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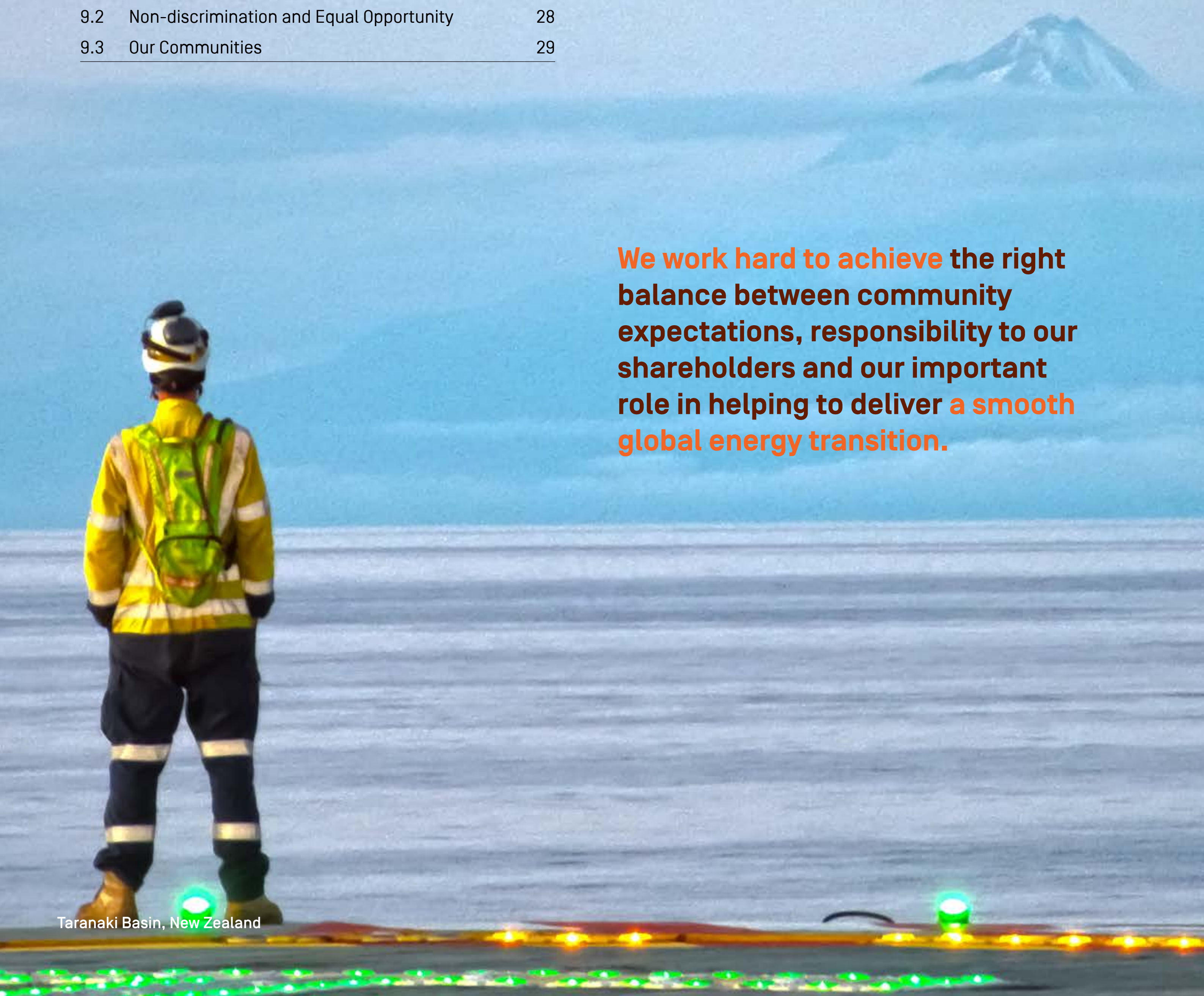
ABN 51 009 799 455

HORIZON

2026 SUSTAINABILITY REPORT

Contents

We work hard to achieve the right balance between community expectations, responsibility to our shareholders and our important role in helping to deliver a smooth global energy transition.



Taranaki Basin, New Zealand

1. Message from our Chairman and CEO

FY26 was a year of significant growth and transformation for Horizon. As our portfolio expanded across Australia, New Zealand, China, Thailand and Indonesia, we remained focused on operating responsibly, delivering reliable energy, and advancing our commitment to sustainable business practices.

Safety remains a core value and key focus across Horizon's operations. Throughout FY26, our assets maintained strong safety performance, with LTIFR and TRIFR results remaining better than relevant industry benchmarks. Major operational activities, including maintenance shutdowns at Mereenie and Maari, workover campaigns at Maari and Block 22/12, and the integration of our Thailand operations, were completed safely and without a recordable incident. We are particularly proud that the Nam Phong gas field achieved 35 consecutive years without a LTI during the year, reflecting the strong safety culture embedded across our operations and those of our operators.

During the year, Horizon continued to strengthen its sustainability framework. Building on the double materiality assessment completed in FY25, we developed a comprehensive Sustainability Strategy and Action Plan, including goals and targets aligned to our material sustainability topics. These initiatives provide a clearer roadmap for integrating sustainability considerations into decision-making, risk management and business planning across the Company. The Board and Sustainability Steering Committee maintained active oversight of these activities, ensuring sustainability matters remain embedded within Horizon's governance framework.

A major milestone during FY26 was the successful acquisition of a controlling interest in Cue Energy Resources Limited. This transaction further strengthens Horizon's position as a leading Asia-Pacific energy company and expands our exposure to producing assets and future growth opportunities. We also completed the integration of our Thailand assets into Horizon's governance, risk management, climate reporting and sustainability processes, establishing a consistent framework across our enlarged portfolio.

Our operations continued to play an important role in supporting regional energy security. In Australia, the Mereenie field continued to supply gas to the Northern Territory. In Thailand, the Nam Phong and Sinphuhorm gas fields supplied natural gas for electricity generation, helping to meet growing energy demand and supporting Thailand's energy transition objectives through the provision of reliable, lower-emission energy. During the year, a new operating company, MH Energy Thailand, was established in partnership with Matahio Energy. The entity holds interests in the producing Nam Phong and Sinphuhorm gas fields in Thailand and is responsible for operatorship and day-to-day management of the Nam Phong field. This represents an important step in Horizon's long-term commitment to Thailand and its local communities.

We implemented a number of initiatives intended to improve emissions performance and climate-related reporting across our assets. At Maari, a Vapour Recovery Unit was successfully commissioned, enabling the recovery of previously flared hydrocarbon vapours for beneficial use and reducing fuel consumption. At Nam Phong, a solar rooftop and battery system was installed to supply power to site facilities and offices. We further enhanced our climate-related reporting and emissions disclosure processes to accommodate our expanded portfolio and provide greater transparency to stakeholders.

