



HARBOUR ENERGY PLC

ANNUAL REPORT & ACCOUNTS

2025



Continued delivery; building a global independent upstream business



2025 has been another year of delivery for Harbour Energy. We demonstrated strong operational execution, benefitting from our increased scale and resilience, generated robust cash flow and successfully integrated new assets – all while continuing to advance our strategy through disciplined capital allocation and M&A. In just over a decade, Harbour has grown from zero production to more than 450 kboepd, building a global, diversified oil and gas company. Our focus remains clear: creating long-term value, generating strong cash flow and delivering competitive distributions to our shareholders, underpinned by operational excellence and financial discipline.

LINDA Z. COOK
CHIEF EXECUTIVE OFFICER



Our purpose is to play a significant role in meeting the world's energy needs through the safe, efficient and responsible production of hydrocarbons, while creating value for our stakeholders.

→ FIND OUT MORE ONLINE
[HARBOURENERGY.COM](https://harbourenergy.com)

A consistent strategy

READ MORE ON [PAGE 14](#)

SAFE & RESPONSIBLE

Ensure safe, reliable and responsible operations

SUSTAINABILITY REVIEW

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SCALE & DIVERSITY

Maintain a high-quality portfolio of reserves and resources

OPERATIONAL REVIEW

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HIGH QUALITY & RESILIENT

Leverage our full cycle capability to strengthen our portfolio

CHIEF EXECUTIVE OFFICER'S STATEMENT

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FINANCIAL DISCIPLINE

Ensure financial strength through the commodity price cycle

FINANCIAL REVIEW

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Another year of delivery

How have we performed?

STRATEGIC

Material strategic progress

Active portfolio management

\$215m

Announced sale of Indonesian assets

Disciplined M&A

\$3.2bn

Announced entry into US Gulf of America

Organic growth momentum

750mmboe

Appointed operator of Zama, Mexico¹

OPERATIONAL

Excellent operational execution

474kboepd

Production
(2024: 258kboepd)

\$12.8/boe

Unit operating costs
(2024: \$16.5/boe)

3.0bnboe

2P reserves + 2C resources at year end 2025
(2024 year end: 3.2bnboe)

FINANCIAL

Investment grade profile

\$7.1bn

EBITDAX^{2,8}
(2024: \$4.0bn)

\$1.1bn

Free cash flow^{3,8}
(2024: \$(0.1)bn)

0.6x

Year-end leverage^{4,8}
(2024 year end: 1.1x)

SAFETY AND THE ENVIRONMENT⁵

Strong safety culture and ESG credentials

1.1/m hours

TRIR⁶
(2024: 1.0/m hours)

2 Tier 1 & 2

Process safety events⁷
(2024: 4 1 & 2)

18kgCO₂e/boe

GHG intensity
(2024: 25kgCO₂e/boe)

GRI

SASB

ipieca

CDP

¹ Gross (Harbour interest 32%).

² EBITDAX is a non-IFRS measure calculated by taking earnings before tax, interest, depreciation and amortisation, impairments, remeasurements, onerous contracts and exploration expenditure. This is a useful indicator of underlying business performance.

³ Free cash flow is operating cash flow less cash flow from investing activities less interest and lease payments.

⁴ Net debt/last twelve months EBITDAX.

⁵ We report our safety and the environment metrics on a gross operated basis.

⁶ Total recordable injury rate, measured on a per million hours worked basis.

⁷ Comprising 1 Tier 1 event and 1 Tier 2 event.

⁸ Reconciliations between adjusted performance measures and reported measures are provided within the Glossary.

What sets us apart?

One of the world's largest & fastest-growing independent oil & gas companies

TRACK RECORD

Track record of strategic, operational and financial delivery supported by a world-class team.

25+

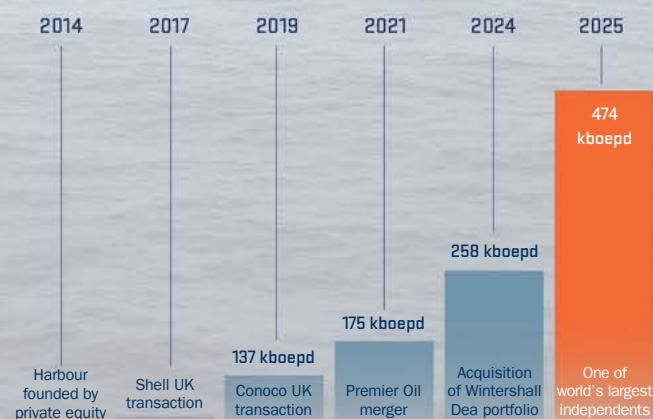
Years average industry experience of Leadership Team



SIGNIFICANT ORGANIC INVENTORY AND PROVEN M&A CAPABILITY

Broad set of attractive strategic investment options with 18 years of organic inventory supporting production and free cash flow at material levels beyond 2030, with upside potential from M&A and exploration.

Material production growth (kboepd)



SCALE AND DIVERSIFICATION

A large-scale, geographically diverse producing asset base with a competitive cost structure and exposure to Brent oil and European gas prices supporting strong, resilient margins.

<\$30/boe

Operating and capital expenditure

CASH FLOW AND RETURNS FOCUSED

Material free cash flow generation with a focus on returning excess free cash flow to shareholders.

\$1.7bn

Returned to shareholders since listing in 2021⁹



FINANCIAL DISCIPLINE

Strong financial position supported by an investment grade credit profile and rigorous capital discipline.

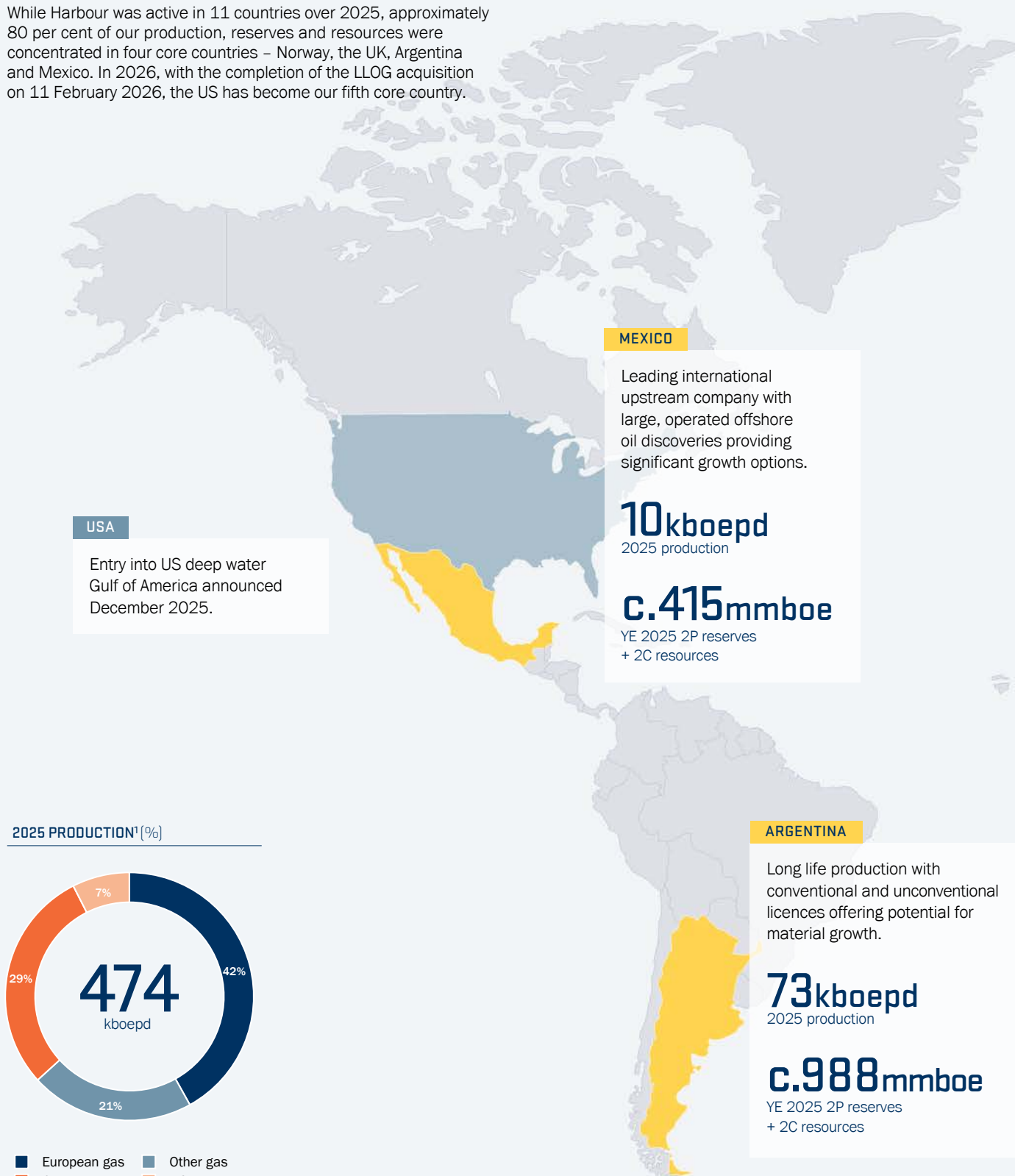
c.45%

Economic exposure to commodity prices hedged for 2026, as at year end

⁹ Includes expected 2025 final distributions.

A large-scale and diverse global portfolio

While Harbour was active in 11 countries over 2025, approximately 80 per cent of our production, reserves and resources were concentrated in four core countries – Norway, the UK, Argentina and Mexico. In 2026, with the completion of the LLOG acquisition on 11 February 2026, the US has become our fifth core country.



UK

Diverse asset base with high degree of operational control.

155kboepd
2025 production

c.368mmboe
YE 2025 2P reserves
+ 2C resources

NORWAY

High-quality, gas-weighted production with significant near-field opportunities.

169kboepd
2025 production

c.690mmboe
YE 2025 2P reserves
+ 2C resources

GERMANY

One of Germany's largest oil and gas producers with high degree of operational control.

28kboepd
2025 production

c.149mmboe
YE 2025 2P reserves
+ 2C resources

A LEADING CCS PORTFOLIO

883mt

YE net CO₂ storage resources

UK

Denmark

Norway

A leading CO₂ storage position in Europe, where we are seeking to deploy our skills and utilise existing infrastructure to build a competitive business with long-term cash flow potential, providing a new revenue source not linked to oil and gas prices.

Divestment of Vietnam business in July 2025

Divestment of mature producing assets and the Tuna project in Indonesia announced December 2025

NORTH AFRICA

Gas-weighted production with material position in Egypt and interests in Algeria and Libya.

31kboepd
2025 production

c.78mmboe
YE 2025 2P reserves
+ 2C resources

SOUTHEAST ASIA

Multi-TCF gas discoveries offshore Indonesia provide potential for material growth.

7kboepd
2025 production

c.273mmboe
YE 2025 2P reserves
+ 2C resources

Strong, resilient, ambitious



Harbour's strong performance in 2025 is a testament to the quality of the business we have built and a tribute to the Leadership Team and employees across the company.

R. BLAIR THOMAS
CHAIR

Welcome to Harbour Energy's 2025 Annual Report. This covers the first full year for Harbour as a global, independent, diversified oil and gas company, following the successful acquisition of Wintershall Dea in 2024.

Harbour's business today is characterised by enhanced scale, a high-quality and diversified portfolio of producing assets, 2P reserves and 2C resources, all underpinned by financial strength and a disciplined approach to capital allocation.

While the scale and complexity of our business have changed significantly, our strategy has not. Our north star is our continued belief that the world will need oil and gas through the energy transition and long into the future. So we continue to execute our strategy with confidence: building a global, large-scale independent oil and gas company focused on value creation, free cash flow and shareholder returns.

Harbour has grown primarily by acquisition over the last decade, demonstrating a high level of expertise in delivering material M&A and the successful integration of those acquisitions. This is a skill set that will stand us in good stead in the future, especially if, as we expect, consolidation in our sector continues. Where we see the opportunity to create value, we have the ambition, expertise and financial strength to execute – as we showed clearly in December when we announced our strategic entry into the US Gulf of America with the acquisition of LLOG Exploration, one of the region's most successful offshore explorers and operators.

However, we also have a strong opportunity set within the company and are not reliant on acquisitions to sustain production and cash flow at material levels. We continue to invest in high-return, short-cycle, infrastructure-led projects while the addition of assets in Argentina and Mexico, in particular, has opened up significant opportunities for organic growth.

At the same time, in our enlarged portfolio we have more projects than we can fund. This means we can allocate capital to the most competitive projects in regions where we have, or can see a route to, scale. This resulted in decisions to exit Vietnam, and some assets in Indonesia, in 2025.

In the UK, where we continue to face a hostile fiscal and regulatory regime, production now accounts for less than a third of our total. We took action to improve the resilience of the business, protect our margins and maintain positive free cash flow for as long as possible. This included the difficult decision to reduce staff levels. In December, we also announced the acquisition of Waldorf, which will deliver material financial synergies.

2025 presented a number of external challenges. These included volatility in the global economy, lower oil and gas prices, inflationary pressures, marked depreciation of the US dollar and international trade uncertainty. In spite of this, the fundamental strengths of our business and the decisive actions taken by our leadership meant we were able to more than deliver on our guidance for the year while also taking bold, strategic steps to make our company stronger for the future.

Board activity

Over the course of the year, the Board has sought to engage with the enlarged business, including by holding our June Board meeting in Norway, now our largest producing country. There are more details of the Board's activities in the panel on the right.

There have been several Board changes since our last Annual Report. We were delighted to welcome Gregory Hill to the Board as an independent non-executive director on 1 January 2026. Greg's very significant experience in oil and gas, most recently as President and Chief Operating Officer of Hess following a distinguished career with Shell, will be of great value to the Board and its committees.

Alan Ferguson, a director since 2021, has taken over as our Senior Independent Director, replacing Simon Henry, who stepped down in July. Andy Hopwood also stepped down from the Board last May. I'd like to thank both Simon and Andy for their invaluable contributions to the Board during a period of rapid growth for Harbour.

Looking ahead to 2026

Over the last decade, Harbour has become an upstream company of scale with a high-quality and diversified portfolio. We can be proud of the jobs we've created, the energy we've produced, the economic value we've delivered, and the capital we've returned to shareholders. But there is always more to do and the Board will continue to focus on the execution of our strategy in 2026.

Thank you for your continued support for Harbour Energy as we build our company, delivering value for our stakeholders and remaining laser-focused on rewarding our shareholders.

R. Blair Thomas
Chair

BOARD ACTIVITIES



During 2025, one of the Board's priorities was to broaden and deepen its knowledge of Harbour's expanded portfolio following the completion of the Wintershall Dea transaction in late 2024.

The Board is committed to holding at least one Board meeting a year in one of Harbour's producing locations. This gives directors the chance to engage directly with the local leadership, employees and stakeholders.

The 2025 meeting took place in Norway, Harbour's largest producing country. During a three-day visit in June, directors met a range of internal stakeholders. This included a town hall hosted by the Chair, Chief Executive Officer and three non-executive directors during which employees had the chance to hear from the Board and ask questions.

Members of the Health, Safety, Environment and Security (HSES) Committee discussed safety issues with the local HSES team in the emergency response room. Directors met several employee-led diversity networks to hear how they are supporting colleagues and fostering understanding and inclusion across the organisation. Directors hosted a dinner for the local leadership and heard from an external speaker on the challenges and opportunities in Norway's oil and gas sector.

Ongoing activities

In addition, the Board continued with its regular programme of engagement with staff. This included meetings with the Global Staff Forum and with our employee-led diversity networks, as well as hosting an annual 'Let's Chat' event for London-based colleagues after the Annual General Meeting.

In addition, directors attended interactive poster sessions presented by Harbour's teams leading our UK and Mexico business units, and received updates from our Argentina and CCS business units following in-depth sessions in 2024. Several directors also completed safety training, including major accident hazard training and offshore safety training.

A year of strategic and operational delivery



I am pleased to report another highly successful year for Harbour Energy. In a year in which there was considerable macroeconomic and geopolitical volatility, Harbour delivered an excellent operational and financial performance, demonstrating the quality and resilience of our enlarged business, and materially progressed the execution of our strategy.

LINDA Z. COOK
CHIEF EXECUTIVE OFFICER

Our number one priority, as always, was the safety of our people and assets. 2025 was our first full year of operations following the Wintershall Dea transaction, adding operations in multiple new jurisdictions, nearly doubling production, and materially increasing our workforce.

As a result, our hours worked rose to 15 million. As we completed the integration of the new operating sites, our total recordable injury rate increased to 1.1 per million hours worked compared with 1.0 in 2024. However, the two serious process safety events (Tier 1 and 2) we experienced in 2025 was an improvement over the four events in 2024. Every incident and near miss is investigated to learn lessons and I am encouraged by the commitment I see to improve our safety performance across the company, especially from our site leadership and contractors. We are never complacent about safety, or the effort it takes to embed a strong safety culture right across the business.

Operationally, we met or improved on the guidance we set out at the start of the year, notwithstanding the external challenges the Chair has mentioned. We produced 474,000 barrels per day of oil equivalent, at the top end of our guidance. This excellent outcome reflected strong performance in our business units, particularly in the UK. This achievement was all the more notable in light of the damaging fiscal regime in the UK, which continues to constrain our ability to invest, resulting in lower activity levels and, very regrettably, a further reduction in our workforce in the business unit.



Our strong operational performance allowed us to deliver \$1.1 billion in free cash flow for the year, ahead of expectations and despite lower commodity prices. We were quick to respond to the challenges presented by the drop in commodity prices with rigorous cost discipline, protecting our margins.

We made good progress on our capital programme, with successful drilling to support near-term production in Norway, the UK, Egypt and Argentina. At the same time we also advanced strategic projects in Argentina and Mexico to mature our extensive 2C resource base into reserves and production. Importantly, operatorship of the Zama discovery in Mexico has been transferred to Harbour, enabling us to take the leading role in its design, development and future operation.

In line with our commitment to allocate capital in a disciplined manner and actively manage the portfolio, we concluded that our Indonesia producing assets and the Tuna development project were no longer strategic to Harbour, and announced a sale in December. This followed an exit from Vietnam in July.

Also in December, we announced two strategic acquisitions. First, an agreement to acquire Waldorf, a small UK producer that brings material synergies, enabling stronger cash flow generation from our UK business. Then on 22 December, we announced an agreement to acquire LLOG Exploration, a leading explorer and producer in the Gulf of America, marking Harbour's entry into the US. We are excited about both of these transactions and the impact they will have on our company going forward.

Another key success in 2025 was the completion of the formal integration process for the Wintershall Dea portfolio. We exited our transitional services agreement on schedule in September. As part of the integration we've simplified our processes, introduced consistent governance and unlocked value by, for example, leveraging our larger size to negotiate more favourable contracts with suppliers. While the formal integration is complete, we believe there is much more we can do to unlock the full potential of the portfolio going forward.

Alongside the formal integration, we've been working hard to build a 'one Harbour' culture across our business units and corporate centre. This has included, for example, promoting Harbour's values – We care, We work together, We aim high and We deliver; bringing the company together for shared events including our Global Safety and Compliance Days; and the creation of skills networks across the company to build connections and share expertise. We were pleased that almost 80 per cent of our employees participated in our HarbourVoice survey conducted in late 2025, the results of which will be used to identify actions to support improved engagement across the company during 2026.

I'm proud of all that Harbour has accomplished in 2025, operating as a much larger company. As we look ahead to 2026, we will continue to focus on the safety of our people and to actively manage our portfolio in support of Harbour's strategy. Our priorities will be to deliver on our operational targets, complete our recently announced transactions, improve our balance sheet, and mature our many organic growth opportunities while continuing to deliver the oil and gas the world needs safely and responsibly. We look forward to building on a very successful 2025 to strengthen our business further and create value for shareholders.

Linda Z. Cook
Chief Executive Officer

OUR LEADERSHIP TEAM

Our Leadership Team is vital to driving strategic, financial and operational delivery.



ALEXANDER KRANE
CHIEF FINANCIAL OFFICER

Key responsibilities

Accountable for capital allocation, financing activities, risk management, investor relations, accounting, business reporting and planning and company-wide controls.



NIGEL HEARNE
CHIEF OPERATING OFFICER

Key responsibilities

Accountable for safe and responsible business delivery across Harbour's business units in Norway, UK, Germany, Mexico, Argentina, Southeast Asia and North Africa.



ANDREA PINAREL
EVP STRATEGY AND BUSINESS DEVELOPMENT

Key responsibilities

Strategy and M&A, oversight and support for commercial activities, assessing and executing new business development opportunities.



PHILIP WHITTAKER
EVP BUSINESS SERVICES

Key responsibilities

Delivering world-class business and information systems and corporate provision of supply chain, communications, real estate and integration capabilities.



HOWARD LANDES
GENERAL COUNSEL

Key responsibilities

Managing Harbour's legal, compliance and governance matters globally, underpinned by our commitment to ethical business conduct.



GILL RIGGS
CHIEF HUMAN RESOURCES OFFICER

Key responsibilities

Supporting the Harbour organisation through talent acquisition, career development and succession planning, compensation and benefits, DE&I, and employee engagement.



ALAN BRUCE
EVP TECHNICAL SERVICES

Key responsibilities

Leading our global technical functions including HSES, subsurface, portfolio and reserves, capital projects, engineering, operations and wells to support delivery of technical and operational excellence.



GRAEME DAVIES
EVP CCS

Key responsibilities

Accountability for our CCS strategy, portfolio development, maturing projects towards investment decisions, and post-FID project delivery.

2025 saw continued geopolitical tensions and macroeconomic uncertainty leading to heightened volatility in oil and gas prices and across foreign exchange markets.

OIL PRICES

Brent crude prices fell through 2025, averaging \$69 per barrel (/bbl), down 15 per cent from the 2024 average of \$81/bbl, as rising global supply from OPEC+ and US producers outpaced sluggish demand growth.

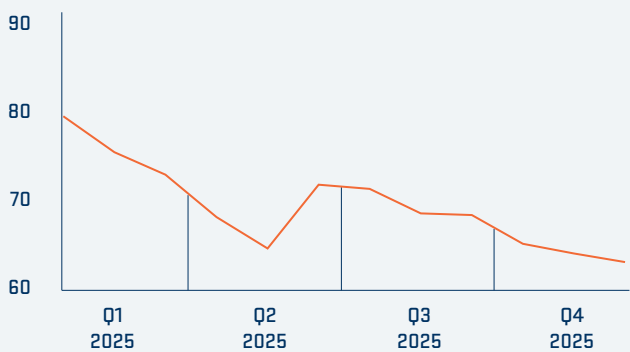
Brent started the year at around \$75/bbl but declined steadily through mid-year as trade disputes weighed on global demand. In the second half of the year Brent slipped further, hitting a low of \$59/bbl mid-December. This weakness reflected a persistent oversupply environment as OPEC+ accelerated the unwinding of voluntary production cuts while non-OPEC supply, notably US shale, remained strong.

By year end, global oil inventories reached their highest levels since 2021. Brent closed the year at \$61/bbl, 19 per cent below its January level.

Looking ahead to 2026, given recent events in Iran and Venezuela, we expect continued volatility against a backdrop of softness due to oversupply. However, the medium-term outlook is more constructive with analysts expecting oil prices to recover as supply growth moderates and global demand continues to expand beyond the calendar year.

\$69/bbl
2025 average Brent price

BRENT PRICE DEVELOPMENT (\$/BBL)



UK AND EUROPEAN NATURAL GAS PRICES

UK and European natural gas prices fluctuated in 2025 between \$10-\$16/mscf but on average remained above historical norms. UK gas prices (NBP) averaged 89 pence/therm (c.\$12/mscf) while European natural gas prices (TTF) averaged €36/MWh (c.\$12/mscf), compared with 2024 averages of 83 pence/therm (c.\$11/mscf) and €34/MWh (c.\$11/mscf), respectively.

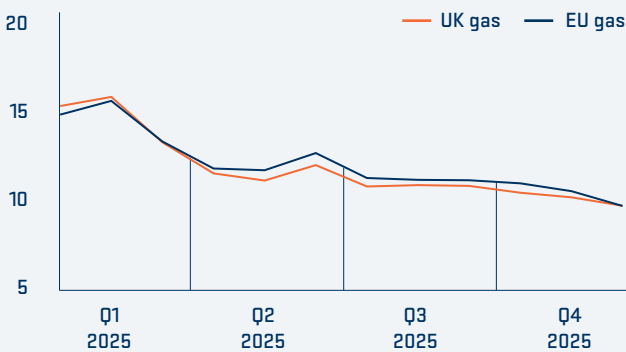
Prices were elevated early in the year, driven by the formal end of Russian pipeline flows, colder than average weather and low renewables output. TTF peaked near €59/MWh (c.\$17/mscf) and NBP reached 101 pence/therm (c.\$13/mscf) in February.

Prices subsequently eased as strong LNG inflows – led by US cargos – offset the loss of Russian pipeline gas. Mild autumn and early winter weather dampened heating demand and geopolitical risk premiums also faded as Russia-Ukraine peace discussions progressed. By year end, TTF and NBP closed at €28/MWh (c.\$10/mscf) and 58 pence/therm (c.\$9/mscf). Notably, the Henry Hub-TTF spread averaged c.\$8/mscf over the period, reaching the lowest level in December at c\$4/mscf when Henry Hub prices increased to over \$5/mscf due to increased demand in the domestic market and for supply to US LNG export projects.

Looking ahead, near-term dynamics reflect an anticipated increase in global LNG supply, balanced by growing demand from gas-powered data centres.

\$12/mscf
2025 average UK and European gas price

GAS PRICE DEVELOPMENT (\$/MCSF)



Harbour demonstrated strength and resilience during the year, thanks to our excellent underlying operational performance, rigorous capital discipline and prudent financial policy. We also benefitted from the increased scale and diversification of our portfolio and investment grade balance sheet. As a result, over 2025, we generated significant free cash flow despite elevated macro headwinds.

FOREIGN EXCHANGE

The US dollar (USD) weakened significantly over 2025, falling by 12 per cent against the Euro and 8 per cent against sterling.

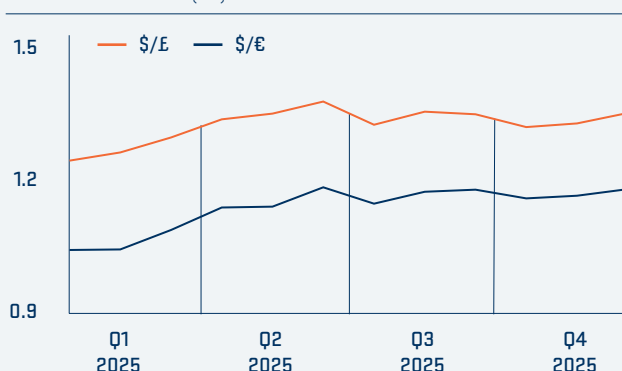
Most of this depreciation occurred in the first half of the year with the USD/Euro rate moving from around parity at year-end 2024 to \$1.18/Euro by 30 June 2025, and the USD/GBP rate falling from \$1.25/GBP to \$1.37/GBP over the same period. The decline was driven by trade tensions resulting from the introduction of aggressive US tariffs as well as concerns over Federal Reserve independence, which undermined confidence in dollar-denominated assets. US capital outflows and widening fiscal deficits compounded the pressure while relatively strong European fundamentals – such as stable inflation – boosted the Euro and pound.

Although the dollar regained some ground late in the year amid persistent US inflation and delayed Federal Reserve cuts, it ended 2025 materially weaker. Analysts expect continued softness into 2026 as structural headwinds persist.

12%

US dollar decline against the Euro over 2025

USD DEVELOPMENT (FX)



RESPONDING TO MARKET TRENDS

In an unpredictable commodity price and foreign exchange environment, Harbour remains focused on what we can control to ensure resilience and robust cash flows. This includes operational delivery, capital discipline and a systematic approach to hedging.

We have deliberately built a large-scale portfolio diversified by geography and product. Approximately 40 per cent of our production is liquids, 40 per cent European/UK natural gas and 20 per cent other natural gas which is largely sold under fixed price or formula-linked contracts. This diversification, coupled with our hedging programme, allows us to manage commodity price risk and invest through the price cycle.

In 2025, we realised \$69/bbl for our oil and \$13/mscf for our European/UK gas on a post-hedge basis compared with actual Brent of \$69/bbl and European/UK gas prices of \$12/mscf. This reflects our strong 2025 hedge book with c.40 per cent of our economic exposure to Brent hedged at \$76/bbl and c.50 per cent of our economic exposure to European/UK gas prices hedged at c.\$13/mscf, as well as higher production in the first half of the year when commodity prices were higher. Our strong commodity hedging resulted in a year end gain of \$0.5 billion.

We also reduced our unit operating costs in 2025 by over 20 per cent to \$12.8/boe, further strengthening our margins. This reflects the addition of the Wintershall Dea assets, UK restructuring and the divestment of Vietnam, the highest unit cost country in our portfolio. Additionally, we continued to actively manage our portfolio and, at the end of 2025, we took the decision to exit some of our early stage licences in Mexico and to divest our Natuna Sea Block A and Tuna development project in Indonesia as we continue to high grade our asset base.

Our robust FX risk management framework helps to mitigate currency volatility impacts on our debt portfolio. Through strategic use of cross-currency swaps and proactive liquidity planning, we align our debt structure with our revenue exposure, protecting cash flows and increasing resilience even when currencies move sharply. Over 2025, Harbour increased the hedging of its Euro-denominated debt with c.80 per cent of senior debt now USD-denominated on a post-swap basis. The mark to market value of Harbour's currency swaps was a positive c.\$0.1 billion at year end.

Creating value, together

THE STRENGTHS THAT SET US APART

TRACK RECORD

Track record of strategic, operational and financial delivery supported by a world-class team

SCALE AND DIVERSIFICATION

A large-scale, geographically diverse producing asset base with a competitive cost structure and exposure to Brent oil and European gas prices supporting strong, resilient margins

SIGNIFICANT ORGANIC INVENTORY AND PROVEN M&A CAPABILITY

Broad set of attractive strategic investment options, with 18 years of organic inventory supporting production and free cash flow at material levels beyond 2030, with upside potential from M&A and exploration

CASH FLOW AND RETURNS FOCUSED

Material and sustainable free cash flow generation with a focus on returning excess free cash flow to shareholders

FINANCIAL DISCIPLINE

Strong financial position supported by an investment grade credit profile and rigorous capital discipline

THE BEHAVIOURS THAT DEFINE US

Our values inspire high performance across our business and guide our decision-making and how we engage with others, contributing to a culture of which we can all feel proud.

We care

about each other, our safety and the environment



We work together

achieving more through communication and collaboration

We aim high

seizing opportunities and embracing challenges



We deliver

with a can-do attitude

HOW WE CREATE VALUE



WHO THAT VALUE BENEFITS

Our employees

\$0.6bn

Total compensation and benefits provided to employees worldwide in 2025

Government & regulators

\$3.5bn

Paid in taxes in 2025

Our shareholders

\$545m

2025 shareholder returns (dividends and share buybacks)

Our lenders

c.\$1.9bn

Of senior and subordinated notes issued during 2025, pre-funding all maturities to 2028 as at year end

Our suppliers & contractors

c.\$3bn

Of spend with our supply chain in 2025

Wider society

c.\$10.7bn

Of economic value created in 2025

OUR STRATEGY

Our purpose is to play a significant role in meeting the world's energy needs through the safe, efficient and responsible production of hydrocarbons, while creating value for our stakeholders.

SAFE & RESPONSIBLE

Ensure safe, reliable and responsible operations

PROGRESS IN 2025

- Slight uptick in personal safety incident rate as we expanded our operations materially, while reducing the number of serious (Tier 1 and 2) process safety events
- A material improvement in GHG intensity reflecting the addition of new assets
- Increased production and reduced operating costs, underpinned by excellent operational execution and cost discipline while benefitting from increased scale and resilience

PRIORITIES FOR 2026

- Continuous improvement in our safety performance; ensuring process safety fundamentals are established across newly acquired assets
- Sharing best practices from around the Group and leveraging experienced leadership and technology
- Maintain a competitive cost base, with a focus on reliability, costs and capital discipline through simplification and efficiency improvements
- Maintain strong, positive and influential relationships with our joint venture partners and suppliers
- Continued progress towards our commitment to reduce operated GHG emissions by 50 per cent by 2030 (versus a 2018 baseline)

STRATEGY IN ACTION



Embedding a strong safety culture throughout our portfolio

40%

Improvement versus 2024 in total recordable injury rate (TRIR) in our Germany Business Unit following the launch of a comprehensive change campaign to improve safety performance and strengthen the safety culture

SCALE & DIVERSITY

Maintain a high-quality portfolio of reserves and resources

PROGRESS IN 2025

- Increased scale and resilience of production and cash flow underpinned by 18 years' reserves and resource life
- Progressed projects near existing infrastructure, including completion of Fenix in Argentina and Maria Phase 2 in Norway
- Reserve additions in Argentina at Aguada Pichana Este (APE) and at CMA-1, and in the UK at Harbour-operated J-Area hub
- Successfully appraised our Kan oil discovery in Mexico, increasing estimated resources by 50 per cent to 150 mmboe (gross, Harbour 70 per cent)
- New discoveries in and around our key hubs including in Norway and Egypt adding to our 2C resources

PRIORITIES FOR 2026

- Execution of the capital programme, including successful production start-up from Dvalin North in Norway and delivery of multi-pad drilling campaign at APE in Argentina
- Mature high-quality, infrastructure-led investment opportunities, including delivery of three exploration wells in Norway and one in Egypt, and secure San Roque unconventional licence in Argentina
- High grade our reserves and resource portfolio to ensure a healthy pipeline of longer-term organic investment options

STRATEGY IN ACTION



Increased scale and diversification

>80%

Year-on-year production growth reflecting a full year's contribution from the Wintershall Dea assets

Our strategy – to build a global, diversified oil and gas company – rests on four pillars that guide how we operate and manage our business for long-term sustainable success.

HIGH QUALITY & RESILIENT

Leverage our full cycle capability to strengthen our portfolio

PROGRESS IN 2025

- Significant momentum in Mexico with Harbour appointed operator of the 750 mmboe (gross) Zama oil field and a more capital-efficient phased development plan submitted to the regulator
- Final investment decision taken on Southern Energy LNG (Argentina), a two-vessel c.6mtpa project. Environmental licences, export permits and local financial incentives (RIGI) secured for both vessels and construction now underway
- Active portfolio management and disciplined M&A. This includes our exit from Vietnam and the announced divestment of assets in Indonesia. In addition, agreements were reached to acquire Waldorf in the UK and LLOG Exploration in the Gulf of America

PRIORITIES FOR 2026

- Advance the Zama and Kan investment opportunities in Mexico
- Progress CCS projects in Denmark including development of Greensand Future and pre-FID activities at Greenstore
- Complete the Indonesian divestment and Waldorf and LLOG Exploration acquisitions (LLOG completed post-period end in February)

STRATEGY IN ACTION

Active portfolio management

\$3.2bn

Acquisition of LLOG Exploration (US) announced on 22 December. \$170m Waldorf (UK) acquisition and \$215m Indonesia divestment also announced in December

FINANCIAL DISCIPLINE

Ensure financial strength through the commodity price cycle

PROGRESS IN 2025

- Stronger than forecast free cash flow generation of \$1.1 billion, despite softer commodity prices, driven by excellent operational delivery, strict capital discipline and successful integration of new assets
- We returned \$545 million to shareholders through a mix of dividends and share buybacks, whilst also reducing year end net debt
- Successful issuance of c.\$1.9 billion of senior and subordinated notes, including our inaugural US investment grade bond offering, pre-funding all maturities to 2028 as at year end
- Investment grade credit rating profile confirmed

PRIORITIES FOR 2026

- Continued execution of our hedging strategy to ensure predictable cash flow through the commodity price cycle
- Protect investment grade credit rating including by maturing investment opportunities which improve reserve life and reducing absolute net debt levels
- Deliver on our commitment to competitive shareholder returns and improving the balance sheet through the implementation of a free cash flow payout ratio-based distributions policy

STRATEGY IN ACTION

Strengthened financial position

\$0.5bn

Upgrade in underlying 2025 free cash flow driven by excellent operational execution and capital discipline

Working together to create shared value

We are a global business, and what we do and how we work affects a broad range of stakeholders. We engage with these stakeholders to understand and respond to the issues that are important to them.

OUR EMPLOYEES

WHY IS IT IMPORTANT TO ENGAGE?

Harbour's success continues to rely on our ability to attract, retain and empower talented individuals to deliver our strategy. It's important that we engage with our global workforce to understand their experiences, concerns and aspirations so we can navigate change and create a thriving and inclusive culture together.

HOW DO WE ENGAGE?

At Harbour, meaningful engagement through both face-to-face and digital channels is central to building our culture. We engage regularly through global and local events and feedback forums. We encourage colleagues to share their views through employee surveys and informal 'Let's Chat' sessions. These help us stay close to employee sentiment and respond with agility and care. Results of our HarbourVoice employee survey, conducted in November 2025, will help shape workplace decisions in 2026.

Our employee-led networks (Employee Resource Groups), each supported by a Leadership Team sponsor, offer peer connection and advocacy across diverse communities. Our CEO maintains regular dialogue with the elected Global Staff Forum, with non-executive directors invited to join two of these sessions each year.

WHAT ISSUES ARE IMPORTANT TO THEM?

- Health, safety and wellbeing
- Opportunities for growth and career development
- Inclusion, meaningful work and purpose, recognition
- Effective leadership and communication

ACTIONS AND OUTCOMES

Harbour's first priority is the health and safety of employees and contractors. According to our HarbourVoice employee engagement survey, over 90 per cent of employees feel empowered to stop the job if they are concerned about safety. 85 per cent believe we have a strong safety culture, which we build upon through regular leadership engagements, including our annual Global Safety Day and CEO Safety Awards. The latest awards attracted 76 nominations ranging from frontline interventions to strategic safety leadership. Wellbeing now forms part of our performance conversations, with prompts for managers to discuss stress, work-life balance and wellness resources.

In 2025, we successfully rolled out Harbour's performance management process to most of our new business units. This integrates our core values and behaviours into every stage of the performance cycle, including goal setting, feedback and development conversations. Our Values in Action campaign helped bring Harbour's values to life in practical, everyday behaviours. Lunch & Learn sessions, Smart Skills series, and our 'Beneath the Surface' podcast series offer alternative platforms for employees to engage with our values and other areas of interest.

Another key focus in 2025 was on talent management and career progression. We introduced a consistent global talent management process. Within that, our development forums drive strategic talent priorities at business unit, global discipline and enterprise levels. We are also fostering collaboration across our business units through our employee-led skills networks, with 29 active networks and over 1,000 members.

We continue to invest in our leaders, offering structured leadership programmes as well as individual development opportunities. Our Harbour Leadership Group brings together over 100 senior leaders on a regular basis. In 2025, our Future Senior Leaders Programme was recognised with an industry award for excellence.

Inclusion is a critical enabler of a positive culture across our business, with 41 per cent of our workforce reporting active participation in DE&I initiatives. Our Employee Resource Groups have over 900 members, providing valuable employee insights to the business, as well as enhancing our cultural competence and connecting peers.

79%

Response rate to HarbourVoice, our employee survey

Section 172(1) statement

The disclosure on the following pages (16 to 21) describes how the directors have had regard to the matters set out in section 172(1) (a) to (f) and forms the directors' statement required under section 414CZA of the UK Companies Act 2006.

Information regarding our assessment of environmental and community issues associated with our operations, including how we aim to maximise our positive impacts and minimise the negative impacts, can be found in the Sustainability review on pages 42 to 67.

GOVERNMENT & REGULATORS**WHY IS IT IMPORTANT TO ENGAGE?**

Government and regulatory stakeholders in our 10 operating countries make decisions that materially impact our business, so it is important that we understand each other's priorities. We continue to proactively engage to ensure that decision-makers understand Harbour's global capabilities and long-term contribution to energy security, economic growth and the energy transition.

HOW DO WE ENGAGE?

Harbour engages through direct meetings with ministers, their advisers and officials, by contributing to government consultations and via trade bodies.

WHAT ISSUES ARE IMPORTANT TO THEM?

- Energy security and supply
- Financial, safety, environmental and operational performance
- Capital allocation, including our commitment to invest in their country's oil and gas resources
- Tax revenues
- Our net zero aspiration and CCS projects

ACTIONS AND OUTCOMES

In 2025, we focused on consolidating relationships across our expanded portfolio, positioning Harbour as a trusted partner to governments, regulators and National Oil Companies (NOCs) worldwide.

We continued to highlight the importance of a stable fiscal and regulatory regime to support investment in future production that underpins jobs, energy security and the economy. In the UK, where the punitive Energy Profits Levy (EPL) is accelerating the decline of the UK North Sea, the government nevertheless chose to retain the EPL until 2030, when it will be replaced by the Oil and Gas Price Mechanism.

In Norway, we have engaged with NGOs, government and regulatory stakeholders to highlight the importance of Norway's stable framework to future investment and its role as a key supplier of energy to Europe and the UK. In Germany, we engaged with the new government on the energy mix and framework for oil production.

In Mexico and Argentina, we are partners on critical national energy projects which their respective governments are keen to progress. In Mexico, engagement with the Secretariat of Energy (SENER), the Ministry of Finance and environmental regulators has helped us advance strategic projects, including Kan and Zama. In Argentina, we secured an extension to the CMA-1 licence, and took a final investment decision on the Southern Energy FLNG project in the Vaca Muerta, paving the way for Argentina to become a material exporter of natural gas.

In North Africa, we strengthened recognition of and government trust in Harbour as a reliable, responsible and long-term partner in the region through multiple ministerial meetings, and we also contributed to national energy strategies. Engagement with NOCs and host-country stakeholders has supported the delivery of the Disouq and West Nile Delta projects in Egypt, and Reggane Nord in Algeria. In Indonesia, we worked with the government and regulators to ensure an orderly divestment process and to support a smooth transition of the Natuna and Tuna assets to an experienced local partner, while continuing to progress the development planning for discoveries in the Andaman Sea.

\$3.5bn

Paid in taxes

OUR SHAREHOLDERS

WHY IS IT IMPORTANT TO ENGAGE?

Harbour seeks to develop an investor base of long-term shareholders who are supportive of our strategy. By ensuring our strategy and objectives are well understood and by delivering against them, we maintain access to long-term providers of capital.

HOW DO WE ENGAGE?

We engage regularly with both existing and potential shareholders through meetings, conferences and investor events. Live webcast presentations from our CEO and CFO are posted on our corporate website each year, alongside half and full-year results. In addition, we hosted over 500 investor engagements in 2025, in one-to-one and group settings, both in-person and virtually. The CEO, CFO and Investor Relations are primarily responsible for this engagement, supported on occasion by other members of the Leadership Team. Other directors engage on areas such as remuneration policy and are also available to answer questions from our shareholders at Harbour's in-person AGM.

WHAT ISSUES ARE IMPORTANT TO THEM?

- Financial and operational performance
- Capital allocation, including shareholder returns
- M&A strategy and progress
- Integration of the Wintershall Dea transaction and outlook for the combined business
- Our net zero aspiration and CCS projects

ACTIONS AND OUTCOMES

We have continued to build support in the capital markets for Harbour's strategy and investment case through proactive engagement, delivering against guidance, and successful execution of our strategy.

In March 2025, we held a Capital Markets Update to articulate our differentiated investment case, introduce our newly acquired business units and Leadership Team, and address key investor questions. In October, we hosted a live presentation for retail investors, allowing them to hear directly from the company. In December, we hosted a webcast on the acquisition of LLOG Exploration in the US, which completed in February 2026.

The Wintershall Dea transaction resulted in a significant increase in investor interest, especially from large US-based institutions, leading to an increase in time spent meeting investors in the US. We also met with investors across the UK, Europe, Canada, Asia-Pacific and South Africa. While virtual meetings enable us to cast our net wide geographically, we have also this year increased the number of in-person meetings where practicable, allowing for stronger relationship building.

\$545m
2025 shareholder returns

OUR LENDERS

WHY IS IT IMPORTANT TO ENGAGE?

The upstream oil and gas industry is a capital-intensive business. By maintaining supportive relationships with our banks and investors in our bonds, and ensuring our strategy and objectives are well understood, we can ensure access to debt financing that enables us to deliver the company strategy. This includes investment in high-quality opportunities that generate cash flow and support shareholder returns.

HOW DO WE ENGAGE?

We undertake regular dialogue with our banks at varying levels of seniority, across multiple teams and about various products, ensuring they are not only informed about the company, but also invested in its success.

Likewise, we maintain regular contact with investors in our bonds with meetings and conferences throughout the year. We also have a targeted meeting programme during active marketing of new bond issuances. For example, when we issued new Euro and US dollar bonds during 2025, we hosted marketing calls allowing over 60 investors to hear directly from, and providing them with the opportunity to ask questions of, the CFO and our Corporate Finance team.

During the year, we continued to hold public credit ratings from S&P, Moody's and Fitch. We sustained an active dialogue with each agency, providing timely updates on all significant developments, ensuring their ability to keep the market and our investors informed in a timely manner.

WHAT ISSUES ARE IMPORTANT TO THEM?

- Financial and operational performance
- Fiscal stability
- Safeguarding the balance sheet, including our commitment to investment grade credit ratings
- Financial risk management, including hedging
- M&A strategy and progress
- Sustainability and ESG considerations, including the impact of our operations and our CCS projects

ACTIONS AND OUTCOMES

We have a disciplined financial framework and capital allocation policy to ensure we maintain significant liquidity and access to capital. This includes a commitment to our investment grade credit rating, ensuring, over 2025, that leverage remained below 1.0x on average through the commodity price cycle, and hedging to protect against price volatility.

We have maintained a supportive bank syndicate as part of our \$3 billion revolving credit facility (RCF), which continues to support the business in a number of ways, including financial risk management and hedging.

We continue to have access to significant debt capacity, supported by our investment grade credit ratings.

\$1.9bn

Of senior and subordinated notes issued during 2025, pre-funding all maturities to 2028 as at year end

OUR JV PARTNERS, SUPPLIERS & CUSTOMERS

WHY IS IT IMPORTANT TO ENGAGE?

The upstream oil and gas industry relies on joint venture (JV) partners and a complex value chain of suppliers who enable us to deliver oil and gas to our customers. Effective engagement with trusted suppliers and partners provides access to the specialist labour, goods and services we need to deliver on our commitment to safe and reliable operations and project developments.

HOW DO WE ENGAGE?

We have structured engagement plans in place for these key stakeholders. For example, Operating Committee Meetings are the forum for joint venture partner decision-making. We engage with our suppliers through a number of channels, including structured post-award contract management within our business units and through a Supplier Relationship Management programme for global suppliers. Meanwhile, our in-house marketing and trading team maintains an open dialogue with our global customers.

WHAT ISSUES ARE IMPORTANT TO THEM?

- Asset stewardship and life of field programmes (JV partners)
- Personal and process safety, operational performance and sustainability
- Financial capability
- Clarity on future demand and project delivery (supply chain)
- Quality and reliability of supply (customers)

ACTIONS AND OUTCOMES

During 2025, we created a global supply chain function and established a Supplier Relationship Management (SRM) programme with key suppliers to deliver better value, mitigate risks to our operations and support the delivery of our business objectives. Our SRM programme allows us to work collaboratively with our suppliers to drive value and unlock opportunity across Harbour's supply chain. We've identified opportunities in technology and digital enablement, creating value through early engagement and improved planning and exploring greater use of performance-based contracts and incentive frameworks. As part of our shared commitment to safe operations, leaders from key suppliers joined our Global Safety Day to share their reflections and opportunities to deliver a safer working environment across Harbour.

We completed the integration of the Wintershall Dea portfolio, which brought new operated and non-operated assets into Harbour. Our aim is to be a trusted and reliable partner to operators. We are building collaborative working relationships to continue to manage risk and maximise the value of our non-operated assets.

During 2025 Harbour has realised value from increased marketing flexibility associated with the roll off of long-term sales arrangements in late 2024. In addition, we've leveraged the increased portfolio and volumes associated with the acquisition of the Wintershall Dea portfolio to broaden and deepen relationships with global customers.

c.\$3_{bn}
Of spend with our supply chain

WIDER SOCIETY

WHY IS IT IMPORTANT TO ENGAGE?

Harbour's employees, suppliers and customers are part of the communities in which we work. We engage with these local communities to understand how our activities impact them and how we can create enduring value – from providing jobs and a safe and inclusive workplace to supporting local suppliers, reducing our environmental impact and contributing to local communities.

HOW DO WE ENGAGE?

We engage with local communities through our business activities, providing information on activities that directly impact them. This might include public and one-to-one meetings with community and government representatives to explain the economic benefits of our projects, or to share outcomes of environmental and social impact assessments.

We participate in events with our industry peers, suppliers and government representatives to share insights and best practice to promote safe operations and reduce the environmental impact of our activities.

We partner with community organisations to understand their needs and invest in local programmes that are aligned with our business activities and charitable focus areas.

WHAT ISSUES ARE IMPORTANT TO THEM?

- Environmental impact and safety
- Economic value and social investment
- Governance and ethics

ACTIONS AND OUTCOMES

Harbour generated c.\$10.7 billion of economic value in 2025 – which supports our host economies through provision of high-quality jobs, payments to suppliers and tax payments to host governments. We also create value for the communities where we work through our community investments, which totalled \$1.5 million. We launched a global community investment framework in 2025, focusing on education, health and wellbeing, alleviating poverty and the environment. These themes are aligned with the UN Sustainable Development Goals.

In light of our expanded geographic footprint, we commissioned an independent assessment of human rights risk across our business and supply chain, resulting in a multi-year roadmap to align with the UN Guiding Principles on Business and Human Rights. Our efforts to manage our environmental impact were recognised by the Oil & Gas Methane Partnership (OGMP 2.0), which granted Harbour 'gold standard pathway' status in 2025 for our methane emissions reduction target and implementation plan. We continued to enhance our ethics and compliance standards: we held Compliance Days in all our business units, rolled out mandatory Ethics and Compliance Training globally, and introduced an annual declaration of compliance where employees certify that they have read and understood our Ethics & Compliance policies, standards and procedures.

c.\$10.7_{bn}
Economic value generated

We aim to engage openly and honestly on issues of importance to our stakeholders and to establish strong and enduring relationships with the key stakeholders upon whom our success relies.

These case studies are examples of how our Board considers stakeholders’ interests in its decision-making. The duty of our Board is to promote the success of Harbour for our shareholders whilst having due regard for the interests of other stakeholder groups.

In discharging this duty, the directors must consider the likely consequences of their decisions in the long term whilst maintaining our corporate reputation and adhering to the highest standards of business conduct.

Our board of directors carries out its decision-making with this duty in mind. Central to this is ensuring it understands the views of our stakeholders on key issues and how those stakeholders will be impacted by a particular course of action.

CASE STUDY

Creating value in a volatile and uncertain environment

c.\$0.3bn
Reduction in total capital expenditure and operating costs relative to original guidance

Board discussions

During 2025, we saw increased volatility in geopolitics, the global economy and oil and gas prices. As a global upstream company, this volatility had the potential to materially impact Harbour’s business, in particular our revenues and free cash flow. The Board and executive management’s discussions focused on mitigating the impacts of the external factors that we cannot influence, through disciplined control of operating costs and capital expenditure.

Board’s consideration of stakeholder impacts in reaching its decision

Management and the Board considered ways to mitigate lower commodity prices in order to continue to meet our commitment to competitive returns for our investors, while maintaining a robust pipeline of development opportunities that will support energy supply and security in the countries in which we operate, high-quality jobs for our employees, and cash flow and distributions over the medium to longer term.

We introduced rigorous cost control measures, successfully containing our operating expenses to \$12.8 per barrel of oil equivalent, and reducing capital expenditure and operating expenses by c.\$300 million relative to our original guidance, while delivering production volumes at the top end of guidance.

The Board endorsed a review of Harbour’s UK Business Unit in light of the continued hostile fiscal environment in the country. Recommendations included deferring investment, revising operating strategies for later life assets, and removing c.350 roles to reflect the lower future activity levels. Subsequently, the Board endorsed the acquisition of Waldorf, a small UK North Sea producer, which will provide financial and tax synergies alongside incremental production of 20,000 barrels per day. The Board considered that these activities would support the long-term sustainability of the UK Business Unit and therefore were in the interests of stakeholders, including employees, suppliers, policymakers and shareholders.

These measures helped Harbour to meet its guidance on cash flow for the year despite lower commodity prices, and to create room to launch a \$100 million share buyback, delivering higher returns to shareholders.

RELEVANT STRATEGIC DRIVERS

SAFE & RESPONSIBLE	HIGH QUALITY & RESILIENT
SCALE & DIVERSITY	FINANCIAL DISCIPLINE

KEY STAKEHOLDER GROUPS IMPACTED

OUR EMPLOYEES	OUR JV PARTNERS, SUPPLIERS & CUSTOMERS
GOVERNMENT & REGULATORS	
OUR INVESTORS & SHAREHOLDERS	WIDER SOCIETY
OUR LENDERS	

While the Board sets the parameters by which we develop, maintain and enhance relationships with our stakeholders, engagement cannot be undertaken by the Board alone; our Leadership Team also engages and fosters positive relationships with our key stakeholders. The Board considers stakeholder views when making key decisions. For example, the information is used in investment papers, strategy documents and budget proposals, to ensure that decisions are made with due consideration of all stakeholders.

OUR STRATEGIC DRIVERS

SAFE & RESPONSIBLE

Ensure safe, reliable and responsible operations

SCALE & DIVERSITY

Maintain a high-quality portfolio of reserves and resources

HIGH QUALITY & RESILIENT

Leverage our full cycle capability to strengthen our portfolio

FINANCIAL DISCIPLINE

Ensure financial strength through the commodity price cycle

CASE STUDY

Shaping our portfolio for future success

\$3.2bn

Acquisition of LLOG Exploration announced in December 2025

Board discussions

Following the acquisition of the Wintershall Dea assets, Harbour can choose from a wide range of investment opportunities to maintain future production, cash flow and distributions. Board discussions centred on the appropriate allocation of capital between countries and projects, as well as the strategic fit of assets in the portfolio.

Board's consideration of stakeholder impacts in reaching its decision

In its consideration of Harbour's enlarged portfolio, the Board took into account the diversification of risk, the quality of the assets, the capital cost of their development and the capacity to generate cash flow and sustain competitive shareholder returns. It also considered the strategic fit of assets within the broader portfolio, including whether there is an opportunity to achieve the scale needed in a given geography to be a productive and efficient operator.

These principles have guided several decisions during the year, including the divestment of assets in Vietnam and Indonesia. With low production volumes and no route to scale, the Board supported the view that these assets were no longer a good strategic fit for Harbour and that there would be a better future for local employees and other stakeholders under another operator's ownership.

This resulted in a country exit for Vietnam and an agreement to exit certain assets in Indonesia. In both cases, the acquiring companies offered continued employment to local employees and have plans for increased investment levels. These divestments improve the overall quality of our portfolio, bolster our liquidity and create capacity for strategic investments, including the acquisition of LLOG Exploration in the US, announced in December 2025.

Meanwhile, in Mexico, we submitted a new development plan to the regulator for the Zama project, which is of strategic importance to Mexico and to Harbour. This phased plan offers higher returns, is more capital efficient as well as being simpler and lower risk. It also allows for the acceleration of the delivery of first oil, benefitting many stakeholders including the government and regulators, employees and investors. Just prior to the end of the year, we were appointed operator of the Zama project, a testament to the trust the Mexican government places in Harbour and its partners.

RELEVANT STRATEGIC DRIVERS

FINANCIAL DISCIPLINE

KEY STAKEHOLDER GROUPS IMPACTED

OUR EMPLOYEES

GOVERNMENT & REGULATORS

OUR INVESTORS & SHAREHOLDERS

OUR LENDERS

OUR JV PARTNERS, SUPPLIERS & CUSTOMERS

Continued strong performance

SAFETY AND THE ENVIRONMENT¹

Total recordable injury rate (TRIR)

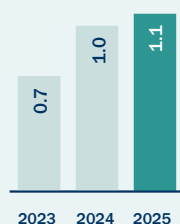
1.1
Per million
hours worked

Objective

Harbour is committed to ensuring the safety of its people, applying rigorous practices and procedures.

2025 progress

- In 2025, our total recordable injury rate increased to 1.1 per million hours worked reflecting the new operations integrated from Wintershall Dea
- Initiatives have been implemented to drive improvement, including in new locations
- A Global Safety Day was held in September 2025 with a focus on contractor safety
- CEO Safety Awards recognised exceptional individual and team performance



Process safety²

2
Tier 1 & 2 events

Objective

Harbour aims to maintain the highest standards of operational integrity to prevent releases of hazardous material from primary containment.

2025 progress

- A significant reduction in the number of Tier 1 and Tier 2 process safety events versus 2024
- However, we had one Tier 1 and one Tier 2 process safety event in Mexico during the year. These events have been rigorously investigated, resulting in actions to improve performance
- Continued detailed review of major hazards across the portfolio to identify inherent process safety risks and effectiveness of controls



GHG intensity [Scope 1 and 2]³

18.2
kgCO₂e/boe

Objective

Harbour is committed to managing its environmental impacts and is taking action to reduce operational emissions.

2025 progress

- GHG intensity on a gross operated basis materially lowered versus 2024 reflecting the addition of the Wintershall Dea assets and divestment of our Vietnam business, as well as continued decarbonisation efforts
- Harbour continues to target a 50 per cent reduction in Scope 1 and 2 emissions on a gross operated basis by 2030 against a 2018 baseline. Additionally, Harbour targets to achieve zero routine flaring by 2030
- Methane intensity target of less than 0.2 per cent by 2025 successfully achieved



LINK TO STRATEGIC DRIVERS:

SAFE & RESPONSIBLE
HIGH QUALITY & RESILIENT

SCALE & DIVERSITY
FINANCIAL DISCIPLINE

OPERATIONAL

Production

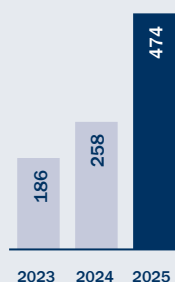
474
kboepd

Objective

Harbour aims to maximise value from its producing asset base, striving for efficient operations and reinvesting in the portfolio to bring onstream new volumes to limit the impact of natural decline.

2025 progress

- Production materially increased, up 84 per cent, reflecting a full year's contribution from the Wintershall Dea portfolio
- New projects and wells on stream in Norway, the UK, Argentina, Germany and Egypt
- Increased production in the UK reflecting strong performance from our operated hubs, J-Area and GBA



Operating costs

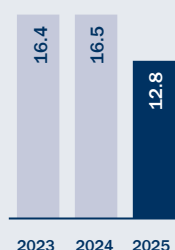
\$12.8
/boe

Objective

Harbour strives for competitive operating costs without compromising on health, safety and the environment, enabling robust margins through the commodity price cycle.

2025 progress

- Operating costs on an absolute basis increased year on year to \$2.2 billion (2024: \$1.6 billion) reflecting our enlarged portfolio
- On a unit basis, operating costs were materially lower, down 22 per cent, with the addition of the lower cost Wintershall Dea assets, divestment of the higher cost Vietnam Business Unit and strong production
- Increased focus on costs and efficiencies, including supply chain synergies leveraging our greater scale, also contributed to this strong performance



Reserves and resources⁴

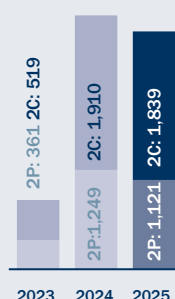
3.0
bnboe⁵

Objective

Harbour aims to add reserves through the conversion of its 2C resources into 2P reserves via targeted investment. We also seek to add reserves via selective, value-accretive M&A.

2025 progress

- 2P reserves additions, including at CMA-1 and San Roque in Argentina and J-Area in the UK, partially offset the impact of production
- Movement in 2C resources reflected additions from successful appraisal of Kan in Mexico and discoveries in Norway and Egypt partially offset by transfers to 2P reserves and high grading of our UK and Mexico 2C portfolio



LINK TO STRATEGIC DRIVERS:

SAFE & RESPONSIBLE
HIGH QUALITY & RESILIENT

SCALE & DIVERSITY
FINANCIAL DISCIPLINE

OUR STRATEGIC DRIVERS

SAFE & RESPONSIBLE

Ensure safe, reliable and responsible operations

SCALE & DIVERSITY

Maintain a high-quality portfolio of reserves and resources

HIGH QUALITY & RESILIENT

Leverage our full cycle capability to strengthen our portfolio

FINANCIAL DISCIPLINE

Ensure financial strength through the commodity price cycle

FINANCIAL

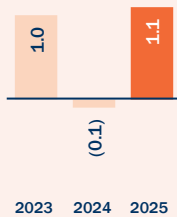
Free cash flow⁶**\$1.1**
billion

Objective

Harbour aims to deliver predictable and reliable cash flow, supported by prudent risk management, to enable financial strength, investment and shareholder returns through the commodity price cycle.

2025 progress

- Free cash flow increased significantly year on year to \$1.1 billion (2024: \$0.1 billion outflow) with Harbour benefitting from the greater scale, diversity and resilience of the expanded portfolio, as well as strong operational performance and improved working capital management, offsetting the impact of a lower commodity price environment
- We continued to progress high return infrastructure-led investment opportunities to support production and free cash flow generation in the near to mid term



Shareholder returns

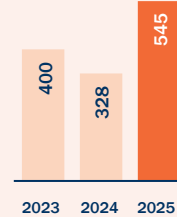
\$545
million

Objective

Harbour aims to deliver both growth and yield to its shareholders. Shareholder returns are one of our three capital allocation priorities, along with our commitment to our investment grade balance sheet and ensuring a robust and diverse portfolio.

2025 progress

- Shareholder returns over 2025 of \$545 million including \$455 million of dividends and \$90 million of share buybacks
- Since 2022, Harbour has on average returned c.40 per cent of free cash flow annually to shareholders
- Post period end, we updated our distributions policy under which we will target to return 45-75 per cent of annual free cash flow to shareholders including an initial base dividend of 16.10 cents/voting ordinary share
- In line with the new policy, Harbour has declared a final 2025 dividend of 8.05 cents/voting ordinary share

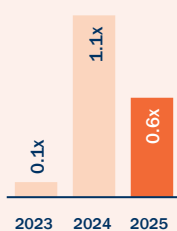
Leverage ratio⁶**0.6x**
At year end

Objective

Harbour aims for leverage below 1.0x on average through the commodity price cycle supported by prudent financial policy, including disciplined hedging and rigorous capital allocation. We are committed to protecting our investment grade credit profile.

2025 progress

- Leverage reduced to 0.6x (2024: 1.1x)
- Pre-swap net debt reduced to \$4.4 billion (2024: \$4.7 billion), reflecting strong free cash flow generation partially offset by a c.\$0.6 million FX translation effect on our Euro denominated senior bonds
- Increased hedging of Euro denominated debt with c.80 per cent of senior debt now US dollar denominated on a post-swap basis
- Investment grade credit profile confirmed following announcement of LLOG acquisition in December

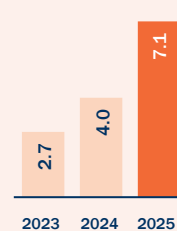
EBITDAX⁶**\$7.1**
billion

Objective

Harbour aims to deliver strong earnings before interest, tax, depreciation and amortisation, delivered by proactive cost control and prudent risk management.

2025 progress

- EBITDAX significantly increased in the year, primarily driven by a full year's contribution from the Wintershall Dea portfolio of assets and outstanding operational performance



LINK TO STRATEGIC DRIVERS:

SAFE & RESPONSIBLE

HIGH QUALITY & RESILIENT

SCALE & DIVERSITY

FINANCIAL DISCIPLINE

1 We report our safety and environmental metrics on a gross operated basis.

2 Reported as per the International Association of Oil and Gas Producers (IOGP's) Process Safety – Recommended Practice on Key Performance Indicators, report 456, 2018.

3 Our 2025 GHG intensity is reported on a gross operated basis and based on Scope 1 and Scope 2 (market-based) emissions. For more details please see the Sustainability review on page 55.

4 Volumes reflect management estimates. DeGolyer and MacNaughton (D&M) as a competent independent person has audited 77 per cent of the Group's working interest 2P reserves and 29 per cent of the Group's 2C resources and consider Harbour's estimates to not differ materially from those prepared by D&M.

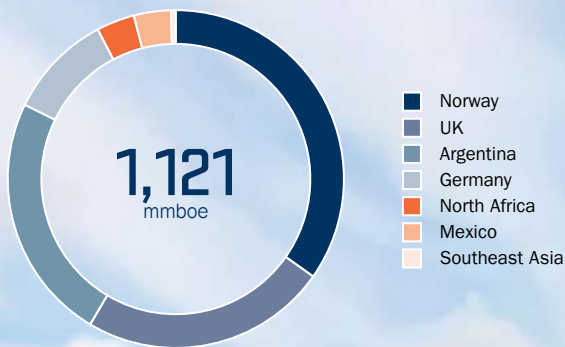
5 Values represented in the chart are presented in mmbbl.

6 Non-IFRS measure – see Glossary for the definition.

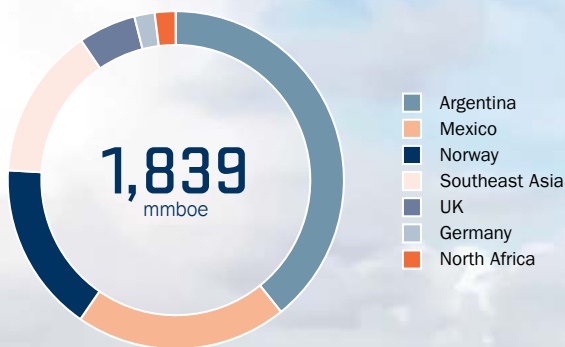
Excellent operational execution

In 2025, we delivered production of 474 kboepd (2024: 258 kboepd), at the top end of guidance and split approximately 40 per cent liquids, 40 per cent European natural gas and 20 per cent other natural gas. The 84 per cent increase versus 2024 reflects a full year’s contribution from the Wintershall Dea assets, including 169 kboepd from Norway and 73 kboepd from Argentina, and excellent operational execution.

2025 2P reserves¹ (%)



2025 2C resources¹ (%)



Production was supported by new wells onstream including in the UK, Norway, Argentina and Egypt, the completion of the Fenix project in Argentina and Maria Phase 2 in Norway, as well as continued high reliability across the portfolio. In addition, we saw outperformance from our operated hubs in the UK.

2026 production is expected to increase to between 475-500 kboepd, reflecting contributions from the LLOG and Waldorf portfolios partially offset by managed decline in the UK and the divestment of producing assets in Indonesia and Vietnam.

Strict cost and capital discipline

In 2025, we reduced our unit operating costs by 22 per cent to \$12.8/boe (2024: \$16.5/boe). This reflected the addition of the lower cost Wintershall Dea portfolio and the exit from Harbour's higher cost Vietnam business partially offset by a weaker US dollar sterling exchange rate. We also captured early savings as part of the Wintershall Dea integration process and further improved our UK cost base.

2025 capital expenditure including decommissioning spend totalled \$2.4 billion (2024: \$1.8 billion), with the increase reflecting the addition of the Wintershall Dea assets. The outturn at the lower end of original guidance of \$2.4-2.6 billion was driven by high grading and cost efficiency measures across several of our business units including reduced activity in the UK, a pause in drilling in the APE Vaca Muerta gas licence (Argentina), and the reduction of some expenditures in Mexico and across our portfolio of CCS projects.

For 2026, Harbour expects operating costs of c.\$14.5/boe and total capital expenditure of \$2.2-2.4 billion, reflecting the addition of the LLOG and Waldorf assets.

Safe and responsible operations

2025 saw a slight increase in Harbour's total recordable injury rate to 1.1 per million hours worked (2024: 1.0) as we expanded our operations into new jurisdictions. While there was a reduction in the number of Tier 2 process safety events versus 2024, we recorded one Tier 1 event in Mexico during the year. All safety events continue to be rigorously investigated with learnings shared across the company to drive improved performance.

In 2025 we delivered a step change in our GHG intensity which reduced to 13 kgCO₂e/boe (2024: 18 kgCO₂/boe) on a net equity share basis. This was driven primarily by the addition of the lower GHG intensity Wintershall Dea assets alongside the divestment of our Vietnam business and continued decarbonisation efforts. We remain on track to halve our gross operated emissions by 2030 relative to our 2018 baseline.

Maximising the value of our producing assets

The majority of Harbour's capital programme is focused on infrastructure-led opportunities, profitably converting reserves into production and cash flow. These opportunities are typically low risk, high return investments concentrated around our existing production hubs.

In Norway, we completed our operated Maria Phase 2 project on schedule and within budget, marking the first of six Norway subsea developments due onstream during 2025-2027. Production start-up from our operated Dvalin North field is on track for mid-2026, with installation of the subsea infrastructure completed in 2025 and development drilling underway. Subsea installation campaigns were also completed at Alve North and Idun North, both being developed

as multi-well tie-backs to Skarv, and at Irpa, a three-well tie-back to Aasta Hansteen. These projects, as well as infill drilling, are expected to maintain current production levels in Norway.

In the UK, investment in 2025 was targeted at our two largest operated hubs, J-Area and the Greater Britannia Area (GBA). At J-Area, Jocelyn South came onstream just three months after discovery in March, production started up from the RK development well in July and successful well interventions were carried out late in the year. Together with strong subsurface performance from Talbot, these activities contributed to the J-Area achieving production rates not seen for over a decade. The GBA satellite fields Callanish and Brodgar also continued to outperform, with Brodgar production supported by plant optimisation and the successful H5 development well.

In Argentina, at our offshore CMA-1 concession, production was supported by the three-well Fenix project completed in January and a successful Aries platform well workover. Onshore in the Vaca Muerta unconventional shale play, ten 3,000 metre lateral gas wells were drilled with nine new wells completed and connected, supporting production from APE. Drilling resumed in November after a three month pause to align with lower domestic demand requirements.

Elsewhere, development activities across our three production hubs in Germany – Mittelplate, Gas Nord and Emlichheim – continued to provide stable production while in Egypt two Raven West infill wells at West Nile Delta were brought onstream. We also delivered exploration success in Egypt including at West Nile Delta, with the Fayoum-5 and El King gas discoveries, and at Disouq with EZZ-1 which was brought onstream in January 2026, only two months after discovery.

Progressing our highest return, most competitive projects supporting reserves and future cash flow

In Norway, Harbour continued to progress its pipeline of potential developments and infill wells towards final investment decisions (FIDs). These include the Gja subsea satellite projects which are targeting a 2026 FID while development concept studies are underway at Adriana/Sabina, Storjo and Cuvette. Additionally, Harbour made a small discovery close to the Skarv infrastructure in 2025. Post period end, a discovery was made at Omega Sr (Harbour 24 per cent) near the Snorre field and Harbour was awarded nine exploration licences in the APA 2025 licensing round, four as operator and all close to existing infrastructure.

In Mexico, we saw good momentum at the 750 mmboe gross Zama oil field (Harbour 32 per cent) with Harbour being appointed operator and a more capital efficient, phased FPSO based development plan being agreed. FEED is planned for 2026 ahead of FID. We also increased the gross resource estimate of our operated Kan field (70 per cent Harbour) by 50 per cent to 150 mmboe and are maturing development options ahead of FEED. As operator of Zama and Kan, we see the potential for material synergies across the two projects and for leveraging the offshore technical experience acquired through LLOG.

In Indonesia, Harbour retains its interests in the potential multi-TCF Andaman Sea gas discoveries, where we are evaluating potential development options, including an accelerated, phased development starting at Tangkulo.

Business Unit	2025 (kboepd)	2024 (kboepd)	Change
Norway ¹	169	52	⬆️
UK	155	149	⬆️
Germany ¹	28	10	⬆️
Mexico ¹	10	4	⬆️
Argentina ¹	73	21	⬆️
North Africa ¹	31	12	⬆️
Southeast Asia	7	11	⬆️
Total ²	474	259	⬆️

474kboepd

Total production in 2025

>80%

Increase in production in 2025

1 2024 production for Norway, Germany, Mexico, Argentina and North Africa represents the contribution to production from completion of the Wintershall Dea transaction on 3 September to 31 December 2024.

2 Because of rounding, some totals may not agree exactly with the sum of their component parts.

In Argentina, Harbour and its partners took FID on Southern Energy SA (SESA, Harbour 15 per cent), a phased, two vessel 6 mtpa LNG project. This marks a significant milestone, providing access to global markets for our extensive Argentinian gas resource. 2025 saw all environmental licences, export permits and RIGI incentives secured for both vessels and all major contracts awarded with construction now underway. Production start-up from the first vessel is on track for end 2027, with the second vessel to commence operations end 2028.

Also in Argentina, at the San Roque concession (Harbour 25 per cent), Harbour and its partners are in the process of applying for an unconventional licence. This would allow development of the Vaca Muerta black oil shale to commence, starting with a potential 16 well programme later in 2026. With more than 700 mmboe of 2C resources, mainly in the Vaca Muerta shale play, and the potential to add materially to this, Argentina represents the largest single component of Harbour's 2C resources and a significant reserve replacement opportunity for the company.

As at year end 2025, Harbour's proven and probable (2P) reserves on a working interest basis stood at 1.12 billion boe (2024: 1.25 billion boe), with additions including at CMA-1 in Argentina and J-Area in the UK partially offsetting the impact of production. In addition, Harbour had 1.84 billion boe of 2C resources (2024: 1.91 billion boe). Additions to our 2C resources resulted from the successful appraisal of Kan in Mexico and discoveries in Egypt offset by transfers to 2P reserves and further high grading of our UK and Mexico portfolios. Combined, our 2P and 2C volumes at year end 2025 represented 18 years reserves and resources life¹.

Harbour's 2P reserves replacement averaged c.250 per cent per annum over the four-year period from year end 2021 to 2025. For 2026, we anticipate at least 150 per cent reserves replacement supported by the expected reserve additions from the LLOG and Waldorf acquisitions.

Building a competitive CCS business

Harbour has a leading CO₂ storage position in Europe with 880 million tonnes of net storage resource, offering the potential for a new source of long-term stable cash flow. In 2025, we continued to mature our most advantaged projects.

At our operated Viking project in the UK (Harbour 60 per cent), FEED was completed in March and the development consent order for the onshore pipeline was approved. We also welcomed the government's intention to provide development funding for Viking up to FID. Key milestones to FID include emitter selection and negotiation of the economic licence to be awarded by the government.

1 Based on YE 2025 2P reserves and 2C resources and midpoint of original FY 2026 Harbour standalone production guidance.

Successful integration of the Wintershall Dea portfolio



We've made safety a key focus throughout the integration of our Wintershall Dea assets and new employees.

PHILIP WHITTAKER
EVP BUSINESS SERVICES

I'm really proud of what we have accomplished, safely integrating the Wintershall Dea assets and welcoming our new colleagues on board. From day one, the focus has been on safety and performance. By drawing on the expertise and experience gained from our history of successful M&A and integrations, we were able to achieve significant organisational change – driving consistent safety standards and integrating systems and teams – whilst ensuring business continuity throughout. And we did it on schedule in just 12 months, half the time of prior acquisitions.

We've captured early savings as we leveraged our additional scale to renegotiate supplier contracts and eliminate duplication. We've rationalised office space and have taken full operational control of all IT systems. But we are just getting started. The focus now is on simplifying these systems and unlocking further efficiencies through rationalisation – a material opportunity for us.

But building a global organisation is not just about merging and simplifying policies, processes and systems. It is about building culture and trust. Over the year, we have collaborated to share technical knowledge and best practices across our business units with great results in safety and performance improvements. We are now truly working together as one Harbour team.

In Denmark, the high return Greensand Future project (Harbour 40 per cent) is on track to commence commercial operations by early 2027 with an injection rate of c.400 ktpa. Onshore Denmark, Harbour has a 40 per cent operated interest in the onshore Greenstore project which is progressing through the appraisal phase. Seismic acquisition commenced in December, marking a key step towards advancing the project towards development.

In May, in line with the Havstjerne licence commitment, we delivered a successful CO₂ storage appraisal well in the Norwegian North Sea safely and below budget, confirming the existence of a high-quality store.

Active portfolio management

We continue to actively manage our portfolio, ensuring our capital and resources are allocated to our most competitive projects and in line with our strategy. In July we exited our Vietnam business and, in December, we announced the sale of the high-cost, sub-scale Natuna Sea Block A field along with the Tuna development project in Indonesia for \$215 million, improving the overall quality of our portfolio and accelerating value. We also agreed to exit several early-stage projects in Mexico, including Polok and Chinwol, and CCS licences during the year.

In December, we announced the acquisition of Waldorf in the UK for \$170 million. Once completed, this acquisition will help to improve the competitiveness and resilience of our UK business amid ongoing fiscal and regulatory challenges by adding c.\$900 million in value through UK tax losses. In addition, upon completion c.\$350 million of trapped cash is unlocked, more than covering the purchase price. Completion, which is anticipated by mid-year, is subject to final settlement of all creditors' claims against Waldorf. The transaction is currently being implemented via court approved Restructuring Plans.

Also in December, we announced the acquisition of LLOG for \$3.2 billion. Through LLOG, Harbour gains a fully operated, oil-weighted portfolio and an exceptional team in one of the world's most prolific oil and gas basins. LLOG adds high margin, long-life assets with a compelling growth profile, underpinned by a deep inventory of high return drilling opportunities. The acquisition completed post period end in February 2026.

Collectively, these transactions demonstrate Harbour's disciplined approach to capital allocation, recycling proceeds into cash flow accretive growth opportunities while enhancing the overall quality of our portfolio.

Significant cash flow generation and strong financial position

Harbour generated free cash flow of \$1.1 billion in 2025, a significant increase versus 2024 and c.\$0.5 billion above the outlook provided at the start of the year after normalising for commodity prices. This was driven by strong operational execution, rigorous capital discipline and the greater scale and resilience of our portfolio.

Net debt (including funds held in escrow and before unamortised fees) reduced to \$4.4 billion at year end 2025 (2024: \$4.7 billion). This reflects a weaker USD, which increased the value of our Euro denominated debt by c.\$0.6 billion, partly offset by \$0.4 billion of net hybrid issuances. Post period end, on 11 February, we completed the LLOG acquisition, funded through a combination of \$0.5 billion of equity and \$2.7 billion of cash, including a \$1 billion bridge facility and a \$1 billion three-year term loan. As a result, net debt increased to \$7.2 billion. Consistent with our approach on past acquisitions, we will prioritise debt reduction until our leverage returns to target levels.

At year-end 2025, we had a strong hedge position with a mark to market gain of \$0.5 billion. For 2026, c.50 per cent of our economic exposure to European gas prices and c.40 per cent of our economic exposure to Brent is currently hedged at \$11/mscf and \$71/bbl respectively.

Competitive and meaningful shareholder distributions

Following the recent announced transactions, Harbour has updated its distributions policy to a payout ratio approach that links shareholder returns directly to free cash flow and leverage. This change strengthens our capital allocation framework and enhances our resilience to commodity price downturns. It also aligns our policy with our peers.

Since 2022, Harbour has on average returned c.40 per cent of free cash flow to shareholders each year. Under the new policy, we will target returning 45-75 per cent of annual free cash flow, including an initial base dividend of 16.10 cents/voting ordinary share (\$300 million¹) providing a minimum payout to shareholders, with potential for additional returns. When leverage is above Harbour's target of less than 1.0x, Harbour expects shareholder distributions to be towards the low end of the payout range, prioritising debt reduction and balance sheet strength. As leverage falls below 1.0x, Harbour expects to increase the payout towards the top end of the range which, together with growing free cash flow, is expected to support increasing shareholder returns over time.

In line with the new policy, Harbour has declared a final 2025 dividend of 8.05 cents/voting ordinary share. Combined with the 2025 interim dividend and \$100 million share buyback announced in August 2025, distributions for 2025 total \$478 million, representing a c.45 per cent free cash flow payout.

Our new policy enables us to distribute a base dividend, prioritise near-term deleveraging and invest in highly attractive, high margin growth opportunities. These investments support future production and increasing free cash flow, driving enhanced shareholder returns over the coming years.

2026 Outlook

We had a strong start to the year. Production over the first two months averaged 509 kboepd including a month's contribution from the LLOG portfolio.

Production is expected to average 475-500 kboepd during 2026, a level which can be sustained through the end of the decade given our deep inventory of organic investment opportunities. Unit operating costs for 2026 are guided at c.\$14.5/boe and total capital expenditure is now expected to be \$2.2-2.4 billion, including growth investment in the LLOG assets.

At \$65/bbl Brent and \$11/mscf European gas prices, 2026 free cash flow is estimated at c.\$0.6 billion². Looking ahead we expect free cash to increase to c.\$1 billion in 2028, as higher margin new volumes replace higher cost, higher tax UK barrels. We anticipate another significant step up in free cash flow around the end of the decade driven by continued growth from the LLOG portfolio and as our Mexico growth projects come onstream.

Our focus for 2026 is on safety and operational excellence, advancing our growth projects, strengthening the balance sheet and completing the Waldorf and Indonesia transactions as we continue to build a more resilient, cash generative business. We are excited about the opportunities ahead and realising the full potential of our company for our shareholders.

1 Includes \$46 million initial base dividend paid on non-voting ordinary shares.

2 Excludes one-off transaction costs of c.\$0.2 billion.

Delivering breakthrough performance in our operations

Q&A

NIGEL HEARNE

CHIEF OPERATING OFFICER



Nigel joined Harbour in February 2025 and has responsibility for the operations and performance of Harbour's eight upstream business units. With 35 years in the oil and gas industry, he brings extensive operational, strategic, capital project and management experience to Harbour.

Q. What attracted you to Harbour?

A. I've worked in the oil and gas industry for 35 years and I love this industry: what we do is really important – providing much-needed energy for the world. After working for a very large company, the opportunity to join a dynamic, ambitious, growth-oriented company was very appealing. And as a proud Welshman, after many years working in the US and Australia, it's also great to spend more time in the UK with family.

Q. What is it about your industry experience that you're most excited to bring to Harbour?

A. I learnt a long time ago that you can only unlock the full potential of a business if you can unlock the full potential of its people. We're still in the early days of Harbour's journey, and I'm excited about the opportunity we have to shape our culture in an intentional way and bring our capability and ambition to the fore.

Q. What assets and opportunities are you most excited about?

A. Harbour has a great mix of mature assets and growth opportunities. In our mature assets in Norway, the UK and Germany, we can be a leader in the basins, driving safety performance and reliability up, costs down and optimising capital efficiency.

In the Americas, we have attractive growth opportunities. In Mexico and Argentina we have large 2C resource bases to mature to reserves and production, profitably and competitively. In the US Gulf of America, we completed the acquisition of LLOG post-period end in February, bringing us a portfolio of high-quality producing assets and a deep inventory of drilling opportunities. These opportunities are about creating the future for Harbour which is pretty exciting, and a big responsibility.

Q. What's your approach to safety?

A. Nothing is more important in our industry than safety, as the consequences of failure can be devastating. Safety is not about the absence of incidents, but about people understanding the risks and ensuring that all safeguards are in place before they start work. It's the presence of barriers rather than the absence of incidents that keeps our workforce safe and makes us a safe operator.



Southern Energy, Argentina

Q. What do you see as the top opportunities for creating value?

A. We have a real opportunity to focus our talent and capability on shifting from being a company that relies primarily on M&A to deliver growth, to being one that is equally focused on operational delivery and on maturing existing opportunities to grow organically.

To do this, we're establishing a framework to deliver breakthrough performance in safety, operating efficiency and capital efficiency. This will ensure each of our business units understands how they contribute to the wider strategy and how they benchmark in their market, allowing them to set clear priorities and goals. This performance framework means we'll have a consistent approach for integrating new assets into the company in the future as well.



A high-quality, diverse global portfolio



Njord



MICHAEL ZECHNER
MANAGING DIRECTOR
NORWAY

169kboepd
2025 production

690mmboe
YE 2P reserves and 2C resources

- 65% gas
- \$11.8/boe operating cost
- 390mmboe 2P reserves
- 300mmboe 2C resources

With a significant asset base in Norway, Harbour is the largest international independent oil and gas company in the country with a proven record of infrastructure-led exploration and development through subsea tie-backs. Harbour's production in Norway is gas weighted and diversified across several key hubs including Skarv, Gjøa and Aasta Hansteen, providing multiple routes into European gas markets.

Norway was Harbour's largest producer in 2025, averaging 169 kboepd (2024: 52 kboepd), reflecting a full year's contribution from the Wintershall Dea portfolio. Production was underpinned by strong reservoir performance and high operating efficiency especially at the Aasta Hansteen and Skarv hubs. New wells and projects onstream, including Maria Phase 2, also supported production.

Operating costs totalled \$726 million for the period, which equated to \$11.8/boe. Total capital expenditure of \$893.5 million largely related to the execution of sanctioned development projects, converting 2P reserves into production and cash flow.

In May, Harbour delivered production start-up from the Maria Phase 2 project, a four-well subsea tie-back to existing infrastructure. The project was completed in the fourth quarter, on schedule and within budget, and marks the first of six projects in Harbour's Norway portfolio that are expected onstream within the next 24 months.

At Harbour's operated Dvalin North project, installation of the subsea infrastructure was successfully completed and drilling of the three wells commenced in Q4 2025. First production from Dvalin North is on track for mid-2026. Subsea installation campaigns were also largely completed at partner-operated Irpa, a three-well tie-back to Aasta Hansteen, and at partner-operated Alve North and Idun North, both being developed as multi-well tie-backs to Skarv. These projects, as well as infill drilling campaigns including at Njord, are expected to support Harbour's near-term production in the country.

