ESG and Sustainability

Hunting is committed to operating responsibly, ethically and sustainably to create long-term value.

Our management team embed these principles into our strategy and culture. We are committed to relevant and transparent disclosures and continue to improve our ESG-related reporting procedures, aligning these with current and new disclosure regulations and standards as well as the needs of our stakeholders.

In 2024, we have expanded our scope 3 reporting, which provides further insight to our stakeholders on our supply chain emissions. This enables management to focus on long-term reduction initiatives where our most concentrated emission sources are derived, for example, from our raw material feedstocks.

While our focus on carbon emissions and climate impact are fairly new areas for us, other strategic areas of focus such as HSE and Quality Assurance have been embedded in our culture for many decades. Keeping our people safe, while providing strongly assured products have contributed to our success in the past, and will do so for many years to come.

Jim Johnson
Chief Executive

ESG and Sustainability continued

ESG and sustainability at a glance

Governance

Continued focus on Board accountability for ESG

Ethics and Sustainability Committee met twice in 2024 (2023 – twice)

People and society

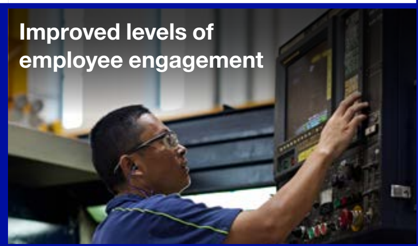
Safety remains a priority

Zero
fatalities
(2023 – zero)

25
recordable incidents
(2023 – 24)

3.15
near-miss frequency rate (employees)
(2023 – 2.69)

Improved levels of employee engagement



The 2023 employee engagement survey recorded an engagement score of 42%, compared to 36% recorded in 2019.

Board diversity

50%
of the Board are women*
(29 February 2024 – 44%)

*At 6 March 2025

Workforce diversity

25%
of workforce are women
(2023 – 25%)

Senior management diversity

32%
of senior management are women (2023 – 32%)

Voluntary turnover rate

10.3%
down from 13.5% in 2023

Responsible products

76%
of our facilities are compliant with ISO 9001:2015, a globally recognised standard for quality management

ISO 14001:2015

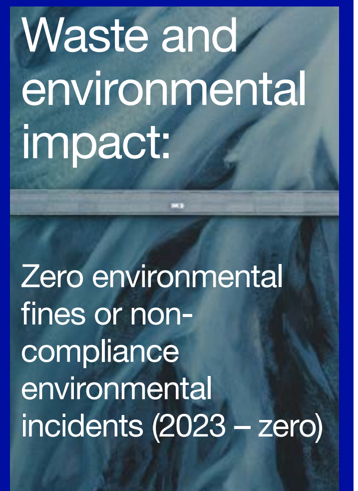
Our Quality Management System is aligned with ISO 14001:2015 (Environmental management system) with 68% of facilities accredited

We also align our Quality Management System with ISO 50001:2018 the international standard for designing, implementing, and maintaining an energy management system

The environment

Scope 1 and 2 GHG data assurance being completed for a second year.

To review our assurance report please see www.huntingplc.com



Waste and environmental impact:

Zero environmental fines or non-compliance environmental incidents (2023 – zero)

Our contribution to the SDGs

The United Nations' 2030 Agenda for Sustainable Development provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainability Development Goals ("SDGs"), which are an urgent call for action by all countries – developed and developing – in a global partnership. These goals 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 – while tackling climate change and working to preserve our oceans and forests.

At Hunting, we believe that, no matter how small, every contribution can have a positive impact on society and the environment. We believe we can contribute to achieving these goals.

We have identified nine SDGs to which we can make a positive contribution.

Good health and well-being

We are responsible for the health and safety of those who use or are affected by our services and equipment. Through the systems we have in place, the training, support and access to healthcare we provide, we believe we can address employee and community health and build on and implement safety-enhancing features in the work we do. The health and safety of our employees is of the utmost importance to us.

Affordable and clean energy

Through the technology, products and services we provide to the energy sector, we assist in the safe and reliable extraction of resources, while minimising environmental impacts. To this end, we have a number of readily available technologies and products to supply to the tangential geothermal and carbon capture and storage markets in the emerging energy transition sector.

Responsible consumption and production

As a provider of products and services to the energy sector we aim to limit the consumption of resources, by responsibly sourcing the materials we use and increase recycling and integration into the circular economy. We recycle where possible and ensure all other waste is removed in a safe and responsible manner so that it does the least environmental damage possible.

Gender equality

While operating in 11 countries, we strive to ensure that all workplaces and decision-making processes are free from discrimination and that all hiring and promotions are based on merit. We are focused on improving gender representation in our business, as well as seeking to promote diversity on our Board and within the senior leadership team.

Decent work and economic growth

We have a diverse and skilled workforce. We place great emphasis on attracting and retaining talented employees, ensuring that they are engaged and able to develop to their full potential. Protocols are in place to identify and guard against modern slavery and human trafficking.

Climate action

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

Clean water and sanitation

We understand that water is a valuable and restricted resource especially in some of the regions in which we operate. We oversee and manage our water usage by protecting water resources, and guarding against potentially hazardous and polluting emissions entering water bodies.

Industry, innovation and infrastructure

We support inclusive and sustainable industrialisation. We 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. An example of this is the Organic Oil Recovery technology that has achieved commercialisation in the year.

ESG and Sustainability continued

Our ESG disclosures

- We make an annual submission to the Carbon Disclosure Project, which can be reviewed at www.cdp.net.
- We have adopted and report against the Task Force on Climate-related Financial Disclosures ("TCFD") standard. See pages 88 to 101.
- We report in line with the SASB standards most relevant to our business: SASB Oil & Gas – Services and Industrial Machinery & Goods standards. Our SASB content index can be found on pages 86 and 87.
- Our annual Modern Slavery Act Statement, which is approved by the Board, is available on our website at www.huntingplc.com.
- As a publicly-listed company providing products and services primarily to the oil and gas sector, up to 2024 we disclosed a Payments made to Governments statement on a country-by-country and project-by-project basis under the Payments to Government Regulation 2015. This is available at www.huntingplc.com.

Our ESG assurance

The Group assures a number of ESG-related data points, including QAHSE audits and also scope 1 and 2 data audits, with our 2023 scope 1 and 2 carbon emissions data assured during the year against the ISO 14064-3 standard, with no material issues identified.

Our ESG materiality assessment

We have identified four important areas of focus to ensure our environmental, social and governance initiatives remain relevant. The Group's senior leadership team contributes to the development and enhancement of these areas, with the executive Directors incentivised to deliver continuous improvement over the medium term.

Focus on material issues

In 2023, Hunting completed a materiality assessment on its ESG framework and disclosures. We adopt a "double materiality" approach, which considers:

- Impact materiality, that is the actual or potential, positive or negative impacts of the business on people or our environments over the short, medium or long term; and
- Financial materiality, that is whether an issue may be material from a financial perspective, and could potentially trigger financial effects on Hunting, either as a risk or opportunity, in the short, medium or long term.

Our process involves:

- An assessment of new and impending reporting disclosure regulations and standards; a review of peer reporting; and an analysis of feedback from ratings agencies;
- Interviews undertaken with senior executives across the Group in core disciplines: compliance; investor relations; human resources; health, safety, environment and quality; IT; and customer engagement and marketing;
- We undertook an online survey of key executives to determine their assessment of the issues through the lenses of impact and financial materiality; and
- The survey resulted in the identification and ranking of issues. We have focused on the top 14 issues, which were reviewed by the Executive Committee prior to their being submitted to the Board for consideration and approval.

These issues are illustrated on the right, in alignment with our sustainability framework. The materiality assessment will be repeated in 2025.

Material issues – adopting a "double materiality" approach

Governance and our ethical behaviour

- Safeguarding cyber security
- Protecting and enhancing our reputation
- Complying with regulations
- Promoting business ethics and anti-bribery and corruption
- Assuring due diligence in our supply chain
- Promoting Board leadership and accountability for ESG

People and society

- Protecting the health and safety of our customers
- Protecting the health, safety and well-being of employees
- Promoting and ensuring employee engagement

Responsible products

- Ensuring the quality and consistency of our products
- Ensuring customer and market responsiveness
- Delivering innovation

The environment

- Ensuring environmental compliance and good practice
- Pursuing the responsible transition, and growth in, less carbon-intensive sectors

ESG and Sustainability continued

Our sustainability framework

We continue to refine and simplify our ESG framework, aligning this with the outcomes of our materiality process.

Our prevailing ESG ambition is to create long-term, sustainable value and this is applied in four areas of focus:

- Governance and our ethical behaviour;
- People and society;
- Responsible products; and
- The environment.

Our commitments remain unchanged and are aligned with each of these focus areas, which form the basis of our ongoing disclosure. For each focus area, we indicate the relevant SDG.

Expanding our emissions data collection

In 2023, the Ethics and Sustainability Committee approved the appointment of the Carbon Trust as an independent specialist adviser to assist in determining our carbon inventories, with a focus on scope 3 emissions. A five-year phased project began with the initial aim of establishing an emissions baseline by the end of 2025, attaining assurance against ISO 14064-3 in 2026, and publishing a Net Zero plan by 2027.

The scope 3 emissions data collection project initially comprised the Hunting Titan operating segment as a proxy for the Group's scope 3 inventories for 2023, with the Carbon Trust calculating Hunting Titan's scope 3 footprint based on its 2022 data. The methodology used was based on the GHG Protocol Corporate Value Chain (scope 3) Standard. Hunting Titan reported on eight of the 15 category emission levels for scope 3, with the scope 3 emissions calculated to be c.95,000 tonnes CO_2e. This figure was extrapolated by Hunting using Hunting Titan's cost of sales as a proportion of the rest of the Group's cost of sales resulting in an estimated total scope 3 footprint of c.353,000 tonnes CO_2e for 2023.