Supporting our people and communities remained a key focus throughout FY26. We continued to promote flexible working arrangements, equal access to development opportunities and employee wellbeing initiatives, including our Employee Assistance Program. Across our operated and non-operated assets, we worked closely with our operators, partners and local stakeholders to support community-focused initiatives and ensure that the benefits of our activities are shared with the communities in which we operate.

As Horizon continues to grow, we remain committed to balancing operational excellence, environmental stewardship, social responsibility and strong governance. Our Board, leadership team and employees are united in ensuring that sustainability remains integral to how we create long-term value for shareholders, support the communities in which we operate, and contribute to a secure and orderly energy transition.

Bruce Clement,
Chairman

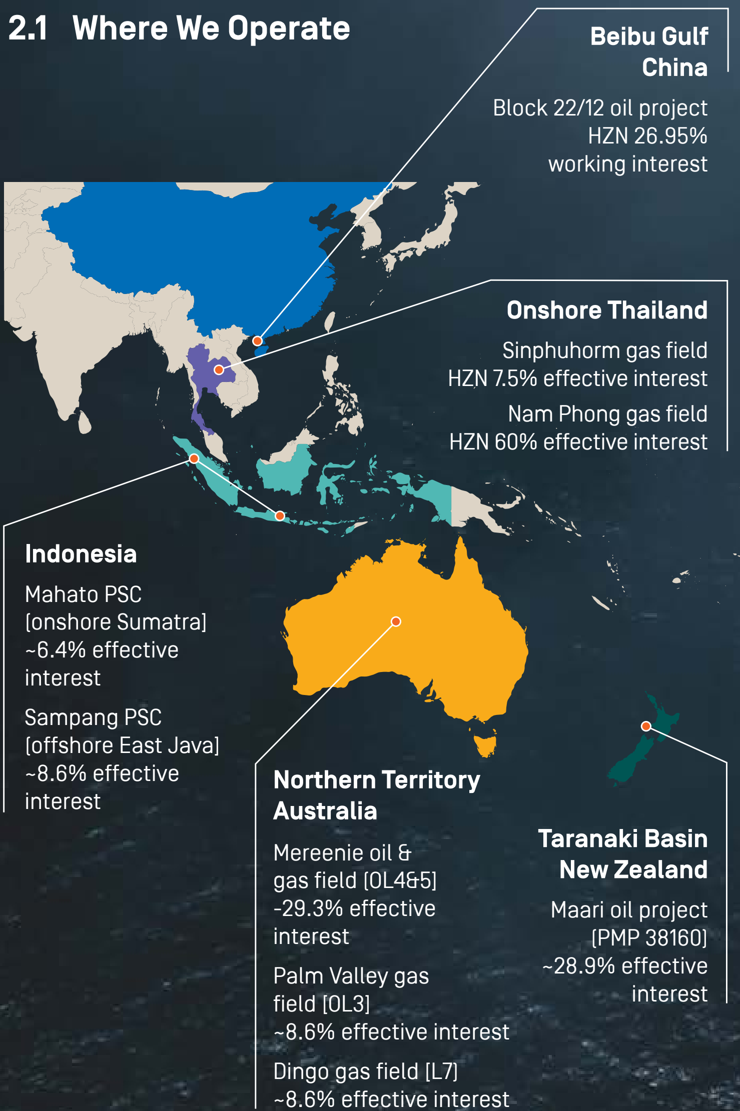
Richard Beament,
CEO

2. About Horizon Oil

Horizon Oil Limited (Horizon or the Company) is an Australian based company listed on the Australian Securities Exchange (ASX). We hold interests in nine producing assets across Australia, New Zealand, China, Thailand and Indonesia, each operated by an established joint venture partner.

FY26 was a transformative year for Horizon Oil, shaped by our acquisition of interests in the Sinphuhorm and Nam Phong gas fields in Thailand in August 2025 and the acquisition of a controlling interest in Cue Energy Resources Limited in June 2026. Through these acquisitions, we expanded our portfolio to five countries and nine producing assets, significantly enhancing the scale and diversity of the business. The enlarged portfolio delivered FY26 production of 2.15 MMboe, representing a 33% increase on the prior year, with the Thai assets contributing more production than any other country in which we operate.

2.1 Where We Operate



Horizon completed the acquisition of Cue Energy Resources Limited, obtaining a controlling interest of 57.03% effective 17 June 2026. The tables presented in Section 2.1 provide an overview of Horizon and Cue's portfolio of assets as at the end of FY26, the respective operators, and participating interest held in each.

As noted in Section 3.1 below, given the acquisition of Cue Energy became effective shortly prior to the end of FY26, this report primarily focuses on the assets held directly by Horizon during the reporting period and Cue Energy's sustainability data is excluded from this report.

2.1 Where We Operate [continued]

Horizon Oil

Asset	Country	Operator	Our Interest
Block 22/12, Beibu Gulf	China	CNOOC	26.95%
PMP 38160, Maari and Manaia	New Zealand	OMV	26.00%
OL4 and OL5, Mereenie	Australia	Central Petroleum	25.00%
E5, Nam Phong	Thailand	MH Energy Thailand	60.00%
E5N and EU1, Sinphuhorm	Thailand	PTTEP	7.50%

Cue Energy Resources[1]

Asset	Country	Operator	Our Interest
PMP 38160, Maari and Manaia	New Zealand	OMV	5.00%
OL4 and OL5, Mereenie	Australia	Central Petroleum	7.50%
OL3, Palm Valley	Australia	Central Petroleum	15.00%
L7, Dingo	Australia	Central Petroleum	15.00%
Mahato PSC:PB	Indonesia	Texcal Energy	11.25%
Sampang PSC	Indonesia	Medco Energi Sampang Pty Ltc	15.00%

2.2 How We Work

Horizon is a non-operating joint venture participant in its oil and gas fields. We have full operational control of our Head Office in Sydney but no day-to-day operational control over the producing assets.

Our position in Thailand is structured differently. Those interests are held through MH Energy Thailand, which is 75% owned by Horizon and 25% owned by Matahio Energy, who manage Nam Phong operations.

Across all five countries, our influence is exercised through joint venture governance, through the technical and commercial expertise we contribute at operating and technical committee level, and through sustained engagement with each operator on safety, environmental and social performance. That relationship shapes everything that follows in this report.

2.3 Our Role in Energy Security

The oil and gas we produce does not travel far. It supplies the markets closest to it, and in each of those markets it matters.

The Amadeus Basin is a strategically important source of natural gas for the Northern Territory, supplying gas to power generation, industrial customers and mining operations.

In north-east Thailand, Nam Phong and Sinphuhorm together supply around 20% of regional demand. Nam Phong gas feeds the adjacent power station at a time when Thailand's electricity sector is increasingly reliant on imported liquefied natural gas.

Crude oil from Block 22/12 flows directly into domestic Chinese refineries. Crude oil from Maari mostly provides refinery feedstock for Australian and regional markets, supporting the ongoing supply of transport fuels and other petroleum products during a year of constrained global supply.

We take that role seriously. Reliable, locally produced gas supports the power systems these regions depend on today and supports the transition to lower emissions generation over time.

