further lower this target, which may over time include a plan to reach a Net Zero position, will be considered by the Board over time. To monitor the impact of Hunting's operations on the environment, and in compliance with UK Company Law, the Group collates greenhouse gas ("GHG") data in accordance with the principles of the Kyoto Protocol. Hunting is committed to addressing environmental issues and embedding a low carbon culture within our operating facilities and our employees. Sustainability was at the heart of the decision when choosing to consolidate our Singapore facilities in 2022. The breakdown of our greenhouse gas emissions can be found in our Annual Report. Hunting also submits its greenhouse gas data to the Carbon Disclosure Project (www.cdproject.net). The data reported, and carbon dioxide conversion factors used to report the Group's carbon footprint, are based on those published by BEIS and DEFRA in the UK (www.defra.org.uk) and the International Energy Agency. Environmentally responsible initiatives implemented across the Group include (1) energy efficiency solutions including more efficient lighting; (2) water capture and recycling; and (3) waste recycling. These initiatives are continuously enhanced to incrementally reduce the Group's overall carbon footprint and environmental impact. Hunting is a member of a number of industry and trade associated bodies, including American Petroleum Institute, Society of Petroleum Engineers, Aberdeen Renewable Energy Group, Carbon Capture & Storage Association; and Offshore Energies UK.	Pages 60-66 and 80-100 (TCFD section) in our Annual Report and Accounts 2022. Also, refer to our Climate Policy on our website at huntingplc.com.
Critical Incident Risk Management				
EM-SV-540a.1	Description of management systems used to identify and mitigate catastrophic and tail-end risks	Yes	Across all its global operations, Hunting is committed to achieving and maintaining our Health, Safety and Environment ("HSE") goals of: No Accidents, No Harm to People, and No Damage to the Environment. We are committed to proactively Identify, Assess, Control and take action to eliminate or minimise hazards, particularly where the potential exists for major accidents e.g. human injury, ill health or harm to the environment. Hunting utilises risk assessments to evaluate (transition) risk, and it is our policy to document these. Subsequently, a number of control systems and instructions within the new Group's Global HSE Manual and Management System, OnBase, are in place to identify and mitigate catastrophic and tail-end risks. OnBase was created to hold the HSE structure for all global Hunting operations, while allowing local procedural and processual frameworks to be created at a region level to meet all applicable laws, regulatory requirements and industry standards. Occupational Health and environment risk is managed in accordance with Hunting's global HSE Policy. This policy is supported by a number of procedures which describe specific risk management processes such as "environmental impact and aspects procedure", "regulated hazardous waste" and "identification and method of dealing with potential hazards". In 2022 Hunting has had no environmental fines or any non-compliance with any environmental laws and/or regulations. We continue to achieve environmental compliance for the accredited ISO14001 audits. It should be noted that Hunting globally has exceeded the global 2022 goal and objective for incident rate.	Pages 69, 81, 82, 84 and 85 in our Annual Report and Accounts 2022. Also, refer to our Local Certifications and global HSE Policy on our website at huntingplc.com
EM-SV-000.A	Number of active rig sites	No		
EM-SV-000.B	Number of active well sites	No		
EM-SV-000.C	Total amount of drilling performed	No		
EM-SV-000.D	Total number of hours worked by all employees	Yes	4.7m hours worked	Pages 63 in our Annual Report and Accounts 2022

SASB - Industrial Machinery & Goods (Accounting Metrics)				
SASB Code	Accounting Metric	Reported on (2022)	Hunting's Disclosures	Comments
Energy Management				
RT-IG-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Yes	(1) Total fuel (incl. natural gas), vehicle (incl. diesel and gasoline) and electricity consumption - Group 22,422 (Unit: Tonnes CO ₂ e) (2) 74 (%)	Pages 65 and 66 in our Annual Report and Accounts 2022
Employee Health and Safety				
RT-IG-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	Yes	(1) 0.97 (2) 0 (3) 0.97	Pages 63 and 81 in our Annual Report and Accounts 2022
Fuel Economy & Emissions in Use-Phase				
RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	N/a	.	
RT-IG-410a.2	Sales-weighted fuel efficiency for non-road equipment	N/a	.	
RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators	N/a	.	
RT-IG-410a.4	Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines	N/a	.	
Materials Sourcing				
RT-IG-440a.1	Description of the management of risks associated with the use of critical materials	Yes	<p>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 comprehensive Quality Management System ("QMS") supported by strong management oversight, which includes supply chain risk management. This is no easy task, especially with the various disruptions that have affected supply chains worldwide.</p> <p>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 last few years, we have seen significant supply chain disruptions, resulting in a strong surge in demand, price increases and uncertain availability.</p> <p>Measuring and reducing carbon emission across the Company's supply chain is intricate and challenging, but Hunting's role in this effort is driven by products which 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 Q4 2022.</p> <p>A small proportion of our products contain electronic components which can 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, we carry out regular risk assessments to identify potential supply chain risks. 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.</p> <p>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 and multiple approved suppliers in place as part of our supply chain, for example ranging from Chinese to domestic US steel mills. In some areas, we have expanded our approved supplier list.</p>	Pages 65, 95 and 96 in our Annual Report and Accounts 2022
Remanufacturing Design & Services				
RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services	N/a	.	
RT-IG-000.A	Number of units produced by product category	N/a	.	
RT-IG-000.B	Number of employees	Yes	2,258	Page 57 in our Annual Report and Accounts 2022