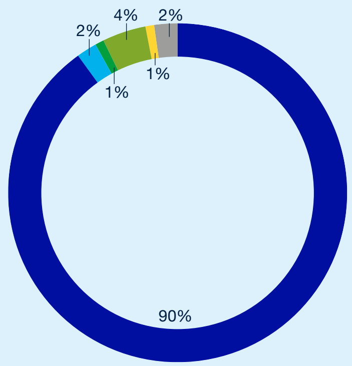
In 2024, this approach was extended to include scope 3 emissions data from the Subsea Technologies, EMEA, and Asia Pacific operating segments in addition to Hunting Titan. This aimed to build on the work done in the previous year with Hunting Titan and also to improve the accuracy of the footprint data. In 2024, the Group gathered data on 11 out of the 15 category emission levels for scope 3. The data reviewed covered the nine months to 30 September 2024 and were scaled up to a full year to 31 December 2024.

The initial challenges for our scope 3 project focused on what we should measure, how to identify and source relevant data from existing records, training employees to recognise and extract this data, and accurately reporting it in a format that assisted the Carbon Trust to identify products, materials, quantities, weights and measures. Where detailed data was not available, financial (spend) data was used as an alternative. The results identified that category 1a emissions (purchased goods and services – products) accounted for c.90% of total scope 3 emissions. Management are now assessing the potential to assure this category as part of the drive to fully assure the Group's scope 1, 2 and 3 emissions inventories. The total scaled scope 3 emissions for 2024 were assessed at 351,446 tonnes CO_2e. This result was then extrapolated by Hunting using relative cost of sales for the four operating segments compared to the Group total, and the total scope 3 footprint for 2024 was determined to be 534,835 tonnes CO_2e.

Next steps

- In 2025, data collection will include the North America operating segment to complete scope 3 reporting for the whole of the Group and set a scope 3 emissions baseline.
- Plan new data collection procedures for information held within our ERP system.
- Produce standard emissions data reports from our business intelligence platforms.
- Allocate additional resources to include further scope 3 training for staff from various departments including procurement, finance, transport, human resources, sales, IT, HSE, and governance.
- Collaborate closely with our external suppliers, customers and business partners across our value chain.
- In 2026, we will follow the science-based target setting methodology subject to the release of the Science Based Targets initiative's oil and gas sector guidance.

Scope 3 inventories – 534,835 tonnes CO_2e



Scope 3 pillars
- Pillar 1a: Purchased goods and services (products)
- Pillar 1b: Purchased goods and services (non-product)
- Pillar 3: Fuel and energy-related activities
- Pillar 4: Upstream transportation and distribution
- Pillar 6: Business travel
- Other: Pillars 2, 5, 7, 9, 12, 13 and 15

ESG and Sustainability continued

Progress against our commitments

AREA	OUR COMMITMENTS	MATERIAL ISSUES ADDRESSED	WHAT WE MEASURE	PERFORMANCE IN 2024
Governance and our ethical behaviour	**To demonstrate Board-level ownership and accountability for sustainability issues** **To set and deliver long-term sustainability goals** **To link key ESG metrics to the remuneration of the senior leadership team** **To foster mutually beneficial partnerships**	• Safeguarding cyber security • Protecting and enhancing our reputation • Promoting business ethics and anti-bribery and corruption • Promoting Board leadership and accountability for ESG	• Number of employees that completed cyber security training • SafeCall whistleblowing reports • Number of employees that completed Code of Conduct training • Total number of bribery-related fines • Total value of bribery-related fines • ESG metrics linked to remuneration and included in short- and long-term incentive plans	• 1,370 employees (2023 – 1,119 employees) • Three reports (2023 – six reports) • 2,091 employees (2023 – 285 employees, launched in Q4 2023) • Zero (2023 – zero) • $nil (2023 – $nil) • See the Remuneration Committee Report on page 154
People and society	**Operating safely**	• Protecting the health and safety of our customers • Protecting the health, safety and well-being of our employees	• Employee fatalities • Contractor fatalities • Total fatalities • Total recordable incidents – employees • Total recordable incident rate – employees • Near-miss incidents – employees • Near-miss incidents – contractors • Near-miss incidents – total • Near-miss frequency rate – employees • Near-miss frequency rate – contractors • Near-miss frequency rate – total • Lost-time incidents – employees • Lost-time incidents – contractors • Lost-time incidents – total • Lost-time days – employees • Lost-time incident rate – employees • Vehicle incidents – employees • Vehicle incidents – contractors • Vehicle incidents – total • Total number of HSE fines • Total value of HSE fines	• Zero (2023 – zero) • Zero (2023 – zero) • Zero (2023 – zero) • 25 (2023 – 24) • 0.93 (2023 – 0.91) • 85 (2023 – 71) • 3 (2023 – 15) • 88 (2023 – 86) • 3.15 (2023 – 2.69) • 0.11 (2023 – 0.57) • 3.26 (2023 – 3.26) • 7 (2023 – 6) • 0 (2023 – 0) • 7 (2023 – 6) • 214 days (2023 – 267 days) • 0.26 (2023 – 0.23) • 4 (2023 – 0) • 0 (2023 – 0) • 4 (2023 – 0) • 1 (2023 – 0) • $9k (2023 – $nil)

ESG and Sustainability continued

AREA	OUR COMMITMENTS	MATERIAL ISSUES ADDRESSED	WHAT WE MEASURE	PERFORMANCE IN 2024
People and society continued	**Supporting and developing our people** **Supporting communities around us**	• Protecting the health and safety of our customers • Protecting the health, safety and well-being of our employees • Promoting and ensuring employee engagement	• Total HSE training hours • HSE training hours per employee • Voluntary turnover • Representation of women on the Board, in senior management, and in the workforce • Engagement level • Charitable donations	• 68,834 hours (2023 – 48,013 hours) • 28 hours (2023 – 20 hours) • 10.3% (2023 – 13.5%) • 50% women on the Board at 6 March 2025 (2024 – 44%) ; 32% women in senior management (2023 – 32%); 25% women in workforce (2023 – 25%) • 42% engagement score in 2023 (2019 – 36%) • $70k paid in charitable donations (2023 – $81k)
Responsible products	**Delivering high-quality products and services**	• Ensuring the quality and consistency of our products • Ensuring customer and market responsiveness • Delivering innovation	• Internal manufacturing reject rate • % of shipped goods returned • % of facilities accredited to ISO 9001:2015 (Quality management systems) • % of facilities accredited to ISO 14001:2015 (Environmental management systems) • Non-oil and gas revenue • Research and development expenditure	• 0.31% (2023 – 0.20%) • 0.0006% (2023 – 0.0006%) • 76% (2023 – 78%) • 68% (2023 – 40%) • $75.1m (2023 – $75.9m) • $8.8m (2023 – $6.9m)
The environment	**Managing our environmental performance and mitigating our impacts**	• Ensuring environmental compliance and good practice • Pursuing the responsible transition to and growth of our business in less carbon-intensive sectors	• Environmental non-compliance incidents • Significant environmental non-compliance incidents • Number of environmental fines • Value of significant environmental fines • Total value of all environmental fines • Total scope 1, 2 and 3 GHG emissions • CO_2e intensity factor • Water consumption • Metal recycling • Wood recycling • Plastic recycling	• Zero (2023 – zero) • Zero (2023 – zero) • Zero (2023 – zero) • $nil (2023 – $nil) • $nil (2023 – $nil) • 557,068 tonnes CO_2e (2023 – 375,945 tonnes CO_2e) • 21.2kg/$k revenue (2023 – 24.3kg/$k revenue) • 90,411m³ (2023 – 91,746m³) • 2,967 tonnes (2023 – 2,827 tonnes) • 85 tonnes (2023 – 75 tonnes) • 30 tonnes (2023 – 23 tonnes)

ESG and Sustainability continued

Governance and our ethical behaviour

Fostering mutually beneficial partnerships

Our commitments

To demonstrate Board-level ownership and accountability for sustainability issues
All the Directors attend the Ethics and Sustainability Committee meetings and challenge management on the scope and progress of ESG issues.

To set and deliver long-term sustainability goals
In 2023, the Group exceeded its long-range carbon intensity goal and in March 2025 the Directors announced a new long-term target of achieving an intensity factor of 20 or less, which equates to 33% lower than our 2023 target.

To link key ESG metrics to the remuneration of the senior leadership team
The 2024 Hunting Performance Share Plan incorporates medium-term Safety and Quality goals to ensure management remains focused on delivering safe products and a safe workplace. The 2024 Annual Bonus to the executive Directors included carbon emission and intensity targets, which were partially met.

To foster mutually beneficial partnerships
We foster sound and positive partnerships with our customers and suppliers, industry bodies, and regulators in the regions in which we operate. We respect human rights and believe we create an open, fair and safe environment for all.

SDGs

Material issues

- Safeguarding cyber security
- Protecting and enhancing our reputation
- Complying with regulations
- Promoting business ethics and anti-bribery and corruption
- Assuring due diligence in our supply chain
- Promoting Board leadership and accountability for ESG

Ethical behaviour

We promote honest, ethical and transparent conduct in our business and our supply chain. We foster sound and positive partnerships with our customers, suppliers, industry bodies, and regulators in the regions in which we operate.

ESG and Sustainability continued

Governance

The Directors have delegated key ESG and Sustainability matters to the Ethics and Sustainability Committee.

Meetings of the Committee are attended by the Group's Director for QAHSE, Hunting's Chief HR Officer, General Counsel and members of the central compliance function who oversee carbon and climate reporting.