1 Represents the % interest held by Cue Energy Resources Limited. The Horizon Group interest is 57.03% of the Cue Energy Resources Limited interest.

3. About this Report

This Sustainability Report, endorsed by Horizon's Board, outlines the Company's performance against our material sustainability topics over the 1 July 2025 to 30 June 2026 reporting period. It is the first report structured around the eight material topics identified in our FY25 double materiality assessment.

3.1 Scope

This report covers our producing assets in China (Block 22/12), New Zealand (Maari), Australia (Mereenie) and Thailand (Sinphuhorm and Nam Phong), together with our Sydney head office.

Metrics for the Sinphuhorm and Nam Phong gas fields are included for the full financial year from 1 July 2025, one month ahead of the acquisition completion date. They were excluded from FY25, as the change of control occurred after the close of that reporting period. As the materiality assessment predated the acquisition, the Sustainability Steering Committee (SSC) reviewed the material topics against the Thai assets and confirmed that no change to the topics was required.

On 2 July 2026, after the close of the FY26 reporting period, we completed the acquisition of a 57.03% controlling interest in Cue Energy Resources Limited. Effective control passed on 17 June 2026 and Cue has been consolidated in our balance sheet at that date. Given the acquisition occurred at the end of the reporting period, and recognising the time required to integrate sustainability reporting processes, systems and governance frameworks, no sustainability performance data relating to Cue or its assets has been included in this report. However, our future sustainability reporting will be reviewed as part of the ongoing integration of Cue Energy, with relevant disclosures incorporated in Horizon's reporting framework.

Horizon has full operational control of the Head Office in Sydney but no day-to-day operational control over the producing assets.

3.2 Basis of Preparation

Asset-related targets and metrics are based on Horizon's equity position. Health and safety statistics include all hours worked by operator and contractor personnel at our assets, together with Horizon corporate staff and consultant hours.

Greenhouse gas (GHG) emissions are estimated using the National Greenhouse and Energy Reporting (NGER) methodology, except for the Maari and Thailand assets, where emissions are based on operator-reported data prepared in accordance with New Zealand's Climate Change Regulations and the GHG Protocol, respectively.

Our reporting boundary has expanded in each of the past two years, with Mereenie included from FY25 and the Thai assets from FY26. Prior year comparatives are therefore not on a like-for-like basis.

Horizon continues to monitor Australia's climate-related financial disclosure framework. As a Group 3 reporting entity, our mandatory compliance with the Australian Accounting Standards Board's (AASB) Australian Sustainability Reporting Standard (ASRS) S2 (climate related disclosures) will commence for the reporting period beginning 1 July 2027, and this remains the case following the Cue acquisition. Although GHG emissions were not identified as a material topic, we have retained climate-related disclosures in this report and prepared it with reference to those standards, so that our reporting matures ahead of the obligation rather than at it.

This report has not been externally assured.

Horizon welcomes your feedback on this report via [info@horizonoil.com.au.](mailto:info@horizonoil.com.au)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4 FY26 Sustainability Highlights

Our key FY26 sustainability highlights are outlined in the table. While climate change was not identified as one of Horizon's priority one material topics through the FY25 double materiality assessment, climate-related risks and opportunities continues to be actively monitored and managed through our governance and risk management framework. During FY26, Horizon delivered several significant climate-related initiatives across its portfolio, including emissions reduction projects, improved climate-related reporting and enhanced monitoring of greenhouse gas emissions performance.

Material Topic	FY26 Highlights
Health, Safety and Environment	
Workforce Health And Safety & Critical Incident Risk Management	• LTIFR and TRIFR performance remained better than applicable NOPSEMA industry benchmarks. • Achieved 35 consecutive years without a LTI at the Nam Phong gas field. • Typhoon evacuation, shutdown, restart and workover activities at Block 22/12 were completed safely and without incident. • Major shutdowns at the Mereenie and Maari assets were executed safely and without recordable injuries.
Biodiversity	• Following the elevation of biodiversity to a Priority 1 material topic, established biodiversity as a key focus area within Horizon's FY26 sustainability strategy. • Continued operator engagement to ensure environmental and biodiversity considerations remain integrated into asset planning, operational activities and approvals processes.
Decommissioning & Rehabilitation	• Continued progression of decommissioning and life-extension planning across Horizon's asset portfolio, including ongoing financial assurance regulatory engagement activities at Maari. • Incorporated Thailand assets into Horizon's sustainability governance framework and portfolio-wide sustainability management processes, supporting consistent management of long-term environmental obligations across the enlarged asset base.
Our People and Communities	
Employment Practices	• Continued to support employee wellbeing through flexible working arrangements and equal access to training and professional development opportunities. • Maintained Horizon's Employee Assistance Program (EAP), providing confidential counselling and wellbeing resources to employees, consultants and directors. • Integration of Thailand personnel and business processes following the acquisition, supporting a consistent culture and organisational framework across the expanded portfolio.
Non-Discrimination And Equal Opportunities	• Continued to provide equal access to training, development opportunities and workplace flexibility across the organisation. • Maintained employment policies and practices that support an inclusive workplace and equal opportunity for all employees.
Community Relations	• Established MH Energy Thailand (MHET) with partner Matahio Energy and supported the transition of operatorship, strengthening Horizon's long-term presence and stakeholder engagement in Thailand. • Continued to supply energy products that support regional energy security, including gas supplied for electricity generation in Thailand and gas supplied into Northern Territory markets via Mereenie.

Material Topic	FY26 Highlights
Governance	
Business Ethics And Transparency	• Developed Horizon's Sustainability Strategy and Action Plan, including goals and targets aligned to the Company's eight material sustainability topics. • Strengthened Board oversight of sustainability and strategic growth through successful completion of the acquisition of a controlling 57.03% interest in Cue Energy Resources Limited. • Integrated Thailand assets into Horizon's sustainability governance framework and sustainability reporting processes, enhancing consistency and transparency across the portfolio.
Cyber Security, Data Security And Data Management	• Continued application of Horizon's governance and risk management processes for information technology, cyber security and data management across the expanding portfolio.
Climate Change	
Climate Change - not a material topic in FY26 but voluntarily included	• Successfully commissioned the Vapour Recovery Unit at Maari, recovering flared low-pressure hydrocarbon vapours for beneficial use and reducing fuel consumption. • Installed and commissioned a solar rooftop and battery system at the Nam Phong Central Processing Unit to supply power to site facilities and offices. • Supported Thailand's energy transition and regional energy security through projects and initiatives at the Nam Phong and Sinphuhorm gas fields to maintain and increase gas supply for electricity generation. • Expanded climate-related reporting and emissions disclosure to include the Thailand assets, enhancing portfolio-wide climate performance monitoring and reporting.

5. Our Approach to Sustainability

5.1 Our Sustainability Vision

We recognise that the global energy system is evolving and seek to support a practical and orderly transition while continuing to provide reliable energy to the markets we serve. We are committed to making the right kind of impact; through excellence in health and safety, reducing our emissions, and enhancing the quality of life in the communities where we operate.