Beyond the sanctioned projects, Harbour has a pipeline of potential developments and infill wells which are being matured towards final investment decisions (FID). These include the Gjøa subsea satellite projects, Gjøa Nord and Ofelia, which are targeting a 2026 FID while development concept studies are underway at Adriana/Sabina, Storjo and Cuvette. Additionally, Harbour made a small discovery at the Skarv-E prospect close to our Skarv infrastructure. Post period end, Harbour was awarded nine exploration licences in the APA 2025 licensing round, four as operator, close to existing infrastructure.

Geographically diverse, with material positions in Norway, the UK, Germany, Argentina, Mexico, North Africa and Southeast Asia.



SCOTT BARR
MANAGING DIRECTOR
UK

155kboepd
2025 production

368mmboe
YE 2P reserves and 2C resources

- 51% gas
- \$18.5/boe operating cost
- 266mmboe 2P reserves
- 102mmboe 2C resources

During 2025 we continued to take action to protect our after-tax cash flow and improve the competitiveness, resilience and longevity of our UK business amid ongoing fiscal and regulatory challenges.

The UK was Harbour's second largest producer in 2025, averaging 155 kboepd (2024: 149 kboepd). The increase was driven by new wells onstream at J-Area and Greater Britannia Area (GBA), as well as a full year's contribution from Talbot, a subsea tie-back to J-Area which came onstream at the end of 2024. Strong operating efficiency and subsurface delivery across our operated UK hubs further supported production.

Operating costs were stable at \$1.1 billion (2024: \$1.1 billion) while unit costs fell 10 per cent to \$18.5/boe, reflecting a top quartile performance achieved through higher volumes and rigorous cost discipline. Total capital expenditure declined to \$729.4 million (2024: \$1.0 billion), reflecting reduced investment given the continued punitive fiscal environment in the country. We also reduced decommissioning costs, leveraging our highly experienced team to optimise the process.

Harbour's investment in the UK is focused on high-return, short-cycle opportunities around our operated hubs. At J-Area, Jocelyn South came onstream just three months after discovery.

This, together with continued strong subsurface performance from Talbot, contributed to the J-Area achieving production rates not seen for over a decade. GBA's satellite fields Callanish and Brodgar also continued to outperform, with Brodgar production supported by plant optimisation and the successful H5 development well.

With no change to the Energy Profits Levy (EPL) until 2030, Harbour continues to expect investment in the UK to decrease. 2025 saw us reduce our UK rig count to one (from five in 2024) and make further staff reductions to align with lower anticipated activity levels.

In December we announced the acquisition of substantially all the subsidiaries of Waldorf Energy Partners Ltd and Waldorf Production Ltd, for \$170 million. The acquisition is expected to deliver immediate cash flow benefits and builds on action we've already taken to improve the long-term sustainability of our UK business. The acquisition is expected to complete in Q2 2026.



Aguada Pichana Este (Credit: TotalEnergies)



MARTIN RUEDA
MANAGING DIRECTOR
ARGENTINA

73kboepd
2025 production

988mmboe
YE 2P reserves and 2C resources

- 93% gas
- \$4.7/boe operating cost
- 266mmboe 2P reserves
- 722mmboe 2C resources

Harbour holds a material non-operated position in Argentina and is one of the country's largest gas producers. Operations are concentrated in two areas: the offshore Cuenca Marina Austral (CMA-1) concession in Tierra del Fuego and the Aguada Pichana Este (APE) and San Roque concessions in the Neuquén basin.

Production averaged 73 kboepd, (2024: 21 kboepd). Operating costs were \$126.4 million, equating to \$4.7/boe, and total capital expenditure was \$107 million, primarily reflecting the multi-pad drilling campaign at APE.

Production from the CMA-1 gas fields averaged 52 kboepd, supported by almost a full year's contribution from the Fénix gas project, an unmanned platform tied into existing facilities which completed in January 2025, and a successful Aries platform well workover. All CMA-1 licences run to 2041.

San Roque delivered 2.5 kboepd from the mature conventional gas play. Following the past successful drilling of four exploration and appraisal wells and four general pilot wells, Harbour and its partners are in the process of applying for an unconventional licence. This would allow development of the Vaca Muerta black oil shale to commence, starting with a potential 16 well pilot programme later in 2026.

APE averaged 18.5 kboepd from over 80 wells mainly in the gas window of the Vaca Muerta shale play. During 2025, ten 3,000 metre lateral gas wells were drilled, and nine new wells – each with 50 fracs – were completed and connected, supporting production. After a three-month pause to align production with local demand, the drilling campaign resumed in November. The operator continues to improve drilling and completion efficiency, reducing total well costs compared to 2024. With line of sight to over 1,000 locations at APE, Harbour sees the potential for an additional 500 mmboe (net) of 2C resource, though production remains constrained by offtake and local market capacity, at this time.

In 2025, Harbour and its partners took FID on Southern Energy SA (SESA) (Harbour 15 per cent), a phased, two-vessel 6mtpa LNG project which will provide our Argentine gas resource with access to global markets. All environmental licences, export permits and RIGI incentives were secured for both vessels and all major contracts awarded. In addition, a Heads of Terms with SEFE for c.80 per cent of the first vessel's LNG offtake was signed in December. Construction of the spur line, which will connect the LNG vessels to the onshore facilities, and conversion of the second vessel (MKII) are underway. Production start-up from the first vessel is on track for year end 2027, with the second vessel anticipated to commence operations end 2028.

With more than 700 mmboe of 2C resources, mainly in the Vaca Muerta shale play, and the potential to add materially to this, Argentina represents the largest single component of Harbour's 2C resources and a significant reserve replacement opportunity for the company.



GUSTAVO BAQUERO
MANAGING DIRECTOR
MEXICO

10kboepd
2025 production

415mmboe
YE 2P reserves and 2C resources

- 87% liquids
- \$14.1/boe operating cost
- 40mmboe 2P reserves
- 375mmboe 2C resources

During 2025, production averaged 10 kboepd (2024: 4 kboepd), split 2.5 kboepd from our operated onshore Ogarrio oil fields and 7.5 kboepd from our interest in the offshore Hokchi oil field. Unit operating costs for the year equated to \$14.1/boe, while total capital expenditure was \$102.6 million.

The major opportunity for Harbour in Mexico lies in our significant operated interests in the conventional shallow water Zama and Kan oil projects, amongst Harbour's largest potential development projects, which provide material 2P reserves replacement options.

At 750 mmboe (gross), Zama is also Mexico's largest undeveloped discovery and has been declared by the President of Mexico a project of national and strategic importance. As a result of the Wintershall Dea transaction, we increased our interest in Zama to 32 per cent and, over the course of 2025, have worked together with our joint venture partners, Pemex and Talos Mexico, to optimise the development solution for the field. This culminated in a more capital-efficient, phased FPSO-based development plan being submitted to SENER (Mexico's Ministry of Energy).

Operatorship of the Zama oil field was transferred from Pemex to Harbour in December. We see the opportunity for synergies with our operated Kan development to the southwest and potentially also with the operated LLOG portfolio on the US side of the Gulf.

FEED is planned for 2026, ahead of a final investment decision. Once onstream, Zama will contribute materially to Mexico's domestic energy supply and to Harbour's production levels.

Harbour has a 70 per cent operated interest in the Kan field, which lies to the southwest of Zama. Following the completion of a successful appraisal programme, we increased the gross resource estimate of the field by 50 per cent to c.150mmboe. FPSO development options for Kan are being matured with FEED expected to start during 2026. Zama and Kan between them could yield reserves equivalent to over two years' worth of Harbour's current total production.

During 2025 we took the decision to exit several exploration licences in Mexico, including Block 29 and 4, as we focus on our most competitive and material projects and the further optimisation of our portfolio.



CLAUDIA KROMBERG
MANAGING DIRECTOR
GERMANY

- 65% liquids
- \$20.6/boe operating cost
- 113mmboe 2P reserves
- 36mmboe 2C resources

28kboepd
2025 production

149mmboe
YE 2P reserves and 2C resources

Harbour is one of the largest oil and gas producers in Germany, with a significant operated position. Production comprises both oil and gas and is diversified across three production hubs: Mittelplate, Germany's largest oil-producing field; Langwedel-Holtebüttel/Gas Nord, which includes the Völkersen gas field; and the Emlichheim heavy oil field.

A comprehensive change campaign was launched in 2025 to improve safety performance and strengthen the safety culture, with early positive results already emerging. Across the business unit, the focus remains firmly on safety, capital discipline and cost efficiency.

Germany production averaged 28 kboepd (2024: 10 kboepd), with strong underlying production and high facility uptime offsetting delays to new wells and projects coming onstream. Operating costs totalled \$210.9 million in 2025, equating to \$20.6/boe. Most of Harbour's operations in Germany are electrified and, as a result, the GHG emissions intensity of the business unit is one of the lowest within Harbour on a gross-operated basis.

Total capital expenditure was \$163.3 million, reflecting development activities across the three hubs. These included a new production well at Mittelplate which came onstream in December, and the drilling of the Weißenmoor Z3 well in Langwedel-Holtebüttel which began production in April 2025. Both are performing better than expected.

At Emlichheim, the new desulphurisation unit was brought into full operation in January 2025 as part of the hot water development project. The associated drilling campaign was completed successfully and commissioning of the facilities for hot water injection is planned for the second half of 2026. These activities further reduced emissions at Emlichheim and will enable more efficient resource recovery with steam and hot water injection available.

Ongoing infill drilling, well interventions and workover activities support broadly stable production over the near to medium term, while a constant level of decommissioning activities accompanies these efforts.



SAMEH SABRY
MANAGING DIRECTOR
MENA

- 86% gas
- \$4.6/boe operating cost
- 41mmboe 2P reserves
- 37mmboe 2C resources

31kboepd
2025 production

78mmboe
YE 2P reserves and 2C resources

Harbour's gas-weighted portfolio in North Africa comprises a material position in Egypt alongside interests in Algeria and Libya. Our position in Egypt makes Harbour one of the key suppliers of gas to the domestic market.

Production from North Africa averaged 31 kboepd in 2025 (2024: 12 kboepd), of which c.21 kboepd came from Egypt with contributions from the bp-operated West Nile Delta, including the Raven field, and the DISOUCO-operated Greater Disouq Area. Production was supported by two Raven West infill wells brought onstream in February and October.

Unit operating costs remained competitive at \$4.6/boe with total capital expenditure of \$113 million largely related to near-infrastructure exploration, appraisal and development activities. Notably, Harbour participated in two gas discoveries – Fayoum-5 and El King – close to Harbour's existing West Nile Delta infrastructure. Post period end, Harbour took FID for the development of Fayoum Messinian while FID for El King is targeted for 2026.

Another major milestone was the signing of a new agreement with EGAS in May, improving the commercial terms for the Greater Disouq Area. The revised framework includes a higher gas price, increased cost recovery and an expanded licence area. In return, Harbour committed to a drilling programme across both the existing and newly awarded areas.

On the back of these improved terms, Harbour made a significant discovery (EZZ-2) in the EZZ block at Disouq in October which was successfully appraised in Q1 2026. Early assessments indicate the potential to add reserves equivalent to approximately one year of Harbour's current production in North Africa. The EZZ-1 discovery was brought onstream in January 2026, only two months after discovery.

Looking ahead, Harbour expects to maintain production at around current levels, supported by a robust pipeline of organic developments, through the next decade while continuing to deliver positive free cash flow.



SOUTHEAST ASIA

Natuna Sea Block A, Indonesia



STEVE COX
MANAGING DIRECTOR
SOUTHEAST ASIA

- 71% gas
- \$18.4/boe operating cost
- 5mmboe 2P reserves
- 268mmboe 2C resources

7kboepd
2025 production

273mmboe
YE 2P reserves and 2C resources

Harbour's Southeast Asia portfolio underwent significant change in 2025 as we continue to actively manage our portfolio, focusing our capital and resources on our most competitive and material opportunities.

In July, Harbour completed the sale of its Vietnam business, including its operated Chim São and Dua assets, resulting in a country exit from Vietnam. In December, we agreed the sale of our operated interests in the producing Natuna Sea Block A field and the Tuna project in Indonesia. Upon completion of the transaction – expected Q2 2026 – Harbour's only presence in Southeast Asia will be through its interests in the Andaman Sea discoveries.

Southeast Asia production averaged 7 kboepd (2024: 11 kboepd), split 5 kboepd from Indonesia and 2 kboepd from Vietnam. Production in Indonesia was boosted by stronger demand for our gas with our piped gas pricing competitively versus LNG and following the signing of a domestic gas swap agreement with the Indonesian government in August, achieving export pricing for domestic supply.

Indonesia saw a step change in its safety performance over 2025. Close collaboration between the UK Business Unit and Indonesia's onshore and offshore teams resulted in improved processes and procedures and served to reinforce Harbour's safety culture.

Unit operating costs fell to \$18.4/boe (2024: 19.4), reflecting our exit from Vietnam, while capital expenditure reduced materially to \$85 million (2024: \$101 million) following completion of the multi-well exploration and appraisal campaign across our Andaman Sea acreage in 2024.

Harbour retains its interests in the Andaman Sea, a potential multi-TCF gas play with material gas discoveries at Timpan (Andaman II, Harbour 40 per cent, operator) and at Layaran and Tangkulo (Andaman South, Harbour 20 per cent, non-operator). We also hold a 60 per cent operated interest in the Central Andaman licence into which the Layaran discovery extends. Harbour and its partners are evaluating potential development options, including an accelerated, phased development beginning at Tangkulo. As at year end 2025, Harbour's 2C resource for the Andaman area stood at 217 mmboe.



CARBON CAPTURE AND STORAGE (CCS)

Greensand Future, Denmark



GRAEME DAVIES
EVP CCS

- Leading European CO₂ storage position
- 5 licences across the UK, Denmark and Norway

883mt
YE Net CO₂ storage resources

5
active licences

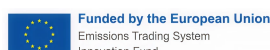
Harbour has a leading CO₂ storage position in Europe and the UK with net storage resources in excess of 880 million tonnes of CO₂. It offers the potential for long-term and stable cash flows which are complementary to Harbour's existing business and provides a diversity of revenue that is not linked to oil and gas prices.

Harbour has active projects in Denmark, Norway and the UK, including Viking, one of the largest CO₂ stores in Europe. Harbour's most advanced project, Greensand Future¹ in Denmark, is progressing in the construction phase and is expected to commence operation by early 2027. At Greenstore onshore in Denmark, a 3D seismic campaign was initiated to help delineate the aquifer which will be used for CO₂ storage.

Over 2025, we have continued to selectively mature our most advantaged CCS projects while moving to exit less competitive licences, which included in the Netherlands and the UK.

For more information on our CCS projects, please see page 56 in our Sustainability review.

1. Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the European Climate, Infrastructure and Environment Executive Agency (CINEA). Neither the European Union nor the granting authority can be held responsible for them.



Looking ahead, our financial position remains strong



Driven by excellent operational execution and strengthened by the Wintershall Dea acquisition, we have enhanced the scale, resilience, and longevity of our business – driving significant free cash flow generation.

ALEXANDER KRANE
CHIEF FINANCIAL OFFICER



DELIVERING RETURNS-FOCUSED VALUE

Capital allocation priorities



1 INVESTMENT GRADE BALANCE SHEET STRENGTH

0.6x

Year end leverage ratio

\$0.1bn

Net debt reduction

2 ROBUST AND DIVERSE PORTFOLIO

\$12.8/boe

Operating costs

\$2.4bn

Total capital expenditure

3 SHAREHOLDER RETURNS

\$455m

Dividends paid

\$90m

Buybacks

Summary of financial results

	Units	2025	2024
Production and post-hedging realised prices			
Production	kboepd	474	258
Crude oil	\$/boe	69	82
European gas	\$/mscf	13	11
Other gas	\$/mscf	4	4
Income statement			
Revenue and other income	\$ million	10,261	6,226
EBITDAX ¹	\$ million	7,118	4,027
Adjusted EBITDAX ¹	\$ million	7,196	4,146
Profit before taxation	\$ million	2,801	1,219
Loss after taxation	\$ million	(182)	(93)
Adjusted profit after taxation ¹	\$ million	603	370
Effective tax rate	Per cent	106	108
Adjusted effective tax rate ¹	Per cent	82	79
Operating costs per barrel ¹	\$/boe	12.8	16.5
Basic loss per ordinary voting share	cents/share	(15)	(10)
Adjusted basic earnings per voting ordinary share ¹	cents/share	31	33
Other financial key figures			
Total capital expenditure ¹	\$ million	2,370	1,828
Operating cash flow	\$ million	3,386	1,615
Free cash flow ¹	\$ million	1,066	(118)
Shareholder returns paid ¹	\$ million	545	199
Net debt ¹	\$ million	4,305	4,424
Leverage ratio ¹	times	0.6	1.1

1 Alternative performance measure – see Glossary for the definition. Reconciliations between adjusted performance measures and reported measures are provided within the Glossary.

Income statement

	2025 \$ million	2024 \$ million
Revenue and other income	10,261	6,226
Cost of operations	(5,564)	(3,613)
EBITDAX ¹	7,118	4,027
Adjusted EBITDAX ¹	7,196	4,146
Operating profit	3,490	1,648
Profit before tax	2,801	1,219
Taxation	(2,983)	(1,312)
Loss after tax	(182)	(93)
Adjusted profit after tax ¹	603	370

	2025 Cents/share	2024 Cents/share
Basic loss per ordinary voting share	(15)	(10)
Adjusted basic earnings per voting ordinary share ¹	31	33

1 Alternative performance measure – see Glossary for the definition. Reconciliations between adjusted performance measures and reported measures are provided within the Glossary.

Revenue and other income

Total revenue and other income increased to \$10,261 million (2024: \$6,226 million).

	2025 \$ million	2024 \$ million
Revenue and other operating income	10,261	6,226
Crude oil	3,487	2,878
Gas	6,033	2,936
Condensate	511	283
Tariff income and other revenue	60	61
Other operating income	170	68

Revenue earned from hydrocarbon production activities increased to \$10,031 million (2024: \$6,097 million) after net realised hedging gains of \$101 million (2024: \$18 million, losses). This increase was mainly driven by higher production volumes and higher post-hedging European natural gas prices, partially offset by lower post-hedging crude oil prices.

Crude oil sales increased to \$3,487 million (2024: \$2,878 million) after realised hedging gains of \$116 million (2024: \$32 million). This was driven by higher production volumes partially offset by lower post-hedging crude oil prices of \$69/bbl (2024: \$82/bbl).

Gas revenue was \$6,033 million (2024: \$2,936 million), split between European gas revenue of \$5,337 million (2024: \$2,644 million) including realised hedging losses of \$15 million (2024: \$50 million) and other gas revenue of \$696 million (2024: \$292 million). The realised post-hedging price for our European and other gas was \$13/mscf (2024: \$11/mscf) and \$4/mscf (2024: \$4/mscf), respectively.

Condensate revenue was \$511 million (2024: \$283 million) and tariff income and other revenue \$60 million (2024: \$61 million). Other income amounted to \$170 million (2024: \$68 million).

Cost of operations

Cost of operations increased to \$5,564 million (2024: \$3,613 million) driven primarily by the impact of a full year of the enlarged portfolio. Cost of operations includes operating costs of \$2,317 million (2024: \$1,612 million) and depreciation, depletion and amortisation expense of \$2,907 million (2024: \$1,704 million) as discussed below along with over/underlift movements and other items totalling \$340 million (2024: \$297 million).

	2025 \$ million	2024 \$ million
Cost of operations		
Field operating costs	2,317	1,612
Depreciation, depletion and amortisation	2,907	1,704
Other	340	297
Operating costs	5,564	3,613
Total operating costs for operating costs per barrel¹	2,217	1,555
Operating costs per barrel (\$ per barrel)¹	12.8	16.5

1 Alternative performance measure – see Glossary for the definition. Reconciliations between adjusted performance measures and reported measures are provided within the Glossary.

Total operating costs increased to \$2,217 million (2024: \$1,555 million) driven by the impact of a full year of the acquired portfolio. However, on a unit of production basis, costs have materially reduced at \$12.8/boe (2024: \$16.5/boe), reflecting the lower cost base of the enlarged portfolio.

Depreciation, depletion and amortisation unit expense, which reflects the current period capitalised costs of producing assets divided by produced volumes, decreased to \$16.8/boe (2024: \$18.5/boe).

General and administrative expenses

General and administrative expenses amounted to \$536 million (2024: \$352 million). The increase was driven by the enlarged group, including expansion of our corporate centre, and one-off M&A, restructuring and reorganisation-related transaction costs of \$78 million (2024: \$119 million) associated with various initiatives and M&A activities across the Group. 2024 solely related to costs associated with the Wintershall Dea acquisition.

Impairments and exploration costs

The Group has recognised a net pre-tax impairment charge on property, plant and equipment of \$365 million (2024: \$352 million). Of this, \$41 million (2024: \$174 million) was in respect of revisions to decommissioning estimates on mainly non-producing assets with no remaining book value. There was also an impairment of \$35 million (2024: \$15 million) associated with the disposal of our Vietnam assets. The remainder largely relates to impairments in Mexico and North Africa driven by reserves reductions and field performance.

During the year, the Group expensed \$306 million (2024: \$241 million) of exploration and appraisal activities. This covers exploration write-off expense of \$200 million (2024: \$173 million) including costs associated with projects in Norway (\$22 million, 2024: UK, \$79 million), licence relinquishments in the UK (\$40 million) and Mexico (\$107 million, 2024: Norway, \$64 million), and \$84 million (2024: \$40 million) costs primarily associated with carbon capture and storage activities.

EBITDAX¹

EBITDAX¹ was \$7,118 million (2024: \$4,027 million), with the increase driven by the enlarged group. Adjusted EBITDAX¹ was \$7,196 million (2024: \$4,146 million), an increase of \$3,050 million.

Net financing costs

Finance income amounted to \$461 million (2024: \$173 million). The increase compared to 2024 is primarily due to realised gains on foreign exchange forward contracts of \$191 million and changes in the fair value of foreign exchange derivatives of \$109 million.

Finance expenses amounted to \$1,150 million (2024: \$602 million). This included:

- interest expense incurred of \$176 million (2024: \$78 million) related to debt facilities and bonds;
- bank and financing fees of \$123 million (2024: \$139 million);
- unwinding of the discount on decommissioning provisions of \$293 million (2024: \$221 million);
- lease interest of \$40 million (2024: \$53 million); and
- unrealised foreign exchange losses of \$485 million (2024: \$118 million, gain) which predominantly arose on the Group's tax liabilities and intercompany balances due to the weakening of the US dollar.

Earnings and taxation

Loss after tax amounted to \$182 million (2024: \$93 million loss). This resulted in a loss per ordinary voting share of 15 cents (2024: 10 cents, loss) after taking into account the weighted average number of ordinary voting shares in issue of 1,426 million (2024: 990 million). Adjusted profit after tax was \$603 million (2024: \$370 million) which resulted in earnings per share of 31 cents (2024: 33 cents).

After taking into consideration \$81 million (2024: \$15 million) attributable to subordinated notes investors, loss after tax attributable to equity owners of the company amounted to \$263 million (2024: \$108 million loss attributable to equity owners of the company). Adjusted profit after tax amounted to \$603 million (2024: \$370 million), an increase of \$233 million.

Harbour's tax expense increased to \$2,983 million in 2025 (2024: \$1,312 million), primarily driven by higher pre-tax profits resulting from the additional earnings contributed by the acquisition and the extension of the UK Energy Profits Levy (EPL). The tax expense comprises a current tax expense of \$3,505 million (2024: \$1,415 million, expense) and a deferred tax credit of \$522 million (2024: \$103 million, credit).

The effective tax rate of 106 per cent (2024: 108 per cent) is materially higher than the statutory tax rate of 78 per cent (2024: 78 per cent). This is primarily due to a \$311 million deferred tax charge arising from legal enactment of the extension of the EPL in the UK by two years, from 31 March 2028 to 31 March 2030, as well as non-deductible foreign exchange losses and weighting of earnings across the various jurisdictions. The adjusted effective tax rate is 82 per cent (2024: 79 per cent).

Shareholder distributions

A final dividend with respect to 2024 of 13.19 cents per ordinary share was proposed on 6 March 2025 and approved by shareholders at the AGM on 8 May 2025. The dividend was paid on 21 May 2025 to all shareholders on the register as at 11 April 2025, totalling \$228 million. An interim dividend was announced on 7 August 2025 at 13.19 cents per share and was paid on 24 September 2025 at a value of \$227 million.

The Board is proposing a final dividend with respect to 2025 of 8.05 cents per voting ordinary share to be paid in pound sterling at the spot rate prevailing on the record date. This dividend is subject to shareholder approval at the AGM, to be held on 7 May 2026. If approved, the dividend will be paid on 20 May 2026 to shareholders as of 10 April 2026. The ex-dividend date is 9 April 2026. A dividend reinvestment plan (DRIP) is available to shareholders who would prefer to invest their dividends in the shares of the company. The last date to elect for the DRIP in respect of this dividend is 28 April 2026.

The DRIP is provided by Equiniti Financial Services Limited. The DRIP enables the company's shareholders to elect to have their cash dividend payments used to purchase the company's shares. More information can be found at shareview.co.uk/info/drip.

Statement of financial position

	2025	2024
	\$ million	As restated \$ million
Assets		
Goodwill	5,062	5,062
Non-current assets, excluding goodwill and deferred taxes	19,797	21,168
Deferred tax assets	121	130
Current assets	3,723	3,640
Assets held for sale	390	277
Total assets	29,093	30,277
Liabilities and equity		
Borrowings net of transaction fees	5,151	5,229
Provisions	7,413	7,521
Deferred tax liabilities	6,491	6,177
Lease liabilities	634	792
Other financial liabilities	40	877
Other liabilities	2,944	3,197
Liabilities directly associated with assets held for sale	214	233
Total liabilities	22,887	24,026
Equity	6,206	6,251
Total liabilities and equity	29,093	30,277
Net debt	4,305	4,424

Assets

The decrease in total assets of \$1,184 million to \$29,093 million (2024: \$30,277 million, as restated) is mainly as a result of a reduction in property, plant and equipment of \$1,368 million, driven by impairment charges of \$365 million as well as an increase in depreciation of \$2,773 million (2024: \$1,522 million) relative to additions in the period of \$1,523 million (2024: \$1,059 million). Total assets include assets held for sale in respect of the Indonesia disposal of \$390 million (2024: Vietnam \$277 million).

Liabilities

The decrease in total liabilities of \$1,139 million to \$22,887 million (2024: \$24,026 million) is primarily driven by the reduction in the fair value of the Group's other financial liabilities, reducing to \$40 million from \$877 million, with the net financial instruments moving to a net asset position. Total liabilities included liabilities directly associated with assets held for sale in respect of the Indonesia disposal of \$214 million.

The net deferred tax position on the statement of financial position is a liability of \$6,370 million (2024: \$6,047 million, as restated). This primarily consists of deferred tax liabilities in respect of the future profits which will flow from our accelerated capital allowances of \$9,012 million and fair value losses on derivatives of \$331 million, partially offset by deferred tax assets in respect of future tax relief on decommissioning spend of \$2,739 million and tax losses of \$194 million.

Equity and reserves

Total equity decreased by \$45 million to \$6,206 million (2024: \$6,251 million). The decrease was driven by shareholder distributions of \$545 million (2024: \$199 million) including \$90 million of share buybacks, offset by the new issuance of subordinated notes in the period of \$970 million less the repayment of \$558 million of the existing notes. Movements in equity also included favourable post-tax fair value movements on cash flow hedges of \$429 million (2024: unfavourable of \$166 million), offset by losses on currency translation of \$182 million (2024: \$130 million, gains) all recognised in other comprehensive income, in addition to the loss for the year.

Net debt

As at 31 December 2025, net debt was \$4,305 million (2024: \$4,424 million). This consisted of borrowings amounting to \$5,366 million (2024: \$5,513 million) less unamortised fees of \$215 million (2024: \$284 million) less cash balances of \$846 million (2024: \$805 million). During the year, a new \$900 million senior bond maturing in 2035 was placed, and partly used to pay the existing \$500 million senior bond. The €1,000 million bond due in 2025 was also paid during the year. In addition, Harbour had surety bonds of \$726 million (£538 million) at year end which provide cover for decommissioning securities.

As at 31 December 2025, the Group has the ability to fund its near-term debt maturities out to 2028 and, following the latest acquisitions, its investment grade rating was reaffirmed by Moody's (Baa2) and unchanged by Fitch (BBB-). Available liquidity, comprising the undrawn portion of the RCF facility of \$2.3 billion (the \$3.0 billion facility had not been drawn down and \$0.7 billion letters of credit for decommissioning had been drawn) plus cash balances of \$0.8 billion (2024: \$0.8 billion), was \$3.1 billion (2024: \$2.7 billion) at the end of the year.

As at 31 December 2025, the leverage ratio¹ was 0.6x (2024: 1.1x) which has decreased primarily as a result of the significant increase in EBITDAX due to a full year of contribution from the acquisition in 2025 versus four months of EBITDAX contribution in 2024. Net debt is marginally lower at \$4.3 billion (2024: \$4.4 billion).

The balance sheet is in a strong position supported by the RCF facility and investment grade credit ratings.

	2025	2024
	\$ million	\$ million
Leverage ratio¹		
Net debt	4,305	4,424
EBITDAX	7,118	4,027
Leverage ratio¹	0.6x	1.1x

¹ Alternative performance measure – see Glossary for the definition. Reconciliations between adjusted performance measures and reported measures are provided within the Glossary.

FINANCIAL REVIEW CONTINUED

Derivative financial instruments

We carry out hedging activity to manage commodity price risk. We have entered into both a series of fixed-price sales agreements and a financial hedging programme for both oil and gas, consisting of swap and option instruments. Hedges realised to date are in respect of both crude oil and natural gas.

The hedging programme as at 31 December 2025 is shown below:

Hedge position	2026	2027	2028
Oil			
Total oil volume hedged (thousand bbls)	16,258	7,574	–
– of which swaps	14,159	1,643	–
– of which collars	2,099	5,931	–
Weighted average fixed price (\$/bbl)	72.57	68.08	–
Weighted average collar floor and cap (\$/bbl)	60.00 - 75.24	60.00 - 76.99	–
Natural gas			
Gas volume hedged (thousand boe)	26,483	12,602	1,804
– of which swaps/fixed price forward sales	19,830	5,506	510
– of which zero cost collars	6,653	7,096	1,294
Weighted average fixed price (\$/mscf)	11.67	10.92	10.87
Weighted average collar floor and cap (\$/mscf)	9.38 - 17.75	8.15 - 14.63	7.95 - 16.00

As at 31 December 2025, our financial hedging programme on commodity derivative instruments showed a pre-tax positive mark-to-market fair value of \$493 million (2024: \$475 million, negative). Most of the commodity derivatives were designated as cash flow hedges, therefore, changes in fair value were reported in other comprehensive income.

For foreign exchange derivative instruments, the pre-tax positive mark-to-market fair value was \$104 million (2024: \$198 million, negative). Of this value, \$83 million (2024: \$173 million) related to the cross-currency interest rate swaps designated as cash flow hedges relating to the Euro bonds of €2.6 billion (2024: €2.4 billion) which were hedged at a forward rate of between 1.1017 and 1.1680 (2024: 1.1015 and 1.1209). The remaining \$21 million related to FX forward contracts designated as fair value through income statement.

Statement of cash flows¹

	2025	2024
	\$ million	\$ million
Cash flow from operating activities before tax payments	6,862	3,114
Tax payments	(3,476)	(1,499)
Cash flow from operating activities after tax payments	3,386	1,615
Cash flow from investing activities – capital investment	(1,912)	(1,322)
Cash flow from investing activities – other ²	132	89
Operating cash flow after investing activities	1,606	382
Cash flow from financing activities ³	(540)	(500)
Free cash flow⁴	1,066	(118)
Cash and cash equivalents	846	805

1 Table excludes financing activities related to debt and subordinated notes principal movements.

2 Excludes net expenditure on business combinations of \$34 million (2024: \$1,044 million).

3 Interest, lease interest and capital payments only, excludes shareholder distributions.

4 Alternative performance measure – see Glossary for the definition. Reconciliations between adjusted performance measures and reported measures are provided within the Glossary.

Net operating cash flow before tax was \$6,862 million (2024: \$3,114 million) reflecting 12 months of the enlarged group. The timing and magnitude of tax payments impacted net cash from operating activities after tax which amounted to \$3,386 million (2024: \$1,615 million). Tax payments during the year were \$3,476 million compared to \$1,499 million in 2024 due to the enlarged portfolio.

Cash flow working capital movements were positive \$60 million (2024: negative \$494 million) as a result of the collection of overdue receivables in Egypt and Mexico acquired as part of the Wintershall Dea transaction.

Capital investment was \$1,912 million (2024: \$1,322 million) which included property, plant and equipment additions of \$1,435 million (2024: \$884 million), exploration and evaluation additions of \$363 million (2024: \$359 million) and other intangible additions of \$114 million (2024: \$79 million). Cash outflow from financing activities totalled \$540 million (2024: \$500 million) split between interest payments of \$246 million (2024: \$181 million) and lease payments of \$294 million (2024: \$319 million).

Free cash flow was \$1,066 million inflow (2024: \$118 million outflow).

Shareholder distributions totalled \$545 million (2024: \$199 million) and consist of dividends paid of \$455 million (2024: \$199 million) and the repurchase of Harbour's own shares of \$90 million (2024: \$nil).

Cash and cash equivalent balances were \$846 million (2024: \$805 million) at the end of the year.

Capital investment is defined as additions to property, plant and equipment, fixtures and fittings and intangible exploration and evaluation assets, excluding changes to decommissioning assets.

	2025	2024
	\$ million	\$ million
Additions to oil and gas assets	(1,511)	(1,037)
Additions to fixtures and fittings, office equipment and IT software	(63)	(73)
Additions to exploration and evaluation assets	(327)	(398)
Additions to other intangible assets	(45)	(36)
Total capital investment¹	(1,946)	(1,544)
Movements in working capital	(47)	140
Capitalised interest	36	18
Capitalised lease depreciation	45	64
Cash capital investment per the cash flow statement	(1,912)	(1,322)

1 Alternative performance measure – see Glossary for the definition. Reconciliations between adjusted performance measures and reported measures are provided within the Glossary.

During the period, the Group incurred total capital expenditure of \$2,370 million (2024: \$1,828 million), split by capital investment \$1,946 million (2024: \$1,544 million), decommissioning spend \$374 million (2024: \$284 million), and energy transition expenditure \$50 million (2024: \$nil) respectively.

The majority of the capital investment was concentrated around our existing production hubs, predominantly in Norway and the UK. Refer to the Operational review for more detail.

Principal risks

The directors have identified a number of changes to the principal risks facing the company following the completion of the Wintershall Dea acquisition. This includes elevated risk levels in relation to the lower commodity price environment, physical asset security, cyber security and a somewhat lower risk in relation to the energy transition. Notably, the principal risk recognised in the 2024 Annual Report as 'Integration of acquired businesses' has been retired following the successful completion of the acquisition. A full description of Harbour's principal risks can be found on pages 72 to 77.

Events after the reporting period

On 11 February 2026 Harbour announced it had completed the acquisition of LLOG Exploration Company LLC for \$3.2 billion, marking the company's strategic entry into the US Gulf of America. Harbour financed the acquisition through \$2.7 billion of cash and the issuance of 174,855,744 new Harbour voting ordinary shares (the Consideration Shares) to LLOG Holdings LLC (the Seller) with an agreed value of \$0.5 billion. The cash was funded by a \$1.0 billion bridge facility, a \$1.0 billion three-year term loan and \$0.7 billion from existing sources of liquidity.

At the time when the financial statements were authorised for issue, the Group had not yet completed the accounting for the acquisition of LLOG Exploration Company LLC. The proximity of the completion of the acquisition to the authorisation of the financial statements has meant the fair values of the assets and liabilities have not been finalised. It is also not yet possible to provide detailed information about each class of acquired receivables and any contingent liabilities of the acquired entities.

In 2024, the German non-governmental organisation Deutsche Umwelthilfe (NGO) filed a lawsuit against the German mining authority (LBEG) challenging the operating permit of Harbour Energy Germany GmbH (HEGG) for HEGG's Mittelplate field. HEGG is a joined party in this lawsuit. On 26 February 2026, a court of first instance (Schleswig-Holsteinisches Verwaltungsgericht) decided that the operating permit is to be considered invalid during the duration of the main court proceeding. HEGG filed an appeal on 27 February 2026 with the Appellate Court (Schleswig-Holsteinisches Obergerverwaltungsgericht). This Court confirmed the receipt of the appeal and stated in writing that its Senate, which will decide on the appeal, assumes that the operations of the drilling and production island Mittelplate will continue until a decision has been determined. Based on this first response by the Appellate Court, and in close alignment with the mining authority, HEGG is focused on continuing safe operations.

Going concern

The directors considered the going concern assessment period to be up to 31 December 2027. The Group monitors and manages its capital position and its liquidity risk regularly to ensure that it has access to sufficient funds to meet forecast cash requirements. Cash forecasts for management are regularly produced and sensitivities considered based on, but not limited to, the Group's latest life of field production and expenditure forecasts, management's best estimate of future commodity prices based on recent forward curves, adjusted for the Group's hedging programme, and the Group's borrowing facilities.

The Group's ongoing capital requirements are financed by its \$3.0 billion revolving credit facility (RCF), bonds of \$5.3 billion (before unamortised fees), senior term loan of \$1.0 billion, bridge loan of \$1.0 billion, subordinated notes of \$2.2 billion and surety bonds of \$726 million (£538 million) which provide cover for decommissioning securities. The term and bridge loans were entered into in February 2026 to finance the completion of the LLOG acquisition announced in December 2025.

The RCF is subject to financial covenants that require the ratio of consolidated total net debt, including letters of credit, to last twelve months (LTM) EBITDAX to be less than 3.5x, and LTM EBITDA divided by interest expense to exceed 3.5x. Under the Group's base case, the RCF is forecast to have an undrawn balance of \$3.0 billion through 2026 and 2027. When combined with drawn letters of credit and unrestricted cash the headroom is forecast to be \$2.7 billion at the end of 2027 which provides a robust liquidity position.

The Group's latest approved business plan underpins the base case going concern assessment and is based upon management's best estimate of forward commodity price curves, production in line with approved asset plans and the ongoing capital requirements of the Group that will be financed by free cash flow, the existing RCF and debt financing arrangements described above.

In addition, Harbour announced the Waldorf transaction in December 2025 which is expected to complete in the second quarter of 2026, which is planned to be financed from existing debt facilities. As part of the going concern assessment, separate base case, sensitivities and reverse stress tests have been run on the enlarged group forecasts, which are supported by Harbour's acquisition due diligence work, and show that the probability of a liquidity deficit or covenant breach is remote.

The base case indicates that the Group is able to operate as a going concern with sufficient headroom and remain in compliance with its loan covenants throughout the assessment period.

In line with the principal risks that have been identified to impact the financial capability of the Group to operate as going concern, a single downside sensitivity scenario has been prepared reflecting a reduction throughout the entire assessment period in:

- Brent crude, UK natural gas and European TTF gas prices of 20 per cent; and
- the Group's unhedged production of 10 per cent.

Management considers this represents a severe but plausible downside scenario appropriate for assessing going concern and viability.

In this downside scenario when applied to the base case forecast, the Group is forecast to have sufficient liquidity headroom throughout the going concern assessment period and to remain in compliance with its financial covenants.

Reverse stress tests have been prepared reflecting reductions in each of commodity price and production parameters, prior to any mitigation strategies, to determine at what levels each would need to reach such that either the lending covenants are breached or liquidity headroom runs out. The results of these reverse stress tests demonstrated the likelihood that a sustained significant fall in commodity prices or a significant fall in production over the assessment period that would be required to cause a risk of funds shortfall or a covenant breach is remote.

Taking the above analysis into account and considering the findings of the work performed to support the statement on the long-term viability of the company and the Group, the Board was satisfied that, for the going concern assessment period, the Group is able to maintain adequate liquidity and comply with its lending covenants up to 31 December 2027 and has therefore adopted the going concern basis for preparing the financial statements.

For further information on the work performed on the long-term viability of the company and the Group refer to page 71.

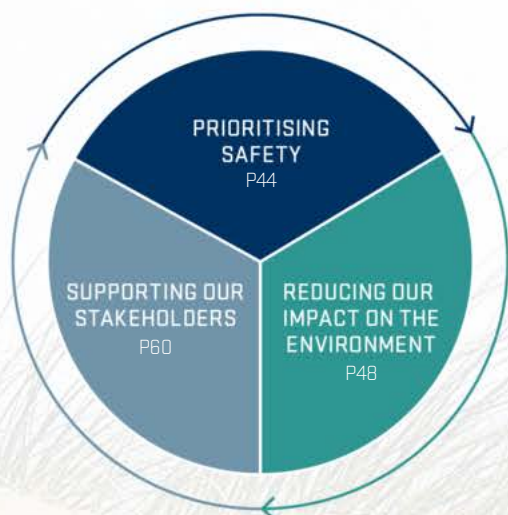
By order of the Board,

Alexander Krane
Chief Financial Officer

Our sustainability approach

Our purpose is to play a significant role in meeting the world's energy needs through the safe, efficient and responsible production of hydrocarbons, while creating value for our stakeholders. In support of this, we are guided by our approach to sustainability.

OUR SUSTAINABILITY REPORTING FRAMEWORK



PRIORITISING SAFETY

Committed to the safety and wellbeing of everyone who works for and with Harbour

- We promote a proactive safety culture across our global operations
- We maintain robust health and safety management systems
- We drive continuous improvement and are working towards the goal of zero incidents

REDUCING OUR IMPACT ON THE ENVIRONMENT

Environmental management underpins our operating model and guides our activities

- We actively manage and reduce emissions across our operated assets
- We are investing in CO₂ storage and hold a leading position in European and UK CCS projects
- Our decisions and procedures reflect our commitment to manage environmental impact

SUPPORTING OUR STAKEHOLDERS

Respectful, fair and transparent with our employees, communities, investors and other stakeholders

- We respect human rights and uphold the highest ethical and governance standards
- We support community development and promote responsible supply chain practices
- We foster diversity, equity and inclusion across our workforce

Sustainability governance

We continue to embed sustainability into our governance, risk management and decision-making processes. In 2025, oversight remained robust through regular reviews by the Board, the Board's Health, Safety, Environment and Security (HSES) Committee and the Leadership Team. We maintained our use of internal and external audits and participated in ESG ratings and benchmarking exercises to assess performance and identify opportunities for improvement.

With our expanded geographical footprint, we rolled out a global sustainability standard and updated our sustainability policy, which sets out minimum requirements for managing sustainability within Harbour Energy and expectations regarding our three sustainability pillars – prioritising safety, reducing our impact on the environment and supporting our stakeholders.

Our policies are designed to set clear expectations for all operations while enabling business units to tailor implementation to reflect local conditions, cultures and regulatory environments. This ensures consistency in our principles and adaptability in implementation, supporting safe, responsible and sustainable operations across our regions.

About our data and reporting boundaries

We align our sustainability reporting with recognised international frameworks, including the Global Reporting Initiative (GRI), Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB), CDP (formerly the Carbon Disclosure Project), Ipieca (the global oil and gas association for advancing environmental and social performance across the energy transition), the United Nations Sustainable Development Goals (SDGs) and the UN Global Compact (of which we are a signatory). These standards guide our disclosures and support transparency and comparability. In addition, we are preparing to comply with the upcoming UK Sustainability Reporting Standards (UK SRS), ensuring our disclosures meet evolving national expectations alongside international best practice.

All environmental and safety data in this section of the report, unless noted otherwise, relates to the performance and activities of our Harbour-operated assets, and is reported on a 100 per cent basis regardless of our ownership interest in each asset.

How we report



MARGARETH ØVRUM
HSES COMMITTEE CHAIR



By integrating both financial and sustainability considerations, double materiality shifts the focus from short-term profits to long-term value creation.

For the 2025 reporting cycle, a DMA-aligned approach creates clearer communication of our sustainability priorities and enables stakeholders to better understand how Harbour Energy is managing its most significant environmental, social and governance issues. The process and outcomes of the assessment were reviewed and endorsed by the Board and the HSES Committee, reinforcing governance oversight and accountability, and were integrated into, and informed, the company's wider enterprise risk management processes.

Looking ahead, we will continue to refine our materiality processes annually, taking into account evolving stakeholder expectations and emerging sustainability risks. Our goal is to ensure that our disclosures remain relevant, reliable and aligned with best practice, while supporting Harbour Energy's long-term resilience and value creation.

Double materiality assessment (DMA)

In 2025, we strengthened our sustainability reporting by embedding a double materiality approach across our governance, risk management and disclosure processes. This approach enables us to assess both how sustainability matters affect Harbour Energy financially (financial materiality) and how our activities impact the environment and society (impact materiality). It forms the foundation of readiness for our alignment with the European Sustainability Reporting Standards (ESRS) and the Corporate Sustainability Reporting Directive (CSRD).

What does our assessment tell us?

Our assessment incorporated input from across our global operations, including newly integrated business units, and considered value chain impacts. We applied both qualitative and quantitative thresholds to determine materiality and ensured that stakeholder perspectives were reflected throughout the process. Engagement included structured interviews, cross-functional workshops and leadership reviews, involving investors and employees.

Context

A double materiality assessment is the essential first step towards CSRD compliance and enables organisations to focus their subsequent efforts on the sustainability matters that are most relevant to them and their stakeholders.



DMA AND METHODOLOGY

How we conducted the double materiality assessment process



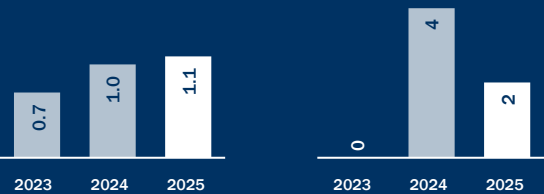


PRIORITISING SAFETY

FOCUS AREAS IN 2025

- Strengthening safety culture by aligning practices and sharing lessons learned following completion of the Wintershall Dea acquisition
- Reducing HSES risks across our global portfolio through standardised assessments and reinforced barriers
- Enhancing security capacity by implementing increased minimum requirements to mitigate risks across operations
- Ensuring compliance by tailoring our reporting capabilities to meet the requirements of the integrated organisation

Total recordable injury rate (TRIR) per million hours worked **Process safety events** number of Tier 1 & 2 events¹



1 One Tier 1 and one Tier 2 event (2025); one Tier 1 and three Tier 2 events (2024).



ALAN BRUCE
EVP TECHNICAL SERVICES

CHIEF EXECUTIVE OFFICER'S
STATEMENT PAGE 8
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PAGE 99



Safety is central to how we operate. Following the Wintershall Dea acquisition, we aligned and reinforced core safeguards across our global operations. In 2026, we will continue to systematically strengthen our defences to reduce risk and drive continuous performance improvement.

We continue to prioritise the wellbeing of our workforce and the integrity of our operations, embedding safety into every aspect of our business and striving to reduce the likelihood and severity of process safety events.

Our health, safety, environment and security (HSES) policy is implemented through our business management system (BMS) and HSES standard, which set consistent procedures to reduce the likelihood and severity of safety incidents.

Health and safety performance, including total recordable injury rate and process safety events, is tracked through our corporate scorecard and directly influences annual bonus outcomes for all employees, including executive directors.

Oversight is provided by the Board and the HSES Committee, supported by our CEO, Chief Operating Officer (COO), EVP Technical Services and other members of the Leadership Team. HSES performance is reviewed both weekly and monthly, with safety also addressed in Operating Committee Meetings and quarterly business reviews. We engage regularly with employees and contractors to assess perceptions of our safety culture, including through engagement surveys.

We collaborate with industry bodies such as the International Association of Oil & Gas Producers and the Energy Institute to share insights and improve safety performance.

As a significant portion of our operations is delivered through contractors and suppliers, strong oversight of outsourced activities remains essential to maintaining safe and responsible performance. We apply risk-based HSES assessments during contractor pre-qualification and throughout the contract lifecycle. Performance is monitored against key indicators including safety, cost, schedule, quality, greenhouse gas emissions management and working relationships. Many contractors undergo audits during the contract term to ensure standards are upheld. For more on our responsible supply chain practices, see page 61.

Occupational health and safety

Approach

Committed to ensuring the health and safety of everyone working with Harbour Energy, we set clear expectations and consistently apply our policies, standards and procedures. This is reinforced through training, competency assessments and performance tracking against internal targets and industry benchmarks. Safety performance and lessons learned are regularly shared at global town halls, team meetings and employee events. Following the integration of the Wintershall Dea assets, we reviewed and adapted key standards to reflect our expanded and more diverse portfolio.

Performance

In 2025, we recorded 15 million hours worked and 16 recordable injuries, resulting in a total recordable injury rate (TRIR) of 1.08. These figures reflect the full-year inclusion of our expanded operating regions. The outcome represents a marginal increase from the TRIR of 1.02 in 2024, and has prompted targeted actions to sustain and improve our safety performance.

A SPOTLIGHT ON: OUR CEO SAFETY AWARDS

The CEO Safety Awards celebrate outstanding contributions to safety across our global operations and are open to individuals and teams, including both employees and contractors. Nominations are submitted by colleagues who wish to recognise exemplary safety performance, whether through sustained injury-free operations, proactive interventions to stop work and raise concerns, or innovations in working practices or facility design that reduce safety risks.

In 2025, a total of 76 nominations were submitted (2024: 114). While all nominees demonstrated commendable commitment to safety, the winners and runners-up in each category were selected for their exceptional impact.

Each winner and finalist selected a charity to receive a cash donation from Harbour, reinforcing our commitment to both safety and community support.

Team category

- The winning team was the UK Solan offshore team, recognised for delivering an entire life of field, 13 years and two million hours worked, without a recordable incident
- Runners-up included the German Business Unit team for achieving a significant improvement in safety performance, and the Libya wellhead and gas leak detection campaign project team for demonstrating strong HSES leadership and responsible operatorship

Individual category

- The individual winner was Michael Wagner in Germany, acknowledged for outstanding safety leadership and operational excellence through his management of the Start Work Check pilot implementation
- Runners-up included Stephan Albrecht in Mexico for decisive action and championing Harbour's safety culture, and Siri Sandvik in Norway for life-saving intervention and demonstrating Harbour's values in practice



Safety metrics

	2025	2024	2023
Recordable injuries[^]	16	14	7
• Fatalities	0	0	0
• Lost work day cases	7	4	0
• Restricted work day cases	8	9	3
• Medical treatment cases	1	1	4
Total recordable injury rate (TRIR)^{1^}	1.08	1.02	0.70
High potential incidents (HiPo)^{2^}	10	12	3
High potential incident rate (HiPoR)^{3^}	0.7	0.9	0.3
Hours worked (million)[^]	14.8	13.7	10.2
Work-related occupational illness	0	1	0
Tier 1 process safety events[^]	1	1	0
Tier 2 process safety events[^]	1	3	0
Tier 3R process safety events⁴	8	4	
Emergency response exercises	70	60	42
Incident management or emergency management team mobilisations	1	9	2

1 Total number of recordable work-related injuries divided by the number of hours worked (per million hours worked).

2 High potential incidents are work-related incidents with a high probability of causing a high-consequence injury.

3 Total number of high potential incidents divided by the number of hours worked (per million hours worked).

4 We included this metric in our scorecards for the first time in 2025. Tier 3R events have lesser consequences than Tier 1 and 2 events.

[^] Indicates metrics that have undergone limited external assurance by Ernst & Young LLP (EY). High potential incidents (HiPo) and high potential incident rate (HiPoR) were externally assured for the first time for 2025 data.

SUSTAINABILITY REVIEW CONTINUED

All incidents were investigated based on potential reasonable worst-case outcomes, with findings shared to support continuous improvement. We are committed to reducing the risk of high-potential events by enhancing risk insight, reinforcing our barriers, and assuring they work as intended. In 2025 we launched targeted initiatives to strengthen safety performance across our global operations, with a focus on contractor engagement, process safety and leadership visibility.

Looking ahead

In 2026, we plan to:

- Roll out the start work check standard globally
- Enhance contractor safety performance
- Advance occupational health initiatives, including training on best practice toolbox talks and developing a human factors awareness programme

Health and wellbeing

Approach

We are committed to protecting and promoting the health and wellbeing of everyone who works with us. Our approach is grounded in proactive risk management and continuous improvement. As our operations grow, we continue to strengthen our occupational health systems, integrating global standards and local relevance.

Performance

In 2025, we focused on protecting the health and wellbeing of our workforce, particularly as our footprint expanded following the Wintershall Dea acquisition. We developed a global health strategy and an occupational health and welfare standard aligned to our BMS, covering areas such as disease prevention, mental health and equitable access to care.

Looking ahead

In 2026, we plan to:

- Roll out our global health strategy and occupational health and welfare standard
- Deploy minimum occupational health requirements globally, scaling up behaviour-change programmes
- Enhance communicable-disease readiness in higher-risk regions

Process safety

Approach

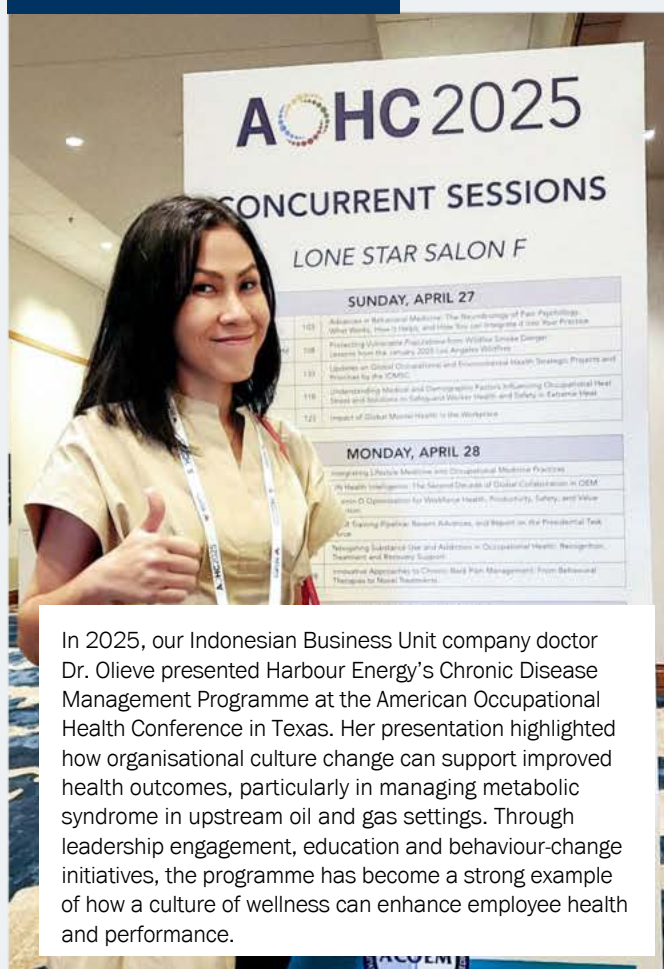
We strive for process safety excellence and seek continuous improvement in our management processes to reduce the likelihood and potential severity of process safety events.

In 2025, we focused on integration of our BMS and defining our approach to major accident hazard (MAH) management while ensuring that we retained existing best local approaches as well as alignment with good industry practice.

We continued our portfolio-wide review of major hazard risk. Following the initial screening review in 2024, we conducted site-based MAH audits of selected assets and subsequently developed prioritised plans to strengthen compliance with our corporate major accident prevention policy (CMAPP). We ensured adequate support and resources to implement the plans.

Our site-based MAH awareness training was delivered to almost 300 personnel working across our global business units and in corporate technical services and was also attended by two of our non-executive Board members. We continued to embed our process safety fundamentals (PSF), which contain key actions to reduce high severity process safety events, into our procedures and practices and developed training materials to support communication.

A SPOTLIGHT ON: EXCELLENCE



In 2025, our Indonesian Business Unit company doctor Dr. Olieve presented Harbour Energy's Chronic Disease Management Programme at the American Occupational Health Conference in Texas. Her presentation highlighted how organisational culture change can support improved health outcomes, particularly in managing metabolic syndrome in upstream oil and gas settings. Through leadership engagement, education and behaviour-change initiatives, the programme has become a strong example of how a culture of wellness can enhance employee health and performance.

We investigate all process safety incidents and near misses, regardless of severity, and share learnings through safety bulletins and monthly global safety meetings with onshore and offshore teams, applying insights gained to strengthen barriers and prevent recurrence. High-potential events receive particular focus, with findings shared with the Leadership Team and the Board's HSES Committee.

Performance

We classify process safety events according to IOGP Tier 1 and Tier 2 definitions for losses of primary containment (LOPC), where Tier 1 events have the greatest potential consequences. In 2025, we recorded one Tier 1 process safety event and one Tier 2 process safety event in Mexico.

We also continued to use our Tier 3R process safety metric (involving smaller LOPC events) and registered eight of these during 2025. All of these events are included on our corporate scorecard, impacting the annual bonus determination for all employees.

Overall performance of ten recordable process safety events remained broadly stable compared to eight cases in 2024, equating to a lower incident rate relative to our expanded scale, reflecting robust integration of safety systems and sustained high-consequence event control.

We conducted further work to integrate our processes and tools for robust and consistent incident reporting and investigation and made significant progress towards a single integrated HSES risk management system to be implemented in 2026.

Assessment of the effectiveness of our MAH barriers is included in the scope of our HSES auditing. In 2025 we conducted independent second-line-of-defence HSES audits across our operational sites as planned in our rolling three-year HSES audit schedule. We also carried out first-line-of-defence (self-monitoring) audits and field verifications.

To reinforce our focus on process safety, we increased specialist capability across corporate and business unit teams and advanced improvement programmes for our operated assets in Germany and Mexico. These programmes strengthen our understanding and management of major accident hazards through systematic hazard reviews, improved MAH risk assessments and enhanced assurance of the critical barriers that protect people, the environment and our facilities.

Looking ahead

In 2026, we will:

- Continuously improve MAH management processes and practices at our operated assets consistent with industry good practice and strengthen the organisation's CMAPP compliance
- Continue to build appropriate MAH awareness across the organisation and embed the Harbour PSFs into our operations
- Improve our process safety reporting maturity with appropriate focus on leading metrics related to barrier health

Emergency preparedness and crisis management

Approach

We maintain robust emergency preparedness across our global operations, supported by clear procedures, trained personnel and effective response systems. We operate a standardised emergency response and crisis management structure, with dedicated teams available to manage operational, tactical and strategic events. Supporting standards define our procedures for crisis management, emergency response, oil spill preparedness, security and business continuity. Following the Wintershall Dea transaction, we enhanced our internal emergency management systems and consolidated strong practices from both organisations. This included updates to our standards and improved integration across business units.

Performance

During the year, there was one event that resulted in the mobilisation of emergency management teams. We conducted 70 emergency response exercises, including oil spill drills and cross-functional simulations to test communication and coordination. We had no significant incidents across the portfolio. We strengthened our capability to manage critical response information during emergencies through the successful re-launch of the F24 Crisis Information Management system, now fully integrated across all business unit and corporate crisis teams.

Looking ahead

In 2026, we plan to:

- Strengthen business continuity planning
- Enhance responder capability through incident-specific response playbook and Group competency training matrices
- Further develop our emergency management systems

Physical security

Approach

Our security standard sets out how we manage physical, personal and travel security risks in line with our HSES policy. As a critical

infrastructure operator within the energy sector, we are committed to implementing a comprehensive, risk-based security programme designed to protect our facilities, supply chains and stakeholders from evolving threats.

Performance

We continued embedding security practices across all levels of the organisation to protect our people, ensure operational continuity and safeguard our infrastructure. This included collaborating externally through industry and security intelligence networks and establishing an internal skills network that connects security experts, shares insights and promotes good practice across the business. We also carried out targeted security exercises to test response arrangements and strengthen preparedness.

There have been no material physical security incidents affecting Harbour in 2025.

Looking ahead

In 2026, we will:

- Roll out a security risk assessment procedure to standardise our approach to how we identify, assess and mitigate security risks across the business
- Enhance security competency across the business through training, exercises and information sharing networks
- Systematically track key security metrics to proactively identify emerging trends and strengthen barriers

Cyber security

Approach

Oversight for cyber security is provided by the Board and the Audit and Risk Committee. We continue to manage cyber risk through a proactive approach centred on resilience, early detection and robust governance. In 2025, we focused on AI-driven threats and reinforced controls across the supply chain while ensuring conformance to new regulatory frameworks. Our cyber security team monitors threats in real time, validates security controls and conducts technical exercises to strengthen resilience. Cyber protections, such as safeguarding data, robust access controls and prompt incident reporting, are embedded in supplier contracts.

We deliver extensive cyber security training and awareness programmes to our employees, promoting a strong security culture and empowering them to safeguard Harbour Energy's digital assets. In parallel, we run regular incident response and tabletop-style exercises to rehearse decision-making, validate our plans and strengthen organisational resilience.

Performance

We experienced no major cyber incidents or data breaches in 2025. However, the risk of supply chain attacks has increased, driven by the complexity of third-party networks and the tactics of threat actors targeting vendors. Industry-wide incidents have highlighted the potential for operational disruption and reputational harm, reinforcing our need to remain vigilant.

Looking ahead

In 2026, we will:

- Enhance our cyber resilience through targeted exercises and technical control reviews
- Continue to focus on anticipating emerging risks, protecting our people and assets
- Continue to aim to maintain stakeholder trust in an increasingly complex digital environment

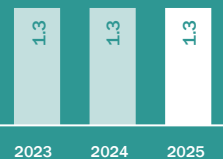


REDUCING OUR IMPACT ON THE ENVIRONMENT

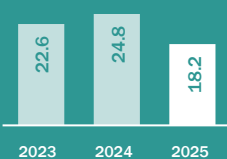
FOCUS AREAS IN 2025

- Advancing emissions reduction initiatives across our operated assets
- Progressing development and permitting of key CCS projects
- Strengthening environmental compliance and assurance across our regions
- Advancing biodiversity management and environmental assessment processes

Scope 1 and 2 emissions¹
mtCO₂e



GHG intensity¹
kgCO₂e/boe



1 Reported on a gross operated basis. Intensity metric is based on Scope 1 and Scope 2 (market-based) emissions.



GRAEME DAVIES
EVP CCS

OUR BUSINESS MODEL PAGE 12
OUR STRATEGY PAGE 14
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PAGE 99



We are committed to conducting our operations in an environmentally responsible manner and remain in support of the goals of the Paris Agreement. Harbour Energy has a leading position in the development of the CCS industry in Europe which can materially support the climate ambitions of both the UK and several European countries.

We are committed to addressing the environmental impact of our operations and contributing to the energy transition.

Through responsible resource management, emissions reduction and investment in CCS, we aim to operate sustainably while supporting broader climate and environmental goals.

We manage our environmental impacts by applying recognised practices such as the mitigation and waste hierarchies, the precautionary principle, best available techniques and the ISO 14001 environmental management standard. These are embedded within our governance, risk and performance frameworks. We are committed to transparent disclosure and update our performance data annually in our ESG datasheet, available on our website.

Climate change and the energy transition

Following the integration of the Wintershall Dea assets, we reassessed our greenhouse gas (GHG) strategy to reflect our enlarged operated portfolio. We continue to prioritise near-term action and have maintained our short- and medium-term targets, including a 50 per cent reduction in Scope 1 and 2 emissions by 2030 against a 2018 baseline, alongside targets for methane intensity and the elimination of routine flaring (see page 49).

In 2025 we achieved the first of our mid-term targets of less than 0.2 per cent methane emissions intensity and reduced our GHG intensity from 24.8 to 18.2 kgCO₂e per barrel of oil equivalent.

We achieved these through targeted reduction projects and operational efficiencies, as well as through positive portfolio management by divesting high-intensity assets.

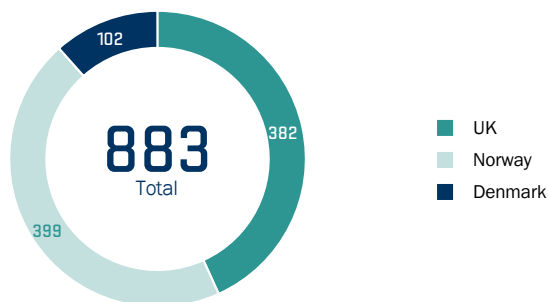
Over the longer term, we aspire to achieve net zero for our gross operated Scope 1 and 2 CO₂e emissions by 2050. This approach aligns with sector pathways and allows for the adoption of emerging technologies. Our interim targets provide a credible route to net zero and, where necessary, we will mitigate residual emissions through the use of independently verified carbon credits.

We will continue to review our approach regularly to account for changes in our portfolio and conduct energy audits to identify opportunities for improving performance.

To support the energy transition, we continue to invest in carbon capture and storage (CCS). Our projects have the potential to store several times our gross operated Scope 1 and 2 emissions by early next decade, and more than our equity share of Scope 1, 2 and 3 emissions by 2050. We also recognise the importance of a just transition, as set out in the Paris Agreement – one that brings positive economic and social benefits such as providing jobs and supporting the livelihoods of local communities.

We spent \$579 million across our energy transition activities in 2025 (2024: \$366 million), including \$374 million on decommissioning idle oil and gas wells and facilities, \$116 million on CCS, \$83 million on emissions reduction and \$6 million on verified carbon credits.

Total net CO₂ storage resources¹
mtCO₂



1. Based on management estimates, with >60 per cent independently verified.

Emissions reduction

We continued to mature and deliver our atmospheric reduction action plans across our operated portfolio, identifying and progressing opportunities that support our decarbonisation goals. These initiatives are assessed against criteria including emissions impact, technical feasibility, cost and implementation timeframe, and are integrated into our business planning.

In 2025, we advanced a range of emissions reduction projects, including:

- In Germany, we installed hot water injection systems to replace steam injection in District West (see page 34)
- In the UK, we conducted additional studies on Greater Britannia Area, J-Area, Armada and North Everest to identify the optimum zero routine flaring strategy for each asset

We are also working with our partners to reduce emissions. For example, connecting the Aguada Pichana Este asset in Argentina, operated by TotalEnergies, to the electricity grid will reduce fuel gas consumption for power generation. This was completed in 2025, and is expected to result in a reduction of around 26 ktCO₂e per year on a gross basis.

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

We continue to support the need for consistent, transparent and comparable disclosure of climate-related risks and opportunities. Pages 49 to 59 of this report are aligned with the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD), in accordance with the Financial Conduct Authority's UK Listing Rules 6.6.6(8).

We consider our TCFD reporting to be compliant with the disclosure requirements of section 414CB of the Companies Act. For a summary of our alignment with the TCFD framework, please refer to our TCFD index on page 67.

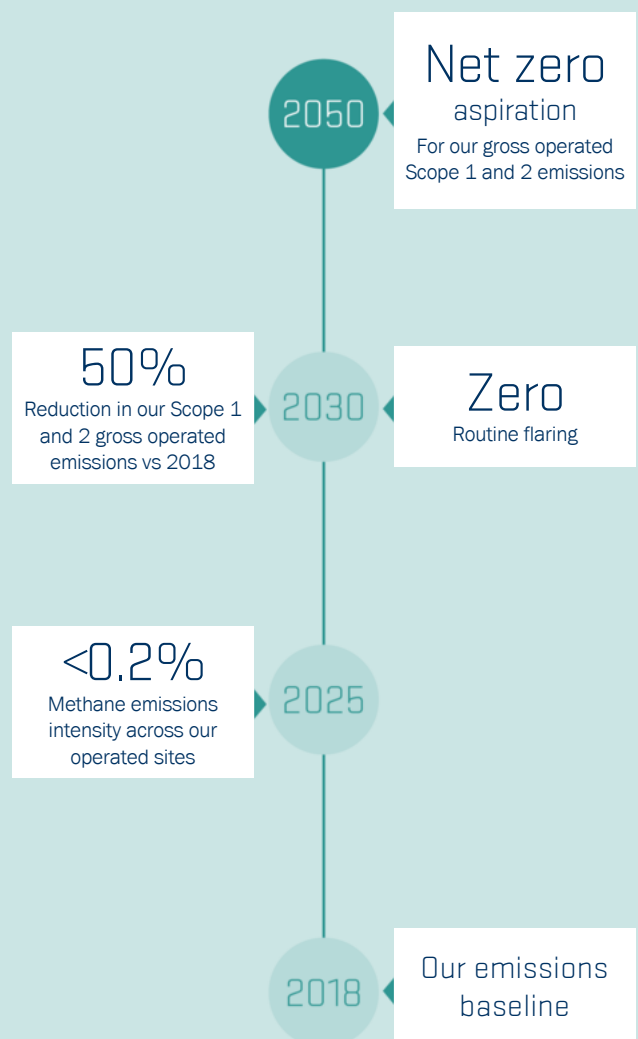
A SPOTLIGHT ON: NET ZERO

2025 achievements

- ✓ Consolidated our GHG forecasting and reporting to include the expanded portfolio
- ✓ Submitted our OGMP 2.0 integration plan and first annual methane report to the United Nations Environment Programme
- ✓ Achieved our methane intensity target of less than 0.2 per cent across our operated sites

2026 plans

- ⊕ Launch our atmospheric emissions management standard to ensure consistency in our approach across Harbour
- ⊕ Execute the OGMP 2.0 measurement programme for material operated assets
- ⊕ Focus on emission reduction activities at our operated sites where they also bring improved efficiencies



1. Climate governance

The Board is accountable for Harbour’s climate strategy, overseeing climate-related risks and opportunities, and ensuring effective internal controls and risk management systems are in place. This includes setting and monitoring GHG emissions reduction targets and applying financial criteria – such as our internal carbon price – across investment decisions.

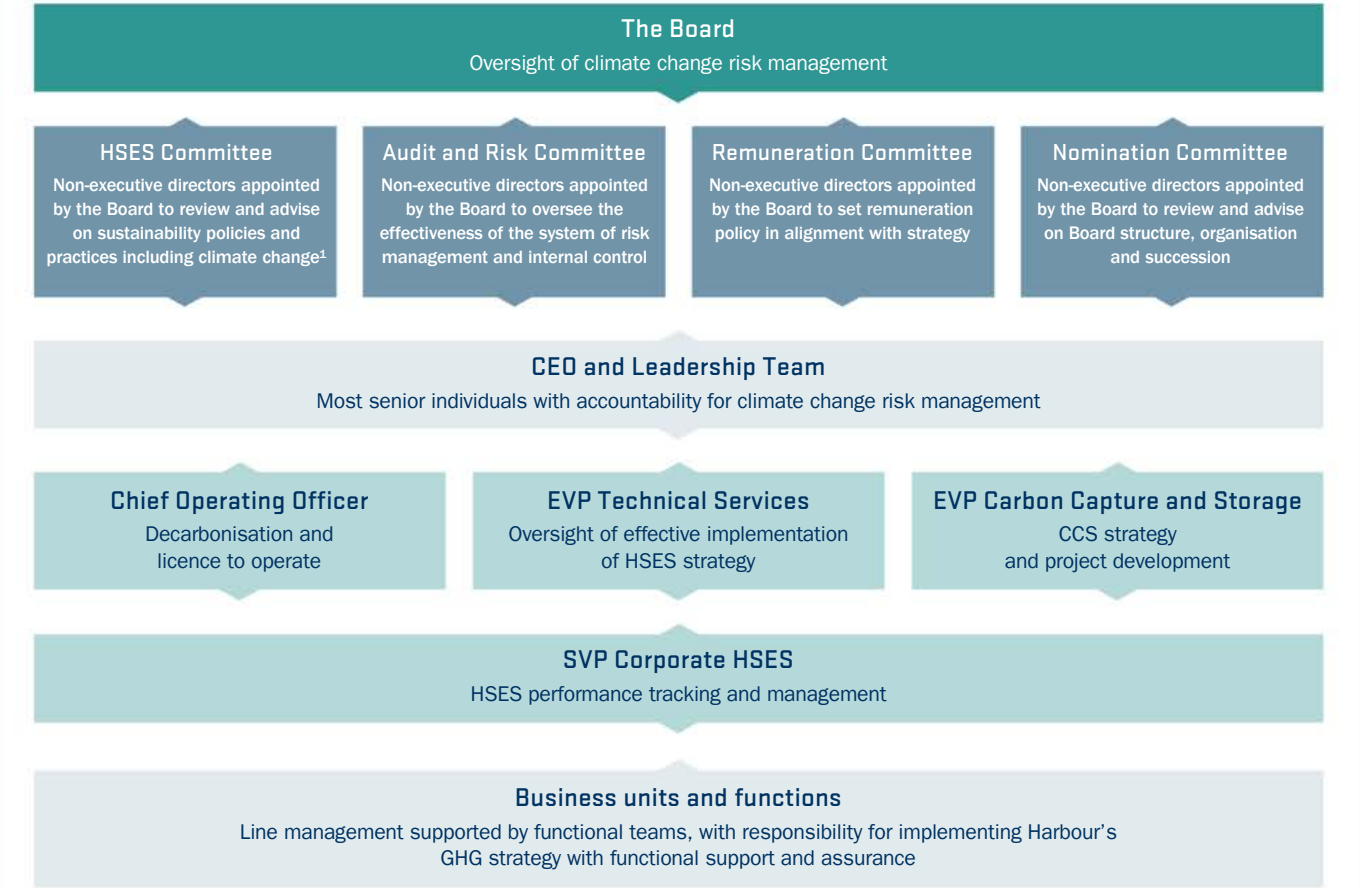
The HSES Committee evaluates our policies, reporting integrity and management systems for handling current and emerging HSES risks, including climate-related risks. It reviews progress against our GHG strategy and updates the Board annually. For further detail, see pages 99 and 100.

A climate-related target (GHG emissions) is incorporated into our annual bonus scheme, with oversight from the Remuneration Committee and input from the HSES Committee. The Audit and Risk Committee supports the Board by assessing the energy transition’s impact on Harbour’s long-term resilience and financial statements. See note 2 on pages 139 to 143 for more information.

Executive responsibility for sustainability lies with our CEO and COO, supported by the EVP Technical Services, and with the EVP CCS for CCS strategy and project execution.



A SPOTLIGHT ON: CLIMATE CHANGE MANAGEMENT



1 The skills and experience of the directors serving on the HSES Committee are set out on pages 85 and 86.

2. Climate strategy

In line with TCFD guidance, we assess the actual and potential impacts of climate-related risks and opportunities on our business, strategy and financial planning. Scenario analysis is a key part of this process, with outcomes summarised on pages 51 to 53.

Climate-related risks and opportunities

We updated our scenario analysis in 2025 to reflect our enlarged portfolio. This included reviewing 2024 outputs and evaluating macroeconomic shifts, technology developments, policy and legal changes, and future demand projections.

We identified key climate-related risks and opportunities (CRROs) and assessed the long-term resilience of our assets. This process is guided by our sustainability policy and aligned with our risk management framework.

Assessing our climate-related impacts

In accordance with TCFD recommendations, we tested our portfolio against six scenarios – three focused on transition risks and three on physical risks. These include pathways aligned with limiting global warming to well below 2°C, which typically involve reduced fossil fuel demand and increased adoption of clean technologies.

Timeframe selection

We assess CRROs across three timeframes, reflecting the expected operational life of our assets and our net zero by 2050 aspiration. Transitional risks are evaluated over shorter horizons, while physical risks are assessed for 2030, 2040 and 2050.

Assets with a cessation of production (COP) between 2025 and 2030 were assessed using baseline and 2030 (short-term) scenarios. Assets with COP dates to 2045 were assessed using baseline, 2030 (short-term) and 2040 (medium-term) scenarios. Finally, assets with COP dates from 2045 to 2060 were assessed using baseline, 2030 (short-term), 2040 (medium-term) and 2050 (long-term) scenarios.

Scenario analysis

To evaluate portfolio resilience, we identified key CRROs based on our principal risks and external sources including Ipieca, the IEA and the World Bank. We assessed each CRRO's consequence severity and likelihood across scenarios and timeframes, applying a consistent methodology.

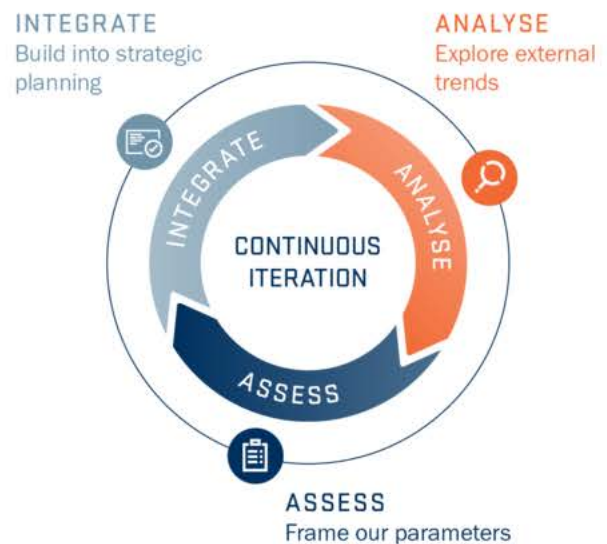
Transitional risks were considered regionally and globally, while physical risks were assessed regionally to reflect localised impacts. The highest-rated risks and opportunities are summarised in the tables on pages 52 and 53. For oil and gas price sensitivity analysis, see note 2 on pages 139 to 143.

A SPOTLIGHT ON: CLIMATE CHANGE METHODOLOGY



Approach

We assess both transitional and physical risks as part of our scenario analysis process over the short term (2030), medium term (2040) and long term (2050).



SUSTAINABILITY REVIEW CONTINUED

Transition risks

In 2025, we conducted oil, gas and carbon price sensitivity analysis across three transition scenarios to assess the resilience of our business to potential climate-related impacts. These scenarios were compared against our long-range plan, approved by the Board, to evaluate alignment and exposure.

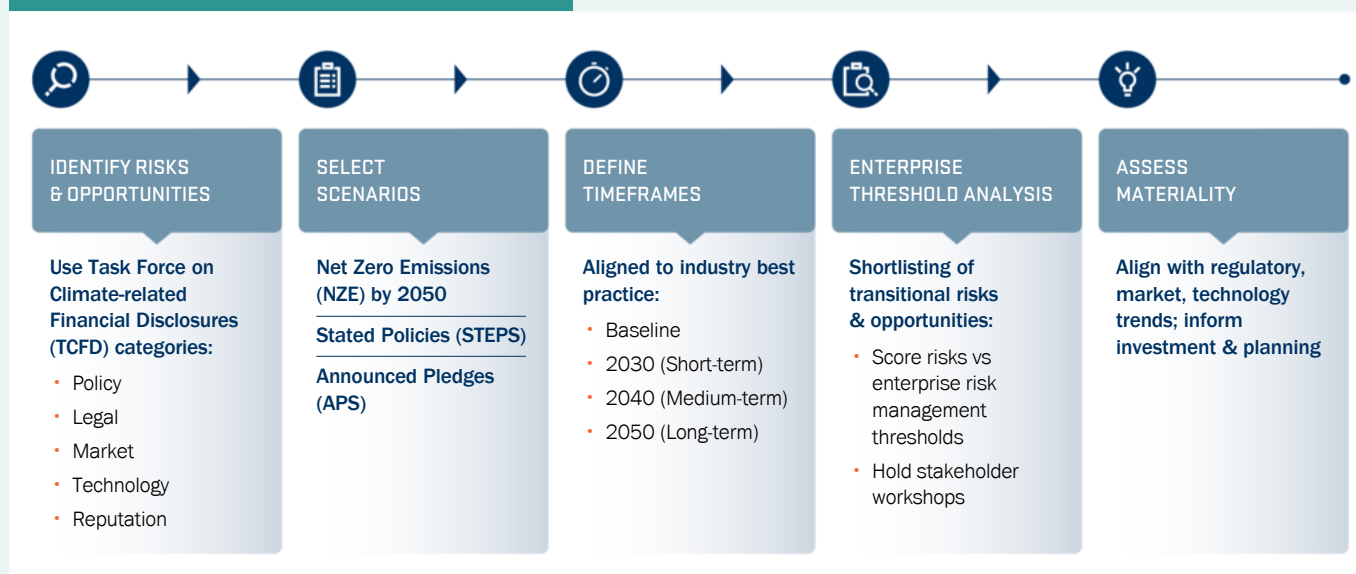
No material impairments were identified through the analysis, indicating that our portfolio remains broadly resilient across the scenarios assessed.

For further detail on the financial implications of transition risks, refer to note 2 in the financial statements on pages 139 to 143.

Mitigating climate-related risks includes identifying opportunities to apply technological innovation and operational efficiency to reduce energy use and GHG emissions. We also work with partners to explore emission reduction opportunities.

The scenarios reflect the unmitigated impact of key transition risks and opportunities. While inherently uncertain, they provide valuable insight into potential outcomes and inform our strategic planning.

TRANSITION RISK APPROACH & METHODOLOGY



CATEGORY	Risk	Opportunity	Risk/Opportunity
Description	Reduced demand for fossil fuels due to regulation or shifting consumer preferences could impact revenue and asset value.	Growing demand for clean technologies presents a chance to build a leading CCS position.	Higher energy prices may boost returns and enable greater investment in transition technologies.
Timeframes	S M L	S M L	S M L
Scenarios	STEPS APS NZE	STEPS APS NZE	STEPS APS NZE
Impact on business strategy and financial planning	A drop in oil prices could affect cash flow and returns, though no sharp decline is expected. We monitor markets and adjust strategy to stay resilient.	CCS is growing, driven by carbon prices, offering long-term revenue and job protection.	Higher prices support investment in high-return projects and CCS, strengthening planning and shareholder value.
How the risk/opportunity is managed	- Regularly reviewing our business model to reflect energy transition scenarios - Maintaining a balanced oil and gas portfolio to manage volatility - Investing in CCS, leveraging existing infrastructure to reduce costs	- Operating a leading European CCS portfolio, including Viking (UK), Greensand Future (Denmark), and other potential projects - Advancing CCS through a dedicated business unit - Prioritising the most viable projects	- Prioritising high-return and low-carbon investments - Allocating increased revenue to growth, debt reduction and shareholder returns - Maintaining strategic agility

S Short-term (2030) **M** Medium to long-term (2040) **L** Long-term (2050)

Physical risks

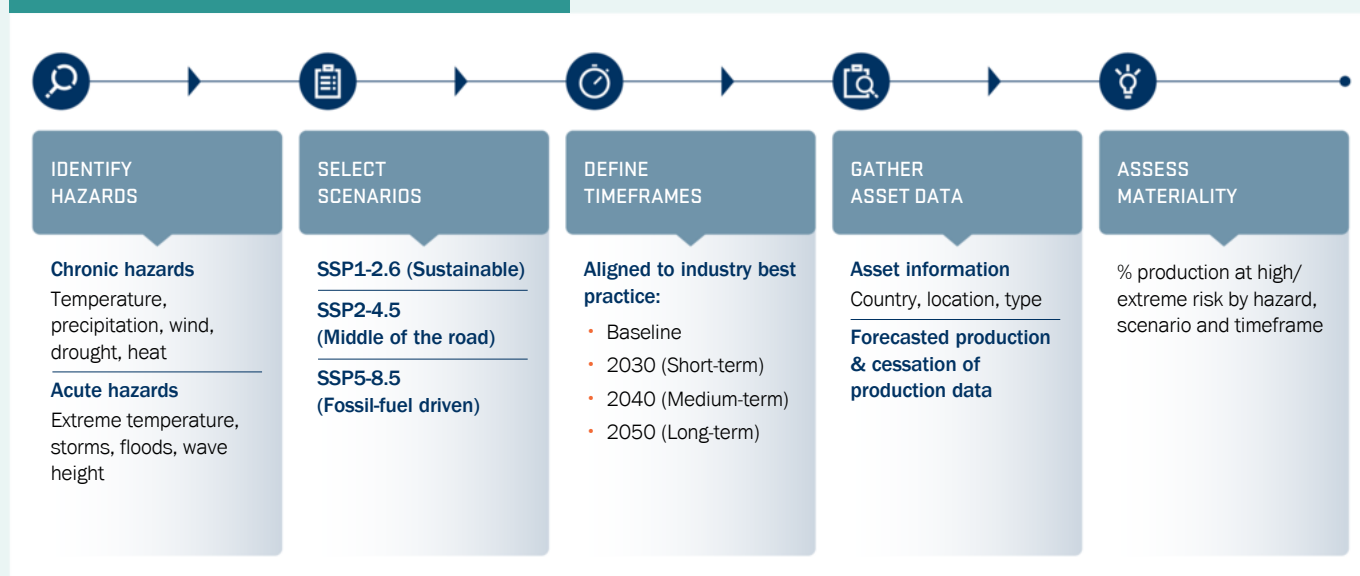
We assessed acute and chronic physical climate hazards through scenario analysis, estimating the percentage of production potentially exposed to high or extreme risks across different timeframes and scenarios. The most significant hazards are summarised in the graphic and table below.

The analysis indicated that heat stress has become slightly more relevant for us due to the addition of onshore assets, though exposure levels remain broadly consistent across scenarios.

Exposure to certain hazards increases notably under the SSP5-8.5 scenario by 2050 compared to baseline conditions. However, actual impact depends on factors such as asset design, location and operating practices. All our operated assets are built to withstand severe weather and comply with applicable regulatory standards.

Given the current resilience of our portfolio, we do not expect increased hazard exposure under future scenarios to materially affect our business. We will continue to monitor climate-related risks and update our assessments as needed.