The Committee has stewardship of the Group's strategic approach to ESG matters. The Committee monitors and guides those matters that are both financially material to the value of the Group's businesses over time, and those that are important to our markets, our employees, other stakeholders and the environment.

The Committee met on two occasions in 2024. For more details see pages 133 to 135.

The management of ESG matters is led by the Chief Executive and the Executive Committee, supported by an ESG Steering Committee and TCFD Working Group.

Business ethics

Hunting's Code of Conduct (the "Code") contains policies and procedures covering how the Group conducts business, internally and externally, and maintains its relationships with business partners.

The Code of Conduct includes operating guidelines and details of key ethics policies in place across the Group, including anti-bribery and corruption and modern slavery procedures, with a parallel training course in place to ensure education and awareness of and compliance with the Hunting Code of Conduct.

All employees and business partners are provided with a copy of the Code and are expected to adhere to it.

In September 2024, we rolled out a new Code of Conduct training course, which all employees are required to complete, with 285 employees completing the training in 2023 and 2,091 of our employees completing the course in 2024. Module two of the new course is due to be rolled out in 2025.

Human rights

We are committed to upholding the human rights of all our stakeholders, we achieve this by providing a safe and positive 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; respecting and upholding the rights of employees to engage in collective bargaining where relevant; and acting with honesty, transparency and integrity in all of our dealings with our workforce, and anyone else who is in contact with and reliant on our business.

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 with corporate regulations through our Ethical Employment and Trading Policy; our Modern Slavery, Human Trafficking Transparency Statement; and our Ethics Reporting Procedures.

Cyber security

As we become more reliant on globally-connected IT infrastructure, our business is more vulnerable to cyber threats and our cyber risk profile increases. We safeguard against these threats by training employees and by having in place the necessary processes and procedures to protect our systems and data from cyber attacks.

We also recognise that we are custodians of data, on behalf of our employees, customers and suppliers, and that we must protect their information in order to secure and maintain trust.

During the year, we engaged a third party to assist in the development of a cyber attack response plan and enhanced employee cyber security training, with 1,370 employees with access to computers completing cyber security training, compared to 1,119 in 2023.

The Group's IT policies, systems and training are managed by the Chief IT Officer, who reports annually to the Directors on progress made in the year, as well as quarterly reporting to the Executive Committee.

Our approach is proactive and precautionary and we engage only with Tier 1 suppliers.

Export and sanctions compliance

With the increasing complexity of international trade, the Group has enhanced its due diligence of customers and suppliers, which includes end-user declarations and export checks.

Given the geopolitical volatility seen in recent years, the risk of the diversion of goods to higher risk countries or companies, or dual-use of products such as Hunting's perforating product lines, the Group has increased its review and internal checking, improved training and awareness of these risks and continued to adopt adequate procedures to mitigate the risks in this area.

Hunting avoids any form of sanctions risk and constantly reviews current laws and regulations applied by the EU, UK and US to ensure we remain compliant. The Group uses the services of third-party legal experts to ensure key contracts and tenders are reviewed from the perspective of sanctions risk.

Whistleblowing

The Group received three reports from the SafeCall system in the year (2023 – six reports) and an additional report outside of the SafeCall service. All SafeCall reports related to HR matters, which were investigated and resolved by Hunting's Chief HR Officer. All reports are reviewed by the Senior Independent Director, with a summary also reported to the Board, via the Ethics and Sustainability Committee.

ESG and Sustainability continued

People and society

Looking after our people

Our commitments

Operating safely
We seek to achieve and maintain the highest standards of safety for our employees, contractors, customers, suppliers and the public. We constantly monitor the quality assurance and health and safety procedures across the Group.

Supporting and developing our people
We want to attract and retain a highly skilled workforce. We provide training and development to our employees to help them sustain and grow their careers. We promote diversity and workplaces that are free from prejudice. HR reports provide the information the Board needs to review key metrics relating to our people.

Supporting communities around us
We make a positive contribution to the communities in which we operate.

Material issues

Protecting the health and safety of our customers

Protecting the health, safety and well-being of our employees

Promoting and ensuring employee engagement

SDGs

Anti-bribery and corruption
We endeavour to transact business in a transparent and fair manner, and to this end we have strong anti-bribery policies and training across the Group. The Directors have made clear that there is a zero tolerance to bribery, including not paying facilitation payments in any form, while working with public officials in a transparent manner. During the year, the Group did not incur any bribery-related fines. It is also the Group's policy not to make political or lobbying donations.

Modern slavery
Protecting our people from modern slavery and trafficking is another area of focus for our human resources functions. We review all employment documentation to ensure we avoid trafficking or forced labour and ensure pay is provided directly to the individual. Hunting's Code of Conduct training includes a module on identifying those at risk of modern slavery and the procedures to follow.

The Group's central compliance function, overseen by Hunting's Company Secretary manages anti-bribery and modern slavery compliance.

Our people
At 31 December 2024, the Group employed 2,367 people across our global operations (2023 – 2,420 people). Of these, 37% are employed in our North America operations, 22% at Hunting Titan, 16% in Asia Pacific, 12% in EMEA, 9% at Subsea Technologies, and 4% in regional headquarters. Our 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. We understand that people are essential to the development of our business and success as a company.

ESG and Sustainability continued

Health and safety

Our health, safety and environment ("HSE") goals of "No Accidents, No Harm to People", and "No Damage to the Environment" continues to drive our HSE agenda and support our pursuit of high standards of performance.

Our HSE policy guides the way we work, putting safety first. We place great emphasis on ingraining HSE best practice in our culture and employ rigorous health and safety practices. Our approach includes:

- Regular audit and maintenance reviews of facilities;
- Appropriate training and education of all staff;
- Accreditation and alignment of long-standing internal programmes with internationally recognised standards; and
- Regular reporting to the Board and Ethics and Sustainability Committee.

Our Group Health, Safety and Environmental Global Manual is accredited to ISO 14001: Environmental Management System, and was compiled in accordance with the ISO 45001: Occupational Health and Safety Management System. This manual specifies requirements for HSE training, the need for protective equipment, and procedures and practices associated with high-risk operations.

As a minimum, we comply with local regulatory requirements, but we strive for more with each local business having a tailored health and safety policy to suit their particular working environment.

To ensure both regulatory compliance and achievement of our own high internal standards, climate, noise and air quality testing is regularly completed at our operations.

We are pleased to report that there were no fatalities in the Group during 2024 or 2023.

Our target is also to achieve zero recordable incidents. While this was not achieved in 2024, our overall safety performance, as measured by the total recordable incident rate, was comparable to last year.

Total recordable incident rate
#

2024	0.93
2023	0.91
2022	0.97

Recordable incidents in 2024 rose to 25 (2023 – 24), while the total recordable incident rate increased slightly to 0.93 (2023 – 0.91). The number of hours worked increased from 5.3m hours in 2023 to 5.4m hours during the year.

The average number of employees increased by 3% in the year, while the number of parts manufactured decreased from 23.0m to 15.6m, as volumes declined within our Perforating Systems business, partially offset by the increase in production of OCTG and Subsea orders, which require fewer parts, being completed in the year.

Although the total recordable incident rate increased in the year, the Company is significantly below the industry average of 4.0 (2023 – 4.0) as published by the US Bureau of Labor Statistics, and well below the Group's long-range goal of 2.0 or less.

There was a rise in employee near-miss incidents in 2024 from 71 in 2023 to 85, with a higher number of vehicle near-misses recorded, which translates into a total near-miss frequency rate of 3.15 (2023 – 2.69).

Total near-miss frequency rate
#

2024	3.15
2023	2.69
2022	2.79

All the incidents are investigated, rectification processes are implemented where required, and learnings are utilised in safety training sessions, including in the weekly "Tool Box" sessions that each shop-floor member of staff attends where HSE messaging is reinforced.

We place a great deal of emphasis on training and learning from incidents. We have a rigorous safety training curriculum in place, including an embedded Health and Safety training programme for all employees. In 2024, Hunting conducted a total of 68,834 hours (2023 – 48,013 hours) of HSE training, with each employee receiving, on average, 28 hours (2023 – 20 hours) of HSE training in the year.

The Group's SASB reporting includes vehicle incident data, with four vehicle incidents (2023 – nil) reported in the year.

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

Using the OnBase system, we have been able to enhance the number of HSE measures that we report on, as shown on page 74.

The Group also has an emergency response plan in place which is overseen by the Director of QAHSE. The plan incorporates disaster recovery, employee safety and quality assurance matters, in addition to IT plans.

The Group's ERP system is managed by the Chief IT Officer, with input from the central finance function, with risks and controls overseen by the Head of Risk and separate Internal Control Manager. Regular training is arranged for IT matters.

Attracting, retaining, and developing employees

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. We take diligent steps to comply with all relevant regional laws covering employment and minimum wage legislation.

Recruiting, retention, training and development have been important areas of focus during the year. Competition for talent remains strong globally. Nonetheless, while finding talent may currently take longer than it has previously, Hunting continues to find and place good candidates.

We use voluntary turnover as a measure to understand the Company's retention profile. Immediately following the pandemic, the voluntary turnover increased but has reduced to more normal levels during 2024. Our voluntary turnover in the year was at 10.3%, (2023 – 13.5%).

Hunting has a reputation for long service of its employees and the tenure of our employees is another good indicator of our positive work culture. The average tenure of an employee is currently nine years (2023 – nine years). We maintain this success through competitive compensation, excellent benefits, and a commitment to a safe environment.

ESG and Sustainability continued

To retain our staff, we ensure that our employees are fairly remunerated. Given the competitive landscape of our industry, our base levels of pay are well above minimum wage thresholds.

Employees are offered benefits upon joining the Group, including healthcare cover, post-retirement benefits and, in certain instances, participation in annual bonus arrangements. We are continuing to enhance the benefits we offer, such as maternity and paternity leave.