Horizon's sustainability vision remained unchanged in FY26. It continues to guide how we manage our operations and assets, and how we weigh decisions where commercial, environmental and community interests meet.

FY26 tested that vision against our expanded asset base. Our acquisition of interests in the Sinphuhorm and Nam Phong gas fields extended our operations into a fourth country and brought new communities, regulators and operating partners within our sphere of influence.

In FY26 we also implemented the outputs of our first double materiality assessment, described below.

5.2 Our Sustainability Governance

Responsibility for sustainability rests with our Board. The Board approves our sustainability strategy and the goals and targets that sit beneath it, receives reporting on performance through the year, and approves this report before publication.

The Board is assisted by our SSC, an internal working group established to support the Board and its Risk Management Committee in overseeing sustainability strategy, policy and practice. The Committee is chaired by our Chief Executive Officer and includes our Chief Financial Officer, our General Manager Engineering and Projects , and representatives from the technical and finance teams. At least one member of the Risk Management Committee also sits on it. The Committee meets at least twice a year, and its chair reports to both the Board and the Risk Management Committee at each scheduled meeting.

The Committee develops and recommends our sustainability strategy, targets and plans to the Board, reviews and reports progress against them, and oversees development of this report for the Board's approval. It provides input to reviews of our corporate climate change risk register and works to embed sustainability considerations within our wider risk management framework rather than running them alongside it.

Accountability for delivery sits with line management. The Committee's role is to see that sustainability is integrated into day-to-day business activity, not to carry out that work in its place.

During FY26 we extended our sustainability governance and reporting to cover the Thai assets following their acquisition.

5.2.1 Managing Sustainability Risk

Our sustainability risks are managed within the same framework as our other business risks. Our risk management framework is aligned to International Organisation for Standards (ISO) 31000 principles and applies a bottom-up methodology assessing short, medium and long term financial and operational risks, complemented by an annual top-down analysis of strategic risks and opportunities over the medium to long term. The framework is reviewed twice each year. Our Risk Management Committee supports the Board in overseeing material business risks and is responsible for ensuring that significant risks are identified, assessed, monitored and escalated as appropriate.

Four of the categories within that framework correspond to material topics reported here: health and safety, environmental, modern slavery, and information technology. A fifth category, sustainability (including climate change), was created by broadening our previous climate change risk category to reflect the wider set of sustainability topics relevant to the business.

5.2.2 Our Double Materiality Assessment

In FY25 we completed our inaugural double materiality assessment, a structured process to identify and prioritise the environmental, social and governance topics most significant to our business and our stakeholders. Our previous materiality assessment was conducted in 2020. The topics identified are presented in detail for the first time in this report and shape its structure.

The double materiality assessed potential topics against impact and influence as follows:

IMPACT

Sustainability impact: the extent to which Horizon's activities may positively or negatively affect people, the environment and wider society.

Financial impact: the extent to which sustainability-related risks and opportunities may affect Horizon's financial performance, business model, value chain, access to capital or long-term enterprise value.

INFLUENCE

Assessing the extent to which our performance on each topic has the potential to influence stakeholder perceptions of us, or decisions stakeholders make in relation to us.

Together, these give us a comprehensive view of where to focus, balancing our responsibility to minimise harm and maximise positive impact with our responsibility to protect and create long-term business value.

Our materiality assessment followed a five-stage process as follows:

1. Scoping & Stakeholder Mapping and Prioritisation
2. Potential Material Topic Identification and Clustering
3. Impact Assessment Workshop
4. Influence Assessment Survey and Stakeholder Interviews
5. Prioritisation and Reporting

1 Scoping and stakeholder mapping

We began with an internal workshop where we defined the scope and objectives of the assessment, identified priority stakeholder groups and determined the preferred approach to stakeholder engagement.

2 Potential material topic identification and clustering

We developed an initial list of potential material topics through review of our internal governance documents, management plans, strategies and public disclosures, complemented by external benchmarking against recognised sustainability standards and industry guidance. These included the AA1000 Accountability Principles, Global Reporting Initiative (GRI) 11: Oil and Gas Sector 2021, the Sustainability Accounting Standards Board's (SASB) Oil and Gas Exploration and Production Sustainability Accounting Standard (version 2023-12), the AASB ASRS S1 & S2 and the UN Sustainable Development Goals (UN SDGs).

This resulted in 15 potential material topics being identified, which were refined and clustered under Environment, Social and Governance themes.

3. Influence assessment

We sought input from a range of internal and external stakeholders through a structured survey process and targeted interviews with executive management.

Stakeholder groups were:

- Investors and shareholders
- Horizon Board
- Horizon management personnel
- Horizon Sustainability Steering Committee
- Horizon staff
- Horizon consultants
- Bankers, financiers and insurers
- Asset operators

The influence assessment achieved a 90% response rate, with 18 responses received from 20 stakeholders invited to participate. Results were weighted by stakeholder group to reflect their relative importance and response rates.

4. Impact assessment

Senior representatives of Horizon and members of the SSC assessed each potential material topic, rating the likelihood and consequence of the sustainability and financial risks and opportunities associated with it. Scores were normalised on a five-point scale. We also undertook a thematic analysis of respondents' comments to understand why topics were rated as they were, and to identify areas to focus on in setting goals and targets.