PHYSICAL RISK APPROACH & METHODOLOGY



CATEGORY	Chronic change in temperature						Extreme precipitation						Heat stress					
Description	Long-term rise in average global temperature.						More frequent/intense rainfall events.						High temperature/humidity affecting health and productivity.					
Countries	Algeria, Argentina, Germany, Libya, Mexico, Norway, the UK						Indonesia, Mexico, Norway, the UK						Algeria, Egypt, Libya, Mexico					
Impact on business strategy and financial planning	Higher cooling costs, shifts in energy demand, long-term planning adjustments.						Flooding disrupts operations and supply chains; higher maintenance, delays and insurance costs.						Reduced productivity, increased health risks, higher cooling and protective costs.					
Timeframes	M		L				S		M				S		M			
SSP scenarios	1-2.6	2-4.5	5-8.5	1-2.6	2-4.5	5-8.5	1-2.6	2-4.5	5-8.5	1-2.6	2-4.5	5-8.5	1-2.6	2-4.5	5-8.5	1-2.6	2-4.5	5-8.5
Potential exposure ¹	25.0%	27.3%	53.8%	9.6%	98.9%	100%	48.9%	41.2%	43.8%	33.6%	34.2%	34.2%	15.1%	15.1%	15.1%	25.3%	25.3%	25.3%
How the risk is managed	- Implementing advanced cooling technologies and infrastructure upgrades - Adjusting operational schedules to mitigate temperature changes - Conducting regular scenario analysis to anticipate and plan for long-term climate shifts						- Enhancing flood defences and infrastructure resilience - Developing contingency plans for extreme weather events - Investing in robust supply chain management and alternative logistics solutions						- Implementing heat stress management programmes and providing adequate protective equipment - Adjusting work schedules to avoid peak heat periods - Investing in cooling systems and facilities to ensure safe working conditions					

0-33% 34-66% 67-100%

1 Estimated production volume % exposed to high or extreme risk.

3. Climate risk management

The Board recognises climate change and the energy transition as principal risks to Harbour’s long-term resilience. Transition and physical risks identified on pages 52 and 53 are managed through our enterprise risk framework, which is aligned with ISO 31000 and embedded across the business.

We document material climate-related risks and mitigation actions across short-, medium- and long-term horizons. These are regularly reviewed and reported to the CEO, Leadership Team and Board. For further detail on our risk management approach, see pages 68 to 71.

4. Climate metrics and targets

We report six Scope 3 categories under the GHG Protocol and continue to evaluate the relevance of additional categories. Our Scope 1 and 2 boundary includes assets under operational control and was updated in 2025 following the integration of material assets from the Wintershall Dea transaction. The 2018 baseline also reflects the addition of these assets as well as the removal of Vietnam assets sold during the year and is reviewed annually.

Our emissions data is calculated using recognised methodologies, including the GHG Protocol, Ipieca guidance and the UK Environmental and Emissions Monitoring System. See pages 55 to 57 for our latest energy and emissions data.

We track capital and operating expenditure linked to emissions reduction, offsetting and CCS development. Our net zero pathway and interim targets are outlined on page 49, and we will continue to refine our approach and set new targets as appropriate.

Delivery against emissions targets is embedded in employee performance incentives. In 2025, GHG performance contributed 10 per cent to the annual bonus scorecard. For details, see the Directors’ remuneration report on page 101.

Flaring

Reducing flaring remains a key priority in our emissions reduction strategy. In 2025, total flaring volumes were 40 ktonnes, this compares to 37 ktonnes in 2024 and reflects the increased size of our portfolio as well as continued progress through operational efficiencies

and targeted interventions. Routine flaring accounted for 61 per cent of total flaring, with the remainder arising from non-routine activities such as maintenance and safety-related events.

We remain committed to achieving zero routine flaring by 2030, in line with our endorsement of the World Bank’s Zero Routine Flaring (ZRF) initiative. This commitment is embedded in our broader climate strategy and supported by a range of operational and technical measures.

In 2025, we advanced flare gas recovery studies across several UK assets, assessing the technical and economic viability of low-pressure flare gas capture. These studies will inform front-end engineering design (FEED) work planned for 2026, with the goal of integrating recovery systems into late-life asset strategies.

Our internal flaring management framework has been strengthened to improve data quality, verification and reporting consistency. This includes enhanced governance protocols and integration with our emissions tracking systems.

We actively engage with joint venture partners to promote best practices and share learnings across our operated and non-operated portfolio.

We will continue to monitor performance, invest in flare reduction technologies and report transparently on our progress as part of our broader climate strategy.

Methane

Methane accounts for approximately five per cent of our total greenhouse gas emissions on a CO₂e basis. In 2025, we continued to strengthen our approach to methane management across both operated and non-operated assets, building on our commitment to the Oil & Gas Methane Partnership (OGMP) 2.0, which we joined in 2024.

Approach

We continue to evolve our measurement techniques and reporting capabilities to meet regulatory requirements in jurisdictions such as Mexico and the EU. Our action plans include provisions for leak detection and repair, monitoring, reporting and verification, enabling more precise quantification and targeted reduction strategies.

CLIMATE CHANGE RISK-RELATED METRICS					
GHG INTENSITY		SCOPE 1 & 2 EMISSIONS		SCOPE 3 EMISSIONS ¹	
18.2kgCO ₂ e/boe	24.8kgCO ₂ e/boe	1.3mtCO ₂ e	1.3mtCO ₂ e	68.8mtCO ₂ e	37.4mtCO ₂ e
2025	2024	2025	2024	2025	2024
PERCENTAGE ANNUAL BONUS LINKED TO GHG TARGETS		TOTAL CAPITAL SPEND ON DECOMMISSIONING		INTERNAL CARBON PRICING SENSITIVITY	
10%	15%	\$374m	\$284m	\$100/tonne	\$100/tonne
2025	2024	2025	2024	2025	2024
SPEND ON ENERGY TRANSITION ACTIVITIES (EXCLUDING DECOMMISSIONING) ²		NET CO ₂ STORAGE RESOURCES FROM HARBOUR’S CCS LICENCES		PERCENTAGE OPERATIONAL SPEND ON CLIMATE-RELATED RISK MITIGATION ³	
\$205m	\$82m	883mtCO ₂	250mtCO ₂	26%	22%
2025	2024	2025	2024	2025	2024
PERCENTAGE TOTAL CASH FLOW SPEND ON ENERGY TRANSITION ACTIVITIES ⁴		NUMBER OF DAYS LOGISTICS WERE DISTURBED AT OPERATED SITES RELATED TO ADVERSE WEATHER		PRODUCTION DOWNTIME RELATED TO ADVERSE WEATHER ⁵	
13%	27%	18 days	8 days	0 days	0 days
2025	2024	2025	2024	2025	2024
METHANE INTENSITY		TOTAL FLARING		EMISSIONS TRADING SCHEME SPEND	
5.5%	5.3%	40.1kt	36.8kt	\$42m	\$30m
2025	2024	2025	2024	2025	2024
1 See page 55 for a breakdown of our Scope 3 emissions by category. 2 Includes carbon credits \$6 million (2024: \$5 million), emissions reduction projects \$83 million (2024: \$5 million), and CCS \$116 million (2024: \$72 million). 3 Total energy transition spend (\$579 million) divided by operating costs (\$2.2 billion). 4 Total energy transition spend (\$579 million) divided by pre-tax free cash flow (\$4.5 billion). 5 Global operated assets.					

METHANE IMPLEMENTATION PLAN AND REPORTING



Collaboration remains central to our approach. We actively engage with joint venture partners to promote best practices and deploy innovative technologies that support methane mitigation.

Our methane intensity, measured as methane emissions from operated assets as a percentage of marketed gas, was 0.17 per cent in 2025 (2024: 0.07 per cent). We will continue to monitor performance and refine our strategy to ensure progress towards our methane reduction goals.

Reporting

Our first methane emissions report, prepared in accordance with OGMP's reporting framework, achieved the Gold Standard Pathway by the International Methane Emissions Observatory (IMEO) and OGMP, confirming that our implementation plan is consistent with the pathway to achieve the highest level of methane emissions reporting and measurement.

To support this ambition, we have strengthened our methane management framework. This includes enhanced data governance, quality assurance and control processes, and verification protocols to improve the accuracy, consistency and transparency of emissions data across our assets.

Energy use and GHG emissions

Scope 1 and 2 emissions

Our Scope 1 (direct) emissions are from fuel combustion, flaring and other production-related activities. In 2025, Scope 1 emissions amounted to 1.3 mtCO₂e, a three per cent increase from 2024. This reflects the impact of our new assets, while partially offset by efficiency measures and targeted decarbonisation initiatives across our assets. Scope 2 (indirect) emissions, resulting from purchased electricity, heat or steam, were 72 ktCO₂e and continue to represent a small proportion of our overall footprint.

Production operations remained the dominant source, accounting for 99.2 per cent of combined Scope 1 and 2 emissions, with drilling and decommissioning activities contributing the remainder. Safety-related flaring, including routine and non-routine events and well testing, represented c. three per cent of total emissions.

Further detail on our emissions performance and Streamlined Energy and Carbon Reporting (SECR) disclosures is available in our 2025 ESG data and reporting appendix.

Scope 3 emissions

We continue to refine our Scope 3 methodology, building on the expanded reporting introduced in 2023. In 2025, our reported Scope 3 emissions – those arising from activities not directly owned or operated by Harbour Energy – totalled 68.8 mtCO₂e[^] (2024: 37.4 mtCO₂e). The increase is driven by the acquisition in late 2024 of the Wintershall Dea assets.

Our Scope 3 footprint includes our net equity share of emissions from:

- Goods and services from drilling projects and appointed operator activities: 312.2 ktCO₂e[^]
- Upstream transportation and distribution from logistics: 109.8 ktCO₂e[^]
- Waste generated in operations: 12.2 ktCO₂e[^]
- Harbour employee business travel: 2.4 ktCO₂e[^]
- Static emissions (as a portion of ownership) from our non-operated assets: 1,132.6 ktCO₂e[^]
- Use of sold products: 67.2 mtCO₂e[^]

The use of sold products remains the largest contributor to our Scope 3 emissions.

Other emissions

In addition to greenhouse gases, our operations generate air pollutants such as nitrogen oxides (NO_x) and sulphur oxides (SO_x), primarily from fuel combustion in turbines, engines and flaring activities. These emissions can contribute to local air quality impacts and are subject to strict regulatory limits across our operating regions.

We manage NO_x and SO_x emissions through measures such as optimising combustion efficiency, using low-sulphur fuels where feasible and maintaining equipment to minimise pollutant formation. We also monitor emissions performance against permit requirements and industry benchmarks, ensuring compliance and identifying opportunities for further reduction.

In 2025, NO_x emissions totalled 2,948 tonnes (2024: 2,658 tonnes) and SO_x emissions totalled 29 tonnes (2024: 45 tonnes), reflecting divestment and reduced drilling activity respectively. Further detail is provided in our ESG data and reporting appendix.

[^] Indicates metrics that have undergone limited external assurance by Ernst & Young LLP (EY).

GHG and energy metrics (including relevant SECR¹ indicators)

		2025	2024	2023
Emissions	Scope 1 GHG emissions (ktCO ₂ e) [^]	1,298.4	1,259.2	1,289.9
	• UK (North Sea) SECR	940.6	852.4	937.7
	Scope 2 GHG emissions (ktCO ₂ e) (location based) ^{2^}	72.4	26.0	3.4
	Scope 2 GHG emissions (ktCO ₂ e) (market based) ^{2^}	5.1	4.4	3.4
	Scope 3 GHG emissions (ktCO ₂ e) ^{3^}	68,793.4	37,401.9	12,753.5
	Scope 3 GHG emissions – excluding use of sold products (ktonnes CO ₂ e) [^]	1,569.2	1,074.8	805.5
	Gross operated GHG intensity (kgCO ₂ e/boe) ^{4^}	18.2	24.8	22.6
	Net equity GHG intensity (kgCO ₂ e/boe) ⁵	12.9	18.4	22.0
Flaring	Methane (tonnes)	2,521	2,287	2,797
	Flaring (tonnes)	40,122	36,825	47,491
	Venting (tonnes)	1,723	2,411	1,965
Energy	Energy consumption (million GJ) [^]	19.3	18.1	18.1
	• UK (North Sea) SECR	13.4	11.9	13.0
	• Fuel gas (million GJ)	18.2	17.2	17.3
	Energy intensity (GJ/tonne production) [^]	1.8	2.1	1.9

- 1 Streamlined Energy and Carbon Reporting – The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 requires the disclosure of metrics related to energy and emissions for UK-listed organisations.
 - 2 Location-based and market-based Scope 2 figures are not additive; they reflect different allocation assumptions.
 - 3 Calculated on a net equity pro forma.
 - 4 Gross operated GHG intensity based on Scope 1 and Scope 2 (market-based) emissions only and excludes Scope 3.
 - 5 Net equity GHG intensity based on Scope 1, Scope 2 (market-based), and Scope 3 category 1 (Purchased goods & services related to production) & category 15 (Investments).
- [^] Indicates metrics that have undergone limited external assurance by our external auditors Ernst & Young LLP (EY).

CARBON CAPTURE AND STORAGE (CCS)

Harbour Energy continues to strengthen its position as a leading developer of CO₂ storage solutions in Europe, with active projects in the UK, Denmark and Norway. This includes work with some of Europe's largest industrial CO₂ emitters to establish long-term commercial agreements for the storage of captured emissions.

Viking (UK)

Viking CCS is located in the Humber region, the UK's most industrialised and highest CO₂-emitting area. The project aims to safely transport and store 10 million tonnes of CO₂ annually by 2035. Harbour Energy operates Viking CCS with a 60 per cent interest, alongside non-operated partner bp (40 per cent).

In 2025, the project reached several major milestones, including the completion of front-end engineering design and the granting of a Development Consent Order (DCO) for the onshore pipeline. Announced in April by the Secretary of State for Energy Security and Net Zero, the DCO permits the construction of a 55km underground pipeline from the Immingham industrial area to the former Theddlethorpe Gas Terminal, where CO₂ will be routed via an existing subsea pipeline for permanent storage in the depleted offshore Viking gas fields. At the 2025 Spending Review in June, HM Treasury announced that Viking CCS would be given Development Funding to support progress towards a financial investment decision in this Parliament, subject to affordability and value for money assessments.

In addition to technical progress, the project supports regional development. In 2024, Harbour and members of the Viking CCS Industrial Cluster provided £1.5 million to fund a new Skills and Apprenticeship Centre at CATCH. This investment enabled an 80 per cent increase in apprenticeship capacity, supporting over 90 apprentices in training across the Humber region.

Greensand Future¹ (Denmark)

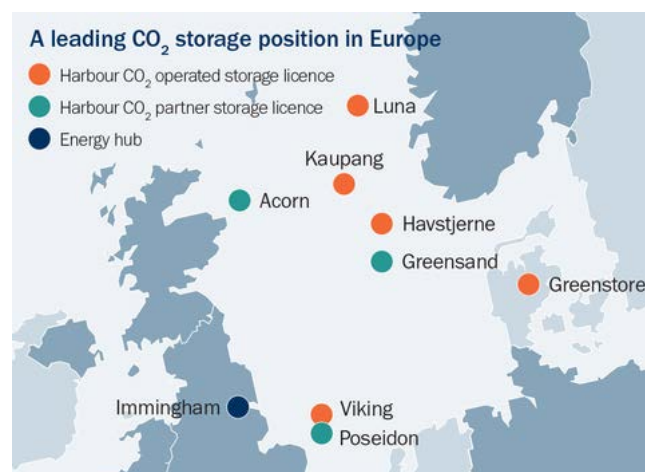
Harbour Energy holds a 40 per cent non-operated interest in the Greensand Future project, acquired through the Wintershall Dea portfolio in 2024. A final investment decision was announced in December 2024 to store CO₂ from Danish emitters in the INEOS-operated Nini field in the Danish North Sea. Greensand Future is expected to become the EU's first operational CO₂ storage facility in 2027, with initial capacity of 400,000 tonnes per year and expansion planned towards 2030 as volumes increase. The project builds on a successful pilot injection test completed in 2023 and demonstrates the feasibility of cross-border, offshore CO₂ storage across the full value chain.

Greenstore (Denmark)

We operate the Greenstore project, which was awarded a licence in 2024 to explore onshore CO₂ storage potential in the Gassum formation area, north of the city of Randers. In 2025, a seismic programme was launched to assess subsurface suitability, including reprocessing of 2D data, acquisition of 3D seismic and appraisal drilling. The project targets a saline aquifer storage near major European industrial centres and represents a new opportunity for competitive, scalable CO₂ storage in Denmark.

Havstjerne (Norway)

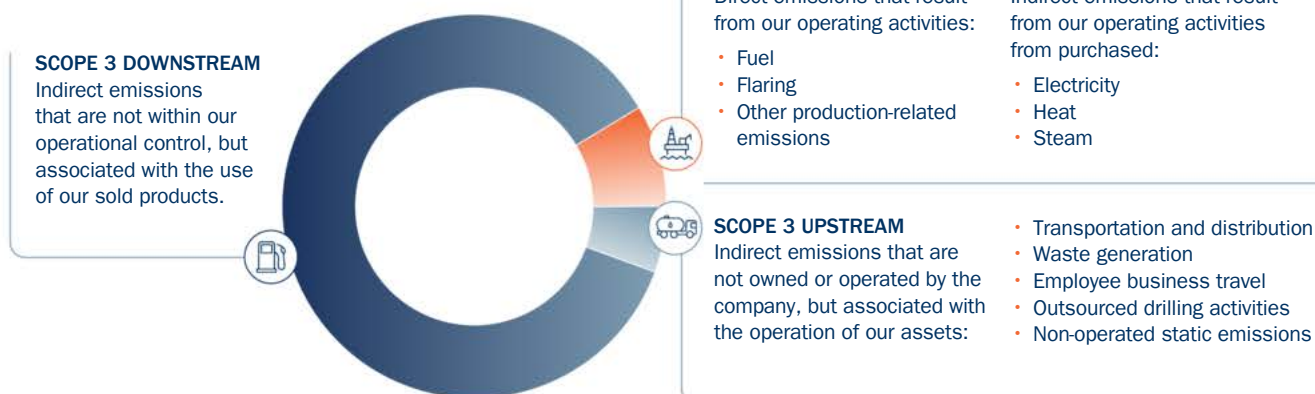
We hold a 60 per cent operated interest in the Havstjerne licence in the Norwegian North Sea. In Q2 2025, a successful exploration well confirmed a high-quality reservoir suitable for CO₂ injection and long-term storage. The project forms part of the EU Innovation Fund-supported initiative and supports Harbour's broader ambition to deliver safe, scalable CO₂ storage across the North Sea basin.



- 1 Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the European Climate, Infrastructure and Environment Executive Agency (CINEA). Neither the European Union nor the granting authority can be held responsible for them.

GREENHOUSE GAS EMISSIONS

The largest proportion of our GHG emissions are our Scope 3 emissions¹, with emissions associated with the use of our sold products being the most significant contributor.



1 All Scope 3 emissions reported are as a consequence of Harbour's operational activities apart from static emissions, as a portion of ownership, from Harbour's non-operated assets.

Effluents, spills and waste

Approach

We take a proactive approach to pollution prevention, integrating environmental risk assessments into our operational planning and maintaining robust spill contingency arrangements across all assets. This includes linking process safety events to our scorecard and annual bonus. We also have contracts with specialist spill-response providers to ensure rapid mobilisation in the event of an incident. See page 47 for more on emergency preparedness and crisis management.

Performance

In 2025, we recorded 65 hydrocarbon loss of primary containment events, resulting in 2.6 tonnes of hydrocarbon released to the environment (2024: 0.5 tonnes). The increase is driven mainly by the full-year impact of our expanded portfolio. Each incident underwent detailed root cause investigation, leading to targeted corrective actions that reduce recurrence risk and strengthen operational controls.

Hazardous waste management

We manage hazardous waste responsibly through segregation, secure storage and disposal via licensed contractors. Tracking systems ensure traceability and audits verify compliance. We also work to minimise hazardous waste generation through process improvements and material substitution.

Looking ahead

We will continue advancing responsible environmental management by reducing waste, increasing recycling and adopting innovative solutions to support continuous improvement and regulatory compliance across all operations.

Effluents and spills metrics

	2025	2024	2023
Discharge of produced water (million tonnes) [^]	3.0	3.0	2.6
Number of significant hydrocarbon spills ^{1^}	4	2	0
Number of hydrocarbon LOPC incidents	65	48	11
Quantity of hydrocarbon released to the environment (tonnes)	2.6	0.5	0.01
Number of chemical LOPC incidents	47	71	10
Quantity of chemicals released to the environment (tonnes)	26.3	14.3	6.2
Oil in produced water (ppm-wt)	22.0	13.5	11.2
Oil in produced water (tonnes)	65.0	39.9	29.7

[^] Indicates metrics that have undergone limited external assurance by our external auditors Ernst & Young LLP (EY).

1 We define 'significant' as a spill exceeding 100 kg.

Decommissioning

Approach

In decommissioning our assets, our priority remains the safe execution of activities, protection of the environment and minimisation of impacts on surrounding communities during and after closure. We continue to apply a structured and risk-based approach to planning and delivery, ensuring that decommissioning is carried out responsibly and in line with regulatory expectations.

The majority of our decommissioning activities are in the UK and are aligned with the North Sea Transition Authority's Decommissioning Strategy and Stewardship Expectations. We also comply with the guidance notes issued by the UK Department for Energy Security and Net Zero. As part of this process, we submit environmental appraisals for each field to assess potential impacts and identify appropriate mitigation measures.

Outside the UK, we undertake decommissioning in accordance with national statutory requirements. In jurisdictions where formal frameworks are not in place, we apply the same standards and procedures used in the UK to ensure consistency and adherence to good international industry practice.

Performance

In 2025, we removed the final five satellite platforms in the UK Southern North Sea, completing a 38-platform project which began in 2019. Dismantlement and recycling of the Saturn, Kelvin and Katy platforms was completed, achieving recovery rates greater than 98 per cent. The Boulton and Munro platform recycling will be completed in 2026. Recovery rates since the project began have averaged 95 per cent. In 2025, we also removed a significant amount of subsea infrastructure from the Balmoral area and from the Solan field in the UK North Sea. Additionally, we completed the flush, clean and disconnect of the Solan platform to prepare the installation for further decommissioning activities.

Looking ahead

Looking ahead to 2026, we plan to remove the topside and upper jacket of the Solan platform. This will be followed in 2027 by the removal of the lower jacket and subsea oil storage tank. All Solan structures will be transported onshore for dismantlement and recycling.

Biodiversity and protected areas

Approach

Our approach to biodiversity is guided by our biodiversity policy and international frameworks such as the UN Sustainable Development Goals and the Kunming-Montreal Global Biodiversity Framework. We assess environmental and social impacts and dependencies related to biodiversity, freshwater use and water discharges. This includes screening for protected areas, key biodiversity areas and water-stressed areas, and integrating biodiversity considerations into our environmental and social impact assessments.

Performance

In 2025, we had one operated site in the boundaries of a protected area. We use the World Resources Institute Aqueduct Water Atlas to assess water stress at our operated sites and found that none of our sites were located in areas with high or extremely high water stress.

We launched a global biodiversity policy in 2025 that sets out our approach to assess biodiversity impacts in new operated projects and engage with stakeholders, such as biodiversity experts and local community representatives, to identify potential risks and opportunities. The policy formalises our position, building on our existing biodiversity initiatives and support of multi-stakeholder programmes. These include INSITE – a science programme examining the effects of man-made structures on ecology in the UK North Sea, and SEATRACK – a Norwegian programme mapping the winter distribution of certain seabirds in the North Atlantic to understand how changes in environmental conditions may affect their demography.

Looking ahead

In 2026, we plan to:

- Roll out the use of our tools for assessing and monitoring our biodiversity and water impacts
- Assess our approach against frameworks, such as the Taskforce on Nature-related Financial Disclosures (TNFD)
- Develop performance indicators to track biodiversity and freshwater use across our operated assets

MANAGING ENVIRONMENTAL IMPACTS IN A PROTECTED AREA

The Mittelplate offshore platform is in the Wadden Sea National Park, an area designated a UNESCO World Heritage Site (WHS) and Ramsar site. These designations were granted after Mittelplate was already developed and operational. While Mittelplate is outside the core protected zones of the WHS, we recognise the ecological sensitivity of the surrounding area and manage the asset under stringent environmental and biodiversity standards.

This includes baseline ecological surveys to understand site-specific conditions, flora-fauna-habitat assessments aligned with EU and national conservation legislation, and impact assessments addressing biodiversity and habitat integrity, including potential effects on migratory birds, benthic organisms and marine mammals. Additionally, we conduct targeted screening of migratory birds during sensitive periods in collaboration with conservation authorities.

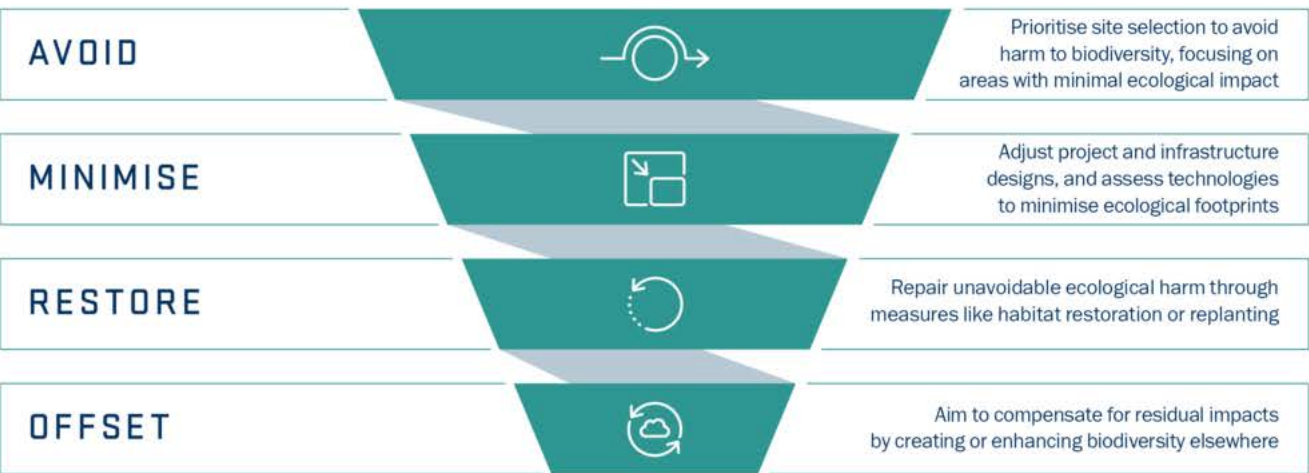
Our spill prevention and emergency response protocols are tailored to the sensitivities of the marine and intertidal zones. We engage with the Wadden Sea National Park authorities to exchange information on conservation issues and ecological risk management. In addition, we provide training to all personnel working at Mittelplate, which includes a focus on the ecological significance of the site and required behaviours to minimise impact.

The coastline is home to colonies of grey and harbour seals, and we support the Friedrichskoog seal sanctuary which helps protect abandoned seal pups and rehabilitate sick or injured seals.



MITIGATION HIERARCHY

We apply the mitigation hierarchy in planning new projects. This includes assessing steps aimed to minimise, restore and offset potential negative impacts on the environment, while seeking to avoid operating in areas with the highest biodiversity value.



Environmental and social impact assessments

Approach

During project planning for new operated projects and for existing assets where significant modifications are due to be made, we undertake environmental and social impact assessments (ESIAs). These assessments help identify measures to reduce potential impacts and inform our operational approach. We detail our global minimum requirements in our ESIA standard.

Once in operation and through to decommissioning, we monitor our performance and carry out audits, where appropriate, to ensure compliance with regulatory requirements and our standards and to identify opportunities for improvement. We engage with stakeholders throughout the lifecycle of our activities.

Performance

We revised our ESIA standard in 2025 to include environmental and social impacts relevant to onshore as well as offshore operations, given our expanded onshore presence and proximity to local communities. The standard is aligned with international good practice, including International Finance Corporation Performance Standards, the Equator Principles and Ipieca guidance on integrating human rights into impact assessments. Our approach to water management is also embedded in our ESIA standard, including requirements on conducting baseline assessments of water quality, hydrology and usage patterns.

Looking ahead

In 2026, we will:

- Continue the roll out and implementation of our ESIA standard
- Increase awareness of biodiversity throughout the organisation
- Collaborate with industry peers to gain insights and share learnings

ESIA PROCESS STAGES

Our ESIA process follows a structured sequence:

Screening

Determine whether a full ESIA is required and identify key sensitivities

1

2

Scoping

Define the scope of assessment, including biodiversity, freshwater use and social aspects

3

Stakeholder engagement

Map and consult affected communities, experts and regulators

4

Baseline data gathering

Collect environmental and social data, for example on biodiversity, water quality and local livelihoods

5

Impact assessment

Identify and evaluate impacts, applying the mitigation hierarchy and best available techniques

6

Reporting and submission

Prepare ESIA reports for regulatory approval and disclosure

7

Monitoring and management

Implement and review measures to ensure commitments are met and adapt as needed

BUILDING TRUST THROUGH ENGAGEMENT

Greenstore project

Stakeholder engagement is central to the Greenstore CO₂ storage project in Denmark, ensuring transparency and local support. In 2025, Harbour Energy and partners reached out to approximately 3,000 landowners in the Hobro-Randers area ahead of seismic surveys, providing clear information on timing, purpose and protective measures. Responses to frequently asked questions were collected and published to address concerns on noise, vibrations and property protection.

Engagement also included coordination with municipalities for public meetings, and participation in educational initiatives such as CO₂ i Dybden to demystify carbon storage technology. Feedback from communities influenced project planning, including adjusting seismic truck routes to avoid sensitive areas. This collaborative approach underpins our commitment to environmental stewardship and a social licence to operate.



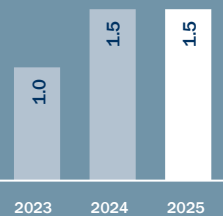


SUPPORTING OUR STAKEHOLDERS

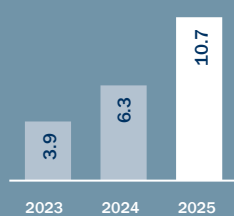
FOCUS AREAS IN 2025

- Strengthening our governance and business ethics controls across the organisation
- Advancing diversity, equity and inclusion in the workplace
- Launching a global community investment framework
- Assessing our human rights risk due diligence procedures

Charitable donations
\$ million



Economic value created
\$ billion



HOWARD LANDES
GENERAL COUNSEL

ENGAGING WITH OUR
STAKEHOLDERS PAGE 16
GOVERNANCE PAGE 78



We are committed to strong ethics and governance across our global operations, ensuring fairness, respect for human rights and responsible partnerships throughout our supply chain, while maintaining rigorous oversight of risks across our business.

By building strong relationships and engaging regularly with our employees, suppliers, host communities, regulators, investors and other stakeholders, we aim to create long-term value and shared benefits.

Governance and business ethics

Approach

We are committed to upholding the highest standards of governance and ethical conduct. Please see pages 78 to 119 for details on our compliance with the UK Corporate Governance Code.

We maintain zero tolerance for bribery, corruption, fraud and any form of discrimination, bullying or harassment. This commitment is supported by a suite of policies and standards including our code of conduct, business partner code of conduct, global anti-corruption standard, whistleblowing procedure and sanctions policy.

Where we identify human rights-related violations in our supply chain, we aim to engage constructively with the third party to resolve the issue and improve the situation of those affected. However, in cases of serious breaches where no corrective action is taken, we reserve the right to terminate the contract.

We require our employees to complete annual training on ethics and compliance covering areas such as our code of conduct, anti-bribery and corruption, fraud and modern slavery.

We encourage employees and partners to speak up if they have concerns. Reports can be made via our independent whistleblowing hotline, operated by Safecall, available 24/7 with multilingual support. We do not tolerate retaliation against anyone who raises a concern in good faith.

Performance

During the year, we worked to embed consistent governance standards and enhance our third-party due diligence across our expanded operations. We hosted compliance awareness sessions and peer networking across the organisation, delivering Compliance Days at each of our business units.

To continue strengthening our governance framework, we began using a third-party assessment tool to evaluate the effectiveness of our ethics and compliance programmes across the business, ensuring ongoing alignment with the UK Bribery Act.

As part of our annual ethics and compliance training, we introduced a new requirement in 2025 for employees to complete a declaration of compliance. By signing this declaration, employees affirm their commitment to uphold our policies, report any breaches and disclose potential conflicts of interest. A total of 90 per cent of our employees completed the training and certification in 2025. During the year, we also launched a communications campaign to raise awareness of our Safecall whistleblowing hotline.

In 2025, we recorded six substantiated allegations of misconduct under our code of conduct and whistleblowing procedure. All concerns raised were investigated, with any corrective actions implemented and learnings shared across the organisation.

Social metrics¹

	2025	2024	2023
Total workforce (number) ²	3,176	3,407	2,082
Total employees (number) [^]	2,846	3,014	1,716
Gender balance			
Total employees [^]			
• Male (per cent)	73	73	75
• Female (per cent)	27	27	25
Senior management ³			
• Male (per cent)	77	76	78
• Female (per cent)	23	24	22
Leadership Team ⁴			
• Male (per cent)	70	67	60
• Female (per cent)	30	33	40
Board [^]			
• Male (per cent)	60	67	60
• Female (per cent)	40	33	40
Hours spent on employee development training	72,952	67,213	89,790
Global engagement survey staff participation (per cent)	79	N/A	85
Employees covered by a collective bargaining agreement (per cent)	36	35	24
Employees receiving performance reviews (per cent)	77	100	100
New employees recruited externally (number)	107	94	109
Graduate applications (number)	5,736	1,199	1,180
Employee turnover (per cent) ⁵	8	7	12
Reported human rights abuses/violations of our human rights statement	0	0	0
Significant negative human rights or labour rights impacts identified in our supply chain (number)	0	0	0
Charitable donations (\$ million) ⁶	1.5	1.5	1.0
Economic value created (\$ billion)	10,723.0	6,281.3	3,854.9
Economic value distributed (\$ billion)	7.7	4.8	2.6

1 Metrics reflect year-end data as at 31 December 2025.

2 Workforce includes employees and direct contract staff.

3 This includes managers from team leader level and above.

4 This includes the CEO, COO, CFO, Chief HR Officer, EVPs and the General Counsel.

5 Turnover is the number of departures divided by employees at the end of the reporting period.

6 Charitable donations include sponsorships and donations.

[^] Indicates metrics that have undergone limited external assurance by Ernst & Young LLP (EY).

Looking ahead

In 2026 we will:

- Continue to embed harmonised compliance procedures across our business units
- Extend the use of the third-party ethics and compliance assessment tool across our business
- Build further integration between corporate and business unit teams

Responsible supply chain management

Approach

Our supply chain plays an important role in helping us achieve our goals. Working together with our suppliers helps us to create value through innovation, driving commercial efficiencies, simplification and risk management. We maintain the highest standards and expectations, including those related to ethics and compliance, as well as health, safety, environment and security. These expectations are set out in our business partner code of conduct and our updated supply chain policy and form an integral part of our dialogue with suppliers.

During 2025, we worked with our business units to progress a more consistent approach to third-party screening. The enhancements will enable more consistent and robust supplier assessments, identifying issues such as sanctions, human rights abuse, bribery and corruption, criminal convictions and any adverse media reports.

Performance

To deepen our collaboration with strategic suppliers, we initiated a supplier relationship management programme in 2025, enabling more direct engagement with some of our key suppliers. This programme is designed to ensure we have a regular and structured dialogue with these suppliers where strategic issues, including safety and risk management, can be addressed.

Senior leaders from some of our strategic suppliers participated in a panel discussion with our Chief Executive Officer as part of our Global Safety Day in September, with topics such as the role of people, culture and collaboration in safety excellence, as well as the potential impact of technology and AI. We also held supplier days at some of our business units, covering aspects such as collaboration, risk management and efficiency.

Looking ahead

In 2026 we will:

- Maintain focus on working with suppliers to deliver safe and reliable operations
- Seek opportunities to continuously improve commercial delivery, risk management, efficiency and resilience

Employee practices

Approach

We aim to attract and retain a high-calibre and diverse workforce, and our recruitment and employment practices are designed to engage, develop, reward and retain our people. We foster an inclusive working environment that supports career growth and wellbeing.

We support our employees in developing their careers. Following the acquisition of Wintershall Dea assets in September 2024, we focused in 2025 on the global alignment and roll out of technical and leadership skills, as well as providing training on health, safety, environment, security, cyber security, inclusion, and ethics and compliance.

We engage our workforce through a range of channels, including face-to-face meetings, surveys, virtual events and digital platforms. Monthly global town halls hosted by the CEO and senior leaders continue to provide opportunities for live Q&A and open dialogue. Employees are also encouraged to participate in our employee-led networks, which support engagement on topics that matter to them. We have global and local staff forums that enable employees and management to share information and provide feedback on the organisation’s strategy, values and culture. The Global Staff Forum meets three to four times a year with our CEO and, at times, other members of our Board. We respect freedom of association and the right of employees to be represented by trade unions or works councils.

Performance

We rolled out our global performance review process to almost all the newly acquired business units, training managers and employees at every stage. The only remaining business unit is Germany, which will be participating in the performance cycle from 2026. The participation level in the end of year performance review was 100 per cent, excluding Germany.

To find out what our employees think about Harbour, we carried out our first global employee engagement survey, HarbourVoice, since the acquisition of the Wintershall Dea assets in late 2025. A total of 79 per cent of employees participated. Results from the survey will form the basis for global and local action plans.

We redesigned our graduate programme throughout the year to align with the strategic direction of our business units. Additionally in 2025, we welcomed new graduates into the UK corporate team, our first hires under the newly launched Harbour Aspire Graduate Programme, reinforcing our commitment to investing in early careers. We expect to expand the programme globally in 2026, with more graduates joining across our business.

Looking ahead

In 2026, our priorities include:

- Leveraging technologies to enhance employee experience
- Following up actions from our global employee engagement survey
- Maturing our career development process

A SPOTLIGHT ON: OUR VALUES

Harbour Energy is committed to our values of We care, We work together, We aim high, and We deliver.

In 2025, the Values in Action campaign delivered a full calendar of talks, training, events and colleague stories on themes that underpin our values. The campaign specifically supports our people to bring our values to life by building a shared understanding of the behaviours that underpin them and inspiring practical application in everyday work. Since April 2025, over 1,500 employees have actively participated in these workshops, which will continue into 2026, reinforcing collaboration and excellence across our global teams. See page 16 for more information on how we engage with our employees and foster a culture that drives performance and shared success.



EMPLOYEE COUNTRY DISTRIBUTION¹



1 By business unit.

Diversity, equity and inclusion (DE&I)

Approach

We want all our employees to feel valued, respected and supported at work. To foster an inclusive workplace, we invest in employee-led networks. Each network is supported by a Leadership Team sponsor and contributes to our recruitment strategy, employee support and business advice.

We recruit, retain and promote staff based on competence, regardless of age, sex, disability, gender, marital status, maternity, neurodiversity, race, religion and belief, or sexual orientation. Our commitments to promoting DE&I, as well as prohibiting discrimination, harassment and victimisation, are stated in our DE&I policy and aligned with our commitment to respect the International Labour Organization (ILO) core labour conventions. Our global head of DE&I leads the development of our long-term strategy.

At the recruitment stage, we maintain diverse representation in candidate panels and shortlists. We also offer job-sharing roles, support returners from career breaks and advertise vacancies across platforms that reach veterans, gender groups, ethnically diverse communities and non-league table universities.

We are working towards our 2030 DE&I ambitions:

- 40 per cent of our Leadership Team from diverse backgrounds (gender and/or ethnicity)
- 30 per cent of women in senior management roles and across the workforce
- 40 per cent of our graduates being female

Our DE&I scorecard is reviewed regularly by the Board and Leadership Team. In 2025, we added a new KPI to track gender diversity and inclusive practices in our recruitment processes, with the aim of increasing the percentage of new hires who are women.

Performance

In 2025, gender representation across our workforce remained broadly stable, with mixed trends by level:

- Leadership Team diversity: 30 per cent (2024: 33 per cent)
- Women in senior management: 23 per cent (2024: 24 per cent)
- Women in total workforce: 27 per cent (2024: 27 per cent)
- Female graduates: 31 per cent (2024: 29 per cent)

We continued to analyse promotion rates, salaries and performance metrics to ensure gender equity. In the UK, we publish a gender pay gap report annually – available on our website.

We made available quarterly global DE&I e-learning modules to all employees, starting with an inclusive language module to build awareness and promote inclusive behaviours. We expanded inclusive leadership training beyond the UK and Indonesia, equipping leaders to foster inclusive and high-performing teams.

To enhance impact and alignment with strategic priorities, we consolidated our employee-led networks into four groups: Ability, Cultural, Gender Balance and Pride.

In line with our commitment to contributing to the UN Sustainable Development Goal on ensuring quality education, we encourage young people to consider careers in science, technology, engineering and maths (STEM) through school visits and partnering with educational institutions, reaching nearly 4,000 children globally in 2025.



Looking ahead

In 2026, our priorities include:

- Delivering targeted neurodiversity support to drive innovation across the global organisation
- Targeted support to address gender and ethnic underrepresentation at mid to senior levels
- Strengthening our commitment to UN Sustainable Development Goals 1 (No Poverty) and 4 (Quality Education) through the expansion of our global Women in Engineering Scholarship Programme

Value generation and distribution

Approach

Our ability to create long-term sustainable value for shareholders depends on delivering tangible and lasting benefits to all stakeholders. This supports our social licence to operate and underpins the long-term resilience of our business.

Our stakeholders include:

- Host governments, which grant us oil, gas and CCS licences and regulate our activities
- Local communities, which provide our social licence to operate
- Employees, whose skills and experience are central to our ability to generate value

Our activities directly support socio-economic development for:

- Suppliers and contractors, including locally based businesses
- Employees, through salaries, benefits and career development
- Capital markets, via shareholder dividends, share buybacks and interest payments
- Local communities, through social investment and employment opportunities
- Host governments, via taxes, royalties and other payments (see pages 204 to 206 for UK Government payment reporting)

Tax

We are committed to transparency on tax matters and adhere to the requirements of globally recognised guidelines such as the Reports on Payments to Governments Regulations, the Extractive Industries Transparency Initiative, and the country- by-country and Pillar Two reporting requirements of the Organisation for Economic Co-operation and Development, and the EU Country-by-Country Reporting Directive.

We engage on tax matters via industry groups such as the UK Oil Industry Taxation Committee, the Association of British Independent Exploration Companies and Offshore Energies UK's Fiscal Policy Forum.

Public policy and government relations

In 2025, we strengthened relationships with governments and regulators across our expanded portfolio following the Wintershall Dea acquisition, reinforcing Harbour Energy's position as a trusted partner in global energy security and transition.

We prioritised proactive engagement to advocate for fair fiscal regimes, including the removal of the UK Energy Profits Levy, and advanced key projects through constructive dialogue with authorities in Norway, Mexico, Argentina and North Africa. These efforts underpin our commitment to operational integrity, long-term growth and alignment with national energy strategies. See page 17 for more information on how we engage with government and regulatory stakeholders.

Performance

In 2025, the economic value we created was \$10.72 billion (2024: \$6.3 billion), with \$7.7 billion distributed to stakeholders (2024: \$4.8 billion), including \$3.48 billion in tax payments (2024: \$1.49 billion).

Looking ahead

In 2026, we will:

- Continue engaging with government and regulatory stakeholders on the importance of a stable fiscal environment to support investment, jobs, energy security and economic growth

Community investment

Approach

Through our corporate giving programme we believe we can bring our values to life and play a responsible role in the communities where we operate.

In 2025, we evolved Harbour's approach to community investment through a new global framework which will guide our approach across all regions. The framework brings greater alignment and consistency, while allowing flexibility across our business units to address local priorities and needs. It allows us to take a more structured and intentional approach to investing in our communities. Our global aims are aligned to the UN Sustainable Development Goals, reflecting where we believe we can make the most relevant contributions, through education, health and wellbeing, poverty alleviation and the environment. We have a strong culture of giving back to society at Harbour and believe our people have a big role to play, whether that is through volunteering or fundraising efforts. This approach reinforces our culture: our people take pride in working for a company that invests in communities.

Our approach is underpinned by strong governance, and our social investment and charitable donations standard sets out our expectations, including our ethics and compliance requirements. Through employee engagement and education in our focus areas, we are cultivating a network of informed ambassadors who help to extend our impact and strengthen our societal contributions.

REMOVING PLASTIC WASTE IN THE NILE



The River Nile is Egypt's lifeline, connecting communities along its banks and providing water for drinking and irrigation. Like many waterways around the world, sections of the Nile have become blighted by plastic and other human waste – and the North Africa Business Unit team decided to do something about it. For Global Safety Day, colleagues volunteered with VeryNile, removing three tonnes of plastic waste from the river and learning about upcycling and reducing their environmental footprint.

SUPPORTING THE FISHING COMMUNITIES OFFSHORE MEXICO



In Mexico, we continue to build strong relationships with fishing communities located near our Block 30 offshore licence, particularly in the town of Sánchez Magallanes. Over several years, we have worked closely with a federation of local fishermen and their families, fostering trust and collaboration through regular engagement and support. During the Block 30 drilling campaign, we conducted consultations with community representatives to understand and mitigate potential impacts on the fishing sector. This dialogue helped shape our approach to operations in the region, ensuring that local livelihoods were respected and supported.

As part of our ongoing commitment, we have donated fishing nets, safety gear and other essential equipment to help sustain the activities of more than 300 boats and over 5,000 fishermen. These resources have enabled continued offshore fishing and supported oyster farming in the nearby lagoon, which is a vital source of income and nutrition for the community. Our efforts reflect a broader commitment to responsible operations and shared value creation in the regions where we work.

Performance

In 2025, we provided \$1.5 million in community investments; this includes charitable donations and corporate sponsorships. Globally, we have grown our partnership with The Halo Trust, supporting its deep commitment to safety and strengthening its core systems through improvements in process safety and education.

In the UK we engaged colleagues in Aberdeen to select two charities with whom we could focus our efforts, aligned to the new framework. Following a competitive application process, a shortlist was created and colleagues voted for their preferred charities, Clan Cancer Support and Scottish Charity Air Ambulance. This process reflects our colleagues' commitment to our We care value and over the next year we will focus on building strong relationships with these charities.

Our HSES colleagues continued to build on our work with The Halo Trust to share and improve safety practices in both organisations. We facilitated a Lunch & Learn with colleagues globally to raise awareness of this partnership, and the valuable work that Halo does to improve livelihoods in post-conflict regions.

In our corporate centre in London, our colleagues are deepening our partnership with The Passage, with a more regular cadence of volunteering opportunities to support those affected by homelessness.

In Indonesia, our funding is supporting education, building a pipeline of qualified local medical professionals to improve access to medical services by providing scholarships to two medical students and a doctor.

Looking ahead

In 2026, we will:

- Continue to establish local partnerships that support the needs of the communities in which we operate
- Further establish and embed our partnership with The Halo Trust
- Roll out a volunteering guideline to support colleagues who are giving back to communities

Human rights

Approach

Harbour's activities have the potential to affect human rights and worker welfare directly through our operations and indirectly through our supply chain, joint venture partners and third parties. We respect individual human rights as set out in the International Bill of Human Rights and the core conventions of the International Labour Organization.

Our code of conduct, values and supporting policies – including our human rights statement, supply chain policy, sustainability policy and people policy – reflect our commitment to uphold human rights, safeguard worker welfare and prevent modern slavery across our business and supply chain.

Our due diligence processes to manage human rights risks include screening third parties, engaging with contractors and suppliers, and conducting audits, where appropriate.

Performance

The geographic footprint of our business, as well as the scale of our portfolio and organisation, changed fundamentally following the Wintershall Dea transaction in 2024. As such, in 2025, we commissioned an external organisation to conduct a human rights risk assessment that included reviewing the due diligence processes we have in place across the business. The review identified strengths in our health and safety due diligence processes, while highlighting opportunities for improvement in broader human rights risk management, particularly following the addition of new countries in our portfolio.

Based on these findings, we have developed a three-year roadmap to embed a consistent human rights due diligence framework across our organisation and align with the UN Guiding Principles on Business and Human Rights (UNGPs). Key priorities include defining our salient human rights risks, updating policies to reflect international standards and strengthening processes for risk assessment, mitigation and remediation. We are also enhancing supplier screening, expanding training for employees and business partners, and reviewing our grievance mechanisms.

There were no reported human rights abuses or violations of our human rights statement in 2025. For further information, please see our modern slavery and human trafficking statement available on our website.

Looking ahead

In 2026, our priorities include:

- Clarifying roles and responsibilities for human rights risk management across the company
- Updating our policy framework on human rights due diligence
- Launching a cross-functional working group on human rights and modern slavery risk management

WORKING TOGETHER ON CORRECTIVE ACTIONS



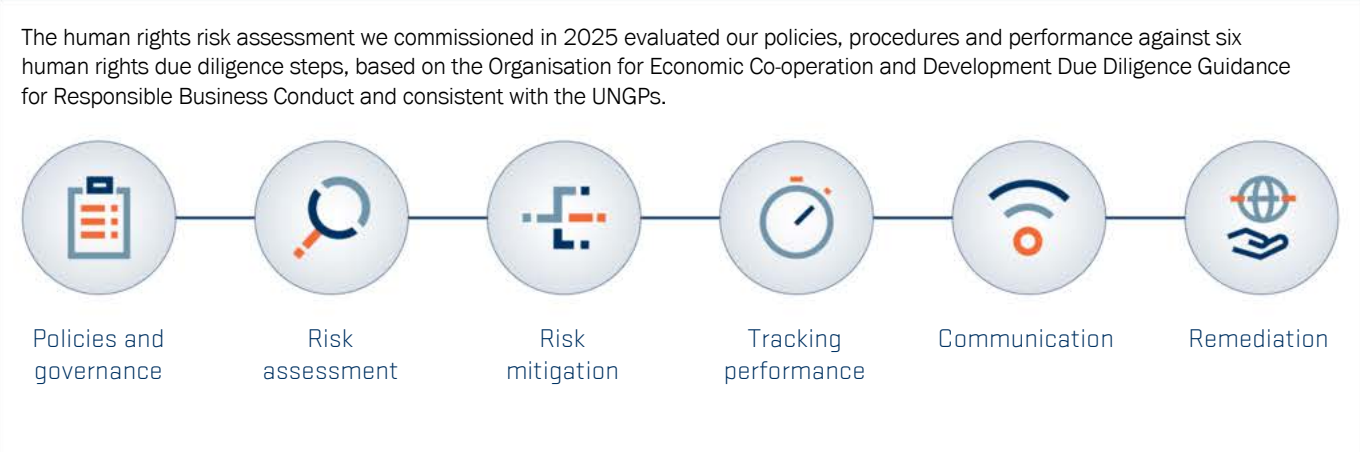
In 2025, we worked with one of our contractors to monitor progress against actions identified in a human rights audit we conducted in 2024.

The contractor was chosen based on potential higher risks associated with the country of production, the use of subcontractors and the level of spend. The audit was conducted by an independent consultancy specialising in third-party audits and human rights, in collaboration with our supply chain managers.

Overall, the audit found that the contractor had robust systems in place to manage working conditions and employed an entirely local workforce, reducing the risk of human rights violations. However, the audit also identified gaps in subcontractor due diligence, with some workers found to have paid fees during the recruitment process. We worked with the contractor to agree on a corrective action plan and engaged with them regularly during the year to track and evaluate mitigation and prevention measures.

The audit and resulting corrective action plan provided important learning opportunities for us. It increased our awareness of risk issues in our supply chain and will help inform how we monitor and address such risks going forward.

HUMAN RIGHTS DUE DILIGENCE



NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

Non-financial measures are an important part of our business and the Board is committed to acting responsibly and working with our stakeholders to manage the impact of our activities. The table and cross references below are produced in compliance with sections 414CA and 414CB of the Companies Act 2006.

Reporting requirement	Internal policies and standards	External frameworks and standards	Information on our business impacts and outcomes
Safety matters	• Code of conduct • Corporate major accident prevention policy (CMAPP) • HSES policy	• Global Reporting Initiative (GRI) Standards • International Association of Oil & Gas Producers (IOGP) • ISO 45001 standard	• Pages 44 to 47
Environmental matters	• Code of conduct • HSES policy • Sustainability policy	• GRI Standards • ISO 14001 standard • IOGP • UN Global Compact	• Pages 48 to 59
Climate change	• HSES policy • Sustainability policy	• Task Force on Climate-related Financial Disclosures • UN Sustainable Development Goals (SDGs) • International Sustainability Standards Board (ISSB)	• Pages 48 to 57
Employees	• CMAPP • Code of conduct • DE&I policy • People policy • Sustainability policy	• GRI Standards • UN Global Compact • UN SDGs	• Pages 60 to 66
Human rights	• Code of conduct • DE&I policy • Human rights statement • Supply chain policy • Sustainability policy • Whistleblowing procedure	• UN Declaration of Human Rights and International Labour Organization's (ILO) core conventions • UN Global Compact • UN Guiding Principles on Business and Human Rights • UN SDGs • Voluntary Principles on Security and Human Rights	• Pages 65 and 66
Social matters	• Code of conduct • Sustainability policy	• UN SDGs	• Pages 60 to 66
Anti-corruption and anti-bribery	• Code of conduct • Tax policy • Whistleblowing procedure	• UN Global Compact	• Pages 60 and 61
Business model description	• N/A	• N/A	• Pages 12 and 13
Principal risks	• Risk management policy	• ISO 31000 risk management system standard	• Pages 72 to 77
Non-financial KPIs	• Sustainability reporting procedure and guideline	• GRI Standards	• Pages 22, 42, 45, 49, 54, 56, 57 and 61

TCFD index

We consider our Task Force on Climate-related Financial Disclosures on pages 46 to 53 to be compliant with the disclosure requirements of section 414CB of the Companies Act 2006.

Recommendation	Recommended disclosure	Disclosure level	Reference
1. Governance Disclose the organisation's governance around climate-related risks and opportunities	a) Describe the Board's oversight of climate-related risks and opportunities	Full	• Sustainability review: page 50
	b) Describe management's role in assessing and managing climate-related risks and opportunities	Full	
2. Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	Full	• Sustainability review: pages 51 to 53 • Principal risks: page 77 • Viability statement: page 71 • Note 2 to the financial statements: pages 139 to 143
	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	Full	
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Full	
3. Risk management Disclose how the organisation identifies, assesses and manages climate-related risks	a) Describe the organisation's processes for identifying and assessing climate-related risks	Full	• Sustainability review: pages 51 to 54 • Principal risks: page 77
	b) Describe the organisation's processes for managing climate-related risks	Full	
	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	Full	
4. Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Full	• Sustainability review: pages 48, 54 and 56
	b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Full	
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Full	

Resilience through risk discipline



The Board is responsible for ensuring that the risk management framework is effective, including ensuring that preparation is in hand for the enhanced requirements under the UK Corporate Governance Code.

ALAN FERGUSON
CHAIR OF THE AUDIT AND RISK COMMITTEE

PRINCIPAL RISKS
PAGE 72

AUDIT AND RISK COMMITTEE REPORT
PAGE 93

Risk management framework

Managing risk effectively is fundamental to delivering our strategy and sustaining long-term value. It underpins how we protect our people, assets and the communities we serve, while safeguarding the environment and our reputation. It also ensures alignment with our purpose and values.

Our risk management and internal control framework (the risk management framework) is designed to determine the nature and extent of risk the Group is prepared to take, or accept, in pursuit of its objectives and to provide assurance that risks are managed appropriately. The framework is structured to support informed decision-making and comprises:

- Risk management process: identifying and assessing risks, setting risk appetite (or tolerance), implementing mitigation activities and monitoring performance
- Internal control system: ensuring risks are managed within agreed parameters
- Assurance model: validating that controls are effective and proportionate

While comprehensive, the framework offers reasonable, not absolute, assurance that risks are managed effectively.

Risk governance

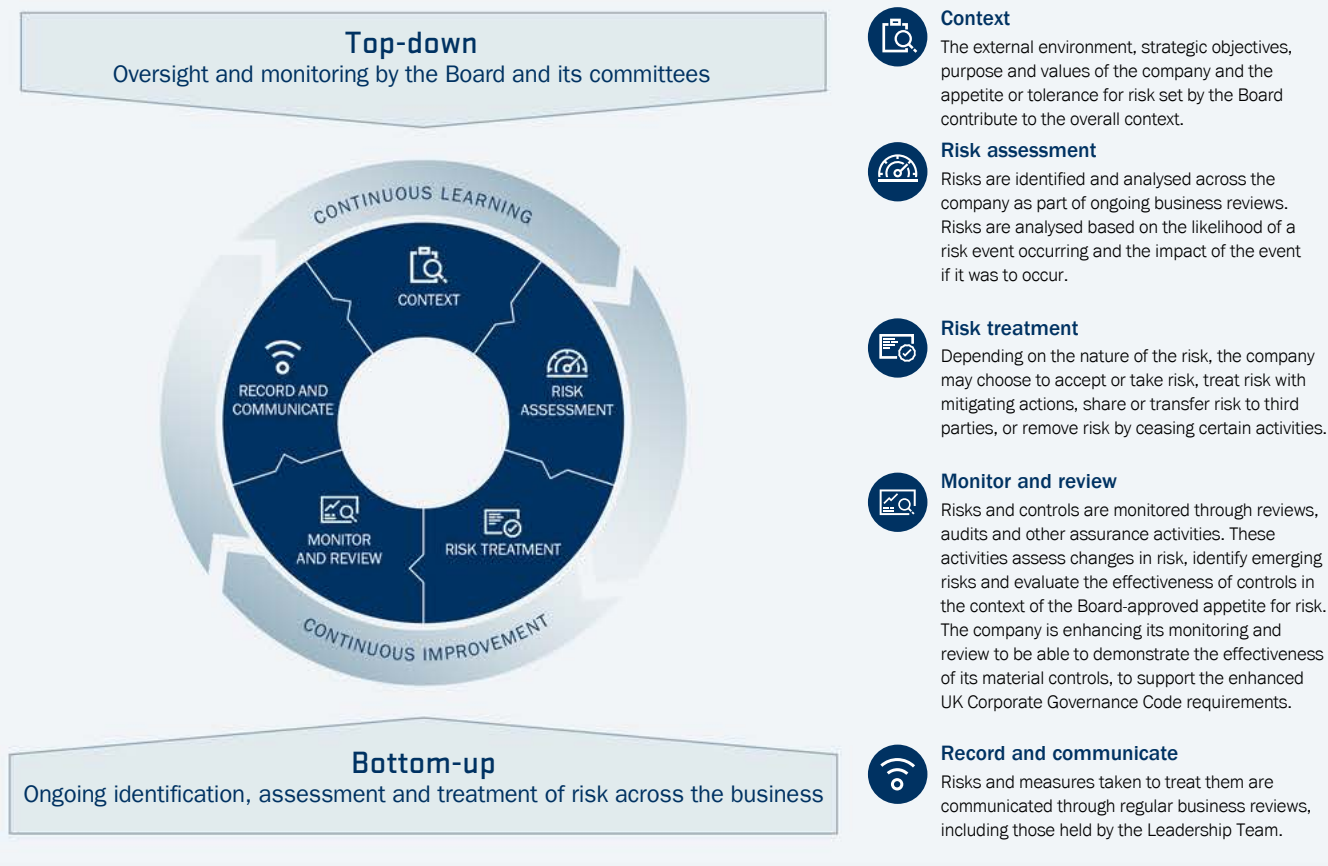
The Board is responsible for determining the nature and extent of principal risks and for overseeing the effectiveness of the risk management framework. Oversight of specific risks is delegated to relevant committees: for example, the HSES Committee oversees the management of health, safety, environmental and security risks, while the Audit and Risk Committee oversees the management of cyber and information security risk. The Audit and Risk Committee also reviews the framework's effectiveness on behalf of the Board.

Internal audit delivers a risk-based programme to provide assurance over mitigation activities. In addition, the Board has commenced preparations for the enhanced requirements under Provision 29 of the UK Corporate Governance Code, effective from 2026. This includes mapping material controls, strengthening documentation and refining assurance processes to support future declarations of control effectiveness.

The Leadership Team drives Harbour's risk culture and ensures significant risks are identified and managed in line with the Board-approved appetite. Each member is accountable for risks within their remit, supported by business unit and functional managers who manage risks on a day-to-day basis in accordance with company standards. The most significant management risks are recorded in the Leadership Team risk register.

RISK MANAGEMENT PROCESS

The company follows a structured process to identify, assess, treat, monitor and communicate the risks which may prevent it from achieving its strategic objectives.



Risk management process

Harbour faces a range of risks that could impact its business model, performance, liquidity or reputation. Some risks are outside our control, and others may be unforeseen. When assessing risk, the company considers both likelihood and impact of potential events.

For known risks, the company seeks alignment with the Board's appetite (or tolerance) for risk, applying mitigation strategies that may include acceptance, treatment, transfer or cessation of activities.

We also maintain a zero-tolerance approach to fraud, bribery, corruption and tax evasion, and aim to manage health, safety, environmental and security risks to a level as low as reasonably practicable.

Principal and emerging risks

The Board undertakes a formal review of principal risks twice annually. These assessments draw on input from the Leadership Team and external perspectives. The principal risks and mitigation actions are detailed on pages 72 to 77.

Overall, the Board considers that the unmitigated level of many of the principal risks facing the company has remained stable over the year, in line with the elevated levels recognised last year following the Wintershall Dea acquisition. Exceptions include elevated risk levels in relation to the lower commodity price environment, physical asset security, cyber security and a somewhat lower risk in relation to the energy transition.

Notably for 2025 the Board has agreed to retire integration as a principal risk following the successful completion of the Wintershall Dea integration. However elements of this risk are still recognised within other principal risks where relevant.

Emerging risks, which the Board considers as those not yet well defined but which could be potentially material in the short to medium term, are identified through horizon scanning, management review and independent insights. The Board then considers whether any should be reflected within the principal risks.

Internal control

Harbour's internal controls are designed to assist in managing risk within the appetite or tolerance defined by the Board. These controls comprise the company's policies, standards, procedures and guidelines that together form the business management system and govern all aspects of our operations. They are underpinned by knowledgeable and experienced people and supported by robust information systems.

During the year, we continued to mature our internal control framework, including the integration of controls across the former Wintershall Dea assets. In response to the updated UK Corporate Governance Code published in 2024, we have continued preparations to meet the enhanced requirements relating to demonstrating material control effectiveness. These preparations include enhancing controls documentation, refining assurance processes and implementing suitable tooling to support evidence-based reporting.

KEY DEVELOPMENTS DURING THE YEAR

A proactive approach to Provision 29

For financial years beginning on or after 1 January 2026, the boards of all UK listed companies will be required to provide in their annual report a declaration of effectiveness of the material controls as at the balance sheet date. This declaration will cover all material controls, including financial, operational, reporting and compliance controls.

These requirements are an enhancement of existing requirements on the Board to carry out a review of the effectiveness of the risk management framework and we have adopted a proactive approach to preparing to comply.



Provision 29 will support our ability to demonstrate we are managing risk effectively.

ALEXANDER KRANE
CHIEF FINANCIAL OFFICER

H1 2025

Gap analysis of controls vs Provision 29

H2 2025

Define and document changes to relevant key and material controls

H1 2026

Implement testing programme

H2 2026

Enable Board to make Provision 29 declaration with confidence

Reasonable assurance

The adequacy of internal controls depends on their design and operating effectiveness.

Harbour follows a 'three lines' assurance model across the company. The model is designed to provide senior management and the Board with reasonable assurance that significant risks are being managed effectively and that the risk management framework remains robust.

In line with Provision 29, this assurance process is being enhanced to support future declarations on the effectiveness of material controls:

- First line assurance is delivered by line managers responsible for implementing and operating controls
- Second line assurance monitors the effectiveness of controls for key risk areas such as HSES, cyber and information security, supported by a programme of in-house audits agreed with senior management. Significant findings are reported promptly to management for action
- Third line assurance is provided by internal audit, external statutory auditors and other independent assurance providers. Internal audit, led by the SVP Internal Audit, reports directly to the Chair of the Audit and Risk Committee and to the CFO on a day-to-day basis. It undertakes a programme of audits agreed with the Audit and Risk Committee, summarises findings to relevant committees and monitors implementation of agreed actions

Harbour is developing an 'assurance map' that sets out key internal and external sources of assurance against each principal risk. This enables management and the Board to assess the adequacy of assurance measures and strengthen them where required. The map will be integrated into Harbour's audit and assurance policy in 2026 to support evidence-based reporting under Provision 29. External auditors report to the Audit and Risk Committee on internal controls based on audit observations, providing recommendations for improvement where deficiencies are identified.

Board committees also commissioned targeted management-led presentations during the year to enhance understanding of risk matters within their remit, review assurance levels and consider outcomes from assurance activity. These presentations are summarised by the relevant committee chair when reporting back to the full Board.

Monitoring and effectiveness of the risk management framework

The Board is responsible for monitoring Harbour's overall risk management framework and reviewing its effectiveness.

The annual 2025 review of the framework's effectiveness was carried out by the Audit and Risk Committee on behalf of the Board. In conducting its review, the Committee sought perspectives and assurances from members of the Leadership Team, including confirmation statements from executives. The review considered the design of the framework, the most significant risks to achieving strategic objectives, any significant control deficiencies, themes emerging from internal audit findings and the status of remedial actions.

Taking into account its assessment of risk management during the year, remediation of control failures and the assurances received from the Leadership Team, the Board concluded that Harbour's risk management framework is effective.

The Board also noted continued progress in maturing the internal financial control framework and preparations for compliance with the enhanced UK Code requirements under Provision 29, including controls to prevent material fraud.

Alan Ferguson
Chair of the Audit and Risk Committee

Viability statement

In accordance with the provisions of the UK Corporate Governance Code, the Board has assessed the prospects and the viability of the Group and the company over a longer period than the 12 months required by the going concern provision. For the assessment period, the base case used is consistent with the forecast as used for our going concern assessment as disclosed on page 41 which includes the impact of the LLOG acquisition which completed on 11 February 2026 partly funded by a new term loan of \$1 billion and senior debt facility of \$1 billion. As part of this assessment, we considered the principal risks faced by the Group, relevant financial forecasts and sensitivities, and the availability of adequate funding particularly in relation to energy transition and climate change.

Assessment period

The review covered a period of three years from 31 December 2025 (the forecast period), which was selected for the following reasons:

- at least annually, the Board considers the Group's corporate operating cycles, business plan projections (the projections) and debt facility structures over a three-year period;
- within the three-year period, market forward price forecasts are used in the forecast. Given the lack of forward liquidity in oil and gas markets after this initial three-year period, we rely on our own internal estimates of oil and gas prices without reference to liquid forward curves; and
- the Group is not currently committed to any major capital expenditures beyond the three-year period.

Review of principal risks

The Group's principal risks, set out in detail on pages 72 to 77, have been considered over the period. Whilst all the risks identified could have an impact on the Group's performance the specific risks which could materially impact the Group's financial position have been determined to be:

- commodity price exposure;
- operational performance;
- capital programme and delivery; and
- financial discipline.

To assess, either directly or by proxy, the potential impact of these principal risks over the forecast period, the Group has run downside scenarios, where oil and gas prices are reduced by 20 per cent plus total production volumes by 10 per cent, throughout the entire forecast period. These downside scenarios were performed individually and in combination alongside a reverse stress test to determine if the Group is forecast to have sufficient liquidity and covenant compliance headroom.

The potential impact of each of the Group's other principal risks on the viability of the Group during the forecast period, should that risk arise in its unmitigated form, has been assessed. The Board has considered the risk mitigation strategy for each of the other principal risks and believes they are sufficient to reduce the impact of each risk such that it would be unlikely to impact the Group's viability during the forecast period. Specifically, the risk associated with energy transition and climate change that could have a potential impact on viability outside the assessment period is reported in note 2 of the financial statements, pages 137 to 153.

Review of financial forecasts for the forecast period

The projections for the viability of the Group over the forecast period are based on:

Base case assumptions

- Production and expenditure forecasts on an asset-by-asset basis;
- Crude oil prices and gas prices that are used for impairment testing adjusted for the company's hedging programme position at year end 2025. Refer to note 2 in the financial statements, page 137; and
- The financial covenant and liquidity tests for both the going concern and viability statement periods associated with the Group's borrowing facilities.

Severe but plausible downside analysis

- In line with the identified principal risks that could impact the financial viability of the Group, sensitivity analyses were prepared under the severe but plausible downside sensitivity scenario to reflect the combined impact of reductions in Brent crude and gas prices by 20 per cent plus a 10 per cent reduction in the Group's production, throughout the entire forecast period. The sensitivity test demonstrated that neither of the two RCF covenants were breached within the assessment period, however liquidity headroom runs out within the viability period in 2028. Accordingly, the severe downside scenario represents a reverse stress test. This is prior to considering any mitigating actions that are available to the company to address the liquidity deficit as described below.

Results and mitigating actions

- The base case showed liquidity headroom and compliance with both financial covenants throughout the forecast period;
- The liquidity deficit in 2028 under the severe downside scenario is driven by debt instruments maturing in the year;
- Management is confident of being able to mitigate any liquidity reduction in such a downside scenario. Potential mitigations include the ability to control uncommitted capital programmes, decrease shareholder returns and/or enter into additional hedging together with the assumption of replacing the existing bonds upon maturity, being supported by Harbour's track record and investment grade credit ratings.

Waldorf acquisition

In December 2025, Harbour announced the Waldorf transaction which is expected to complete in the second quarter of 2026 which will be funded from existing funds. Harbour's investment grade credit ratings have been maintained following this announcement. As part of the viability statement assessment, a base case, sensitivities and reverse stress tests have been run on the enlarged group forecasts, which are supported by Harbour's acquisition due diligence work, and these do not change our conclusions for the existing group as described above.

Conclusion

The directors' assessment has been made with reference to the Group's current position and prospects, the Group's strategy and availability of funding, the Board's risk appetite and the Group's principal risks and how these are managed, as detailed in the Strategic report, pages 72 to 77. In the event of severe downside scenarios occurring, the directors are confident that the mitigating actions described above are sufficient to address any liquidity deficits that may occur. Therefore, the directors confirm that they have a reasonable expectation that the Group will continue to operate and meet its liabilities, as they fall due, throughout the three-year viability assessment period from 31 December 2028.

PRINCIPAL RISKS

The principal risks which may prevent the company from achieving its strategic objectives

Execution of the strategy: failure to effectively implement the strategy

RISK DESCRIPTION

The company’s strategy is to create long-term value by building a global, sustainable, independent oil and gas company through a combination of organic growth, disciplined M&A and portfolio management, underpinned by a clear purpose and strong values. There are risks to effectively implementing this strategy. External factors such as economic downturns, regional conflicts, geopolitical instability and uncertainty in the pace of the energy transition could lead to prolonged commodity price volatility, impacting investor confidence and access to capital. The company may be unable to maintain sufficient leadership and organisational capability to execute the strategy and manage the business effectively. Identifying and delivering attractive organic growth or M&A opportunities could prove more challenging than expected. Integration synergies may not be fully realised. Progress on our greenhouse gas strategy may impact other aspects of the strategy or vice versa. The company may be slow to adapt to changes in the external environment.

CHANGE IN RISK LEVEL

The unmitigated risk level remains stable. Weakening commodity price fundamentals and global geopolitical uncertainty continue to present challenges. However, the company continued to execute its strategy during 2025. This included delivering strong operational performance, completing the integration of the Wintershall Dea acquisition, agreeing the sale of non-core assets in Indonesia, reaching agreements to acquire Waldorf (UK) and LLOG Exploration (US) late in the year, and maintaining the financial health of the business.

HOW THE RISK IS MANAGED

- Regular Board review of the company strategy and its execution, market developments, and leadership capability and capacity
- Leadership Team with a proven track record of delivering value-accretive, large-scale M&A and organic growth projects
- Organisation structured and resourced to deliver the strategy, incentivised with a competitive reward and benefits package, and supported by a strong culture aligned to Harbour’s values
- Scalable operating model and enterprise management system to facilitate future growth
- Capital allocation, growth, financial and other key performance metrics agreed with the Board with some featuring in incentive compensation
- Corporate planning forecasts and M&A opportunities evaluated across a range of scenarios, including consideration of the long-term resilience to commodity price volatility, climate change and the energy transition
- Rigorous due diligence of future M&A opportunities with proven process to efficiently integrate acquired businesses

LINK TO STRATEGIC DRIVERS:

- SAFE & RESPONSIBLE
- SCALE & DIVERSITY
- HIGH QUALITY & RESILIENT
- FINANCIAL DISCIPLINE

UNMITIGATED CHANGE SINCE 2024:



BOARD ASSESSMENT OF CHANGE IN UNMITIGATED RISK LEVEL SINCE 2024

- Risk level has increased
- Risk level remains stable
- Risk level has decreased

Health, safety, environment and security: risk of a major health, safety, environmental or physical security incident

RISK DESCRIPTION

The company faces the risk of a major accident or physical security incident that could lead to serious personal injury, property damage and/or environmental harm. Such an event could also disrupt production, impair financial performance and damage the company’s reputation. Additionally, the business could incur substantial fines and individual directors may be subject to regulatory sanctions.

CHANGE IN RISK LEVEL

The unmitigated risk level specific to physical security has increased with continued coordinated threats to oil and gas infrastructure in Europe over the period. From a major accident hazard perspective, the installed asset base continues to require rigorous inspection and maintenance. The risk is actively managed to ensure the mitigated risk level at the asset level remains acceptable.

HOW THE RISK IS MANAGED

- Strong safety and physical security leadership culture, reinforced through Board and senior management engagement. This includes Board-level HSES Committee oversight and visible leadership through initiatives such as Global Safety Day, the CEO Safety Awards, town halls, internal communications, site visits and direct interactions with site managers and safety representatives
- Corporate major accident prevention policy and HSES policy that direct company activities, including contract work, supported by a defined HSES strategy, a maintained management system, and relevant training and competency management
- Active risk assessment process and management of change for operated assets
- Safety and security critical maintenance built into work programmes and budgets
- Risk-based internal independent HSES auditing and technical assurance with a focus on major accident hazards and physical security risk
- Performance closely monitored by the Leadership Team, the Board and HSES Committee, with agreed metrics integrated into performance tracking and incentive compensation
- Incident learnings and best practices shared across the organisation and with joint venture partners to drive continuous improvement
- Comprehensive crisis management and incident response plans, regular exercises to ensure preparedness and ongoing engagement with other organisations and governments to monitor security threats
- Mechanisms such as safety representatives and a confidential whistleblowing scheme to enable employees to raise concerns and contribute to a proactive safety culture

LINK TO STRATEGIC DRIVERS:

- SAFE & RESPONSIBLE
- SCALE & DIVERSITY
- HIGH QUALITY & RESILIENT
- FINANCIAL DISCIPLINE

UNMITIGATED CHANGE SINCE 2024:



OUR STRATEGIC DRIVERS

SAFE & RESPONSIBLE

Ensure safe, reliable and responsible operations

SCALE & DIVERSITY

Maintain a high-quality portfolio of reserves and resources

HIGH QUALITY & RESILIENT

Leverage our full cycle capability to strengthen our portfolio

FINANCIAL DISCIPLINE

Ensure financial strength through the commodity price cycle

Organisation and talent: failure to create and maintain a cohesive organisation with sufficient capability and capacity

RISK DESCRIPTION

The company may fail to maintain an organisation structure that aligns with evolving business needs or fail to attract, develop and retain talent, or to maintain a cohesive and engaged culture that aligns with the company's values, including during post-acquisition integration periods. Consequently, the organisation may lack the capability, capacity and skills (for example related to AI) to effectively execute the strategy and business plans.

CHANGE IN RISK LEVEL

The unmitigated risk level is stable. Former Wintershall Dea employees have been integrated into the Harbour organisation. Recruiting restrictions and local reorganisations have created some uncertainty but the business is responding well. Attracting talent is becoming less challenging in some areas but with regional specific variations.

HOW THE RISK IS MANAGED

- Corporate function organisation designed to scale with Harbour's growth strategy
- Competitive reward and benefits package, including flexible and hybrid working arrangements to attract and retain talent
- Established culture and values programme with clear linkage to purpose and strategic priorities
- Staff performance management process aligned with values and linked to reward
- Global learning and development programmes to build capability and support career development
- Succession planning to assess executive bench strength, identify gaps and develop high potential employees
- Proactive work with acquired businesses to assess and integrate organisation and reward structures in a timely manner
- Regular staff communications, engagement surveys and forums to promote two-way dialogue and feedback
- Initiatives to maintain positive employee engagement, including a Global Staff Forum, global employee resource groups, wellness programmes and recognition schemes

LINK TO STRATEGIC DRIVERS:

SAFE & RESPONSIBLE

SCALE & DIVERSITY

HIGH QUALITY & RESILIENT

FINANCIAL DISCIPLINE

UNMITIGATED CHANGE SINCE 2024:



Host government political and fiscal risks: exposure to adverse or uncertain political, regulatory or fiscal developments

RISK DESCRIPTION

The company's operations and interests span a diverse geopolitical landscape, including regions undergoing significant transitions, elections, trade disputes or experiencing geopolitical tensions. Local and global geopolitical uncertainty, security concerns and evolving regulatory and fiscal frameworks impacting areas where we have assets pose risks to our business. Adverse changes in these factors could negatively affect the company's operations and profitability. Uncertainty around future changes may delay existing projects or deter new investment. Such changes could include unfavourable tax policies, increased regulatory requirements, price controls, currency volatility, production limitations, cost recovery or dividend restrictions, trade barriers, contract nullifications or property expropriation.

CHANGE IN RISK LEVEL

The risk level is stable. Significant global and local geopolitical and economic uncertainties persist with limited ability to influence. However the Wintershall Dea and LLOG transactions have diversified Harbour's portfolio and reduced concentration risk and government changes in several operating countries over the period have reduced uncertainty.

HOW THE RISK IS MANAGED

- Active monitoring of regulatory, legislative and fiscal developments, coordinated through a dedicated global government relations function
- Proactive management of macroeconomic and political risks in host jurisdictions
- Constructive engagement with government and regulatory stakeholders
- Contribution to industry representation on key issues, including the need for a stable fiscal environment, the role of oil and gas in energy security, the energy transition and CCS

LINK TO STRATEGIC DRIVERS:

SAFE & RESPONSIBLE

SCALE & DIVERSITY

HIGH QUALITY & RESILIENT

FINANCIAL DISCIPLINE

UNMITIGATED CHANGE SINCE 2024:



Operational performance: failure to deliver expected operational performance

RISK DESCRIPTION

The company may fail to maintain safe, reliable and cost-effective production operations. Forecasting future production and operating costs is inherently uncertain, and actual performance may deviate from expectations. Significant expenditures and outages may be required to maintain the operability and integrity of the asset base as it ages, and replacement parts may not be readily available due to obsolescence. Opportunities to add production or increase throughput may be limited. Consequently, the company may fail to deliver expected operational performance.

CHANGE IN RISK LEVEL

The unmitigated risk level remains stable at a portfolio level. Maintaining the reliability of the installed asset base and forecasting performance as assets continue to age remains challenging.

HOW THE RISK IS MANAGED

- Clearly stated purpose to ensure safe, reliable and responsible production of hydrocarbons with demonstrable track record of meeting guidance
- Organisation designed and resourced to manage expected near-term operational activity levels
- Rigorous cost control measures, with resources allocated to maintain asset integrity and reliability
- Inventory of near-field drilling and other opportunities to help offset natural decline and enhance recovery
- Operational performance metrics agreed with the Board and embedded into business performance monitoring and incentive compensation
- Performance reviewed regularly by management and the Board
- Proactive risk-based oversight maintained across non-operated assets
- Solicitation of third-party volumes to improve utilisation of existing infrastructure

LINK TO STRATEGIC DRIVERS:

- SAFE & RESPONSIBLE
- SCALE & DIVERSITY
- HIGH QUALITY & RESILIENT
- FINANCIAL DISCIPLINE

UNMITIGATED CHANGE SINCE 2024:



Capital programme and delivery: failure to deliver the capital programme as planned

RISK DESCRIPTION

The company undertakes drilling operations and other capital projects to explore and develop oil and gas resources, as well as to decommission assets at the end of their economic life. These projects are often complex and may encounter delays, cost overruns, quality issues or poor HSES performance. Forecasting future productivity of targeted resources and costs is inherently uncertain, and outcomes may differ from plans. Consequently, the company may struggle to replace reserves in a value-accretive manner, leading to unexpected declines in future production and financial performance. In addition, inaccurate cost estimates for projects could lead to over-expenditures and, in the case of decommissioning, inadequate provision for future liabilities.

CHANGE IN RISK LEVEL

The unmitigated risk level is stable, with a clear line of sight to future investment plans.

HOW THE RISK IS MANAGED

- Organisation resourcing plans defined to deliver the planned capital programme
- Processes in place to mature resources and drive efficient deployment of capital including defined stage-gate reviews supported by risk-based technical and economic evaluations
- Dedicated CCS Business Unit to develop commercialisation frameworks for CCS assets and identify and manage CCS-specific risk elements
- Innovative processes and technologies to improve recovery considered where competitive
- Technical services assurance function provides independent governance of capital investment activities and performance, monitors performance and promotes transfer of learnings
- Investment metrics agreed with the Board to ensure consistent evaluation and prioritisation of opportunities
- Major project delivery supported by the technical services function and regularly reviewed by management and monitored by the Board
- Capital deployment and growth metrics agreed with the Board and integrated into business performance monitoring and incentive compensation
- Project performance benchmarked at appropriate decision gates to understand relative performance with systematic lookbacks
- Independent audit undertaken of a proportion of the company's reserves and resources

LINK TO STRATEGIC DRIVERS:

- SAFE & RESPONSIBLE
- SCALE & DIVERSITY
- HIGH QUALITY & RESILIENT
- FINANCIAL DISCIPLINE

UNMITIGATED CHANGE SINCE 2024:



Third-party reliance: failure to adequately manage joint venture partners, infrastructure owners, supply chain contractors and other partners

RISK DESCRIPTION

The company relies on a range of third parties, including JV partners, downstream infrastructure owners, trading counterparties and suppliers of products and services. JV partners may not manage assets in alignment with Harbour's values and business objectives and Harbour may have limited influence or access to detailed information. The company may be unable to procure certain assets, products or services on a timely and cost-effective basis. The company may lose or be unable to secure access to transportation for its products or may not be able to realise full market value from products.

CHANGE IN RISK LEVEL

The unmitigated risk level is stable. Our non-operated assets continue to be a focus for influence. Recent supply chain inflationary pressures are easing, offset by geopolitical fragmentation and the effects of trade complications.

HOW THE RISK IS MANAGED

- Prioritisation of partnerships with well-established, experienced, high-quality JV partners
- Well-established relationships with most partners and suppliers, including regular risk-based engagement and performance monitoring
- Proactive development, oversight, governance and enforcement of JV rights and commercial agreements
- Formal budgeting and tendering processes to govern material spend
- Contract management process in place to identify and monitor supply chain risks, secure products and services and ensure continuity of supply
- Strategic partnerships in specific high risk or value categories to review safety performance and highlight commercial and technical innovation opportunities
- New and existing partners and suppliers assessed and regularly monitored, supported by additional security arrangements as required
- Transportation for produced oil and gas supported by industry codes of practice and contractual agreements
- Insurance programmes in place include contingent business interruption insurance for loss of revenue following loss or damage to third-party facilities

LINK TO STRATEGIC DRIVERS:

SAFE & RESPONSIBLE

SCALE & DIVERSITY

HIGH QUALITY & RESILIENT

FINANCIAL DISCIPLINE

UNMITIGATED CHANGE SINCE 2024:



Financial discipline: failure to work within our financial framework

RISK DESCRIPTION

The company aims to maintain strong financial health by operating within a defined financial framework. This financial framework ensures robust financial controls, disciplined capital allocation through commodity price cycles, and effective management of financial risks, including liquidity, interest rate, foreign exchange and credit exposures, in line with our risk appetite. Failure to adhere to this framework could limit our ability to invest adequately in our existing assets, fund organic and/or M&A growth, deliver on dividend commitments, and/or maintain investment grade credit ratings.

CHANGE IN RISK LEVEL

The unmitigated risk level has increased over the period due to weakening commodity price fundamentals. Interventions made to maintain the financial health of the company, including robust operational performance, hedging and bond issuances, are evidenced by the confirmation of investment grade credit ratings. In addition, the announced LLOG and other transactions support competitive shareholder returns and strengthen the investment grade credit rating profile.

HOW THE RISK IS MANAGED

- Robust financial framework and prudent capital allocation priorities agreed with the Board and rigorously implemented
- Diversified capital structure in place, including a debt structure comprised of unsecured, low cost and flexible bank facilities and bonds with extended maturities
- Decommissioning liabilities and financial headroom on security postings closely monitored
- Disciplined hedging programme in place to maintain acceptable exposure to commodity prices and foreign exchange fluctuations
- Annual capital budgets and three-year view approved by the Board. These consider near-term commodity prices, cash flow expectations and credit rating headroom. Plans and spending levels stress-tested against adverse scenarios
- Implementation of a new shareholder distribution policy based on a cash flow payout ratio that is more appropriate for a commodity business

LINK TO STRATEGIC DRIVERS:

SAFE & RESPONSIBLE

SCALE & DIVERSITY

HIGH QUALITY & RESILIENT

FINANCIAL DISCIPLINE

UNMITIGATED CHANGE SINCE 2024:



Commodity prices: exposure to the impact of commodity price fluctuations on the business

RISK DESCRIPTION

The price of oil and gas is influenced by global and regional supply and demand, and expectations of future supply and demand. This makes it difficult to accurately predict future prices, which may decline for extended periods or become more volatile. A sustained period of low prices could undermine our ability to deliver on our strategy by reducing cash flow available to protect the balance sheet, fund growth and maintain shareholder distributions. Excessive price volatility could hinder business planning and financial decision-making. The company seeks to actively manage commodity price exposure to realise sufficient revenue to fund the company's strategy through the cycle while protecting the business from excessive volatility.