Our remuneration practices are highly consistent throughout the organisation, with short- and long-term incentives offered, the quantum of which depends on the employees' level within the Group.

During the year, some of our employees were selected from different business units across the globe, to participate in the Energy Workforce and Technology Council Executive Leadership programmes, which are designed to develop and enhance leadership skills as well as engagement in networking opportunities within the industry.

Following the outcome of the 2023 engagement survey it was highlighted that there is a need for more recognition of employees, which is being achieved by focusing on leadership training and assisting managers on how to give good feedback and daily recognition.

Additionally, we are placing our senior managers in a programme for executive leadership and our mid-level managers in an operations leadership programme.

Code of Conduct, anti-harassment and discrimination, and unconscious bias training are also continuing to support our diversity and inclusion efforts.

We are further committed to supporting all our employees, with training and development covering Health and Safety training, professional development, and general career development initiatives.

Employee engagement

Hunting places a great deal of emphasis on employee engagement, recognising that high levels of engagement are related to bottom line outcomes such as job performance, client satisfaction and financial returns, while also improving employees' own quality of life. During the year, the Board visited the Ameriport site, which enabled them to meet face-to-face with employees, and also learn about some of the R&D projects that are underway.

In 2023, Hunting undertook an all-employee Gallup Q12 survey following the survey completed in 2019. A total of 1,866 employees responded to the survey, resulting in a participation rate of 83% (2019 – 80%). Both the engagement score and engagement index ratio (which defines engaged workers to actively disengaged workers) improved. 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.

Another important result from the survey is the employee engagement ratio of engaged workers versus actively disengaged workers. Hunting's Engagement Index Ratio was 3.5:1, which means there are 3.5 engaged employees for each actively disengaged employee. This is again an improvement from our 2019 result of 2.25:1. An optimal ratio and our goal for future surveys is a ratio of 4:1.

We encourage our employees 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

Hunting prides itself on being a fair and responsible employer. We are committed to creating a positive workplace environment for all our employees, one that is safe, respectful, fair and inclusive, and free from any form of harassment, bullying, or discrimination.

Furthermore, we actively seek to increase the diversity of our workforce through recruitment, training and development, and conditions of work. The Group's ethics policies support equal employment opportunities across all of Hunting's operations.

As a responsible employer, Hunting gives full and fair consideration to applications from disabled persons.

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 Board with shortlists comprising an appropriate gender balance; and
- A periodic review by the Nomination Committee of its progress in complying with best practice recommendations.

Community engagement and support

Hunting continues to engage with and support the communities located around our operations through a wide range of activities, including fund-raising events or community donations.

Each region is encouraged to develop their own community engagement initiatives to align with local cultural practices as well as Hunting's corporate values. Examples of this approach include:

- Our long-standing relationship with three orphanages in Batam, the largest city in the province of Riau Islands in Indonesia.
- Teams from Singapore, China, and Indonesia organised various events to celebrate International Women's Day, including team building exercises, speakers, activities, and workshops, which addressed several topics including diversity and equality in the workplace.
- Hunting's World Heart Day campaign focused on raising heart health awareness across our locations in Singapore, Indonesia, and Wuxi, China. The campaign featured various engaging activities, including health-focused workshops and knowledge-sharing sessions. These efforts enable employees to take proactive steps towards improving their cardiovascular health and foster a collective commitment to well-being.
- In the US, during Breast Cancer Awareness month, through the generosity of our employees, $8,000 was raised to support individuals with breast cancer. With these funds, we delivered 100 Chemo Care Baskets, and also donated to the Cancer Resource Center to support their vital programmes. We hosted a lunch for the dedicated staff who work tirelessly.
- A new internship programme was introduced by Subsea in the US, which we anticipate rolling out to other businesses. Further details on this initiative can be found on page 33.

ESG and Sustainability continued

Responsible products

Delivering high-quality products and services

Our commitment

Delivering high-quality products and services
We meet with customers and pre-empt their needs as well as the environments in which we both operate, through innovation, customisation and the highest levels of quality control. We monitor the Group's interaction with customers, with a risk analysis being completed in the year.

Material issues

Ensuring the quality consistency of our products

Transition to and growth of business in less carbon-intensive sectors

Promoting innovation to develop new products and applications

Being responsive to the needs of our customers and market

SDGs

Reliable and sustainable products

Our purpose is to be a highly trusted innovator and manufacturer of technology and products that create sustainable value for our stakeholders. Our customers rely on us to meet and even pre-empt their needs, consistently, reliably and sustainably. We recognise that achieving this requires both innovation and trust, which, in turn, is delivered through consistent quality delivery. A critical part of the customer engagement strategy is to use our core competencies in systems manufacture, precision engineering and print-part manufacturing to deliver innovative solutions in existing and new markets.

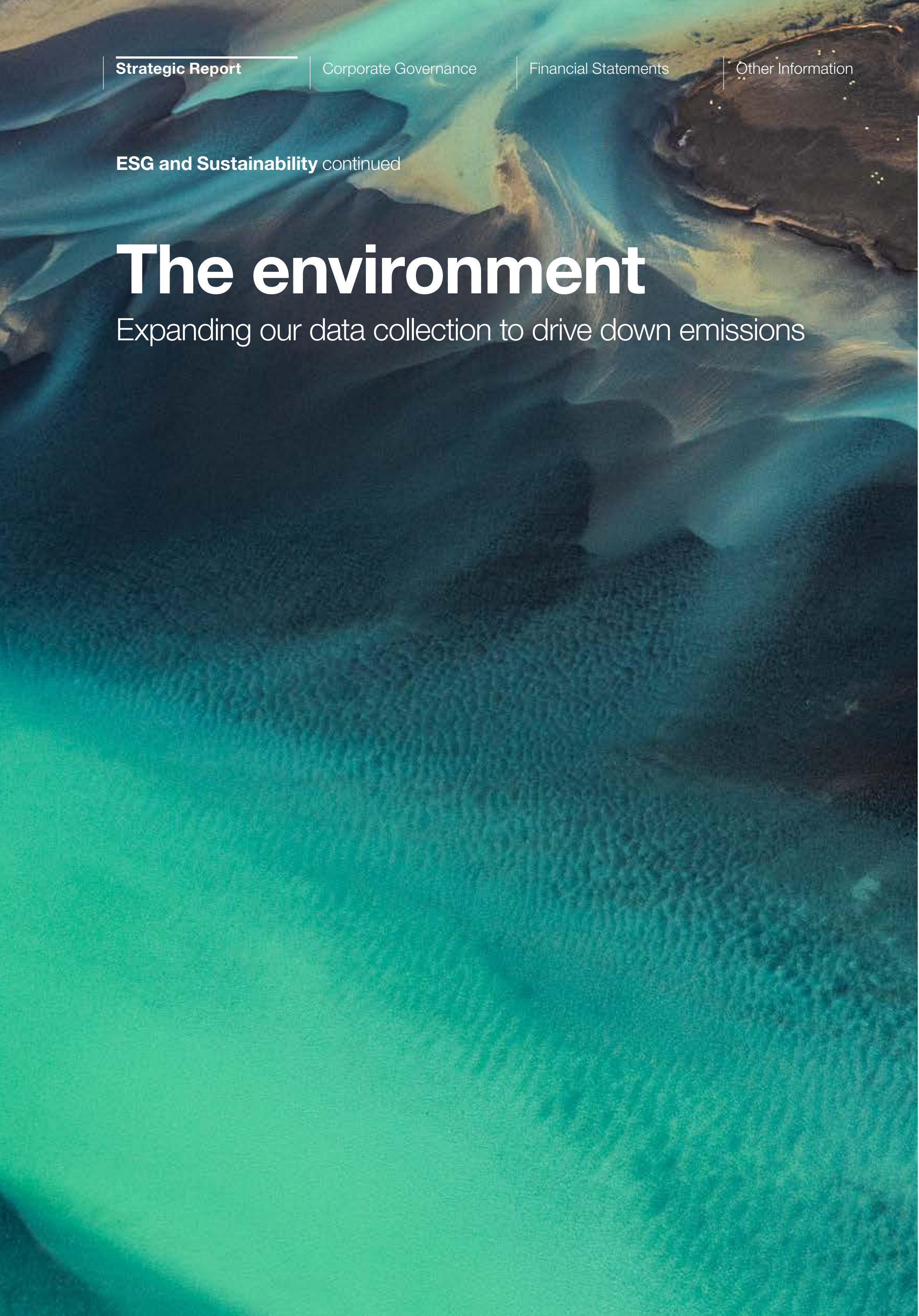
Focus on quality

Our Quality Management System ("QMS") underpins every aspect of our business. Certain minimum requirements are mandated at a Group level, with site and product-specific quality measures in place across all of our manufacturing facilities. Our QMS encompasses procedure specification, job descriptions, and work processes. It states how we control every aspect of a product, from risk assessment to engineering changes and design to new product delivery. Every product is logged and tracked, and its journey can be audited. The Group's internal manufacturing reject rate was 0.31% (2023 – 0.20%) and the percentage of goods shipped that were returned by customers was 0.0006% (2023 – 0.0006%).

Technology development

While Hunting has access to a very wide range of technologies and products, whose applications continue to expand, we know that technology development is an important foundation of our business.

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. Hunting also has a number of strategic partnerships, with companies such as Jiuli and CRA-Tubulars, which support bringing products for the energy transition sector to market. By collaborating with technology developers, we are able to deliver a range of benefits, including reducing the time frames required to deliver technologies to market and into the field; and avoiding duplication of effort, resulting in significant financial, time and opportunity cost and energy/CO_2 savings, which frees up resources to solve new problems. For developers, the benefits of partnering with Hunting are significant, including access to capital, an international presence and an established and extensive customer base.