5. Prioritisation and reporting

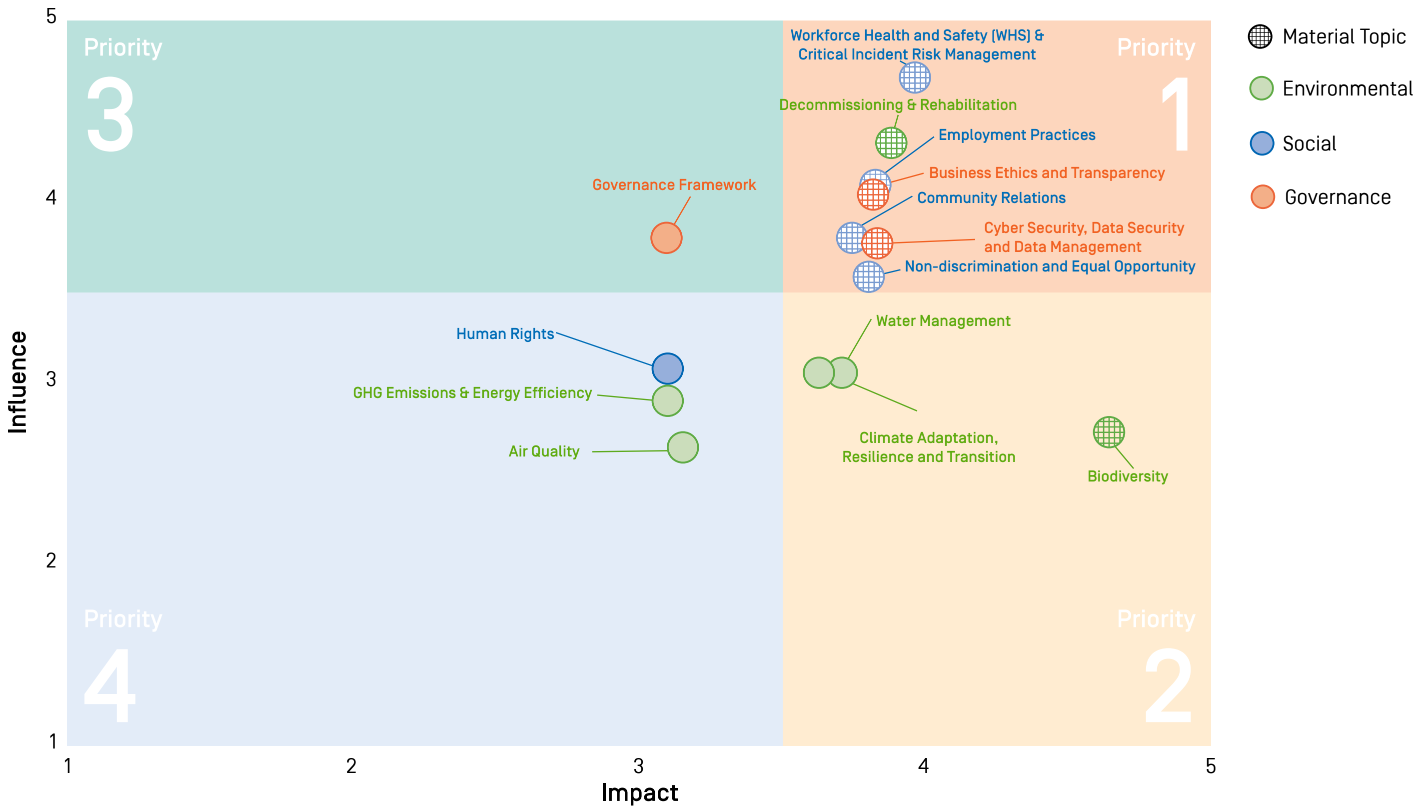
We combined the results of our influence and impact assessments into a materiality matrix, set out below. Topics scoring 3.5 or above on both impact and influence were classified as priority one material.

The topics in the right quadrant of the below Materiality Matrix represent priority one material topics and are the focus of this report and of our future sustainability strategy.

Two adjustments were made following validation of the results with our senior leadership. Workforce Health and Safety and Critical Incident Risk Management were consolidated into a single topic, reflecting their operational interdependence and enabling a more cohesive approach to risk management. Biodiversity returned one of the highest impact scores of any topic assessed but scored below the threshold on influence. Qualitative insight gathered during the impact assessment and validation, particularly regarding the consequences of a significant spill, warranted its elevation to a priority one topic.

Other topics assessed, while not currently priority one, remain relevant to our operations and continue to be managed appropriately. For example, GHG Emissions and Energy Efficiency and Climate Adaptation, Resilience and Transition both scored highly for impact, and are reported within the relevant sections of this report.

Materiality Matrix



The table below shows the finalised material topics post validation adjustments.

Environmental

- Decommissioning & Rehabilitation
- Biodiversity

Social

- Community Relations
- Employment Practices
- Workforce Health and Safety & Critical Incident Risk Management
- Non-Discrimination and Equal Opportunity

Governance

- Business Ethics and Transparency
- Cyber Security, Data security and Data Management

5.2.3 FY26 Materiality Assessment Review

The double materiality assessment was completed before we acquired our interests in the Sinphuhorm and Nam Phong gas fields, and whilst consideration was given to the Thai assets, they were not comprehensively included in the assessment. Therefore, in FY26, the SSC subsequently reviewed the material topics and their risks and opportunities against the Thai assets, including considerations relating to operations in a new jurisdiction, workforce and employment practices, cyber and information security, stakeholder and community impacts, environmental management and compliance, land access and land use, and asset retirement and closure obligations. The Committee confirmed that no change to the material topics were required and that the topics identified though the assessment remain appropriate and applicable across Horizon's expanded portfolio

5.3 Our Sustainability Framework

Our four priority areas as presented in FY25 sustainability report continue to provide the structure for Horizon's sustainability reporting, and the eight material topics identified in our double materiality assessment now sit within them. Each topic is aligned to the UN SDGs it most directly supports. This structure is reflected in the performance narrative sections of this report.

Priority Area	Our Commitment	Material topic	SUSTAINABLE DEVELOPMENT GOALS
Health, Safety and Environment	Horizon's priority is the health and safety of our workforce and communities, and the protection of the environment in which we operate. We work closely with our operators in China, New Zealand, Australia and Thailand to maintain asset integrity and have in place appropriate workplace management systems that reflect our high expectations for health, safety and environmental performance. We recognise that our most serious risks are those with the gravest consequences, and we oversee our operators' programs to prevent critical incidents as well as everyday harm. We are committed to protecting the biodiversity of the environments in which our assets sit, and to planning for their eventual decommissioning and rehabilitation.	Workforce Health and Safety and Critical Incident Risk Management	3 GOOD HEALTH AND WELL-BEING; 8 DECENT WORK AND ECONOMIC GROWTH
		Biodiversity	14 LIFE BELOW WATER; 15 LIFE ON LAND
		Decommissioning and Rehabilitation	12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 14 LIFE BELOW WATER; 15 LIFE ON LAND
Our People and Communities	Our employees will deliver Horizon's future, so we want our employees to be proud to work for Horizon. We are committed to fair employment practices, to equal opportunity, and to a workplace free from discrimination, so that our people can achieve their personal best. Our operations touch communities in four countries, from the Northern Territory of Australia to north-east Thailand. We acknowledge those communities, and that our social licence comes from listening to them and investing in them.	Employment Practices	8 DECENT WORK AND ECONOMIC GROWTH
		Non-discrimination and Equal Opportunity	5 GENDER EQUALITY; 10 REDUCED INEQUALITIES
		Community Relations	11 SUSTAINABLE CITIES AND COMMUNITIES; 17 PARTNERSHIPS FOR THE GOALS
Governance	Horizon is committed to applying the same standards consistently across everything we do, in Australia and in each of the countries where our assets are located. We promote and are committed to a high standard of integrity, ethical and transparent behaviour in business, and we maintain a zero-tolerance approach to bribery and corruption. We recognise that the security of our systems and the information they hold is fundamental to that commitment, and to maintaining the trust of our shareholders, partners and people.	Business Ethics and Transparency	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
		Cyber Security, Data Security and Data Management	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Climate Change	Horizon recognises the importance of improving energy affordability, reliability and emissions performance over time. We continue to monitor developments in climate policy, technology and stakeholder expectations and seek to support emissions reduction initiatives across our portfolio where appropriate. The gas we produce contributes to regional energy supply and energy security. We work with our operators to understand and, where appropriate, support opportunities to improve emissions performance. Although GHG emissions was not identified as a priority one material topic, we continue to report our climate performance, guided by the four thematic areas of the TCFD recommendations and preparing for our obligations under the AASB ASRS S2.	Climate Adaptation, Resilience and Transition (priority two). GHG emissions and energy efficiency reported voluntarily	7 AFFORDABLE AND CLEAN ENERGY; 13 CLIMATE ACTION

6. Our Stakeholders

Horizon is dedicated to creating a positive and meaningful impact by collaborating closely with our operators, joint venture partners and other key stakeholders. Because we do not operate our assets, much of our engagement with communities and regulators is conducted through our operators, and we work to ensure our expectations are reflected in the way they engage. Our acquisition of the Thai assets extended that engagement into a fourth country.