CHANGE IN RISK LEVEL

The unmitigated risk level has increased over the period due to increased commodity price volatility and weakening fundamentals. Hedging volumes are maintained within risk appetite while fixed and formula prices in some regional natural gas markets provide further protection.

HOW THE RISK IS MANAGED

- Board-approved commodity hedging programme aligned to risk appetite that underpins the implementation of the financial framework. The programme is designed to reduce cash flow volatility, mitigate the effects of sudden price decreases and prolonged periods of low commodity prices, and provide management with time to respond and adjust the business plan
- Strong control framework in place that covers the entire hedging lifecycle, including minimum and maximum hedging limits, and monitoring and assurance activities to ensure the hedging programme is applied consistent with risk appetite
- Carbon price hedging conducted to actively manage the company's exposure to carbon pricing in the UK and EU markets and meet regulatory requirements
- Regular hedging position reporting to the Board

LINK TO STRATEGIC DRIVERS:

- SAFE & RESPONSIBLE
- SCALE & DIVERSITY
- HIGH QUALITY & RESILIENT
- FINANCIAL DISCIPLINE

UNMITIGATED CHANGE SINCE 2024:



Cyber and information security: failure to maintain safe, secure and reliable information systems

RISK DESCRIPTION

The company may fail to maintain adequate cyber and information security protections, making it vulnerable to a serious or new form of cyber security incident or slow to recover from such an incident, including during post-acquisition integration periods. In addition, the emergence of Artificial Intelligence (AI) technologies introduces new risks to the business, including the inadvertent leakage of confidential information. Failure to manage such risks could result in business or operational interruption, impact the confidentiality, integrity, availability and regulatory compliance of company information, and potentially lead to heightened safety or environmental risk. These outcomes could also result in regulatory fines, impact business performance and damage the company's reputation.

CHANGE IN RISK LEVEL

The unmitigated risk level is increasing as a result of the continued evolution in the volume and sophistication of cyber events, including the use of AI for phishing and social engineering attacks.

HOW THE RISK IS MANAGED

- Experienced and well-resourced cyber and information security organisation in place
- Provision of threat intelligence services in place with UK Government and specialist partners
- Defensive and preventative controls maintained to an industry standard that include supply chain monitoring, phishing testing, AI awareness and acceptable use, and staff and Board training to maintain awareness
- Disaster recovery and business continuity plans in place and regularly tested to ensure resilience
- Resilience independently tested and assured including through simulation of incidents
- Regular review of controls in line with the evolving threat landscape and regulatory requirements

LINK TO STRATEGIC DRIVERS:

- SAFE & RESPONSIBLE
- SCALE & DIVERSITY
- HIGH QUALITY & RESILIENT
- FINANCIAL DISCIPLINE

UNMITIGATED CHANGE SINCE 2024:



Climate change and energy transition: failure to adapt the strategy in the context of external expectations

RISK DESCRIPTION

The transition towards a low-carbon economy poses a range of financial, legal, market, regulatory, technology and reputation risks to the company. Shifts in supply and demand for oil and gas may lead to long-term price volatility. Stakeholder expectations regarding the energy transition, ESG commitments and disclosure requirements lead to scrutiny of the resilience of our strategy and portfolio. Failure to meet these expectations could restrict access to capital from investors and lenders. The company may also face negative NGO or shareholder activism, impacting our social licence to operate, including civil legal action. Long-term physical changes in weather patterns and ocean currents and more frequent extreme weather events could potentially disrupt business activities, increase business costs and raise insurance premiums. The delivery of our greenhouse gas strategy may impact the execution of other aspects of the strategy or vice versa.

Overall, the long-term viability of the business depends on maintaining a strategy and portfolio that is demonstrably resilient to evolving market conditions, requirements and expectations related to climate-related requirements.

CHANGE IN RISK LEVEL

The unmitigated level of this risk has reduced over the period. Stakeholder expectations on the pace of the energy transition have eased coupled with ongoing concerns over energy affordability and supply security.

HOW THE RISK IS MANAGED

- Clear commitment made to the safe, reliable and responsible production of oil and gas
- Credible emissions reduction plans in place to contribute to our 2030 emissions reduction target, zero routine flaring commitment and methane intensity goals
- Emissions reduction targets included in the company's bonus schemes
- Greenhouse gas strategy and delivery, monitored by the Board and HSES Committee, including assessment of strategic resilience
- Leading European CCS portfolio, including material participation in the Viking (UK) project, the Greensand Future (Denmark) project under construction, with additional opportunities under evaluation in Denmark, Germany and Norway
- Energy transition scenarios and carbon pricing assumptions incorporated into investment decisions, corporate planning, M&A analysis and key financial judgements
- Continuous monitoring of emerging ESG reporting requirements to ensure compliance
- Reporting in line with the Task Force on Climate-related Financial Disclosures (TCFD) requirements, as mandated by the FCA
- Independent verification of greenhouse gas emissions and energy consumption data
- For additional information on the company's climate strategy and related risks, see pages 49 to 54 and the Viability statement on page 71

LINK TO STRATEGIC DRIVERS:

SAFE & RESPONSIBLE

SCALE & DIVERSITY

HIGH QUALITY & RESILIENT

FINANCIAL DISCIPLINE

UNMITIGATED CHANGE SINCE 2024:



Legal and regulatory compliance: failure to maintain and demonstrate effective legal and regulatory compliance

RISK DESCRIPTION

The company, its employees and contractors are subject to a wide range of laws and regulations governing corporate and personal conduct and disclosure, including areas such as fraud, bribery, corruption, tax evasion, sanctions and human rights. A major legal and/or regulatory compliance breach could lead to financial penalties, erode our values-based culture, and tarnish our reputation among employees and external stakeholders. Individual directors could also face regulatory or criminal sanctions.

CHANGE IN RISK LEVEL

The unmitigated level of the risk is stable since the Wintershall Dea transaction increased the number and variety of counterparties and expanded the company's presence in emerging markets.

HOW THE RISK IS MANAGED

- Zero tolerance stance towards fraud, bribery, corruption and the facilitation of tax evasion supported by clear policies and reinforced through leadership communications and employee training
- Global compliance framework in place with relevant induction and training to enhance awareness of the risks, set clear expectations, prevent material fraud and promote a 'speak up' culture. This framework includes well-defined and reinforced values, secure whistleblowing arrangements and relevant Board-approved policies and statements covering matters such as code of conduct, sanctions, ethics, human rights and tax
- Robust corporate governance structure maintained that complies with the UK Listing Rules, UK Corporate Governance Code and UK Companies Act
- Emerging laws and regulations closely monitored to ensure timely compliance
- Audit and Risk Committee monitoring of whistleblowing activity and enforcement of the code of conduct

LINK TO STRATEGIC DRIVERS:

SAFE & RESPONSIBLE

SCALE & DIVERSITY

HIGH QUALITY & RESILIENT

FINANCIAL DISCIPLINE

UNMITIGATED CHANGE SINCE 2024:



To consolidate our reporting requirements under sections 414CA and 414CB of the Companies Act 2006, the table on page 67 sets out our non-financial and sustainability information statement and shows where in this Annual Report to find each of the disclosure requirements. The Strategic report, comprising pages 1 to 77, including the non-financial and sustainability information statement, has been prepared in accordance with the requirements of the Companies Act 2006 and has been approved and signed on behalf of the Board.

Linda Z. Cook
Chief Executive Officer
4 March 2026

GOVERNANCE

We care.

We work together.

We aim to...



Guided by our purpose

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The Board is collectively responsible for the governance of the company and for its long-term sustainable success. In fulfilling these responsibilities, we adhere to the highest standards of corporate governance.

R. BLAIR THOMAS
CHAIR

THE UK CORPORATE GOVERNANCE CODE IN ACTION:

1	Board leadership & company purpose	P82
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→ FIND OUT MORE ONLINE
frc.org.uk

GOVERNANCE AT A GLANCE

The UK Corporate Governance Code 2024 (the Code) is the corporate governance code which we have reported against during the financial year to 31 December 2025 and can be found at [frc.org.uk](https://www.frc.org.uk).

Harbour was fully compliant with the provisions of the Code throughout 2025, except for:

- Provision 9, which states that 'the chair should be independent on appointment when assessed against the circumstances set out in Provision 10'. R. Blair Thomas, the Chair, was appointed pursuant to EIG's right to appoint up to two directors to the Board under the relationship agreement entered into when Harbour was formed in March 2021, and did not meet the independence criteria of Provision 10 of the Code on appointment. The EIG relationship agreement expired on 3 September 2024. However, as it was in force at the time of appointment, we will continue to report non-compliance for the duration of R. Blair Thomas' tenure as Chair.

The Board believes that Blair's industry experience and insightful leadership are of continuing benefit to Harbour Energy and its stakeholders. The Board is comprised of a majority of independent non-executive directors, and the industry experience and combined knowledge that the non-independent non-executive directors R. Blair Thomas, Hans-Ulrich Engel and Dirk Elvermann bring to the Board are invaluable. The Board therefore continues to believe that there is sufficient independent challenge and judgement in the boardroom.

Meeting attendance

Eleven Board meetings were held during the year, seven of which were regularly scheduled meetings covering a full agenda of strategic, performance and governance items. All directors achieved full attendance.

A full attendance table is available in the Directors' report on page 116.

BOARD OF DIRECTORS

The Board is collectively responsible for the governance of the company on behalf of Harbour's shareholders and is accountable to them for the long-term sustainable success of the company.

The Board governs the company in accordance with the authority set out in the company's articles of association and in compliance with the Code:

1 Board leadership & company purpose [Page 82](#)

UK CORPORATE GOVERNANCE CODE PRINCIPLES:

- A:** The board promotes the long-term success of the company
- B:** The company's purpose, values and strategy align with its culture
- C:** Governance reporting should focus on board decisions and their outcomes
- D:** The board engages effectively with shareholders and stakeholders
- E:** Workforce policies and practices are aligned with company values

2 Division of responsibilities [Page 87](#)

UK CORPORATE GOVERNANCE CODE PRINCIPLES:

- F:** The board is led by the chair who is responsible for its effectiveness
- G:** Clear division of responsibilities and balance of independence on the board
- H:** Non-executive directors challenge, guide and hold management to account
- I:** The board has the information, time and resources to function effectively

3 Composition, succession & evaluation [Page 88](#)

UK CORPORATE GOVERNANCE CODE PRINCIPLES:

- J:** Board appointments are based on merit and objective criteria including diversity
- K:** There is a combination of skills, experience and tenure on the board and committees
- L:** Board performance reviews are conducted annually

4 Audit, risk & internal control [Page 93](#)

UK CORPORATE GOVERNANCE CODE PRINCIPLES:

- M:** The board ensures the integrity of reporting and effectiveness of audit functions
- N:** Reporting is fair, balanced and understandable
- O:** Procedures are in place to maintain an effective risk management and internal control framework and determine principal risks and appetite

5 Remuneration [Page 101](#)

UK CORPORATE GOVERNANCE CODE PRINCIPLES:

- P:** Remuneration design supports strategy and aligns to company purpose and values
- Q:** There is a formal and transparent procedure for director and senior management remuneration
- R:** Independent judgement and discretion are exercised when authorising remuneration outcomes

BOARD OVERSIGHT

BOARD COMMITTEES

The Board has established committees which assist the Board in discharging its duties in certain areas.

Each of the committees has formal terms of reference, copies of which can be found on the company's website.

NOMINATION COMMITTEE P88



R. BLAIR THOMAS
COMMITTEE CHAIR

Responsibilities

- Board composition
- Succession planning and Board appointments
- Leads Board performance review process
- Monitors Harbour's culture

AUDIT AND RISK COMMITTEE P93



ALAN FERGUSON
COMMITTEE CHAIR

Responsibilities

- Integrity of reporting
- Effectiveness of internal and external audit
- Risk management and internal control framework

HSES COMMITTEE P99



MARGARETH ØVRUM
COMMITTEE CHAIR

Responsibilities

- Effectiveness of HSES strategy
- HSES risk including tolerance and mitigation
- HSES assurance
- Integrity of HSES reporting

REMUNERATION COMMITTEE P101



ANNE L. STEVENS
COMMITTEE CHAIR

Responsibilities

- Remuneration Policy
- Remuneration arrangements for senior management
- Oversight of pay and conditions across Harbour

LEADERSHIP TEAM

The Board and its committees are supported by an experienced Leadership Team, led by our CEO.

THE LEADERSHIP TEAM RESPONSIBILITIES

The Leadership Team is responsible for implementation of the Board-approved strategy, for safe and responsible delivery of our operational targets and capital investments, and for building and leading our talented organisation, including:

SAFETY &
SECURITY

PROTECTING THE
ENVIRONMENT

PRODUCING
OPERATIONS

GROWTH
PROJECTS

BUSINESS
DEVELOPMENT

OPERATING
MODEL,
PROCESSES
& SYSTEMS

PEOPLE &
ORGANISATION

CULTURE

CAPITAL
ALLOCATION

FINANCE,
PLANNING &
REPORTING

RISK
MANAGEMENT

INTERNAL
CONTROLS

→ FIND OUT MORE ONLINE
[harbourenergy.com/who-we-are/
leadership/our-senior-team](https://harbourenergy.com/who-we-are/leadership/our-senior-team)



The Board remains committed to the highest standards of corporate governance, guiding our strategy and ensuring its continued relevance in a dynamic market environment.

R. BLAIR THOMAS
CHAIR



Dear shareholder,

I am delighted to be writing to you on behalf of the Board in this, Harbour Energy's 2025 Annual Report.

During 2025, the economic and geopolitical backdrop remained unpredictable, and there is continued uncertainty around future economic growth rates. In spite of this, our company's purpose – to play a significant role in meeting the world's energy needs through the safe, efficient and responsible production of hydrocarbons, while creating value for our stakeholders – remains relevant. Harbour Energy is one of the world's largest and most diverse independent oil and gas companies with a significant global footprint and our strategic goal to continue building a global, diverse, independent oil and gas company remains as important as ever.

Our governance framework provides the foundation for how we work together. The Board remains committed to the highest standards of corporate governance, guiding our strategy and ensuring its continued relevance in a dynamic market environment. Scale and diversification are central to our strategy, and we have a broad set of organic investment options to support material production and free cash flow for some time, while M&A remains a core strength, as demonstrated in 2025. In evaluating opportunities, we maintain a disciplined approach focused on strategic alignment and long-term value creation. This means making the right decisions at the right time, supported by the right people and insights. Our governance structure underpins this commitment, and a summary of the framework is available on page 80.

Board activities during 2025

Safety, capital allocation, operational delivery, sustainability, and consideration of value creation and strategic opportunities have remained high on the Board's agenda throughout 2025. Oil and gas will continue to play a key role in meeting the world's energy needs and it is important that we continue to invest to deliver reliable supplies in a responsible manner.

THE UK CORPORATE GOVERNANCE CODE IN ACTION

1 BOARD LEADERSHIP & COMPANY PURPOSE



UK Corporate Governance Code Principle	How does the Board apply this Principle?	Further information
A. A successful company is led by an effective and entrepreneurial board, whose role is to promote the long-term sustainable success of the company, generating value for shareholders and contributing to wider society. The board should ensure that the necessary resources, policies and practices are in place for the company to meet its objectives and measure performance against them.	The directors provide leadership and ensure the company and its management focus on the delivery of long-term sustainable success for all stakeholders, including shareholders and wider society. A robust financial framework is in place, underpinned by prudent capital allocation, to ensure the necessary resources are in place to meet Harbour's objectives and measure performance within an effective risk management framework.	- Governance at a glance: P80 - Board activities during 2025: P82
B. The board should establish the company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All directors must act with integrity, lead by example and promote the desired culture.	The Board has approved the company's purpose, values and strategy and is satisfied they are aligned with the culture that has been embedded throughout the company, regularly meeting with a wide cross section of staff to gain the required insight.	- Governance at a glance: P80 - Our culture & values: P12 - Harbour culture: P91
C. Governance reporting should focus on board decisions and their outcomes in the context of the company's strategy and objectives. Where the board reports on departures from the Code's provisions, it should provide a clear explanation.	This Governance section of the Annual Report is structured to show how the Board operates with the support of its committees. The narrative contains details of the Board's activities, objectives and decisions made during the year. One departure from the Code provisions is explained on page 80.	- Governance at a glance: P80 - Chair's introduction: P82 - Board activities during 2025: P82 - Engaging with our stakeholders: P16
D. In order for the company to meet its responsibilities to shareholders and stakeholders, the board should ensure effective engagement with, and encourage participation from, these parties.	The Board seeks to engage actively with its stakeholders, including major shareholders, employees, governments, regulators, partners and suppliers. Feedback from stakeholders is considered in the Board's decision-making processes.	- Engaging with our stakeholders: P16 - Employee engagement: P91 - Workforce engagement: P91
E. The board should ensure that workforce policies and practices are consistent with the company's values and support its long-term sustainable success. The workforce should be able to raise any matters of concern.	Our workforce policies and practices are aligned with our values, with regular employee engagement surveys resulting in improvement initiatives throughout the business. Speak Up, the company's whistleblowing service, is available to all employees and contractors and is regularly publicised through the company's communication channels including town hall meetings.	- Audit and Risk Committee activities during 2025: P94 - Employee practices: P62 - Global engagement survey: P91

Financial stewardship remained a central priority throughout the year, ensuring the company maintains a resilient balance sheet and that the company's distribution policy continues to support long-term shareholder value. Additionally, a number of strategic business development initiatives were advanced, including the sale of our Vietnam business, the execution of agreements to divest non-core assets in Indonesia, and decisions to acquire Waldorf and LLOG Exploration.

The Board maintained strong oversight of core operational activities, with regular reviews of production performance, operating costs and the execution of the capital programme, ensuring that operational plans remained aligned with strategic priorities.

Fundamental to our purpose is ensuring safe operations for our workforce – providing an environment where our people can undertake their duties without being put in harm's way. Safety remained a fundamental consideration during the integration of our Wintershall Dea employees and assets throughout the year, and performance overall was carefully monitored by the Board, supported by the HSES Committee.

In addition, the Board remained supportive of the progress being made to meet our GHG strategic commitments.

Board performance and composition

During the year, Andy Hopwood stepped down from the Board following the AGM in May 2025, and we thank him for his dedicated service. In July 2025, Simon Henry also stepped down, and we are grateful for his significant contribution as Senior Independent Director since Harbour became a public company in 2021. Following Simon's departure, Alan Ferguson assumed the role of Senior Independent Director. In the latter part of 2025, the Board and Nomination Committee undertook a thorough search for a new independent non-executive director, and we were pleased to welcome Gregory Hill to the Board on 1 January 2026. Further details on the search, appointment, and induction process can be found in the Nomination Committee report beginning on page 88.

During 2025, the Board undertook an external Board evaluation process with Lintstock. The independent external review concluded that the functioning of the Board and its committees remains effective. An overview of the Board performance review process, actions taken, key findings and next steps is included in the Nomination Committee report on page 88.

Board priorities for 2026

For the Board and Leadership Team, our focus during 2026 will be delivering against our operational and safety targets and capital programme and continuing to actively manage our portfolio. This will include a focus on completing the divestment of Indonesia assets and the acquisition of Waldorf and the integration of LLOG Exploration. In addition, time will be spent ensuring the resilience of the company in light of commodity price uncertainty.

The macroeconomic and geopolitical environment remains challenging and uncertain, but with our increased scale and diversification Harbour has demonstrated resilience over 2025 and I am confident that we have the right team and strategy in place to create value for all our stakeholders.

Finally, I would like to thank all of our employees and contractors, shareholders, partners, suppliers and customers for their continued support of Harbour Energy.

R. Blair Thomas
Chair

DIRECTOR INDUCTION



Upon appointment, all directors receive a comprehensive and formal induction programme tailored to their needs, experience, and the requirements of the role.

Onboarding is crucial to ensure that directors have a full understanding of all aspects of the business, including the strategy, vision and values, to ensure they are able to contribute effectively to Board discussions. A snapshot of the induction plan for our new director, Gregory Hill, is provided below:



BOARD OF DIRECTORS

The Board is collectively responsible for the governance of the company on behalf of Harbour Energy's shareholders and is accountable to them for the long-term success of the Group



R. Blair Thomas
Chair



Appointed 31 March 2021

Skills and experience

Blair was appointed as Non-Executive Chair of the company in March 2021. Blair has more than 30 years' experience in the investment management business, with a focus on energy and energy-related infrastructure. Blair's industry experience and knowledge of Harbour are invaluable and his leadership of the Board is of significant benefit to the company and shareholders as a whole.

External appointments with public companies

None

Committee membership

- Nomination (Chair)



Linda Z. Cook
Chief Executive Officer



Appointed 31 March 2021

Skills and experience

Linda has significant experience in building and managing large-scale, global energy businesses at both Royal Dutch Shell where she worked for almost 30 years and subsequently in private equity at EIG and Harbour Energy. She has a track record of successful strategic execution and growth, including through M&A, major project delivery and raising capital. Linda's experience in international oil and gas, and in disciplined capital allocation within the sector is of great value to Harbour as the company works to implement its strategy.

External appointments with public companies

- BNY: Non-Executive Director, Chair of the Audit Committee and member of the Corporate Governance, Nominating and Social Responsibility Committee

Committee membership

N/A



Alexander Krane
Chief Financial Officer



Appointed 15 April 2021

Skills and experience

Having spent a large portion of his career as CFO of Aker BP, including during the merger of Det Norske Oljeselskap and BP Norge, Alexander has experience leading a large finance function through integration processes. He brings extensive listed company experience and understanding of debt and equity capital markets, which enhances the Board's ability to maintain balance sheet strength and deliver on its growth and investment plans through the commodity price cycle.

External appointments with public companies

None

Committee membership

N/A



Alan Ferguson
Senior Independent Non-Executive Director



Appointed 31 March 2021

Skills and experience

Alan is a chartered accountant and brings current and relevant financial experience to the Board and Audit and Risk Committee following his executive career in finance roles including being CFO of three FTSE 100/250 companies. Alan has over a decade of experience leading audit committees of listed companies including the Weir Group, Croda International and Johnson Matthey plc. The Audit and Risk Committee also benefits from Alan's insight from his position as a Board member of the Audit Committee Chairs' Independent Forum, and his expertise in corporate governance, audit and accounting is of great value to the Board and the company.

External appointments with public companies

- AngloGold Ashanti plc: Senior Independent Non-Executive Director

Committee membership

- Audit and Risk (Chair)
- Remuneration



Belgacem Chariag
Independent Non-Executive Director



Appointed 1 May 2023

Skills and experience

Belgacem has extensive experience in the energy, materials and chemicals industries, having held a variety of leadership positions within oil field services companies, including Baker Hughes and Schlumberger. Most recently Belgacem was Chairman and CEO of Ecovyst Inc, a leading global provider of speciality catalysts, materials, chemicals and services. Belgacem brings extensive global industry expertise to Harbour, including in the area of health and safety, which enhances the Board's ability to support and oversee the delivery of the strategy.

External appointments with public companies

- Helmerich & Payne, Inc: Non-Executive Director and Chair of the Remuneration Committee and the Eastern Hemisphere Strategy Committee

Committee membership

- HSES
- Nomination



Dirk Elvermann
Non-Executive Director



Appointed 3 September 2024

Skills and experience

Dirk was appointed as a non-executive director of the company pursuant to the relationship agreement with BASF (described on page 117). Dirk holds a doctorate in law and has gained broad international business expertise in various roles at BASF since 2003. As the CFO and Chief Digital Officer of BASF, Dirk brings a wealth of experience and understanding of finance and digitalisation. His deep expertise provides valuable insights to the Board, helping to drive operational efficiency and support the company's continued growth and innovation.

External appointments with public companies

- BASF SE: CFO and Chief Digital Officer

Committee membership

- Nomination



Hans-Ulrich Engel
Non-Executive Director



Appointed 3 September 2024

Skills and experience

Hans-Ulrich was appointed as a non-executive director of the company pursuant to the relationship agreement with BASF (described on page 117). Hans-Ulrich holds a doctorate in law and has decades of experience in the chemicals and energy sectors including as former CFO and Vice Chairman of the Board of BASF SE. His expertise includes M&A, major restructuring projects and business development skills, which provides the Board with valuable insights to drive strategic growth and the success of the company.

External appointments with public companies

- DHL Group: Supervisory Board member and Chair of Audit Committee

Committee membership

- HSES



Gregory Hill
Independent Non-Executive Director



Appointed 1 January 2026

Skills and experience

Greg brings extensive global energy leadership experience to Harbour, most recently serving as President and Chief Operating Officer of Hess Corporation for over 16 years. Prior to joining Hess, Greg spent 25 years at Shell in senior roles across Asia-Pacific, Europe and the US. Greg is committed to excellence in health and safety and brings valuable external perspectives to Harbour, having served on numerous energy boards and industry bodies. With deep industry knowledge and significant operational expertise, Greg brings a valuable perspective to Board discussions and decision-making.

External appointments with public companies

Ovintiv, Inc: Independent Director

Committee membership

- Audit and Risk
- HSES



Louise Hough
Independent Non-Executive Director



Appointed 1 May 2023

Skills and experience

Louise has a wealth of experience and deep understanding of both financial and energy markets. Following 25 years at UBS, Louise played a lead role in preparing Saudi Aramco for its first public bond issuance and IPO as Head of International Investor Relations. At Saudi Aramco Louise was also a member of the Sustainability Steering Committee, working extensively on all aspects of ESG reporting. Louise's experience advising investors, boards and executive management teams on capital markets-related activity, sustainability and governance issues is of great value to the Board and its committees.

External appointments with public companies

None

Committee membership

- Audit and Risk
- Nomination
- Remuneration



Margareth Øvrum
Independent Non-Executive Director



Appointed 1 April 2021

Skills and experience

Margareth has extensive experience of international oil and gas operations, having worked for almost 40 years at Equinor and its predecessor companies. At Equinor, Margareth spent almost 17 years on the executive committee with global responsibility for HSES, project development, drilling, procurement, technology and new energy. Margareth's extensive leadership experience of major projects, health and safety, sustainability and the role of digital technology in engineering are invaluable to the Board. Margareth has a passion for safety and the environment which is essential to her role as Chair of the HSES Committee.

External appointments with public companies

- FMC Corporation: Non-Executive Director
- Technip FMC plc: Non-Executive Director

Committee membership

- HSES (Chair)
- Audit and Risk



Anne L. Stevens
Independent Non-Executive Director



Appointed 31 March 2021

Skills and experience

Anne brings a wealth of experience built up over a long career in engineering and executive roles in large global companies. In recent years, she has served on remuneration committees, including as Chair, in a number of large organisations, including Anglo American plc, expertise that she brings to her role as Remuneration Committee Chair. Anne also has significant experience engaging with investors to deliver remuneration outcomes that are of benefit to all stakeholders.

External appointments with public companies

- Aston Martin Lagonda Global Holdings plc: Non-Executive Director, and Chair of the Remuneration Committee and the Sustainability Committee

Committee membership

- Remuneration (Chair)
- Nomination



SUPPORTING THE BOARD ON ALL GOVERNANCE MATTERS

Rachel Benjamin
Company Secretary

Rachel is a Fellow of the Chartered Governance Institute with more than 20 years' experience gained across a variety of industries and sectors in FTSE 100 and FTSE 250 listed companies.

Rachel ensures that the Board has the policies, processes, information, time and resources it needs to function effectively and efficiently.



Strong governance is at the heart of how we work and the future we are building. As Company Secretary, I am proud to champion these principles and see first-hand how it creates a culture of accountability and responsible decision-making, upholding the trust placed in us by our stakeholders.

THE UK CORPORATE GOVERNANCE CODE IN ACTION

2 DIVISION OF RESPONSIBILITIES



UK Corporate Governance Code Principle	How does the Board apply this Principle?	Further information
F. The chair leads the board and is responsible for its overall effectiveness in directing the company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the chair facilitates constructive board relations and the effective contribution of all non-executive directors, and ensures that directors receive accurate, timely and clear information.	The Chair leads the Board and ensures its effectiveness. He brings significant industry experience, demonstrating objective judgement despite not being independent on appointment. The Chair promotes an active culture of openness and debate, facilitating constructive Board relations and the effective contribution of all non-executive directors, ensuring that directors receive accurate, timely and clear information.	- Chair's introduction: P82 - UK Corporate Governance Code explanation: P80 - Board and committee performance review: P90
G. The board should include an appropriate combination of executive and non-executive (and, in particular, independent non-executive) directors, such that no one individual or small group of individuals dominates the board's decision-making. There should be a clear division of responsibilities between the leadership of the board and the executive leadership of the company's business.	The Board is comprised of a majority of independent directors, with a clear division of responsibilities between the leadership of the Board and the executive leadership and management of the business. Given Hans-Ulrich Engel and Dirk Elvermann's roles as shareholder representative directors, there is a relationship agreement with BASF to ensure the company is able to operate independently and to the highest standards of corporate governance.	- Board of directors: P84 - Relationship agreements: P117
H. Non-executive directors should have sufficient time to meet their board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold management to account.	Non-executive directors ensure they have sufficient time to meet their responsibilities, including providing constructive challenge, helping to develop the company's strategy and holding management to account for the company's performance. No director holds external directorships at more than three other public companies.	- Board of directors: P84 - Meeting attendance: P116
I. The board, supported by the company secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently.	All directors have access to the Company Secretary who is responsible for advising the Board and its committees on all governance matters.	- Governance at a glance: P80 2024-2025 performance review: P90

GOVERNANCE AT A GLANCE [PAGE 80](#)

NEXT SECTION OF THE CODE [PAGE 88](#)



The Committee completed the first comprehensive succession planning exercise for the enlarged organisation during 2025, following completion of the Wintershall Dea transaction.

R. BLAIR THOMAS
COMMITTEE CHAIR

Role of the Committee

- To plan director succession and oversee plans for senior management succession and talent development, taking into account the strategy of the company and the skills, knowledge, diversity and experience required to deliver the strategy; and to oversee the development of a diverse pipeline for succession to Board and senior management positions
- To keep under review the structure, size and composition of the Board and its committees
- To lead the process for the annual Board and committee performance review and oversee the results and actions
- To lead the process for Board appointments, ensuring it is formal, rigorous and transparent, and identifying and nominating candidates for the Board’s approval
- To lead Board-level engagement with Harbour’s workforce, ensuring effective engagement and enabling them to raise matters of concern
- To assess and monitor Harbour’s culture and how it has been embedded, ensuring that it is aligned with the company’s purpose, values and strategy

How the Committee spent its time during the year (%)



Director	Meetings attended	Percentage
R. Blair Thomas (Committee Chair)	●●●●●	100%
Belgacem Chariag	●●●●●	100%
Andy Hopwood ¹	●	100%
Anne L. Stevens	●●●●●	100%
Louise Hough ²	●●●●●	80%
Dirk Elvermann ³	●●●●●	80%

- Attended ● Not attended
- 1 Andy Hopwood stepped down from the Board on 8 May 2025.
 - 2 Louise Hough was appointed to the Committee on 8 May 2025.
 - 3 Dirk Elvermann was unable to attend one meeting due to extenuating circumstances. He received meeting materials and had the opportunity to provide input to the Committee.

THE UK CORPORATE GOVERNANCE CODE IN ACTION

3 COMPOSITION, SUCCESSION & EVALUATION



UK Corporate Governance Code Principle	How does the Board apply this Principle?	Further information
J. Appointments to the board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan for the board and senior management should be maintained. Both appointments and succession plans should be based on merit and objective criteria. They should promote diversity, inclusion and equal opportunity.	The Nomination Committee is responsible for ensuring that plans are in place for orderly succession to the Board and senior management positions. Appointments are subject to a formal, rigorous and transparent procedure, supported by the use of external search agencies where appropriate, to ensure review of a diverse range of candidates, including consideration of gender, ethnicity, social and cultural backgrounds alongside career experience, technical and professional skills. Board and committee succession plans are based on a wide range of criteria taking into account the need to maintain a diverse Board as well as considering short, medium and long-term composition requirements alongside the expected needs of the business.	• Succession planning: P89 • New director search: P89
K. The board and its committees should have a combination of skills, experience and knowledge. Consideration should be given to the length of service of the board as a whole and membership regularly refreshed.	The Board and its committees are comprised of non-executive directors with a balance of skills, experience, knowledge and diversity. Committees comprise non-executive members only. The Nomination Committee reviews the Board skills matrix and the tenure of each director on an annual basis to ensure that the Board’s plans for succession are aligned with the needs of the business.	• Skills matrix: P89 • Non-executive director succession planning: P89 • Board of directors: P84
L. Annual evaluation of the board should consider its performance, composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each director continues to contribute effectively.	The Board and its committees undertake annual performance reviews, bespoke in nature and supported by an external provider, with the Nomination Committee overseeing this process. The Board completed an external review in 2025, the results of which were compiled into reports used as a basis for discussion and evaluation of the Board, committees and the individual performance of each director. The Chair also held one-to-one sessions with each board director to discuss individual performance based on the findings of the external review.	• Externally facilitated Board and committee performance review process: P90

Dear shareholder,

During 2025, the Committee focused its attention on executive succession planning and leadership development and optimising Board and committee composition in the search for a new non-executive director.

The Committee held four scheduled meetings during the year, as well as one ad hoc additional meeting.

Leadership, organisation and succession planning

The Committee's remit includes responsibility for reviewing the needs of Harbour's leadership, both at the executive and non-executive levels, to ensure the company can continue to compete effectively in the marketplace, including contingency planning for any sudden or unforeseen circumstances.

To ensure Harbour has robust leadership continuity plans in place to support long-term competitiveness and resilience, the Committee completed the first comprehensive succession planning exercise for the enlarged organisation in 2025, following completion of the Wintershall Dea transaction. As a result, succession plans now cover all Leadership Team and business unit Managing Director roles, with candidate readiness ranging from immediate to within three to five years.

The Committee also continued to monitor talent development across the company to build future leadership capability. During 2025, monitoring included progress reports on leadership development, including the Future Senior Leaders Programme.

The Committee also received a briefing on the technical services function and the newly developed skills networks, our employee-led skill communities which span a range of specialist topics and disciplines. The skills networks are being developed globally, enabling colleagues to share knowledge and experience, learn from each other, foster sharing of technical specialities and problem solve as a collective.

Looking ahead, the Committee will continue seeking to strengthen leadership resilience and accelerate the development of high-potential talent to ensure Harbour is equipped to deliver its growth strategy and adapt to an evolving energy landscape.

Board succession planning and recruitment

Andy Hopwood retired from the Board following the AGM in May 2025, and Simon Henry stepped down in July. We thank both Andy and Simon for their significant contributions since Harbour became a public company in April 2021. Following Simon's departure, Alan Ferguson was appointed Senior Independent Non-Executive Director.

Following those changes, the Committee undertook a review of the Board's structure, size and composition as well as the membership and diversity of its committees. To strengthen the depth of upstream oil and gas expertise on the Board and retain an appropriate balance of independence, experience and skills on the Board and its committees, the Committee initiated the search for a new independent non-executive director in August 2025.

The Committee seeks to follow best practice in all the searches it undertakes, engaging only with search firms that are signatories to the Voluntary Code of Conduct of Executive Search Firms. To facilitate the search, the Committee worked with Egon Zehnder. The company does not have any other relationship with Egon Zehnder. The Committee agreed the criteria for the role, which included significant international upstream oil and gas sector experience – ideally at executive director level.

Egon Zehnder presented a diverse list of candidates and initial calls were held with priority candidates prior to presenting a shortlist to the Committee for consideration. The Committee agreed the shortlisted candidates who were interviewed and assessed against the chosen criteria. Two prospective candidates met with the remaining directors, and due diligence was undertaken prior to the Committee making its final recommendation to the Board. As a result of this rigorous process, it was agreed by the Committee that Gregory Hill had the necessary skills and attributes being sought for the non-executive director role, and the proposal from the Committee to appoint him was approved by the Board. We were pleased to announce his appointment in December 2025, effective 1 January 2026. Greg brings extensive global energy leadership experience, having served as President and Chief Operating Officer of Hess Corporation until July 2025, further strengthening the Board's industry knowledge and strategic capabilities. Greg's appointment will enhance the Board's ability to guide Harbour through its next phase of growth, ensuring strong governance and informed decision-making as we work to deliver on our long-term strategy.

BOARD SKILLS AND EXPERIENCE

The skills matrix enables the Committee to identify where there are opportunities to further grow the Board's collective knowledge and level of diversity. The skills of the Board are considered to be appropriate to provide constructive challenge as well as guidance and support in delivery of the company's strategy.

Non-executive director	Oil & gas	Financial	International	Listed	Mergers & acquisitions	Sustainability & safety	Operational excellence
R. Blair Thomas	✓	✓	✓	✓	✓		
Alan Ferguson		✓	✓	✓	✓		
Belgacem Chariag	✓		✓	✓		✓	✓
Dirk Elvermann	✓	✓	✓	✓	✓		
Hans-Ulrich Engel	✓	✓	✓	✓	✓	✓	✓
Louise Hough	✓	✓	✓	✓		✓	
Margareth Øvrum	✓	✓	✓	✓	✓	✓	✓
Anne L. Stevens		✓	✓	✓	✓		✓
Gregory Hill	✓	✓	✓	✓	✓	✓	✓

Director induction and education

On joining the Board, each new director completes a bespoke induction programme designed by the Company Secretary, approved by the CEO and overseen by the Committee to ensure that directors quickly gain a comprehensive understanding of Harbour's business and governance framework.

As part of Greg's induction, he met with the CEO, CFO, Company Secretary and General Counsel, several other members of management, and the company's auditors shortly after his appointment. The programme covered Harbour's assets, strategy, financing, legal and regulatory compliance and risk. Individual sessions were also arranged with the Chairs of the Audit and Risk and the Health, Safety, Environment and Security Committees, as well as with the Chair of the Board.

To deepen Board knowledge on an ongoing basis, a schedule of 'poster sessions' continues to run alongside scheduled Board meetings. Throughout the year, these sessions provided detailed insights into business units in Mexico and the UK, including decommissioning strategy and the Zama project, respectively. The poster sessions enable the directors to engage directly with the relevant management teams, explore strategic issues in depth and strengthen Board decision-making.

Throughout the year directors also had access to a varied programme of training and development, including in-depth sessions on material topics relevant to the business. In addition, all directors complete mandatory training undertaken by all employees covering ethics and compliance, share dealing and management of inside information, and cyber security.

Externally facilitated Board and committee performance review process

The Board monitors and improves its performance by reflecting on the continuing effectiveness of its activities, the quality of its decisions and by considering the contributions made by Board members. The Committee endorsed plans to hold externally facilitated interviews in the fourth quarter of 2025, led by Lintstock. The interviews supplemented the results of online surveys used to evaluate the performance of the Board, its committees, and individuals throughout the year. There is no connection between Lintstock and either Harbour Energy plc or the directors.

The 2025 surveys were consistent with those used in previous years to enable comparison of the results, with the addition of specific questions to consider work completed during the year. Following the externally facilitated interviews, reports were prepared by Lintstock and used by the Board, its committees and individual directors to discuss findings and agree areas to focus on in the year ahead in terms of Board and committee performance. The Chair held one-to-one meetings with all directors regarding their individual performance reviews. The Senior Independent Director also led a private session to discuss the Chair's performance.

2024-25 PERFORMANCE REVIEW

Key findings from the previous year and actions taken to address the findings are shown in the table below:

⬆ Improved ⬇ Stable ⬇ Declined

Findings	Action taken	Board ratings 2025 vs 2024
Integrate the Wintershall Dea acquisition	The Board received regular updates on the integration process throughout the year, including a range of comprehensive reports as well as regular opportunities to discuss progress with the EVP Business Services and the Chief HR Officer.	⬆ Oversight of implementation
		⬆ Strategy: Company capacity to deliver
Review the Board's composition	The Board reviews its structure, size, and composition on an ongoing basis, ensuring that it has the skills and experience necessary to guide the organisation effectively. The review was refreshed following Simon Henry's decision to step down from the Board in July 2025, when a search for an independent non-executive director commenced. The search process completed following the appointment of Gregory Hill who joined the Board on 1 January 2026.	⬇ Board composition – skills and experience
Oversee talent management and succession planning	In 2025, a succession planning exercise was conducted for the enlarged organisation. Talent pipelines across geographies and business units identify future leadership capability to deliver long-term strategic objectives.	⬆ Visibility of internal successors
		⬆ Talent development processes and pipelines
Monitor external developments	The Board has received a number of updates on a range of subjects including relationships with strategic partners and suppliers, as well as an external speaker during its visit to Norway. Further opportunities for the Board to hear external perspectives will be made available going forward.	⬆ Stakeholders: external developments and digital/data
		⬆ External developments: macroeconomic and geopolitical

Overall, the results of the 2025 review were positive, with improvements shown where actions had been taken in response to the outcome of the previous year's review. One key area identified was the need to rebalance the Board's composition to reintroduce greater upstream expertise and ensure greater coverage across the committees. Areas which scored well relative to an external benchmark included: Board dynamics, as well as the collaboration and challenge of the wider Leadership Team; oversight of execution of strategy; meeting management, governance flows and support; oversight of safety; engagement with stakeholders; the structure at senior levels and visibility of potential successors as well as succession at the layer below the Board; risk appetite and mitigation; and talent development processes.

Areas identified for continued focus in 2026 include:

- increased focus on operational performance, efficiency and organic growth;
- continued work on stakeholder engagement, especially partners and suppliers; and
- talent and executive succession planning and development.

The Committee will continue to monitor progress of the areas identified.

The Committee considered the findings of the evaluation and concluded that each director continues to contribute effectively and has sufficient time to devote to their role. The outcome of the annual independence assessment for the non-executive directors concluded that each independent director continues to be independent. The Committee and the Board are therefore unanimous in recommending the appointment and re-appointment of all directors who will be standing for election and re-election at the 2026 AGM.

Workforce engagement

The Board has a variety of means to engage directly with employees throughout the year, including a combination of the Provision 5 mechanisms set out in the UK Corporate Governance Code, namely a workforce advisory panel and designated non-executive director.

Harbour's workforce engagement framework includes both local and global staff forums, made up of volunteers from across the organisation. These forums provide a structured channel for two-way communication between employees, management and Board members. The Global Staff Forum meets with the CEO and members of the Leadership Team four times a year. As designated non-executive director, Louise Hough acts as Board representative to the Global Staff Forum and joined two of these meetings as did several other non-executive directors. The Committee receives regular updates on the topics discussed and actions arising from the Global Staff Forum meetings. During 2025, these included themes from the 2024 global engagement survey including feedback and recognition, company values and culture, career development and learning, as well as Harbour's compensation structure including executive remuneration.

The Board also receives updates from the Global Diversity Council through annual updates to the Nomination Committee. Board members also met with our Norway Employee Resource Groups including the Early Careers Network, Gender Balance, Pride and STEM Ambassadors during their visit to Norway in June 2025. Further information on employee engagement initiatives is available in the Sustainability review on page 62.

This engagement, together with regular reporting to the Board and its committees on key areas such as culture, diversity and inclusion, employee engagement, and safety and security, enables the Board to effectively assess and monitor the organisation's culture. It also allows the Board to evaluate how well our values are embedded across the Group through strong cultural leadership and consistent reinforcement.

The Committee was pleased to see the strong company-wide participation in the global engagement survey, which had a global employee response rate of 79 per cent. This was rolled out in late 2025, a year after completion of the Wintershall Dea transaction. The Committee reviewed the results of the survey and management's plans to meet with their teams, staff forums and employee networks to review the data and develop both local and global initiatives to address key findings.

The Committee considers that the existing workforce engagement mechanisms remain suitable for the organisation at this time due to the wide range of insights received from employees representing all levels of the organisation.

R. Blair Thomas
Committee Chair

DIVERSITY, EQUITY AND INCLUSION

The Committee's oversight role includes ensuring that diversity, equity and inclusion are integrated into our BMS, HR standards and recruitment processes, and remain front of mind as we continue to build Harbour's corporate culture and work to execute the strategy.

All Board appointments are made based on merit, experience and performance, while also actively seeking diversity of skills, gender, social and ethnic backgrounds, cognitive and personal strengths.

The policy with respect to Board diversity is reviewed annually by the Committee and aims to ensure the optimal composition of the Board and its committees for successfully delivering Harbour's strategy, with a goal to meet the targets contained in the FCA UK Listing Rules on diversity:

- that at least 40 per cent of directors are women;
- that at least one of the roles of Chair, CEO, Senior Independent Director or CFO is held by a woman; and
- that at least one Board director is from a minority ethnic background.

On 31 December 2025, 40 per cent of the directors were women. On 1 January 2026 Gregory Hill was appointed to the Board and our Board therefore currently stands at 36 per cent female. As BASF has the right to appoint two directors to the Board under the terms of the relationship agreement, we have updated our Board diversity policy, which confirms a target that 40 per cent of Board members not subject to significant shareholder appointment are to be women, provided this is consistent with the prevailing skills and diversity requirements of the company.

As at the date of this report, there are four women out of nine relevant Board members (being the Chair, two executive directors and six independent non-executive directors but excluding the two shareholder representative directors), thereby comprising 44 per cent. 50 per cent of our independent non-executive directors are female. In addition, our CEO is female, and one of our Board members has an ethnic minority background.

In relation to the diversity of the Board's committees, we recognise it is not always practical to set meaningful diversity targets due to their smaller memberships. However, diversity is considered when reviewing committee membership including following the appointment of new directors, aiming to ensure diverse perspectives are represented on each of the Board committees. In 2025 gender parity was exceeded on the Audit and Risk and Remuneration Committees.

Among senior management, women and ethnic minorities represented 36 per cent and seven per cent respectively of the Leadership Team and its direct reports, excluding executive directors, as at 31 December 2025.

The company's gender and ethnic diversity data is collected through the HR management system, where employees are invited to voluntarily answer questions related to ethnicity, national identity and religious affiliation.

Further details of the Board's composition are outlined on pages 84 to 86 and the disclosure required under the UK Listing Rule 6.6.6R(10), as at the reference date of 31 December 2025, is set out below:

Gender	Number of Board members	Percentage of the Board	Number of senior positions on the Board ¹	Number in executive management ²	Percentage of executive management
Men	6	60%	3	7	70%
Women	4	40%	1	3	30%
Not specified/prefer not to say	–	–	–	–	–

Ethnicity	Number of Board members	Percentage of the Board	Number of senior positions on the Board ¹	Number in executive management ²	Percentage of executive management
White British or other white (including minority white groups)	9	90%	4	10	100%
Mixed/multiple ethnic group	1	10%	–	–	–
Asian/Asian British	–	–	–	–	–
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group, including Arab	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

1 Definition of senior Board position: Chair, CEO, CFO, Senior Independent Non-Executive Director.

2 Definition of executive management: the executive committee or more senior executive or managerial body below the Board, including the Company Secretary but excluding administrative and support staff.

AUDIT AND RISK COMMITTEE REPORT



Our focus in 2025 was on ensuring our control systems remained effective through the completion of the Wintershall Dea transaction.

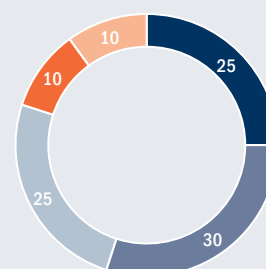
ALAN FERGUSON
COMMITTEE CHAIR

Role of the Committee

- Monitors the integrity of the company's financial statements and any formal announcements relating to the company's financial performance, and the significant financial reporting judgements they contain
- Reviews the external auditors' independence, objectivity and the effectiveness and quality of the audit process
- Monitors and reviews the effectiveness of the company's risk management and internal control framework including the identification of emerging risks together with the results of the programme of reviews of these systems and management's response to the review findings
- Monitors and reviews the effectiveness of the process for ensuring actions are taken to mitigate the risks which are considered by the Board to be the principal risks facing the company
- Monitors and reviews the effectiveness and objectivity of the company's internal audit function, the appropriateness of its work plan, the results of reviews undertaken, and the adequacy of management's response to matters raised
- Develops and implements policy on the engagement and tenure of the external auditors and on the supply of non-audit services and leads the audit tender process where required
- Monitors the enforcement of the company's code of conduct and the adequacy and appropriateness of its whistleblowing procedure

How the Committee spent its time during the year (%)

- Audit tender process
- Financial reporting and external audit
- Risk management, internal control and internal audit
- Governance and committee performance review
- Special topics



Director	Meetings attended	Percentage
Alan Ferguson (Committee Chair)	●●●●●●●●	100%
Simon Henry ¹	●●●●●●	100%
Louise Hough	●●●●●●●●	100%
Margareth Øvrum	●●●●●●●●	100%

● Attended ● Not attended

1 Simon Henry stepped down from the Board on 7 July 2025.

THE UK CORPORATE GOVERNANCE CODE IN ACTION

4 AUDIT, RISK & INTERNAL CONTROL

1 2 3 4 5

UK Corporate Governance Code Principle	How does the Board apply this Principle?	Further information
M. The board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions and satisfy itself on the integrity of financial and narrative statements.	The Board, supported by the Audit and Risk Committee, has established formal and transparent policies and procedures which ensure that internal audit and the external auditors are independent and effective. These procedures are important in assisting the Committee when satisfying itself as to the integrity of financial and narrative statements in external reporting.	• Role of the Committee: P93 • Independence, objectivity and tenure of external auditors: P96 • Quality of the external audit process: P95 • Internal audit: P97
N. The board should present a fair, balanced and understandable assessment of the company's position and prospects.	The Board, supported by the Audit and Risk Committee, considers the 2025 Annual Report and financial statements to present a fair, balanced and understandable assessment of the company's position and prospects, confirming that it provides the information necessary for shareholders to assess the company's position, performance, business model and strategy. During the year, the Board has also considered the same in relation to public reporting including trading and operations updates and the half-year results and financial statements.	• Key activities during the year: P94 • Financial reporting judgements and estimates: P94 • Statement of directors' responsibilities: PT19
O. The board should establish and maintain an effective risk management and internal control framework, and determine the nature and extent of the principal risks the company is willing to take in order to achieve its long-term strategic objectives.	The Audit and Risk Committee supports the Board in establishing procedures to maintain an effective risk management and internal control framework (including preparation to meet the expanded 2024 UK Corporate Governance Code requirements related to material control effectiveness), determines the nature of the principal risks and the extent of the exposure the company is willing to take in order to achieve its strategic objectives.	• Risk management: P68 • Monitoring and effectiveness of the risk management framework: P70 • Risk management and internal control: P96

GOVERNANCE AT A GLANCE [PAGE 80](#)

NEXT SECTION OF THE CODE [PAGE 101](#)

Dear shareholder,

I am pleased to present this year's Audit and Risk Committee report.

The objective of this report is to provide a summary of the Committee's work to ensure the interests of the company's stakeholders are protected through a robust risk management framework and transparent financial reporting.

Key activities during the year

Our focus in 2025 was on ensuring our control systems remained effective through the transition and integration of the Wintershall Dea acquisition and away from our transition services agreements, as well as running a competitive external audit tender process. The Committee held five scheduled meetings during 2025, as well as one additional meeting in respect of the audit tender process. A further two meetings were held in 2026 prior to the publication of this Annual Report & Accounts. In addition to the members of the Committee listed on the previous page, meetings were normally

also attended by the CEO, the CFO, the SVP Financial Reporting & Tax, the SVP Internal Audit, the General Counsel, the VP Corporate Reporting and the company's external auditors. Other senior managers are required to attend when significant audit and risk management matters relating to their area of responsibility are considered by the Committee.

During the year, the company ran a full competitive tender process for the 2026 year-end audit for a period of up to 10 years. This was done to ensure continued objectivity, independence and quality from our external auditors following a limited competitive tender process in 2021. Following a rigorous and transparent selection process, the Committee's preferred firm was Ernst & Young LLP (EY), a recommendation that was approved by the Board on 17 October 2025, subject to approval by the shareholders at the AGM.

The Committee also met privately with the CFO, the SVP Internal Audit and the external auditors without management present. In addition, I met privately with each of these individuals and the external auditors in between Committee meetings.

FINANCIAL REPORTING JUDGEMENTS AND ESTIMATES

With the financial reporting judgements and estimates discussed below, as well as any other significant transaction in the year that the Committee believes warrants attention, the Committee ensures that the company's accounting policies have been appropriately applied.

Impairment and reversals of tangible and intangible properties and goodwill

In assessing indicators of impairment or reversals of previous impairments of oil and gas properties, the Committee:

- reviewed and challenged management's key assumptions for oil and gas properties and goodwill, including the long-term planning assumptions and future oil and gas prices; and
- taking account of available market data, approved management's pricing assumptions for crude oil, UK NBP and European gas that are used for impairment testing (refer to note 2 to the financial statements for more detail on page 137).

The Committee was satisfied with the significant assumptions included within the asset life of field profiles that underpin the calculations for impairment charges and reversals. The Committee judged the sensitivity of the impairment charges to changes in the commodity prices, as set out in note 12 to the financial statements on page 164, to be appropriate. The Committee also considered the impact of climate change and carbon pricing on the financial statements and concluded there was unlikely to be a material impact on the financial statements. Further information can be found in note 2 to the financial statements on page 137.

The Committee assessed the carrying values of exploration and evaluation assets and whether any indicators of impairment exist in relation to these assets. The Committee reviewed the oil and gas resources estimates and maturation reports provided by management and was satisfied that the corresponding exploration and evaluation asset carrying balances and income statement charges were aligned with the resources reports.

Details of the company's intangible exploration and evaluation assets are provided in note 11 to the financial statements on page 163. Details of the company's goodwill assets are provided in note 10 to the financial statements on page 161.

Carrying value of parent company investments

The Committee reviewed and discussed management's impairment assessment and methodology for the parent company investments and any associated impacts. In particular the Committee reviewed the judgements made by management in determining whether impairment indicators were present as well as the impact of impairments on distributable reserves. Further details are provided in note 3 to the parent company financial statements on page 197.

Oil and gas reserves and resources

The Committee considered reports from management on the process used to determine the oil and gas reserves and resources estimates, looking in particular at whether the methodology was generally accepted industry practice, provides results on a consistent basis with prior years, and the experience and expertise of the managers who prepared and reviewed the estimates. The Committee noted that a material proportion of the company's proven and probable oil and gas reserves, plus a reasonable proportion of resources, were comparable to those of an independent reserves evaluator.

Provisions for decommissioning

The Committee discussed with management the process and principal assumptions underpinning the cost estimates for future decommissioning activity. In particular, the Committee reviewed the range of risk-free discount rates applied compared to the prior year. The Committee was satisfied that the approach applied was reasonable and that the discount rates used were appropriate. Further information on decommissioning provisions is provided in note 21 to the financial statements on page 172.

Taxation

The Committee reviewed and discussed reports from management associated with calculating the tax provision for the period. Key areas of review were judgements in relation to deferred tax measurement and the reported effective tax rate for the period. Refer to note 8 to the financial statements on page 158 for further details. The Committee noted that the net deferred tax position continues to be a liability position. Further details of the deferred tax assets and liabilities are provided in note 8 to the financial statements on page 158.

Going concern

The directors are required to consider the appropriateness of adopting the going concern basis of accounting. The Committee reviewed management's projections of the company's liquidity position. Key assumptions in the projections included those related to oil and gas prices and production during the period. The Committee is satisfied that the judgements applied in making the assumptions and estimates that underpin the forecasts and projections are appropriate, as well as the sensitivities run as part of this assessment. The going concern statement included on page 41 is fair and balanced.

The Committee invested extensive time during the year reviewing the control processes in place and management judgements required to prepare the company's full and half-year results. These included significant financial reporting judgements, key accounting estimates, climate change disclosures, important internal control matters and the clarity and completeness of disclosures in the financial statements. In this work, we carefully considered long-term resilience of the business, as well as other matters such as impairments, oil and gas reserves and resources, decommissioning and taxation. More details about the work of the Committee in relation to these financial reporting judgements and estimates can be found in the panel on page 94.

The Committee monitored the continued independence and objectivity of the external auditors and reviewed the quality and effectiveness of the audit process, as described in the auditors' independence and quality sections below.

The Committee monitored and reviewed the company's risk management and internal control systems (our risk management framework) in support of its duty to monitor and review the overall effectiveness of the framework on behalf of the Board and oversaw the management of certain specific risks assigned to the Committee, as described in the risk management and internal control section. The Committee also reviewed preparations to meet the expanded future UK Corporate Governance Code requirements related to material control effectiveness.

The Committee received reports on the outcome of internal audits conducted during the period, reviewed and approved the internal audit plan for 2026 and reviewed the completion of the transition to in-housing internal audit, as described in the internal audit section.

The Committee also received reports on whistleblowing incidents, the compliance programme, reserves reporting and cyber security testing.

The Committee attended to several governance matters. These comprised the review of certain company policies as part of an agreed Board schedule to ensure the company's policies and statements remain appropriate, and completing the external audit tender process. The Committee also reflected on its effectiveness as part of the external Board and committee performance review (see page 90 for more detail).

The Committee is satisfied that it has met all of the requirements of the FRC's Minimum Standard for Audit Committees.

Quality of the external audit process

The Committee is responsible for assessing the quality and effectiveness of the external audit process. At the start of the audit cycle, the Committee takes an appropriate amount of time to review the auditors' work plan and their assessment of the significant areas of risk in the financial statements, as this is the foundation of a high-quality audit. For 2025, the significant areas of risk corresponded with the financial reporting judgements and estimates identified by the Committee, as detailed on page 94. Having considered the scope and matters arising through the year, the Committee was satisfied that it did not require the auditors to consider any new audit matters.

As the audit approached completion the Committee discussed the findings with the auditors, including the challenges made around the key accounting judgements and estimates (details of which can be found in note 2 to the financial statements on page 137), the level of adjusted and unadjusted errors identified during the audit, the recommendations made to management by the auditors and management's response.

In assessing the quality of the external audit process, the Committee focused on:

- the experience and expertise of the audit team;
- the rigour and focus applied to preparing the audit plan for business;
- the fulfilment of the agreed audit plan by the auditors and any variations from the work plan;
- the challenge and professional scepticism shown by the auditors in their handling of the key accounting and audit judgements;
- the quality of the recommendations made by the auditors for financial reporting process and control improvements;
- the interactions of the audit team with the Committee in and outside the formal meetings; and
- the EY 2025 audit quality report, EY's internal quality control procedures as applied to the Harbour audit and any commentary on EY, or the Harbour audit, by the FRC.

In assessing how the auditor demonstrated professional scepticism, the Committee considered the quality and scope of the questions raised by, and discussions undertaken with, the auditors and, in particular, the challenges on management judgements, estimates and assumptions.

In addition, the Committee invited input from management and senior finance staff utilising a Committee-approved questionnaire. Following this work the Committee judged that a quality audit had been delivered.

Independence and objectivity of the external auditors

The Committee is responsible for overseeing the Board's relationship with the external auditors and assuring their continued independence and objectivity. EY was appointed in 2021 for a period of up to five years following the completion of a limited competitive tender process as part of the merger as described in my 2021 report. During the year, the company ran a full competitive tender process for the 2026 year-end audit for a period of up to 10 years, with EY being recommended to, and approved by, the Board on 17 October 2025, subject to shareholder approval at the AGM. More details on the external audit tender process can be found in the audit tender case study section. EY were the auditors of Premier Oil plc from the period ended 31 December 2017 up to and including the period ended 31 December 2020. As a result, the period of total uninterrupted engagement including previous renewals and reappointments is nine years and therefore, under mandatory firm rotation rules, EY will have to cease being Harbour's auditors after the year ended 31 December 2036. The company is fully compliant with the requirements of the Statutory Audit Services Order 2014.

The Committee reviews the independence and objectivity of the auditors on an ongoing basis and takes into account the overall relationship between the auditors and the company. In conducting this review, the Committee considered:

- feedback from the company's finance function and the auditors;
- the nature, extent and cost of non-audit services provided by the auditors;
- any recruitment of former employees of the auditors; and
- the safeguards the auditors have in place to prevent loss of audit independence, including the rotation of the audit engagement partner which is required every five years.

Our private meetings with the auditors throughout the year, and my private meetings with the lead audit partner in between meetings, provide an opportunity for open discussion with the auditors on a variety of topics. Matters discussed included: the auditors' assessment of significant financial risks and the performance of management in addressing these risks; how they have exercised challenge of management; the auditors' observations on management's role in fulfilling obligations to maintain internal controls; the transparency and responsiveness of management and confirmation that no restrictions have been placed on them by management; and maintaining the independence of the audit.

The Committee approves the fees for the full-year audit and half-yearly review after reviewing the scope of work and reviews the fees for non-audit assignments to satisfy itself that the assignments concerned do not give rise to threats to the auditors' independence and objectivity.

The Committee believes that certain pre-defined non-audit work may be carried out by the external auditors without compromising their independence and reviews its policy in this regard annually. The full policy is available on the company's website. Non-audit work is allocated in line with the company's policy on the provision of non-audit services by the external auditors and is approved by the Committee. In 2025, this comprised services relating to the review of the interim financial statements of \$0.4 million, reporting accounting services associated with bond issuances of \$0.3 million and certain agreed-upon-procedure engagements and assurance over ESG metrics of \$0.5 million. The global audit fee for the 2025 external audit work amounted to \$7.2 million. Further details of the fees paid are set out in note 5 to the financial statements on page 156.

The external auditors are required to confirm to the Committee that they have both the appropriate independence and objectivity to allow them to continue to serve the company. The Committee also requires the external auditors to confirm that in providing non-audit services, they comply with the Ethical Standard (2019) issued by the FRC. This confirmation was received for 2025.

Based on these reviews, the Committee concluded that the independence of the auditors has not been impaired and that the audit process operated effectively during the period, and it has reported accordingly to the Board.

Audit Quality Review inspection results

The Financial Reporting Council (FRC) Audit Quality Review (AQR) selected the external audit by EY of the Group's financial statements for the year ended 31 December 2024 for review as part of its annual inspection of audit firms. The AQR included the audit work performed in respect of the purchase price allocation of the Wintershall Dea acquisition, oil and gas reserves estimation and impairment of property, plant and equipment and goodwill.

The Committee reviewed and discussed the scope of the AQR and the AQR report. The AQR highlighted good practice in respect of the audit of impairment of property, plant and equipment and goodwill which was noted by the Committee. The report pleasingly included no observations or findings.

Risk management and internal control

The Committee is responsible for monitoring and reviewing the effectiveness of the company's risk management framework on behalf of the Board. The risk management framework is described on pages 68 to 70.

During the year, ahead of half-year and full-year reporting, the Committee reviewed the processes in place to assess the principal and emerging risks facing the business, in support of the Board's assessment of these risks. We also reviewed the model governing the Board and its committees' oversight of the management of risk. This model is designed to ensure all principal risks, and the Board's appetite (or tolerance) for these risks, are given appropriate consideration by the Board and its committees. We also oversaw the management of specific principal risks assigned to the Committee by the Board. Topics included management-led presentations on the continued development of the risk-focused financial reporting internal control framework for both business and IT general controls; information and cyber security; legal and regulatory compliance; and a review of several company policies.

The risk management framework also covers the specific internal control governing the financial reporting process and preparation of financial statements. We have clear policies, standards and procedures for ensuring we comply with relevant regulatory reporting requirements and that these are applied consistently across our financial reporting teams and business areas involved in preparing the financial statements.

The Committee seeks representations from management regarding compliance with relevant policies and the accuracy of financial information on a biannual basis. Detailed management accounts for each reporting business unit are prepared monthly and subject to management review. These reports detail the performance and cash flows of the business and support our external financial reporting processes.

The Committee completed its annual review of the effectiveness of the company's risk management framework during the period in support of the Board approved statements on the framework on page 70, including the basis for our conclusion that the framework remains effective. This review included consideration of the company's preparation to meet the expanded UK Corporate Governance Code requirements for 2026 related to material control effectiveness.

The Committee has also completed its annual review of the processes in place to prepare the 2025 Annual Report & Accounts and to ensure they are fair, balanced and understandable in order to support the Statement of directors' responsibilities on page 119.

Internal audit

The company's internal audit function provides third-line assurance, as part of its assurance model described on page 70.

During the year, the Committee received reports on internal audit conclusions, noting any significant findings and monitoring the close-out of any actions agreed arising from these audits. These comprised audits related to financing agreement compliance, readiness for finance and information systems transitional service arrangement exits, IT general controls, controls transformation programme, operational technology cyber security, hedging key controls and Indonesia Business Unit contracting and procurement controls. The Committee received a summary of other internal audits conducted over the period which were reported to the other Board committees that oversee those risk areas. The Committee also reviewed the outcomes of other key sources of assurance conducted over the period. This included the company's compliance programme, reserves reporting and cyber security testing.

The Committee reviewed the completion of the transition to in-housing internal audit. This has included growing the in-house team size, supported by new co-source arrangements, as well as implementation of a formal internal audit methodology to support delivery of Internal Audit Purpose, Vision and Strategy which was approved by the Committee during 2024.

The Committee reviewed and approved the internal audit plan for 2026, including its budget and resource requirements, and approved department performance objectives. The 2026 internal audit plan is targeted at providing assurance on the effectiveness of the management of the company's most significant risks and takes account of other sources of assurance to avoid duplication. The Committee also discussed the further development of an audit and assurance policy, which will, amongst other matters, set out the sources of assurance upon which the Board and committees place reliance.

In conclusion

This was another important year for the Committee as the company completed the transition and integration of the Wintershall Dea transaction. Our focus was on ensuring the Group's processes and controls were robust such that we could carry out an effective integration of reporting requirements as well as dealing with matters such as the external audit tender, and the in-housing of the internal audit function.

Areas of focus for 2026, over and above business as usual, include oversight and monitoring of the company's first year following the expanded future UK Corporate Governance Code requirements related to material controls, including material controls beyond financial reporting. Additionally, as the company integrates the completed acquisition of LLOG Exploration and progresses toward completing the acquisition of Waldorf, the Committee will challenge management to ensure that processes and controls remain robust to support effective integration. This includes dealing with matters such as purchase price allocations and internal and external audit capacity planning for the enlarged portfolio, which introduces another new country of operation.

Alan Ferguson
Committee Chair

AUDIT TENDER CASE STUDY



During the year, the company ran a full competitive tender process for the 2026 year-end audit, after a limited competitive tender in 2021 as part of the merger with Premier Oil. This provided sufficient time for an adequate transition in the event that a new audit firm was selected. It also meant the successful audit firm would be able to cease any prohibited non-audit services as set out in the FRC’s Revised Ethical Standard (2019) prior to commencing their tenure.

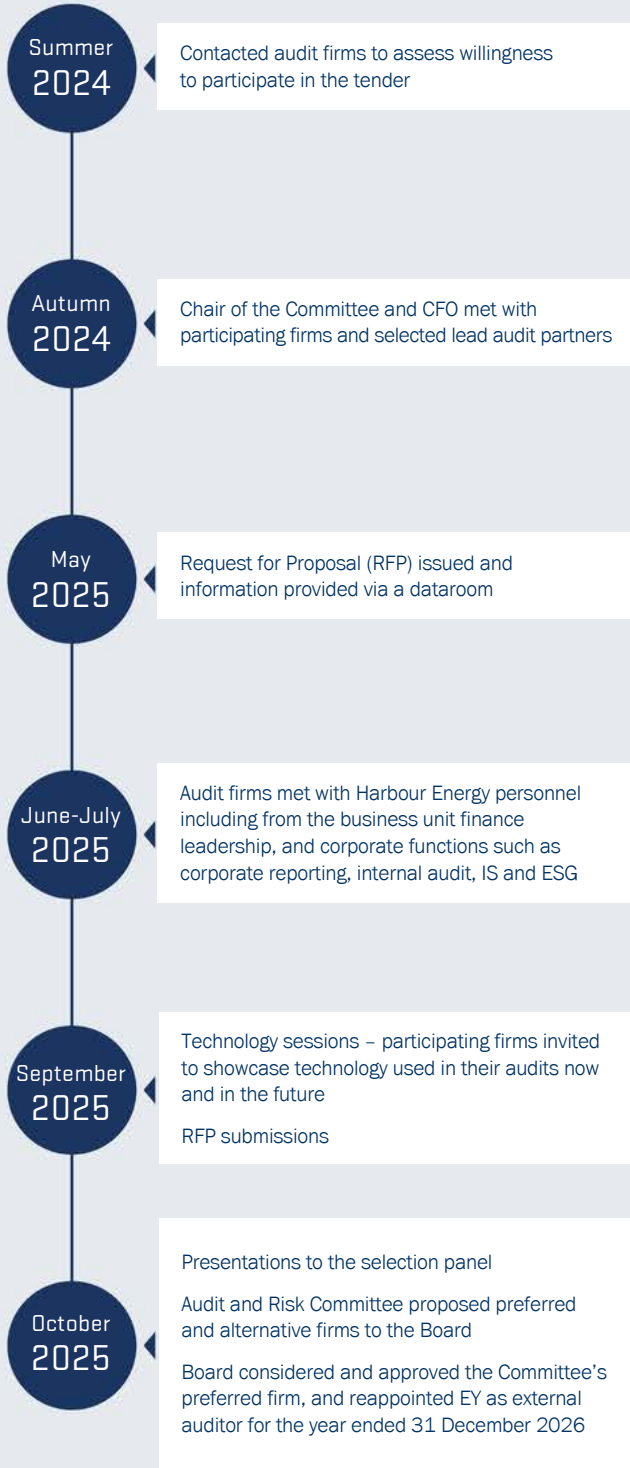
In preparation for this, the FRC’s guidance on audit tendering was considered and followed by management. The Committee also ensured that the FRC’s Minimum Standard for Audit Committees was met.

During 2024 a plan was agreed with the Committee and contact was made with a number of audit firms to assess their willingness to participate in the tender. The Chair of the Committee and the CFO met with those firms selected to tender and with a number of audit partners in order to select those who will lead the tender on behalf of those firms. Those selected were discussed with, and approved by, the Committee. Three firms participated in the tender.

Following the provision of the written proposals, each audit firm presented to a selection panel that consisted of the Chair of the Committee, all members of the Committee, the CFO, General Counsel, SVP Financial Reporting & Tax, SVP Internal Audit and VP Corporate Reporting. This panel ensured a wide range of views were considered. The Committee’s decision was based on, amongst other matters, the quality of the global audit team (and in particular the lead audit partner), the use of technology (and the impact of Artificial Intelligence), the analysis of key audit risks and the associated proposed audit approach. The Committee provided a recommendation to the Board. The recommendation comprised a preferred firm and an alternative. After careful consideration, the Board approved the Committee’s preferred firm and EY were reappointed as external auditors, subject to shareholder approval at the AGM. All firms that participated in the tender were provided feedback.

Since EY’s appointment in 2021, Andrew Smyth has been the lead audit partner with responsibility for signing the Harbour Energy plc audit opinion on behalf of EY. Andrew will rotate off the Harbour Energy audit at the completion of the 2025 audit and will be replaced by Daniel Trotman for the year ended 31 December 2026 onwards.

TIMELINE OF THE AUDIT TENDER



HSES COMMITTEE REPORT



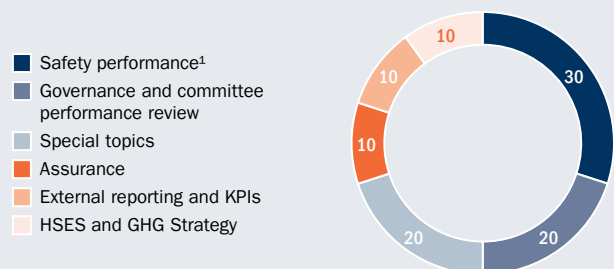
2025 has been a transformational year for the company; the Committee was particularly pleased to see that management prioritised the safety and wellbeing of our workforce throughout the transition and integration of the Wintershall Dea portfolio.

MARGARETH ØVRUM
COMMITTEE CHAIR

Role of the Committee

- To monitor and review the effectiveness of the implementation of Harbour's HSES strategy including in relation to GHG emissions
- To evaluate the effectiveness of Harbour's policies and systems for delivering its HSES strategy and managing HSES risk, including review of mitigating actions, determination of HSES risk appetite and tolerance, and monitoring the assurance programme
- To monitor the quality and integrity of Harbour's internal and external reporting of HSES performance and issues
- To assess the policies and systems within Harbour for ensuring compliance with HSES regulatory requirements

How the Committee spent its time during the year (%)



Director	Meetings attended	Percentage
Margareth Øvrur (Committee Chair)	● ● ● ● ●	100%
Belgacem Chariag	● ● ● ● ●	100%
Simon Henry ²	● ●	100%
Hans-Ulrich Engel	● ● ● ● ●	100%

● Attended ● Not attended

- 1 This includes deep dive sessions on safety incidents.
2 Simon Henry stepped down from the Board on 7 July 2025.

HSES CULTURE

Ensuring safe, reliable and responsible operations is a key dimension of our strategy. In building a strong health and safety culture, we emphasise that everyone who works for Harbour has the right and responsibility to stop the job if a situation poses safety risks.

Our commitment to a safety-first culture is reinforced by our Board and HSES Committee, who oversee HSES principal risks and performance. In addition, the Leadership Team discusses safety every week, with detailed reviews on a monthly basis, and safety is a key focus of every global town hall.

Alongside health and safety, environmental management and the wider aspects of climate change are also important. To promote continuous improvement, we include metrics on GHG emissions, as well as on safety, in our annual bonus scorecard.



Dear shareholder,

I am pleased to report on the activities of the Committee in 2025.

The Committee convened four scheduled meetings over the year, maintaining a strong focus on health, safety, environmental and security matters across our operations.

2025 has been a significant year for Harbour, and the Committee is encouraged by management's continued emphasis on safeguarding the health and wellbeing of our workforce throughout the Wintershall Dea integration process.

At each meeting, the Committee reviewed performance against key indicators covering safety and environmental outcomes. These include total recordable injury rate, process safety events and GHG emissions. We also considered and approved any adjustments to the bonus scorecard structure relating to these metrics – such as targets, weightings and penalties – as part of the annual review process.

Key activities during the year

Safety

In 2025, our total recordable injury rate was slightly higher reflecting the expansion of our operations to new geographies. The Committee reviewed management's efforts to strengthen safety culture across the organisation, including renewed emphasis on the fundamentals such as rigorous start-work checks, which formed part of broader improvement programmes aimed at embedding safe behaviours. In addition, we refined and sharpened our performance targets to drive accountability and encourage continuous improvement in this critical area.

In the area of process safety, our total number of notable events across Tiers 1, 2 and 3R increased slightly year-on-year. We experienced one Tier 1 event (2024: one), one Tier 2 event (2024: three) and eight Tier 3R events (2024: four). The impact on the scorecard outcome is shown on page 108.

To ensure we maximised the learning opportunities from these incidents, all events and injuries were rigorously investigated and the Committee received updates on the outcomes and actions taken by management, including initiatives to drive improvement across our expanded operational footprint, with particular focus on Germany and Indonesia. See page 44 for more information on our safety performance.

The Committee also received updates on serious and high potential events, reviewing 10 such events in 2025 (2024: 12).

Throughout 2025 the Committee was kept abreast of the progress made to raise process safety awareness across the company. Harbour has continued to roll out and embed the Process Safety Fundamentals across our onshore and offshore operations, and continued to provide site-based Major Hazards Awareness training.

The Committee received updates on the 70 emergency response and crisis management exercises undertaken (2024: 60). The Committee was pleased to hear the positive feedback from multiple sources on the quality and effectiveness of the exercises.

GHG emissions and net zero

The Committee continued to review Harbour's performance on GHG emissions, future projections, and the effectiveness of decarbonisation initiatives.

As part of its annual review of the company's emissions strategy, the Committee reaffirmed support for the existing targets: a 50 per cent reduction in gross operated Scope 1 and 2 emissions by 2030 compared to the 2018 baseline, elimination of routine flaring by 2030, and achieving a methane intensity of less than 0.2 per cent by 2025. The Committee also endorsed the company's net zero aspiration for 2050, reflecting peer alignment and evolving expectations regarding the role of carbon offsets.

Spills

The Committee reviewed Harbour's spill performance, noting an increase in hydrocarbon releases to the environment to 2.6 tonnes (2024: 0.5 tonnes). See page 57 for more information.

Security

The threats and risks associated with both physical security and IT security were reviewed by the Committee during the year, ensuring that emerging vulnerabilities, control effectiveness, and mitigation measures are regularly assessed to safeguard the organisation's people, assets and information.

Risk

The Board has identified Harbour's principal HSES risks as including the potential for a major HSES incident and climate-related risks. Throughout the year, the Committee reviewed the systems and processes in place to identify, assess, and manage these risks, ensuring they remain robust and effective.

Reporting

The Committee oversaw and approved Harbour's HSES disclosures within the Annual Report & Accounts, including the company's net zero strategy and reporting aligned with the Task Force on Climate-related Financial Disclosures (TCFD). It provided recommendations to the Audit and Risk Committee and received updates on the external auditors' limited assurance of selected sustainability metrics included in the Annual Report & Accounts.

It also reviewed and approved Harbour's environmental and performance disclosure in its CDP response, as well as preparations for upcoming European Union regulations including the Corporate Sustainability Reporting Directive and the UK's Sustainability Reporting Standards.

Assurance

Following organisational changes after the Wintershall Dea integration, Harbour's management system was updated to reflect the strengthened corporate HSES function. This team is responsible for setting global standards, maintaining procedures, and providing technical support and assurance across the business. The Committee monitored the implementation of the HSES strategy and assessed the scope and effectiveness of the management system to ensure delivery of strategic objectives and compliance with regulatory requirements.

The Committee received regular updates on HSES audit plans and progress on the delivery of the annual HSES plan. It also reviewed and approved Harbour's policies on HSES, major accident prevention and sustainability.

Further information on Harbour's HSES culture and 2025 performance can be found on pages 44 to 47.

Margareth Øvrum
Committee Chair

DIRECTORS' REMUNERATION REPORT



Harbour delivered a strong performance in 2025 despite a challenging external environment.

ANNE L. STEVENS
COMMITTEE CHAIR

Role of the Committee

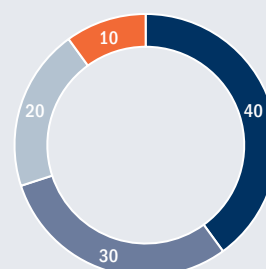
- Develop and maintain a Remuneration Policy that rewards fairly and responsibly, and attracts, retains and motivates employees in the global commercial and talent market in which we operate to enable the company to meet its objectives, taking into account the long-term interests of employees, shareholders and other long-term stakeholders
- Consider and approve the remuneration arrangements for the Chair, the executive directors and other senior executives as determined by the Committee
- Exercise oversight of the pay and performance conditions across Harbour

Compliance statement

This report has been prepared in accordance with Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013. The Companies Act 2006 requires the auditors to report to the shareholders on certain parts of the Directors' remuneration report and to state whether, in the auditors' opinion, those parts of the report have been properly prepared in accordance with the above regulations. The Chair's annual statement and the Remuneration Policy report are not subject to audit. The sections of the Annual Report on Remuneration that are subject to audit are indicated accordingly.

How the Committee spent its time during the year (%)

- Senior executive and Chair remuneration
- Governance and committee performance review and reporting
- Reward structures
- Wider workforce remuneration



Director	Meetings attended	Percentage
Anne L. Stevens (Committee Chair)	●●●●●	100%
Alan Ferguson	●●●●●	100%
Andy Hopwood ¹	●●●●●	100%
Louise Hough	●●●●●	100%

● Attended ● Not attended

1 Andy Hopwood stepped down from the Board on 8 May 2025.

THE UK CORPORATE GOVERNANCE CODE IN ACTION

5 REMUNERATION

1 2 3 4 5

UK Corporate Governance Code Principle	How does the Board apply this Principle?	Further information
P. Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success. Executive remuneration should be aligned to company purpose and values, and be clearly linked to the successful delivery of the company's long-term strategy.	Through long-term and short-term incentives, the 2025 Remuneration Policy is designed to drive a culture that incentivises executives to deliver the company's strategic objectives and promotes long-term sustainable success and responsible long-term stewardship of shareholder returns.	• Summary of Directors' Remuneration Policy: P104 • Chair's annual statement: P102 • Annual Report on Remuneration: P106
Q. A formal and transparent procedure for developing policy on executive remuneration and determining director and senior management remuneration should be established. No director should be involved in deciding their own remuneration outcome.	No director is involved in setting their own remuneration outcome. There is a formal and transparent procedure in place to develop the Remuneration Policy, which ensures that executive remuneration is set with consideration of the wider workforce and market data for comparable companies.	• Directors' Remuneration Policy: P94-103 2024 Annual Report • 2025 Annual bonus outcome: P108 • 2023 LTIP outcome: P109
R. Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances.	The Remuneration Committee comprises only independent non-executive directors to ensure independent judgement and discretion when reviewing and authorising remuneration outcomes. The Committee determines outcomes by assessing performance against a balanced scorecard of measures.	• Chair's annual statement: P102 • 2025 Annual bonus outcome: P108 • 2023 LTIP outcome: P109 • Percentage change in directors' remuneration and CEO pay ratio: P113

Dear shareholder,

On behalf of the Board, I am pleased to present Harbour's Directors' remuneration report for the year ended 31 December 2025.

Our Directors' Remuneration Policy (the Policy) was approved by shareholders at the AGM in 2025. This report sets out how the Policy operated in 2025 and how we intend to implement it for 2026. Together with this annual statement, it will be put to an advisory vote at the AGM on 7 May 2026. The full Policy is included in the 2024 Directors' remuneration report available on the company's website: harbourenergy.com.

During the year, the Committee held three scheduled meetings, as well as one ad hoc additional meeting, which all Committee members attended.

Remuneration outcomes in 2025

Harbour delivered a strong performance in 2025 despite a challenging external environment, characterised by global economic volatility, inflationary pressures and commodity price uncertainty. Our people continued to demonstrate resilience and focus, achieving safety targets through the continued embedding of our robust safety culture and standards across Harbour's enlarged portfolio. In addition, we have sought to maximise the value of our producing assets through disciplined operational execution, improved reliability and successful new well start-ups to enhance production. These achievements were underpinned by proactive cost management and rigorous capital allocation. In addition, the company made progress with respect to execution of the strategy, exiting Vietnam and announcing agreements to divest non-core assets in Indonesia and acquisitions of Waldorf (UK) and LLOG Exploration (US) in December.

2025 annual bonus

Our annual bonus is based on a scorecard of financial and non-financial performance measures. Metrics which relate to financial performance include free cash flow, performance related to our capital investment programme, operating costs and production (which drives revenue). Together these metrics represented 70 per cent of the 2025 scorecard. The remainder of the bonus was based on safety and environment targets including stretching GHG emissions targets. The scorecard continued to have the same measures as for 2024, however as noted last year the weighting for free cash flow was increased from 15 per cent to 20 per cent due to an increased focus on cash flow performance, as well as feedback from shareholders that an increased weighting towards financial measures would be welcomed. In addition, the Committee approved an increase to the deduction applied to the outcome for the process safety metric in the event of any Tier 1 or Tier 2 events.

Overall, the scorecard outcome for 2025 was 125 per cent out of a maximum of 200 per cent (i.e. 62.5 per cent of maximum), indicating an overall performance above target. The Committee reviewed the outcome under the scorecard in the context of the Group's financial and operational achievements in the year, our HSES record, the successful integration of the Wintershall Dea assets, the announcements of the strategic acquisitions of LLOG and Waldorf and divestments in Indonesia, and the executive directors' individual performance.

The Committee determined that the outcome of 125 per cent was a fair reflection of overall performance during the year and therefore the final bonus outcome for the executive directors was approved at 125 per cent of target (62.5 per cent of maximum). Full details of the measures and targets, together with the actual performance outcome for each measure, are provided on page 108.

Vesting of 2023 LTIP awards

LTIP awards granted in 2023 were subject to relative total shareholder return (TSR) performance over three years, measured against two comparator groups: the FTSE 100 and a bespoke comparator group of sector peers.

Details of the bespoke comparator group are listed in note 2 to the LTIP awards vesting table on page 109. The company's three-year relative TSR performance was -23.2 per cent. This performance was below median against the FTSE 100 comparator group. Performance was above median against the sector peer group. Therefore 23.5 per cent of the 2023 LTIP award shall vest. As mentioned in my letter last year, Harbour's performance over this time period is negatively impacted by the adverse effects of the UK Energy Profits Levy (EPL) on the company's earnings, cash flow and value when compared to the sector peer group whose asset portfolios are generally much less concentrated in the UK and when compared to FTSE 100 companies. As noted last year, the UK EPL also impacted the 2021 and 2022 vesting which were both nil and will continue to impact the vesting levels in relation to the 2024 LTIP award.

The Committee reviewed the outcome and determined that it would not exercise its discretion to adjust the formulaic outcome for executive directors, consistent with prior years. Full details of the performance calculation are provided on page 109.

Shareholder consultation

At the 2025 AGM, following extensive engagement with shareholders, we proposed our new Directors' Remuneration Policy and were pleased that 78.8 per cent of shareholders voted in favour. However, a significant proportion of shareholders voted against and so, following the AGM, a further shareholder consultation exercise was undertaken inviting all of Harbour's largest shareholders who voted against the Policy to discuss their views. Following that exercise, the Committee is satisfied that the principal reason for the low vote was the one-off awards to the CEO and CFO in 2025 to fairly reward them for their exceptional contribution to the business since their respective appointments, with most (although not all) shareholders supporting the changes to the new long-term incentive structure and the approach to determining opportunity levels.