ESG and Sustainability continued

The environment

Expanding our data collection to drive down emissions

Our commitment

Managing our environmental performance and mitigating our impacts

We aim to protect and minimise our impact on the environment in which we operate, and where our products are used. We support the responsible transition to a low carbon economy by setting and achieving emissions reduction targets, mitigating climate-related risks, and transitioning our business to less carbon intensive sectors. These targets are amended and updated where necessary.

Material issues

Ensuring environmental compliance and good practice (emissions, water, waste)

Pursuing the responsible transition to and growth of our business in less carbon-intensive sectors

SDGs

Our comprehensive and integrated approach to quality, safety, health and environmental management and compliance is underpinned by our sound enterprise risk management framework. This supports our aim to ensure compliance with all environmental regulation in the regions in which we operate.

We are committed to the efficient use of natural resources, such as energy, water and raw materials, and to reducing our overall environmental footprint.

The Group's Quality Management System is aligned with the globally recognised ISO 14001 (Environmental management systems) standard and the ISO 50001:2018 (Energy management systems) standard. In 2024, 76% (2023 – 78%) of facilities complied with ISO 9001:2015 (Quality management systems) and 68% (2023 – 40%) of facilities complied with ISO 14001:2015.

Climate change

At Hunting, we support a science-based approach to climate change and recognise that responsible companies have a role to play in mitigating our contribution to climate change and its impact on business and society. The Hunting Board has committed to the principles published in the 2015 Paris Agreement, which aims to limit the increase in global warming to below 2°C and to pursue efforts to limit the increase to 1.5°C. Our Climate Policy was updated in January 2023, and is available at www.huntingplc.com. Having adopted and progressed our TCFD reporting, additional strong governance and reporting initiatives have been put in place to further support our commitment to addressing and mitigating our impact on climate change, as well as the impact of climate change on our business in the short, medium and long term. Our TCFD reporting is available on pages 88 to 101. These disclosures also comply with the UK's climate-related financial disclosures (UKCFD).

We seek to manage our climate-related impact by setting and achieving emissions reductions, and mitigating climate-related risks. While Hunting's businesses have historically operated in the oil and gas sector, the Group is deliberately seeking to transition to lower carbon products and services. We are committed to pursuing energy transition opportunities as well as diversifying revenue sources to include further non-oil and gas sales.

ESG and Sustainability continued

2013	2019	2021	2022	2023	2024	2025	2026	2027
Began scope 1 and 2 GHG emissions reporting.	Publication of maiden carbon reduction and intensity targets.	Initial TCFD disclosures published.	Publication of enhanced TCFD disclosures. Commenced carbon assurance against AA1000 standard with S&P Global.	Maiden scope 3 GHG reporting, based on Hunting Titan operating segment data. Completed 2022 scope 1 and scope 2 assurance.	Expansion of scope 3 reporting and full compliance with TCFD. Completed 2023 scope 1 and 2 assurance against ISO-14064-3.	Complete roll out of scope 3 GHG data collection. Full scope 1, 2 and 3 reporting.	Development of Net Zero plan.	Proposed publication of Net Zero Plan.

Measuring our greenhouse gas emissions and setting targets

Hunting has disclosed its scope 1 and 2 GHG emissions since 2013, in accordance with the principles of the Kyoto Protocol.

We report our emissions, based on operational control, in line with the recommendations published by the World Resources Institute.

The process for the reporting of these emissions is integrated into our non-financial reporting framework. As our scope 1 and 2 emissions are within our control, our aim is to reduce them as a priority. Our progress to date is as follows:

- In 2022, the Board approved a target to reduce our GHG emissions by 50% by 2030, from levels reported in 2019, the baseline year. This equates to a target of 17,937 tonnes in total scope 1 and 2 emissions by the end of the decade;
- The Group continues to drive an intensity factor of less than 20 (calculated as total scope 1 and 2 emissions divided by revenue);
- In 2023, we assured our 2022 scope 1 and 2 GHG emissions data using S&P Global;
- In 2024, we appointed the Carbon Trust to assure our scope 1 and scope 2 GHG emissions data. This assurance has been completed against ISO 14064-3; and
- Following completion of the reporting of Hunting Titan's scope 3 GHG emission inventories in 2023, scope 3 reporting for 2024 was extended to the Group's Subsea Technologies, EMEA and Asia Pacific operating segments.

This will enable the Group to develop and publish a credible Net Zero plan by 2027.

Our scope 1 and 2 carbon footprint

To reduce our scope 1 and 2 emissions footprint, we aim to improve our energy efficiency and, at the same time, 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.

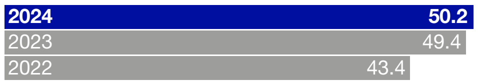
Our energy efficiency is mainly improved by (1) making production more efficient, such as through new equipment and zero emissions vehicles; (2) building new facilities incorporating energy efficiency measures or enhancing existing facilities, such as by adding solar panels; and (3) closing facilities that are no longer considered viable, such as in Hunting Titan during the year.

The construction of the new facility in Dubai has taken into account environmental considerations to meet the Group's ambitions for a sustainable operating site, which aims to be a highly efficient facility.

In the US, where most 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 substantially eliminated by moving to renewable energy.

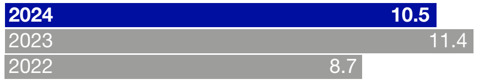
In the UK, the Group's Aberdeen and London operations have secured renewable energy supplies. The Group also participates in several initiatives, including the Energy Saving Opportunity Scheme, which requires Hunting's UK facilities to be audited for energy efficiency, with recommendations provided to reduce energy usage.

Total purchased electricity
GWh



In 2024, our total electricity usage was 50.2GWh (2023 – 49.4GWh). The 2% increase in electricity usage was lower than the Group's 13% increase in revenue in the year. Of the total figure, total renewable electricity purchased was 10.5GWh, (2023 – 11.4GWh), or 21% of electricity purchased (2023 – 23%), a slight reduction over 2023.

Renewable electricity purchased
GWh



The data reported and the carbon dioxide conversion factors used to report the Group's carbon footprint, are based on those published by the International Energy Agency, and BEIS and DESNZ in the UK (www.gov.uk).

Total scope 1 and 2 emissions
tonnes CO_2e

The Group's total scope 1 and 2 emissions in 2024 were 22,233 tonnes CO_2e (2023 – 22,599 tonnes CO_2e, restated), representing a 2% decrease, despite the increase in revenue, as the number of parts manufactured reduced from 23.0m to 15.6m. We continue to submit yearly to the Carbon Disclosure Project and our latest submission is available at www.cdp.net. The Group's CO_2e intensity factor decreased from 24.3kg/$k of revenue (restated) to 21.2kg/$k of revenue in the year, see below. In the UK, total scope 1 and 2 emissions were 733 tonnes CO_2e (2023 – 787 tonnes CO_2e).

ESG and Sustainability continued

Our scope 3 carbon footprint

In 2024, the Group collected scope 3 data from four of our five operating segments, which include the Hunting Titan, Subsea Technologies, EMEA and Asia Pacific operating segments. Working with a third-party expert, the Group has been able to gather data on 11 of the 15 pillars of scope 3 inventories including: purchased goods and services, product and non-product; fuel and energy-related activities; upstream transportation and distribution; and business travel. Four pillars were determined not to be relevant to the business profile: upstream leased assets; downstream transportation and distribution; processing of sold products; and franchises. Emissions from the investments pillar have been included within our scope 1 and 2 emissions and have, therefore, been excluded from the scope 3 reporting.

Based on these ten reported pillars, scope 3 inventories were calculated to be 351,446 tonnes CO_2e, for the in-scope operating segments, with our process detailed in the case study on page 73.

As the scope 3 emissions are derived from materials purchased, the result above has been extrapolated by Hunting to obtain a Group scope 3 inventory based on the relative proportions of cost of sales of the four in-scope operating segments to the Group total, as this is considered to be a reasonable proxy for materials purchased. The Group's total scope 3 inventory has been calculated to be 534,835 tonnes CO_2e on this basis. This compares with the estimated emissions of 353,346 tonnes CO_2e in 2023. The estimated total Group scope 1, 2 and 3 emissions for 2024 were, therefore, 557,068 tonnes CO_2e (2023 – 375,945 tonnes CO_2e), with the increase largely due to the rise in raw material steel purchases in Asia Pacific for its large orders.

Management will be extending this assessment exercise to include the North America operating segment in 2025, which will complete the Group's scope 3 footprint. As part of this project, further work is planned to broaden the number of reporting pillars of scope 3 emissions being assessed.

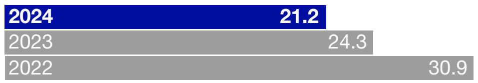
Carbon intensity factor

Hunting's CO_2e intensity factor is based on total carbon dioxide equivalent emissions divided by Group revenue.

In 2024, this was 21.2kg/$k of revenue (2023 – 24.3kg/$k of revenue). Despite the increase in activity in the year, our scope 1 and 2 GHG emissions reduced by 2%, with the carbon intensity factor reducing by 13%, demonstrating that the Group is more energy efficient. This is based on our scope 1 and 2 CO_2e tonnage only.

In March 2025, the Group announced a revised carbon intensity factor target for 2030 of 20kg/$k of revenue to further encourage a reduction in our emissions.

CO_2e intensity factor
kg/$k of revenue



Climate change impact and transition

Hunting is currently transforming its business model to pursue opportunities in a lower carbon economy in response to, and to mitigate, climate change. Currently, around $75.1m or 7% (2023 – $75.9m or 8%) of our revenue contribution is from non-oil and gas sectors, and this is set to steadily increase in the years to come.