Stakeholders	Methods of Engagement	Area of Interest
Joint Venture Participants	• HSE performance reporting and meetings • Regular commercial and technical meetings • Materiality assessment engagement	• Operational performance • Commercial alignment • Risk management
Investor Community	• ASX announcements & periodic reporting • Webinars & investor meetings • Website • Materiality assessment engagement	• Financial performance • Sustainability reporting • Governance • Risk management
Banks/ Financiers/ Insurers	• ASX announcements & periodic reporting • Webinars & investor meetings • Website • Materiality assessment engagement	• Finance facility • Financial performance and stability • Governance and risk management • Sustainability performance and reporting • Regulatory compliance
Traditional Owners	• Operator-led meetings via Central Land Council • Land access and sacred site clearance • Operator participation in on-country programs	• Cultural heritage protection • Land access arrangements • Employment and training
Communities	• Operator-led community engagement • Collaborative committee meetings, monthly district meetings and public participation sessions in Thailand • Sponsorship and scholarship programs	• Local employment and procurement • Community investment and sponsorship • Environmental management • Health and safety impacts • Energy security and reliable supply

Stakeholders	Methods of Engagement	Area of Interest
Regulators	• Operator-led compliance reporting, meetings & inspections • ASX disclosures • Modern Slavery Statements	• Legal and regulatory compliance • Health, safety and environmental performance • Modern Slavery and human rights compliance • Decommissioning and rehabilitation obligations • Financial assurance requirements
Employees	• Internal communications and meetings • Inductions, code of conduct and policies	• Sustainability performance • Employee welfare • Health & Safety
Contractors and consultants	• Progress and technical meetings • Contractor safety committee and monthly HSE meetings at asset level • Induction, Code of Conduct and compliance requirements	• Health and safety performance • Business ethics and legal compliance • Anti-bribery and anti-corruption • Operational performance and delivery
Vendors and suppliers	• Procurement and contract meetings • Prequalification and onboarding • Supplier due diligence • Modern slavery assessments	• Procurement opportunities • Local content and local procurement • Contract terms and performance expectations • Business ethics and compliance requirements
Government & industry bodies	• Industry association participation • Government consultations • Regulatory submissions	• Energy security • Climate change policy • Decarbonisation pathways • Industry regulation

7. FY26 Sustainability Performance Overview & FY27 Outlook

Our FY25 targets were retained to measure FY26 performance. Following completion of the double materiality assessment, our SSC reviewed the existing targets and confirmed they remained appropriate for the year while Horizon's sustainability strategy and supporting goals were being developed. Where the materiality assessment identified new material topics not covered by existing targets, appropriate targets were developed for implementation in FY27.

The table below sets out our performance against our FY26 targets.

		FY26 Target	Status	FY26 Performance
HEALTH, SAFETY AND ENVIRONMENT	**Workforce Health and Safety and Critical Incident Risk Management**	**1.** Achieve zero fatalities.	MET	No fatalities occurred across Horizon's assets during the year Page 19
		2. Achieve a TRIFR less than the NOPSEMA industry average for the reporting period.	MET	TRIFR of 0.96 against the NOPSEMA benchmark of 5.11 Pages 19 to 20
		3. Achieve a LTIFR less than the NOPSEMA industry average for the reporting period.	MET	LTIFR of 0.48 against the NOPSEMA benchmark of 1.77 Pages 19 to 20
	Biodiversity	**1.** Achieve zero material or significant reportable environmental incidents	MET	Zero reportable incidents during the year Page 22
		2. Zero spills to the environment	NOT MET	Seepage to ground from an evaporation pond. Reported to regulator, temporary degradation and negligible in nature Page 22
	Decommissioning and Rehabilitation	Targets developed during FY26 and scheduled for implementation from FY27	N/A	Targets will apply for FY27 and beyond. Performance narrative on page 25
OUR PEOPLE AND COMMUNITIES	**Employment Practices**	**1.** Promote flexible working arrangements to encourage employees to return to work after parental leave	MET	Flexible working arrangements maintained for all employees and consultants Page 27
		2. Equal opportunity to participate in development and training programs to support career growth	MET	Employees and consultants attended seminars and professional training events during the year Page 27
	Non-discrimination and Equal Opportunity	**1.** At least 20% women employees in senior executive roles through any future recruitment initiatives	PARTIAL	No new management position appointments were made in FY26 Page 28
		2. 30% women directors on the Board	PARTIAL	No new director appointments were made in FY26, women directors on the Board remained as 1 in 6 (16.7%) Page 28
	Community Relations	**1.** Work with our operators and partners to identify and participate in community-based projects	MET	Achieved across our assets Page 29

While climate change was not identified as a Priority one material topic through the FY25 double materiality assessment, it remains an important component of our sustainability framework and operational performance. During FY26, we delivered several significant climate-related initiatives, including emissions reduction projects, renewable energy deployment and enhanced GHG reporting. Given the importance of these achievements, climate-related performance is included voluntarily.

		FY26 Target	Status	FY26 Performance
GOVERNANCE	**Business Ethics and Transparency**	Targets developed during FY26 and scheduled for implementation from FY27	N/A	Targets will apply for FY27 and beyond Performance narrative on page 30
GOVERNANCE	**Cyber Security, Data Security and Data Management**	Targets developed during FY26 and scheduled for implementation from FY27	N/A	Targets will apply for FY27 and beyond Performance narrative on page 31
CLIMATE CHANGE	**Climate Adaptation, Resilience and Transition (priority two). GHG emissions and energy efficiency reported voluntarily**	**1.** Support operator emissions reduction initiatives	MET	Vapour Recovery Unit commissioned at Maari and solar and battery system commissioned at Nam Phong Page 42
		2. Apply an internal carbon price to help guide business decisions and the viability of future projects	MET	Carbon price forecasts were assessed as sensitivities for new projects
		3. Continued improvement in Horizon's climate disclosures across the four thematic areas of the TCFD	MET	Thailand assets incorporated into Horizon's corporate emissions reporting

7.1 FY27 Outlook

The material topics identified in our double materiality assessment give us a clearer basis for setting goals than we have had previously. During FY26 we developed a sustainability strategy and action plan built around those topics, with goals and targets set for each material topic.

The goals and targets were developed using a SMART framework, so that each is specific, measurable, achievable, relevant and time-bound. They have been developed for our expanded portfolio excluding Cue.