The Committee recognises that shareholder views vary in relation to executive pay, and that not all shareholders supported the one-off awards; however, it maintains the view that the one-off awards were critical to ensure Harbour can continue to attract, retain and reward the senior talent that are pivotal to the ongoing delivery of our strategy and future growth ambitions, as well as recognising the excellent performance demonstrated by the executive directors to date but not rewarded as a result of Long Term Incentive Plan vesting outcomes since 2021. The Policy provided for these awards to be made on a one-time only basis and no further awards of this nature can be granted under the Policy.

Therefore, as noted to shareholders prior to the publication of this 2025 Directors' remuneration report, the Committee will continue to implement the Policy as described in the 2024 Directors' remuneration report but will take into consideration the shareholder views received as we continue to keep the Policy and its implementation under ongoing review.

Salary levels

As noted last year, the Committee reviewed the salary levels for the executive directors (and other senior leaders under its remit) during 2024 and salary increases took effect at the time of completion of the Wintershall Dea transaction in September 2024. The Committee reviewed salary levels in March 2026 and agreed to award the CEO an increase of 3.3 per cent, in line with the average increase for the wider UK workforce. The CEO recommended, and the Committee agreed, to award the CFO an increase of 5 per cent, which is more than the average increase for the wider UK workforce. This follows strong strategic delivery during the year, including in relation to the acquisitions of Waldorf and LLOG Exploration, and the resulting expansion in his role and responsibilities due to the increased scale, complexity and geographic spread of the business. The salaries effective 1 April 2026 will therefore be £1,007,175 for the CEO and £656,250 for the CFO.

Bonus and LTIP for 2026

The annual bonus will continue to be based on a balanced scorecard of measures. No changes are being proposed for the measures and weightings included in the scorecard for 2026. The scorecard will therefore include financial performance metrics including free cash flow, performance related to our capital investment programme, operating costs and production (which drives revenue) and non-financial performance metrics based on safety and environmental targets.

The Committee has reviewed the measures for the performance-based element of the LTIP for 2026. Given the increasing focus on free cash flow from investors and lenders alike, we have determined to introduce it as a new metric in our LTIP framework with a 20 per cent weighting.

The performance target will be met if the company delivers the free cash flow as projected in our Board-approved three-year business plan for 2026-2028. This free cash flow reflects management's forecasts for production, operating costs, capital expenditures and taxes, along with a projection of commodity prices. Threshold performance (25 per cent payout) and maximum performance (100 per cent of maximum payout) will be set at a range corresponding to a c.10 per cent increase or decrease in commodity prices. The targets themselves are deemed commercially sensitive by the Board and therefore will not be disclosed prospectively in the 2025 Directors' remuneration report; rather they will be disclosed in the 2028 Directors' remuneration report when the 2026 LTIP is due to vest. The Committee is satisfied that the stretch of the free cash flow targets is appropriate.

We will continue to measure relative TSR performance compared to the FTSE 100 and the sector comparator group, as in previous years and in line with common practice in our sector. The weighting of these measures will reduce from 50 per cent to 40 per cent of the award each.

The Committee approved one change to the sector comparator group for 2026. Tullow Oil was removed due to its size in comparison to Harbour and other members of the comparator group. The full list is on page 109.

Non-executive director fees

Fees for the Chair of the Board and the non-executive directors were reviewed during 2024 and implemented from 4 September 2024 on completion of the Wintershall Dea transaction. In March 2026, the remuneration arrangements for the Chair of the Board and the non-executive directors were reviewed and an increase of 3.3 per cent was approved to their base fees in line with the average increase for the wider UK workforce. Full details of non-executive director remuneration are set out on page 115.

Wider workforce remuneration

In accordance with the UK Corporate Governance Code, the Committee regularly reviews updates from management on wider workforce remuneration policies and practices.

During the year the Committee approved changes to the LTIP performance measures for performance share awards, including the changes described above to include a free cash flow metric from the 2026 grants onwards. In addition, the Committee approved a modification to the TSR metric for all participants other than the executive directors, adjusting the threshold and target vesting levels for performance achieved against the lower quartile and median of the peer group.

The Committee regularly consults with employees on reward and other matters. Our Global Staff Forum provides staff with the opportunity to engage with members of the Committee and other non-executive directors at least once a year, including on the topic of executive remuneration. In August 2025, Louise Hough attended a Global Staff Forum meeting where executive pay was discussed. The CEO and Chief Human Resources Officer were also in attendance. The aim of the remuneration discussion was to explain the alignment between executive remuneration and wider company pay policy, as well as describing the executive remuneration outcomes for 2024. Feedback from these sessions is then discussed at the Board and the Remuneration Committee.

Conclusion

I am always pleased to hear shareholder feedback on our approach to executive remuneration at Harbour Energy and look forward to further engagement in the future. I hope that you will be able to support our remuneration report at the upcoming AGM.

On behalf of the Committee, I would like to thank all our stakeholders for their continuing support.

Anne L. Stevens
Committee Chair

2026 REMUNERATION SUMMARY

A policy that rewards fairly and responsibly

The following sets out a summary of our Directors' Remuneration Policy (the Policy), and its intended implementation for 2026. The Policy was approved at the AGM on 8 May 2025 and applies to any payments made from this date.



Aligning remuneration to strategic execution and performance

Our remuneration framework is designed to ensure that rewards are directly linked to the delivery of our corporate strategy.

By aligning incentives with key strategic priorities – from maintaining safe and responsible operations, to strengthening and enhancing our portfolio through diversity, building resilience, and exercising financial discipline – we create a clear connection between individual performance and long-term value creation. This structure not only motivates our people but also reinforces a culture of accountability, where success is measured by the progress we make in meeting the world's energy needs.



Remuneration principles

Executive pay structured to support Harbour Energy's strategic objectives and promote long-term success.

A formal, transparent process governs the development of the Remuneration Policy.

Global competitiveness, benchmarking against UK and North American peers to balance competitiveness for executive talent with UK market norms.

Remuneration packages combine base pay with short-term bonuses and long-term incentives.

Wider global workforce remuneration

96.5%

Of employees who received a base salary increase

99.3%

Of employees are typically eligible for a performance-related bonus

124

Leaders across the business received long-term incentive plan awards as part of their remuneration

2026 Metrics and weightings

Category	Targets	Weighting
Annual bonus		
1. Safety & environment	Safety incident rate, Process safety, GHG emissions	30%
2. Operations	Oil and gas production, Unit operating costs	30%
3. Growth & capital deployment	Expenditure vs AFE, Reserves vs AFE	20%
4. Financial	Free cash flow	20%
Long-term incentives		
1. Financial	Relative TSR performance vs FTSE 100 index	40%
	Relative TSR performance vs the sector comparator group	40%
	Free cash flow	20%

→ THE FULL POLICY CAN BE FOUND ONLINE
harbourenergy.com/investors

Element	Operation, opportunity and performance metrics	Implementation for 2026
Salary	Salaries are reviewed annually, taking into account market practice at other oil and gas sector companies in the UK, the US and internationally and UK-listed companies of a similar size to Harbour. Salary increases are normally effective 1 April. Whilst there is no maximum salary, increases will normally not exceed the typical increases awarded to other employees in the Group.	CEO: £1,007,175 (increase of 3.3 per cent) CFO: £656,250 (increase of 5 per cent) The CEO salary increase is in line with the wider UK workforce increase. The CFO increase, as recommended by the CEO, is higher than the UK workforce increase reflecting his increased responsibilities following recent strategic acquisitions.
Pension	Pensions are currently set at 20 per cent of base salary, in line with the rate for the company's UK workforce.	CEO and CFO: 20 per cent of base salary, in line with the rate for the company's UK workforce (no change from 2025).
Benefits	Executive directors receive a competitive benefits package, which may include medical and dental insurance, car allowance, life assurance, income protection cover, personal accident insurance, expatriate benefits, relocation allowance, health checks and a subsidised gym membership. Where they have been required to relocate, other benefits including a housing allowance, flights home and tax equalisation may be paid.	Approach to benefits for executive directors, including expatriate benefits available to them, is aligned with that of other employees (no change from 2025).
Annual bonus	Up to 250 per cent of salary in respect of a financial year. 50 per cent of any annual bonus earned is deferred in shares for three years, until the shareholding requirement has been met, in which case 25 per cent is deferred in shares. Performance is normally assessed against a corporate scorecard encompassing categories which may include safety, environment, operations, growth/capital deployment, and financial. Dividend equivalents may accrue on deferred bonus awards, awarded in shares. Malus and clawback provisions apply.	CEO and CFO maximum opportunity: 250 per cent and 200 per cent of salary respectively. The annual bonus scorecard is made up of the following metrics (no change from 2025): • 30 per cent Safety & environment (Safety incident rate, Process safety, GHG emissions) • 30 per cent Operations (Oil and gas production, Unit operating costs) • 20 per cent Growth & capital deployment (Expenditure vs AFE, Reserves vs AFE) • 20% Financial (Free cash flow) Performance targets are considered to be commercially sensitive and will be disclosed in next year's Annual Report & Accounts.
Long Term Incentive Plan: performance share and restricted share awards	Up to 400 per cent of salary, of which no more than 100 per cent will be in the form of restricted share awards. Performance share awards have a performance period of three years. Restricted share awards are subject to a three-year performance underpin. A two-year post-vesting holding period applies. Dividend equivalents may accrue, awarded in shares. Malus and clawback provisions apply.	Performance share awards maximum opportunity for the CEO and CFO: 300 per cent and 240 per cent of salary respectively. Restricted share awards maximum opportunity for the CEO and CFO: 100 per cent and 80 per cent of salary respectively. Performance shares will be subject to the following metrics: • 40 per cent Relative TSR vs the FTSE 100 index • 40 per cent Relative TSR vs a bespoke oil and gas peer group¹ • 20 per cent Free cash flow The underpin for the restricted shares will be assessed based on the Committee's review of financial and non-financial performance over the vesting period.
Shareholding ownership	Shareholding requirement of 300 per cent of salary for the CEO and 250 per cent of salary for the CFO. This requirement will continue to apply for two years following stepping down from the Board.	Implemented in line with the Policy.
Non-executive director fees	Fees are set with reference to UK and international oil and gas sector companies and UK-listed companies of a similar size to Harbour. Fees are normally reviewed at least every two years, with increases effective 1 April. Reasonable costs in relation to travel and accommodation for business purposes (including any tax liabilities) are reimbursed.	Base fees will be increased by 3.3 per cent for 2026, with no change to supplementary fees. The fees are therefore as follows: Base fees • Chair all-inclusive fee £404,807 • Other non-executive directors' base fee £114,663 Supplementary fees • Senior Independent Director £37,500 • Chair of Audit and Risk Committee £25,000 • Chair of Remuneration Committee £25,000 • Chair of Health, Safety, Environment and Security Committee £18,750 • Chair of Nomination Committee £18,750² • Member of Audit and Risk Committee £15,000 • Member of Remuneration Committee £15,000 • Member of Health, Safety, Environment and Security Committee £10,000 • Member of Nomination Committee £10,000

1 The bespoke oil and gas peer group for the 2026 awards will consist of Aker BP, Apache Corp, Bluenord, Diversified Energy, Energean, EnQuest, Ithaca Energy, Kosmos Energy, Murphy Oil, Santos Energy, Seplat Energy, Serica Energy, Talos Energy, Vår Energi, Vermillion Energy and Woodside Energy. The Committee reviewed the comparator group for 2026 and determined that Tullow Oil should be removed due to its smaller size.

2 The Board Chair waives his fees for acting as Chair of the Nomination Committee.

Annual Report on Remuneration

Committee membership and operation

Committee members	Date of appointment to the Committee	Meetings attended (eligible to attend)
Anne L. Stevens (Committee Chair)	31 March 2021	4(4)
Alan Ferguson	31 March 2021	4(4)
Andy Hopwood ¹	1 November 2022	1(1)
Louise Hough	1 May 2023	4(4)

1 Andy Hopwood stepped down from the Board on 8 May 2025.

Committee terms of reference

The Committee acts within written terms of reference which are reviewed regularly and published on the company's website: harbourenergy.com. The terms of reference were reviewed in 2025 with amendments made in order to comply with the 2024 UK Corporate Governance Code.

The main responsibilities of the Committee include:

- determining the Remuneration Policy for executive directors and senior management and engaging with the company's principal shareholders thereon;
- determining the individual remuneration packages for each executive director and other members of senior management, and any changes thereto;
- approving the remuneration package of the Chair;
- considering the design of, and determining targets for, the annual bonus plan;
- reviewing and recommending to the Board the establishment of any new employee share plans and any material amendments to the company's existing share plans;
- determining the overall quantum and performance conditions and/or underpins for long-term incentive awards;
- reviewing pension arrangements, service agreements and termination payments for executive directors and senior management;
- approving the Directors' remuneration report, ensuring compliance with related governance provisions and legislation;
- reviewing the UK Gender Pay Gap report and the actions being taken towards reducing the gap;
- reviewing bonus outcomes for the company, including executive directors; and
- considering the remuneration policies and practices across the company.

Advisers

The Committee receives advice from independent remuneration committee advisers Deloitte LLP. Deloitte LLP were appointed by the Committee in March 2021 following a competitive tender process.

The fees charged for the provision of independent advice to the Committee during the year were £100,575 from Deloitte LLP. Other than in relation to advice on remuneration, Deloitte LLP provided support to management in relation to corporate tax, indirect tax, payroll taxes, financial advisory services in relation to mergers and acquisitions, and other related services.

Deloitte are founding members of the Remuneration Consultants Group and voluntarily operated under its code of conduct in dealings with the Committee. The Committee is satisfied that the Deloitte engagement team, who provided remuneration advice to the Remuneration Committee, do not have connections with Harbour Energy plc or its directors that may impair their independence.

During the year, the Committee also took into account the views of the Chief Executive Officer and other members of management. Their attendance at Remuneration Committee meetings was by invitation from the Committee Chair to advise on specific questions raised by the Committee and on matters relating to the performance and remuneration of the senior management team. No director was present for any discussions that related directly to their own remuneration.

Voting on remuneration matters

Votes received at the 2025 AGM in respect of approval of the Annual Report on Remuneration and the Directors' Remuneration Policy are set out below:

Resolution	Votes FOR and % of votes cast		Votes AGAINST and % of votes cast		Votes WITHHELD
Annual Report on Remuneration (2025 AGM)	1,028,722,034	86.84%	155,955,765	13.16%	5,088,227
Directors' Remuneration Policy (2025 AGM)	933,676,438	78.81%	250,972,342	21.19%	5,117,246

Single total figure of remuneration for executive directors (audited)

Executive directors	Year	Salary ¹ £'000	Taxable benefits ² £'000	Pension £'000	Total fixed remuneration £'000	Bonus £'000	Other ³ £'000	LTIP ⁴ £'000	Total variable remuneration £'000	Total remuneration £'000
Linda Z. Cook	2025	975.0	164.5	192.2	1,331.7	1,523.4	7,500.0	604.0	9,627.4	10,959.1
	2024	904.4	1,424.9	178.3	2,507.6	533.6	–	–	533.6	3,041.2
Alexander Krane	2025	625.0	139.1	107.4	871.5	781.3	1,250.0	323.3	2,354.6	3,226.1
	2024	586.3	164.1	100.7	851.1	345.9	–	–	345.9	1,197.0

Notes to 2025 figures (unless stated):

- The executive directors' salaries did not change during 2025 following the increase applied after completion of the Wintershall Dea transaction on 4 September 2024. The 2024 figures shown above represent the aggregated pro-rated salaries for 2024.
- The executive directors receive a benefits package aligned with the approach for other employees as outlined in the Remuneration Policy approved by shareholders at the 2025 AGM. In 2021, Linda Z. Cook and Alexander Krane relocated from the US and Norway respectively to join Harbour Energy and they are entitled to receive the same expatriate benefits as other employees relocating internationally. They both elected not to take the full expatriate benefits available to them, and their benefits are therefore limited to housing costs and two return flights home per year as well as tax equalisation arrangements. Alexander Krane received £60,000 in respect of housing costs during the year and his benefit figure also includes £35,415.38 in respect of tax equalisation payments for his housing allowance. Linda Z. Cook received £120,000 in respect of housing costs during the year. Given Linda Z. Cook was required to relocate from the US to the UK to take up the role of CEO, tax equalisation is provided to ensure that she is not required to pay more tax in the UK than she would do in the US. The value of the tax equalisation payments fluctuates from year to year based on a variety of factors, and no benefit arose for Linda Z. Cook in the year due to overall timing and the mechanics of tax calculations and settlements.
- Figures in this column relate to one-off awards made to the executive directors in 2025, to reward them for their exceptional contribution to the business since their respective appointments. The CEO's award was paid in cash and the CFO's award was granted in shares that vest in April 2026. The awards were not subject to performance conditions, but malus and clawback apply. More information on the awards is provided in the 2024 Directors' Remuneration Report.
- The 2023 LTIP vested at 23.5 per cent. The award values shown were calculated using the average share price for the three months ended 31 December 2025 of £2.12. The share price has decreased since the grant date and therefore no value is attributable to share price appreciation.

Single total figure of remuneration for non-executive directors (audited)

Non-executive directors	Year	Base fees ² £'000	Travel allowance ³ £'000	Expenses ^{4,9} £'000	Total remuneration £'000
R. Blair Thomas (Chair) ¹	2025	391.9	25.0	3.0	419.9
	2024	334.6	30.0	7.3	372.0
Simon Henry ⁵	2025	90.0	–	1.4	91.4
	2024	153.0	–	3.7	156.7
Belgacem Chariag	2025	130.6	25.0	10.9	166.5
	2024	115.1	20.0	11.2	146.3
Dirk Elvermann ^{6,7}	2025	121.0	–	5.7	126.7
	2024	39.3	–	3.1	42.4
Hans-Ulrich Engel ⁷	2025	121.0	–	8.7	129.7
	2024	39.3	–	3.4	42.7
Alan Ferguson	2025	169.1	–	0.3	169.4
	2024	131.7	–	0.6	132.3
Andy Hopwood ⁸	2025	48.3	–	0.5	48.8
	2024	120.1	–	3.8	123.9
Louise Hough	2025	147.5	–	0.3	147.8
	2024	125.1	–	0.4	125.5
Margareth Øvrum	2025	144.8	–	7.4	152.2
	2024	126.3	–	9.0	135.3
Anne L. Stevens	2025	146.0	25.0	14.5	185.5
	2024	126.7	30.0	17.3	174.0

Notes to 2025 figures (unless stated):

- The base fees for R. Blair Thomas were paid to EIG.
- In addition to base fees for acting as a non-executive director, base fees as disclosed above include amounts payable for acting as a member or Chair of a Committee, and fees for the Senior Independent Director role. Further detail on the level of these fees is set out on page 115. The Board Chair waived his fees for acting as Chair of the Nomination Committee.
- In accordance with the Remuneration Policy approved by shareholders in May 2025, R. Blair Thomas, Anne L. Stevens and Belgacem Chariag received an allowance for intercontinental travel during 2025.
- Amounts disclosed relate to taxable travel and accommodation expenses paid to non-executive directors in respect of qualifying services during the year.
- Simon Henry stepped down from the Board on 7 July 2025. His 2025 fees reflect the time served as a non-executive director up to that date.
- The base fees for Dirk Elvermann were paid to BASF SE.
- The 2024 fees for Dirk Elvermann and Hans-Ulrich Engel reflect the time served as non-executive directors from the date of their appointment on 3 September 2024.
- Andy Hopwood stepped down from the Board on 8 May 2025. His 2025 fees reflect the time served as a non-executive director up to that date.
- Expense figures for 2024 for R. Blair Thomas have been restated to reflect qualifying amounts for 2024 and any expenses not captured in time for the prior year's report.

DIRECTORS' REMUNERATION REPORT CONTINUED

ANNUAL REPORT ON REMUNERATION CONTINUED

2025 Annual bonus outcome (audited)

The maximum bonus opportunity for executive directors in respect of 2025 was 250 per cent of salary for the CEO and 200 per cent of salary for the CFO. The scorecard below summarises the Group's performance against the financial and operational targets set by the Board for 2025 that are used to determine the level of bonus awarded.

Category	Metric	Weighting	2025 performance		Scorecard		
			Actual	Weighted	Threshold	Target	Stretch
Safety & environment (30%)	Safety incident rate	10%	1.1	12.4%	1.6	1.2	0.7
	TRIR incident rate/ million hours						
	Process safety Tier 1, Tier 2 and Tier 3R events	10%	10	0.0%¹	16	12	8
	GHG emissions ktonnes CO ₂ e	10%	1,300	14.8%	1,430	1,365	1,230
Operations (30%)	Oil and gas production kboepd	20%	474	19.0%	455	475	485
	Unit operating costs \$/boe	10%	13	20.0%	15	13.7	13
Growth & capital deployment (20%)	Expenditure vs AFE %	10%	106	7.0%	120	100	85
	Reserves vs AFE %	10%	116	18.0%	80	100	120
Financial (20%)	Free cash flow billion \$ ²	20%	1.1	37.8%	0.5	0.8	1.1
Total				129.0%			

Notes:

- 1 Process safety score of 15% was reduced to zero to reflect one Tier 1 and one Tier 2 event.
- 2 Free cash flow is post-tax, pre-dividend and pre-share buyback and excludes M&A costs. Free cash flow targets have been adjusted to reflect the impact of an unbudgeted accelerated payment during the year to ensure a like for like comparison.

Summary of performance

Safety & environment

Safety incident rate: TRIR was 1.1, slightly better than the target of 1.2.

Process safety: A total of 10 serious process safety events occurred, better than the target of 12. However, of the events one was classified as Tier 1 and one as Tier 2. Given the severity of these events, the score was reduced to zero in line with our scoring framework.

GHG emissions: Total emissions of 1,300 ktonnes CO₂e resulted in an outcome between target and stretch.

Operations

Production: Production of 474 kboepd was slightly below target.

Unit operating costs: Unit operating costs were \$12.8 per boe, meeting the stretch target.

Growth & capital deployment

Expenditure vs AFE: 106 per cent expenditure vs AFE was slightly below target.

Reserves vs AFE: 116 per cent reserves vs AFE resulted in achievement of the stretch target.

Financial

Free cash flow: Free cash flow of \$1.1 billion, meeting the stretch target.

The formulaic outcome from the scorecard is 129 per cent payout. When adjusting the calculation to account for net impacts of the mid-year divestment of Vietnam (which was not reflected in the targets), the outcome is 125 per cent out of a maximum of 200 per cent (i.e. 62.5 per cent of maximum), indicating an overall performance above target. The Committee determined that the outcome of 125 per cent was a fair reflection of overall performance during the year which, in addition to the strong operational and financial results against the backdrop of lower commodity prices, also included the successful integration of the Wintershall Dea assets, the announcements in relation to the strategic acquisitions of LLOG and Waldorf, and the divestment of assets in Indonesia.

Amounts paid to executive directors are set out below. The 2025 Remuneration Policy requires executive directors that have met their shareholding requirement to defer 25 per cent of the bonus paid into shares for three years, and for those who have not met the requirement to defer 50 per cent of the bonus paid into shares for three years. Linda Z. Cook and Alexander Krane have both met their shareholding requirements and their bonuses will therefore be subject to the lower deferral rate.

Directors	Bonus as a % of maximum	Total value £'000s	Cash amount £'000s	Amount deferred into shares £'000s
Linda Z. Cook	62.5	1,523.4	1,142.6	380.9
Alexander Krane	62.5	781.3	585.9	195.3

LTIP awards vesting in respect of the year ended 31 December 2025 (audited)

LTIP awards were granted to the executive directors in 2023. Awards were subject to relative TSR performance conditions over the three years to 31 December 2025. The structure and performance outcome were as follows:

Performance element	Weighting	Minimum performance	Mid performance	Maximum performance	Actual performance	Vesting outcome
Relative TSR performance vs FTSE 100 index ¹	50%	25% vesting at median performance (50 th percentile)	Linear vesting between minimum and maximum performance	100% vesting if in the upper quartile (75 th percentile)	–23.2% (Below median)	0
Relative TSR vs bespoke peer group of oil and gas companies ²	50%				–23.2% (Above median)	46.9%

Notes:

- 1 Constituents of the FTSE 100 as at the start of the performance period on 1 January 2023.
- 2 Selected oil and gas peer group, including European and US independent oil and gas companies. The group consists of the following 17 companies: Aker BP, Apache Corp, bp, Capricorn Energy, Diversified Energy, Energean, Genel Energy, Hess, Kosmos Energy, Marathon Oil, Murphy Oil, Shell, Seplat Energy, Tullow Oil, Vermillion Energy, Serica and EnQuest. Hess and Marathon were both acquired during the performance period and exited the peer group.

Based on the above performance levels, the vesting outcome was 23.5 per cent. The Committee considered whether to exercise any discretion to amend the formulaic outcome, and determined that the outcome was appropriate in the context of company performance in the round. The amounts vesting to the executive directors are therefore as follows:

Executive directors	Number of shares awarded	Vesting outcome (% of maximum)	Number of shares vesting	Value of shares vesting £'000s ¹	Value of dividend equivalents accrued £'000s ¹	Total £'000s
Linda Z. Cook	947,955	23.5%	222,769	472.3	131.8	604.0
Alexander Krane	507,434	23.5%	119,246	252.8	70.5	323.3

Note:

- 1 The award values shown were calculated using the average share price for the three months ended 31 December 2025 of £2.12.

LTIP awards granted during the year ended 31 December 2025 (audited)

For the performance share awards (PSAs) granted to executive directors under the 2025 LTIP during 2025, the performance condition is based 100 per cent on relative TSR performance conditions against two peer groups. The structure has been summarised below:

Performance element	Weighting	Minimum performance	Mid performance	Maximum performance	Performance period
Relative TSR performance vs FTSE 100 index ¹	50%	25% vesting at median performance (50 th percentile)	Linear vesting between minimum and maximum performance	100% vesting if in the upper quartile (75 th percentile)	1 January 2025 – 31 December 2027
Relative TSR vs bespoke peer group of oil and gas companies ²	50%				

Notes:

- 1 Constituents of the FTSE 100 as at the start of the performance period on 1 January 2025.
- 2 Selected oil and gas peer group, including global, European and US independent oil and gas companies. This group consists of the following 17 companies: Aker BP, Apache Corp, Bluenord, Diversified Energy, Energean, EnQuest, Ithaca Energy, Kosmos Energy, Murphy Oil, Santos Energy, Seplat Energy, Serica Energy, Talos Energy, Tullow Oil, Vår Energi, Vermillion Energy and Woodside Energy. The group was updated in 2025, with Capricorn Energy, Genel Energy and Hess removed and Talos Energy, Bluenord, Santos Energy and Woodside Energy added. During 2025 Marathon Oil exited the peer group following its acquisition by Conoco.

DIRECTORS' REMUNERATION REPORT CONTINUED

ANNUAL REPORT ON REMUNERATION CONTINUED

From 2025, executive directors were also eligible to receive restricted share awards (RSAs) under the Policy. Awards made in 2025 are subject to a performance underpin, based on the Committee's assessment of financial and non-financial performance measured over the three years to 31 December 2027. Furthermore, Alexander Krane received a one-off conditional share award in 2025. This was to recognise his exceptional contribution to the business since his appointment in 2021. The face value of the award was £1.25 million, equivalent to around 200 per cent of salary. The award is not subject to performance conditions and will vest in April 2026. There is no holding period. Malus and clawback apply (see page 111). Further details on the context for the award were provided in the 2024 Directors' remuneration report. A summary of all the awards made to executive directors is as follows:

Executive directors	Date of grant	Number of shares awarded	Type of award	Face value (% of salary)	Face value ¹
Linda Z. Cook	09.05.25	1,454,789	PSA	300%	£2,924,998
Linda Z. Cook	09.05.25	484,929	RSA	100%	£974,998
Alexander Krane	09.05.25	746,045	PSA	240%	£1,499,998
Alexander Krane	09.05.25	248,681	RSA	80%	£499,998
Alexander Krane	09.05.25	783,699	RSA	200%	£1,250,000 ²

- Notes:
- 1 Face value was calculated using the average of the mid-market closing prices for the five dealing days preceding the date awards were granted to other eligible employees on 7 April 2025 being £2.0106 per share.
 - 2 Face value was calculated using the average closing share price for the five dealing days preceding the award date being £1.5950 per share.

Outstanding share awards

Long Term Incentive Plan

As at 31 December 2025, Linda Z. Cook and Alexander Krane held the following outstanding performance share awards (PSAs) and restricted share awards (RSAs) under the LTIP:

Directors	Type of award ¹	Date of grant	Awards held at 1 January 2025	Granted	Dividend equivalents accrued	Lapsed	Vested	Awards held at 31 December 2025	Market price of shares on date of award ²	Earliest vesting date
Linda Z. Cook	PSA 2022-25	24.03.22	699,608	–	–	699,608	–	–	440.40p	24.03.25
	PSA 2023-26	03.04.23	1,096,863	–	115,549	–	–	1,212,412	269.00p	03.04.26
	PSA 2024-27	08.04.24	1,008,416	–	106,232	–	–	1,114,648	283.50p	08.04.27
	RSA 2025-28	09.05.25	–	484,929	22,155	–	–	507,084	201.06p	07.04.28
	PSA 2025-28	09.05.25	–	1,454,789	66,465	–	–	1,521,254	201.06p	07.04.28
			2,804,887	1,939,718	310,401	699,608	–	4,355,398		
Alexander Krane	PSA 2022-25	24.03.22	360,091	–	–	360,091	–	–	440.40p	24.03.25
	PSA 2023-26	03.04.23	587,142	–	61,852	–	–	648,994	269.00p	03.04.26
	PSA 2024-27	08.04.24	663,255	–	69,871	–	–	733,126	283.50p	08.04.27
	RSA 2025-26 ³	09.05.25	–	783,699	35,805	–	–	819,504	159.50p	08.04.26
	RSA 2025-28	09.05.25	–	248,681	11,361	–	–	260,042	201.06p	07.04.28
	PSA 2025-28	09.05.25	–	746,045	34,084	–	–	780,129	201.06p	07.04.28
			1,610,488	1,778,425	212,973	360,091	–	3,241,795		

- Notes:
- 1 Any vested awards (except for Alexander Krane's RSA vesting in April 2026) are subject to a two-year holding period such that the total time horizon is five years.
 - 2 For awards granted prior to 2025, this was the average of the closing prices of a Harbour Energy share over the five dealing days immediately preceding the award date (on a post-consolidation basis). For awards granted in 2025, see footnotes 1 and 2 to previous table.
 - 3 In accordance with the Remuneration Policy approved by shareholders on 8 May 2025, Alexander Krane received a one-off award with a value of £1.25 million. Further details are available in the Remuneration Policy contained within the 2024 Annual Report available on the company's website.

Deferred bonus awards

As of 31 December 2025, the following deferred bonus awards were held in respect of the deferred element of the annual bonus award.

Directors	Date of grant	Awards held at 1 January 2025	Granted	Dividend equivalents accrued	Lapsed	Vested	Awards held at 31 December 2025	Market price of shares on date of award ¹	Earliest vesting date
Linda Z. Cook	24.03.22	57,980	–	–	–	57,980	–	440.40p	24.03.25
	03.04.23	274,214	–	28,886	–	–	303,100	269.00p	03.04.26
	08.04.24	154,399	–	16,265	–	–	170,664	283.50p	08.04.27
	07.04.25	–	66,343	6,988	–	–	73,331	201.06p	07.04.28
		486,593	66,343	52,139	–	57,980	547,095		
Alexander Krane	24.03.22	35,029	–	–	–	35,029	–	440.40p	24.03.25
	03.04.23	169,368	–	17,842	–	–	187,210	269.00p	03.04.26
	08.04.24	98,224	–	10,347	–	–	108,571	283.50p	08.04.27
	07.04.25	–	86,021	9,062	–	–	95,083	201.06p	07.04.28
		302,621	86,021	37,251	–	35,029	390,864		

Note:

1 The average of the closing prices of a Harbour Energy share over the five dealing days immediately preceding the award date (on a post-consolidation basis).

Statement of directors' shareholdings and scheme interests (audited)

The table below summarises the directors' interests in shares, including unvested awards under employee share schemes, as at 31 December 2025. The total share interests as at 4 March 2026 were the same as shown below for all directors in service as at 31 December 2025. Further details of all outstanding awards are provided on page 110.

Directors	Own shares at 31 December 2025 ¹	Unvested shares subject to continued employment 31 December 2025 ²	Unvested shares subject to continued employment with performance underpins 31 December 2025 ²	Unvested shares subject to performance at 31 December 2025
Linda Z. Cook	8,985,654	547,095	507,084	3,848,314
Alexander Krane	181,807	1,210,368	260,042	2,162,249
R. Blair Thomas	4,534,797	–	–	–
Simon Henry ³	60,000	–	–	–
Belgacem Chariag	20,000	–	–	–
Dirk Elvermann	–	–	–	–
Hans-Ulrich Engel	–	–	–	–
Alan Ferguson	45,639	–	–	–
Andy Hopwood ⁴	10,000	–	–	–
Louise Hough	21,178	–	–	–
Margareth Øvrum	26,500	–	–	–
Anne L. Stevens	30,000	–	–	–

Notes:

1 Own shares includes shares held by the director and/or connected persons.

2 Unvested shares subject to continued employment comprise deferred bonus awards and restricted share awards. Restricted share awards (other than those granted to Alexander Krane that vest in April 2026) are also subject to performance underpins. The deferred bonus awards and restricted share awards are subject to malus and clawback in accordance with the terms set out in the Directors' Remuneration Policy.

3 Shares owned outright by Simon Henry are reported as at 7 July 2025, the date Simon Henry stepped down from the Board.

4 Shares owned outright by Andy Hopwood are reported as at 8 May 2025, the date Andy Hopwood stepped down from the Board.

Awards under all the company's share schemes may be met using a combination of market purchases, financed by the company through the Harbour Energy plc Employee Benefit Trust, and newly issued shares. The company complies with the Investment Association's recommended guidelines on shareholder dilution through employee share schemes: the total of all awards satisfied with newly issued shares under all plans must not exceed 10 per cent of the company's issued share capital in any rolling 10-year period.

Malus and clawback provisions

Malus and clawback provisions apply to variable pay in cases of: material misstatement of the company's financial results, gross misconduct, material error in the calculation of performance conditions or other conditions, serious reputational damage, corporate failure, or in such other exceptional circumstances as the Committee sees fit.

The Committee may exercise malus and clawback until the later of: (i) two years from the payment of cash bonuses or the vesting of deferred bonuses, performance shares and/or restricted shares, or (ii) the completion of the second audit after payment/vesting. For the one-off awards granted in 2025, malus and clawback may be exercised until the later of: (i) two years from the payment of the CEO's cash payment or the grant of the CFO's shares, or (ii) the completion of the second audit after payment/grant. The malus and clawback periods are considered to allow an appropriate amount of time for any of the above circumstances to become known.

Malus and clawback provisions were not invoked during 2025.

DIRECTORS' REMUNERATION REPORT CONTINUED

ANNUAL REPORT ON REMUNERATION CONTINUED

Directors' shareholding requirements

The company requires the executive directors to retain no less than 50 per cent of the net value of shares vesting under the company's long-term incentive plans until such a time that they have reached a holding worth 300 per cent of salary (CEO) and 250 per cent of salary (CFO).

Shares owned outright including shares purchased and received from incentive arrangements, shares subject to deferral or a holding period (which are not beneficially owned by the senior executive) net of any relevant tax and social security that would be due, vested but unexercised nil cost options under any share plan, unvested share plan awards where vesting is not subject to the achievement of any performance conditions or underpins net of any relevant tax and social security and free shares under any UK share incentive plan count towards this requirement.

Based on an average share price of £2.12 during the final three months of 2025, Linda Z. Cook currently holds shares and deferred bonus awards worth 2,013 per cent of her salary. Alexander Krane holds shares, deferred bonus awards and a one-off award worth 267 per cent of his salary using the same average price.

Under the company's Remuneration Policy, the shareholding requirement extends for two years post-cessation of employment. Shares purchased by the departed executive directors are not covered by the post-cessation requirement.

Service contracts

Both executive directors have a rolling service contract, which may be terminated on 12 months' notice in writing by either party. Our usual approach to remuneration when an executive director leaves is explained in the Remuneration Policy.

Details of the service contracts of the current executive directors, which are available to view at the company's registered office, are as follows:

Directors	Contract date	Unexpired term of contract
Linda Z. Cook	01.04.2021	Rolling contract
Alexander Krane	01.04.2021	Rolling contract

Executive director external appointments

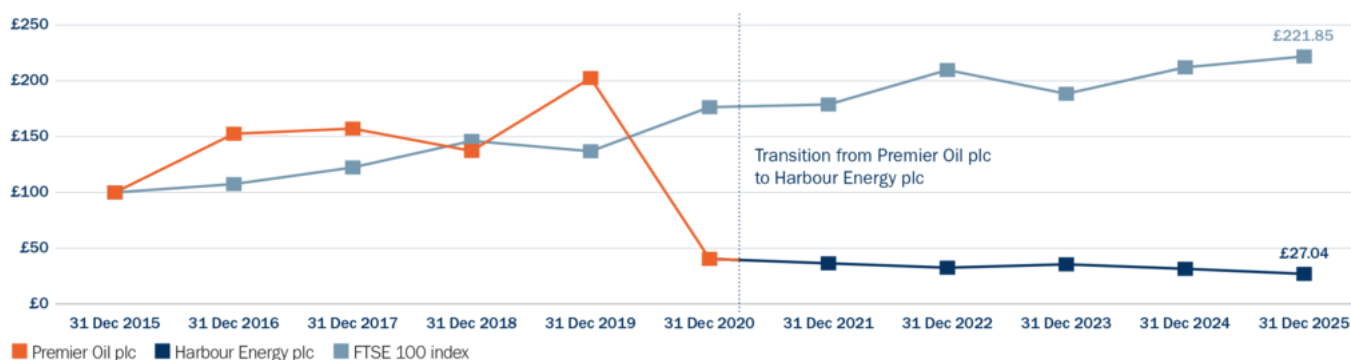
Executive directors are permitted to accept non-executive appointments outside the company providing that the Board's approval is obtained. Details of external appointments on publicly listed boards are set out on pages 84 to 86.

Comparison of company performance

The chart below compares the value of £100 invested in the company's shares, including reinvested dividends, on 31 December 2015 compared to the equivalent investment in the FTSE 100 index over the last 10 financial years. The FTSE 100 index has been chosen as the comparator for this graph because it is used as a peer group against which relative TSR performance is measured for awards granted under the LTIP.

10-year TSR performance

Value of £100 invested on 31 December 2015. Note that for the purposes of this chart, the share price for Premier Oil plc is used during the period 31 December 2014 to 31 March 2021:



Note:
The closing share price of the company on 31 December 2025 was 196.60p. On 4 March 2026, being the date of approval of this report, the closing share price was 260.6p.

The table below shows the CEO single figure of remuneration for the past 10 years and corresponding performance under the annual and long-term incentives, as a percentage of maximum.

Year	CEO	CEO single figure of remuneration £'000s	Annual bonus payout as % of maximum	Equity pool as % of maximum ¹	Restricted share award vesting as % of maximum ²	Performance share award vesting as % of maximum	Matching share award vesting as % of maximum
2016	Tony Durrant	1,404.3	66.5	–	–	–	–
2017	Tony Durrant	1,474.3	63.4	–	–	–	–
2018	Tony Durrant	1,558.4	54.3	45.1	–	75.1	–
2019	Tony Durrant	1,631.1	65.0	–	100.0	38.0	–
2020 ³	Tony Durrant	814.1	10.4	–	–	–	–
2021 ⁴	Richard Rose	436.6	–	–	–	–	–
	Linda Z. Cook ⁵	5,978.3	33.0	–	–	–	–
2022	Linda Z. Cook	3,124.5	75.0	–	–	–	–
2023	Linda Z. Cook	2,407.0	48.0	–	–	–	–
2024	Linda Z. Cook	3,041.1	29.5	–	–	–	–
2025	Linda Z. Cook ⁶	10,959.1	62.5	–	–	–	–

Notes:

- 1 The maximum opportunity for the 2016 equity pool was 50 per cent of salary.
- 2 The maximum opportunity for the restricted share award was 20 per cent of salary.
- 3 Tony Durrant stepped down from the Board on 16 December 2020.
- 4 Figures shown for 2021 for Richard Rose relate to the period during 2021 that he served as interim Chief Executive Officer: 1 January 2021 to 31 March 2021; and for Linda Z. Cook relate to the period during 2021 that she served as Chief Executive Officer: 1 April 2021 to 31 December 2021.
- 5 Linda Z. Cook's single figure of remuneration in 2021 includes the value of her buyout award (£4.5 million) which was granted to compensate for the loss of incentive arrangements she had as part of her previous employment at EIG.
- 6 Linda Z. Cook's single figure of remuneration in 2025 includes the one-off award (£7.5 million) made in May 2025 to reward her contribution to the business since her appointment.

Percentage change in directors' remuneration compared with other employees

The table below shows the percentage change in each director's remuneration, comprising salary/fees, benefits and annual bonus, and comparable data for the average of all UK-based employees within the company, over each of the five years from 2021 to 2025. Figures are presented on an annualised basis to allow for comparison.

	Salary/fees					Benefits					Annual bonus ¹				
	2025	2024	2023	2022	2021	2025	2024	2023	2022	2021	2025	2024	2023	2022	2021
Executive directors															
Linda Z. Cook ²	8%	6%	–	–	–	(88%)	132%	(26%)	103%	–	185%	(35%)	(36%)	126%	–
Alexander Krane	7%	8%	3%	–	–	(16%)	(19%)	23%	4%	–	126%	(33%)	(34%)	118%	–
Non-executive directors³															
R. Blair Thomas	17%	12%	–	–	–	–	–	–	–	–	–	–	–	–	–
Simon Henry ⁴	(41%)	9%	–	–	–	–	–	–	–	–	–	–	–	–	–
Belgacem Chariag ⁵	13%	64%	–	–	–	–	–	–	–	–	–	–	–	–	–
Dirk Elvermann ⁶	208%	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Hans-Ulrich Engel ⁶	208%	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Alan Ferguson ⁷	28%	10%	–	–	–	–	–	–	–	–	–	–	–	–	–
Andy Hopwood ^{8,9}	(60%)	9%	4%	1%	–	–	–	–	–	–	–	–	–	–	–
Louise Hough ⁵	18%	63%	–	–	–	–	–	–	–	–	–	–	–	–	–
Margareth Øvrum	15%	10%	–	–	–	–	–	–	–	–	–	–	–	–	–
Anne L. Stevens	15%	10%	–	–	–	–	–	–	–	–	–	–	–	–	–
All employees	6%	7%	7%	3%	4%	6%	7%	12%	26%	(4%)	93%	(30%)	116%	98%	(69%)

Notes:

- 1 Includes cash bonus and amount deferred into shares.
- 2 The benefits figure for Linda Z. Cook for 2022, 2023 and 2024 reflects increased tax equalisation payments provided in connection with the vesting of the first, second and third tranche of the conditional share award during those years. This award has now vested in full.
- 3 The increase for the non-executive directors reflects the increase in their fees which were reviewed following completion of the Wintershall Dea transaction.
- 4 Simon Henry stepped down from the Board on 7 July 2025.
- 5 The significant increase for Belgacem Chariag and Louise Hough in 2024 is due to their part-year appointments in 2023, resulting in pro-rated salaries for that year.
- 6 The significant increase for Dirk Elvermann and Hans-Ulrich Engel in 2025 is due to their part-year appointments in 2024, resulting in pro-rated salaries for that year.
- 7 The significant increase for Alan Ferguson reflects his appointment as Senior Independent Director and therefore an increase in the scope and complexity of his role.
- 8 The increase for Andy Hopwood in 2022 and 2023 reflects a change in his committee membership and therefore an increase in the scope and complexity of his role.
- 9 Andy Hopwood stepped down from the Board on 8 May 2025.

DIRECTORS' REMUNERATION REPORT CONTINUED

ANNUAL REPORT ON REMUNERATION CONTINUED

CEO pay ratio

The table below sets out the ratio of the CEO's pay to the lower quartile, median and upper quartile pay of the company's UK employees for the past seven years.

Year	Method	P25 (lower quartile)	P50 (median)	P75 (upper quartile)
2025	Method A	106.09 : 1	81.42 : 1	53.07 : 1
	Total pay and benefits	£103,295.72	£134,592.83	£206,486.64
	Salary	£70,020.99	£77,964.27	£121,899.99
2024	Method A	27.11 : 1	22.86 : 1	16.63 : 1
2023	Method A	22.03 : 1	18.16 : 1	13.40 : 1
2022	Method A	28.35 : 1	23.68 : 1	17.10 : 1
2021	Method A	76.6 : 1	62.3 : 1	40.99 : 1
2020	Method A	10.8 : 1	7.5 : 1	5.1 : 1
2019	Method A	19.8 : 1	11.9 : 1	8.2 : 1

The 2025 median pay ratio of 81.42 reflects the fact that the CEO single figure of remuneration has increased in comparison to 2024, due to the effect of the 9.8 per cent salary increase received from 4 September 2024, taking effect for the whole of 2025, as well as a one-off payment during the year. Without the one-off payment made to the CEO during the year, the 2025 median pay ratio would have been 25.70. Fluctuations in pay ratios in previous years were due to variations in incentive outcomes year-on-year. The 2020 and 2019 figures represent the data for Premier Oil plc prior to the merger.

Total pay and benefits for all employees has remained in line with 2024. The median pay ratio is consistent with the pay, reward and progression policies for the company's UK employees as a whole, with pay grades benchmarked to the oil and gas industry and a graduated bonus scheme based on these grades. The results are consistent with the professional nature of our workforce.

The Committee believes that, of the methodologies permitted under the regulations, Method A provides the most statistically accurate representation of the Chief Executive Officer's remuneration relative to the UK workforce. Total pay and benefits (on a full-time equivalent basis) for the employees at 31 December 2025 have been calculated in line with the 'single figure methodology' used for the Chief Executive Officer. Employees were then ranked to identify each individual at the 25th, 50th and 75th percentiles.

Relative importance of spend on pay

The table below shows the company's actual expenditure on shareholder distributions and total employee pay expenditure for the financial years ending 31 December 2024 and 31 December 2025. Total shareholder distribution expenditure is composed of dividends and share buybacks.

	2025 \$ million	2024 \$ million	% change
Remuneration paid to or receivable by all employees of the Group	613	509	20.4
Distributions to shareholders by way of dividend	455	199	128.6
Distributions to shareholders by way of share buyback	90	–	–

Implementation of executive director Remuneration Policy for 2026

This section sets out the proposed implementation of the Directors' Remuneration Policy in 2026.

Salary

The salaries of the executive directors are reviewed annually to ensure that they remain appropriate. The Committee reviewed salary levels in early 2026 and agreed to award the CEO an increase of 3.3 per cent in line with the average increase for the wider UK workforce. On the recommendation of the CEO, the Committee approved an increase of 5 per cent for the CFO, which was slightly above the average increase for the UK workforce of 3.3 per cent reflecting his increased responsibilities following recent strategic acquisitions.

The base salaries of the executive directors are shown below:

Directors	Position	2025 salary £	2026 salary £	Percentage increase %
Linda Z. Cook	CEO	975,000	1,007,175	3.3%
Alexander Krane	CFO	625,000	656,250	5%

Pension and benefits

Pension levels for executive directors will remain at 20 per cent of salary, which is the level available to the wider UK workforce. There are no other changes intended to the benefits provided to executive directors. Their housing allowances will continue to apply for the remainder of the time they remain in role.

Annual bonus

The executive director annual bonus corporate scorecard, setting out measures for 2026, is summarised below. Individual performance targets are considered to be commercially sensitive and will be disclosed in next year's Annual Report & Accounts.

Category	Targets	Weighting (% of maximum corporate bonus opportunity)
1. Safety & environment	Safety incident rate, Process safety, GHG emissions	30%
2. Operations	Oil and gas production, Unit operating costs	30%
3. Growth & capital deployment	Expenditure vs AFE, Reserves vs AFE	20%
4. Financial	Free cash flow	20%

Long Term Incentive Plan

The Committee has reviewed the measures for the performance-based element of the LTIP for 2026. Given the increasing focus on free cash flow from investors and lenders alike, it was determined to introduce it as a new metric in the LTIP framework with a 20 per cent weighting. The performance target will be met if the company delivers the free cash flow as projected in our Board-approved three-year business plan for 2026-2028. This free cash flow reflects management's forecasts for production, operating costs, capital expenditures and taxes, along with a projection of commodity prices. Threshold performance (25 per cent payout) and maximum performance (100 per cent of maximum payout) will be set at a range corresponding to a c.10 per cent increase or decrease in commodity prices. The targets themselves are deemed commercially sensitive by the Board and therefore will not be disclosed prospectively in the 2025 Directors' remuneration report; rather they will be disclosed in the 2028 Directors' remuneration report when the 2026 LTIP is due to vest.

We will continue to measure relative TSR performance compared to the FTSE 100 and the sector comparator group, as in previous years and in line with common practice in our sector. The weighting of these measures will reduce from 50 per cent to 40 per cent of the award each.

The Committee carried out a review of the bespoke oil and gas peer group in late 2025 and determined that Tullow Oil should be removed for the 2026 award due to its smaller size in comparison to Harbour. This is in line with the decision to remove Capricorn Energy and Genel Energy from the 2025 LTIP comparator group. For executive directors, the payout structure of the TSR element will remain unchanged with threshold vesting at 25 per cent of maximum for performance in line with the median and full vesting for performance in line with the upper quartile.

Non-executive director remuneration

Non-executive directors' appointments and subsequent re-appointments are subject to annual re-election by shareholders at each Annual General Meeting (AGM) in accordance with the UK Corporate Governance Code. All letters of appointment have a notice period of three months, which can be given by either party at any time.

The fee structures for the Chair and non-executive directors are reviewed at least every two years to ensure that they remain appropriate to reflect time commitment, demands and responsibilities for the role. A fee review for the Chair of the Board and the non-executive directors was implemented from 4 September 2024 on completion of the Wintershall Dea transaction. In March 2026, the Committee reviewed the remuneration arrangements for the Chair of the Board and the Board reviewed the fees for the non-executive directors, and an increase to base fees of 3.3 per cent was approved in line with the average increase for the wider UK workforce.

	Fees from 4 September 2024 £	Fees from 1 April 2026 £
Base fees		
Chair all-inclusive fee	391,875	404,807
Other non-executive directors' base fee	111,000	114,663
Supplementary fees		
Senior Independent Director	37,500	37,500
Chair of Audit and Risk Committee	25,000	25,000
Chair of Remuneration Committee		
Chair of Health, Safety, Environment and Security Committee	18,750	18,750
Chair of Nomination Committee (N.B. waived by R. Blair Thomas)		
Member of Audit and Risk Committee	15,000	15,000
Member of Remuneration Committee		
Member of Health, Safety, Environment and Security Committee	10,000	10,000
Member of Nomination Committee		

For and on behalf of the Remuneration Committee:

Anne L. Stevens
Committee Chair
4 March 2026

DIRECTORS' REPORT

The directors present their Annual Report on the affairs of the Group, together with the audited Group and parent company financial statements and auditors' report for the year ended 31 December 2025. There are certain disclosure requirements which form part of the Directors' report and are included elsewhere in this Annual Report. The location of information incorporated by reference into this Directors' report is set out on page 118.

Dividend

The Board is proposing a final dividend of 8.05 cents per ordinary share (2024: 13.19 cents) to be paid in pound sterling at the spot rate prevailing on the record date. This dividend is subject to shareholder approval at the AGM, to be held on 7 May 2026. If approved, the dividend will be paid on 20 May 2026 to shareholders on the register as of 10 April 2026 (the record date).

Annual General Meeting

The company anticipates that the next AGM will be held on 7 May 2026. The notice of the AGM, together with details of all resolutions which will be placed before the meeting, will be published in due course and will be available in the shareholder information section of the website.

Directors

The directors of the company as at 4 March 2026 are shown on pages 84 to 86. Changes to the directors during the year and up to the date of this report are set out below:

Appointments	Role	Effective date of appointment
Gregory Hill	Non-Executive Director	1 January 2026

Resignations	Role	Effective date of departure
Andy Hopwood	Non-Executive Director	8 May 2025
Simon Henry	Non-Executive Director	7 July 2025

Meeting attendance

Eleven Board meetings were held during the year covering a full agenda of strategic, performance and governance items.

Director	Meetings attended	Percentage
R. Blair Thomas	11/11	100%
Linda Z. Cook	11/11	100%
Alexander Krane	11/11	100%
Simon Henry ¹	6/6	100%
Alan Ferguson	11/11	100%
Andy Hopwood ²	5/5	100%
Margareth Øvrum	11/11	100%
Anne L. Stevens	11/11	100%
Belgacem Chariag	11/11	100%
Louise Hough	11/11	100%
Dirk Elvermann	11/11	100%
Hans-Ulrich Engel	11/11	100%

¹ Simon Henry stepped down from the Board on 7 July 2025.

² Andy Hopwood stepped down from the Board on 8 May 2025.

Articles of association

The company's articles of association were adopted at the 2021 AGM and may only be amended by a special resolution of the shareholders. A resolution will be proposed at the 2026 AGM to adopt amended articles of association, details of which can be found in the notice of AGM. The company's articles of association contain provisions regarding the appointment, retirement and removal of directors and how the directors can use all of the company's powers. A copy of the articles of association can be found on our website: harbourenergy.com.

Indemnification of directors and insurance

During the financial year, the company had in place an indemnity for each of its directors and the Company Secretary under which the company will, to the fullest extent permitted by law and to the extent provided by the articles of association, indemnify them against all costs, charges, losses and liabilities incurred by them in the execution of their duties. The indemnity was in force for all directors who served during the year. The company also has directors' and officers' liability insurance in place.

Share capital

Details of the company's issued share capital, together with details of any movement in the issued share capital during the year, are shown in note 26 to the consolidated financial statements on page 184. The company has a class of ordinary shares which carries no right to fixed income and a non-voting share class where holders receive a 13 per cent premium on dividends declared. Each voting ordinary share carries the right to one vote at shareholder meetings of the company.

Allotment of shares

The company was authorised at the 2025 AGM to allot (i) relevant securities for a nominal amount of up to £9,601 and (ii) equity securities up to a nominal amount of £19,202 less the nominal amount of any shares issued under part (i) of the authority. In connection with the all-employee Save As You Earn scheme, 13,246 shares were allotted under the first authority during the year at an option price of £2.208 per share.

Pre-emption rights

The company was authorised at the 2025 AGM, following the passing of resolutions 24 and 25, to disapply pre-emption rights on the allotment of new ordinary shares up to a maximum aggregate amount of 24 per cent of the issued ordinary share capital of the company (345,627,884 ordinary shares) for the purposes set out in the notice of AGM. This authority will expire at the conclusion of the 2026 AGM.

Post year end on 11 February 2026, the company completed the acquisition of LLOG Exploration Company LLC, requiring the issue of 174,855,744 new ordinary shares as part of the consideration, being 11 per cent of the issued ordinary share capital. These shares were issued on a non-pre-emptive basis under the authority above.

In deciding to proceed with a non-pre-emptive issue, the directors considered the Pre-Emption Group's Statement of Principles, concluding that this approach was in the best interests of all shareholders, as it allowed for timely completion of the transaction. In accordance with the Pre-Emption Group's guidelines, the details of this transaction were announced via a Regulatory Information Service on 11 February 2026.

Purchase of own shares

The company was authorised at the 2025 AGM to purchase its own shares up to a maximum of approximately 14.99 per cent (215,873,417 shares) of its issued ordinary share capital. This authority will expire at the conclusion of the 2026 AGM.

On 7 August 2025, the company announced the commencement of a share buyback programme of up to £100 million, to be completed by the end of 31 March 2026. During the year the company purchased 31,203,917 and cancelled 30,139,133 ordinary shares representing two per cent of the company's issued ordinary share capital for a total consideration of \$90 million. Further details of the acquisition of own shares under the buyback programme can be found in note 26 to the consolidated financial statements on page 184.

Employee share schemes

Details of employee share schemes are set out in note 28 to the consolidated financial statements on pages 186 and 187. Voting rights in relation to the shares held within the Employee Benefit Trust are exercisable by the trustee but it has no obligation to do so. The trust is entitled to receive a dividend but waives the right. Details of the number of shares held by the Employee Benefit Trust are set out in note 26 to the financial statements on page 184.

Equal opportunities

Full and fair consideration is given to all applications for employment by disabled persons, having regard for any particular aptitudes and abilities. We strive to provide continued employment and arrange appropriate training for members of our workforce who become disabled whilst employed by us. We provide training, career development and promotion of disabled employees. Our commitment to building a diverse, equitable and inclusive environment is foundational to our values and is underpinned by our people and diversity, equity and inclusion policies.

RELATIONSHIP AGREEMENTS

The company has relationship agreements in place with BASF Handels-und Exportgesellschaft mit beschränkter Haftung (BASF) and L1 Energy Capital Management Services S. À R. L. (LetterOne) which were entered into upon completion of the Wintershall Dea acquisition in September 2024. As BASF is a controlling shareholder for the purposes of the UK Listing Rules, in accordance with UKLR 6.6.1R(13), the directors confirm that the company continues to be able to carry on the business it carries on as its main activity independently from BASF at all times in accordance with UKLR 6.2.3R.

BASF

As at 27 February 2026, being the latest practicable date prior to finalising this report, BASF held 41.54 per cent of the company's ordinary shares. Participation in this agreement will continue in force unless and until BASF and its associates cease to own at least 10 per cent of the ordinary shares. The relationship agreement terminates in certain circumstances, including where the ordinary shares cease to be admitted to trading on the London Stock Exchange's main market for listed securities.

Under the relationship agreement, BASF is entitled to nominate two non-executive directors for appointment to the Board for so long as it (together with any of its associates) holds 25 per cent or more of the ordinary shares. BASF will be able to appoint one non-executive director to the Board for so long as it (together with any of its associates) holds 10 per cent or more, but less than 25 per cent of the ordinary shares. At the current time, Dirk Elvermann and Hans-Ulrich Engel are BASF's nominated appointees.

The BASF relationship agreement provides that all transactions, arrangements and relationships between the company or any other member of the Group and BASF or any of its associates shall be conducted at arm's length and on normal commercial terms.

In addition, pursuant to the relationship agreement, BASF undertakes that it shall not:

- take any action that would have the effect of preventing the company from complying with its obligations under the UK Listing Rules;
- propose or procure the proposal of a shareholder resolution of the company which is intended or appears to be intended to circumvent the proper application of the UK Listing Rules;
- exercise any of its voting rights in the company in a way that would be inconsistent with, or breach any of the provisions of, the BASF relationship agreement;
- influence the day-to-day running of the company at an operational level and shall allow the company to operate on an independent basis; or
- act in a manner which would be inconsistent with the independence of the Board being maintained in accordance with the rules of the London Stock Exchange or the FCA applicable to the company, including the UK Listing Rules.

American Depositary Receipt programme

Harbour Energy plc has a sponsored Level 1 American Depositary Receipt (ADR) programme which BNY administers and for which it acts as Depositary. Each ADR represents one ordinary share of the company. The ADRs trade on the US over-the-counter market under the symbol HBRIY.

Hedging and risk management

Details of the Group's hedging and risk management are provided in the Financial review on page 40. A further disclosure has been made in notes 23 and 25 to the consolidated financial statements on pages 175 and 179, related to various financial instruments and exposure of the Group to price, credit, liquidity and cash flow risk.

Branches

As a global group our interests and activities are held or operated through subsidiaries, branches, joint arrangements or associates established in and subject to the laws and regulations of different jurisdictions.

LetterOne

As at 27 February 2026, being the latest practicable date prior to finalising this report, LetterOne held 3.60 per cent of the company's ordinary shares. LetterOne also holds 251,488,211 non-voting, non-listed convertible ordinary shares with preferential rights, which equates to 13.73 per cent of the company's total (ordinary and non-voting) issued share capital. LetterOne's holding of the company's total issued share capital is therefore 16.84 per cent as at 27 February 2026.

Participation in this agreement will continue in force unless and until LetterOne and its associates cease to own ordinary shares or non-voting shares representing (in the case of non-voting shares assuming conversion at the applicable conversion rate) in aggregate, at least 10 per cent of the ordinary shares. The relationship agreement terminates in certain circumstances, including where the ordinary shares cease to be admitted to trading on the London Stock Exchange's main market for listed securities.

The LetterOne relationship agreement provides that from the date on which LetterOne (together with its associates) holds 10 per cent or more of the ordinary shares, all transactions, arrangements and relationships between the company or any other member of the Group on the one hand, and LetterOne or any of its associates on the other hand, shall be conducted at arm's length and on normal commercial terms. In addition, pursuant to the relationship agreement, LetterOne undertakes that it shall not:

- take any action that would have the effect of preventing the company from complying with its obligations under the UK Listing Rules;
- propose or procure the proposal of a shareholder resolution of the company which is intended or appears to be intended to circumvent the proper application of the UK Listing Rules;
- exercise any of its voting rights in the company in a way that would be inconsistent with, or breach any of the provisions of, the LetterOne relationship agreement;
- influence the day-to-day running of the company at an operational level and shall allow the company to operate on an independent basis; or
- act in a manner which would be inconsistent with the independence of the Board being maintained in accordance with the rules of the London Stock Exchange or the FCA applicable to the company, including the UK Listing Rules.

Significant shareholdings of ordinary shares

As at 27 February 2026, being the latest practicable date prior to finalising this report, the company had received notification from the institutions below, in accordance with chapter 5 of the Disclosure Guidance and Transparency Rules, of their significant holdings of voting rights (three per cent or more) in its ordinary shares:

Name of shareholder	Date of notification to the stock exchange	Notified number of voting rights ¹	Notified percentage of voting rights	Nature of holding
BASF SE	18 February 2026	656,157,041	41.54%	Direct
LLOG Holdings, LLC	12 February 2026	174,855,744	11.07%	Direct
EIG Asset Management, LLC	19 February 2026	119,310,369	7.55%	Direct
Control Empresarial de Capitales	16 September 2024	72,028,338	5.00%	Direct
LetterOne Investment Holdings S.A.	26 February 2026	56,884,589	3.60%	Direct

1. Notified number of voting rights in issue at the time of the announcement to the market.

Significant agreements

The following significant agreements will, in the event of a change of control of the company, be affected as follows:

- under the \$3 billion revolving credit facility agreement between, among others, the company, certain subsidiaries of the company and a syndicate of financial institutions, upon a change of control (save for certain exceptions), each lender has the right to serve notice, and following a short prescribed period after such notice, all of that lender's commitments under the agreement would be cancelled and all amounts owing to it would become immediately due and payable;
- the Group has outstanding senior unsecured bond notes totalling €3.6 billion due from 2028 to 2032 and c. \$1.1 billion due in 2026 and 2035. Upon a change of control (save for certain exceptions) and a negative rating event, each noteholder will have the right to require the issuer to repurchase all or any part of that holder's notes at 101 per cent of the principal amount, including accrued interest; and
- the Group has outstanding perpetual subordinated notes totalling c.€1.9 billion. Upon a change of control (save for certain exceptions) and a negative rating event, unless the issuer redeems the notes in whole, the applicable interest rate will be subject to an increase of 500 basis points.

Political donations

No political donations were made during the year (2024: \$nil).

Significant events since 31 December 2025

Details of significant events since the balance sheet date are contained in note 33 to the financial statements on page 191.

Information set out in the Strategic report

In accordance with s414C(11) of the Companies Act 2006, the directors have chosen to set out the information outlined below, required to be included in the Directors' report, in the Strategic report.

- the main trends and factors likely to affect the future development, performance and position of the business: pages 6 to 11;
- information on the company's research and development activities: pages 35 and 56;
- a summary of the company's principal risks: pages 72 to 77;
- employee engagement and involvement: pages 16 and 62;
- diversity, equity and inclusion: page 63;
- information about greenhouse gas emissions and addressing our environmental impact: pages 48 to 59; and
- engagement with suppliers, customers and other stakeholders: pages 17 to 21 and pages 60 to 66.

The Strategic report and the Directors' report together include the 'management report' for the purposes of the FCA's Disclosure Guidance and Transparency Rules (DTR 4.1.8R).

Information set out elsewhere in this Annual Report

Information regarding the company's governance arrangements is included in the corporate governance report and related Board committee reports on pages 80 to 115. These sections of the report are incorporated into this report by reference.

For the purposes of UK Listing Rule 6.6.4R, the information required to be disclosed by UK Listing Rule 6.6.1R can be found in the following locations:

Listing rule sub-section	Item	Location
6.6.1R (1)	Interest capitalised	Note 7 to the financial statements: page 157
6.6.1R (3)	Details of long-term incentive schemes	Directors' remuneration report: pages 109, 110 and 115
6.6.1R (4)	Waivers of emoluments by a director	Directors' remuneration report: page 107

Non-financial reporting

In order to consolidate our reporting requirements under sections 414CA and 414CB of the Companies Act 2006 in respect of non-financial reporting, the table on page 67 shows where in this Annual Report to find each of the disclosure requirements.

Audit information

Each of the persons who is a director at the date of approval of this Annual Report and financial statements confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all reasonable steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. By order of the Board:

Rachel Benjamin
Company Secretary
4 March 2026

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and regulations.

Group financial statements

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group financial statements in accordance with UK-adopted International Accounting Standards (IAS) in conformity with the requirements of the Companies Act 2006, and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the company and of the profit or loss of the Group and the company for that period.

In preparing the Group and parent company financial statements the directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs and, in respect of the parent company financial statements, FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and company financial position and financial performance;
- in respect of the Group financial statements, state whether UK-adopted International Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- in respect of the parent company financial statements, state whether International Accounting Standards in conformity with the requirements of the Companies Act 2006/applicable UK Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and/or the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the Group and enable them to ensure that the company and the Group financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report, directors' report, directors' remuneration report and corporate governance statement that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website: harbourenergy.com.

Directors' responsibility statement (DTR 4.1)

The directors, whose names and functions are set out on pages 84 to 86, confirm, to the best of their knowledge:

- that the consolidated financial statements, prepared in accordance with UK-adopted International Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit of the parent company and undertakings included in the consolidation taken as a whole;
- that the Annual Report & Accounts, including the Strategic report, includes a fair review of the development and performance of the business and the position of the company and undertakings included in the consolidation taken as a whole, together with a description of the principal risks that they face; and
- that they consider the Annual Report & Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's position, performance, business model and strategy.

This responsibility statement was approved by the board of directors on 4 March 2026 and is signed on its behalf by:

Linda Z. Cook
Chief Executive Officer

FINANCIAL STATEMENTS



Measuring our performance



Measuring our results and financial position is about maintaining transparency, discipline, and accountability. A strong balance sheet and clear reporting give our shareholders confidence in Harbour Energy's long-term strength and value.

ALEXANDER KRANE
CHIEF FINANCIAL OFFICER

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Opinion

In our opinion:

- Harbour Energy plc’s Group financial statements and parent company financial statements (the financial statements) give a true and fair view of the state of the Group’s and of the parent company’s affairs as at 31 December 2025 and of the Group’s loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Harbour Energy plc (the parent company) and its subsidiaries (the Group) for the year ended 31 December 2025 which comprise:

Group	Parent company
Consolidated balance sheet as at 31 December 2025	Company balance sheet as at 31 December 2025
Consolidated income statement for the year then ended	Company statement of changes in equity for the year then ended
Consolidated statement of comprehensive income for the year then ended	Related notes 1 to 10 to the financial statements including material accounting policy information
Consolidated statement of changes in equity for the year then ended	
Consolidated statement of cash flows for the year then ended	
Related notes 1 to 34 to the financial statements, including material accounting policy information	

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 “Reduced Disclosure Framework” (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and parent in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC’s Ethical Standard were not provided to the Group or the parent company and we remain independent of the Group and the parent company in conducting the audit. However, an impermissible tax technology service was provided to an upstream affiliate, a material significant influence investor (the investor), in Germany. The service was provided by EY Germany prior to the investor becoming an affiliate on 3 September 2024 and was terminated in December 2025.

As a result of the breach, we assessed the service provided in the context of our audit independence. The provision of the service did not create a self-review or self-interest threat as the service was provided to an investor in Harbour Energy plc which is not part of the scope of the group audit, it did not directly or indirectly impact Harbour Energy plc and no individuals who performed the service were part of the audit engagement team. The fees for the period between 3 September 2024 and the date of termination were less than £15,000.

We informed the Audit and Risk Committee of the inadvertent breach in February 2026. We considered this to be a minor breach of the FRC’s Ethical Standard; that an objective, reasonable and informed third party would not conclude that our independence was impaired; and that we remain independent of Harbour Energy plc in conducting the audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors’ assessment of the Group and parent company’s ability to continue to adopt the going concern basis of accounting included:

- confirming our understanding of management’s going concern assessment process in conjunction with our walkthrough of the Group’s financial close process and engaging with management to confirm all relevant assumptions were considered;
- evaluating the appropriateness of the period used for management’s going concern assessment, which is defined as the period up to 31 December 2027;
- obtaining the cash flow forecasts prepared by management for the Group, including the base case and downside scenarios, and testing the integrity of management’s going concern model including its arithmetical accuracy;
- verifying that the future cash flow forecasts reflected cash flows in respect of the LLOG Exploration Company LLC acquisition which completed in February 2026, including the impact of the related debt financing arrangements;

- checking the consistency of information used in management's going concern model with the budget approved by the Board and with other areas of the audit such as impairment assessments;
- challenging the key assumptions included in the model, including management's oil and gas price assumptions. Our assessment of these price assumptions included a comparison of management's price assumptions with recent broker and consultant estimates together with estimates used by other market participants, including those estimates that reflect the potential impact of the climate change transition risks;
- evaluating the reasonableness of all other key assumptions, such as production profiles and operating and capital expenditure forecasts, through assessing their consistency with other areas of the audit, including management's impairment assessments. We also ensured these assumptions were consistent with the Group's 2026 budget approved by the Board and the long range plan;
- inspecting the Group's loan agreements, ensuring that the cash outflows relating to interest and repayments are consistent with the agreements, concluding that no covenants have been breached and evaluating whether there is any forecast covenant breach in either the base case or severe but plausible downside case scenarios during the going concern period;
- reviewing management's reverse stress tests in order to identify what factors would lead to either a liquidity deficit or the Group not meeting its financial covenants during the going concern period, and assessing the likelihood of occurrence of such a scenario; and
- evaluating the appropriateness of the going concern disclosures in the financial statements to determine whether they are accurate and in line with IAS 1 – Presentation of financial statements and our expectations given the procedures we have performed.

Based on the procedures performed, we observed that the oil and gas prices are within the range of recent brokers' and consultants' estimates, and production profiles are consistent with those used in management's impairment assessments and in our work on oil and gas reserves. In the severe but plausible downside case modelled by management, we observed that there was no liquidity extinguishment and that under these cases the Group operates within the requirements of its financial covenants without any mitigating actions being required. We concluded that the modelled plausible downside scenarios was reasonable for concluding on the going concern assumption. In addition, we have concluded that the reverse stress scenarios, under which available liquidity is extinguished, have a remote likelihood of occurrence.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and parent company's ability to continue as a going concern for a period up to 31 December 2027.

In relation to the Group and parent company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

Overview of our audit approach

Audit scope	• We performed an audit of the complete financial information of eight components, and audit procedures on specific balances for a further nine components • We performed centralised procedures on the following areas: estimation of oil and gas reserves and resources, impairment of goodwill, subsequent adjustments to the purchase price accounting for the Wintershall Dea acquisition, derivatives and borrowings, assets held for sale, equity and consolidation journals
Key audit matters	• Impairment of tangible oil and gas properties and associated goodwill • Oil and gas reserves and resources estimation including reserves and/or resources used in the calculation of depreciation, depletion and amortisation, impairment testing and the assessment of recoverability of deferred tax assets • Carrying amount of investment in subsidiaries (parent company)
Materiality	• Overall Group materiality of \$197m which represents 2.8% of Adjusted Earnings before Interest, Tax, Depreciation and Amortisation (Adjusted EBITDA)

An overview of the scope of the parent company and Group audits

Tailoring the scope

Our audit scoping has been performed in line with the requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, with input from our component auditors, to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures. When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the Group financial statements, we considered our understanding of the Group and its business environment, the potential impact of climate change, the applicable financial framework, the Group's system of internal control at the entity level, the existence of centralised processes and applications and any relevant internal audit results.

We determined that centralised audit procedures could be performed in the following audit areas: estimation of oil and gas reserves and resources, impairment of goodwill, subsequent adjustments to the purchase price accounting for the Wintershall Dea acquisition, derivatives and borrowings, assets held for sale, equity and consolidation journals.

We then identified: ten components as individually relevant to the Group due to relevant events and conditions underlying the identified risks of material misstatement of the Group financial statements being associated with the reporting components, pervasive risks of material misstatement of the Group financial statements or a significant risk or an area of higher assessed risk of material misstatement of the Group financial statements being associated with the components; and eleven of the components of the Group as relevant due to materiality or financial size of the component relative to the Group.

For those individually relevant components, we identified the significant accounts where audit work needed to be performed at these components by applying professional judgement, having considered the Group significant accounts on which centralised procedures will be performed, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the Group significant financial statement account balance.

We then considered whether the remaining Group significant account balances not yet subject to audit procedures, in aggregate, could give rise to a risk of material misstatement of the Group financial statements. No additional components of the Group were included in our audit scope to address these risks.

Having identified the components for which work will be performed, we determined the scope to assign to each component.

Of the 21 components selected, we designed and performed audit procedures on the entire financial information of eight components (full scope components). For nine components, we designed and performed audit procedures on specific significant financial statement account balances or disclosures of the financial information of the component (specific scope components). For the remaining four components, we performed specified audit procedures to obtain evidence for one or more relevant assertions.

Our scoping to address the risk of material misstatement for each key audit matter is set out in the Key audit matters section of our report.

The 17 components where we performed full and specific audit procedures accounted for 96% (2024: 92%) of the Group's Adjusted EBITDA.

Changes from the prior year

During the current period, the integrated team approach previously applied to the UK business unit was not used. The audit work for this business unit was instead performed by our component auditor based in Aberdeen.

The number of components selected decreased by seven compared with the prior period, primarily as a result of increased materiality and changes in the contribution to the Group's results across these entities. Consistent with this, certain components experienced changes in scope designation between specific scope and specified procedures.

Involvement with component teams

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the primary audit team, or by component auditors from the EY global network, operating under our instruction.

During the current year's audit cycle, physical visits were undertaken by the primary audit team to the component teams in the UK, Norway, Germany and Mexico. These visits involved direction, supervision, oversight of our overseas EY audit teams, review of their respective audit working papers on risk areas and meetings with local management in each country. The primary audit team interacted regularly with the component teams where appropriate during various stages of the audit, reviewed relevant working papers, were responsible for the scope and direction of the audit process and participated in the audit closing meetings which were held locally. Where relevant, the section on key audit matters details the level of involvement we had with component auditors to enable us to determine that sufficient audit evidence had been obtained as a basis for our opinion on the Group as a whole.

This, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Group financial statements.

Climate change

Stakeholders are increasingly interested in how climate change will impact Harbour Energy plc. The Group has determined that the most significant future impacts from climate change on their operations relate to transition-driven developments such as regulatory and policy changes, market and demand shifts in relation to external expectations, building a distinctive and credible position in CCS, and increased stakeholder scrutiny of strategic resilience, alongside physical risks. These are explained on pages 52 to 53 in the required Task Force on Climate-related Financial Disclosures and on page 77 in the principal risks and uncertainties. The Group has also explained its climate commitments on page 49. All of these disclosures form part of the “Other information”, rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on “Other information”.

In planning and performing our audit we assessed the potential impacts of climate change on the Group’s business and any consequential material impact on its financial statements.

The Group has explained in note 2 – Accounting Policies, how they have reflected the impact of climate change in their financial statements including how this aligns with their aspiration to achieve net zero across gross operated Scope 1 and 2 emissions by 2050 and their interim target of a 50% reduction in 2030 against their 2018 baseline. Significant judgements and estimates relating to climate change are included in note 2 to the financial statements. These disclosures also explain where governmental and societal responses to climate change risks are still developing, and where the degree of certainty of these changes means that they cannot be taken into account when determining asset and liability valuations under the requirements of the International Financial Reporting Standards (IFRS). In note 2, management has provided supplementary sensitivity disclosures showing the impact of oil, gas and carbon costs under IEA scenarios on the carrying value of tangible oil and gas assets.

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating management’s assessment of the impact of climate risk, physical and transition, their climate commitments, the effects of material climate risks disclosed on pages 48, 52, 53 and 77, and the significant judgements and estimates disclosed in note 2 and whether these have been appropriately reflected in (i) oil and gas reserves estimation, (ii) the impairment assessments for tangible oil and gas assets and associated goodwill and the related sensitivity disclosures, (iii) the valuation of net deferred tax liabilities, and (iv) the timing and nature of decommissioning liabilities recognised following the requirements of UK adopted international accounting standards. As part of this evaluation, we performed our own risk assessment, supported by our climate change internal specialists and senior audit team members with significant experience in climate change and energy transition. This included meetings with the Group’s sustainability, Financial Planning and Group Finance teams and a review of peer disclosures and sector guidance on climate change and energy transition to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the Directors’ considerations of climate change risks in their assessment of going concern and viability and the associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work, whilst we have not identified the impact of climate change on the financial statements to be a standalone key audit matter, we have considered the impact on the following key audit matters: oil and gas reserves estimation and impairment of tangible oil and gas properties and associated goodwill. Details of the impact, our procedures and findings are included in our explanation of key audit matters below.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit and Risk Committee
Impairment of tangible oil and gas properties and associated goodwill Refer to the Audit and Risk Committee Report (page 93); Material accounting policies (pages 137 to 153); and notes 10 and 12 of the Consolidated Financial Statements (pages 161 to 163 and pages 164 to 165). In the current period, management identified impairment indicators for certain of the Group's oil and gas assets and recorded a net pre-tax impairment of \$365 million (2024: net pre-tax impairment of \$352 million). Management prepares the tangible asset and goodwill impairment tests under the 'Fair Value Less Cost to Dispose' methodology. The impairment models include a number of estimates including: future oil and gas prices; discount rates; inflation rates; production forecasts; operating expenditures; and capital expenditures for each CGU. Changes to any of these key inputs could lead to a material change in an impairment or a reversal of impairment, hence this is considered a key audit matter.	Our audit response for tangible oil and gas properties was completed by both primary and component teams, with the primary team overseeing the work that was performed by component teams. Our response for goodwill impairment was performed centrally by the primary team, other than for the Group's UK business unit which was completed by the relevant component team. We performed the following audit procedures with respect to management's impairment assessment: • confirmed our understanding of Harbour's impairment assessment process, as well as the controls implemented by management; • considered the internal and external sources of information included in IAS 36 to identify any potential indicators of impairment loss and / or reversal, including any downgrades in oil and gas reserve estimates or sustained increase / decrease in oil and gas prices compared to the prior year; • following the identification of impairment indicators, we obtained the discounted cash flow model that reflects the expectations of an external market participant for each of these CGUs and tested the models for integrity which included the use of EY technology tools to evaluate spreadsheet integrity; • assessed the appropriateness of management's oil and gas price assumptions through comparison with the estimates of market participants; • in conjunction with EY valuations specialists, we assessed the appropriateness of management's impairment discount rates for each CGU based on an independent re-calculation of the Group's weighted average cost of capital; • evaluated management's production profiles through reconciliation to the results of our audit work in respect of oil and gas reserves estimation; • tested the appropriateness of other cash flow assumptions such as operating expenses, capital expenses and decommissioning spend by comparing against Board approved plans and actual costs incurred. We compared inflation and FX rates to recent market forecasts to assess their reasonableness; • performed sensitivity analysis for the oil and gas production CGUs more at risk from impairment, to assess the impact on the headroom as part of our assessment of the recoverability of the goodwill recognised in the Group financial statements; and • evaluated the accuracy and completeness of the impairment disclosures included in the notes to the financial statements. In assessing the impact of climate transition risk on impairment, we performed the following procedures: • comparison of Harbour's long-term oil and gas price assumption to International Energy Association (IEA) Current Policies Scenario (CPS) and Net Zero Emissions (NZE) Scenario; • assessed the reasonableness of carbon prices and the sensitivity of future carbon costs in the cash flow models, including comparison of prices to IEA APS and NZE scenarios; • understood how management intend to achieve their planned Scope 1 and 2 emissions reductions and whether these actions have been reflected in the cash flow forecasts; • analysed the emissions and production data to understand the current and future carbon intensity of assets to identify higher risk assets; • evaluated the stranded asset risk arising from useful economic lives of assets post 2050; and • verified the appropriateness of the climate change sensitivities included in note 2 of the financial statements.	We reported to the Audit and Risk Committee that the key assumptions used within the impairment models were within a reasonable range and, based on our testing performed, we considered the recognition and valuation of the current period impairment charge to be reasonable. We also reported that we were satisfied the disclosures in the financial statements are appropriate. Specifically related to our procedures on climate change, we reported that Harbour's oil, gas and carbon price assumptions are reasonable and appropriate sensitivity analysis has been provided using IEA climate scenarios. For assets with a higher risk of impact from climate change, we assessed the headroom in the impairment models and checked the reasonableness of the costed plans in place to decarbonise the assets. Overall, we concluded there were no additional impairment triggers arising from the impact of climate change that would impact the impairment assessments performed.

Risk	Our response to the risk	Key observations communicated to the Audit and Risk Committee
Oil and gas reserves estimation Refer to the Audit and Risk Committee Report (page 93); Material accounting policies (page 137); and Additional information (page 200). At 31 December 2025, Harbour reported 1,121 million barrels of oil equivalent (mmboe) of proved and probable (2P) reserves (2024: 1,249 mmboe) and 1,839 mmboe of contingent (2C) resources (2024: 1,910 mmboe). The estimation and measurement of 2P reserves impacts various material elements of the financial statements including depreciation, depletion and amortisation (DD&A), decommissioning provisions and deferred tax asset (DTA) recoverability, whereas the estimation and measurement of 2P reserves and 2C resources impacts the impairment assessments. The estimation of oil and gas reserves and resources is complex, as there is significant estimation uncertainty in assessing the quantities of reserves and resources in place. Estimation uncertainty is further elevated given the transition to a low-carbon economy which could impact life-of-field assumptions and increase the risk of underutilised or stranded oil and gas assets. Also, given the estimation of oil and gas reserves and resources is complex, there is a risk that inappropriate management bias influences the estimates. Management's 2P reserves and 2C resources estimates are prepared by an internal specialist whilst an external specialist is engaged for the purpose of independently assessing the appropriateness of management's internal estimates.	The audit procedures in respect of oil and gas reserves and resources estimation were performed by the primary audit team. Our work to address the identified risks included the following procedures: • we confirmed our understanding of Harbour's oil and gas reserves and resources estimation process as well as the control environment implemented by management; • we assessed the appropriateness of reliance on management's internal and external specialists by undertaking procedures to evaluate their competence and objectivity; • we met separately with management's internal and external specialists to understand the basis, and therefore appropriateness, for any significant variances between the two sets of estimates at a cash-generating unit (CGU) level; • where variances of a technical nature were identified, we utilised the knowledge and expertise of an EY internal specialist from our Financial Accounting Advisory Services practice with significant oil and gas reserves and resources expertise as part of our work to assess the nature of the variances and appropriateness of management's estimates; • we investigated all material volume movements from management's prior period estimates and where there was a lack of movement where changes were expected, based on our understanding of the Group's operations and findings from other areas of our audit; • in light of Harbour's aspiration to reach Net Zero for Scope 1 and 2 emissions by 2050 (equity share), we considered the extent of 2P reserves recognised that are due to be produced beyond 2050 in assessing the potential impact of a risk of stranded assets; and • we ensured the 2P reserves and 2C resources volumes were consistently applied throughout all relevant accounting processes including (where relevant) DD&A, impairment, decommissioning provisions and DTA recoverability.	We reported to the Audit and Risk Committee that, based on our procedures performed, we had not identified any errors or factual inconsistencies with reference to Harbour's oil and gas reserves and resources estimates that would materially impact the financial statements and that, as a result, we consider the 2P reserves and 2C resources estimates to be reasonable. We reported that the significant majority of Harbour's 2P reserves are expected to be produced by 2050. As such we are satisfied that the risk of there being a material stranded asset is low. Management has sufficient time and options to decarbonise their assets in line with their stated target, including the use of carbon capture and storage facilities – which have been added to as a result of the Wintershall Dea acquisition in 2024 – or through the purchase of carbon credits.

Risk	Our response to the risk	Key observations communicated to the Audit and Risk Committee
Carrying amount of investments in subsidiaries (parent company) Refer to the Audit and Risk Committee Report (page 93); Material accounting policies (page 137); and note 197 in the Parent Company Financial Statements. At 31 December 2025 the investment in subsidiaries is \$8,319 million (2024: \$6,065 million). Management assesses impairment indicators at the parent company level at each reporting date or whenever events or changes in circumstances would indicate that the carrying amounts of its investments in subsidiaries may be impaired in accordance with IAS 36 – Impairment of Assets. There is a risk that relevant indicators are not identified and that the carrying amount of investments is overstated. In the current period management identified impairment indicators due to the carrying amount of investments exceeding the company's market capitalisation and recorded an impairment charge of \$548 million (2024: \$nil). Auditing the parent company's impairment assessment was significant due to the magnitude of the balances and the estimates that underpin management's analysis, which includes a control premium and those that are used as part of the Group's goodwill impairment test.	The audit procedures in respect of the investments in subsidiaries were performed by the primary team. Our work to address the identified risk included the following procedures: • obtained an understanding of Harbour's investment in subsidiaries impairment assessment process, as well as the design of controls over the process; • assessed management's conclusions related to the existence of impairment indicators; • evaluated the appropriateness of management's impairment assessment methodology; • reperformed the calculations prepared by management to arrive at the impairment charge recorded in the financial statements and challenged the completeness of the impairment recorded; • compared the impairment test analyses against the results arising from the goodwill impairment testing undertaken by management to assess the reasonableness of the impairment charges recorded for the investments in subsidiaries; and • assessed the adequacy of disclosures in the parent company financial statements in respect of the investments in subsidiaries, including relevant sensitivities performed. Our assessment of the impact of climate transition risk on the carrying amount of investments in subsidiaries has been performed during the impairment testing of tangible oil and gas properties and associated goodwill.	We reported to the Audit and Risk Committee that we considered the recognition and valuation of the current period impairment charge to be reasonable and that we are satisfied with the carrying amount of the investments in subsidiaries as at 31 December 2025. We also reported that we were satisfied the disclosures in the financial statements were appropriate.