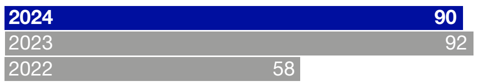
Our efforts to align our business model to take into account and pre-empt this transition and the opportunities that this potential for diversification has for the business, are described in our Climate Change statement on page 82.

An integral part of our risk management approach ensures that all new facilities take into account environmental impact considerations.

Water management

Hunting has a number of water supplies, some provided by utility networks and some from boreholes drilled at certain locations. We recognise that water is a valuable and sometimes scarce resource in some areas in which we operate. While Hunting is not considered to be a significant water user, we are mindful of the need to actively reduce our freshwater consumption, to reuse/recycle water as far as possible, and to ensure that no contaminated water is discharged into any water source. Any water contaminated during industrial activities is collected and treated or contained as special waste. Our intention is to recycle as much as we are able to internally or facilitate treatment and recycling off site. We are mindful of the potential impact on our facilities of extreme weather events, and ensure that any run-off from our facilities is captured and contained, prior to treatment, through secondary containment measures. A feature of all new and planned facilities is the likely impact of severe storms. In 2024, freshwater consumption was 90,411m³ (2023 – 91,746m³), a decrease of 1% as overall activity levels in EMEA reduced in the year.

Water consumption*
thousand m³



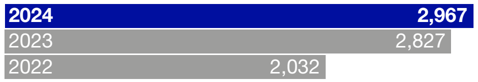
*Water consumption for 2022 and 2023 has been restated following a correction for the conversion to cubic metres within one business unit.

Waste management and recycling

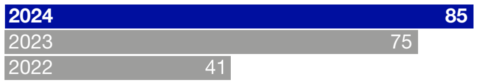
We are conscious of the need to responsibly source and consume materials, to increase and optimise reuse and recycle, and to responsibly dispose of waste.

All our operations have recycling programmes in place and recycling data is collated for metal, wood and plastics. Our industrial waste is largely in the form of liquid waste streams. We continue to explore ways of reusing chemicals and materials. For example, we have introduced a mechanism to capture and reuse cutting fluids in the year, that not only limits this waste stream, but is also cost-effective. Where a waste stream is unavoidable, we dispose of this responsibly using appropriately vetted suppliers. We take the view that we are responsible for materials throughout their life cycles. Hunting's joint venture manufacturing facility in Nashik, India, is aiming to be entirely waste free. The JV facility produces and supplies pipes, tubes and premium connections.

Metal recycling
tonnes



Wood recycling
tonnes



Plastic recycling
tonnes

ESG and Sustainability continued

Annual energy summary

	Units	2024	2023*	2022	2021	2020	2019 baseline year
Energy type							
Natural gas – Group	GWh	**7.3**	7.2	7.9	8.5	13.7	17.8
Natural gas – UK	GWh	**0.9**	0.8	0.8	0.9	2.6	4.2
Vehicle consumption and process emissions – Group	tonnes CO_2e	**1,584**	2,132	3,367	2,491	3,338	2,972
Vehicle consumption and process emissions – UK	tonnes CO_2e	**95**	76	76	28	34	60
Electricity purchased – Group	GWh	**50.2**	49.4	43.4	40.5	48.6	55.7
Electricity purchased – UK	GWh	**1.1**	1.7	0.5	1.4	1.4	1.6
Renewable electricity purchased – Group	GWh	**10.5**	11.4	8.7	6.5	5.8	2.1
Renewable electricity purchased – UK	GWh	**1.1**	1.7	0.5	0.3	0.4	0.5
Greenhouse gas emissions							
Scope 1**	tonnes CO_2e	**3,630**	4,169	5,778	4,171	6,605	7,100
Scope 2***	tonnes CO_2e	**18,603**	18,430	16,644	14,688	18,811	28,774
Total scope 1 and 2	tonnes CO_2e	**22,233**	22,599	22,422	18,859	25,416	35,874
Scope 3	tonnes CO_2e	**534,835**	353,346	277,143	n/a	n/a	n/a
Total scope 1, 2 and 3	tonnes CO_2e	**557,068**	375,945	299,565	n/a	n/a	n/a
CO_2e intensity factor (based on scope 1 and 2 emissions only)	kilograms per $k revenue	**21.2**	24.3	30.9	36.2	40.6	37.4
Water consumption	thousand cubic metres	**90**	92	58	69	257	319

* Following an internal review of our carbon data collection methods, double counting was found in two business units and therefore the 2023 figure has been restated to reflect this.
** Total scope 1 greenhouse gas emissions include UK scope 1 emissions of 498 tonnes CO_2e (2023 – 441 tonnes CO_2e).
*** Total scope 2 greenhouse gas emissions include UK scope 2 emissions of 235 tonnes CO_2e (2023 – 346 tonnes CO_2e).

ESG and Sustainability continued

Sustainability Accounting Standards Board information

Oil & Gas – Services

Topic	Accounting metric	SASB code	Reported by Hunting	Section	Page navigation
Emissions Reduction Services & Fuel Management	Total fuel consumed, percentage renewable, percentage used in: (1) on-road equipment and vehicles; and (2) off-road equipment.	EM-SV-110a.1	Yes	Environment	85
	Discussion of strategy or plans to address air emissions-related risks, opportunities, and impacts.	EM-SV-110a.1	Yes	Task Force on Climate-related Financial Disclosures	88 to 101
	Percentage of engines in service that meet Tier 4 compliance for non-road diesel engine emissions.	EM-SV-110a.3	n/a	n/a	n/a
Water Management Services	(1) Total volume of fresh water handled in operations; and (2) percentage recycled.	EM-SV-140a.1	Yes	Water management	84
	Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities and impacts.	EM-SV-140a.2	Yes	Water management	84
Chemicals Management	Volume of hydraulic fracturing fluid used, percentage hazardous.	EM-SV-150a.1	n/a	n/a	n/a
	Discussion of strategy or plans to address chemical-related risks, opportunities and impacts.	EM-SV-150a.2	Yes	Waste management and recycling	84
Ecological Impact Management	Average disturbed acreage per: (1) oil; and (2) gas well site.	EM-SV-160a.1	n/a	n/a	n/a
	Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities.	EM-SV-160a.2	n/a	n/a	n/a
Workforce Health & Safety	(1) Total recordable incident rate; (2) fatality rate; (3) near-miss frequency rate; (4) total vehicle incident rate; and (5) average hours of health, safety and emergency response training for: (a) full-time employees; (b) contract employees; and (c) short-service employees.	EM-SV-320a.1	Yes Yes Yes n/a Yes	Health and safety Health and safety Health and safety n/a Health and safety	79 79 79 n/a 79
	Description of management systems used to integrate a culture of safety throughout the value chain and project life cycle.	EM-SV-320a.2	Yes	Training Health and safety	27 and 79 27 and 79
Business Ethics & Payments Transparency	Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index.	EM-SV-510a.1	n/a	n/a	n/a
	Description of the management system for prevention of corruption and bribery throughout the value chain.	EM-SV-510a.2	Yes	Anti-bribery and corruption ("ABC")	29 and 78
	No political or lobbying donations were made.	EM-SV-510a.2	Yes	Anti-bribery and corruption ("ABC")	78 and 169
Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry.	EM-SV-530a.1	Yes	Business model	20 to 32
Critical Incident Risk Management	Description of management systems used to identify and mitigate catastrophic and tail-end risks.	EM-SV-540a.1	n/a	n/a	n/a

ESG and Sustainability continued

Oil & Gas – Services: metrics

Activity metric	SASB code	Reported by Hunting	Section	Page navigation
Number of active rig sites	EM-SV-000.A	n/a	n/a	n/a
Number of active well sites	EM-SV-000.B	n/a	n/a	n/a
Total amount of drilling performed	EM-SV-000.C	n/a	n/a	n/a
Total number of hours worked by all employees	EM-SV-000.D	Yes	Health and safety	79

Industrial Machinery & Equipment

Topic	Accounting metric	SASB code	Reported by Hunting	Section	Page navigation
Energy Management	(1) Total energy consumed; (2) percentage grid electricity; and (3) percentage renewable.	RT-IG-130a.1	Yes Yes Yes	Annual energy summary Annual energy summary Annual energy summary	85
Employee Health & Safety	(1) Total recordable incident rate; (2) fatality rate; and (3) near-miss frequency rate.	RT-IG-320a.1	Yes Yes Yes	Health and safety Health and safety Health and safety	79 79 79
Fuel Economy & Emissions in Use-phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles.	RT-IG-410a.1	n/a	n/a	n/a
	Sales-weighted fuel efficiency for non-road equipment.	RT-IG-410a.2	n/a	n/a	n/a
	Sales-weighted fuel efficiency for stationary generators.	RT-IG-410a.3	n/a	n/a	n/a
	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.	RT-IG-410a.4	n/a	n/a	n/a

Industrial Machinery & Equipment: metrics

Activity metric	SASB code	Reported by Hunting	Section	Page navigation
Number of units produced by product category	RT-IG-000.A	n/a	n/a	n/a
Number of employees	RT-IG-000.B	Yes	Employees Our people	27 78

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

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

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

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

Compliance

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

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

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

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

Climate policy

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

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

Progress in Hunting 2030 Strategy

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

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

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

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

Risk management

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

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

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

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

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

Metrics and targets

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

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

Carbon data collection and assurance

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

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

Scope 3 emissions reporting

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

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

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

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

New physical risk assessment

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

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

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

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

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

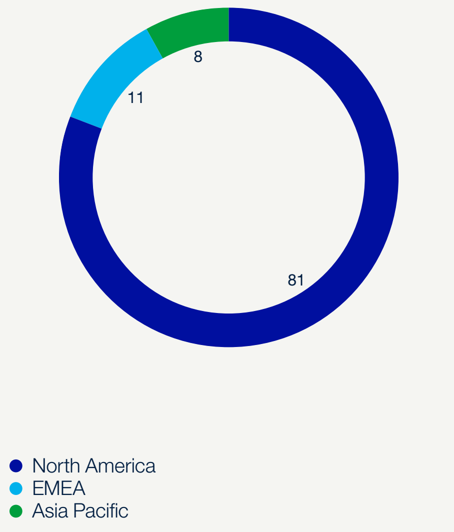
In the 2050 RCP8.5 scenario, the above values change to:

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

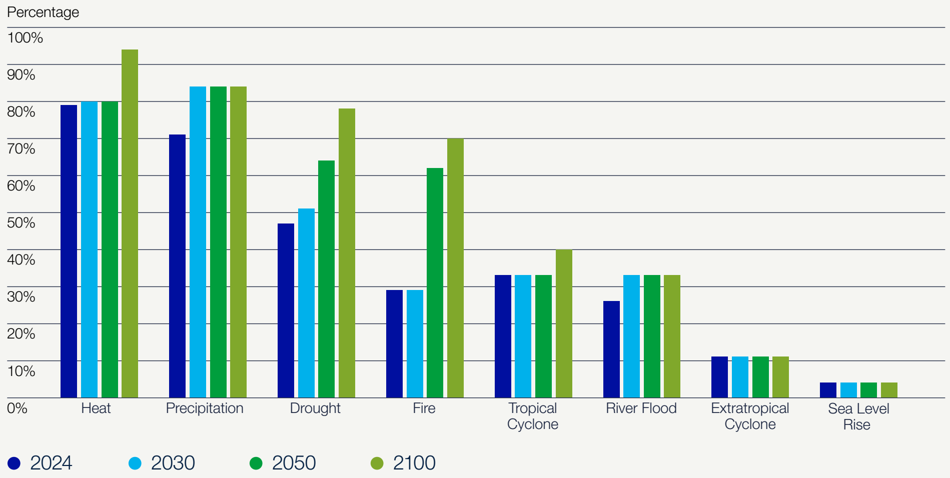
The Directors, therefore, noted that for Hunting the key climate/natural hazards are drought stress, fire stress, and tropical cyclones under the more aggressive climate change scenario, as analysed by WTW.

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

Geographic split of asset base %



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



Source: WillisTowersWatson

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

Governance

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

Disclosure (a) – Board oversight

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

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

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

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

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

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

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

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

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

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

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

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

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

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

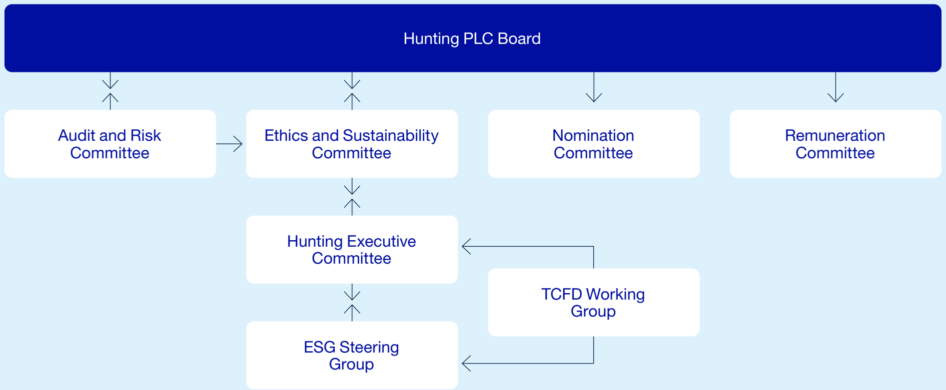
The responsibility of managing climate risks is vested in the Executive Committee, which comprises the senior operational leaders of the Company.

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

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

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

Climate governance framework



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

Strategy

Disclosure (a) – Description of risks and opportunities over the short, medium and long term
Disclosure (b) – The impact of climate-related risks and opportunities

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

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

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

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

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

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

Climate scenarios for evaluating transition risks and opportunities

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

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

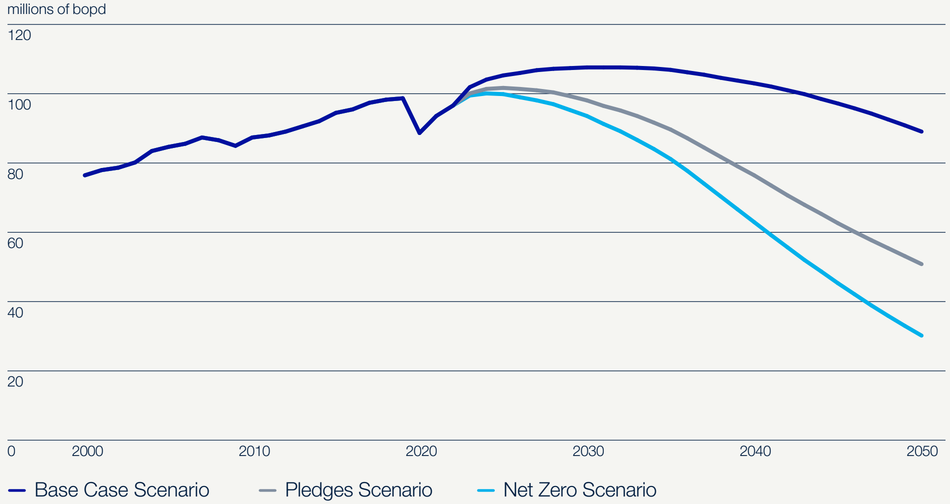
In selecting these scenarios, the Group used energy demand analysis from Wood Mackenzie (see graph on the right), which analyses a range of climate change scenarios, as well as the latest energy transition projections and oil and gas demand scenarios from the International Energy Agency ("IEA"), see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

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

Climate scenarios for evaluating physical risks and opportunities

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

Scenarios for oil demand: 2020 to 2050



Source: Wood Mackenzie

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

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

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

Risks have been categorised as follows:

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

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

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

Climate change risk analysis

Transitional risks

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

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

Climate change risk analysis continued
Transitional risks continued

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

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

Climate change risk analysis continued

Transitional risks continued

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

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

Climate change risk analysis continued

Transitional risks continued

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

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

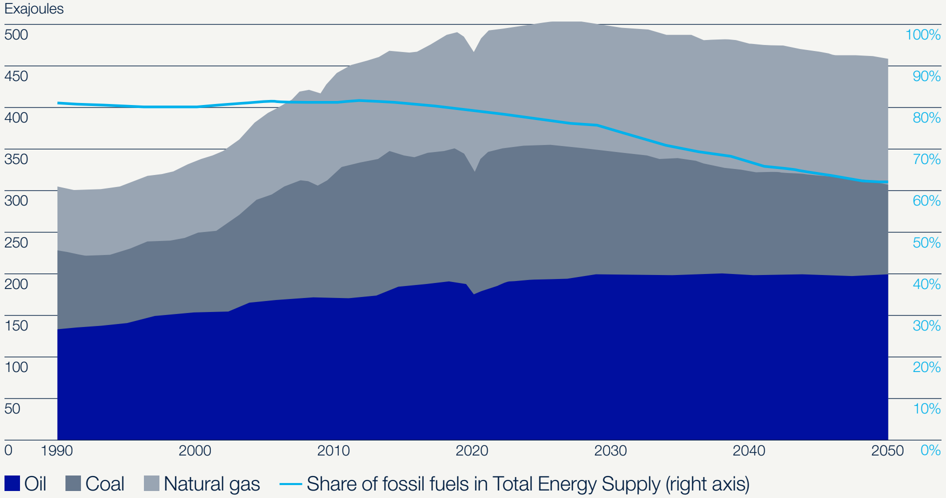
Climate change risk analysis continued

Physical risks

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

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

IEA projected fossil fuel demand: 1990–2050



Source: IEA – World Energy Outlook

Climate opportunities

Resource efficiency

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

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

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

Energy source

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

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

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

Products and services

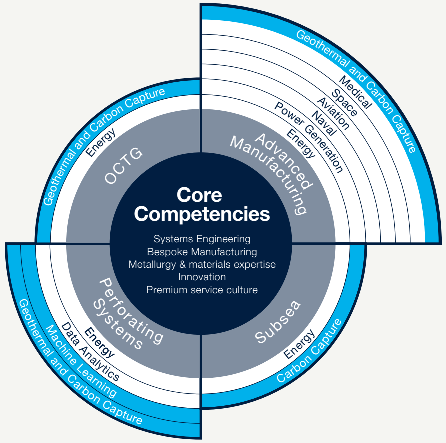
The Directors of Hunting have assessed the opportunities that climate change presents to the Group. These opportunities are considered to exist in each scenario but would be expected to accelerate and happen more swiftly in the Rapid Transition and Middle Case scenarios.