Goals and targets apply from FY27 across each of our eight material topics. Existing targets were retained where applicable, including extension to the Thailand assets where appropriate. Where the materiality assessment identified new material topics not previously covered, appropriate targets were developed for implementation in FY27. These new targets primarily relate to decommissioning and rehabilitation, business ethics and transparency, cyber security, data security and data management, critical incident risk management, and our contribution to local economies.

Unless the table states otherwise, each target applies on an ongoing basis and we will report performance against it annually from FY27.

While GHG emissions and energy efficiency were not identified as a Priority one material topic, we continue to monitor and manage climate-related risks and opportunities through our governance and risk management framework. Horizon continues to focus on strengthening climate-related reporting, governance and emissions monitoring as part of its preparation for future mandatory reporting requirements under AASB S2 Climate-related Disclosures, which will apply to Horizon from the reporting period beginning 1 July 2027.

Material Topic		Outcome	Target	Timeframe
HEALTH, SAFETY AND ENVIRONMENT	**Workforce Health and Safety and Critical Incident Risk Management**	Our workforce, and those of our operators, suffer no fatalities across all assets and operations	• Zero fatalities	Annual
		Workforce (Horizon and Operators') injury rates remain below industry benchmarks across all assets	• TRIFR and LTIFR below the NOPSEMA industry average for the prior reporting period	Annual
		Horizon maintains an oversight framework for critical incident risk management across all assets	• Critical incident log maintained • Continuous Board reporting of critical incidents, major accident events and high potential incidents, including investigation findings and close out actions.	Continuous from FY27
		Our employees, consultants and contractors work in a safe environment	• Annual workplace health and safety training provided to all employees and consultants	Annual
	Biodiversity	We achieve zero material or reportable environmental incidents across all assets	• Zero (0) material or reportable environmental incidents per reporting period	Annual
		We achieve zero spills to the environment across all assets	• Zero (0) spills to the environment	Annual
	Decommissioning and Rehabilitation	We establish financial provisions and mature decommissioning plans commensurate with the remaining field life of each asset	• Maintain decommissioning cost estimates and financial readiness assessments for all producing assets, with plans reviewed and aligned with regulatory requirements, joint venture obligations and stakeholder expectations	By end FY27, then annual
		Decommissioning and rehabilitation activities result in zero material environmental incidents or regulatory non-compliances across all assets	• Zero (0) material environmental incidents or regulatory non-compliances arising from decommissioning or rehabilitation activities	Annual, where such activities are carried out

	Material Topic	Outcome	Target	Timeframe
OUR PEOPLE AND COMMUNITIES	**Employment Practices**	We attract and retain skilled employees through a supportive, flexible and inclusive workplace	• Flexible working arrangements available to all employees and consultants • Employee Assistance Program maintained and available to all employees, consultants and directors	Annual
		We provide equal access to training and professional development for all employees	• All employees have equal access to development and training programs in each reporting period	Annual
	Non-discrimination and Equal Opportunity	We achieve and maintain meaningful gender diversity at Board and senior executive level	• At least 30 % women directors on the Board • At least 20 % women in senior executive roles through any future recruitment initiative	Annual
		We foster a workplace free from discrimination through clear policies and accessible grievance mechanisms	• Diversity Policy reviewed annually and communicated to all employees and consultants • Zero (0) discrimination complaints from employees, consultants and suppliers	Annual
	Community Relations	We support meaningful community engagement and social investment across the portfolio	• At least one community-based initiative identified through formal operator engagement, supported and reported with outcomes each reporting period, where possible	Annual
		We contribute positively to local economies in all jurisdictions where we operate	• Transparent annual reporting of taxes and royalties paid across all jurisdictions	Annual

	Material Topic	Outcome	Target	Timeframe
GOVERNANCE	**Business Ethics and Transparency**	We conduct business ethically and transparently across all jurisdictions, in alignment with our Anti-Bribery and Whistleblower policies	• Anti-Bribery and Whistleblower policies reviewed and communicated annually to all relevant parties • Zero (0) substantiated breaches of the Anti-Bribery Policy per reporting period	Annual
		We maintain a modern slavery prevention program	• Modern Slavery Statement published annually under the *Modern Slavery Act 2018*	Annual
	Cyber Security, Data Security and Data Management	We maintain a proactive cyber security posture through regular independent assessment and targeted improvement	• Independent information technology security assessment conducted at least once every 2 years • Priority findings actioned within 12 months of completion • Information technology training program maintained	Annual
		We protect our financial and operational data from fraud and cyber threats through staff awareness and controls	• Zero (0) successful cyber fraud incidents resulting in financial loss per reporting period	Annual

8. Health, Safety and Environment

8.1 Workforce Health and Safety and Critical Incident Risk Management

Protecting the health and safety of everyone who works at our assets, and maintaining the integrity of the systems and controls that prevent the low-likelihood, high-consequence events inherent in oil and gas production, including loss of containment, fire and major accident events.

Our Goal

We will continue to outperform our peers and industry benchmarks through ongoing and active engagement with our operators, ensuring strong process safety performance and the prevention of low-likelihood, high-consequence events.

Targets for FY26

1. Achieve zero fatalities
2. Achieve a Total Recordable Injury Frequency Rate (TRIFR) less than the NOPSEMA industry average for the prior reporting period
3. Achieve a Lost Time Injury Frequency Rate (LTIFR) less than the NOPSEMA industry average for the prior reporting period

8.1.1 Health and Safety

Safety performance at each asset is reviewed with the operator every month against an agreed set of measures. Where a serious or high potential event occurs, we raise it directly with the operator and follow it through to resolution. What we expect of our operators is set out in our Health, Safety, Security and Environment (HSSE) Policy, published on our website, and performance trends and material incidents are reported to our Board through the year.

Our Thai assets entered that process for the first time in FY26. Following the transfer of operatorship to MH Energy Thailand, planned health and safety transition activities were completed, and a Hazard and Operability (HAZOP) study was undertaken for the Nam Phong plant. The Operator now works to a 2026 safety activity plan and a five-year health, safety and environment master plan running to 2030. Annual fire training was completed in October 2025, with confined space refresher training scheduled for 2026.

At Sinphuhorm, the Operator holds ISO 45001 certification for occupational health and safety management. At Block 22/12, the Operator runs a standing program of hazard identification and rectification across the field. Mereenie also completed a planned maintenance shutdown during the year.

Maari completed its five yearly inspection and maintenance shutdown in early March 2026, and workovers were carried out on multiple wells. Through the year the Operator ran a behavioural safety program built on professionalism as an ethos, maintained a focus on Life Saving Rules, continued exposure and health monitoring, and reviewed work at height bridging documents with its contractors. Senior leaders visited the facility regularly and regulatory relationships were maintained, supported by scheduled facility inspection visits throughout the year.

Competency in emergency response and first aid is maintained through recurring training for employees and contractors alike. Personnel travelling offshore hold Basic Offshore Induction Safety and Emergency Training (BOSIET) certification accredited by the Offshore Petroleum Industry Training Organisation (OPITO).