Principal changes to key audit matters compared to prior year

In the prior year, our auditor's report included a key audit matter for 'Accounting for the purchase price allocation associated with the Wintershall Dea acquisition' due to the material impact this transaction had on the Group financial statements. This key audit matter related to the valuation of acquired assets and the completeness of recognised liabilities. This work was finalised in the prior period, and any subsequent adjustments required in the current year were limited in scope and not material to the Group's financial statements. Therefore, we concluded it is not a key audit matter on the basis of the allocation of resources in the course of this year's audit.

This year, we introduced a new key audit matter relating to the carrying amount of the parent company's investments in subsidiaries, given the judgement and estimates required in relation to the assessment of impairment indicators and the determination of recoverable amounts.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

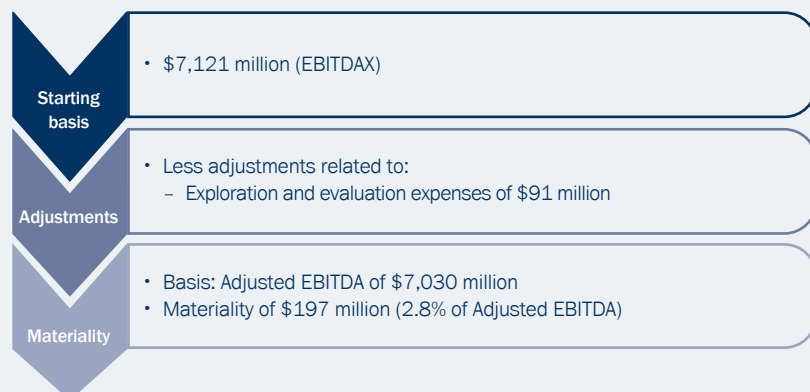
The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

Our key criterion in determining overall materiality remains our perception of the needs of Harbour's stakeholders. We consider which earnings, activity or capital-based measure aligns best with the expectations of the users of Harbour's financial statements. In doing so, we apply a 'reasonable investor perspective', which reflects our understanding of the common financial information needs of the members of Harbour as a Group. We consider EBITDA, adjusted for the impact of any non-recurring items, to be consistent with the type of measures that are the primary focus of Harbour's investors.

We determined that the basis of planning materiality should be earnings before interest, tax, depreciation, impairments and amortisation adjusted to exclude exploration costs written-off but including exploration and evaluation expenses and new ventures (Adjusted EBITDA). We believe that Adjusted EBITDA provides us with a measure that is of particular focus to shareholders and is closely linked to both the metric used in the covenant included in the Group's major loan agreement and the key performance indicator of the Group, EBITDAX. Measures such as EBITDAX are a primary indicator of company valuation and cashflow generation across the upstream oil and gas sector.

Based on the above we determined materiality for the Group to be \$197 million (2024: \$170 million) which is 2.8% of Adjusted EBITDA (2024: 0.6% of Total Assets).

In the prior year, overall materiality was determined using Total Assets, reflecting the timing of the Wintershall Dea acquisition on 3 September 2024 and the fact that only four months of the acquired Group's operations were included in the 2024 consolidated financial statements. As disclosed in last year's auditor's report, we have now reverted to Adjusted EBITDA as the basis for calculating overall materiality.



We determined materiality for the parent company to be \$83 million (2024: \$73 million), which is 1% (2024: 0.8%) of Total Assets. The increase in the percentage applied reflects the successful integration of the Wintershall Dea business, with the current year representing a more normalised operating environment and the absence of additional risk factors that would otherwise warrant a lower threshold.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that overall performance materiality and specific performance materiality (i.e. our tolerance for misstatement in the individual account or balance) was 50% (2024: 50%) of the respective materiality. We have set performance materiality at this percentage due to our quantitative and qualitative assessment of prior year misstatements.

Audit work at component locations for the purpose of obtaining audit coverage over significant financial statement accounts is undertaken based on a percentage of total performance materiality. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of overall performance materiality allocated to components was \$17.3 million to \$59.4 million (2024: \$14.5 million to \$51.0 million).

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial. We agreed with the Audit and Risk Committee that we would report to them all uncorrected audit differences in excess of \$10 million (2024: \$8.5 million) which is set at 5% of overall materiality. We also agreed to report differences below those thresholds that, in our view, warranted reporting on qualitative grounds. We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report set out on pages 1 to 214, including the Strategic report, Governance and Additional information sections, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Corporate Governance Statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 41;
- directors' explanation as to its assessment of the company's prospects, the period this assessment covers and why the period is appropriate set out on page 71;
- directors' statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on page 71;
- directors' statement on fair, balanced and understandable set out on page 119;
- the Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 69;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 70; and
- the section describing the work of the Audit and Risk Committee set out on page 93.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 119, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework (UK-adopted international accounting standards, Companies Act 2006, the UK Corporate Governance Code and the UK Listing Rules of the Financial Conduct Authority) and the relevant tax compliance regulations in the jurisdictions in which Harbour Energy plc operates. In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements, relating to health and safety, employee matters, environmental, and bribery and corruption practices. We understood how Harbour Energy plc is complying with those frameworks by making enquiries of management, Internal Audit and Legal Counsel. We corroborated our enquiries through inspection of board minutes, papers provided to the Audit and Risk Committee and correspondence received from regulatory bodies and there was no contradictory evidence. We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by considering the degree of incentive, opportunity and rationalisation that may exist to undertake fraud. We also considered performance targets and their potential impact on risks related to managing earnings or influencing the perceptions of analysts. We have determined there is a risk of fraud associated with management override related to manual revenue journals that do not follow the expected process. We performed audit procedures to address the identified fraud risk. These procedures were designed to provide reasonable assurance that the financial statements as a whole are free from material misstatement, due to fraud or error.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved journal entry testing with a focus on manual consolidation journals and journals indicating large or unusual transactions based on our understanding of the business; enquiries of legal counsel, Group management, internal audit and component management at all full scope components; review of the volume and nature of whistleblowing complaints received during the year; and focused testing, including in respect of management override through manual revenue journals and specific searches derived from forensic investigations experience. Any instances of non-compliance with laws and regulations identified that might have an impact on components were communicated to the component audit teams and considered in our audit approach.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the Audit and Risk Committee we were appointed by the company on 21 April 2021 to audit the financial statements for the year ending 31 December 2021 and subsequent financial periods.
- On 31 March 2021, Harbour Energy plc (formerly Premier Oil plc) acquired Chrysaor Holdings Limited as part of a reverse acquisition. EY was the auditor of Premier Oil plc from the period ended 31 December 2017 up to and including the period ended 31 December 2020. As a result, the period of total uninterrupted engagement including previous renewals and reappointments is nine years, covering the period from our appointment as auditors of Premier Oil plc for the period ended 31 December 2017 to the period ended 31 December 2025 as auditors of Harbour Energy plc.
- The audit opinion is consistent with the additional report to the Audit and Risk Committee.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Smyth (Senior Statutory Auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor London,
United Kingdom
4 March 2026

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 \$ million	2024 \$ million
Revenue	4	10,091	6,158
Other operating income	4	170	68
Revenue and operating other income		10,261	6,226
Cost of operations	5	(5,564)	(3,613)
Impairment of property, plant and equipment	5,12	(365)	(352)
Impairment of right-of-use assets	13	–	(20)
Exploration and evaluation expenses and new ventures	5	(106)	(68)
Exploration costs written-off	5	(200)	(173)
General and administrative expenses	5	(536)	(352)
Operating profit		3,490	1,648
Finance income	7	461	173
Finance expenses	7	(1,150)	(602)
Profit before taxation		2,801	1,219
Income tax expense	8	(2,983)	(1,312)
Loss for the year after taxation		(182)	(93)
Loss for the year attributable to:			
Equity owners of the company		(263)	(108)
Subordinated notes investors		81	15
		(182)	(93)
Loss per share	Note	\$ cents	\$ cents
Basic			
Ordinary shares voting	9	(15)	(10)
Ordinary shares non-voting	9	(17)	(11)
Diluted			
Ordinary shares voting	9	(16)	(10)
Ordinary shares non-voting	9	(17)	(11)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 \$ million	2024 \$ million
Loss for the year	(182)	(93)
Other comprehensive income		
Items that will not be subsequently reclassified to income statement:		
Actuarial gains/(losses)	36	(6)
Tax (expense)/credit on actuarial gains/(losses)	(11)	4
Net other comprehensive income/(loss) that will not be subsequently reclassified to income statement	25	(2)
Items that may be subsequently reclassified to income statement:		
Fair value gains/(losses) on cash flow hedges	1,181	(545)
Tax (charge)/credit on cash flow hedges	(752)	379
Exchange differences on translation	(182)	130
Net other comprehensive income/(loss) may be subsequently reclassified to income statement	247	(36)
Other comprehensive income/(loss) for the year, net of tax	272	(38)
Total comprehensive income/(loss) for the year	90	(131)
Total comprehensive income/(loss) attributable to:		
Equity owners of the company	9	(146)
Subordinated notes investors	81	15
	90	(131)

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2025

	Note	2025 \$ million	2024 As restated \$ million
Assets			
Non-current assets			
Goodwill	10	5,062	5,062
Other intangible assets	11	5,749	5,714
Property, plant and equipment	12	13,210	14,578
Right-of-use assets	13	496	656
Equity accounted investments		7	–
Deferred tax assets	8	121	130
Other receivables	16	126	176
Other financial assets	23	209	44
Total non-current assets		24,980	26,360
Current assets			
Inventories	15	398	368
Trade and other receivables	16	1,994	2,322
Other financial assets	23	485	145
Cash and cash equivalents	17	846	805
		3,723	3,640
Assets held for sale	18	390	277
Total current assets		4,113	3,917
Total assets		29,093	30,277
Equity and liabilities			
Equity			
Share capital	26	171	171
Merger reserve	26	3,728	3,728
Other reserves		229	(18)
Retained earnings		53	807
Equity attributable to equity holders of the company		4,181	4,688
Equity attributable to subordinated notes investors	27	2,025	1,563
Total equity		6,206	6,251
Non-current liabilities			
Borrowings	22	4,915	4,215
Provisions	21	6,967	7,024
Deferred tax	8	6,491	6,177
Trade and other payables	20	68	30
Lease liabilities	13	466	551
Other financial liabilities	23	19	415
Total non-current liabilities		18,926	18,412
Current liabilities			
Trade and other payables	20	1,424	1,755
Borrowings	22	236	1,014
Lease liabilities	13	168	241
Provisions	21	446	497
Current tax liabilities		1,452	1,412
Other financial liabilities	23	21	462
		3,747	5,381
Liabilities directly associated with the assets held for sale	18	214	233
Total current liabilities		3,961	5,614
Total liabilities		22,887	24,026
Total equity and liabilities		29,093	30,277

The notes on pages 137 to 194 form part of these financial statements.

The financial statements on pages 132 to 194 were approved by the board of directors and authorised for issue on 4 March 2026 and signed on its behalf by:

Alexander Krane
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Share capital \$ million	Merger reserve ¹ \$ million	Other reserves (note 24) \$ million	Retained earnings \$ million	Equity attributable to owners of the company \$ million	Equity attributable to subordinated notes investors \$ million	Total equity \$ million
At 1 January 2024	171	271	18	1,093	1,553	–	1,553
(Loss)/profit for the year	–	–	–	(108)	(108)	15	(93)
Other comprehensive loss	–	–	(36)	(2)	(38)	–	(38)
Total comprehensive (loss)/income	–	–	(36)	(110)	(146)	15	(131)
Issue of new shares	–	3,457	–	–	3,457	–	3,457
Share-based payments	–	–	–	48	48	–	48
Purchase of ESOP trust shares	–	–	–	(25)	(25)	–	(25)
Acquired through business combination	–	–	–	–	–	1,548	1,548
Dividend paid	–	–	–	(199)	(199)	–	(199)
At 31 December 2024	171	3,728	(18)	807	4,688	1,563	6,251
(Loss)/profit for the year	–	–	–	(263)	(263)	81	(182)
Other comprehensive income	–	–	247	25	272	–	272
Total comprehensive income/(loss)	–	–	247	(238)	9	81	90
Share-based payments	–	–	–	44	44	–	44
Purchase of ESOP trust shares	–	–	–	(15)	(15)	–	(15)
Purchase and cancellation of own shares	–	–	–	(90)	(90)	–	(90)
Dividends paid	–	–	–	(455)	(455)	–	(455)
Distributions to subordinated notes investors	–	–	–	–	–	(58)	(58)
Issuance of subordinated notes	–	–	–	–	–	970	970
Repayment of subordinated notes	–	–	–	–	–	(558)	(558)
Fair value adjustment to subordinated notes	–	–	–	–	–	27	27
At 31 December 2025	171	3,728	229	53	4,181	2,025	6,206

1 The increase in the merger reserve in 2024 represents the difference between the fair value and nominal value of the shares issued as consideration for the acquisition of the Wintershall Dea business.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 \$ million	2024 \$ million
Net cash inflow from operating activities	30	3,386	1,615
Investing activities			
Expenditure on exploration and evaluation assets		(363)	(359)
Expenditure on property, plant and equipment	12	(1,435)	(884)
Expenditure on non-oil and gas intangible assets		(69)	(42)
Expenditure on other intangible assets		(45)	(37)
Acquisition of subsidiaries, net of cash acquired	14	16	(1,044)
Acquisition deposit	16	(100)	–
Disposal deposit	18	50	–
Finance income received		106	76
Other receipts		26	13
Net cash outflow from investing activities		(1,814)	(2,277)
Financing activities			
Repurchase of shares		(90)	–
Proceeds from bond issuance net of transaction costs	30	894	1,720
Proceeds from new borrowings – revolving credit facility	30	440	2,225
Proceeds from subordinated notes net of transaction costs	27	970	–
Proceeds from new borrowings – reserve based lending facility	30	–	178
Proceeds from bridge facility	30	–	1,500
Payments of principal portion of lease liabilities		(257)	(265)
Interest paid on lease liabilities		(37)	(54)
Repayment of bonds	30	(1,391)	–
Repayment of subordinated notes	27	(558)	–
Repayment of revolving credit facility	30	(690)	(1,975)
Repayment of reserve based lending facility	30	–	(178)
Repayment of bridge facility	30	–	(1,500)
Repayment of financing arrangement	30	–	(17)
Purchase of ESOP trust shares		(15)	(25)
Interest paid and bank charges		(246)	(181)
Distributions paid to subordinated notes investors	30	(58)	–
Dividends paid to shareholders	32	(455)	(199)
Net cash (outflow)/inflow from financing activities		(1,493)	1,229
Net increase in cash and cash equivalents		79	567
Net foreign exchange difference		(11)	(37)
Reclassification of cash as asset held for sale		(27)	(11)
Cash and cash equivalents at 1 January		805	286
Cash and cash equivalents at 31 December		846	805

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Corporate information

Harbour Energy plc is a limited liability company incorporated in Scotland and listed on the London Stock Exchange. The address of the registered office is 4th Floor, Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN, United Kingdom.

The consolidated financial statements of Harbour Energy plc (Harbour or the company) and all its subsidiaries (the Group) for the year ended 31 December 2025 were authorised for issue by the board of directors on 4 March 2026.

On 3 September 2024, the Group completed the acquisition of substantially all of Wintershall Dea's upstream oil and gas assets, including those in Norway, Germany, Denmark, Argentina, Mexico, Egypt, Libya and Algeria as well as Wintershall Dea's CCS licences in Europe. Under IFRS 3 Business Combinations, the Group is the legal and accounting acquirer as it obtained control over the Wintershall Dea portfolio through the business combination: as it was the entity that issued equity and paid cash to effect the business combination; at completion the existing Harbour Energy plc shareholders held a majority of voting ordinary shares; and from completion, day-to-day management of the enlarged group has been led by existing Harbour Energy plc personnel, with no change to the executive directorship.

The Group designated 1 September 2024 as the acquisition date (beginning of month) rather than the actual acquisition date of 3 September 2024 (during the month) as the events between the designated acquisition date and the actual acquisition date do not result in material changes in the amounts recognised.

The acquired Wintershall Dea portfolio results are fully consolidated in the financial statements from 1 September 2024, and all results prior to this date represent those of the legacy Harbour group only.

The Group's principal activities are the acquisition, exploration, development and production of oil and gas reserves in Norway, the UK, Germany, Mexico, Argentina, North Africa and Southeast Asia.

2 Material accounting policies

Basis of preparation

The consolidated financial statements have been prepared on a going concern basis in accordance with UK-adopted International Accounting Standards (IAS) in conformity with the requirements of the Companies Act 2006. The analysis used by the directors in adopting the going concern basis considers the various plans and commitments of the Group as well as various sensitivity and reverse stress test analyses. The results from the severe but plausible downside sensitivities and reverse stress tests with regard to production and commodity price assumptions, which in management's view reflect two of the principal risks, indicate that material changes within the going concern period that would impact the going concern basis of preparation are remote. Further details are within the Financial review on page 36 and Viability statement on page 71.

In 2024, the Vietnam Business Unit was classified as an asset held for sale. This sale was completed in July 2025. In 2025, the Indonesia disposal transaction announced in December 2025 was classified as asset held for sale (see note 18).

The presentation currency of the Group financial information is US dollars and all values in the Group financial information are presented in millions (\$ million) and all values are rounded to the nearest 1 million, except where otherwise stated.

The financial statements have been prepared on the historical cost basis, except for certain financial assets and liabilities, including derivative financial instruments, which have been measured at fair value.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2025. All accounting policies are consistent with those adopted and disclosed in Harbour's 2024 Annual Report & Accounts.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the company and its subsidiaries as at 31 December 2025. Subsidiaries are those entities over which the Group has control. Control is achieved where the Group has the power over the subsidiary, has rights, or is exposed to variable returns from the subsidiary and has the ability to use its power to affect its returns. All subsidiaries are 100 per cent owned by the Group, except for five entities holding interests in operations in North Africa and CCS projects which are accounted for as joint operations.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the company and to the subordinated notes investors.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

The results of subsidiaries acquired or disposed of during the year are included in the income statement from the completion date of acquisition or up to the completion date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries acquired to bring the accounting policies used into line with those used by other members of the Group.

All intra-group transactions and balances have been eliminated on consolidation.

2 Material accounting policies continued

Prior year adjustment arising from finalising acquisition fair values

On 3 September 2024, the Group closed the transaction to acquire substantially all of Wintershall Dea's upstream assets from BASF and LetterOne, including those in Norway, Germany, Denmark, Argentina, Mexico, Egypt, Libya and Algeria as well as Wintershall Dea's carbon capture and storage (CCS) licences in Europe. A purchase price allocation (PPA) had been performed and provisional fair values of the identifiable assets and liabilities of Wintershall Dea, and resulting goodwill, were disclosed in Harbour's 2024 Annual Report & Accounts. These were finalised during 2025 and resulted in a change in the fair values of the assets and liabilities and associated goodwill, the reasoning for which is described in note 14. Each of the affected financial statement line items have been restated and the impact is summarised in the following table.

Balance sheet at 31 December 2024

	As previously reported \$ million	Adjustments \$ million	As restated \$ million
Non-current assets			
Goodwill	5,147	(85)	5,062
Property, plant and equipment	14,543	35	14,578
Current assets			
Trade and other receivables	2,316	6	2,322
Non-current liabilities			
Deferred tax	6,221	(44)	6,177

Significant accounting judgements and estimates

The preparation of the Group's financial statements in conformity with UK-adopted IAS requires management to make judgements, estimates and assumptions at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

In preparing these financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses including those that have the potential to materially impact the balance sheet over the next 12 months. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies, and the key sources of estimation uncertainty, were the same as those described in Harbour's 2024 Annual Report & Accounts, with the removal of the defined benefit obligations on the basis of materiality.

Judgements

Significant accounting judgements considered by the Group are:

- The carrying value of intangible exploration and evaluation assets, in relation to whether commercial determination of an exploration prospect had been reached. The costs are subject to regular technical, commercial and management review on at least an annual basis to confirm the continued intent to develop, or otherwise extract value from, the discovery. Where this is no longer the case, the costs are immediately expensed. For the carrying value of intangible exploration and evaluation assets see note 11;
- The carrying value of property, plant and equipment regarding assessing assets for indicators of impairment (see note 12);
- Decommissioning costs in relation to the timing of when decommissioning would occur (see note 21); and
- Tax including assessment of risks around tax uncertainties and the recognition of deferred tax assets (see note 8).

Key sources of estimation uncertainty

Details of the Group's critical accounting estimates are set out in these financial statements and are:

- Purchase price allocation that involved a number of judgemental estimates in determining the fair value of assets and liabilities acquired from Wintershall Dea in September 2024. See note 14 for further information;
- The carrying value of property, plant and equipment and goodwill, where the key assumptions relate to oil and gas prices expected to be realised and the estimation of 2P reserves, 2C resources and production profiles. See notes 10 and 12 for further information;
- Decommissioning costs where the key assumptions relate to the discount and inflation rates applied, applicable rig rates and expected timing of cessation of production (COP) on each field. See note 21 for further information;
- The provision for, or disclosure of, areas of uncertainty for tax purposes where the key assumptions are driven by technical analysis corroborated by external advice; and
- Recognition of deferred tax assets and liabilities, where key assumptions relate to oil and gas prices expected to be realised, and production profiles. See note 8 for further information.

Disclosure regarding the judgements and estimates made in assessing the impact of climate change and the energy transition are described below and references to notes in the financial statements are provided.

The results from downside sensitivities prepared with regard to production and commodity price assumptions, which in management's view reflect the principal risks, indicate that material changes that would impact the carrying amounts of assets and liabilities within the next financial year are unlikely.

Further information is provided in the Audit and Risk Committee report on page 93.

Impact of climate change on the financial statements and related disclosures

Judgements and estimates made in assessing the impact of climate change and the energy transition

Harbour monitors global climate change and energy transition developments and plans. Management recognises there is a general high level of uncertainty about the speed and scale of impacts which, together with limited historical information, provides challenges in the preparation of forecasts and plans with a range of possible future scenarios, which may have the potential to materially impact the balance sheet.

The Group's strategic aspiration is to be net zero by 2050 with an interim target of a 50 per cent reduction in gross operated Scope 1 and 2 emissions by 2030 against the 2018 baseline. This will be achieved through several opportunities, including operational efficiency improvements, targeted decarbonisation projects and the eventual cessation of production of mature fields. In addition, the company is investing in the development of CCS projects in the UK and Europe.

All new economic investment decisions include the cost of carbon, and opportunities are assessed on their climate-impact potential and alignment with Harbour Energy's net zero aspiration taking into consideration both GHG volumes and intensity. The acquisition in 2024 has helped to advance our energy transition objective by strategically shifting our portfolio towards natural gas. Over time this move is expected to notably reduce our greenhouse gas intensity on a net equity basis. The corporate modelling that supports the preparation of the financial statements (such as asset and goodwill impairment assessment, going concern and viability, deferred tax asset recoverability) includes project costs related to CCS, certain decarbonisation projects once sanctioned, other activities to reduce gross operated Scope 1 and 2 GHG emissions, the UK and EU Emissions Trading Scheme costs and carbon offset purchases. Emissions reduction incentives are part of staff remuneration through the annual bonus programme.

Climate change and the energy transition have the potential to significantly impact the accounting estimates adopted by management and therefore the valuation of assets and liabilities reported on the balance sheet. On an ongoing basis, management continues to assess the potential impacts on the significant judgements and estimates used in the preparation of the financial statements. Estimates adopted in the financial statements reflect management's best estimate of future market conditions where, in particular, commodity prices can be volatile. Commodity and carbon price curve assumptions are described below noting that there is consideration given to other assumptions, not exhaustively, such as foreign exchange and discount rates. Notwithstanding the challenges around climate change and the energy transition, it is management's view that the financial statements are consistent with the disclosures in the Strategic report, Governance and Additional information sections of the Annual Report and Accounts.

This note provides insight into how Harbour has considered the impact on valuations of key line items in the financial statements and how they could change based on the climate change scenarios and sensitivities considered. The scenarios presented show what the possible impact could be on the financial statements considering both high and low commodity and carbon price outlooks plus discount rates range. Importantly, these climate change scenarios do not form the basis of the preparation of the financial statements but rather indicate how the key assumptions that underpin the financial statements would be impacted by the climate change scenarios. They are also designed to challenge management's perspective on the future business environment. It is recognised that the reality of the nature of progress of energy transition will bring greater levels of disruption and volatility than these external scenarios expect and do not represent management's current best estimate.

The financial statements have been prepared using management's current best estimate for the foreseeable future, based on a range of economic forecasts and represented by the Harbour scenario oil price curve. Management regularly reviews these estimates and assumptions to ensure they align with the latest economic conditions and market information.

Property, plant and equipment, and goodwill

Transitioning to lower carbon energy as the energy transition progresses has the potential to significantly impact future commodity and carbon prices which would, in turn, affect the future operating and capital costs, estimates of cessation of production, useful lives, and consequently the recoverable amount of property, plant and equipment and goodwill.

The non-current assets of the Group, particularly goodwill and oil and gas assets within property, plant and equipment, are considered to be the most sensitive to the energy transition.

Depreciation, estimated useful life and risk of stranded assets

The energy transition and the rate of its progression may impact the remaining lifespan of assets. Typically, the Group's oil and gas assets are depreciated using a unit of production method, which is based on the ratio of production in the year to the commercial proven and probable reserves of the field, considering future capital development expenditures.

As at 31 December 2025, the Group's production plans for existing assets indicated that 44 per cent, 17 per cent and nil per cent of the commercial proven and probable reserves would remain by 2030, 2035, and 2050, respectively. Using the unit of production depreciation method, the carrying amounts for the oil and gas assets are depreciated in line with the depletion of reserves. An evaluation of the oil and gas assets as at 31 December 2025 indicated that the oil and gas assets would experience significant additional depreciation by 2030 and complete depreciation by 2050, based on the planned depletion of reserves.

This indicates that a substantial portion of proven and probable reserves are anticipated to be produced by 2035, resulting in lower risk of stranded assets being carried in the consolidated balance sheet. The Group's portfolio management approach aims to mitigate the risk of stranded assets in the event of a faster-than-expected structural decline in demand for oil and gas due to tighter environmental regulations, changes in market demands and global energy demand.

2 Material accounting policies continued

Impairment of property, plant and equipment, and goodwill

The important assumptions for impairment testing of goodwill and oil and gas assets applied to the life of fields production and cost profiles include commodity and carbon prices and discount rates. These key assumptions are carefully assessed by management, both in isolation and in aggregate, to ensure there is a fair and balanced view attained with minimal aggregate bias. These assumptions are inherently uncertain and may ultimately diverge from the actual amounts.

For the current year's impairment testing, the first three years reflect benchmarked consensus and market forward price curves transitioning to a long-term price from 2028. The Harbour scenario utilised real long-term commodity price assumptions from 2028 for Brent crude at \$74 per barrel (2024: \$78 per barrel), UK NBP gas at 89 pence per therm (2024: 80 pence per therm), and a European gas price at \$11.6 per mmbtu.

Carbon costs are expected to evolve over time and are subject to significant uncertainty due to the rate of transition and the maturity of regulatory frameworks. For the carbon price, Harbour management's real forward price curve assumption in 2026 was \$78 per tonne (2024: \$72 per tonne). Sensitivity analysis was conducted using the IEA Net Zero carbon price curve, with a flat assumed foreign exchange rate of pound sterling to US dollar rate of £1:\$1.30.

Sensitivity to changes in commodity price assumptions

Sensitivity analyses on the impairment of oil and gas assets and goodwill have been conducted using different commodity price scenarios to demonstrate the potential impact on their net book carrying values. It should be noted that the financial statements are based on the Harbour scenario. Impairment sensitivities have been developed using average -10 per cent deviation from the Harbour scenario long-term crude and gas prices as well as selected published climate change price curves.

The sensitivity scenarios described below incorporate changes to the commodity price assumptions and assume that all other factors remain unchanged from the Harbour scenario used for the basis of preparation of the financial statements. Importantly, these sensitivities are stated before any management mitigation actions to manage downside risks if the scenarios were to occur.

The Sustainability review on pages 42 to 67 discusses both transition and physical risk climate change scenarios. This analysis covers the transition risks and the graphs below show the crude oil, UK NBP gas price curves and European TTF gas price for the period to 2050 for the following IEA scenarios: Net Zero Emissions by 2050, Stated Policies and Current Policies.

All the scenario price curves are dependent on factors covering supply, demand, economic and geopolitical events and therefore are inherently uncertain and subject to significant volatility and hence unlikely to reflect the future outcome.

- Harbour scenario: base price curves used for impairment testing
- IEA Net Zero Emissions by 2050 (NZE): pathway to limiting global temperature rise to 1.5°C
- IEA Stated Policies Scenario (STEPS): pathway based on existing policy commitments and measures and those currently under development by sector and country
- IEA Current Policies Scenario (CPS): pathway based exclusively on existing, enacted energy and climate policies, assuming no new measures or policy intentions are implemented



The crude price curves reflect the published IEA price curves for all periods. For UK NBP there are no IEA published price curves therefore management has derived the gas price curves by converting from the published IEA European gas price curve. This was achieved by converting from USD per mmbtu to USD per mscf and applying other known correlation coefficients between the European and UK gas markets. In addition, for the period 2026-2028, the derived gas price curve matches the Harbour scenario price curve to create a scenario that was considered reasonably plausible.

Pre-development assets are recorded in other intangible assets ahead of demonstration of commerciality and recognition of 2P reserves and hence are not included below, however they are subject to the same management rigour with the corporate models. The majority of such assets are in developing countries with a growing future demand for energy which may reduce the climate change impact from these pre-development assets.

The impact of the sensitivities on the carrying value of oil and gas assets and goodwill in the consolidated balance sheet are shown in the table below:

31 December 2025

		Pre-tax sensitivity (increase)/decrease in carrying value \$ million				
	Commodity	Carrying value \$ million	-10% price to Harbour scenario	IEA Net Zero Emissions by 2050 (NZE)	IEA Stated Policies (STEPS)	IEA Current Policies (CPS)
Goodwill (note 10)	Crude oil	5,062	171	583	68	53
	Gas		396	1,506	882	121
Oil and gas assets (note 12)	Crude oil	13,114	362	1,028	–	–
	Gas		116	178	85	50

31 December 2024

		Pre-tax sensitivity (increase)/decrease in carrying value \$ million				
	Commodity	Carrying value \$ million	-10% price to Harbour scenario	IEA Net Zero Emissions by 2050 (NZE)	IEA Stated Policies (STEPS)	IEA Announced Pledges (APS)
Goodwill (note 10)	Crude oil	5,062	45	928	–	38
	Gas		37	1,431	997	1,114
Oil and gas assets (note 12)	Crude oil	14,493	323	2,528	–	415
	Gas		2	131	89	35

The -10 per cent price curves used in the Harbour scenarios adjust long-term prices from 2026.

Under the -10 per cent price to Harbour scenario for crude, there is a pre-tax impairment to oil and gas assets of \$362 million and on goodwill an impairment of \$171 million. For gas, there is a pre-tax impairment of \$116 million and on goodwill an impairment of \$396 million.

For crude, under the IEA NZE 2050 scenario, there is a pre-tax impairment to oil and gas assets of \$1,028 million and on goodwill an impairment of \$583 million. For gas, there is a pre-tax impairment to oil and gas assets of \$178 million and on goodwill an impairment of \$1,506 million.

For crude, under the IEA STEPS, there is a pre-tax impairment to oil and gas assets of \$nil and on goodwill an impairment of \$68 million. For gas, there is a pre-tax impairment to oil and gas assets of \$85 million and on goodwill an impairment of \$882 million.

For crude, under the IEA CPS, there is a pre-tax impairment to oil and gas assets of \$nil and on goodwill an impairment of \$53 million. For gas there is a pre-tax impairment to oil and gas assets of \$50 million and on goodwill an impairment of \$121 million.

Sensitivity to changes in carbon price assumptions

The sensitivity scenarios described below incorporate changes to the carbon price assumptions and assume that all other factors remain unchanged from the Harbour scenario used for the basis of preparation of the financial statements. This sensitivity is stated before any management mitigation actions to manage downside risks if the scenarios were to occur.

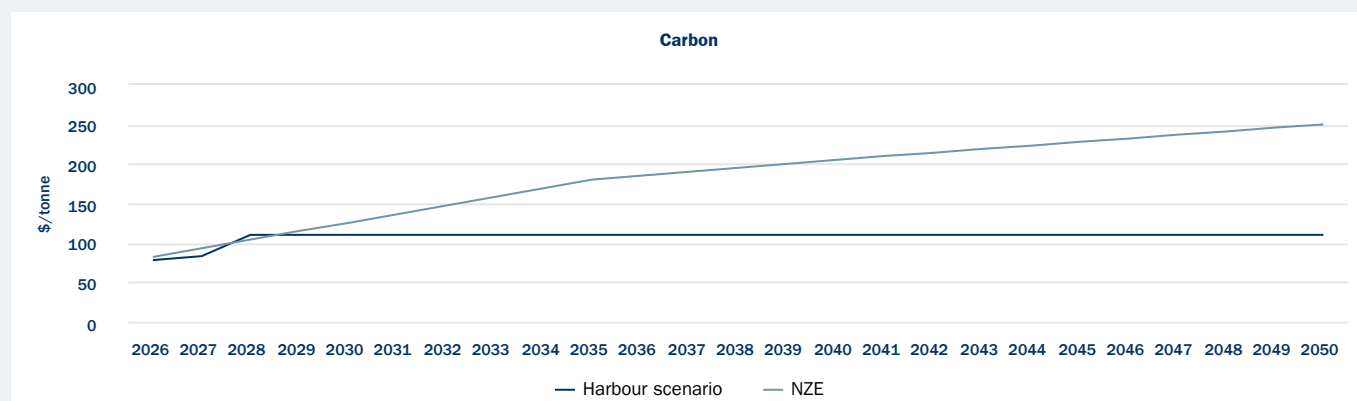
The risk of stranded assets may increase in a higher carbon price scenario. Sensitivity analyses of the carrying value of Harbour's oil and gas assets and goodwill to carbon prices have been conducted based on the IEA NZE 2050 scenario. This aims to demonstrate the resilience of the assets' carrying values to higher long-term carbon prices than those reflected in the consolidated balance sheet.

This analysis covers the transition risks, and the graph below shows the carbon price per tonne for the period to 2050 for the IEA NZE 2050 scenario.

2 Material accounting policies continued

The scenario price curves are dependent on factors covering supply, demand, economic and geopolitical events and therefore are inherently uncertain and subject to significant volatility. As a result, they are unlikely to accurately predict future outcomes.

- Harbour scenario: base price curves used for impairment testing
- IEA Net Zero Emissions by 2050 (NZE): pathway to limiting global temperature rise to 1.5°C



Applying the IEA NZE 2050 carbon price scenario for the entirety of the useful economic life of the assets resulted in a pre-tax impairment of \$52 million (2024: \$9 million) to oil and gas assets with no impairment to goodwill under this scenario.

Sensitivity to changes in discount rate assumptions

The discount rate applied for impairment testing of the fair value less cost of disposal is based on a nominal post-tax weighted average cost of capital (WACC) after considering both cost of debt and equity. In 2025, the Group's post-tax discount rate ranging from 9.0 to 14.5 per cent (2024: 8.8 to 14.5 per cent) is derived after considering relevant peer group's post-tax WACC and incorporating segment-specific risk.

Considering the discount rates, the Group deems a one per cent rise in the discount rate to be a reasonable potentiality for conducting sensitivity analysis, assuming that all other factors utilised in calculating the recoverable value for the carrying amount of goodwill and oil and gas assets remain unaltered.

A one per cent increase in the discount rate would result in an additional impairment of \$77 million (2024: \$113 million) to the oil and gas assets and on goodwill \$32 million (2024: \$10 million).

Intangible assets – exploration and evaluation assets

The energy transition has the potential to affect the future development or viability of exploration and evaluation prospects. A significant portion of the Group's exploration and evaluation assets relate to prospects that could either be tied back to existing infrastructure or are in developing countries with a growing future demand for energy which may reduce the climate change impact from these pre-development assets and hence require less capital investment as these assets are less exposed to the impacts of the energy transition compared to large frontier developments. At each balance sheet date, all exploration and evaluation prospects are reviewed against the Group's financial framework to ensure that the continuation of activities is planned and expected. There are no significant judgements and/or critical estimation uncertainty related to climate factors.

See Judgements: exploration and evaluation expenditure (page 138) and note 11 to the financial statements for further information.

Deferred tax assets

The potential impact of climate change and energy transition on balance sheet items is uncertain and may lead to significant changes in the estimations of parameters such as the useful life of assets and timing of cessation of production together with their related deferred tax balances.

Deferred tax assets are recognised to the extent that their recovery is considerable probable. In general, it is expected that sufficient forecasted taxable profits will be available for the recovery of deferred tax assets recognised at 31 December 2025 and expected to be recovered within the period of production for each asset and after taking into account deferred tax liabilities.

See note 8 Income tax for information on deferred tax balances.

Onerous contracts

Contracts may become onerous due to potential loss of revenue or heightened costs stemming from changes in climate change and energy transition regulations.

Management does not foresee any of its existing supply contracts becoming onerous based on the current production level and estimated useful lives of its assets.

Decommissioning cost and provisions

The energy transition may accelerate the decommissioning of assets which would result in an increase in the carrying value of associated decommissioning provisions. Whilst the Group currently expects to incur decommissioning costs over the next 40 years, we anticipate the majority of costs will be incurred between the next 10 to 20 years which will reduce the exposure to the impact of the energy transition.

In the current year, the undiscounted provision for decommissioning and restoration was \$10.5 billion (2024: \$10.5 billion), recognised on a discounted basis in the consolidated balance sheet.

The discount and inflation rates applied have taken into consideration the applicable rig rates and expected timing of cessation of production on each field. Therefore, the timing of decommissioning expenditures has not been materially brought forward and management do not consider that any reasonable change in the timing of decommissioning expenditure will have a material impact on the decommissioning provisions based on the production plans of existing assets.

Decommissioning cost estimates are based on the current regulatory and external environment. These cost estimates and recoverability of associated deferred tax may change in the future, including as a result of the energy transition. On the basis that all other assumptions in the calculation remain the same, a 10 per cent increase in the cost estimates, and a one per cent absolute reduction in the applied discount rates used to assess the final decommissioning obligation, would result in increases to the decommissioning provision of approximately \$740 million (2024: \$852 million) and \$312 million (2024: \$286 million), respectively. This change would be principally offset by a change to the value of the associated asset unless the asset is fully depreciated, in which case the change in estimate is recognised directly within the income statement.

See [Key sources of estimation uncertainty: decommissioning costs for further information \(page 138\)](#).

Portfolio changes

Harbour expended \$142 million of costs in relation to CO₂ emissions during 2025 (2024: \$75 million) with the majority in relation to the UK Emissions Trading Scheme quotas net of allocated free quotas. Quotas in relation to future periods are recognised in intangible assets.

Harbour has investments in a number of CCS projects which are regarded as key to assisting in the energy transition. Projects are recognised in intangible assets once the projects are regarded as technically feasible and commercially viable; prior to this, costs are expensed to the income statement. In 2025 Harbour spent \$116 million on CCS activities, capitalising \$32 million and expensing \$84 million. Further information on Harbour's CCS projects can be found on page 35.

Global oil and gas demand considerations

The transition to sustainable energy to mitigate climate change carries the potential to adversely impact commodity prices due to a global decrease in the demand for oil and gas, potentially leading to reduced revenue. Furthermore, investment in clean energy via the adoption of clean energy technologies could elevate production costs, thereby diminishing future profit margins.

Based on prevailing policies and regulatory frameworks, it is anticipated that the growth in global oil demand will decrease, but the demand for oil and gas is projected to continue as a crucial component of the energy mix for the foreseeable future. Natural gas is widely known as a key transition fuel. In the 2025 IEA World Energy Outlook report the demand for natural gas has been revised upwards in all scenarios compared to the previous year, reflecting stronger anticipated demand for gas to meet growth in electricity demand.

During the year, the Group produced 474 kboepd (2024: 258 kboepd), accounting for less than 0.4 per cent of global production. Consequently, the Group does not expect the ability to sell the volume of oil equivalent produced to be directly impacted by shifts in global oil and gas demand. Management remains committed to investing in a diversified oil and gas company.

Cost of carbon allowances

Harbour is part of the European and UK Emissions Trading Schemes (EU and UK ETS) and purchases carbon allowances to meet its regulatory obligations under the schemes. Harbour is entitled to receive a share of free allowances according to UK and EU ETS regulations. Allowances owned in excess of liabilities to date that are available to be used in future periods are recorded in other intangible assets and measured at cost. The costs for purchasing allowances are recorded in costs of operations matching emissions for the period. Accruals that are required for allowances to be purchased are measured at market price.

Joint arrangements

A joint arrangement is one in which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Exploration and production operations are usually conducted through joint arrangements with other parties. The Group reviews all joint arrangements and classifies them as either joint operations or joint ventures depending on the rights and obligations of each party to the arrangement and whether the arrangement is structured through a separate vehicle. The Group's interest in joint operations, such as exploration and production arrangements, are accounted for by recognising its:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Share of the revenue from the sale of the output by the joint operation
- Expenses, including its share of any expenses incurred jointly

A joint venture, which normally involves the establishment of a separate legal entity, is a contractual arrangement whereby the parties that have joint control of the arrangement have the rights to the arrangement's net assets. The results, assets and liabilities of a joint venture are incorporated in the consolidated financial statements using the equity method of accounting. Note 34 describes the Group's interests in joint arrangements as at 31 December 2025.

Where the Group transacts with its joint operations, unrealised profits and losses are eliminated to the extent of the Group's interest in the joint operation.

2 Material accounting policies continued

Foreign currency translation

Each entity in the Group determines its own functional currency, being the currency of the primary economic environment in which the entity operates, and items included in the financial statements of each entity are measured using that functional currency.

The consolidated financial statements are presented in US dollars, which is also the parent company's functional currency.

Transactions recorded in foreign currencies are initially recorded in the entity's functional currency by applying an average rate of exchange. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. All differences are taken to the income statement.

Non-monetary assets and liabilities denominated in foreign currencies are measured at historic cost based on exchange rates at the date of the initial transaction and subsequently not retranslated.

On consolidation, the assets and liabilities of the Group's operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average monthly exchange rates for the year. Equity is held at historic cost and is not retranslated. The resulting exchange differences are recognised as other comprehensive income and are transferred to the Group's currency translation reserve.

When an overseas operation is disposed of, such translation differences relating to it are recognised as income or expense.

Goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Goodwill

In the event of a business combination or acquisition of an interest in a joint operation in which the activity constitutes a business, as defined in IFRS 3 Business Combinations, the acquisition method of accounting is applied. Goodwill represents the difference between the aggregate of the fair value of purchase consideration transferred at the acquisition date and the fair value of the identifiable assets, liabilities and contingent liabilities acquired, less any non-controlling interest. If however, the fair value of the purchase consideration transferred is lower than the fair value of the identifiable assets and liabilities acquired, less non-controlling interest, the difference is recognised in the income statement as negative goodwill. The Group's goodwill is related to the requirement to recognise deferred tax for the difference between the assigned fair values and the related tax base (technical goodwill). The fair value of the Group's licences are based on post-tax cash flows or benchmarked multiples. In accordance with IAS 12 paragraphs 15 and 24, a provision is made for deferred tax corresponding to the difference between the acquisition cost and the transferred tax depreciation basis. The offsetting entry to this deferred tax is goodwill. Hence, goodwill arises as a technical effect of deferred tax. Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's operating segments. This is subsequently tested for impairment at the Group's operating segment level based on the aggregation of any headroom arising from asset impairment tests. Goodwill is treated as an asset of the relevant entity to which it relates, and accordingly non-US dollar goodwill is translated into US dollars at the closing rate of exchange at each reporting date.

Goodwill, as disclosed in note 10, is not amortised but is reviewed for impairment at least annually by assessing the recoverable amount of the operating segments to which the goodwill relates. Where the carrying amount of the operating segment and related goodwill is higher than the recoverable amount of the operating segment, an impairment loss is recognised in the income statement. The recoverable amounts of the operating segments have been determined on a fair value less costs to sell basis. Impairments are expected to arise as the deferred tax that gave rise to the goodwill initially naturally unwinds in the normal course of business. Impairment losses relating to goodwill cannot be reversed in future periods.

Pre-licence costs

Pre-licence costs are expensed in the period in which they are incurred.

Licence and property acquisition costs

Licence and property acquisition costs paid in connection with a right to explore in an existing exploration area are capitalised as exploration and evaluation costs within intangible assets.

Licence and property acquisition costs are reviewed at each reporting date to confirm that there is no indication that the carrying amount exceeds the recoverable amount. If no future activity is planned or the related licence has been relinquished or has expired, the carrying value of the property acquisition costs is written off through the income statement. Upon recognition of proved reserves and internal approval for development, the relevant expenditure is transferred to oil and gas properties within development and production assets.

Exploration and evaluation costs

Once the legal right to explore has been acquired, costs directly associated with the exploration are capitalised as exploration and evaluation (E&E) intangible non-current assets until the exploration is complete and the results have been evaluated. If no potential commercial resources are discovered, the exploration asset is written off.

All such capitalised costs are subject to technical, commercial and management review, as well as review for indicators of impairment at least annually. This is to confirm the continued intent to develop or otherwise extract value from the discovery. When this is no longer the case, the costs are written off through the income statement.

When proved reserves of oil or natural gas are identified and development is sanctioned by management, the relevant capitalised expenditure is first assessed for impairment and, if required, any impairment loss is recognised, then the remaining balance is transferred to oil and gas properties within development and production assets. No amortisation is charged during the exploration and evaluation phase.

Farm-outs – in the exploration and evaluation phase

The Group does not record any expenditure made by the farmee on its account. It also does not recognise any gain or loss on its exploration and evaluation farm-out arrangements but re-designates any costs previously capitalised in relation to the whole interest as relating to the partial interest retained. Any cash consideration received directly from the farmee is credited against costs previously capitalised in relation to the whole interest with any excess accounted for by the farmor as a gain on disposal.

Property, plant and equipment – oil and gas assets

Oil and gas development and production assets are accumulated generally on a field-by-field or cash-generating unit basis where infrastructure is shared. This represents expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, including E&E expenditures incurred in finding commercial reserves transferred from intangible E&E assets, as outlined in the intangible asset policy above, which is capitalised as oil and gas properties within development and production assets.

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of the decommissioning obligation and, for qualifying assets, where relevant, borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

An item of development and production expenditure and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement.

Expenditure on major maintenance includes refits, inspections or repairs comprising the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Where an asset, or part of an asset, that was separately depreciated and is now written off is replaced and it is probable that future economic benefits associated with the item will flow to the Group, the expenditure is capitalised. All other day-to-day repairs and maintenance costs are expensed as incurred.

Depreciation, depletion and amortisation (DD&A) of oil and gas assets

All costs relating to a development are accumulated and not depreciated until the commencement of production. Depreciation is provided generally on a field-by-field or cash-generating unit basis where infrastructure is shared, using the unit of production method by reference to the ratio of production in the year and the related commercial proven and probable reserves of the field, considering future development expenditures necessary to bring those reserves into production.

When there is a change in the estimated total recoverable proven and probable reserves of a field, that change is accounted for in the depreciation charge over the revised remaining proven and probable reserves.

Acquisitions, asset purchases and disposals

Acquisitions of oil and gas properties are accounted for using the acquisition method when the assets acquired and liabilities assumed constitute a business.

Transactions involving the purchase of an individual field interest, or a group of field interests, which do not constitute a business, are treated as asset purchases irrespective of whether the specific transactions involve the transfer of the field interests directly or the transfer of an incorporated entity. Accordingly, no goodwill and no deferred tax gross up arises, and the consideration is allocated to the assets and liabilities purchased on an appropriate basis.

Proceeds on disposal are applied to the carrying amount of the specific intangible asset or oil and gas property disposed of and any surplus is recorded as a gain on disposal in the income statement.

Decommissioning

A provision for decommissioning is recognised in full when the related facilities are installed. The amount recognised is the present value of the estimated future expenditure. A corresponding amount equivalent to the provision is also recognised as part of the cost of the related oil and gas property. This is subsequently depreciated as part of the capital costs of the production facilities. Any change in the present value of the estimated expenditure is dealt with from the start of the financial year as an adjustment to the opening provision and the oil and gas property. The unwinding of the discount is included as a finance cost.

2 Material accounting policies continued

Non-oil and gas assets

Property, plant and equipment – fixtures and fittings and office equipment

Fixtures and fittings and office equipment are stated at cost less accumulated depreciation and impairment. Depreciation is provided for on a straight-line basis at rates sufficient to write off the cost of the assets less any residual value over their estimated useful economic lives. The depreciation periods for the principal categories of assets are as follows:

- Buildings 6 to 50 years
- Fixtures and fittings 10 to 23 years
- Office furniture and equipment 1 to 13 years

Intangible assets

Intangible assets principally comprise IT software/licences and carbon allowances. IT software/licences are carried at cost less any accumulated amortisation. These assets are amortised on a straight-line basis over their useful economic lives of between three and ten years. Carbon allowances are carried at cost and subject to impairment testing.

Impairment of non-current assets (excluding goodwill)

In accordance with IAS 36 Impairment of Assets, impairment tests are carried out on items of property, plant and equipment and intangible assets where there is an indicator of impairment, or an indicator identified that a prior year impairment may have reversed or decreased. Such indications may be based on events or changes in the market environment, or on internal sources of information.

Impairment and reversal indicators

Property, plant and equipment and intangible assets with finite useful lives are only tested for impairment when there is an indication that they may be impaired. This is generally the result of significant changes to the environment in which the assets are operated or when asset performance is significantly lower than expected.

The main impairment indicators used by the Group are described below:

- External sources of information:
 - Significant changes in the economic, technological, political or market environment in which the entity operates or to which an asset is dedicated
 - Fall in demand
 - Changes in commodity prices and exchange rates
- Internal sources of information:
 - Evidence of obsolescence or physical damage
 - Significantly lower than expected production or cost performance
 - Reduction in reserves and resources, including as a result of unsuccessful results of drilling operations
 - Pending expiry of licence or other rights
 - In respect of capitalised exploration and evaluation costs, lack of planned future activity on the prospect or licence
 - For reversals, plausible downside sensitivity scenarios are run to test the robustness of the asset carrying values typically against changes in production and commodity prices

Measurement of recoverable amount

The cash-generating unit (CGU) applied for impairment test purposes is generally the field, except that a number of field interests may be grouped as a single CGU where the cash inflows of each field are interdependent. The carrying value of each CGU is compared against the expected recoverable amount of the asset, which is primarily determined based on the fair value less cost of disposal (FVLCD) method, where the fair value is determined from the estimated present value of the future net cash flows expected to be derived from production of commercial reserves. Standard valuation techniques are used based on the discount rates that reflect the specific characteristics of the operating entities concerned; discount rates are determined on a post-tax basis and applied to post-tax cash flows.

Any impairment loss is recorded in the income statement under 'Impairment of property, plant and equipment'. Impairment losses recorded in relation to property, plant and equipment may be subsequently reversed if the recoverable amount of the assets subsequently increases above carrying value. The increased carrying amount of an item of property, plant or equipment attributable to a reversal of an impairment loss may not exceed the carrying amount that would have been determined (net of depreciation/amortisation) had no impairment loss been recognised in prior periods.

Non-current assets held for sale

The Group classifies non-current assets and disposal groups as assets held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal group, excluding finance costs and income tax expense. The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as assets held for sale. Assets and liabilities classified as held for sale are presented separately as current line items in the balance sheet.

Financial assets

The Group uses two criteria to determine the classification of financial assets: the Group's business model and contractual cash flow characteristics of the financial assets. Where appropriate the Group identifies three categories of financial assets: amortised cost, fair value through profit or loss (FVTPL), and fair value through other comprehensive income (FVOCI).

Financial assets held at amortised cost

Financial assets held at amortised cost are initially measured at fair value plus transaction costs and subsequently measured using the effective interest rate (EIR) method and are subject to impairment. The EIR amortisation is presented within finance income in the income statement.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and other short-term highly liquid investments that are held for the purpose of meeting short-term cash commitments, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- 12-month ECL: for credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events (payment, prospective or covenant) that are possible within the next 12 months
- Lifetime ECL: for those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs as allowed under IFRS 9 Financial Instruments. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Credit impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer
- A breach of contract such as default or past due event
- The restructuring of a loan or advance by the Group on terms that the Group would otherwise not consider
- Becoming probable that the borrower will enter bankruptcy or other financial reorganisation
- The disappearance of an active market for a security because of financial difficulties

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs which are capitalised and amortised over the term of the borrowings. Where borrowings have been fully repaid but the borrowing facility remains, directly attributable transaction costs that remain unamortised are presented within current and/or non-current assets.

Borrowings and loans

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the income statement using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the year in which they arise.

2 Material accounting policies continued

Subordinated notes

The Group holds subordinated resettable fixed rate notes (subordinated notes). Based on their characteristics (mainly no mandatory repayment and no obligation to pay a coupon except under certain circumstances specified in the documentation of the subordinated notes) and in compliance with IAS 32 Financial Instruments: Presentation, the subordinated notes are wholly classified as equity. On completing the Wintershall Dea acquisition in 2024, the issued subordinated notes were recognised at fair value, based on market rates as of the acquisition date. Accrued interest payable to the subordinated notes investors increases equity, whereas the distribution of interest payments reduces equity.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments such as forward currency contracts, interest rate swaps, commodity option contracts and commodity swap arrangements, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Derivative financial instruments are initially recognised and subsequently remeasured at fair value.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives maturing in less than 12 months and expected to be realised or settled in less than 12 months are presented as current assets or current liabilities.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging exposure to changes in the fair value of a recognised asset or liability
- Cash flow hedges when hedging exposure to variability in cash flows that is attributable to either a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

Hedge relationships are formally designated and documented at inception, together with the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged, the existence at inception of an economic relationship and subsequent measurement of the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk, the hedge ratio and sources of hedge ineffectiveness. Hedges meeting the criteria for hedge accounting are accounted for as follows:

Fair value hedges

The change in fair value of a hedging derivative is recognised in the income statement. The change in the fair value of the hedged item attributable to the risk being hedged is recorded as part of the carrying value of the hedged item and is also recognised in the income statement, where it offsets. The Group applies fair value hedge accounting when hedging interest rate risk on fixed rate finance debt.

Fair value hedge accounting is discontinued only when the hedging relationship or a part thereof ceases to meet the qualifying criteria. This includes when the risk management objective changes or when the hedging instrument is terminated or exercised. The accumulated adjustment to the carrying amount of a hedged item at such time is then amortised prospectively to the income statement as finance interest expense over the hedged item's remaining period to maturity.

Cash flow hedges

The effective portion of the gains and losses arising from the remeasurement of derivative financial instruments designated as cash flow hedges are deferred within other comprehensive income and subsequently transferred to the income statement in the period the hedged transaction is recognised in the income statement. When a hedging instrument is sold or expires, any cumulative gain or loss previously recognised in other comprehensive income remains deferred until the hedged item affects profit or loss or is no longer expected to occur. Any gain or loss relating to the ineffective portion of a cash flow hedge is immediately recognised in the income statement. Hedge ineffectiveness could arise if volumes of the hedging instruments are greater than the hedged item of production, or where the creditworthiness of the counterparty is significant and may dominate the transaction and lead to losses.

Cash flow hedge accounting is discontinued only when the hedging relationship or a part thereof ceases to meet the qualifying criteria. This includes when the designated hedged forecast transaction or part thereof is no longer considered to be highly probable to occur, or when the hedging instrument is sold, terminated or exercised without replacement or rollover. When cash flow hedge accounting is discontinued amounts previously recognised within other comprehensive income remain in equity until the forecast transaction occurs and are reclassified to profit or loss. If the forecast transaction is no longer expected to occur, amounts previously recognised within other comprehensive income will be immediately reclassified to profit or loss.

Fair values

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is determined by reference to quoted market prices adjusted for estimated transaction costs that would be incurred in an actual transaction, or by the use of established estimation techniques such as option pricing models and estimated discounted values of cash flows.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques.

Under IFRS 9 Financial Instruments, embedded derivatives are not separated from a host financial asset, and are classified based on their contractual terms and the Group's business model.

Equity

Share capital

Share capital includes the total net proceeds, both nominal and share premium, on the issue of ordinary (voting and non-voting) and preference shares of the company.

Merger reserve

On 31 March 2021, Harbour Energy plc (formerly Premier Oil plc) acquired Chrysaor Holdings Limited as part of a reverse acquisition. Under the terms of the merger, Premier legally acquired Chrysaor through the issuance of consideration shares whilst Chrysaor was the acquirer for accounting purposes, primarily as a result of its ability to appoint the Board of the enlarged group. The merger reserve primarily represented Premier's opening balance on the legal reserve plus the fair value of the assets and liabilities acquired by Chrysaor. This was subsequently reduced following a capital restructuring in 2022.

On 3 September 2024, the company's acquisition of the Wintershall Dea assets met the conditions to recognise the difference between the fair value and nominal value of the shares issued as consideration as merger reserve.

Capital redemption reserve

The capital redemption reserve represents the nominal value of shares transferred following the company's purchase of them.

Cash flow hedge reserve

The cash flow hedge and cost of hedging reserves represent gains and losses on derivatives classified as effective cash flow hedges. Upon the designation of option instruments as hedging instruments, the intrinsic and time value components are separated, with only the intrinsic component being designated as the hedging instrument and the time value component is deferred in other comprehensive income as a 'cost of hedging'.

Currency translation reserve

This reserve comprises exchange differences arising on consolidation of the Group's operations with a functional currency other than the US dollar.

Share-based payments

The Group's main share incentive plans allow employees to acquire shares in the parent company, subject to certain criteria, and are classified as equity-settled in accordance with IFRS 2 Share-Based Payments. The fair value of the equity-settled awards has been determined at the date of grant of the award allowing for the effect of any market-based conditions. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period with a corresponding increase directly in equity, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

Employee benefit trust

Shares held in the Employee Share Ownership Plan (ESOP) to meet the future requirements of the employee share-based payment plans are not included in assets but are reflected at cost as a deduction from retained earnings. No gain or loss is recognised in the income statement on the purchase, issue or cancellation of equity shares.

Recharge arrangements

The Group operates an intercompany recharge mechanism whereby subsidiaries reimburse the parent company for share-based payments granted under IFRS 2. These recharges are directly linked to the share-based payment transactions. Subsidiaries adjust the initial capital contribution when reimbursing the parent company, while the parent company adjusts its investment in the subsidiaries, resulting in nil net impact on the parent company's carrying value of investments. All reciprocal entries are eliminated on consolidation.

Inventories

Consumables and subsea supplies are stated at the lower of cost and net realisable value. The cost of materials is the purchase cost, determined on weighted average cost basis. Hydrocarbons, including underlift and overlift positions, are measured at net realisable value using an observable year-end oil or gas market price, and are included in other debtors or creditors, respectively.

2 Material accounting policies continued

Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets which are no more than 10 years.

The Group recognises right-of-use assets and lease liabilities on a gross basis and the recovery of lease costs from joint operations' partners is recorded as other income.

Liabilities arising from a lease are initially measured on a present value basis reflecting the net present value of the fixed lease payments and amounts expected to be payable by the Group assuming leases run to full term. The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly impacts the amount of lease liabilities and right-of-use assets recognised.

The lease payments are discounted at the lease commencement date using the Group's incremental borrowing rates of between 0.9 per cent and 28.5 per cent, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

To determine the incremental borrowing rate, the Group where possible:

- Uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received
- Makes adjustments specific to the lease, for example term, country, currency and security

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Payments associated with short-term leases and leases of low value assets are recognised on a straight-line basis as an expense in the income statement. Short-term leases are leases with a lease term of 12 months or less.

For lease arrangements where all partners of a joint operation are considered to share the primary responsibility for lease payments under a lease contract, the Group recognises its share of the respective right-of-use asset and lease liability. This situation is most common where the parties of a joint operation co-sign the lease contract.

The Group recognises a gross lease liability for leases entered into on behalf of a joint operation where it has primary responsibility for making the lease payments. In such instances, if the arrangement between the Group and the joint operation represents a finance sublease, the Group recognises a net investment in sublease for amounts recoverable from non-operators whilst derecognising the respective portion of the gross right-of-use asset. The gross lease liability is retained on the balance sheet.

The net investment in sublease is classified as either trade and other receivables or long-term receivables on the balance sheet according to whether or not the amounts will be recovered within 12 months of the balance sheet date. Finance income is recognised in respect of net investment in subleases.

Provisions for liabilities

A provision is recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risk specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as part of finance costs in the income statement.

The estimated cost of dismantling and restoring the production and related facilities at the end of the economic life of each field is recognised in full when the related facilities are installed. The amount provided is the present value of the estimated future restoration cost. A non-current asset is also recognised. Any changes to estimated costs or discount rates are dealt with prospectively.

The Group recognises a provision for the estimated CO₂ emissions costs when actual emissions exceed the emission rights granted and still held. When actual emissions exceed the amount of emission rights granted, a provision is recognised for the exceeding emission rights based on the purchase price of allowances concluded in forward contracts or market quotations at the reporting date.

Group retirement benefits

The Group's various pension plans consist of both defined benefit and defined contribution plans. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit plan.

The Group operates a defined benefit pension scheme, which requires contributions to be made to a separately administered fund. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised immediately in the statement of comprehensive income.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the plan.

The Group participates in a legally independent multi-employer plan which is financed by employer and employee contributions as well as the return on plan assets. Since sufficient information is not available for this multi-employer plan, the Group accounts for the plan as if it was a defined contribution plan.

In the case of contribution-based defined benefit pension plans, the Group makes contribution payments to special-purpose funds as well as to life insurances. These contribution payments are recorded as expenses. Furthermore, for some of the Group's contribution-based defined benefit pension plans, benefit obligations are recognised at the fair value of these funds, so far as the assets exceed the guaranteed minimum benefit amount.

If the assets do not exceed the guaranteed minimum benefit amount, benefit obligations for these contribution-based benefit plans are recognised in the guaranteed minimum benefit amount.

The defined benefit plans are administered by a separate fund that is legally separated from the Group. The trustees of the pension fund are required by law to act in the interest of the fund and of all relevant stakeholders in the plans.

Trade payables

Initial recognition of trade payables is at fair value. Subsequently they are stated at amortised cost.

Taxes

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax related to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or directly in equity, not in the income statement.

Management periodically evaluates positions taken in the tax returns with respect to situations in which tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred taxation is recognised in respect of all temporary differences arising between the tax bases of the assets and liabilities and their carrying amounts in the financial statements with the following exceptions:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred income tax assets are recognised only to the extent that it is probable that the taxable profit will be available against which the deductible temporary difference, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the reporting date. The carrying amount of the deferred income tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. The Group reassesses any unrecognised deferred tax assets each year taking into account changes in oil and gas prices, the Group's proven and probable reserves and resources profile and forecast capital and operating expenditures.

Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current assets against current tax liabilities, the deferred income tax relates to the same tax authority and that same tax authority permits the Group to make a single net payment.

2 Material accounting policies continued

Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Where deferred tax assets are recognised for temporary differences arising between the tax base of the Group's share incentive plans and their carrying value, to the extent that the future tax deduction exceeds the related cumulative IFRS 2 expense, the excess movement on the associated deferred tax balance is dealt with directly in equity. To the extent that the future tax deduction is less than or equal to the cumulative IFRS 2 expense, the movement on the associated deferred tax balance is charged or credited in the income statement.

Revenue from contracts with customers

Revenue from contracts with customers is recognised when the Group satisfies a performance obligation by transferring a good or service to a customer. A good or service is transferred when the customer obtains control of that good or service. Revenue associated with the sale of crude oil, natural gas and natural gas liquids (NGLs) is measured based on the consideration specified in contracts with customers with reference to quoted market prices in active markets, adjusted according to specific terms and conditions as applicable according to the sales contracts. The transfer of control of oil, natural gas, natural gas liquids and other items sold by the Group occurs when title passes at the point the customer takes physical delivery. The Group principally satisfies its performance obligations at a point in time and the amounts of revenue recognised relating to performance obligations satisfied over time are not significant.

The Group engages in sleeve and optimisation gas trading activities as part of its broader commodity risk management and commercial strategy. Contracts are evaluated based on their intent and usage. Where contracts are entered into and held for the purpose of generating profit from short-term market movements or dealer margins, they are classified as held for trading and recognised as derivatives. Gains and losses from these derivative contracts related to revenue and costs associated with other contracts that are classified as held primarily for the purpose of being traded are reported on a net basis as other operating income in the consolidated income statement.

Over/underlift

Differences between the production sold and the Group's share of production result in an overlift or an underlift. Underlift positions are measured at net realisable value using an observable year-end oil or gas market price. Overlift positions are measured using the sales price that generated the overlift. Underlift and overlift positions are included in receivables or payables respectively. Movements during the accounting period are recognised within cost of sales.

Interest income

Interest income is recognised on an accruals basis, by reference to the principal outstanding and at the effective interest rate applicable.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale (a qualifying asset) are capitalised as part of the cost of the respective assets. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the period. All other borrowing costs are recognised in the income statement in the period in which they are incurred.

New accounting standards and interpretations

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New standards, amendments and interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the consolidated financial statements.

Amendments issued and effective in the current year

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025 (unless otherwise stated).

Lack of Exchangeability – Amendments to IAS 21

For annual reporting periods beginning on or after 1 January 2025, Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments had no impact on the consolidated financial statements.

Standards issued but not yet effective

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the associated notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements. The initial expected material impacts on Group's financial statements are as follows:

- Foreign exchange difference will be classified in the category where the related income and expense form the item giving rise to the foreign exchange difference
- New disclosure will be added: (a) management-defined performance measures; and (b) a reconciliation for each line item in the statement of profit or loss between the restated amounts presented applying IFRS 18 and the amounts previously presented applying IAS 1

Additional standards issued but not yet effective

Other standards and amendments that are not yet effective and have not been adopted early by the Group include:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and 7). The amendments are effective for annual periods starting on or after 1 January 2026;
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments will take effect for annual reporting periods starting on or after 1 January 2026;
- Annual Improvements to IFRS Accounting Standards—Volume 11. The amendments will be effective for reporting periods beginning on or after 1 January 2026; and
- IFRS 19 Subsidiaries without Public Accountability: Disclosures. IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027

These standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

3 Segment information

The chief operating decision maker, who is responsible for allocating resources and assessing performance of the Group's business segments, has been identified as the Chief Executive Officer. The Group's activities consisted of one class of business being the acquisition, exploration, development and production of oil and gas reserves and related activities. The operating segments are divided geographically and managed across nine business units: namely Norway, UK, Germany, Mexico, Argentina, North Africa, Southeast Asia, CCS and Corporate. The CCS segment includes Denmark.

Information on major customers can be found in note 4.

Year ended 31 December 2025 (\$ million)	Norway	UK	Germany	Mexico	Argentina	North Africa	Southeast Asia	CCS	Corporate	Total segments	Adjustments and eliminations	Consolidated
Revenue and other income												
External customers												
– Crude oil sales	997	113	422	146	66	46	50	13	1,634	3,487	–	3,487
– Gas sales	(27)	124	11	9	431	160	96	–	5,229	6,033	–	6,033
– Condensate sales	275	73	2	–	19	44	–	–	98	511	–	511
– Other revenue	15	44	1	–	–	–	–	–	–	60	–	60
Other operating income	–	23	1	3	58	65	–	–	20	170	–	170
Inter-segment	3,070	3,493	243	–	–	–	–	–	–	6,806	(6,806)	–
Total revenue and other income	4,330	3,870	680	158	574	315	146	13	6,981	17,067	(6,806)	10,261
Cost of operations	(2,880)	(2,354)	(674)	(91)	(383)	(177)	(83)	(28)	(5,700)	(12,370)	6,806	(5,564)
Impairment of property, plant and equipment	–	(11)	(49)	(77)	–	(178)	(35)	(16)	1	(365)	–	(365)
Exploration and evaluation expenses and new ventures	(8)	(9)	(1)	(19)	–	–	–	(69)	–	(106)	–	(106)
Exploration costs written-off	(37)	(53)	–	(107)	–	(3)	–	–	–	(200)	–	(200)
General and administrative expenses	(61)	(50)	(75)	(26)	(29)	(14)	(7)	–	(274)	(536)	–	(536)
Segment operating profit	1,344	1,393	(119)	(162)	162	(57)	21	(100)	1,008	3,490	–	3,490
Finance income												461
Finance expenses												(1,150)
Income tax expense												(2,983)
Loss for the year												(182)
Total capital additions	903	487	100	102	107	112	82	33	20	1,946	–	1,946
Total depreciation, depletion and amortisation	971	1,296	257	36	198	133	35	–	33	2,959	–	2,959
As at 31 December 2025												
Total other non-current assets	9,033	5,772	3,002	1,823	4,070	436	316	29	169	24,650	–	24,650
Total assets	9,285	6,168	3,123	2,157	4,315	715	716	34	2,580	29,093	–	29,093
Total liabilities	(6,667)	(6,216)	(2,017)	(438)	(1,136)	(152)	(277)	(132)	(5,852)	(22,887)	–	(22,887)

Year ended 31 December 2024 (\$ million)	Norway	UK	Germany	Mexico	Argentina	North Africa	Southeast Asia	CCS	Corporate	Total segments	Adjustments and eliminations	Consolidated
Revenue and other income												
External customers												
– Crude oil sales	343	1,755	158	55	23	10	141	–	393	2,878	–	2,878
– Gas sales	86	1,143	9	3	111	63	115	–	1,406	2,936	–	2,936
– Condensate sales	87	156	1	–	6	21	–	–	12	283	–	283
– Other revenue	3	39	–	–	–	19	–	–	–	61	–	61
Other operating income	–	33	4	2	7	6	1	–	15	68	–	68
Inter-segment	946	791	74	–	–	–	–	–	68	1,879	(1,879)	–
Total revenue and other income	1,465	3,917	246	60	147	119	257	–	1,894	8,105	(1,879)	6,226
Cost of operations	(520)	(2,699)	(243)	(37)	(120)	(58)	(172)	(6)	(1,631)	(5,486)	1,873	(3,613)
Reversal/(impairment) of property, plant and equipment	14	(323)	(26)	–	–	–	(15)	(5)	3	(352)	–	(352)
Impairment of right-of-use asset	–	(20)	–	–	–	–	–	–	–	(20)	–	(20)
Exploration and evaluation expenses and new ventures	(22)	(4)	–	–	–	–	–	(40)	(2)	(68)	–	(68)
Exploration costs written-off	(76)	(81)	–	–	–	(2)	(14)	–	–	(173)	–	(173)
General and administrative expenses	(24)	(76)	(19)	(6)	(9)	(7)	(7)	(1)	(203)	(352)	–	(352)
Segment operating profit	837	714	(42)	17	18	52	49	(52)	61	1,654	(6)	1,648
Finance income												173
Finance expenses												(602)
Income tax expense												(1,312)
Loss for the year												(93)
Total capital additions	374	698	59	110	61	46	93	33	70	1,544	–	1,544
Total depreciation, depletion and amortisation	293	1,115	146	10	58	16	78	–	29	1,745	–	1,745
As at 31 December 2024, as restated												
Total other non-current assets	9,055	6,840	2,817	1,951	4,164	581	523	26	229	26,186	–	26,186
Total assets	9,434	7,306	2,992	2,420	4,488	917	919	18	1,783	30,277	–	30,277
Total liabilities	(6,622)	(6,936)	(1,921)	(482)	(1,292)	(165)	(454)	(108)	(6,046)	(24,026)	–	(24,026)

4 Revenue from contracts with customers and other operating income

Year ended 31 December	2025 \$ million	2024 \$ million
Type of goods		
Crude oil sales	3,487	2,878
Gas sales	6,033	2,936
Condensate sales	511	283
Total revenue from contracts with customers¹	10,031	6,097
Tariff income	48	32
Other revenue	12	29
Revenue from production activities	10,091	6,158
Other operating income ²	170	68
Total revenue and other operating income	10,261	6,226

1 Revenues from contracts with customers of \$9,930 million (2024: \$6,115 million) include crude oil sales of \$3,371 million (2024: \$2,846 million) and gas sales of \$6,048 million (2024: \$2,986 million). This was prior to realised hedging gains in the year of \$116 million (2024: \$32 million) on crude oil and realised hedging losses in the year of \$15 million (2024: \$50 million) on gas sales.

2 Other operating income principally represents receipts of acquired credit-impaired assets, government subsidies in Argentina and fair value accounting of commodity derivatives.

For 2025, three customers (2024: one customer) individually contributed more than 10 per cent of the Group's revenue. They were energy trading companies of Citigroup (24 per cent), Eni S.p.A. (11 per cent) and energy trading companies of the Shell group (10 per cent) (2024: energy trading companies of the Shell group, 54 per cent).

5 Operating profit

Year ended 31 December	Note	2025 \$ million	2024 \$ million
Cost of operations			
Production, insurance and transportation costs		2,317	1,612
Commodity purchases		238	28
Royalties		140	47
(Reversal)/impairment of receivables		(2)	21
Depreciation of oil and gas assets	12	2,758	1,516
Depreciation of right-of-use oil and gas assets	13	216	269
Capitalisation of IFRS 16 lease depreciation on oil and gas assets	13	(67)	(81)
Movement in over/underlift balances and hydrocarbon inventories		(36)	201
Total cost of operations		5,564	3,613
Impairment expense of oil and gas property, plant and equipment	12	289	178
Net impairment loss due to increase in decommissioning provisions on oil and gas tangible assets	12	41	174
Impairment of assets previously held as assets held for sale	18	35	–
Impairment of right-of-use asset	13	–	20
Exploration costs written-off ¹	11	200	173
Exploration and evaluation expenditure and new ventures ¹		106	68
General and administrative expenses			
Depreciation of right-of-use non-oil and gas assets	13	17	16
Depreciation of non-oil and gas assets	12	15	6
Amortisation of non-oil and gas intangible assets	11	20	19
Acquisition, restructuring and reorganisation-related transaction costs ²		78	119
Other administrative costs		406	192
Total general and administrative expenses^{2,5}		536	352
Auditors' remuneration			
Audit fees			
Fees payable to the company's auditor for the company's Annual Report		5	6
Audit of the company's subsidiaries pursuant to legislation		2	1
Non-audit fees³			
Other services pursuant to legislation – interim review		–	–
Other services ⁴		1	2

1 During the year, the Group expensed \$306 million (2024: \$241 million) of exploration and appraisal activities. This covers exploration write-off expense of \$200 million (2024: \$173 million) including write-off of costs associated with projects in our Norway Business Unit (\$22 million), licence relinquishments in UK (\$40 million) and Mexico (\$107 million), and \$84 million (2024: \$40 million) costs associated with ongoing projects within the Group's CCS Business Unit, including \$50 million (2024: \$nil) associated with energy transition expenditure.

2 Total general and administrative expenses in 2025 include consultancy and business development costs of \$78 million (2024: \$119 million) associated with various initiatives and M&A activities across the Group primarily for the LLOG and Waldorf transactions. In 2024 these costs mainly related to the acquisition of the Wintershall Dea asset portfolio which completed in September 2024.

3 The company has a policy on the provision of non-audit services by the auditors which is aimed at ensuring their continued independence. This policy is available on the Group's website. The use of the external auditors for services relating to accounting systems or financial statement preparations is not permitted, as are various other services that could give rise to conflicts of interest or other threats to the auditors' objectivity that cannot be reduced to an acceptable level by applying safeguards.

4 Other non-audit services in 2025 primarily relate to bond issuance related activities.

5 Expenses related to both short-term and low-value lease arrangements are considered to be immaterial for reporting purposes.

6 Staff costs

	2025	2024
Year ended 31 December	\$ million	\$ million
Wages and salaries and other staff costs	495	428
Social security costs	69	46
Pension costs	49	35
Total staff costs	613	509

The average number of employees employed by the Group worldwide was:

	2025	2024
	Number	Number
Offshore based	571	545
Onshore and administration	2,341	1,614
Total staff	2,912	2,159

During the period September to December 2024, following the acquisition of the Wintershall Dea portfolio, the Group employed an average of 3,019 employees.

Staff costs above are recharged to joint venture partners where applicable, or are capitalised to the extent that they are directly attributable to capital or decommissioning projects. The above costs include share-based payments as disclosed in note 28.

The Group operates defined contribution and benefit pension schemes for which further details are provided in note 29.

7 Finance income and finance expenses

		2025	2024
Year ended 31 December	Note	\$ million	\$ million
Finance income			
Bank interest		92	37
Other interest and finance gains		24	16
Realised gains on foreign exchange forward contracts		191	–
Unrealised gains on derivatives ¹		109	–
Gain on financial instruments for contingent consideration		39	–
Lease finance income		1	1
Dividend income		5	1
Foreign exchange gains		–	118
Total finance income		461	173
Finance expenses			
Interest payable on bonds		173	59
Interest payable on other facilities		3	19
Unrealised losses on derivatives ¹		–	43
Realised losses on foreign exchange forward contracts		–	71
Realised losses on interest derivatives		5	–
Finance expense on deferred revenue		–	5
Lease interest	13	40	53
Bank and financing fees ²		123	139
Other interest and finance expenses		64	10
Unwinding of discount on decommissioning and other provisions	21	293	221
Foreign exchange losses		485	–
		1,186	620
Finance costs capitalised during the year ³		(36)	(18)
Total finance expense		1,150	602

1 Gains on derivatives include mark to market gains on foreign currency and interest rate derivatives of \$37 million (2024: \$30 million loss), derivative ineffectiveness gains of \$43 million (2024: \$8 million losses) and \$29 million gains related to changes in the fair value of an embedded derivative within one of the Group's gas contracts (2024: \$5 million loss).

2 Bank and financing fees include an amount of \$81 million (2024: \$102 million) relating to the amortisation of arrangement fees and related costs capitalised against the Group's long-term borrowings (note 22). This relates to the amortisation of capitalised fees in respect of the Group's bonds of \$5,151 million.

3 The amount of finance costs capitalised was determined by applying the weighted average rate of finance costs applicable to the borrowings of the Group of 4.3 per cent to the expenditures on the qualifying assets (2024: 4.5 per cent).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

8 Income tax

The major components of income tax expense are:

	2025 \$ million	2024 \$ million
Year ended 31 December		
Current income tax expense		
Charge for the year	3,510	1,413
Adjustments in respect of prior years	(5)	2
Total current income tax expense	3,505	1,415
Deferred tax credit		
Origination and reversal of temporary differences in current year	(781)	(168)
Impact of changes in tax laws and rates ¹	265	77
Adjustments in respect of prior years	(6)	(12)
Total deferred tax credit	(522)	(103)
Total tax expense reported in the income statement	2,983	1,312
The tax expense/(credit) in the statement of comprehensive income is as follows:		
Tax expense/(credit) on cash flow hedges	752	(379)
Tax expense/(credit) on actuarial gains and losses	11	(4)
Total tax expense/(credit) reported in the statement of comprehensive income	763	(383)

1 The amount for 2025 comprises a \$311 million charge in respect of the extension of the Energy Profits Levy in the UK by two years to 31 March 2030 and a \$46 million credit in respect of the reduction in the German Federal Corporate Income Tax rate by one per cent per annum starting from 2028 through to 2032. The amount for 2024 comprises the impact of the increase in Energy Profits Levy from 35 per cent to 38 per cent from 1 November 2024.

Reconciliation of tax expense and the accounting profit before taxation at the Group's statutory tax rate is as follows:

	2025 \$ million	2024 \$ million
Year ended 31 December		
Profit before income tax	2,801	1,219
At the Group's statutory tax rate of 78 per cent (2024: 78 per cent)	2,185	951
Effects of:		
Expenses not deductible for tax purposes	153	68
Adjustments in respect of prior years	(11)	(10)
Remeasurement of deferred tax	25	70
Deferred Energy Profits Levy extension	311	77
Impact of different tax rates	272	282
Allowances and other tax uplifts	(86)	(113)
Future dividends from investments in subsidiaries, branches and associates	-	(11)
Impact of exchange rate differences	134	(2)
Total tax expense reported in the consolidated income statement at the effective tax rate of 106 per cent (2024: 108 per cent)	2,983	1,312

The tax expense reconciliation has been prepared based on the statutory tax rate of 78 per cent applicable to oil and gas production in the UK and Norway, the two most significant jurisdictions of operation for the Group. Management believes that using this rate provides the most meaningful comparison between the expected tax expense, based on accounting profit, and the actual tax expense recognised.

The effective tax rate for the year is 106 per cent, compared to 108 per cent for 2024.

The effective tax rate of 106 per cent is significantly higher than the statutory rate of 78 per cent for the Group. This is primarily due to a \$311 million deferred tax charge arising from the extension of the Energy Profits Levy (EPL) in the UK by two years, from 31 March 2028 to 31 March 2030, as well as non-deductible foreign exchange losses and the weighting of earnings and expenditure across the various jurisdictions with different statutory tax rates.

The future effective tax rate is influenced by the profit mix across the jurisdictions in which the Group operates. The UK and Norway are expected to remain the principal jurisdictions where profits will be earned, so their statutory tax rates for oil and gas production operations are anticipated to continue as the primary factors influencing the Group's future tax expense.

The extension of the EPL by the UK Government from 31 March 2028 to 31 March 2030 was substantively enacted on 3 March 2025 and the associated \$311 million increase in deferred tax liabilities has been recognised in this period's financial statements.

In the Autumn Budget on 26 November 2025, the UK Government confirmed its intention to introduce a new Oil and Gas Price Mechanism (OGPM) from 1 April 2030 as a permanent replacement to the Energy Profits Levy. Based on the details announced in the Budget, the OGPM will apply a 35 per cent tax on revenues when commodity prices exceed specified price thresholds of \$90 per barrel for oil and 90 pence per therm for gas, to be adjusted annually in line with CPI inflation.

On 11 July 2025, the German Federal Council passed legislation mandating annual one per cent reductions in the Federal Corporate Income Tax rate starting from 2028 through to 2032. Including Trade Tax, Germany's headline tax rate will reduce from approximately 32 per cent to 27 per cent. This has resulted in a reduction in the Group's deferred tax liability of \$46 million which has been recognised in this period's financial statements.

Deferred tax

The principal components of deferred tax are set out in the following table:

	2025 \$ million	2024 As restated \$ million
As at 31 December		
Deferred tax assets	121	130
Deferred tax liabilities	(6,491)	(6,177)
Total deferred tax	(6,370)	(6,047)

The presentation above takes into account the offsetting of deferred tax assets and deferred tax liabilities within the same tax jurisdiction (where this is permitted). The overall deferred tax balance in a jurisdiction determines if the deferred tax related to that jurisdiction is disclosed within deferred tax assets or deferred tax liabilities.

The origination of and reversal of temporary differences are, as shown in the next table, related primarily to movements in the carrying amounts and tax base values of expenditure and the timing of when these items are charged and/or credited against accounting and taxable profit.

	Accelerated capital allowances \$ million	Decom- missioning \$ million	Losses \$ million	Fair value of derivatives \$ million	Other ¹ \$ million	Overseas \$ million	Total \$ million
As at 1 January 2024	(2,901)	1,574	181	6	21	(171)	(1,290)
Deferred tax (expense)/credit	(44)	257	(114)	(38)	42	–	103
Other comprehensive income	–	–	–	380	4	–	384
Other reserves ²	–	–	–	–	(1)	–	(1)
Additions from business combinations	(6,509)	971	201	(14)	(2)	–	(5,353)
Reclassification to assets held for sale ³	19	–	–	–	–	–	19
Reclassifications ^{4,5}	(221)	7	28	–	15	171	–
Foreign exchange	75	(18)	(8)	2	(4)	–	47
As at 31 December 2024	(9,581)	2,791	288	336	75	–	(6,091)
Additions from business combinations as restated	44	–	–	–	–	–	44
As at 31 December 2024 as restated	(9,537)	2,791	288	336	75	–	(6,047)
Deferred tax credit/(expense)	667	(111)	(100)	52	14	–	522
Other comprehensive income	–	–	–	(752)	(11)	–	(763)
Disposal/reclassification to assets held for sale ⁶	14	(3)	–	–	–	–	11
Reclassifications	1	–	–	34	(35)	–	–
Foreign exchange	(157)	62	6	(1)	(3)	–	(93)
As at 31 December 2025	(9,012)	2,739	194	(331)	40	–	(6,370)

1 Includes deferred tax movements related to investment allowances, share-based payments, pensions, financial instruments, leases, provisions, inventory and working capital.

2 In 2024, movement in other reserves relates to the element of deferred tax on UK share-based payments taken to profit and loss reserves.