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

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

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

Hunting's core competencies – current and target markets



ii. Participation in carbon capture and storage projects

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

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

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

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

iii. Diversification into other non-oil and gas sectors

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

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

Supply chain

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

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

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

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

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

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

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

Adaption and mitigation

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

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

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

Acquisitions and divestments

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

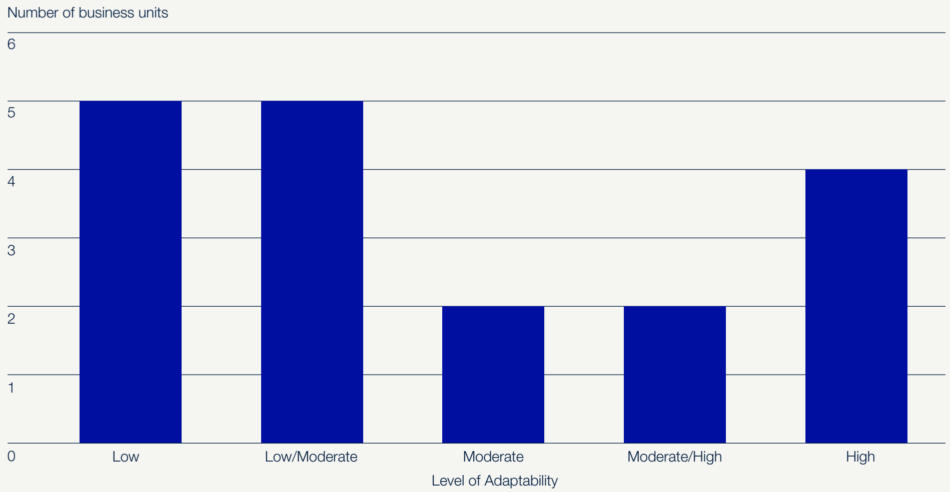
Access to capital

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

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

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

Business unit resilience and adaptability



Source: Company

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

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

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

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

Risk management

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

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

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

Disclosure (a) – climate risk identification

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

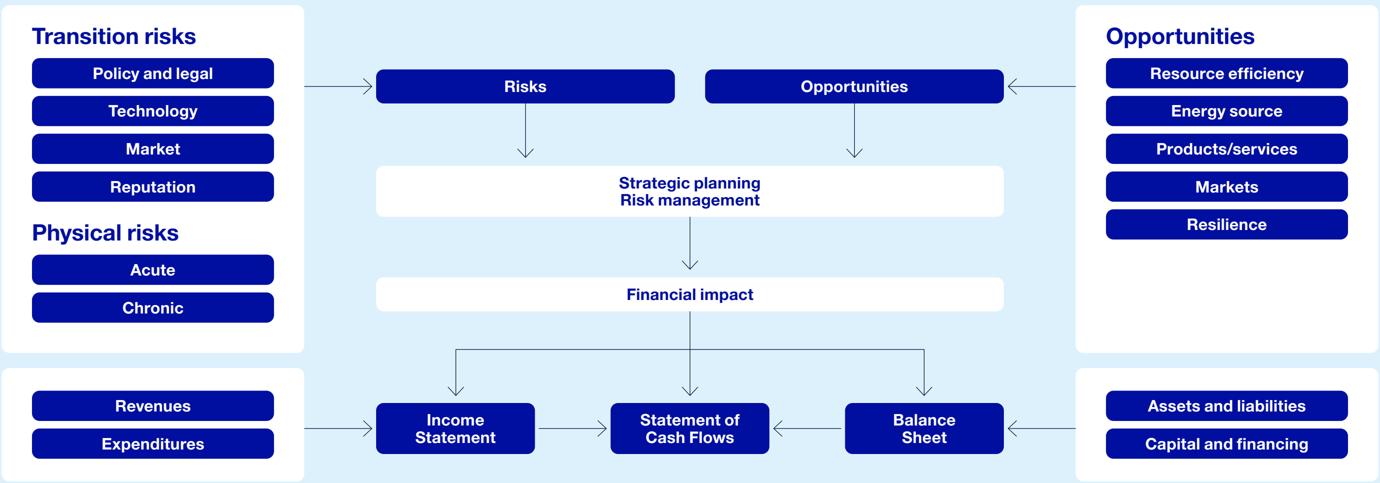
The Group's Audit and Risk Committee reviews the Group-level risk register twice a year as part of its annual schedule of work with input from the Group Finance Director, Group Financial Controller, Group Risk Manager and the Internal Auditor.

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

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

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

TCFD risk assessment chart



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

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

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

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

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

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

Disclosure (b) – climate risk management

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

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

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

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

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

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

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

Metrics and targets

Disclosure (a) – metrics

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

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

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

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

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

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

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

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

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

Disclosure (c) – targets

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

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

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

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

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

Sector specific and cross-sector metrics and targets

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

Risk Management

Managing risks and opportunities from subsea to space

We operate in a complex global environment which is highly regulated and demands high specification products across a wide product portfolio that meet stringent quality criteria. Hunting's risk management and internal control processes are designed to appropriately mitigate risks inherent in this sector, while allowing the Group to achieve its strategic objectives and deliver value to shareholders.

Identifying our risks

Effective risk identification aims to enable Hunting to make meaningful and informed strategic decisions and deliver long-term success. Under Hunting's decentralised philosophy, risk management acts as a "challenger" to pressure test business risks and mitigation, while local management is empowered to manage the risks in their respective markets. Effective risk management further helps us comply with the UK Corporate Governance Code requirements, implement relevant controls and pursue new opportunities, while mitigating risks in a changing industry and external environment.

We take both a bottom-up and a top-down approach to risk management and we continue to improve alignment and communication between them. Twice a year, local management formally reviews risks faced by their business, based on current trading, prospects and the local market environment. The review is a qualitative and quantitative assessment of the likelihood of a risk materialising and the probable financial, operational, strategic and reputational impact. All assessments are performed on a pre- and post-controls basis and consider the effectiveness of current control mitigation.

These principal local risks are reported to Group management, where a Group-level workshop is performed to pressure test the risks and their controls as well as fill in any gaps. In addition, to heighten Group monitoring of the potential for fraud, local management reports on local fraud risk irrespective of its perceived potential low impact on the local business.

To further understand Group-level risks and the interdependencies between them, a Group-level risk assessment was introduced in 2023 and is now fully embedded in the ongoing risk process. The Group-level risk assessment includes input from heads of functions to include a top-down and strategic input into the risk register.

In 2024, a Board-level risk assessment workshop was undertaken to gain insight into the top risks and opportunities from non-executive Directors. The input was included in the risk register and helped prioritise top strategic risks and mitigation practices.

Reporting on our risks

Principal and business risks identified are reported into the overall Group Risk Register, which is reviewed and challenged by the Audit and Risk Committee twice a year. Additionally, top business risks are reported bi-annually into the Executive Committee to ensure alignment between top-down and bottom-up risk reporting practices. An appropriate executive Director, together with local management, is allocated responsibility for managing each separate risk identified in the Group Risk Register.

Managing our risks

The management of each business unit has responsibility for establishing an effective system of controls and processes for its business, which, at a minimum, meets the requirements set out in the Group Manual and complies with any additional local requirements. Strategic plans, annual budgets and long-term viability financial projections are formally presented to the Board for adoption and approval and form the basis for monitoring performance. The Board's robust assessment of principal and emerging risks ensures adequate review of the risk management framework and allows the Board to put in place safeguards to manage the risks, if necessary, and to make informed decisions to mitigate potential damage.

Hunting's internal control system, which has been in place throughout 2024 and up to the date of approval of these accounts, is designed to identify, evaluate, and manage the principal risks to which the Group is exposed, as well as identify and consider emerging risks to which the Group may be exposed to in the future. Internal controls are regularly assessed to ensure they remain appropriate and effective.

Business unit management completes an annual self-assessment of the financial controls in place at their business unit. The assessment is qualitative and is undertaken in the context of the recommended controls identified within the Group Manual. Gaps between the recommended controls and those in place are assessed and improvements are actioned within a targeted time frame when these are identified as a necessary requirement.

Risk Management continued

Results of the assessments are summarised and presented to the Audit and Risk Committee annually. A number of control gaps were identified as part of the year-end audit procedures in the Netherlands, as discussed on page 163 in the Audit and Risk Committee Report.

This system of internal control is designed to manage rather than eliminate risks, therefore it can only provide reasonable but not absolute assurance against material misstatement or loss in the consolidated financial statements and meeting internal control objectives.

The Board recognises that a number of risks are not within the direct control of management, including energy market factors such as commodity pricing and daily supply/demand dynamics driven by economic or geopolitical movements and climate change.

These factors are regularly assessed by the Board and are considered alongside the risk management framework operated by the Group. We also use insurance as a risk mitigation tool. The Group monitors and reviews new UK Listing Rules, the Disclosure Guidance and Transparency Rules sourcebook, accounting standards, interpretations and amendments, legislation and other statutory requirements.

Emerging risks

Alongside the process of identifying the Group's current risks in the bi-annual risk assessments, business- and Group-level risk identification questionnaires identify emerging risks that may impact the Company.

Management also monitors emerging risks through observing press comments, including industry specific journals; discussions with shareholders, advisers, customers and suppliers; attendance at structured forums; review of comments published by other companies; review of insurance company risk assessments; and internal debate by senior executives.

Several emerging risks are monitored, including the progress of Artificial Intelligence ("AI") and its capabilities. AI presents privacy and cyber concerns, but also opportunities to enhance operational efficiency. Due to the current unsettled regulatory environment, including changing political and global power dynamics, the emerging risk of unsettled regulatory and legal environments, alongside an increase in compliance and legal costs is key. Lastly, with the ongoing focus on acquisitions and current global joint ventures, change management and associated regulatory and legal emerging risks are monitored for both risks and opportunities.

Strengthening our risk management framework in 2024

We continue to enhance and develop our risk management programme with a focus on continuous process improvements, dynamic data collection, and improved communication channels to make our risk processes more valuable to both the business and long-term strategy. Over the course of the year, we have:

- Signed-off a Board-approved risk appetite process, to be deployed and operationalised in 2025;
- Selected Governance, Risk and Compliance software to support the dynamic identification of risks and better alignment with mitigation and controls;
- Fully deployed and integrated a Group-level risk assessment, which serves to understand strategic and operational principal and emerging risks from the Group level;
- Held a Board workshop to understand top risks and opportunities and their alignment to the strategic vision of the Company;
- Reworded our risk scoring system, to provide more context to the classification of the risks, and enable for better risk rating and comparison; and
- Run a first of its kind risk workshop with a business segment to pressure-test business risks and understand risks and opportunities from both a bottom-up and top-down approach.