3 The presentation of the reclassification of deferred tax liabilities directly associated with assets held for sale has changed compared to the prior year. The deferred tax liability of \$19 million relating to the Group's Vietnam business which was classified as held for sale at 31 December 2024 was previously included within the closing balance in respect of accelerated capital allowances.

4 In 2024, items previously classified as overseas balances in 2023 were reclassified into specific deferred tax categories.

5 Balances related to UK investment allowances (\$12 million) have been reclassified from accelerated capital allowances to other.

6 Of the total amount disposed of or reclassified to assets held for sale in 2025, a \$22 million deferred tax liability related to the reclassification of the operated Indonesia business to held for sale and a \$11 million deferred tax asset related to the disposal of the Vietnam business.

The Group's deferred tax assets are recognised to the extent that taxable profits are expected to arise against which the tax assets can be utilised. The Group assessed the recoverability of tax losses and allowances using corporate assumptions which are consistent with the Group's impairment assessment. Based on those assumptions, the Group expects to fully utilise its recognised tax losses and allowances. The recovery of the Group's decommissioning deferred tax assets is additionally supported in the UK by the ability to carry back decommissioning tax losses against prior period ring fence profits, and in Norway by fiscal rules that provide cash refunds of the tax value of decommissioning tax losses.

8 Income tax continued

In the UK, ring fence tax losses cannot be offset against profits subject to EPL nor are deductions allowed for decommissioning related expenditure. Consequently, any deferred tax assets representing future decommissioning deductions or ring fence tax losses are unaffected by the EPL. The primary impact of the EPL is on the deferred tax liability associated with accelerated capital allowances. The closing net deferred tax liability for the period is \$6,370 million (2024 as restated: \$6,047 million), of which \$1,006 million (2024: \$877 million) relates to deferred tax liabilities arising from the impact of the EPL.

Consistent with other sensitivity analyses undertaken, we have assessed the impact on the recoverability of deferred tax assets based on a decrease of 10 per cent to the Harbour scenario average crude price curves. While there would generally be no material impacts, tax losses in Mexico are particularly sensitive to the timing of profits as they expire within a 10-year period once generated. Under this scenario, the deferred tax assets currently recognised for Mexican tax losses would decrease by around \$39 million.

Unrecognised tax losses and allowances

Deferred tax assets are recognised for tax loss carry forwards, tax allowances and other deductible temporary differences to the extent that it is probable the associated tax benefits will be realised through offsetting future taxable profits or by carrying losses back to prior periods' profits. At the end of the accounting period, the Group had not recognised deferred tax assets for tax losses, allowances and other deductible temporary differences amounting to approximately \$3,539 million (2024: \$2,743 million). These other deductible temporary differences include unclaimed tax depreciation and investment allowances, unrealised losses on non-commodity derivatives and decommissioning related provisions.

As at 31 December	2025 \$ million	2024 \$ million
Tax losses by expiry date		
Expiring within 5 years	649	477
Expiring within 6-10 years	478	240
No expiration	1,953	1,621
	3,080	2,338
Other deductible temporary differences and allowances		
Decommissioning	154	73
Fair value of financial instruments	30	109
Investment allowances	202	185
Unclaimed tax depreciation	73	38
Total unrecognised tax losses and allowances	3,539	2,743

No deferred tax liabilities were recognised for temporary differences associated with investments in subsidiaries, branches and associates of approximately \$130 million (2024: \$293 million) because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

Global minimum corporation tax rate – Pillar Two requirements

The legislation implementing the Organisation for Economic Co-operation and Development's (OECD) proposals for a global minimum corporation tax rate (Pillar Two) was substantively enacted into UK law on 20 June 2023. The rules became effective from 1 January 2024.

The Group has applied the mandatory exception in IAS 12 to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group has performed an assessment of its potential exposure to Pillar Two income taxes for periods from 1 January 2024. The assessment of the potential exposure is based on the most recent tax filings, country-by-country reporting and financial statements for the constituent entities in the Group. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15 per cent and the transitional safe harbour relief is expected to apply. On this basis, the Group has not recorded a liability for Pillar Two income taxes for the year ended 31 December 2025 in respect of any jurisdiction.

Uncertain tax positions

The Group considers an uncertain tax position to exist when it believes that the amount of profit subject to tax in the future may exceed the amount initially reflected in the Group's tax returns. The Group applies IFRIC 23 Uncertainty over Income Tax Treatments in relation to uncertain tax positions. When management judges that an outflow of funds is probable and a reliable estimate of the dispute can be made, a provision is recognised for the best estimate of the most likely liability.

In estimating any such liability, the Group adopts a risk-based approach, considering the specific circumstances of each dispute. This is based on management's interpretation of tax law and, where appropriate, is supported by independent specialist advice. These estimates are inherently judgemental and can change significantly over time as disputes progress and new facts emerge.

Provisions are reviewed continuously. However, the resolution of tax issues may take a long time to conclude, and there is a possibility that the amounts ultimately paid could differ from the amounts initially provided.

In prior periods, the Group disclosed a contingent liability in respect of an uncertain tax position arising within certain UK subsidiaries. The matter related to the timing of taxation of fair value movements and realised gains and losses on derivative instruments entered into to hedge commodity price risk. Based on independent external tax advice, management concluded that an outflow of economic benefits was not probable. Accordingly, no liability was recognised in the Group's consolidated financial statements in previous reporting periods. The contingent liability, estimated at up to \$130 million as at 31 December 2024, was previously disclosed due to the possibility that HM Revenue & Customs (HMRC) might apply a different tax treatment to these hedging transactions. The potential exposure arose primarily from differences in applicable tax rates over the relevant periods. During 2025, HMRC completed a review of this matter and confirmed that the Group's filed tax position requires no adjustments. Consequently, the uncertainty has been resolved and no financial impact results from this resolution, as no liability was recognised in prior periods.

9 Loss per share (EPS)

Basic EPS is calculated by dividing the profit/loss after tax attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares in issue during the year.

Diluted EPS is calculated by dividing the profit/loss after tax attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

Year ended 31 December	2025	2024
Loss per share (\$ million)		
Earnings for the purpose of basic earnings per share	(263)	(108)
Effect of dilutive potential ordinary shares	-	-
Loss for the purpose of diluted earnings per share	(263)	(108)
Number of ordinary shares (millions)		
Weighted average number of ordinary shares (voting) for the purpose of basic earnings per share	1,426	990
Weighted average number of ordinary shares (non-voting) for the purpose of basic earnings per share	284	93
Weighted average number of ordinary shares (voting) for the purpose of diluted earnings per share	1,426	990
Weighted average number of ordinary shares (non-voting) for the purpose of diluted earnings per share	251	93
Loss per share (\$ cents)		
Basic:		
Ordinary shares voting	(15)	(10)
Ordinary shares non-voting	(17)	(11)
Diluted:		
Ordinary shares voting	(16)	(10)
Ordinary shares non-voting	(17)	(11)

10 Goodwill

Goodwill represents the difference between the aggregate of the fair value of purchase consideration transferred at the acquisition date and the fair value of the identifiable assets.

		2025	2024
Carrying value	Note	\$ million	As restated \$ million
At 1 January		5,062	1,302
Additions from business combinations	14	-	3,760
At 31 December		5,062	5,062

10 Goodwill continued

Goodwill is allocated as follows to the operating segments:

	2025	2024
	\$ million	As restated \$ million
Carrying value		
Norway	2,648	2,648
UK	1,277	1,277
Germany	321	321
Mexico	199	199
Argentina	593	593
Southeast Asia	24	24
At 31 December	5,062	5,062

The goodwill balance consists of balances arising from the acquisition of Wintershall Dea's upstream oil and gas assets on 3 September 2024, the completion of the all-share merger between Premier Oil plc and Chrysaor Holdings Limited in March 2021, Chrysaor Holdings Limited's acquisition of the ConocoPhillips UK business, and the UK North Sea assets from Shell, which completed on 30 September 2019 and 1 November 2017, respectively.

Impairment testing of goodwill

In accordance with IAS 36 Impairment of Assets, goodwill is reviewed for impairment at the year-end, or more frequently if there are indications that goodwill might be impaired.

The goodwill recognised in business combinations is allocated to operating segments for the purpose of impairment testing. The carrying value of goodwill is tested at the operating segment level against the aggregated headroom arising from the impairment testing of corresponding segment assets. The carrying value of the assets is the sum of tangible assets, intangible assets and goodwill as of the assessment date. In the asset impairment test performed, and where applicable, the carrying value is adjusted by deferred tax which protects goodwill from an immediate impairment. When the deferred tax liabilities from the acquisitions naturally unwind and decrease, as a result of depreciation through production, more goodwill is exposed to impairment. This may lead to future impairment charges even though other assumptions remain stable.

For the purpose of its goodwill impairment assessments, the Group uses the fair value less cost of disposal method (FVLCD) to calculate the recoverable amount of the operating segments consistent with a Level 3 fair value measurement (see note 23). In determining the recoverable value, appropriate discounted-cash-flow valuation models are used, incorporating market-based assumptions. Management's commodity assumptions are discussed in note 2.

At the year-end, the Group tested all allocated business unit goodwill for impairment in accordance with the accounting policy and no goodwill impairment was recognised (2024: \$nil). Goodwill will ultimately be impaired to the income statement as the relevant operating segment businesses mature.

Determining recoverable amount

The recoverable amounts of the CGU and fields have been determined on a fair value less costs to sell basis. The key assumptions used in determining the fair value are often subjective, such as the future long-term oil and gas price assumption, or the operational performance of the assets. Discounted cash flow models comprising asset-by-asset life of field projections using Level 3 inputs (based on the IFRS 13 fair value hierarchy) have been used to determine the recoverable amounts. The fair value of the Group's intangible assets used to assess the goodwill recoverable amount is based on post-tax cash flows or benchmarked multiples, which are based on market information.

The cash flows have been modelled on a post-tax and post-decommissioning basis, inflated at 2.5 per cent per annum from 1 January 2029, and discounted at the Group's post-tax discount rate of between 9.0 per cent and 14.5 per cent (2024: 8.8 – 14.5 per cent post-tax). Risks specific to assets within the CGU are reflected within the cash flow forecasts.

Key assumptions used in calculations

Assumptions involved in impairment measurement include estimates of future oil and gas prices, commercial reserves and resources and production volumes, discount and foreign exchange rates and the level and timing of expenditures, all of which are inherently uncertain.

Management's commodity price curve assumptions used for the purposes of management's impairment assessments are benchmarked against a range of external forward price data on a regular basis. Individual field price differentials are then applied.

Commodity and carbon prices

Management's commodity price curve assumptions are benchmarked against a range of external forward price curves on a regular basis. The first three years reflect management's best estimate taking into account the market consensus and forward prices curves transitioning to a long-term price thereafter. The long-term commodity prices and carbon prices are shown in note 2 of the financial statements on page 140.

Production volumes and oil and gas reserves and resources

Based on life of field production profiles for each asset within the CGUs. Proven and probable reserves are estimates of the amount of oil and gas that can be economically extracted from the Group's oil and gas assets. The Group estimates its reserves and resources using standard recognised evaluation techniques and they are assessed at least annually by management and by an independent consultant. Proven and probable reserves are determined using estimates of oil and gas in place, recovery factors and future commodity prices.

Costs

Operating expenditure, capital expenditure and decommissioning costs, which have been inflated at 2.5 per cent per annum from 1 January 2029, are derived from the Group's business plan.

Discount rates

Discount rates used represent management's estimate of the Group's country-based weighted average cost of capital (WACC), considering both debt and equity. The cost of equity is derived from an expected return on investment by the Group's investors, and the cost of debt is based on its interest-bearing borrowings. Segment-specific risk is incorporated by applying a beta factor based on publicly available market data. The discount rate is based on an assessment of a relevant peer group's post-tax WACC.

Foreign exchange rates

Based on management's long-term rate assumptions, with reference to a range of underlying economic indicators.

Sensitivity to changes in assumptions used in calculations

The Group has run sensitivities on its long-term commodity price assumptions, which have been based on long-range forecasts from external financial analysts, using alternate long-term price assumptions, and discount rates. These are considered to be reasonably possible changes for the purposes of sensitivity analysis. As shown in note 2 of the financial statements, the sensitivity analysis on commodity prices reflecting a 10 per cent reduction in the long-term oil and gas price deck applied in the impairment test would result in \$567 million goodwill impairment. A one per cent increase in the discount rate would result in an impairment to goodwill of \$32 million.

11 Other intangible assets

	Note	Oil and gas assets \$ million	Non-oil and gas assets ¹ \$ million	Carbon allowances \$ million	Total \$ million
Cost					
As at 1 January 2024		1,016	172	86	1,274
Additions		398	51	36	485
Additions from business combinations and joint arrangements	14	4,407	2	–	4,409
Transfers (to)/from property, plant and equipment	12	(39)	1	–	(38)
Increase in decommissioning asset	21	12	–	–	12
Exploration write-off		(173)	–	–	(173)
Utilised		–	–	(54)	(54)
Disposals		–	(42)	–	(42)
Currency translation adjustment		(76)	(3)	(3)	(82)
As at 31 December 2024		5,545	181	65	5,791
Additions		327	51	45	423
Transfers to property, plant and equipment	12	(17)	(8)	–	(25)
Increase in decommissioning asset	21	(2)	–	–	(2)
Exploration write-off ²		(200)	–	–	(200)
Utilised		–	–	(74)	(74)
Reclassification of asset held for sale	18	(113)	–	–	(113)
Currency translation adjustment		32	16	5	53
As at 31 December 2025		5,572	240	41	5,853
Amortisation					
As at 1 January 2024		–	102	–	102
Charge for the year		–	19	–	19
Disposals		–	(42)	–	(42)
Currency translation adjustment		–	(2)	–	(2)
As at 31 December 2024		–	77	–	77
Charge for the year		–	20	–	20
Currency translation adjustment		–	7	–	7
As at 31 December 2025		–	104	–	104
Net book value					
As at 31 December 2024		5,545	104	65	5,714
As at 31 December 2025		5,572	136	41	5,749

¹ Non-oil and gas assets relate to Group Information Systems software of \$67 million and carbon capture and storage activities of \$69 million.

² The exploration write-off of \$200 million (2024: \$173 million) includes the write-off of costs associated with licence relinquishments in the UK (\$40 million) and Mexico (\$107 million), and project cancellations in Norway (\$22 million).

12 Property, plant and equipment

	Note	Oil and gas assets \$ million	Fixtures and fittings & office equipment \$ million	Land and buildings ¹ \$ million	Total \$ million
Cost					
As at 1 January 2024		12,055	42	–	12,097
Additions		1,037	21	1	1,059
Additions from business combinations and joint arrangements	14	9,986	20	40	10,046
Transfers from intangible assets	11	39	–	(1)	38
Reclassification of asset held for sale		(198)	–	–	(198)
Increase in decommissioning asset	21	760	–	–	760
Disposals		(1)	(24)	–	(25)
Currency translation adjustment		(258)	(2)	(2)	(262)
As at 31 December 2024		23,420	57	38	23,515
Additions ²		1,511	11	1	1,523
Transfers from intangible assets	11	17	1	7	25
Reclassification of asset held for sale	18	(274)	–	–	(274)
Decrease in decommissioning asset ³	21	(193)	–	–	(193)
Disposals		(3)	(1)	–	(4)
Currency translation adjustment		702	4	4	710
As at 31 December 2025		25,180	72	50	25,302
Accumulated depreciation					
As at 1 January 2024		7,233	28	–	7,261
Charge for the year		1,516	5	1	1,522
Impairment charge		352	–	–	352
Reclassification of asset held for sale		(124)	–	–	(124)
Disposals		(1)	(24)	–	(25)
Currency translation adjustment		(49)	–	–	(49)
As at 31 December 2024		8,927	9	1	8,937
Charge for the year		2,758	12	3	2,773
Impairment charge		330	–	–	330
Reclassification of asset held for sale	18	(191)	–	–	(191)
Currency translation adjustment		242	1	–	243
As at 31 December 2025		12,066	22	4	12,092
Net book value:					
As at 31 December 2024		14,493	48	37	14,578
As at 31 December 2025		13,114	50	46	13,210

1 Land and buildings include investment property of \$3 million (2024: \$3 million).

2 Included within property, plant and equipment additions of \$1,523 million (2024: \$1,059 million) are associated cash flows of \$1,435 million (2024: \$884 million) and non-cash flow movements of \$88 million (2024: \$175 million) represented by a \$7 million increase in capital accruals (2024: \$93 million increase), \$45 million of capitalised lease depreciation (2024: \$64 million) and \$36 million of capitalised interest (2024: \$18 million).

3 A decrease in the decommissioning assets of \$193 million (2024: increase, \$760 million) was made during the year as a result of both an update to the decommissioning estimates and new obligations (note 21).

During the year, the Group recognised a pre-tax impairment charge of \$330 million (post-tax \$283 million) (2024: \$352 million; post-tax \$185 million). This comprised a pre-tax impairment charge representing a write-down of property, plant and equipment assets of \$289 million (2024: \$163 million) across the UK, Mexico and North Africa, mainly driven by reserves reductions and field performance. The recoverable amount of all the CGUs for which an impairment charge was recognised is \$141 million, \$7 million, and \$285 million, respectively. A pre-tax impairment charge of \$41 million (2024: \$174 million) was also recorded in respect of revisions to decommissioning estimates on late-life assets, and non-producing assets with no remaining net book value (see note 21).

In 2024, a net pre-tax impairment charge of \$352 million was recognised as a result of impairments on three UK CGUs of \$163 million, mainly driven by further changes to the UK Energy Profits Levy and changes in life of field outlook, in addition to a fair value impairment on the Vietnam held for sale asset of \$15 million and a pre-tax impairment charge of \$174 million in respect of revisions to decommissioning estimates on the Group's non-producing assets with no remaining net book value. The recoverable amount of all the CGUs in the UK for which an impairment charge was recognised was \$311 million.

Key assumptions used in calculations

Assumptions used in impairment measurement include estimates of commercial reserves and production volumes, future oil and gas prices, discount rates and the level and timing of expenditures, all of which are inherently uncertain.

Commodity and carbon prices

The Group uses the fair value less cost of disposal method (FVLCD) to calculate the recoverable amount of the CGUs with a Level 3 fair value measurement (see note 23). In determining the recoverable value, appropriate discounted-cash-flow valuation models were used, incorporating market-based assumptions. Management's commodity price curve assumptions are benchmarked against a range of external forward price curves on a regular basis. Individual field price differentials are then applied. The first three years reflect benchmarked consensus and market forward price curves transitioning to a long-term price from 2028, thereafter inflated at 2.5 per cent per annum. Harbour utilised real long-term commodity price assumptions from 2028 for Brent crude \$74 per barrel, for UK NBP gas 89 pence per therm and for European gas price \$11.6 per mmbtu.

Production volumes and oil and gas reserves

Production volumes are based on life of field production profiles for each asset within the CGU. Proven and probable reserves are estimates of the amount of oil and gas that can be economically extracted from the Group's oil and gas assets. The Group estimates its reserves using standard recognised evaluation techniques, assessed at least annually by management. Proven and probable reserves are determined using estimates of oil and gas in place, recovery factors and future commodity prices.

Costs

Operating expenditure, capital investment and decommissioning costs are derived from the Group's business plan.

Discount rates

The discount rate reflects management's estimate of the Group's country-based weighted average cost of capital (WACC).

Foreign exchange rates

Based on management's long-term rate assumptions, with reference to a range of underlying economic indicators.

Sensitivity to changes in assumptions used in calculations

Reductions in the long-term oil and gas prices of 10 per cent are considered to be reasonably possible changes for the purpose of sensitivity analysis. As shown in note 2 of the financial statements, the decreases to the long-term oil and gas prices from 2028 specified above would result in a further pre-tax impairment of \$478 million (post-tax: \$281 million) and increases to the long-term oil and gas prices would result in no material change to the impairment charge.

Considering the discount rates, the Group believes a one per cent increase in the post-tax discount rate is considered to be a reasonable possibility for the purpose of sensitivity analysis. A one per cent increase in the post-tax discount rate would lead to a further pre-tax impairment of \$77 million, post-tax \$47 million, (2024: pre-tax \$113 million, post-tax \$33 million) on oil and gas assets and \$32 million on goodwill (2024: \$10 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

13 Leases

This note provides information for leases where the Group is a lessee.

Balance sheet

		Land and buildings	Drilling rigs	FPSO	Offshore facilities	Equipment	Total
Right-of-use assets	Note	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million
Cost							
As at 1 January 2024		114	208	625	328	26	1,301
Additions		27	166	–	–	–	193
Additions from business combinations and joint arrangements ¹	14	55	4	–	–	47	106
Cost revisions/remeasurements		6	38	3	32	(11)	68
Reclassification of asset held for sale	2	–	–	(71)	–	(2)	(73)
Disposals		(5)	–	–	–	–	(5)
Currency translation adjustment		(3)	(5)	–	–	(1)	(9)
As at 31 December 2024		194	411	557	360	59	1,581
Additions ¹		7	–	–	–	2	9
Cost revisions/remeasurements		(4)	(2)	54	(2)	5	51
Reclassification of asset held for sale	18	(3)	–	–	–	(7)	(10)
Disposals		(3)	(277)	–	–	(25)	(305)
Currency translation adjustment		11	28	(4)	–	3	38
As at 31 December 2025		202	160	607	358	37	1,364
Accumulated depreciation							
As at 1 January 2024		32	159	309	150	19	669
Charge for the year		16	99	83	76	11	285
Impairment charge ²		20	–	–	–	–	20
Reclassification of asset held for sale	2	–	–	(40)	–	–	(40)
Disposals		(5)	–	–	–	–	(5)
Currency translation adjustment		(1)	(3)	–	–	–	(4)
As at 31 December 2024		62	255	352	226	30	925
Charge for the year		17	80	63	49	24	233
Reclassification of asset held for sale	18	(2)	–	–	–	(5)	(7)
Disposals		(4)	(276)	–	–	(25)	(305)
Currency translation adjustment		4	21	(4)	–	1	22
As at 31 December 2025		77	80	411	275	25	868
Net book value							
As at 31 December 2024		132	156	205	134	29	656
As at 31 December 2025		125	80	196	83	12	496

¹ Additions of \$9 million were made to the right-of-use assets during the year (2024: total additions of \$299 million including \$106 million related to business combinations).

² The impairment charge of \$20 million relates to one of the Group's office buildings in the UK.

	Note	2025 \$ million	2024 \$ million
Lease liabilities			
At 1 January		792	768
Additions		9	193
Additions from business combinations and joint arrangements	14	-	118
Remeasurement		51	67
Finance costs charged to income statement	7	40	53
Finance costs charged to decommissioning provision	21	3	1
Disposal of subsidiaries		8	-
Reclassification of liabilities as held for sale	18	(3)	(78)
Lease payments		(294)	(319)
Currency translation adjustment		28	(11)
At 31 December		634	792
Classified as:			
Current		168	241
Non-current		466	551
Total lease liabilities		634	792

The significant portion of the Group's lease liabilities represent lease arrangements for an FPSO vessel and offshore facilities in the UK Business Unit.

The lease liabilities and associated right-of-use-assets have been calculated by reference to in-substance fixed lease payments in the underlying agreements incurred throughout the non-cancellable period of the lease along with periods covered by options to extend and terminate the lease where the Group is reasonably certain that such options will be exercised. When assessing whether extension options were likely to be exercised, assumptions are consistent with those applied when testing for impairment.

Income statement

	Note	2025 \$ million	2024 \$ million
Depreciation charge of right-of-use assets			
Land and buildings – non-oil and gas assets ¹		17	35
Land and buildings – oil and gas assets		1	1
Drilling rigs		80	99
FPSO		62	83
Offshore facilities		49	77
Equipment – non-oil and gas assets		-	1
Equipment – oil and gas assets		24	9
Depreciation charge		233	305
Capitalisation of IFRS 16 lease depreciation²			
Drilling rigs		(61)	(77)
Equipment		(6)	(4)
Depreciation charge included within consolidated income statement		166	224
Lease interest	7	40	53

¹ Included within 2024 is an impairment charge of \$20 million related to one of the Group's office buildings in the UK.

² Of the \$67 million (2024: \$81 million) capitalised IFRS 16 lease depreciation, \$45 million (2024: \$64 million) has been capitalised within property, plant and equipment and \$22 million (2024: \$17 million) within provisions (note 21).

The total cash outflow for leases in 2025 was \$294 million (2024: \$319 million).

14 Business combinations

No business combinations occurred during the year ended 31 December 2025.

Business combinations during the year ended 31 December 2024

On 3 September 2024, the Group closed the transaction to acquire substantially all of Wintershall Dea's upstream assets from BASF and LetterOne, including those in Norway, Germany, Denmark, Argentina, Mexico, Egypt, Libya and Algeria as well as Wintershall Dea's carbon capture and storage (CCS) licences in Europe. The Group acquired the portfolio as it significantly increased production capacity and provided geographic diversification, adding high-quality assets with material positions in Norway, Germany, Argentina, North Africa and Mexico. It also strengthened the Group's financial position, delivering investment grade credit ratings post-transaction. The Group acquired control through the payment of cash and issuance of shares to BASF and LetterOne.

14 Business combinations continued

A purchase price allocation (PPA) exercise has been performed under which the identifiable assets and liabilities of Wintershall Dea were recognised at fair value. The fair values, and resulting goodwill, were provisional and have been finalised in 2025. Details of how these fair values were determined are given in Harbour's 2024 Annual Report & Accounts. After the finalisation of PPA exercise, the fair values of the net identifiable assets were \$3,073 million, an increase of \$79 million from the provisional amounts. The increase was due to additional deferred tax assets recognised of \$44 million, following the finalisation of certain tax filing positions. The facts and circumstances associated with these filing positions existed as at the date of completion. This had a corresponding \$85 million decrease to goodwill, from \$3,845 million to \$3,760 million.

The goodwill arises principally from the requirement to recognise deferred tax assets and liabilities for the difference between the assigned fair values and the tax bases of the acquired assets and liabilities assumed in a business combination. The assessment of fair values of oil and gas assets acquired is based on cash flows after tax. Nevertheless, in accordance with IAS 12 Income Taxes, paragraphs 15 and 19, a provision is made for deferred tax corresponding to the tax rate multiplied by the difference between the acquisition cost and the tax base. The offsetting entry to this deferred tax is goodwill. Hence, goodwill arises as a technical effect of deferred tax (technical goodwill).

There are no specific IFRS guidelines pertaining to the allocation of technical goodwill and management has therefore applied the general guidelines for allocating goodwill. Technical goodwill is allocated by segment, in line with where it arises, and none is expected to be deductible for income tax purposes.

As reported in 2024, net cash consideration of \$1,792 million was paid to the former owners of Wintershall Dea. This payment is reflected in the consolidated statement of prior year cash flows. Per the terms of the business combination agreement, a reduction in cash consideration payable of \$10 million was identified in 2024. A further \$6 million was identified during 2025, reducing the cash consideration to \$1,776 million. This is reflected in the fair value of consideration below. Both amounts reducing the consideration payable were received in 2025.

	Note	Provisional fair values recognised on acquisition \$ million	Adjustments during the measurement period \$ million	Fair values recognised on acquisition \$ million
Non-current assets				
Other intangible assets	11	4,409	–	4,409
Property, plant and equipment	12	10,011	35	10,046
Right-of-use assets	13	106	–	106
Deferred tax assets	8	147	–	147
Other receivables	16	56	–	56
Other financial assets	23	52	–	52
Current assets				
Inventories	15	213	–	213
Trade and other receivables	16	1,305	–	1,305
Other financial assets	23	188	–	188
Cash and cash equivalents	17	748	–	748
Total assets		17,235	35	17,270
Non-current liabilities				
Borrowings	22	3,038	–	3,038
Provisions	21, 29	2,616	–	2,616
Deferred tax	8	5,500	(44)	5,456
Trade and other payables	20	25	–	25
Lease liabilities	13	86	–	86
Other financial liabilities	23	99	–	99
Current liabilities				
Trade and other payables	20	1,134	–	1,134
Borrowings	22	41	–	41
Lease liabilities	13	32	–	32
Provisions	21, 29	324	–	324
Current tax liabilities	8	1,128	–	1,128
Other financial liabilities	23	218	–	218
Total liabilities		14,241	(44)	14,197
Fair value of identifiable net assets acquired		2,994	79	3,073
Subordinated notes measured at fair value ¹	27	(1,548)	–	(1,548)
Goodwill arising on acquisition	10	3,845	(85)	3,760
Purchase consideration transferred		5,291	(6)	5,285

1 Subordinated notes accounted for within equity, see note 27.

The Wintershall Dea Business Combination Agreement (BCA) entered into with BASF and LetterOne (together, the Sellers) in connection with Harbour's acquisition of Wintershall Dea provides for certain customary post-completion adjustments to be agreed between the parties in respect of the cash consideration amount paid to the Sellers. In seeking to agree such adjustments, Harbour and the Sellers have identified differing leakage amounts. The Sellers have taken the position, on procedural grounds, that the expert determination mechanism (as set out in the BCA) is not available to the parties to resolve this discrepancy. Absent a resolution between the parties, the BCA requires Harbour to refer the matter to arbitration to determine the availability of the expert determination mechanism under the BCA. If the Sellers' position is upheld, the relevant adjustment may be nil but, in all circumstances, Harbour does not expect any adverse financial impact on the Group.

Contingent consideration

As part of the purchase agreement with the previous owners of the Wintershall Dea assets, contingent consideration has been agreed, dependent on the average Brent price during six six-month periods ending 18, 24, 30, 36, 42 and 48 months after completion. If during any of these six-month periods, the average Brent price is:

- greater than or equal to \$86 per barrel but less than or equal to \$100 per barrel, a cash payment of \$30 million will be made;
- greater than \$100 per barrel, a cash payment of \$50 million will be made; or
- less than \$86 per barrel, no cash payment will be made.

As at the acquisition date, the fair value of the contingent consideration was estimated to be \$52 million, determined using an option pricing model. The contingent consideration is classified as a long-term other financial liability (see note 23). The fair value of the contingent consideration at 31 December 2025 is \$12 million.

15 Inventories

	2025	2024
As at 31 December	\$ million	\$ million
Hydrocarbons	40	56
Consumables and subsea supplies	358	312
Total inventories	398	368

Inventories of consumables and subsea supplies include a provision of \$30 million (2024: \$39 million) where it is considered that the net realisable value is lower than the original cost.

Inventories recognised as an expense during the year ended 31 December 2025 amounted to \$23 million (2024: \$7 million). These expenses are included within production costs.

16 Trade and other receivables

	2025	2024
As at 31 December	\$ million	As restated \$ million
Trade receivables	776	1,203
Underlift position	122	175
Other debtors	371	255
Prepayments	67	86
Accrued income	608	545
Corporation tax receivable	10	58
Matured financial instruments	40	–
Total trade and other receivables	1,994	2,322

Trade receivables are non-interest bearing and are generally on 20-to-30-day terms. As at 31 December 2025, there were \$261 million of trade receivables that were past due (2024: \$433 million), primarily relating to operations in the Mexico and North Africa segments.

Accrued income mainly comprise amounts due, but not yet invoiced, for the sale of oil and gas. Other debtors includes a \$100 million (2024: \$nil) deposit associated with the acquisition of LLOG Exploration Company LLC that was announced in December 2025.

The carrying value of the trade and other receivables are equal to their fair value as at the balance sheet date.

During the fourth quarter of 2024, the Group issued a credit default swap (CDS) for a notional amount of \$60 million to a third-party financial institution. The CDS relates to secured borrowing provided by the financial institution to one of the Group's customers in Mexico. The secured borrowing was utilised by the customer to pay certain of our outstanding receivables. The notional amount of the CDS outstanding as of 31 December 2024 was \$32 million and will reduce on a monthly basis over its 22-month term. The fair value of this derivative liability was not material as at 31 December 2025 (2024: \$nil).

16 Trade and other receivables continued

Other non-current receivables

As at 31 December	2025 \$ million	2024 \$ million
Decommissioning funding asset ¹	65	59
Other receivables ²	51	107
Prepayments	10	10
Total other non-current receivables	126	176

- 1 The decommissioning funding asset relates to the decommissioning liability agreement entered into with E.ON who will reimburse 70 per cent on the net share of the total decommissioning cost of the two assets in the UK to a maximum possible funding of £63 million. At 31 December 2025, a long-term decommissioning funding asset of \$65 million (2024: \$59 million) has been recognised.
- 2 Other receivables at 31 December 2025 includes \$17 million related to the non-current element of the unamortised portion of issues costs and bank fees related to the revolving credit facility (see note 22). In 2024, this included \$44 million in cash held in escrow accounts for expected future decommissioning expenditure in Indonesia.

17 Cash and cash equivalents

As at 31 December	2025 \$ million	2024 \$ million
Cash at bank	846	805

Cash and cash equivalents comprise only cash at bank. Cash at bank earns interest at floating rates based on daily bank deposit rates. The Group only deposits cash with major banks of high-quality credit standing.

Included in cash and cash equivalents at 31 December 2025 were amounts in Argentina totalling \$42 million (2024: \$173 million) subject to currency controls or other legal restrictions. In addition, the cash and cash equivalents balance includes an amount of \$68 million (2024: \$43 million) primarily relating to collateral associated with letters of credit but also includes amounts required to cover initial margin on trading exchanges, counterparty margining on outstanding commodity trades and all other balances subject to restriction.

18 Disposals

Assets held for sale

In December 2025, the Group entered into a Share and Purchase Agreement (SPA) to sell its 28.67 per cent operated interest in the producing Natuna Sea Block A (NSBA) field and the 50 per cent operated interest in the Tuna development project in Indonesia to Prime Group for a cash consideration of \$215 million, of which a deposit of \$50 million was received in December 2025.

The NSBA sale has an effective date of 1 January 2025 and the Tuna sale will be effective on completion. The consideration is subject to customary adjustments. The assets and liabilities of NSBA and the Tuna development project that are to be disposed are classified as assets held for sale in the balance sheet as at 31 December 2025, as completion is expected to be achieved by the second quarter of 2026, subject to the usual regulatory approvals.

The Group's Indonesian operations are included in the Southeast Asia segment, however are not considered a major geographical area or line of business and therefore the disposal has not been classified as discontinued operations. The Group will maintain a presence in Indonesia through other interests held.

The major classes of assets and liabilities of the Group as held for sale as at 31 December 2025 are as follows:

	Note	2025 \$ million
Assets		
Other intangible assets	11	113
Property, plant and equipment	12	83
Right-of-use assets	13	3
Other receivables and working capital		191
Assets held for sale		390
Liabilities		
Provisions	21	80
Lease liabilities	13	3
Trade and other payables		109
Deferred tax	8	22
Liabilities directly associated with assets held for sale		214
Net assets directly associated with disposal group		176
Impairment loss recorded		-

Immediately before the classification of the disposal group as assets held for sale, the recoverable amount was estimated for the disposal group and no impairment loss was identified. The assets in the disposal group are held at the lower of their carrying amount and fair value less costs to sell. As at 31 December 2025, no impairment was recognised as the fair value less cost to sell, being the expected consideration adjusted for items agreed under the SPA, was above the carrying amount of the disposal group. The net assets directly associated with the disposal group held on the consolidated balance sheet were \$176 million as at 31 December 2025.

Disposal of subsidiaries

In December 2024, the Group entered into an exclusivity agreement to sell its business in Vietnam, which held 53.125 per cent interest in the Chim Sáo and Dua producing fields, to EnQuest for a consideration of \$84 million. The transaction had an effective date of 1 January 2024. The assets and liabilities of Vietnam were classified as assets held for sale in the balance sheet as at 31 December 2024, with a pre-tax impairment recognised of \$15 million (post tax: \$10 million) as the fair value less cost to sell, being the expected consideration adjusted for items agreed under the SPA, was below the carrying amount of the disposal group. Following the impairment charge the net assets directly associated with the disposal group held on the consolidated balance sheet were \$44 million. A further, pre-tax impairment of \$35 million (post-tax: \$24 million) was recognised in 2025, reducing the carrying amount of the disposal group's net assets to \$25 million.

The disposal was completed on 9 July 2025. Consideration of \$25 million was received, resulting in no gain or loss on disposal being recognised.

19 Commitments

Capital commitments

As at 31 December 2025, the Group had commitments for future capital expenditure amounting to \$852 million (2024: \$1,690 million). Where the commitment relates to a joint arrangement, the amount represents the Group's net share of the commitment. Where the Group is not the operator of the joint arrangement then the amounts are based on the Group's net share of committed future work programmes.

20 Trade and other payables

As at 31 December	2025 \$ million	2024 \$ million
Current		
Trade payables	1,114	1,365
Overlift position	99	207
Other payables	190	132
Matured financial instruments	–	27
Deferred income ¹	21	24
	1,424	1,755
Non-current		
Other payables	28	19
Non-current income tax	31	–
Deferred income ¹	9	11
	68	30

1 Deferred income includes \$30 million (2024: \$19 million) relating to payments for oil not yet delivered.

21 Provisions

	Decommissioning provision \$ million	Pension provision \$ million	Employee obligation provision \$ million	Onerous contract provision \$ million	Other provisions \$ million	Total \$ million
As at 1 January 2024	4,108	–	27	–	–	4,135
Additions	36	–	–	–	–	36
Additions from business combinations and joint arrangements	2,511	40	40	65	284	2,940
Changes in estimates – increase to oil and gas tangible decommissioning assets	550	–	–	–	–	550
Changes in estimates – increase to oil and gas intangible assets	6	–	–	–	–	6
Changes in estimate on oil and gas tangible assets – debit to income statement	174	–	–	–	–	174
Changes in estimate on oil and gas intangible assets – debit to income statement	6	–	–	–	–	6
Changes in estimate – debit to income statement	3	3	29	–	28	63
Actuarial gains and losses	–	7	–	–	–	7
Amounts used	(284)	(1)	(25)	(30)	(36)	(376)
Reclassification of liabilities directly associated with assets held for sale	(90)	–	–	–	–	(90)
Interest on decommissioning lease	(1)	–	–	–	–	(1)
Depreciation, depletion and amortisation on decommissioning right-of-use leased asset	(17)	–	–	–	–	(17)
Unwinding of discount	221	–	–	–	–	221
Currency translation adjustment	(109)	(3)	(3)	–	(18)	(133)
As at 31 December 2024	7,114	46	68	35	258	7,521
Additions	15	–	3	–	–	18
Changes in estimates – decrease to oil and gas tangible decommissioning assets	(240)	–	–	–	–	(240)
Changes in estimates – decrease to oil and gas intangible assets	(1)	–	–	–	–	(1)
Changes in estimate on oil and gas tangible assets – debit to income statement	32	–	–	–	–	32
Changes in estimate on oil and gas intangible assets – credit to income statement	(1)	–	–	–	–	(1)
Changes in estimate – debit to income statement	–	9	33	(1)	41	82
Actuarial gains and losses	–	(36)	–	–	–	(36)
Amounts used	(374)	(10)	(37)	(1)	(46)	(468)
Reclassification of liabilities directly associated with assets held for sale	(57)	–	(23)	–	–	(80)
Interest on decommissioning lease	(3)	–	–	–	–	(3)
Depreciation, depletion and amortisation on decommissioning right-of-use leased asset	(22)	–	–	–	–	(22)
Unwinding of discount	284	4	–	1	4	293
Reclassifications	–	20	–	–	(20)	–
Currency translation adjustment	274	3	5	–	36	318
As at 31 December 2025	7,021	36	49	34	273	7,413
Classified within			Non-current liabilities \$ million	Current liabilities \$ million		Total \$ million
As at 31 December 2024			7,024	497		7,521
As at 31 December 2025			6,967	446		7,413

All of the \$15 million decommissioning provision additions relate to oil and gas tangible assets (2024: \$36 million).

Decommissioning provision

The Group provides for the estimated future decommissioning costs on its oil and gas assets at the balance sheet date. The payment dates of expected decommissioning costs are uncertain and are based on economic assumptions of the fields concerned. The Group currently expects to incur decommissioning costs within the next 40 years, around half of which are anticipated to be incurred between the next 10 to 20 years. These estimated future decommissioning costs are inflated at the Group's long-term view of inflation of 2.5 per cent per annum (2024: 2.5 per cent per annum) and discounted at a risk-free US dollar rate of between 3.1 per cent and 4.8 per cent (2024: 2.2 per cent and 6.6 per cent) reflecting market rates over the varying lives of the assets to calculate the present value of the decommissioning liabilities. The unwinding of the discount is presented within finance costs.

These provisions have been created based on internal and third-party estimates. Assumptions based on the current economic environment have been made, which management believe are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to consider any material changes to the assumptions. However, actual decommissioning costs will ultimately depend upon market prices for the necessary decommissioning work required, which will reflect market conditions at the relevant time. In addition, the timing of decommissioning liabilities will depend upon the dates when the fields become economically unviable, which in itself will depend on future commodity prices and climate change, which are inherently uncertain.

Pension provision

Please refer to note 29 for pension provisions.

Employee obligation provisions

Employee obligation provisions of \$49 million relate to obligations to pay long-service bonuses, anniversary bonuses, and variable remuneration, including the associated social security contributions and provisions due to early retirement as well as phased-in early retirement models. This includes a termination benefit provision in Indonesia of \$nil (2024: \$26 million), where the Group operates a service, severance and compensation pay scheme under a collective labour agreement with the local workforce.

Onerous contract provision

The onerous contract provision of \$34 million (2024: \$35 million) relates to working programmes in Libya due to force majeure conditions in-country.

Other provisions

Other provisions mainly includes a \$141 million (2024: \$132 million) provision related to gas migration in Rehden, Germany arising from a commercial settlement entered into by Wintershall Dea and a third party at the time of the Wintershall and Dea merger in 2019 and a \$60 million (2024: \$61 million) provision related to restructuring programmes within Norway, Germany and Mexico.

22 Borrowings and facilities

The Group's borrowings are carried at amortised cost:

	2025 \$ million	2024 \$ million
As at 31 December		
Bonds	5,151	5,011
Revolving credit facility	–	218
Total borrowings	5,151	5,229
Classified within:		
Non-current liabilities	4,915	4,215
Current liabilities	236	1,014
Total borrowings	5,151	5,229

Bonds

As at 31 December	%	Maturity	Currency	2025			2024		
				Nominal value €/\$ million	Fair value \$ million	Carrying value \$ million	Nominal value €/\$ million	Fair value \$ million	Carrying value \$ million
Bond ISIN: XS2054209833	0.8	2025	EUR	–	–	–	1,000	1,019	1,014
Bond ISIN: US411618AB75/ USG4289TAA19	5.5	2026	USD	238	237	236	500	499	496
Bond ISIN: XS2054210252	1.3	2028	EUR	1,000	1,118	1,107	1,000	962	954
Bond ISIN: XS2908093805	3.8	2029	EUR	700	830	819	700	729	720
Bond ISIN: XS2055079904	1.8	2031	EUR	1,000	1,042	1,042	1,000	905	901
Bond ISIN: XS2908095172	4.4	2032	EUR	900	1,057	1,053	900	940	926
Bond ISIN: US411618AD32/ USG4289TAB91	6.3	2035	USD	900	911	894	–	–	–

In October 2021, Harbour Energy plc issued a \$500 million bond under Rule 144A and with a tenor of five years to maturity. The coupon was set at 5.5 per cent and interest is payable semi-annually. \$262 million of these bonds were repaid in March 2025.

22 Borrowings and facilities continued

Under the terms of the business combination entered into between the company, BASF and LetterOne in September 2024, three existing Wintershall Dea bonds were ported to Harbour Energy on completion of the acquisition. The €1,000 million (\$1,129 million) bond due in 2025 was repaid in September 2025. As at 31 December 2025, the fair value of these bonds, which is determined using quoted market prices in an active market, amounts to \$2,160 million. The repayment obligation is €2,000 million (\$2,349 million, 2024: €3,000 million, \$3,106 million).

On 26 September 2024, Harbour announced that Wintershall Dea Finance BV as issuer, a subsidiary of Harbour, priced an offering on 25 September 2024 of €700 million in aggregate principal amount of 3.830 per cent senior notes due 2029 and €900 million in aggregate principal amount of 4.357 per cent senior notes due 2032. Harbour primarily used the proceeds from this offering to repay and cancel the \$1.5 billion bridge facility utilised for the Wintershall Dea acquisition which completed on 3 September 2024.

On 24 March 2025, Harbour Energy plc priced an offering of \$900 million of 6.327 per cent senior bonds due 2035. Harbour used the proceeds to finance the purchase of \$262 million of the \$500 million 5.5 per cent senior bonds due 2026 and for general corporate purposes, including towards repayment of upcoming debt maturities. \$6 million of arrangement fees and related costs were capitalised as part of this offering.

At the balance sheet date, the outstanding revolving credit facility (RCF) balance, excluding incremental arrangement fees, related costs and letters of credit, was \$nil (2024: \$250 million). As at 31 December 2025, \$2,344 million remained available for drawdown under the RCF (2024: \$1,854 million).

The Group has facilities to issue up to \$1,750 million of letters of credit from the RCF (2024: \$1,750 million), of which \$656 million (2024: \$871 million) was in issue as at 31 December 2025, mainly in respect of future decommissioning liabilities. In addition, the Group had a €35 million letter of credit facility of which €29 million (\$34 million) was drawn at 31 December 2025 (2024: €nil, \$nil).

At 31 December 2025, \$81 million (2024: \$102 million) of arrangement fees and related costs were amortised during the year and are included within financing costs. 2024 included \$66 million related to the RBL facility and \$13 million related to the bridge facility, upon termination of those facilities.

At 31 December 2025, \$215 million of arrangement fees and related costs remain capitalised (2024: \$284 million). Of these arrangement fees \$nil (2024: \$32 million) relate to the RCF, and \$215 million (2024: \$252 million) relate to the bond facilities.

Interest of \$46 million on the bonds and RCF facilities (2024: \$34 million) had accrued by the balance sheet date and has been classified within accruals.

The table below details the change in the carrying amount of the Group's borrowings arising from financing cash flows:

	2025 \$ million	2024 \$ million
Total borrowings as at 1 January	5,229	509
Reclassification of capitalised RBL arrangement fees and related costs as borrowings	-	(61)
Proceeds from RBL facility	-	178
Proceeds from bridge facility	-	1,500
Proceeds from Euro bonds	-	1,728
Proceeds from USD bonds	900	-
Proceeds from revolving credit facility	440	2,225
Repayment of RBL facility	-	(178)
Repayment of bridge facility	-	(1,500)
Repayment of revolving credit facility	(690)	(1,975)
Repayment of Euro bonds	(1,129)	-
Repayment of USD bonds	(262)	-
Repayment of financing arrangement	-	(17)
Bond debt arising on business combination (net of arrangement fees and related costs)	-	3,038
Financing arrangement interest payable	-	1
Arrangement fees and related costs capitalised	(6)	(58)
Amortisation of arrangement fees and related costs	81	102
Reclassification of RCF arrangement fees and related costs to current and non-current assets	24	-
Currency translation adjustment on Euro bonds	564	(263)
Total borrowings as at 31 December	5,151	5,229

23 Other financial assets and liabilities

The Group held the following financial instruments at fair value at 31 December 2025. The fair values of all derivative financial instruments are classified in accordance with the hierarchy described in IFRS 13.

	31 December 2025		31 December 2024	
	Assets \$ million	Liabilities \$ million	Assets \$ million	Liabilities \$ million
Current				
Derivatives not designated as hedging instruments				
Foreign exchange derivatives	22	(1)	–	(25)
Commodity derivatives	–	(1)	26	(14)
Fair value of embedded derivatives within gas contract	34	–	5	–
	56	(2)	31	(39)
Derivatives designated as hedging instruments				
Commodity derivatives	404	(2)	89	(396)
Foreign exchange derivatives	–	(17)	–	(27)
	404	(19)	89	(423)
Financial instruments at fair value through profit and loss				
Short-term investments	25	–	25	–
	25	–	25	–
Total current	485	(21)	145	(462)
Non-current				
Derivatives not designated as hedging instruments				
Commodity derivatives	–	–	1	(2)
	–	–	1	(2)
Derivatives designated as hedging instruments				
Commodity derivatives	92	–	36	(215)
Interest rate derivatives	9	(5)	–	–
Foreign exchange derivatives	102	(2)	–	(146)
	203	(7)	36	(361)
Financial instruments at fair value through profit and loss				
Contingent consideration ¹	–	(12)	–	(52)
Other financial assets – investment	6	–	7	–
	6	(12)	7	(52)
Total non-current	209	(19)	44	(415)
Total current and non-current	694	(40)	189	(877)

1 Contingent consideration relates to the Wintershall Dea transaction and will be paid between 18-48 months after completion, depending on the average Brent crude price during six-month periods. This is valued using an option pricing model.

23 Other financial assets and liabilities continued

Fair value measurements

All financial instruments that are initially recognised and subsequently remeasured at fair value have been classified in accordance with the hierarchy described in IFRS 13 Fair Value Measurement. The hierarchy groups fair value measurements into the following levels based on the degree to which the fair value is observable.

- **Level 1:** fair value measurements are derived from unadjusted quoted prices for identical assets or liabilities
- **Level 2:** fair value measurements include inputs, other than quoted prices included within Level 1, which are observable directly or indirectly
- **Level 3:** fair value measurements are derived from valuation techniques that include significant inputs not based on observable data

	Financial assets			Financial liabilities	
	Level 1 \$ million	Level 2 \$ million	Level 3 \$ million	Level 2 \$ million	Level 3 \$ million
As at 31 December 2025					
Fair value of embedded derivative within gas contract	–	34	–	–	–
Commodity derivatives	–	496	–	(3)	–
Interest rate derivatives	–	9	–	(5)	–
Foreign exchange derivatives	–	124	–	(20)	–
Short-term investments	25	–	–	–	–
Investments	–	–	6	–	–
Contingent consideration	–	–	–	–	(12)
Total fair value	25	663	6	(28)	(12)

	Financial assets			Financial liabilities	
	Level 1 \$ million	Level 2 \$ million	Level 3 \$ million	Level 2 \$ million	Level 3 \$ million
As at 31 December 2024					
Fair value of embedded derivative within gas contract	–	5	–	–	–
Commodity derivatives	–	152	–	(627)	–
Foreign exchange derivatives	–	–	–	(198)	–
Short-term investments	25	–	–	–	–
Investments	–	–	7	–	–
Contingent consideration	–	–	–	–	(52)
Total fair value	25	157	7	(825)	(52)

There were no transfers between fair value levels in 2024 or 2025.

Fair value movements recognised in the income statement on financial instruments are shown below:

	2025 \$ million	2024 \$ million
Year ended 31 December		
Finance income		
Change in fair value of embedded derivative within gas contract	29	–
Commodity derivatives	–	5
Short-term investments	–	7
Foreign exchange derivatives	41	–
	70	12

	2025 \$ million	2024 \$ million
Year ended 31 December		
Finance expenses		
Change in fair value of embedded derivative within gas contract	–	5
Short-term investments	7	–
Interest rate derivatives	4	–
Foreign exchange derivatives	–	30
	11	35

Fair values of other financial instruments

The following financial instruments are measured at amortised cost and are considered to have fair values different to their book values.

	31 December 2025		31 December 2024	
	Book value \$ million	Fair value \$ million	Book value \$ million	Fair value \$ million
As at 31 December				
USD bonds	1,130	1,148	496	499
EUR bonds	4,021	4,047	4,515	4,555
Total	5,151	5,195	5,011	5,054

The fair value of the bonds is within Level 2 of the fair value hierarchy and has been estimated by discounting future cash flows by the relevant market yield curve at the balance sheet date. The fair values of other financial instruments not measured at fair value including cash and short-term deposits, trade receivables, trade payables and floating rate borrowings equate approximately to their carrying amounts.

Cash flow hedge

Foreign currency risk

Certain foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of the variability in cash flows arising from fixed rate foreign currency denominated debt. The hedged risk is the foreign currency risk associated with future interest and principal payments on the debt. These forecast cash flows are considered highly probable, and the hedge relationship is expected to be highly effective in offsetting changes in cash flows attributable to movements in foreign exchange rates.

The nominal amount and maturity profile of the foreign exchange forward contracts are aligned with the timing and amount of the expected foreign currency cash outflows associated with the debt. The fair values of the forward contracts fluctuate with changes in spot and forward foreign exchange rates during the hedge period.

The effective portion of changes in the fair value of these forward contracts is recognised in other comprehensive income and accumulated in the hedging reserve. Any ineffective portion is recognised immediately in profit or loss. Amounts accumulated in the hedging reserve are reclassified to profit or loss in the periods in which the hedged foreign currency interest and principal payments affect profit or loss. If the hedging relationship ceases to meet the qualifying criteria, hedge accounting is discontinued prospectively.

The table below summarises the carrying amount and notional amount of the foreign exchange forward contracts designated as hedging instruments in cash flow hedge relationships.

	Derivative	Carrying amount \$ million	Currency pair	Notional amount	Period of hedge	Terms
As at 31 December 2025	Cross-currency interest rate swaps	55	USD:EUR	€1,403 million	1–5 years	\$1.1017–\$1.1209:€1
		28		€1,150 million	>5 years	\$1.1209–1.1680:€1
As at 31 December 2024	Cross-currency interest rate swaps	(27)	USD:EUR	€363 million	<1 year	\$1.1015:€1
		(108)		€1,403 million	2–5 years	\$1.1017–\$1.1209:€1
		(38)		€650 million	>5 years	\$1.1209:€1

Commodity price risk

The Group uses a combination of fixed price physical sales contracts and cash-settled fixed price commodity swaps and options to manage the price risk associated with its underlying oil and gas revenues. As at 31 December 2025, all of the Group's cash-settled fixed price commodity swap derivatives have been designated as cash flow hedges of highly probable forecast sales of oil and gas.

The following table indicates the volumes, average hedged price and timings associated with the Group's commodity hedges:

Position as at 31 December 2025	2026	2027	2028
Oil			
Total oil volume hedged (thousand bbls)	16,258	7,574	–
– of which swaps	14,159	1,643	–
– of which collars	2,099	5,931	–
Weighted average fixed price (\$/bbl)	72.57	68.08	–
Weighted average collar floor and cap (\$/bbl)	60.00 - 75.24	60.00 - 76.99	–
Natural gas			
Gas volume hedged (thousand boe)	26,483	12,602	1,804
– of which swaps/fixed price forward sales	19,830	5,506	510
– of which zero cost collars	6,653	7,096	1,294
Weighted average fixed price (\$/mscf)	11.67	10.92	10.87
Weighted average collar floor and cap (\$/mscf)	9.38 - 17.75	8.15 - 14.63	7.95 - 16.00

23 Other financial assets and liabilities continued

Amounts deferred in other comprehensive income will be released to the income statement as the underlying hedged transactions occur. As at 31 December 2025, net deferred pre-tax gains of \$308 million (2024: \$307 million losses) are expected to be released to the income statement within one year.

Fair value hedge

Foreign currency risk

The Group holds interest rate swap contracts as fair value hedges of the interest rate risk arising from its fixed rate debt issuances. The interest rate swaps are used to convert US dollar and Euro denominated fixed rate borrowings into floating rate debt.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the fixed rate loan (i.e. notional amount, maturity, payment and reset dates). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the interest rate swap is identical to the hedged risk component.

The Group has identified the source of ineffectiveness, which is not expected to be material, as the derivative counterparty's credit risk which is not offset by the hedged item. This risk is mitigated by entering into derivative transactions only with high-credit-quality counterparties.

The table below summarises the carrying and notional amounts of derivatives designated as hedging instruments in fair value hedge relationships:

	Derivative	Carrying amount \$ million	Currency	Notional amount	Period of hedge	Terms
As at 31 December 2025	Interest rate swaps	(5)	EUR	€750 million	>5 years	3M EURIBOR + 0.3049
		9	USD	\$900 million	>5 years	SOFR + 2.4159
As at 31 December 2024	Interest rate swaps	–	–	–	–	–

Hedge ineffectiveness

The following table summarises the change in the fair value of hedging instruments and the hedged item used to calculate ineffectiveness in the period:

	2025			2024		
	Change in fair value of hedging instrument used to calculate ineffectiveness \$ million	Change in fair value of hedged item used to calculate ineffectiveness \$ million	Hedge ineffectiveness recognised in income statement \$ million	Change in fair value of hedging instrument used to calculate ineffectiveness \$ million	Change in fair value of hedged item used to calculate ineffectiveness \$ million	Hedge ineffectiveness recognised in income statement \$ million
Cash flow hedges						
Commodity price risk						
Highly probable forecast sales	1,144	1,150	6	517	517	–
Foreign currency risk						
Highly probable forecast interest and principal repayments	235	278	43	121	113	(8)
Fair value hedges						
Foreign currency risk						
Interest rate swaps	3	3	–	–	–	–
	1,382	1,431	49	638	630	(8)

24 Other reserves

	Capital redemption reserve	Cash flow hedge reserve	Costs of hedging reserve	Currency translation reserve	Total
	\$ million	\$ million	\$ million	\$ million	\$ million
As at 1 January 2024	8	3	4	3	18
Amounts recognised in other comprehensive (loss)/income	–	(561)	(7)	130	(438)
Amounts reclassified to the income statement	–	23	–	–	23
Tax on amounts recognised and reclassified	–	350	29	–	379
Other comprehensive income/(loss)	–	(188)	22	130	(36)
Total comprehensive (loss)/income	–	(188)	22	130	(36)
As at 31 December 2024	8	(185)	26	133	(18)
Amounts recognised in other comprehensive income/(loss)	–	1,250	140	(182)	1,208
Amounts reclassified to the income statement	–	(113)	(96)	–	(209)
Tax on amounts recognised and reclassified	–	(727)	(25)	–	(752)
Other comprehensive income/(loss)	–	410	19	(182)	247
Total comprehensive income/(loss)	–	410	19	(182)	247
As at 31 December 2025	8	225	45	(49)	229

25 Financial risk factors and risk management

The Group's principal financial assets and liabilities comprise trade and other receivables, cash and short-term deposits accounts, trade payables, interest bearing loans and derivative financial instruments. The main purpose of these financial instruments is to manage short-term cash flow, price exposures and raise finance for the Group's expenditure programme. Further information on the Group's financial instrument risk management objectives, policies and strategies is set out in the discussion of our financial discipline principal risk in the Strategic report (see page 75).

Risk exposures and responses

The Group manages its exposure to key financial risks in accordance with its financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets while protecting future financial security. The main risks that could adversely affect the Group's financial assets, liabilities or future cash flows are market risks comprising commodity price risk, interest rate risk and foreign currency risk, liquidity risk, and credit risk. Management reviews and agrees policies for managing each of these risks which are summarised in this note.

The Group's management oversees the management of financial risks. The Group's senior management ensures that financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Group policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: commodity price risk, interest rate risk and foreign currency risk. Financial instruments mainly affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 December 2025 and 31 December 2024.

The sensitivity analyses have been prepared on the basis that the number of financial instruments is constant. The sensitivity analyses are intended to illustrate the sensitivity to changes in market variables on the composition of the Group's financial instruments at the balance sheet date and show the impact on profit or loss and shareholders' equity, where applicable.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit before tax item and/or equity is the effect of the assumed changes in respective market risks for the full year based on the financial assets and financial liabilities held at the balance sheet date
- The sensitivities indicate the effect of a reasonable increase in each market variable. Unless otherwise stated, the effect of a corresponding decrease in these variables is considered approximately equal and opposite
- Fair value changes from derivative instruments designated as cash flow hedges are considered fully effective and recorded in shareholders' equity, net of tax
- Fair value changes from derivatives and other financial instruments not designated as cash flow hedges are presented as a sensitivity to profit before tax only and not included in shareholders' equity

25 Financial risk factors and risk management continued

Commodity price risk

The Group is exposed to the risk of fluctuations in prevailing market commodity prices on the mix of oil and gas products. On a rolling basis, the policy allows the Group to hedge the commodity price exposure associated with 40 to 70 per cent of the next 12 months' production (year 1), between 30 and 60 per cent of year 2 production, from year 3 up to 50 per cent of production and from year 4 up to 40 per cent of production. The current target is to hedge circa 50 per cent of year 1 and up to 25 per cent of year 2 commodity price exposure. The Group manages these risks through the use of fixed price contracts with customers for physical delivery and derivative financial instruments including fixed price swaps and options.

Commodity price sensitivity

The following table summarises the impact on the Group's pre-tax profit and equity from a reasonably foreseeable movement in commodity prices on the fair value of commodity-based derivative instruments held by the Group at the balance sheet date.

As at 31 December	Market movement	2025		2024	
		Effect on profit before tax	Effect on equity	Effect on profit before tax	Effect on equity
		\$ million	\$ million	\$ million	\$ million
Brent oil price	\$10/bbl increase	-	(74)	-	(91)
Brent oil price	\$10/bbl decrease	-	70	-	91
NBP gas price	£0.1/therm increase	-	(23)	-	(36)
NBP gas price	£0.1/therm decrease	-	23	-	36
TTF	\$1.5/MMBtu increase	-	(36)	15	(14)
TTF	\$1.5/MMBtu decrease	-	36	(15)	14
THE	\$1.5/MMBtu increase	-	-	(15)	(46)
THE	\$1.5/MMBtu decrease	-	-	15	46

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. While the Group issues debt and hybrid bonds in a variety of currencies based on market opportunities, it uses derivatives to swap the economic exposure to a floating rate basis, mainly Euro and US dollar floating, but in certain defined circumstances maintains a Euro and US dollar fixed rate exposure for a proportion of the Group's debt.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group's policy is to maintain fixed-rate exposure within a range of 30 per cent to 70 per cent of its loan portfolio. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 31 December 2025, after taking into account the effect of interest rate swaps, approximately 67 per cent of the Group's borrowings are at a fixed rate of interest (2024: 95 per cent).

At 31 December 2025, there are no floating rate borrowings and fixed rate borrowings comprise \$1.1 billion of bonds which incur interest at between 5.5 per cent and 6.3 per cent per annum and bonds of €3.6 billion which incur interest at between 1.3 per cent and 4.4 per cent per annum (see note 22).

As at 31 December 2024, floating rate borrowings comprised loans under the RCF which incurred interest between 5.9 and 6.6 per cent (based on the Secured Overnight Financing Rate (SOFR) plus a 1.45 per cent margin) and fixed rate borrowings comprised a \$500 million high yield bond which incurs interest at 5.5 per cent per annum and bonds of €4.6 billion which incurred interest at between 0.8 per cent and 4.4 per cent per annum. Floating rate financial assets comprise cash and cash equivalents which earn interest at the relevant market rate. The Group monitors its exposure to fluctuations in interest rates and uses interest rate derivatives to manage the fixed and floating composition of its borrowings.

The interest rate and currency profile of the Group's interest-bearing financial assets and liabilities are shown below:

	Cash at bank \$ million	Fixed rate borrowings \$ million	Floating rate borrowings \$ million	Total \$ million
As at 31 December 2025				
US dollar	676	(1,130)	–	(454)
Pound sterling	18	–	–	18
Euro	67	(4,021)	–	(3,954)
Norwegian krone	17	–	–	17
Argentinian pesos	54	–	–	54
Mexican pesos	1	–	–	1
Egyptian pound	13	–	–	13
	846	(5,151)	–	(4,305)

	Cash at bank \$ million	Fixed rate borrowings \$ million	Floating rate borrowings \$ million	Total \$ million
As at 31 December 2024				
US dollar	416	(496)	(218)	(298)
Pound sterling	75	–	–	75
Euro	75	(4,515)	–	(4,440)
Norwegian krone	36	–	–	36
Argentinian pesos	173	–	–	173
Mexican pesos	10	–	–	10
Egyptian pound	8	–	–	8
Other	12	–	–	12
	805	(5,011)	(218)	(4,424)

Interest rate sensitivity

The following table demonstrates the indicative pre-tax effect on profit and equity of applying a reasonably foreseeable increase in interest rates to the Group's financial assets and liabilities, after the impact of hedge accounting, at the balance sheet date.

	Market movement	Effect on profit before tax \$ million	Effect on equity \$ million
31 December 2025			
US dollar interest rates	+100 basis points	7	–
31 December 2024			
US dollar interest rates	+100 basis points	1	–

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk primarily arising from exchange rate movements in the US dollar against a range of foreign currencies. To mitigate exposure to movements in exchange rates, wherever possible financial assets and liabilities are held in currencies that match the functional currency of the relevant entity. The Group has material subsidiaries with functional currencies of pound sterling, US dollar, Norwegian krone, Euro and Mexican pesos. Exposures can also arise from sales or purchases denominated in currencies other than the functional currency of the relevant entity; such exposures are monitored and hedged with agreement from the Board.

The Group enters into forward contracts as a means of hedging its exposure to foreign exchange rate risks. As at 31 December 2025, the Group had:

- £170.0 million hedged at a forward average rate of \$1.2794:£1 for January 2026
- NOK7.2 billion hedged at forward rates of between NOK 10.0536 and NOK 11.0221:£1 for the period January 2026 to June 2026

As at 31 December 2024, the Group had:

- £212 million hedged at forward rates of between \$1.2482 and \$1.2774:£1 for the period from January 2025
- NOK9.6 billion hedged at forward rates of between NOK 10.9805 and NOK 11.3963:£1 for the period January 2025 to May 2025

25 Financial risk factors and risk management continued

Foreign currency sensitivity

Changes in exchange rates could lead to losses in the value of financial instruments and adverse changes in future cash flows. Foreign currency risks from financial instruments arise from the translation of financial receivables, cash and cash equivalents and financial liabilities into the functional currency of the Group company at the closing rates. The following table demonstrates the sensitivity to a reasonably foreseeable change in US dollars against other currencies with all other variables held constant, on the Group's profit before tax (due to foreign exchange translation of monetary assets and liabilities). The impact of translating the net assets of foreign operations into US dollars is excluded from the sensitivity analysis.

	Sensitivity (+10%) \$ million	Sensitivity (-10%) \$ million
31 December 2025		
Pound sterling	146	(146)
Argentinian peso	(4)	4
Euro	(99)	99
Norwegian krone	246	(246)
Danish krone	4	(4)
Mexican peso	4	(4)
Egyptian pound	14	(14)
31 December 2024		
Pound sterling	239	(239)
Argentinian peso	(14)	(14)
Euro	(267)	267
Norwegian krone	81	(81)
Danish krone	7	(7)
Mexican peso	(1)	1
Egyptian pound	(1)	1

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer commercial contract, leading to financial loss. Credit risks are managed on a Group basis. Group-wide procedures cover applications for credit approval for both financial and non-financial counterparties where appropriate. These procedures cover the granting and renewal of counterparty credit limits, the monitoring of exposures with respect to these limits and the requirements triggering secured payment terms.

The solvency of and credit exposures with all counterparties are monitored and assessed on a timely basis. If customers are independently rated, these ratings are primarily used for assessment. If there is no independent rating, the credit risk management function assesses customers' credit quality based on their financial position or bases the assessment on experience and other factors. In these cases, individual risk limits are set based on internal equivalent or by external ratings.

Credit risk in financial instruments arises from cash or cash equivalents and financial derivatives. The placing of liquid funds is subject to credit approval. Banks with a credit rating of 'A' are normally used. In some cases, funds may be held in an overseas business unit with lower credit quality which may also be impacted by the country sovereign rating. In these situations, credit approval is given within the country risk environment. Derivative financial instruments are conducted with credit approved banks and financial institutions normally rated A- or better and selected credit approved commercial counterparties. Selectively derivatives may be conducted with local banks in asset territories below this rating subject to credit approval.

The Group is exposed to credit risk from its operating activities, primarily for trade receivables, and from its financing activities. The Group seeks to trade only with recognised, creditworthy third parties. Trade receivables are monitored on an ongoing basis and credit exposures related to receivables' mark to market positions are monitored closely for credit decline which may allow the provision of contractual credit support by a third party.

An indication of the concentration of credit risk on trade receivables is shown in note 4, whereby the revenue from three customers exceeds 45 per cent (2024: 54 per cent for one customer) of the Group's consolidated revenue.

With regard to Harbour's own credit risk management, as at 31 December 2025 it has corporate credit ratings, including outlooks, from the following agencies:

- S&P Global at BBB- (Credit Watch Negative)
- Fitch at BBB- (Stable)
- Moody's at Baa2 (Negative Outlook)

In addition, each of the traded bonds have ratings from the credit ratings agencies.

Impairment on financial assets

In order to determine the impairment of financial assets, Harbour Energy uses either a general three-stage approach or the simplified approach, according to IFRS 9, as applicable. In the case of financial assets for which the simplified approach does not apply, their assessment takes place as at each reporting date to determine whether the credit risk on a financial instrument has increased significantly since its initial recognition.

Trade accounts receivable, other receivables including cash at bank and deposits are subject to the expected credit loss model. This is generally based on either externally provided or internal ratings for each debtor which, in certain cases, are updated based on recently available information.

To measure the expected credit losses on trade accounts receivable, Harbour Energy applies the simplified approach according to IFRS 9. Accordingly, the loss allowance is measured at an amount equal to the lifetime expected credit losses. For trade accounts receivable, the contractual payment term is usually 30 days. In deviation to this general rule, terms of up to one year are considered for the calculation of expected credit losses due to different regional payment practices. The Group uses a provision matrix to calculate the expected credit losses for trade receivables, which is based on historical observed default rates, adjusted for forward-looking information. The expected credit loss on trade receivables at 31 December 2025 was \$20 million (2024: \$20 million), which represents 2.6 per cent (2024: 1.7 per cent) of all trade receivables. The charge to the income statement for the year ended 31 December 2025 was \$nil (2024: \$19 million).

The loss allowance for other receivables, including cash at bank and deposits, is measured at an amount equal to the 12-month expected credit loss. If the term of the financial instrument is shorter than 12 months, the lifetime expected credit loss is applied. The expected credit loss reversal on other receivables at 31 December 2025 was \$nil (2024: \$2 million credit loss). The credit to the income statement for the year ended 31 December 2025 was \$2 million (2024: \$2 million charge).

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group monitors the amount of borrowings maturing within any specific period and expects to meet its financing commitments from the operating cash flows of the business and existing committed lines of credit. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	Within one year	1 to 2 years	2 to 5 years	Over 5 years	Total
As at 31 December 2025	\$ million	\$ million	\$ million	\$ million	\$ million
Non-derivative financial liabilities					
Bonds	238	-	1,997	3,132	5,367
Trading contracts within the scope of IFRS 9 (settled physically)	72	-	-	-	72
Trade and other payables	1,304	28	-	-	1,332
Lease obligations	192	175	276	70	713
Total non-derivative financial liabilities	1,806	203	2,273	3,202	7,484
Derivative financial liabilities					
Net-settled commodity derivatives	303	105	10	-	418
Net-settled foreign exchange derivatives	25	23	29	1	78
Net-settled interest rate derivatives	4	8	10	-	22
	2,138	339	2,322	3,203	8,002
As at 31 December 2024	Within one year	1 to 2 years	2 to 5 years	Over 5 years	Total
	\$ million	\$ million	\$ million	\$ million	\$ million
Non-derivative financial liabilities					
Bonds	1,173	629	2,049	2,127	5,978
Other loans	251	-	-	-	251
Trading contracts within the scope of IFRS 9 (settled physically)	54	8	-	-	62
Trade and other payables	1,548	30	-	-	1,578
Lease obligations	295	206	394	92	987
Total non-derivative financial liabilities	3,321	873	2,443	2,219	8,856
Derivative financial liabilities					
Net-settled commodity derivatives	191	92	23	-	306
Net-settled foreign exchange derivatives	48	39	97	29	213
	3,560	1,004	2,563	2,248	9,375

The maturity profiles in the above tables reflect only one side of the Group's liquidity position and will be recorded in the income statement against future production and revenue which are not recognised on the balance sheet as assets. Interest-bearing loans and borrowings and trade payables mainly originate from the financing of assets used in the Group's ongoing operations such as property, plant and equipment and working capital such as inventories. These assets are considered part of the Group's overall liquidity risk.

25 Financial risk factors and risk management continued

Financial instruments subject to offsetting, enforceable master netting arrangements

The following table shows the amounts recognised for financial assets and liabilities which are subject to offsetting arrangements on a gross basis, and the amounts offset in the balance sheet.

	Gross amounts of recognised financial assets/(liabilities)	Amounts set off	Net amounts presented on the balance sheet
	\$ million	\$ million	\$ million
As at 31 December 2025			
Commodity derivative assets	993	(497)	496
Commodity derivative liabilities	(500)	497	(3)
As at 31 December 2024			
Commodity derivative assets	748	(596)	152
Commodity derivative liabilities	(1,223)	596	(627)

Derivatives are offset in the financial statements where the Group has a legally enforceable right and intention to offset.

26 Share capital

	2025		2024	
	Number	\$ million	Number	\$ million
Issued and fully paid				
Ordinary shares of 0.002p each	1,409,983,625	–	1,440,109,512	–
Ordinary non-voting shares of 0.002p each	251,488,211	–	251,488,211	–
Ordinary non-voting deferred shares of 12.4999p each	925,532,809	171	925,532,809	171
		171		171

The rights and restrictions attached to the ordinary shares are as follows:

- **Dividend rights:** the rights of the holders of ordinary shares shall rank pari passu in all respects with each other in relation to dividends
- **Winding up or reduction of capital:** on a return of capital on a winding up or otherwise (other than on conversion, redemption or purchase of shares) the rights of the holders of ordinary shares to participate in the distribution of the assets of the company available for distribution shall rank pari passu in all respects with each other
- **Voting rights:** the holders of ordinary shares shall be entitled to receive notice of, attend, vote and speak at any general meeting of the company

The rights and restrictions to the ordinary non-voting shares are as follows. Further information on the rights and obligations attached to the non-voting ordinary shares is set out in the circular and prospectus published by the company on 12 June 2024.

- **Dividend rights:** each non-voting share will be entitled to receive an amount equal to a 13 per cent premium to the amount of any distribution per ordinary share made by the company, whether by cash dividend, dividend in specie, scrip dividend, capitalisation issue or otherwise
- **Winding up or reduction of capital:** on a winding up or liquidation of the company, holders of non-voting ordinary shares will be paid in priority to any other payment to holders of shares in the company
- **Voting rights:** a holder of non-voting ordinary shares shall not be entitled, in its capacity as a holder of such non-voting shares, to receive notice of any general meeting of the company nor to attend speak or vote at any such general meeting, unless the business of the meeting includes the consideration of a resolution to: (a) wind up the company; or (b) re-register the company as a private company
- **Transferability:** the non-voting ordinary shares are not admitted to listing or trading. The non-voting ordinary shares may be transferred to certain permitted transferees, in certain cases only with the consent of the company and in accordance with the terms of the non-voting ordinary shares
- **Conversion rights:** a holder of non-voting ordinary shares will be entitled to convert at least 25,000,000 non-voting shares either:
 - (i) in conjunction with the sale of non-voting ordinary shares to market sale places, which upon completion of such sale will be redesignated as ordinary shares; or
 - (ii) following the satisfaction of the conversion conditions (as defined in the terms of the non-voting ordinary shares).
 The non-voting ordinary shares will be convertible into ordinary shares on a one-for-one basis except that following any allotment or issue of ordinary shares by way of capitalisation of profits or reserves or any sub-division or consolidation of ordinary shares by the company (an adjustment event), the non-voting ordinary shares will convert into such number of ordinary shares and the non-voting shareholder will receive the same proportion of voting rights and entitlement to participate in distributions of the company, as nearly as practicable, as would have been the case had no adjustment event occurred. Additionally, subject to certain exceptions, the company will be required to procure the conversion of the non-voting ordinary shares into ordinary shares following: (i) the cancellation of the listing of the ordinary shares; and (ii) the acquisition of more than 50 per cent of the voting rights of the company by any person (other than the holder of the non-voting shares and any of such holder's concert parties)

The rights and restrictions attached to the non-voting deferred shares are as follows:

- They will have no voting or dividend rights and, on a return of capital or on a winding up of the company, will have the right to receive the amount paid up thereon only after holders of all ordinary shares have received, in aggregate, any amounts paid up on each ordinary share plus £10 million on each ordinary share. The non-voting deferred shares will not give the holder the right to receive notice of, nor attend, speak or vote at, any general meeting of the company

Issue of ordinary shares

During the year the company issued 13,246 (2024: 24,655) ordinary shares at a nominal value of 0.002 pence per share in relation to the exercise of SAYE awards. In 2024 the company issued 921,226,893 shares at a nominal value of 0.002 pence per share. This primarily consisted of 669,714,027 ordinary voting shares issued to BASF and 251,488,211 ordinary non-voting shares issued to LetterOne on completion of the Wintershall Dea acquisition.

The issue of the ordinary shares to BASF and non-voting shares to LetterOne resulted in an amount of \$3,457 million that was recognised as a merger reserve. These shares were issued at a share price of £2.86 per share, being the closing price of ordinary shares on the acquisition date and translated at the spot pound sterling to US dollar rate on that date of £1:\$1.3122.

Purchase and cancellation of own shares

During 2025, the company repurchased 31,203,917 ordinary shares for a total consideration, including transaction costs, of \$90 million (recognised in retained earnings), as part of the share buyback programme announced on 7 August 2025. Of the shares repurchased 30,139,133 ordinary shares had been cancelled by year end with the remaining shares cancelled in early January 2026. During 2024, none of the company's ordinary shares were repurchased or cancelled as previously announced share buybacks had been completed.

	2025 \$ million	2024 \$ million
Own shares		
At 1 January	36	24
Purchase of ESOP trust shares	15	25
Release of shares	(17)	(13)
At 31 December	34	36

The own shares represent the net cost of shares in Harbour Energy plc purchased in the market or issued by the company into the Harbour Energy plc Employee Benefit (ESOP) Trust. This ESOP Trust holds shares to satisfy awards under the Group's share incentive plans. At 31 December 2025, the number of ordinary shares of 0.002 pence each held by the trust was 10,903,041 (2024: 9,223,652).

27 Subordinated notes

On 22 February 2024, the bondholders of two series of subordinated resettable fixed rate notes (subordinated notes) in the aggregate principal amount of €1,500 million approved a change in guarantor from Wintershall Dea AG to Harbour Energy plc which became effective upon completing the Wintershall Dea acquisition transaction; these bonds were issued by Harbour's acquired subsidiary Wintershall Dea Finance 2 BV. The subordinated notes are callable three months prior to the first reset date for the NC2026 series and six months prior to the first reset date for the NC2029 series, there is no mandatory repayment. €521 million of the NC2026 series was repaid in May 2025.

On 30 April 2025, Harbour announced that Wintershall Dea Finance 2 BV as issuer, a subsidiary of Harbour, priced an offering on 29 April 2025 of €900 million in aggregate principal amount of subordinated resettable fixed rate notes at a rate of 6.117 per cent. Harbour primarily used the proceeds from this offering to repay certain of its NC2026 subordinated notes, repayment of existing debt and for general corporate purposes. This offering is callable three months prior to the first reset date, there is no mandatory repayment.

				2025			2024		
				Nominal value	Fair value	Carrying value	Nominal value	Fair value	Carrying value
As at 31 December	%	Reset date	Currency	€ million	\$ million	\$ million	€ million	\$ million	\$ million
Bond ISIN: XS2286041517	2.5	2026	EUR	129	150	143	650	718	690
Bond ISIN: XS2286041947	3.0	2029	EUR	850	966	873	850	939	873
Bond ISIN: XS3066591119 / XS3066590574	6.1	2030	EUR	900	1,085	1,009	–	–	–
Total				1,879	2,201	2,025	1,500	1,657	1,563

	2025 \$ million	2024 \$ million
As at 1 January	1,563	–
Fair value on acquisition	–	1,548
Fair value adjustment to subordinated notes	27	–
Accrued interest	81	15
Distributions to subordinated notes investors	(58)	–
Issuance of subordinated notes	970	–
Repayment of subordinated notes	(558)	–
As at 31 December	2,025	1,563

27 Subordinated notes continued

Under IAS 32, subordinated notes are wholly classified as equity. The issued subordinated notes are recognised in equity at fair value, based on the market prices of these instruments as of the acquisition date. Accrued interest payable to the subordinated notes investors increases equity, whereas the distribution of interest payments reduces equity. In 2025 a fair value adjustment was made to the subordinated notes of \$27 million (2024: \$nil) relating to the unwinding of a purchase price allocation adjustment made upon the acquisition of the Wintershall Dea portfolio. The unwinding was triggered following the repayment of the acquired subordinated notes of \$558 million (2024: \$nil).

28 Share-based payments

The company currently operates a Long Term Incentive Plan (LTIP) for certain employees, a Share Incentive Plan (SIP), a Save As You Earn (SAYE) scheme for UK-based employees, and a Global Employee Share Purchase Plan (GESPP) currently used for UK expatriate employees only.

For the year ended 31 December 2025, the total cost recognised by the company for share-based payment transactions was \$44 million (2024: \$51 million). A credit of \$44 million (2024: \$51 million) has been recorded in retained earnings for all equity-settled payments of the company.

Like other elements of remuneration, this charge is processed through a cost allocation process, which uses approved allocation keys to distribute costs to various entities within the Group. Part of this cost is therefore recharged to the relevant subsidiary undertakings, part is capitalised as directly attributable to capital projects and part is charged to the income statement as operating costs, pre-licence exploration costs or general and administration costs.

Details of the various share incentive plans currently in operation are set out below:

2025 Long Term Incentive Plan Rules (2025 LTIP)

At the 2025 AGM, shareholders approved the 2025 LTIP Rules, which have replaced the previous 2017 LTIP Rules. The 2025 LTIP Rules have broadly the same terms as the 2017 LTIP, with a number of changes made to align the 2025 Rules with current market practice and ensure that it is an effective tool for incentivising key employees and directors of the company. The 2025 LTIP Rules also align with the revised Directors' Remuneration Policy approved at the 2025 AGM.

The following types of award have been granted under the 2025 LTIP:

- **Performance share awards (PSAs):** vesting is subject to a performance target, normally measured over a three-year period from 1 January based on total shareholder return (TSR) relative to (i) FTSE 100 index, and (ii) a bespoke peer group of oil and gas companies. From 2026, the performance target for PSAs will also include free cash flow delivery target
- **Conditional share awards (CSAs):** vesting is only subject to continued employment
- **Deferred bonus share (DBS) awards:** certain employees are required to defer a portion of their annual bonus into shares which vest over a three-year period subject to continued employment
- **Restricted share awards (RSAs):** vest subject to continued employment over the vesting period. The rules permit the Remuneration Committee to set additional conditions on grant where appropriate. In line with the Remuneration Policy, RSAs granted to Executive Directors are normally subject to a performance underpin, requiring the Remuneration Committee to be satisfied with company's underlying performance over the vesting period before release

All LTIP awards are granted in the form of conditional share awards, and no exercise price payable on the exercise of these awards.

Legacy awards under the 2017 LTIP

Awards granted prior to the introduction of the 2025 LTIP continue to be governed by the terms of the Harbour Energy 2017 Long Term Incentive Plan. No further awards will be granted under the 2017 LTIP, but outstanding awards will remain subject to its rules until they vest or lapse.

For further details of the LTIP awards, including the performance conditions of the PSAs granted in 2025, please refer to the Directors' remuneration report (pages 101 to 115).

The following table shows the movement in the number of LTIP awards:

	2025 million shares	2024 million shares
Outstanding at 1 January	38	34
Granted	30	16
Exercised	(10)	(3)
Forfeited	(3)	(9)
Outstanding at 31 December¹	54	38

1 This includes nil cash-settled awards at 31 December 2025 (2024: 0.7 million), which are revalued using the year-end share price.

LTIP awards totalling 10.3 million shares were vested during the period (2024: 2.6 million). The weighted average remaining contractual life of the LTIP awards at 31 December 2025 was 1.4 years (2024: 1.3 years). The weighted average share price of the LTIPs awards, at exercise date, during the year was £1.75 (2024: £3.01).

Key assumptions used to calculate the fair value of awards

The fair value of PSAs which are subject to TSR conditions is determined using a Monte Carlo simulation. The fair value of all other awards is calculated using the share price at the date of grant, adjusted for dividends not received during the vesting period.

The following table lists the inputs to the model used in respect of the PSAs granted during the financial year:

	2025	2024
Share price at date of grant	£1.71–£2.54	£2.39–£3.22
Dividend yield	0%	0%
Expected term	1.4–3 years	3 years
Risk-free rate	3.7%–4.3%	4.1%–4.3%
Share price volatility of the company	34.9%–43.6%	47.0%–47.5%

The weighted average fair value of the PSA awards granted in 2025 was \$1.50 (2024: \$1.64).

Expected volatility was determined by reference to both the historical volatility of the company and the historical volatility of a group of comparable quoted companies over a period in line with the expected term assumption.

Global Employee Share Purchase Plan (GESPP)

The Global Employee Share Purchase Plan was approved by shareholders at the 2025 AGM. The following types of award are currently made under the GESPP:

- New joiner awards: Permanent employees who have completed one year of service as at 1 April in a given year receive an award of 250 shares
- Share purchase plan awards: a structure mirroring the UK SIP (below) operated currently for UK expatriate staff. Employees are invited to make contributions to buy partnership shares. If an employee agrees to buy partnership shares the company currently matches the number of partnership shares bought with a restricted share award (matching shares), on a one-for-one basis. In 2025, 365 shares were awarded to employees

UK Share Incentive Plan (SIP)

Under the Share Incentive Plan employees are invited to make contributions to buy partnership shares. If an employee agrees to buy partnership shares the company currently matches the number of partnership shares bought with an award of shares (matching shares), on a one-for-one basis. In 2025, 0.7 million matching shares were awarded to employees (2024: 0.6 million). The SIP matching shares are valued based on the quoted share price on the grant date.

Save As You Earn (SAYE) scheme

Under the SAYE scheme, UK qualifying employees with one month or more continuous service can join the scheme. Employees can save up to a maximum of £500 per month through payroll deductions for a period of three years, after which time they can acquire shares at the option price, which is set at a discount of up to 20 per cent to the prevailing market price at the grant date, determined in accordance with SAYE scheme rules. In 2025, 2.4 million SAYE options were granted (2024: 1.0 million).

The SAYE options outstanding at 31 December 2025 had exercise prices ranging from £1.81 to £2.37 (2024: £2.32 to £2.72) and a weighted average remaining contractual life of 2.6 years (2024: 2.3 years).

29 Group pension schemes

In addition to state pension plans, most employees are granted company pension benefits from either defined contribution or defined benefit plans. Benefits generally depend on the length of service, compensation and contributions and take into consideration the legal framework of labour, tax and social security laws in the countries where the employing subsidiaries are located.

Defined contribution schemes

The Group primarily operates defined contribution retirement benefit schemes. The only obligation of the Group with respect to the retirement benefit schemes is to make specified contributions. Payments to the defined contribution schemes are charged as an expense as they fall due.

Defined benefit plans

Germany

Employees of Harbour Energy companies in Germany may participate in a capital market-oriented defined benefit pension scheme. The scheme is open to employees joining Harbour Energy and is funded by employer and employee contributions. Typically, Harbour Energy guarantees the sum of applicable employer and employee contributions as individual minimum benefit. Funds are invested in plan assets held in a contractual trust arrangement (CTA). The pension scheme allows for voluntary contributions through deferred compensation. All other pension plans (including deferred compensation plans) have been closed to new employees.

Harbour Energy participates in the BASF Group's pension plans for periods of service already rendered (past service). Some pension benefits by BASF Pensionskasse VVaG are subject to periodic adjustments that are borne by Harbour Energy. Additionally, other defined benefit pension schemes are operated by Harbour Energy. Only employees who participated in these plans before 2022 are allowed to continue to participate in these plans.

29 Group pension schemes continued

For some pension plans, funds have been transferred to Willis Towers Watson Treuhand GmbH trust and to Willis Towers Watson Pensionsfonds AG pension fund to protect against insolvency. Willis Towers Watson Pensionsfonds AG falls within the scope of the Act on Supervision of Insurance Undertakings and Oversight by the German Federal Financial Supervisory Authority (BaFin). Under rare circumstances, the fund may request supplementary contributions from the employer. Irrespective of the external funding, the liability of the employer remains in place. The bodies of Willis Towers Watson Treuhand GmbH and Willis Towers Watson Pensionsfonds AG are responsible for ensuring that the funds under management are used in compliance with the contract and thus fulfil the requirements for their recognition as plan assets.

The defined benefit pension plans are subject to longevity risk.

Norway

The Harbour Energy Norge AS defined benefit plans have been closed to new employees since 1 January 2016. For Norwegian employees whose remaining length of service until retirement on 1 January 2016 was 15 years or less, a final salary commitment continues to apply after the closure of the plan. The plans are partly funded via Nordea Liv AS. Employees who still had a remaining length of service of more than 15 years on the date of 1 January 2016 and employees who joined the company after this date are entitled to benefits under a defined contribution pension plan. Defined contribution plans are either secured with Nordea Liv AS or unfunded and administered by Storebrand Pensjonstjenester on behalf of Harbour Energy Norge AS.

Moreover, closed defined benefit plans are in place for former DEA Norge employees. These are secured with DNB ASA. Employees who still had 15 years or less until retirement on 1 January 2021 remained in the existing plans. All others were transferred to existing defined contribution plans.

UK

Harbour Energy operates a final salary defined benefit pension plan in the UK, primarily inflation-linked annuities based on an employee's length of service and final salary. The scheme is closed to new members. Further details of this plan have not been provided as the plan is not material to the financial position or results of the Group.

Actuarial assumptions

The amount of the provision for defined benefit pension schemes was determined by actuarial methods based on the following key assumptions.

Key assumptions (%)	31 December 2025		31 December 2024	
	Germany	Norway	Germany	Norway
Discount rate	4.1	4.1	3.4	3.1
Pension growth	2.3	2.3	2.3	1.8

The assumptions used to determine the present value of the entitlements as at 31 December 2025 are used in the following fiscal year to determine the expenses for pension plans.

The valuation of the defined benefit obligation is generally performed using the most recent actuarial mortality tables as at 31 December 2025.

Actuarial mortality tables as at 31 December 2025

Germany	Heubeck Richttafeln 2018 G
Norway	K2013

Provision for pensions

\$ million	2025			2024		
	Defined benefit obligations	Plan assets	Total	Defined benefit obligations	Plan assets	Total
As at 1 January	468	(422)	46	–	–	–
Current service costs	9	–	9	3	–	3
Interest expense	17	(13)	4	5	(5)	–
Return on plan assets, excluding amounts already recognised in interest income	–	3	3	–	–	–
Actuarial gains/losses						
– of which effect of changes in financial assumptions	(34)	–	(34)	10	–	10
– of which effect of experience adjustments	(1)	–	(1)	(3)	–	(3)
Currency effect	59	(57)	2	(31)	28	(3)
Employer contribution to the funded plans	–	(2)	(2)	–	(1)	(1)
Employee contribution to the funded plans	–	(1)	(1)	–	–	–
Benefit payments	(34)	24	(10)	(9)	9	–
Reclassification from other provisions	20	–	20	–	–	–
Additions from business combinations and joint arrangements	–	–	–	493	(453)	40
As at 31 December	504	(468)	36	468	(422)	46

The present value of the defined benefit obligations less plan assets measured at fair value results in the net defined benefit obligation arising from funded and unfunded plans and is recognised as pension provision on the balance sheet. Of the present value of defined benefit obligations, \$431 million relate to benefit obligations in Germany and \$73 million to benefit obligations in Norway.

German pensions are subject to an obligation to review for adjustments every three years pursuant to Section 16 of the German Occupational Pensions Act (BetrAVG). Additionally, some commitments grant annual pension adjustments, which may exceed the legally mandated adjustment obligation.

The weighted average duration of the pension obligations is 12 years in Germany (2024: 12 years) and 15 years in Norway (2024: 15 years).

Sensitivity analysis of defined benefit obligations

An increase or decrease in the discount rate and pension growth would have the following impact on the present value of the defined benefit obligations:

Change in actuarial assumptions

	Impact on defined benefit obligations	
	31 December 2025 \$ million	31 December 2024 \$ million
Discount rate		
Increase of 0.5 percentage points	(26)	(26)
Reduction of 0.5 percentage points	29	29
Pension growth		
Increase of 0.5 percentage points	21	19
Reduction of 0.5 percentage points	(19)	(18)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

Plan assets

The investment policy in Germany is based on detailed asset liability management (ALM) studies. Portfolios are identified that can achieve the best target return within a given risk budget. From these efficient portfolios, one is selected, and the strategic asset allocation is determined. The strategic asset allocation consists of two main elements. The first one is used to hedge fluctuations. This involves the use of capital market instruments that hedge the financial risks arising from the valuation of pension obligations. The second part of the allocation is used to generate income and for diversification purposes. The broadly diversified portfolio includes investments in bonds, equities, real estate and other asset classes. The assets are continuously monitored and managed from a risk and return perspective.

Composition of plan assets (fair values)

	31 December 2025			
	Germany \$ million	Of which has an active market	Norway \$ million	Of which has an active market
Assets held in insurance company	3	–	23	100%
Specialised funds	441	100%	–	–
	444		23	

	31 December 2024			
	Germany \$ million	Of which has an active market	Norway \$ million	Of which has an active market
Assets held in insurance company	3	–	22	100%
Specialised funds	397	100%	–	–
	400		22	

30 Notes to the statement of cash flows

Net cash flows from operating activities consist of:

	2025 \$ million	2024 \$ million
Year ended 31 December		
Profit before taxation	2,801	1,219
Adjustments to reconcile profit before tax to net cash flows		
Finance cost, excluding foreign exchange	669	602
Finance income, excluding foreign exchange	(462)	(55)
Depreciation, depletion and amortisation	2,959	1,745
Net impairment of property, plant and equipment	365	352
Impairment of right-of-use asset	–	20
Share-based payments	44	51
Decommissioning payments	(398)	(284)
Fair value movements on derivatives	146	(68)
Changes in provisions	(3)	(31)
Exploration costs written-off	200	173
Movement in realised cash flow hedges not yet settled	5	(31)
Unrealised foreign exchange loss/(gain)	481	(116)
Working capital adjustments		
(Increase)/decrease in inventories	(16)	39
Decrease/(increase) in trade and other receivables	208	(32)
Decrease in trade and other payables	(137)	(470)
Net tax payments	(3,476)	(1,499)
Net cash inflow from operating activities	3,386	1,615

Reconciliation of net cash flow to movement in net debt

	2025 \$ million	2024 \$ million
Proceeds from drawdown of RBL facility	–	(178)
Proceeds from Euro bonds	–	(1,728)
Proceeds from USD bonds	(900)	–
Proceeds from RCF	(440)	(2,225)
Proceeds from bridge facility	–	(1,500)
Repayment of RBL facility	–	178
Repayment of bridge facility	–	1,500
Repayment of RCF	690	1,975
Repayment of USD bonds	262	–
Repayment of Euro bonds	1,129	–
Repayment of financing arrangement	–	17
Bond debt arising on business combination ¹	–	(3,038)
Financing arrangement interest payable	–	(1)
Arrangement fees and related costs on bonds capitalised	6	11
Arrangement fees and related costs on RCF capitalised	–	34
Arrangement fees and related costs on bridge facility capitalised	–	13
Amortisation of arrangement fees and related costs capitalised	(81)	(102)
Reclassification of RCF arrangement fees and related costs to current and non-current assets	(24)	–
Currency translation adjustment on Euro bonds	(564)	263
Movement in total borrowings	78	(4,781)
Cash acquired on business combination	–	748
Movement in cash and cash equivalents	41	(229)
Decrease/(increase) in net debt in the year	119	(4,262)
Opening net debt	(4,424)	(162)
Closing net debt	(4,305)	(4,424)

1 Net of capitalised arrangement fees and related costs of \$nil (2024: \$276 million).

Analysis of net debt

	2025 \$ million	2024 \$ million
As at 31 December		
Cash and cash equivalents	846	805
RCF	–	(218)
Bonds	(5,151)	(5,011)
Net debt after unamortised fees	(4,305)	(4,424)

The carrying values on the balance sheet are stated net of the unamortised portion of issue costs and bank fees of \$215 million of which \$nil relates to the RCF and \$215 million is netted against the bonds (2024: \$284 million of which \$32 million related to the RCF and \$252 million related to the bonds).

31 Related party disclosures

Transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

BASF and LetterOne have been classified as related parties because they are substantial shareholders. At 31 December 2025, BASF held 657.7 million (2024: 669.7 million) of voting ordinary shares. LetterOne held 56.9 million (2024: nil) of voting ordinary shares and 251.5 million (2024: 251.5 million) of non-voting ordinary shares, respectively. The BASF shareholding represents 46.7 per cent (2024: 46.5 per cent) of voting ordinary shares.

BASF is entitled to dividends as per note 32 which, whilst denominated in pound sterling will, specifically for BASF, be paid in US dollars.

Compensation of key management personnel of the Group

Remuneration of key management personnel, including directors of the Group, is shown below:

	2025 \$ million	2024 \$ million
Salaries and short-term employee benefits	28	16
Payments made in lieu of pension contributions	1	1
Termination benefits	–	1
	29	18

32 Distributions made and proposed

A final dividend of 13.19 cents per ordinary share in relation to the year ended 31 December 2024 was paid on 21 May 2025 pursuant to shareholder approval received on 8 May 2025.

An interim dividend of 13.19 cents per ordinary share in relation to the half year ended 30 June 2025 was paid on 24 September 2025.

	2025 \$ million	2024 \$ million
Year ended 31 December		
Cash dividends on ordinary shares declared and paid		
Final dividend for 2024 13.19 cents per share (2023: 13 cents per share)	228	100
Interim dividend for 2025 13.19 cents per share (2024: 13 cents per share)	227	99
	455	199
Proposed dividends on ordinary shares		
Final dividend for 2025: 8.05 cents per share (2024: 13.19 cents per share)	150	228

Proposed dividends on ordinary shares are subject to approval at the Annual General Meeting and are not recognised as a liability as at 31 December.

33 Events after the reporting period

On 11 February 2026, Harbour announced it had completed the acquisition of LLOG Exploration Company LLC for \$3.2 billion, marking the company's strategic entry into the US Gulf of America. Harbour financed the acquisition through \$2.7 billion of cash and the issuance of 174,855,744 new Harbour voting ordinary shares to LLOG Holdings LLC with an agreed value of \$0.5 billion. The cash was funded by a \$1.0 billion bridge facility, a \$1.0 billion three-year term loan and \$0.7 billion from existing sources of liquidity.

At the time when the financial statements were authorised for issue, the Group had not yet completed the accounting for the acquisition of LLOG Exploration Company LLC. The proximity of the completion of the acquisition to the authorisation of the financial statements has meant the fair values of the assets and liabilities have not been finalised. It is also not yet possible to provide detailed information about each class of acquired receivables and any contingent liabilities of the acquired entities.

In 2024, the German non-governmental organisation Deutsche Umwelthilfe (NGO) filed a lawsuit against the German mining authority (LBEG) challenging the operating permit of Harbour Energy Germany GmbH (HEGG) for HEGG's Mittelplate field. HEGG is a joined party in this lawsuit. On 26 February 2026, a court of first instance (Schleswig-Holsteinisches Verwaltungsgericht) decided that the operating permit is to be considered invalid during the duration of the main court proceeding. HEGG filed an appeal on 27 February 2026 with the Appellate Court (Schleswig-Holsteinisches Obergericht). This Court confirmed the receipt of the appeal and stated in writing that its Senate, which will decide on the appeal, assumes that the operations of the drilling and production island Mittelplate will continue until a decision has been determined. Based on this first response by the Appellate Court, and in close alignment with the mining authority, HEGG is focused on continuing safe operations.

34 Group information

Subsidiary undertakings of the company which were all wholly owned at 31 December 2025 were:

Name of company	Area of operation	Country of incorporation	Main activity
Chrysaor (U.K.) Alpha Limited ¹⁶	UK	UK	Exploration, production, and development
Chrysaor (U.K.) Beta Limited ¹⁶	UK	UK	Decommissioning activities
Chrysaor (U.K.) Sigma Limited ¹⁶	UK	UK	Exploration, production, and development
Chrysaor (U.K.) Theta Limited ¹⁶	UK	UK	Exploration, production, and development
Chrysaor CNS Limited ¹⁶	UK	UK	Exploration, production, and development
Chrysaor Developments Limited ¹⁶	UK	UK	Decommissioning activities
Chrysaor E&P Limited ¹⁶	UK	UK	Intermediate holding company
Chrysaor Holdings Limited ¹⁶	UK	Cayman Islands	Intermediate holding company
Chrysaor Limited ¹⁶	UK	UK	Exploration, production, and development
Chrysaor North Sea Limited ¹⁶	UK	UK	Exploration, production, and development
Chrysaor Petroleum Company U.K. Limited ¹⁶	UK	UK	Exploration, production, and development
Chrysaor Petroleum Limited ¹⁶	UK	UK	Decommissioning activities
Chrysaor Production (U.K.) Limited ¹⁶	UK	UK	Exploration, production, and development
Chrysaor Production Holdings Limited ¹⁶	UK	UK	Intermediate holding company
Chrysaor Resources (Irish Sea) Limited ¹⁶	UK	UK	Exploration, production, and development
DEA Cyrenaica GmbH ⁷	Libya	Germany	Exploration, production, and development
DEA E&P GmbH ⁷	Germany	Germany	Exploration, production, and development
DEA North Africa/Middle East GmbH ⁷	North Africa	Germany	Exploration, production, and development
DEM México Erdoel, S.A.P.I. de C.V. ¹¹	Mexico	Mexico	Intermediate holding company
E&A Internationale Explorations-und Produktions GmbH ⁷	Germany	Germany	Exploration, production, and development
FP Mauritania A BV ¹³	Mauritania	Netherlands	Decommissioning activities
FP Mauritania B BV ¹³	Mauritania	Netherlands	Decommissioning activities
Harbour Energy Algeria GmbH ⁷	Algeria	Germany	Exploration, production, and development
Harbour Energy Bloque 7, S.A. de C.V. ¹²	Mexico	Mexico	Exploration, production, and development
Harbour Energy Central Andaman Limited ¹⁶	Indonesia	UK	Exploration, production, and development
Harbour Energy Egypt BV ¹³	Egypt	Netherlands	Exploration, production, and development
Harbour Energy Finance Limited ¹⁶	UK	UK	Financing company
Harbour Energy Finance (2) plc ^{1,16}	UK	UK	Financing company
Harbour Energy Germany GmbH ⁷	Germany	Germany	Exploration, production, and development
Harbour Energy International GmbH ⁷	Germany	Germany	Exploration, production, and development
Harbour Energy Marketing Limited ¹⁶	UK	UK	Gas trading
Harbour Energy Netherlands Holdings BV ^{1,13}	Netherlands	Netherlands	Intermediate holding company
Harbour Energy Norge AS ¹⁴	Norway	Norway	Exploration, production, and development
Harbour Energy Services Limited ¹⁶	UK	UK	Service company
Harbour Energy Unidad Zama, S. de R.L. de C.V. ¹¹	Mexico	Mexico	Exploration, production, and development
Harbour Energy US Holdings LLC ¹⁹	USA	USA	Intermediate holding company
Izta Energia, S. de R.L. de C.V. ¹¹	Mexico	Mexico	Intermediate holding company
Premier Oil Aberdeen Services Limited ¹⁶	UK	UK	Service company
Premier Oil and Gas Services Limited ¹⁶	UK	UK	Service company
Premier Oil Andaman I Limited ¹⁶	Indonesia	UK	Exploration, production, and development
Premier Oil Andaman Limited ¹⁶	Indonesia	UK	Exploration, production, and development
Premier Oil Barakuda Limited ¹⁶	Indonesia	UK	Exploration, production, and development
Premier Oil E&P Holdings Limited ¹⁶	UK	UK	Intermediate holding company
Premier Oil E&P UK EU Limited ¹⁶	UK	UK	Exploration, production, and development
Premier Oil E&P UK Limited ¹⁶	UK	UK	Exploration, production, and development
Premier Oil Exploration (Mauritania) Limited ¹⁰	Mauritania	Jersey	Decommissioning activities
Premier Oil Group Holdings Limited ^{1,16}	UK	UK	Intermediate holding company
Premier Oil Group Limited ¹⁸	UK	UK	Intermediate holding company
Premier Oil Holdings Limited ¹⁶	UK	UK	Intermediate holding company
Premier Oil Mauritania B Limited ¹⁰	Mauritania	Jersey	Decommissioning activities
Premier Oil Mexico Holdings Limited ¹⁶	UK	UK	Intermediate holding company
Premier Oil Mexico Investments Limited ¹⁶	UK	UK	Intermediate holding company
Premier Oil Mexico Recursos S.A. de C.V. ¹¹	Mexico	Mexico	Exploration, production, and development
Premier Oil Natuna Sea BV ¹³	Indonesia	Netherlands	Exploration, production, and development
Premier Oil Overseas BV ¹³	Netherlands	Netherlands	Intermediate holding company
Premier Oil South Andaman Limited ¹⁶	Indonesia	UK	Exploration, production, and development
Premier Oil Tuna BV ¹³	Indonesia	Netherlands	Exploration, production, and development
Premier Oil UK Limited ¹⁸	UK	UK	Exploration, production, and development
Servicios Unidad PWT S. de R.L. de C.V. ¹¹	Mexico	Mexico	Service company

Name of company	Area of operation	Country of incorporation	Main activity
Sierra Blanca P&D, S. de R.L. de C.V. ¹¹	Mexico	Mexico	Exploration, production, and development
Sierra Coronado E&P, S. de R.L. de C.V. ¹¹	Mexico	Mexico	Exploration, production, and development
Sierra Nevada E&P, S. de R.L. de C.V. ¹¹	Mexico	Mexico	Exploration, production, and development
Sierra Offshore Exploration, S. de R.L. de C.V. ¹¹	Mexico	Mexico	Exploration, production, and development
Sierra Oil & Gas Holdings, L.P. ⁵	Mexico	Canada	Intermediate holding company
Sierra Oil & Gas S.de R.L. de C.V. ¹¹	Mexico	Mexico	Exploration, production, and development
Sierra Perote E&P, S. de R.L. de C.V. ¹¹	Mexico	Mexico	Exploration, production, and development
SE Argentina Holdings BV ¹³	Argentina	Netherlands	Exploration, production, and development
Wintershall Dea Argentina S.A. ²	Argentina	Argentina	Exploration, production, and development
Wintershall Dea Carbon Management Solutions BV ¹³	Netherlands	Netherlands	CCS activities
Wintershall Dea Finance 2 BV ^{1,13}	Netherlands	Netherlands	Financing company
Wintershall Dea Finance BV ^{1,13}	Netherlands	Netherlands	Financing company
Wintershall Dea Global Holding GmbH ⁷	Germany	Germany	Exploration, production, and development
Wintershall Dea Global Support BV ¹³	Netherlands	Netherlands	Service company
Wintershall Dea Insurance Limited ⁹	Guernsey	Guernsey	Risk mitigation services
Wintershall Dea Marketing Services GmbH ⁷	Germany	Germany	Distribution, transportation and trade
Wintershall Dea Mexico Holding BV ¹³	Mexico	Netherlands	Intermediate holding company
Wintershall DEA Mexico Holdings GP Ltd ⁴	Mexico	Canada	Intermediate holding company
Wintershall DEA México, S. de R.L. de C.V. ¹¹	Mexico	Mexico	Exploration, production, and development
Wintershall Dea Middle East GmbH ⁷	United Arab Emirates	Germany	Exploration, production, and development
Wintershall Dea Nederland BV ¹³	Netherlands	Netherlands	Servicing and financing company
Wintershall Dea Nile GmbH ⁷	Egypt	Germany	Exploration, production, and development
Wintershall Dea South East Asia GmbH ⁷	Germany	Germany	Exploration, production, and development
Wintershall Dea Suez GmbH ⁷	Egypt	Germany	Exploration, production, and development
Wintershall Dea Technology Ventures GmbH ⁷	Germany	Germany	Investment company
Wintershall Dea Vermögensverwaltungs gesellschaft mbH ⁷	Germany	Germany	Intermediate holding company
Wintershall Dea WND GmbH ⁷	Egypt	Germany	Exploration, production, and development
Wintershall Petroleum (E&P) BV ¹³	Netherlands	Netherlands	Exploration, production, and development
Chrysaor (U.K.) Britannia Limited ¹⁶	–	UK	Dormant company
Chrysaor (U.K.) Lambda Limited ¹⁵	–	Ireland	Dormant company
DEA Trinidad & Tobago GmbH ⁷	–	Germany	Non-trading
Harbour Energy Argentina Limited ¹⁶	–	UK	Dormant company
Harbour Energy Developments Limited ¹⁶	–	UK	Dormant company
Harbour Energy Production Limited ¹⁶	–	UK	Dormant company
Harbour Energy Secretaries Limited ¹⁶	–	UK	Dormant company
Premier Oil ANS Limited ¹⁶	–	UK	Non-trading
Premier Oil do Brasil Petroleo e Gas Ltda ³	–	Brazil	Dormant company
Premier Oil ONS Limited ¹⁶	–	UK	Dormant company
Premier Oil Pakistan Offshore BV ¹³	–	Netherlands	Dormant company
Premier Oil Vietnam 121 Limited ¹⁶	–	UK	Non-trading
Viking CCS Limited ¹⁶	–	UK	Dormant company
Ebury Gate Limited ⁸	–	Guernsey	Voluntary strike-off
EnCore (NNS) Limited ¹⁷	–	UK	Liquidation
EnCore Oil Limited ¹⁷	–	UK	Liquidation
Premier Oil (EnCore Petroleum) Limited ¹⁷	–	UK	Liquidation
Premier Oil Exploration Limited ¹⁷	–	UK	Liquidation
Premier Oil Far East Limited ¹⁷	–	UK	Liquidation

Notes:

- 1 Held directly by the company. All other companies are held through a subsidiary undertaking.
- 2 Registered office – Della Paolera 261, Piso 14 Ciudad de Buenos Aires, C1001ADA Argentina.
- 3 Registered office – Avenida Rio Branco, 123, Grupo 1102, Centro, Rio de Janeiro, CEP: 20040-905, Brazil.
- 4 Registered office – 100 King Street West, 3400, Toronto, ON MX51A4, Canada.
- 5 Registered office – 44 Chipman Hill, Suite 1000, Saint John, NB E2L 2A9, Canada.
- 6 Registered office – Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
- 7 Registered office – Hamburg, Germany. Business address: Am Lohsepark 8, 20457 Hamburg, Germany.
- 8 Registered office – Level 5, Mill Court, La Charroterie, St Peter Port, Guernsey, GY1 1EJ.
- 9 Registered office – Level 3, Mill Court, La Charroterie, St Peter Port, Guernsey, GY1 4ET.
- 10 Registered office – 2nd Floor, Lime Grove House, Green Street, St. Helier, JE2 4UB, Jersey.
- 11 Registered office – Campos Eliseos 345, floor 12, Polanco V Seccion, Mexico City, CP 11560, Mexico.
- 12 Registered office – Presidente Masaryk 111, Piso 1, Polanco V Seccion, Mexico City, CP 11560, Mexico.
- 13 Registered office – Lange Kleiweg 56H, 2288 GK, Rijswijk, Netherlands.
- 14 Registered office – Jåttåflaten 27, 4020 Stavanger, Norway.
- 15 Registered office – Riverside One, Sir John Rogerson's Quay, Dublin 2, Ireland.
- 16 Registered office – 151 Buckingham Palace Road, London, SW1W 9SZ, United Kingdom.
- 17 Registered office – C/O Teneo Financial Advisory Limited The Colmore Building, 20 Colmore Circus Queensway, Birmingham, B4 6AT, United Kingdom.
- 18 Registered office – 4th Floor, Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN, United Kingdom.
- 19 Registered office – 1209 Orange Street, Wilmington, County of New Castle, State of Delaware 19801, USA.

34 Group information continued

Joint operations and investments

Companies that are not wholly owned or controlled by the Group were:

Name of company	Effective % ownership	Registered office address
Luna Carbon Storage ANS	60	Jåttåflaten 27, 4020, Stavanger, Norway
Havstjerne ANS	60	Jåttåflaten 27, 4020, Stavanger, Norway
Kaupang Karbonlager ANS	60	Jåttåflaten 27, 4020, Stavanger, Norway
Disouq Petroleum Company	50	Plot No. 188 (Dana Gas Building), City Center, 5 th Settlement, New Cairo, Egypt
JV East Damanhur Gas Company	50	Plot No. 188 (Dana Gas Building), City Center, 5 th Settlement, New Cairo, Egypt
Erdgas Münster GmbH	33.7	Johann-Krane-Weg 46, 48149, Münster, Germany
Wellstarter AS	24.4	Stiklestadveien 3, 7041, Trondheim, Norway
AMBARtec AG	24.4	Erna-Berger-Str. 17, 01097, Dresden, Germany
Southern Energy S.A.	15.0	Avenida Leandro N. Alem 1180, Piso 9, Ciudad de Buenos Aires, C1001AAT, Argentina
Gasoducto Cruz del Sur S.A.	10.0	La Cumparsita 1373 office 402, 11200, Montevideo, Uruguay
HiiROC Limited	9.6	Number 22 Mount Ephraim, Tunbridge Wells, TN4 8AS, United Kingdom
Gas Links S.A.	5.1	Don Bosco 3672 6 th floor, C1206ABF, City of Buenos Aires, Argentina

Joint operations that are not managed through separate companies are mainly located in Norway, the UK, Germany, Mexico and Argentina. The Group applies the equity method in accounting for its investment in Southern Energy S.A.

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2025

	Note	2025 \$ million	2024 \$ million
Assets			
Non-current assets			
Investments in subsidiaries	3	8,319	6,065
Long-term employee benefit plan surplus	7	1	1
Long-term receivables	4	2,621	2,056
Total non-current assets		10,941	8,122
Current assets			
Trade and other receivables	4	171	30
Total current assets		171	30
Total assets		11,112	8,152
Current liabilities			
Trade and other payables	5	992	842
Borrowings	6	236	–
Total current liabilities		1,228	842
Non-current liabilities			
Borrowings	6	894	496
Other financial liabilities	5	12	52
Long-term employee benefit plan deficit	7	1	1
Total non-current liabilities		907	549
Total liabilities		2,135	1,391
Net assets		8,977	6,761
Equity and reserves			
Share capital	9	171	171
Merger reserve	9	3,247	3,457
Retained earnings		5,551	3,125
Other reserves		8	8
Total equity and reserves		8,977	6,761

Profit for the year ending 31 December 2025 was \$2,729 million (2024: \$160 million loss).

The financial statements, including the notes, of Harbour Energy plc (registered number: SC234781) on pages 195 to 199 were approved and authorised for issue by the board of directors on 4 March 2026 and signed on its behalf by:

Alexander Krane
Chief Financial Officer

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Share capital \$ million	Merger reserve ¹ \$ million	Capital redemption reserve \$ million	Retained earnings ² \$ million	Total equity \$ million
At 1 January 2024	171	–	8	3,457	3,636
Loss for the year	–	–	–	(160)	(160)
Other comprehensive income	–	–	–	1	1
Total comprehensive loss	–	–	–	(159)	(159)
Issue of new shares	–	3,457	–	–	3,457
Share-based payments	–	–	–	51	51
Purchase of ESOP trust shares	–	–	–	(25)	(25)
Dividend paid	–	–	–	(199)	(199)
At 31 December 2024	171	3,457	8	3,125	6,761
Profit for the year	–	–	–	2,729	2,729
Other comprehensive income	–	–	–	3	3
Total comprehensive income	–	–	–	2,732	2,732
Purchase and cancellation of own shares	–	–	–	(90)	(90)
Share-based payments	–	–	–	44	44
Purchase of ESOP trust shares	–	–	–	(15)	(15)
Reclassification of reserves ³	–	(210)	–	210	–
Dividends paid	–	–	–	(455)	(455)
At 31 December 2025	171	3,247	8	5,551	8,977

1 The increase in the merger reserve represents the difference between the fair value and nominal value of the shares issued as consideration for the acquisition of the Wintershall Dea assets.

2 Includes \$1.65 billion non-distributable reserves restricted until 31 March 2028 as a result of the 2022 capital reduction.

3 Impairment relating to the Wintershall Dea investment transferred from retained earnings to the merger reserve.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

1 Material accounting policies

The separate financial statements of the company are presented as required by the Companies Act 2006. The company meets the definition of a qualifying entity under Financial Reporting Standard 100 (FRS 100) issued by the Financial Reporting Council (FRC). These financial statements have been prepared in accordance with FRS 101 'Reduced Disclosure Framework'.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to accounting standards issued but not yet effective or implemented, share-based payment information, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement and certain related party transactions. Where required, the equivalent disclosures are given in the consolidated financial statements.

The financial statements have been prepared on a going concern basis. Further information relating to the going concern assumption is provided in the Financial review on page 36. Key sources of estimation uncertainty disclosures are provided in the accounting policies and in relevant notes to the consolidated financial statements as applicable, as well as the key sources of estimation uncertainty described below. Details of the company's share-based payment schemes are provided in note 28 of the consolidated financial statements.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are the same as those set out on pages 137 to 153 to the consolidated financial statements except for the following:

Investments in subsidiaries

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment. The company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication of impairment exists, the company makes an estimate of its recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount. Where these circumstances have reversed, the impairment previously made is reversed to the extent of the original cost of the investment.

Financial guarantees

The company issues financial guarantee contracts to make specified payments to reimburse holders for losses incurred if certain subsidiaries fail to make payments when due in accordance with the original or modified terms of its debt instrument. The liability for a financial guarantee contract is initially measured at fair value and subsequently measured at the higher of the contract's estimated expected credit loss and the amount initially recognised less, where appropriate, cumulative amortisation. For all guarantees, maturity dates vary, and the guarantees will terminate on payment and/or cancellation of the obligation. In general, a payment under the guarantee contract would be triggered by failure of the guaranteed party to fulfil its obligation covered by the guarantee.

Significant accounting judgements and estimates

The preparation of the company's financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

The company has identified the following areas where significant estimation is required:

Recoverability of investments in subsidiaries

Assessment of the recoverable value of investments involves a number of significant estimates. There are two identified investment groups which are the Wintershall Dea and the legacy Harbour groups, the latter comprising mainly the UK business. The assessment uses a combination of a share price model (including an estimated control premium) and the same corporate model base case valuations used in the preparation of the Group financial statements in particular for goodwill and asset impairment assessments. Portfolio asset and liability values derived from these inputs are attributed to the two investment groups to test for impairment against the respective carrying values. Impairments for the Wintershall Dea investment are allocated to the merger reserve which arose as a result of that acquisition whereas for the legacy Harbour investment any impairment is charged ultimately to retained earnings. Further details are provided in note 2 to the consolidated financial statements.

2 Profit/(loss) for the year

As permitted by section 408 of the Companies Act 2006, the company has elected not to present its own profit and loss account for the year. The company reported a profit for the financial year ended 31 December 2025 of \$2,729 million (2024: \$160 million loss). Other comprehensive income for the year was \$3 million (2024: \$1 million).

The auditors' remuneration for audit and other services is disclosed in note 5 to the consolidated financial statements.

3 Investments in subsidiaries

Net book value	2025 \$ million	2024 \$ million
At 1 January	6,065	2,238
Additions	2,802	4,089
Transfers	–	(262)
Impairment	(548)	–
At 31 December	8,319	6,065

3 Investments in subsidiaries continued

During the year, the company made an additional \$2.8 billion contribution to its subsidiary Harbour Energy Netherlands Holdings BV without that subsidiary issuing new shares. In 2024 Harbour Energy plc acquired the shareholdings of Wintershall Dea Finance BV as part of the Wintershall Dea acquisition; per the Share Purchase Agreement the consideration for this company was to be trued-up to the market value. As a result of this the company increased its investment in the subsidiary by \$8 million in 2025.

As at 31 December 2025, the market capitalisation of the company was less than the company's carrying value of its investment in its subsidiaries. Therefore, an impairment test was performed to determine whether recoverable amount exceeded the cost of investment. Recoverable amount was assessed by reference to fair value less costs of disposal. This was calculated by comparing the cost of investment with the Group's market capitalisation (Level 1 under IFRS 13 fair value hierarchy), adjusted to reflect a control premium. In determining the premium and costs of disposal, available data from recent market transactions in comparable industries, conducted at arm's length for similar assets, have been taken into account. This resulted in a recoverable amount below the cost of the investment. As the carrying amount of the investments in subsidiaries exceeded their fair value less costs of disposal, an impairment charge of \$548 million (2024: \$nil) was recognised against the carrying value of these investments.

The acquisition of the Wintershall Dea business in 2024 gave rise to a merger reserve of \$3,457 million recognised within equity. An amount of \$210 million relating to the impairment of the investment in Wintershall Dea has been transferred from the merger reserve to retained earnings. This transfer reflects the utilisation of the reserve to absorb accumulated losses arising from the impairment recognised in profit or loss.

As part of this assessment, it was noted that a 10 per cent decrease in the share price would result in a \$600 million increase in the impairment.

A list of all investments in subsidiaries held at 31 December 2025, including the name and type of business, the country of operation and the country of incorporation or registration, is given in note 34 to the consolidated financial statements.

4 Receivables

	2025 \$ million	2024 \$ million
Current		
Amounts owed by subsidiary undertakings in respect of taxation	47	14
Other debtors ¹	117	11
Prepayments	7	5
	171	30
Non-current		
Amounts owed by subsidiary undertakings ^{2,3}	2,620	2,052
Other long-term receivables	1	4
	2,621	2,056

1 Other debtors included \$100 million held in an escrow account in relation to consideration payable for the acquisition of LLOG Exploration Company LLC that was announced in December 2025.

2 Amounts owed by subsidiary undertakings include non-interest bearing loans that are repayable on demand, although the company has confirmed that it has no current intention to call on the loans until at least 12 months from the date of the approval of these financial statements.

3 The above carrying values reflect an impairment provision required under IFRS 9, which was calculated using the Group's 12-month probability of default. The amounts owed by subsidiary undertakings of \$2,627 million (2024: \$2,061 million) incurred an impairment provision of \$7 million (2024: \$9 million) resulting in the carrying amounts being \$2,620 million (2024: \$2,052 million) at year end.

The carrying values of the company's receivables approximate their fair value.

5 Trade and other payables

	2025 \$ million	2024 \$ million
Current		
Amounts owed to subsidiary undertakings	949	822
Other creditors	–	1
Accruals	43	19
	992	842
Non-current		
Other financial liabilities	12	52
	12	52

Other financial liabilities refer to the contingent consideration agreed upon with the previous owners of the Wintershall Dea assets. As at the acquisition date, the fair value of the contingent consideration was estimated to be \$52 million. The fair value of the contingent consideration at 31 December 2025 is \$12 million. Further details of these items are disclosed in note 14 of the consolidated financial statements.

The carrying values of the company's payables approximate their fair value.

6 Borrowings

	2025		2024	
	Book value \$ million	Fair value \$ million	Book value \$ million	Fair value \$ million
Bond 2026	236	237	496	499
Bond 2035	894	911	–	–
	1,130	1,148	496	499

In October 2021, the company issued a \$500 million bond under Rule 144A which has a tenor of five years to maturity. The coupon was set at 5.5 per cent and interest is payable semi-annually. \$262 million of these bonds were repaid in March 2025.

On 24 March 2025, the company priced an offering of \$900 million of 6.327 per cent senior bonds due 2035. The company used these proceeds to finance the purchase of \$262 million of the \$500 million 5.5 per cent senior bonds due 2026 and for general corporate purposes, including towards repayment of upcoming Group debt maturities. \$6 million of arrangement fees and related costs were capitalised as part of this offering.

The fair value of the bonds is within Level 2 of the fair value hierarchy and has been estimated by discounting future cash flows by the relevant market yield curve at the balance sheet date.

7 Long-term employee benefit plans

Defined benefit schemes

The company operates a final salary defined benefit pension plan in the UK, primarily inflation-linked annuities based on an employee's length of service and final salary. The scheme is closed to new members. The plan is a UK Tax Authority registered pension plan and is subject to standard UK pension and tax laws. Details on the benefits provided by the plan are set out in the Trust Deed and Rules dated 16 October 2008 (as amended).

The plan's assets are held in a separate trustee-administered fund to meet long-term pension liabilities to beneficiaries. The trustee of the plan is required to act in the best interest of the beneficiaries. The appointment of trustee directors is determined by the trust documentation.

The trustee of the plan invests assets in line with the Statement of Investment Principles. The Statement of Investment Principles has been established taking into consideration the liabilities of the plan and the investment risk the trustee is willing to accept.

Under the Scheme Funding regime introduced by the Pensions Act 2004, the trustee is required to carry out regular actuarial valuations of the plan, establish a schedule of contributions and, when there is a shortfall, a recovery plan. Scheme funding valuations are carried out at least every three years. Approximate funding updates are produced annually in years where a full scheme funding valuation is not completed.

The defined benefit pension plan exposes the company to actuarial risk, such as longevity risk, interest rate risk, salary risk, investment market risk and currency risk.

Further details of this plan have not been provided as the plan is not material to the financial position or results of the company.

The company is also paying an unfunded pension to a former director in regard to which an annual increase and a revisionary spouse's pension apply as to pensions paid under the plan.

8 Commitments and guarantees

The company has issued guarantees to third parties in case of the failure, on the part of certain subsidiaries, to pay current liabilities and obligations pertaining to business operations. The amounts guaranteed by the company, at 31 December 2025, are as follows:

- \$3.0 billion revolving credit facility agreement of which \$1.75 billion is available for drawing letters of credit. At 31 December 2025 there was nil cash drawn and letters of credit drawn on the facility amounted to \$656 million;
- €35 million letter of credit facility of which €29 million (\$34 million) was drawn at 31 December 2025;
- senior unsecured bonds of €700 million, €900 million and €2.0 billion;
- subordinated notes of €129 million, €850 million and €900 million; and
- \$726 million (£538 million) of surety bond for the purposes of posting decommissioning security issued at 31 December 2025.

Maturity dates vary and guarantees will terminate on full payment and/or cancellation of the obligation. Performance under these guarantees would only be triggered by a financial default of the guaranteed subsidiary. The fair value of these guarantees was considered to be immaterial at initial recognition and since the likelihood of default is considered remote no subsequent expected credit losses have been recognised.

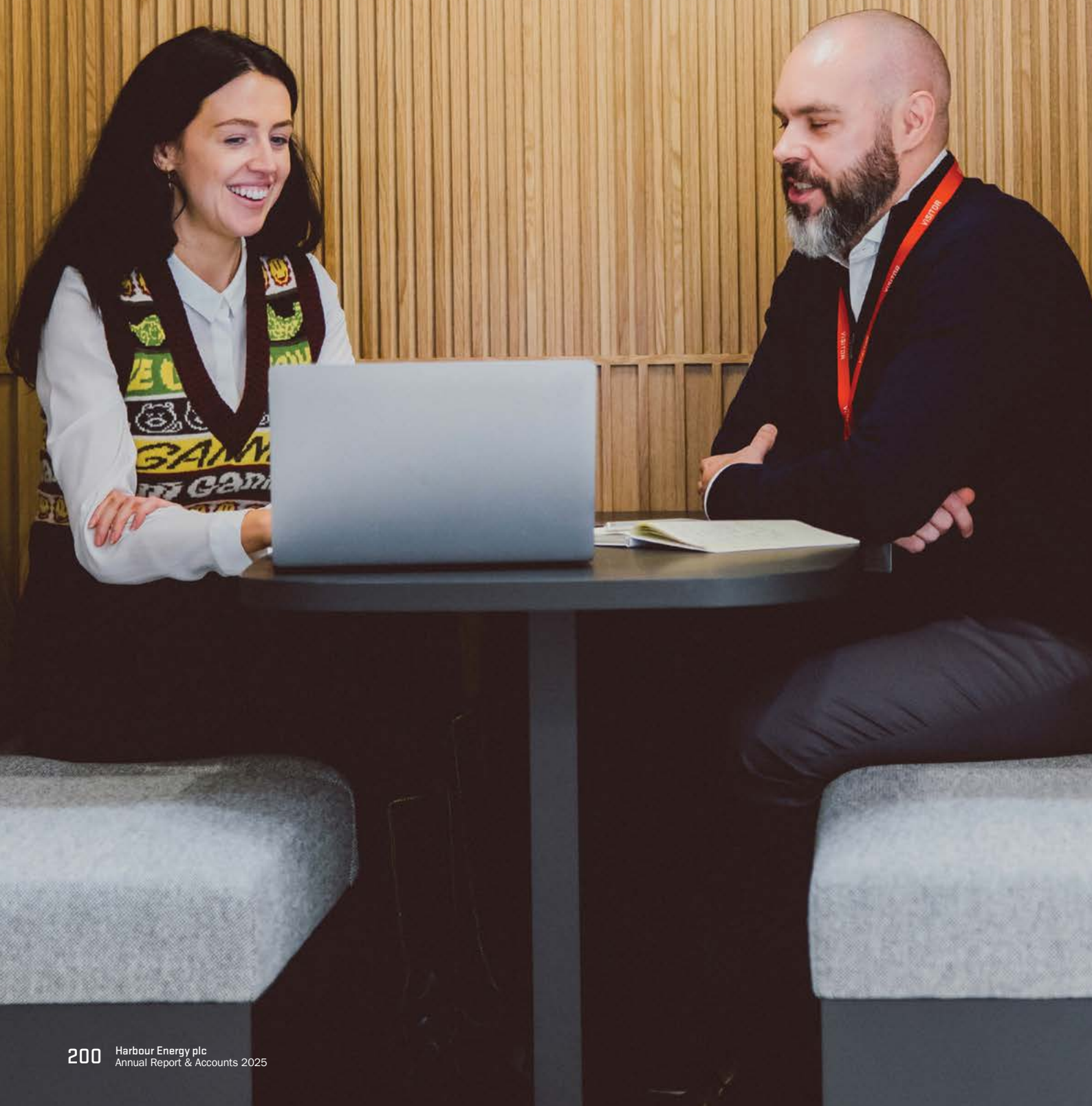
9 Share capital and merger reserve

Further details of these items are disclosed in note 26 of the consolidated financial statements.

10 Dividends

Further details of these items are disclosed in note 32 of the consolidated financial statements.

ADDITIONAL INFORMATION



Other matters and definitions



Clarity and consistency in our reporting are essential. By clearly defining our terms and disclosures, we ensure our stakeholders have a transparent and accurate view of Harbour Energy's performance, interests, and activities.

HOWARD LANDES
GENERAL COUNSEL

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INDEPENDENT ASSURANCE STATEMENT

Scope

Ernst & Young LLP ('EY') was engaged by Harbour Energy plc ('the Company' or 'Harbour') to perform a limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) to report on selected environmental and social performance data indicated with a '^' (the 'Subject Matter'), contained within Harbour's Annual Report and Accounts for the year ended 31 December 2025 (the 'Report').

The Subject Matter is as follows:

- Safety metrics (page 45) – Recordable Injuries; Total Recordable Injury Rate; High potential incident rate; Tier 1 process safety events; Tier 2 process safety events
- GHG and energy metrics (page 56) – Scope 1 GHG emissions (ktCO₂e); Scope 2 GHG emissions (ktCO₂e); Scope 3 GHG emissions (ktCO₂e); Gross operated GHG intensity (kg CO₂e per boe); Energy consumption (million GJ); Energy intensity (GJ/tonne production)
- Effluents and spills metrics (page 57) – Discharge of produced water (million tonnes)
- Social metrics (page 61) – Gender diversity of total employees; Gender diversity of Board

In preparing the Subject Matter, the Company applied the Global Reporting Initiative Standard, GRI 11: Oil and Gas Sector 2021 (including associated GRI Topic Standard Disclosures) (the 'Criteria').

Other than as described in the preceding paragraph we did not perform assurance procedures on any other information included in the Report, and accordingly, we do not express an opinion or conclusion on any information, other than the sustainability metrics marked with a '^'.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter is not prepared, in all material respects, in accordance with the Criteria.

Basis for our conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and the International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements, as promulgated by the International Auditing and Assurance Standards Board (IAASB) and the terms of our engagement letter dated 10 November 2025 as agreed with Harbour Energy plc.

In performing this engagement, we have applied International Standard on Quality Management ('ISQM') 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have maintained our independence and other ethical requirements of the Institute of Chartered Accountants of England and Wales ('ICAEW') Code of Ethics (which includes the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants ('IESBA')). We are the independent auditor of the Company and therefore we will also comply with the independence requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities.

Responsibilities of the company

The Subject Matter needs to be read and understood together with the Criteria. The directors of the Company are solely responsible for:

- the selection of the Subject Matter to be assured;
- selecting suitable Criteria against which the Subject Matter is to be evaluated and ensuring the Criteria is relevant and appropriate;
- preparing and presenting the Subject Matter in accordance with the Criteria; and
- designing and implementing internal controls and other processes they determine is necessary, to enable the Subject Matter to be free from material misstatement, whether due to fraud or error.

Responsibilities of Ernst & Young LLP

It is our responsibility to:

- plan and perform the engagement to obtain limited assurance in respect of whether the Subject Matter has not been prepared in all material respects in accordance with the Criteria;
- form an independent conclusion on the basis of the work performed and evidence obtained; and
- report our conclusion to the directors of the Company.

Our approach

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and ISAE 3410, Assurance Engagements on Greenhouse Gas (Statements, as promulgated by the International Auditing and Assurance Standards Board (IAASB)).

Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Because a limited assurance engagement can cover a range of assurance, the detail of the procedures we have performed is included below, so that our conclusion can be understood in the context of the nature, timing and extent of procedures we performed.

Our procedures included:

- We made inquiries of management and performed walkthroughs to gain an understanding of Harbour's processes to capture, aggregate, validate and source the data required to generate the Subject Matter in-scope for assurance
- Performed analytical review procedures over the Subject Matter
- On a limited sample basis, substantiated the completeness and accuracy of the metrics in the Subject Matter and reconciled the information provided by the entity to underlying source data
- Gained an understanding of Harbour's methods for developing estimates and assessed whether they are appropriate and have been consistently applied in the preparation of the Subject Matter
- Read the Subject Matter to check for internal consistency
- Read the other information in the Report to identify any material inconsistencies between the other information and the Subject Matter or any material misstatements of fact in the other information

We also performed such other procedures as we considered necessary in the circumstances.

Inherent limitations

Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter. Because there is not yet a large body of established practice upon which to base measurement and evaluation techniques, the methods used for measuring or evaluating non-financial information, including the precision of different techniques, can differ, yet be equally acceptable. This may affect the comparability between entities, and over time.

Our conclusion is based on historical information and the projection of any information or conclusions in the attached report to any future periods would be inappropriate.

The GHG quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Use of our report

This report is produced in accordance with the terms of our engagement letter dated 10 November 2025, solely for the purpose of reporting to the directors of Harbour Energy plc in connection with the Subject Matter for the period ended 31 December 2025.

Those terms permit disclosure on Harbour Energy plc's website, solely for the purpose of Harbour Energy plc showing that it has obtained an independent assurance report in connection with the Subject Matter.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's directors as a body, for our work, for this report, or for the conclusions we have formed. This engagement is separate to, and distinct from, our appointment as the auditor to the Company.

Ernst & Young LLP

4 March 2026

London

UK GOVERNMENT PAYMENT REPORTING

FOR THE YEAR ENDED 31 DECEMBER 2025

Basis of preparation

The Reports on Payments to Governments Regulations (UK Regulations) came into force on 1 December 2014 and require UK companies in the extractive sector to publicly disclose payments made to governments in the countries where they undertake extractive operations. The aim of the regulations is to enhance the transparency of the payments made by companies in the extractive sector to host governments in the form of taxes, bonuses, royalties, fees and support for infrastructure improvements.

This consolidated report provides information in accordance with DTR 4.3A in respect of payments made by the company and its subsidiaries to governments for the year ended 31 December 2025 and in compliance with the Reports on Payments to Governments Regulations 2014 (SI 2014/3209), as amended by the Reports on Payments to Governments (Amendment) Regulations 2015 (SI 2015/1928).

The payments disclosed are based on where the obligation for the payment arose: payments levied at a project level have been disclosed at a project level and payments levied at a corporate level have been disclosed on that basis.

The payments disclosed are for the 12-month period ending 31 December 2025.

Within the UK Regulations, a project is defined as being the operational activities which are governed by a single contract, licence, lease, concession or a similar legal agreement. The company undertakes extractive activities in different types of fiscal petroleum regimes and therefore the types of payments disclosed vary from country to country. For the purposes of our reporting, the operational activities which form the basis of payment obligations towards a governmental authority are governed by a contract, licence, lease, concession or similar legal agreement. For the UK, individual licences have been grouped into geographical hubs and have been classified as projects.

All of the payments disclosed have been made to national governments, either directly or through a Ministry or Department, or to a national oil company, who have a working interest in a particular licence. For projects where we are the operator we have disclosed the full payment made on behalf of the project; where we have a non-operated interest we have not disclosed payments made on our behalf by another party.

In line with the UK Regulations, where a payment or a series of related payments do not exceed \$113,000 (£86,000), they have not been disclosed. Where the aggregate payments made in the period for a project or country are less than \$113,000 we have not disclosed the payments made for this project or country.

Our total economic value generated and distributed to all stakeholders can be found in the Sustainability review on page 61.

Reporting currency: Payments disclosed in this report have been disclosed in US dollars, consistent with the rest of the 2025 Annual Report. Where actual payments have been made in a currency other than US dollars, they have been translated using the prevailing exchange rate when the payment was made.

Production entitlements in barrels: Includes non-cash royalties and state non-participating interest paid in barrels of oil or gas out of the Group's working interest share of production in a licence. The figures disclosed are on a cash paid liftings basis.

Income taxes: This represents cash tax calculated on the basis of profits including income or capital gains and taxes on production. Income taxes are usually reflected in corporate income tax returns. The cash payment of income taxes occurs in the year in which the tax has arisen or up to one year later. Income taxes also include any cash tax rebate received from the government or revenue authority during the year. Income taxes do not include fines and penalties. In accordance with the UK Regulations, payments made in relation to sales, employee, environmental or withholding taxes have not been disclosed.

Dividends: This includes dividends that are paid in lieu of a production entitlement or royalty. It does not include any dividends paid to a government as an ordinary shareholder.

Royalties: This represents cash royalties paid to governments during the year for the extraction of oil or gas. The terms of the royalties are described within our PSCs and can vary from project to project within one country. Export duties paid in kind have been recognised within the royalties category. The cash payment of royalties occurs in the year in which the tax has arisen.

Bonus payments: This represents any bonus paid to governments during the year, usually as a result of achieving certain milestones, such as a signature, discovery or production bonuses.

Licence fees: This represents licence fees, rental fees, entry fees and other consideration for licences and/or concessions paid for access to an area during the year (with the exception of signature bonuses which are captured within bonus payments).

Infrastructure improvement payments: This represents payments made in respect of infrastructure improvements for projects that are not directly related to oil and gas activities during the year. This can be a contractually obligated payment in a PSC or a discretionary payment for building/improving local infrastructure such as roads, bridges and ports.

Country	Licence and hub/ company level	Production entitlements mmbbls	Production entitlements \$ million	Income taxes \$ million	Royalties: cash only \$ million	Dividends \$ million	Bonus payments \$ million	Licence fees \$ million	Infrastructure improvement payments \$ million	Total \$ million
Norway	Corporate	–	–	1,901	–	–	–	–	–	1,901
	PL211	–	–	–	–	–	–	1	–	1
	PL211CS	–	–	–	–	–	–	1	–	1
	PL248F	–	–	–	–	–	–	1	–	1
	PL435	–	–	–	–	–	–	1	–	1
	PL836S	–	–	–	–	–	–	1	–	1
	PL248N	–	–	–	–	–	–	1	–	1
	PL248G	–	–	–	–	–	–	1	–	1
	PL211 + PL435	–	–	–	–	–	–	(1)	–	(1)
	Total	–	–	1,901	–	–	–	6	–	1,907
United Kingdom	Central North Sea	–	–	–	–	–	–	10	–	10
	Southern North Sea	–	–	(11)	–	–	–	3	–	(8)
	Corporate	–	–	1,516	–	–	–	–	–	1,516
	Total	–	–	1,505	–	–	–	13	–	1,518
Germany	Hemsbunde	–	–	–	3	–	–	–	–	3
	Emlichheim	–	–	–	2	–	–	–	–	2
	Volkersen	–	–	–	12	–	–	–	–	12
	Mittelplate/Dieksand	–	–	–	51	–	–	–	–	51
	Boetersen	–	–	–	1	–	–	–	–	1
	Weissenmoor	–	–	–	2	–	–	–	–	2
	Soehlingen	–	–	–	1	–	–	–	–	1
	Staffhorst	–	–	–	1	–	–	–	–	1
	Other projects	–	–	1	–	–	–	–	–	1
	Total	–	–	1	73	–	–	–	–	74
Mexico	Ogarrio	–	–	–	18	–	–	1	–	19
	Total	–	–	–	18	–	–	1	–	19
Argentina	Cuenca Austral	–	–	–	49	–	8	–	–	57
	Neuquen	–	–	–	16	–	–	–	–	16
	Corporate	–	–	25	–	–	–	–	–	25
	Total	–	–	25	65	–	8	–	–	98
Egypt	Disouq	1	36	–	–	–	–	–	–	36
	East Damanhur	–	7	–	–	–	–	–	–	7
	Total	1	43	–	–	–	–	–	–	43
Libya	Area 58	–	26	–	–	–	–	–	–	26
	Total	–	26	–	–	–	–	–	–	26
Indonesia	Natuna Sea Block A	1	44	7	–	–	–	–	–	51
	Total	1	44	7	–	–	–	–	–	51
Vietnam	Chim Sáo	–	2	–	–	–	–	–	–	2
	Corporate	–	–	15	4	–	–	–	–	19
	Total	–	2	15	4	–	–	–	–	21
Total Group		2	115	3,454	160	–	8	20	–	3,757

UK GOVERNMENT PAYMENT REPORTING CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2025

Country	Government	Production entitlements mmbbls	Production entitlements \$ million	Income taxes \$ million	Royalties: cash only \$ million	Dividends \$ million	Bonus payments \$ million	Licence fees \$ million	Infrastructure improvement payments \$ million	Total \$ million
Norway	The Norwegian Tax Administration (Skatteetaten)	–	–	1,901	–	–	–	–	–	1,901
	Norwegian Offshore Directorate	–	–	–	–	–	–	6	–	6
	Total	–	–	1,901	–	–	–	6	–	1,907
United Kingdom	HM Revenue & Customs	–	–	1,505	–	–	–	–	–	1,505
	North Sea Transition Authority	–	–	–	–	–	–	13	–	13
	Total	–	–	1,505	–	–	–	13	–	1,518
Germany	Landesamt für Bergbau, Energie & Geologie; Hannover/ Niedersachsen	–	–	–	22	–	–	–	–	22
	Landesamt für Bergbau, Energie & Geologie Schleswig Holstein	–	–	–	51	–	–	–	–	51
	Samtgemeinde Barnstorf	–	–	1	–	–	–	–	–	1
	Total	–	–	1	73	–	–	–	–	74
Mexico	Fondo Mexicano del Petróleo para la Estabilización y el Desarrollo (FMP)	–	–	–	18	–	–	–	–	18
	Servicio de Administración Tributaria (SAT)	–	–	–	–	–	–	1	–	1
	Total	–	–	–	18	–	–	1	–	19
Argentina	Ministerio de Energía y Minería	–	–	–	41	–	–	–	–	41
	Dirección Provincial de Rentas/ Provincia del Neuquén	–	–	–	16	–	–	–	–	16
	Agencia de Recaudación Faguina/Provincia de Tierra del Fuego	–	–	–	8	–	8	–	–	16
	Administración Federal de Ingresos Públicos	–	–	25	–	–	–	–	–	25
	Total	–	–	25	65	–	8	–	–	98
Egypt	Egyptian Natural Gas Holding Company (EGAS)	1	43	–	–	–	–	–	–	43
	Total	1	43	–	–	–	–	–	–	43
Libya	NOC Tripoli	–	26	–	–	–	–	–	–	26
	Total	–	26	–	–	–	–	–	–	26
Indonesia	SKK Migas	1	44	–	–	–	–	–	–	44
	Directorate General of Taxes	–	–	7	–	–	–	–	–	7
	Total	1	44	7	–	–	–	–	–	51
Vietnam	Petro Vietnam	–	2	–	–	–	–	–	–	2
	HCM Tax Department	–	–	15	2	–	–	–	–	17
	Vung Tau Customs office	–	–	–	2	–	–	–	–	2
	Total	–	2	15	4	–	–	–	–	21
Total Group		2	115	3,454	160	–	8	20	–	3,757

GROUP RESERVES AND RESOURCES

FOR THE YEAR ENDED 31 DECEMBER 2025

Oil and gas 2P reserves and 2C resources¹

					2P reserves (working interest)	2P reserves ⁵ (entitlement)	2C resources (working interest)
		1 January 2025	Inorganic revisions ³	Organic revisions ⁴	Production	31 December 2025	31 December 2025
		mmboe	mmboe	mmboe	mmboe	mmboe	mmboe
Norway	Oil and NGLs	172	–	–	(21)	151	151
	Gas ²	285	–	(4)	(41)	240	240
	Total	458	–	(6)	(62)	390	390
UK	Oil and NGLs	153	–	9	(28)	134	134
	Gas ²	142	–	19	(29)	132	132
	Total	295	–	27	(56)	266	266
Argentina	Oil and NGLs	20	–	5	(2)	23	23
	Gas ²	236	–	32	(25)	243	243
	Total	256	–	37	(27)	266	722
Germany	Oil and NGLs	92	–	(2)	(7)	83	83
	Gas ²	34	–	–	(4)	30	30
	Total	126	–	(3)	(10)	113	36
North Africa	Oil and NGLs	8	–	1	(2)	7	4
	Gas ²	44	–	–	(10)	34	21
	Total	52	–	–	(11)	41	37
Mexico	Oil and NGLs	39	–	(2)	(3)	34	21
	Gas ²	8	–	–	(1)	6	5
	Total	47	–	(3)	(4)	40	375
Southeast Asia	Oil and NGLs	6	(5)	–	(1)	–	–
	Gas ²	8	(1)	–	(2)	5	4
	Total	14	(6)	–	(3)	5	268
Total	Oil and NGLs	491	(5)	8	(63)	431	415
	Gas ²	758	(1)	43	(110)	690	675
	Total	1,249	(6)	51	(173)	1,121	1,090

- The volumes in the above table reflect internal estimates. DeGolyer and MacNaughton (D&M) audited by means of independent assessment a material proportion, 77 per cent of working interest, of the company's 2P plus a reasonable proportion, 29 per cent of working interest, of 2C estimates. D&M's opinion on these estimates is as follows: it is D&M's opinion that the proved-plus-probable 2P reserves estimates prepared by Harbour on the properties evaluated by D&M, when compared on the basis of working interest millions of barrels of oil equivalent, in aggregate, do not differ materially from those prepared by D&M and it is D&M's opinion that the 2C contingent resources estimates prepared by Harbour on the properties evaluated by D&M, when compared on the basis of working interest millions of barrels of oil equivalent, in aggregate, do not differ materially from those prepared by D&M.
- Gas volumes are converted to boe using conversion factors of 5.8 mmbtu/boe for 2P reserves. 2C gas volumes are converted to mmboe using 5.8 mmbtu/boe, where gas calorific values can be meaningfully determined, and 5.6 mscf/boe, where otherwise. Fuel gas is not included in the 2P reserves estimates.
- Relates to Harbour's divestment of the Vietnam assets that completed on 9 July 2025.
- 2P reserves organic revisions include both additions and changes from re-estimation. The overall revision predominantly reflects additions made for forward drilling plans in APE and licence extension in CMA-1 in Argentina, and life extension on AELE in the UK.
- Harbour's net entitlement 2P reserves are lower than its working interest 2P reserves for some assets in Mexico, North Africa and Southeast Asia, reflecting the terms of the production sharing contracts (PSC) for the relevant assets.

Because of rounding, some totals may not agree exactly with the sum of their component parts.

CO₂ storage 2P capacity and 2C resources¹

	2P capacity million tonnes 31 December 2025	2C resources million tonnes 31 December 2025
Norway	0.4	399.2
UK	–	381.7
Denmark	1.0	101.7
Total²	1.4	882.6

- All numbers are representative of Harbour's working interest.
- The volumes in the above table reflect internal estimates. The discovered storage capacity (2P) that has been independently assessed through Competent Persons Reports (CPRs) amounts to c.70 per cent of the total Harbour storage capacity, and the discovered storage resources (2C) that have been independently assessed through CPRs amounts to c.62 per cent of the total Harbour storage resources. The independent assessment of these resources confirms that the internal Harbour estimates are reasonable.

WORLDWIDE LICENCE INTERESTS

AS AT 31 DECEMBER 2025

Europe

Country	Licence/area	Operator	Harbour equity	Associated fields	Associated discoveries
UK	AELE	Harbour Energy	100%	Drake, Fleming, Hawkins, Maria, Seymour, Everest, Lomond	–
		Ithaca	32%	Erskine	–
	J-Area	Harbour Energy	67–67.5%	Jade, Jasmine, Joanne, Judy, Talbot	Dunnottar
	Greater Britannia Area	Harbour Energy	50–93.8%	Britannia, Brodgar, Callanish, Enochdhu	Gilderoy
		NEO Energy	44%	–	Leverett
		Ithaca	26.3%	Alder	–
	Catcher Area	Harbour Energy	50%	Catcher, Burgman, Varadero	–
	Tolmount Area	Harbour Energy	50%	Tolmount	–
	Beryl Area	Apache	34–49.1%	Beryl, Buckland, Callater, Loirston, Ness-Nevis fields, Skene, Storr	–
	Elgin-Franklin Area	TotalEnergies	19.3–33.3%	Elgin, Franklin, Glenelg	–
	West of Shetland	bp	7.5–10%	Clair, Schiehallion	–
	Southern North Sea	Harbour Energy	28.8%	Johnston ¹	–
		Perenco	28.8%	Ravenspurn North	–
		Shell	8.4%	Galleon	–
	Buzzard	CNOOC	21.7%	–	–
	Calder ²	Harbour Energy	100%	–	–
	Nelson	Shell	1.7%	–	–
Norway	Dvalin Area	Harbour Energy	55%	Dvalin, Dvalin Nord	Adriana/Sabina
	Maria Area	Harbour Energy	40–50%	Maria	Bergknapp
	Gjøa Hub	Harbour Energy	39–60%	Nova, Vega	Cuvette, Camilla Nord
		Vår Energi	20–28%	Gjøa	Gjøa Nord, Ofelia
	Aasta Hansteen Hub	Equinor	10–24%	Snefrid Nord, Snefrid Sor, Luva, Haklang, Irpa	Obelix
	Njord Hub	Equinor	27.5–50%	Njord, Bauge, Hyme	–
	Skarv Hub	Aker BP	10–30%	Skarv, Idun, Ærfugl, Ærfugl Nord, Gråsel	Alve Nord, Idun Nord, Newt, Skarv-E, Storjo
	Edvard Grieg Hub	Aker BP	15%	Edvard Grieg, Solveig	–
	Snorre Area	Equinor	1.3–8.6%	Snorre, Tordis, Vigdis, Staffjord Øst, Sygna	–
	Snøhvit	Equinor	2.8%	–	–
Germany	Mittelplate	Harbour Energy	100%	–	–
	Emlichheim	Harbour Energy	100%	–	–
	Gas Nord	Harbour Energy	20.8–100%	Barrien, Bötersen, Hemsbünde, Rehden, Staffhorst-Nord, Weißenmoor, Völkersen	–
		BEB Erdgas und Erdöl GmbH&CoKG	20.8–27.5%	Bötersen Pool, Söhlingen	–

¹ Operated on our behalf by Perenco.

² Operated on our behalf by Spirit Energy.

Note:

This list is not exhaustive. Harbour also holds a number of operated and non-operated interests in fields across the UK, Norway and Germany that have ceased production and are in or are entering decommissioning, as well as operated and non-operated exploration and pre-development interests.

Americas

Country	Licence/area	Operator	Harbour equity	Associated fields	Associated discoveries
Argentina	Aguada Pichana Este (APE)	TotalEnergies	22.5-27.3%	Aguada Pichana Este Residual, Aguada Pichana Este Vaca Muerta	–
	San Roque	TotalEnergies	24.7%	Aguada San Roque, Loma Las Yeguas, Rincon Chico, San Roque (Vaca Muerta), San Roque Residual	–
	Cuenca Marina Austral (CMA-1)	TotalEnergies	37.5%	Ara, Ara South, Antares, Cañadon-Alfa, Aries, Carina, Fénix, Hidra, Kaus, Vega-Pleyade	Leo, Tauro, Unicornio, Sirius, Spica
Mexico	Ogarrio	Harbour Energy	50%	–	–
	Hokchi	Hokchi Energy	37%	–	–
	Zama	Harbour Energy	32.2%	–	–
	Block 30	Harbour Energy	70%	–	Kan

Note:

This list is not exhaustive. For Mexico, we have only included material licences. Harbour equity is disclosed on a working interest basis rather than net entitlement which is not quoted here. In Argentina, for Aguada Pichana Este Vaca Muerta, some wells are drilled without full partner participation therefore resulting in different HBR % for those wells.

North Africa

Country	Licence/area	Operator	Harbour equity	Associated fields	Associated discoveries
Egypt	Disouq Area	DISOUCO ¹	100%	Disouq, Sidi Salem SE, Sidi Ghazi, NW Khilala	–
	ED	Harbour Energy	80%	East Damanhour	–
	West Nile Delta	bp	9.5-17.3%	Taurus, Fayoum, Raven (+West), Giza North, Libra	–
	North King Mariout	bp	17.3%	–	El King
Algeria	Reggane Nord	Groupement Reggane Nord ²	24%	Kahlouche, Kahlouche Sud, Tiouiline, Sali, Azrafil Sud-Est, Reggane	–
Libya	Al-Jurf	Mabruk Oil Operations	12.5%	–	–

1 This licence is operated by the DISOUCO joint venture between Harbour Energy and EGAS Egypt National Company resulting in 100 per cent Harbour Energy equity on the licence but effective equity of only 50 per cent.

2 Groupement Reggane Nord is a joint venture between Harbour Energy (24 per cent), Sonatrach (40 per cent) and Repsol (36 per cent).

Note:

This list is not exhaustive. Harbour also holds a number of non-operated interests in fields in Mauritania that have been decommissioned and are awaiting regulatory clearance for full JV exit.

Southeast Asia

Country	Licence/area	Operator	Harbour equity	Associated fields	Associated discoveries
Indonesia	Central Andaman	Harbour Energy	80%	–	Layaran ¹
	Andaman II	Harbour Energy	40%	–	Layaran ¹ , Timpan, Gayo
	South Andaman	Mubadala Energy	20%	–	Layaran ¹ , Tangkulo
	Natuna Sea Block A	Harbour Energy	28.7%	Anoa, Gajah Baru, Naga, Pelikan, Bison, Iguana, Gajah Puteri	–
	Tuna Block	Harbour Energy	50%	–	Kuda Laut, Singa Laut

1 Layaran West segment straddles across the South Andaman (20% non-operated) and Andaman II (40% operated) licences with estimated Harbour equity of 24.5%. Layaran Central segment straddles across South Andaman (20% non-operated) and Andaman Central (80% operated) licences with estimated Harbour equity of 28.9%.

Note:

This list is not exhaustive. For Indonesia, we have only included material licences. Harbour equity is disclosed on a working interest basis rather than net entitlement which is not quoted here.

CCS

Country	Licence/area	Operator	Harbour equity
UK	Viking CCS	Harbour Energy	60%
	Acom	Storegga	30%
	Camelot CO ₂	Synergia Energy	50%
	Poseidon CO ₂	Perenco	10%
Norway	Havstjerne CO ₂	Harbour Energy	60%
	Luna CO ₂	Harbour Energy	60%
	Kaupang CO ₂	Harbour Energy	60%
	Snøhvit CO ₂	Equinor	2.8%
Denmark	Greenstore CO ₂	Harbour Energy	40%
	Greensand Future CO ₂	INEOS	40%

Note:

Harbour has made the decision to exit the Camelot CO₂ licence in the UK.

GLOSSARY

2C	Contingent resources
2P	Proven and probable reserves
ABP	Associated British Ports
ADR	American depositary receipt
AFE	Authorisation for expenditure
AGM	Annual General Meeting
APS	Announced Pledges Scenario (IEA)
bbl	Barrel
bcf	Billion cubic feet
BMS	Business management system
boe	Barrel(s) of oil equivalent
CCGT	Combined cycle gas turbine
CCS	Carbon capture and storage
CDP	Formerly Carbon Disclosure Project
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CGUs	Cash-generating units
Chrysaor	Chrysaor Holdings Limited and subsidiaries
CMAPP	Corporate major accident prevention policy
CO₂e	Carbon dioxide equivalent
COO	Chief Operating Officer
COP	Cessation of production
CRROs	Climate-related risks and opportunities
CSA	Conditional share awards
CSRD	Corporate Sustainability Reporting Directive
DD&A	Depreciation, depletion and amortisation
DE&I	Diversity, equity and inclusion
DMA	Double materiality assessment
DRIP	Dividend reinvestment plan
DTA	Deferred tax asset
EBITDA	Earnings before interest, tax, depreciation and amortisation
EBITDAX	Earnings before interest, tax, depreciation, amortisation and exploration
ECL	Expected credit losses
E&E	Exploration and evaluation
EFF	Exploration financing facility
EIR	Effective interest rate
EMS	Enterprise management system
EPL	Energy Profits Levy
EPS	Earnings per share
ERAPs	Emissions reduction action plans
ESG	Environmental, social and governance
ESOP	Employee stock ownership plan
ESRS	European Sustainability Reporting Standards
EVP	Executive Vice President
EY	Ernst & Young LLP

FCA	Financial Conduct Authority
FEED	Front-end engineering and design
FLNG	Floating Liquefied Natural Gas
FPSO	Floating production, storage and offtake vessel
FRC	Financial Reporting Council
FVLCD	Fair value less cost of disposal
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit or loss
FX	Foreign exchange
FY	Full year
GHG	Greenhouse gas emissions
GJ	Gigajoule
GRI	Global Reporting Initiative
HiPo	High potential incident (Any incident or near miss that could, in other circumstances, have realistically resulted in one or more fatalities)
HiPoR	High potential incident rate (The frequency of HiPos per million worked hours)
HMRC	HM Revenue & Customs
HSES	Health, safety, environment and security
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IEA	International Energy Agency
IFRIC	IFRS Interpretations Committee
IFRS	International Financial Reporting Standards
ILO	International Labour Organization
IOGP	International Association of Oil & Gas Producers
Ipieca	Global oil and gas association for advancing environmental and social performance across the energy transition
ISAs (UK)	International Standards on Auditing (UK)
ISDA	International Swaps and Derivatives Association
ISO	International Organization for Standardization
JV	Joint venture
kboepd	Thousand barrels of oil equivalent per day
kgCO₂e	Kilograms of carbon dioxide equivalent
km	Kilometre
KPI	Key performance indicator
kt	Thousand tonnes
LGBTQ+	Lesbian, gay, bisexual, transgender and queer/questioning
LIBOR	London Inter-Bank Offered Rate
LNG	Liquefied natural gas
LOPC	Loss of primary containment
LTIP	Long Term Incentive Plan
M&A	Mergers and acquisitions
MAH	Major accident hazards
MENA	Middle East and North Africa
mmbse	Million barrels of oil equivalent
mscf	Thousand standard cubic feet

mt	Million tonnes	SECR	Streamlined Energy and Carbon Reporting
mtpa	Million tonnes per annum	SIP	Share Incentive Plan
MW	Megawatt	SOFR	Secured Overnight Financing Rate
NBP	National Balancing Point (UK natural gas prices)	SPE	Society of Petroleum Engineers
NGL	Natural gas liquids	SSP	Shared Socioeconomic Pathways
NGO	Non-government organisation	STEM	Science, technology, engineering and maths
NOK	Norwegian krone	STEPS	Stated Policies Scenario (IEA)
NSTA	North Sea Transition Authority	Tcf	Trillion cubic feet
NTS	National Transmission System	TCFD	Task Force on Climate-related Financial Disclosures
NZE	Net Zero Emissions Scenario (IEA)	THE	Trading Hub Europe
OCM	Operating Committee Meetings	Therm	A unit for quantity of heat that equals 100,000 British thermal units. One therm is equal to approximately 100 cubic feet of natural gas
OECD	Organisation for Economic Co-operation and Development	TRIR	Total recordable injury rate (The number of fatalities, lost time injuries, substitute work, and other injuries requiring treatment by a medical professional per million hours worked)
OEUK	Offshore Energies UK	TSR	Total shareholder return
OGMP	Oil & Gas Methane Partnership 2.0	TTF	Title Transfer Facility
OPEC	The Organization of the Petroleum Exporting Countries	UK	United Kingdom
PP&E	Property, plant and equipment	UN SDGs	United Nations Sustainability Development Goals
ppm-wt	Parts per million by weight	USD	US dollar
Premier	Premier Oil plc and subsidiaries	VP	Vice President
PSA	Performance share awards	WACC	Weighted average cost of capital
PSC	Production sharing contract	Wintershall Dea transaction	The acquisition of the Wintershall Dea asset portfolio, comprising substantially all of Wintershall Dea AG's upstream assets which completed on 3 September 2024
PSE	Process safety events		
RBL	Reserve based lending		
RCF	Revolving credit facility		
SAYE	Save As You Earn		
Scope 1	Direct emissions from owned or operated sources		
Scope 2	Indirect emissions from the generation of purchased energy		
Scope 3	All indirect emissions (not included in Scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions		

Alternative performance measures

Alternative performance measures are key performance indicators that management consider to be important to monitor the operational and financial performance of the business. They are not specifically defined under United Kingdom adopted International Accounting Standards or other generally accepted accounting principles. Harbour uses the following:

- a) EBITDAX/Adjusted EBITDAX
- b) Adjusted profit after taxation
- c) Adjusted earnings per share
- d) Adjusted effective tax rate
- e) Operating cost per barrel
- f) DD&A per barrel
- g) Total capital expenditure
- h) Capital investment
- i) Free cash flow
- j) GHG intensity
- k) Leverage ratio
- l) Liquidity
- m) Net cash/debt
- n) Shareholder returns paid

Definitions, and for financial performance measures, a reconciliation from the alternative performance measure to the nearest IFRS reported number, are provided below. We have introduced additional alternative performance measures in our 2025 reporting covering “adjusted EBITDAX”, “adjusted profit after taxation”, “adjusted effective tax rate” and “adjusted earnings per share”. These are indicators that management consider better reflect true operational and financial performance in the period and facilitate a more meaningful period-on-period comparison.

a) EBITDAX/Adjusted EBITDAX

EBITDAX is defined as operating profit/(loss) for the period adjusted for depreciation, depletion and amortisation, impairment of property, plant and equipment, impairment of right-of-use assets, impairment of goodwill, impairment of operating receivables, exploration and evaluation expenditure, and new ventures, and exploration costs written-off. Adjusted EBITDAX is defined as EBITDAX adjusted for gains/losses on disposal of assets, M&A, restructuring and reorganisation costs, and other gains/losses that, by size and nature, do not relate to the underlying financial performance of the Group.

Both are a measure of profitability and provide useful information for stakeholders because they are tracked by management to evaluate the Group’s operating performance and to make financial, strategic and operating decisions. Further, they may help stakeholders to better understand and evaluate, in the same manner as management, the underlying trends in the Group’s operational performance on a comparable basis, period-on-period. EBITDAX and Adjusted EBITDAX are reconciled to operating profit/(loss) as follows:

	2025 \$ million	2024 \$ million
Operating profit	3,490	1,648
Depreciation, depletion and amortisation	2,959	1,745
Impairment of property, plant and equipment	365	352
Impairment of right-of-use asset	–	20
(Reversal)/impairment of receivables	(2)	21
Exploration and evaluation expenditure, and new ventures	106	68
Exploration costs written-off	200	173
EBITDAX	7,118	4,027
M&A, restructuring and reorganisation costs	78	119
Adjusted EBITDAX	7,196	4,146

b) Adjusted profit after taxation

Adjusted profit after taxation is defined as profit after tax for the period adjusted for impairment of property, plant and equipment, impairment of right-of-use assets, impairment of goodwill, gains/losses on disposal of assets, M&A, restructuring and reorganisation costs, other gains/losses that, by size and nature, do not relate to the underlying financial performance of the Group, and the tax effects of these items and changes in tax law.

Adjusted profit after taxation, which is adjusted for items which can distort year-on-year comparisons, is reconciled to profit after taxation as follows:

	2025 \$ million	2024 \$ million
Profit before taxation	2,801	1,219
Adjustments:		
Impairment of property, plant and equipment	365	352
Impairment of right-of-use assets	–	20
M&A, restructuring and reorganisation costs	78	119
Other gains/losses:		
Foreign exchange differences on intercompany balances	168	17
Profit before taxation, as adjusted	3,412	1,727
Income tax expense	(2,983)	(1,312)
Tax effect of adjustment items to profit before taxation	(90)	(45)
Changes in tax law	264	–
Income tax expense, as adjusted	(2,809)	(1,357)
Loss after taxation	(182)	(93)
Adjusted profit after taxation	603	370

c) Adjusted earnings per share

Adjusted earnings per share is calculated as adjusted profit after taxation attributable to shareholders divided by average number of shares for the year of 1,710 million (2024: 1,083 million).

	2025 \$ million	2024 \$ million
Adjusted profit after taxation	603	370
Profit attributable to subordinated notes investors	81	15
Adjusted net profit attributable to shareholders	522	355
Average number of shares ¹	1,710	1,083
Adjusted earnings per share	31	33

1 Earnings per share for non-voting shares reflects the 13 per cent incremental premium on this class of shares increasing the number of shares used in the calculation.

d) Adjusted effective tax rate

Adjusted effective tax rate represents the effective tax rate that results from adjusting both profit before taxation and income tax expense for the impact of the adjustments made in arriving at Adjusted profit after taxation as set out in section b) on page 212. The nearest equivalent measure on an IFRS basis is the effective tax rate on profit before taxation for the period.

	2025 \$ million	2024 \$ million
Profit before taxation	2,801	1,219
Profit before taxation, as adjusted	3,412	1,727
Income tax expense	(2,983)	(1,312)
Income tax expense, as adjusted	(2,809)	(1,357)
Reported effective tax rate (%)	106	108
Adjusted effective tax rate (%)	82	79

e) Operating cost per barrel

Direct operating costs (excluding over/underlift) for the period, including tariff expense, insurance costs and mark to market movements on emissions hedges, less tariff income, divided by working interest production. This is a useful indicator of ongoing operating costs from the Group's producing assets.

	2025 \$ million	2024 \$ million
Cost of operations		
Field operating costs	2,317	1,612
Non-cash depreciation on non-oil and gas assets	(52)	(25)
Tariff income	(48)	(32)
Operating costs	2,217	1,555
Operating costs per barrel (\$ per barrel)	12.8	16.5

f) DD&A per barrel

Depreciation, depletion and amortisation (DD&A) of oil and gas properties for the period divided by working interest production. This is a useful indicator of ongoing rates of depreciation and amortisation of the Group's producing assets.

	2025 \$ million	2024 \$ million
Depreciation, depletion and amortisation (DD&A) before impairment charges		
Depreciation of oil and gas properties	2,907	1,704
Depreciation of non-oil and gas properties	32	22
Amortisation of intangible assets	20	19
Total DD&A	2,959	1,745
DD&A before impairment charges (\$ per barrel)	16.8	18.5

g) Total capital expenditure

Capital investment 'additions' per notes 11 and 12, decommissioning expenditure 'amounts used' per note 21, and energy transition expenditure per note 5.

h) Capital investment

Depicts how much the Group has spent on purchasing fixed assets in order to further its business goals and objectives. It is a useful indicator of the Group's organic expenditure on oil and gas assets, and exploration and appraisal assets, incurred during a period.

i) Free cash flow

Operating cash flow less cash flow from investing activities (exclusive of net expenditure on business combinations) less interest and lease payments (principal and interest).

j) GHG intensity

Reported on a gross operated basis and excluding offsets.

k) Leverage ratio

Net debt/last twelve months EBITDAX.

l) Liquidity

The sum of cash and cash equivalents on the balance sheet and the undrawn amounts available to the Group on our principal facilities. This is a key measure of the Group's financial flexibility and ability to fund day-to-day operations.

m) Net cash/debt

Total revolving credit facility and bonds (net of the carrying value of unamortised fees) less cash and cash equivalents recognised on the consolidated balance sheet. This is an indicator of the Group's indebtedness and contribution to capital structure.

n) Shareholder returns paid

Dividends plus share buybacks completed in the period are included in this metric which shows the overall value returned to stakeholders in the period.

SHAREHOLDER INFORMATION

Registrar

All enquiries concerning your shareholding should be directed to Equiniti:

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA
United Kingdom

Website: shareview.co.uk

Share portal

As a shareholder you have direct access to an online share portal operated by Equiniti at shareview.co.uk. You can access the share portal with your Shareholder Reference Number (SRN) which can be found on your share certificate. The portal provides a range of services, free of charge, to help you to administer your shareholding quickly and efficiently by allowing you to:

- change your address details;
- choose to receive electronic shareholder communications;
- set up or amend a dividend mandate so dividends can be paid directly to your bank account; and
- buy and sell Harbour Energy plc shares using the dealing service operated by Equiniti.

E-communications

Shareholders have the option to receive communications including annual reports and notices of meetings electronically. This is a faster, more environmentally friendly and, for Harbour Energy plc, a more cost-effective way for shareholders to receive annual reports and other statutory communications as soon as they are available. To register for this service, please visit the share portal: shareview.co.uk. You will need your 11 digit Shareholder Reference Number which can be found on documents that you have been sent by Equiniti. Once registered, Harbour Energy plc will communicate with you via email rather than post.

Dividends

Details of dividend payments made are included within the shareholder information section of the investors area of the company website: harbourenergy.com.

The company operates a Dividend Reinvestment Plan (DRIP) which enables shareholders to buy the company's shares on the London stock market with their cash dividend. Further information about the DRIP is available from Equiniti.

Shareholder security

Shareholders are advised to be cautious about any unsolicited financial advice, including offers to buy Harbour Energy plc shares at inflated prices, or offers of free reports about Harbour. More information can be found at fca.org.uk/consumers/scams and in the shareholder information section of the investors area of the company website: harbourenergy.com.

American Depositary Receipt programme

Harbour Energy plc has a sponsored Level 1 American Depositary Receipt (ADR) programme which BNY Mellon administers and for which it acts as Depositary. Each ADR represents one ordinary share of the company. The ADRs trade on the US over-the-counter market under the symbol HBRIY. When dividends are paid to shareholders, the Depositary converts such dividends into US dollars, net of fees and expenses, and distributes the net amount to ADR holders.

Registered Depositary Receipt shareholders can sell shares, access account balances and transaction history, find answers to frequently asked questions and download commonly needed forms. To speak directly to a BNY representative, please call 1-888-BNY-ADRS (1-888-269-2377), if you are calling from within the United States. If you are calling from outside the United States, please call 201-680-6825.

You may also send an email inquiry to shrrelations@cpushareownerservices.com or visit the website at www-us.computershare.com/investor.



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