Contractors comprise a substantial part of the workforce across our assets and operate within the same health and safety management systems as employees, including participation in regular contractor safety meetings.

8.1.2 Occupational Injury and Illness Incidents

Our injury frequency rates are calculated using total hours worked across our assets, including those of operators and contractors as well as Horizon staff and consultants. In FY26 Horizon recorded a TRIFR of 0.96 and a LTIFR of 0.48, against NOPSEMA benchmarks of 5.11 and 1.77 drawn from published FY25 data. There were no fatalities at any of our assets during the year.

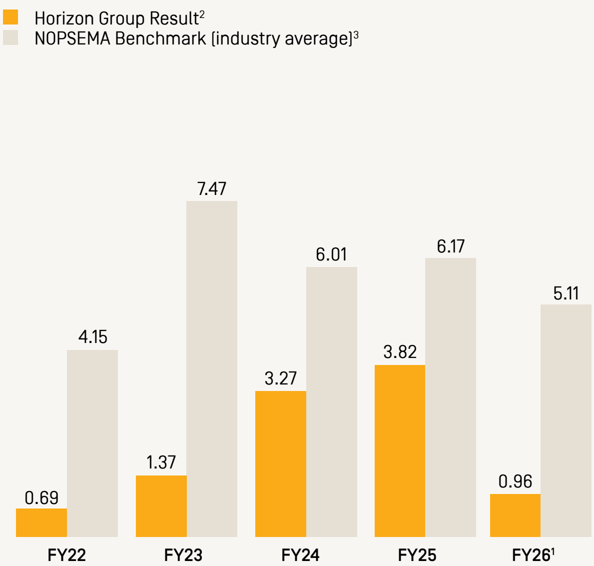
FY26 is also the first year our figures include the Thai assets, which bring an exceptional long-term safety record. The rates therefore reflect both performance across the portfolio and a change in the underlying population of hours from which they are calculated. As a result, they are not directly comparable with prior years.

Where recordable injury rates were higher than expected during the year, incidents were investigated to identify underlying causes, with corrective actions tracked through to completion and targeted improvements implemented to strengthen safety performance.

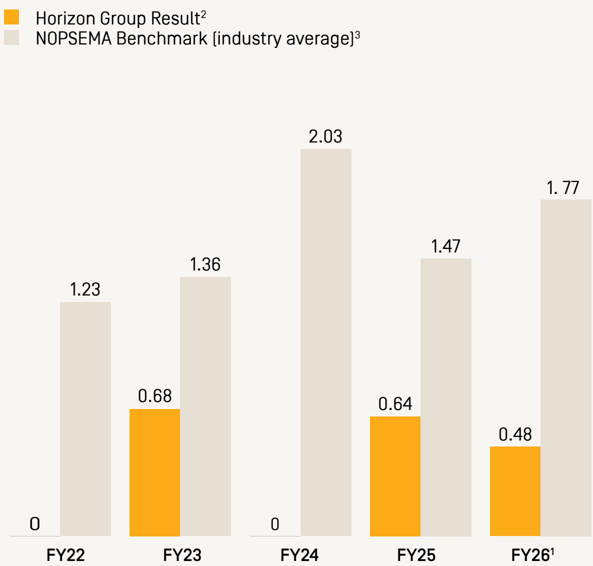
Occupational health is managed alongside injury prevention through ongoing monitoring and programs designed to identify, assess and manage workplace health risks.

Several assets passed significant milestones during FY26. Nam Phong reached 35 consecutive years without a LTI on 14 December 2025. Sinphuhorm has now run for more than a decade without a LTI and at Maari, MODEC, who provides operations and maintenance services for the Maari field passed eight years without a LTI. The major maintenance shutdowns at Mereenie and Maari were both completed without recordable injuries, as were the well workover campaigns at Block 22/12.

Total Recordable Injury Frequency Rate (TRIFR)



Lost Time Injury Frequency Rate (LTIFR)



1 FY26 TRIFR and LTIFR results include Thailand (Nam Phong and Sinphuhorm). FY25 results include Block 22/12, Maari and Mereenie only. Prior to FY25 results only included Block 22/12 and Maari.

2 Includes all hours (contractor and operator) worked for our assets and Horizon corporate staff and consultant hours.

3 The NOPSEMA benchmarks are derived from injury and hours worked data provided in quarterly reports. Horizon performance for any particular financial year is benchmarked against NOPSEMA average for the preceding financial year.

8.1.3 Critical Incident Risk Management

Horizon adopts a risk-based approach to identifying, assessing and managing major incident risks across our portfolio. Potential high-consequence health, safety and environmental hazards are identified through asset risk assessments, process safety management processes, incident investigations, audits and assurance activities. Material operational risks, including the risk of a major safety or environmental event, are maintained within Horizon's corporate risk register and are subject to regular review by management. Changes in risk profile, emerging threats, control effectiveness and mitigation actions are periodically reported to the Risk Management Committee and subsequently to the Board, providing governance oversight of critical incident risk management across the portfolio.

We work closely with our operators and joint venture partners to maintain the integrity and safe operation of production facilities. Preventive maintenance, inspection, testing and integrity management programs are in place to identify potential equipment degradation, verify the condition of safety-critical elements and reduce the likelihood of unplanned failures. These programs are supported by risk assessments, management of change processes and competency requirements designed to ensure facilities remain fit for purpose and capable of operating safely and reliably.

Process safety performance is monitored through a combination of leading and lagging indicators, including process safety events, high potential incidents, safety observations, audits and assurance activities. Lessons learned from incidents and near misses are shared across the business and, where appropriate, incorporated into procedures, training and operational controls. Through these activities, Horizon seeks to prevent major accident events and continuously improve the effectiveness of our critical risk management controls.

Our operators are responsible for managing process safety risks to as low as reasonably practicable (ALARP), and maintaining emergency response arrangements appropriate to their facilities. While accountability for day-to-day process safety performance rests with the operators, Horizon provides oversight through technical review, participation in assurance activities and engagement on material process safety and asset integrity risks.

8.1.4 Asset Integrity Management

Asset integrity remains a key focus across Horizon's portfolio, particularly for mature producing assets. Through participation in Joint Venture technical and operating committees, technical assurance activities and regular engagement with operators, Horizon monitors asset integrity risks, maintenance strategies, remediation activities and life extension programs. During FY26, operators continued to progress inspection, maintenance and reliability initiatives designed to support safe, reliable operations, extend asset life and reduce the risk of critical incidents and unplanned production deferments.

8.2 Biodiversity

The ecosystems, habitats and species present where our assets are located, and our responsibility, with our operators, to prevent the loss or alteration of them that oil and gas activity can cause.

Our Goal

We work with our operators to minimise environmental impacts and support the management of biodiversity values in the areas where we operate.

Targets For FY26

1. Achieve zero material or significant reportable environmental incidents
2. Zero spills to the environment

8.2.1 Biodiversity Management

Oil and gas production can pose varying biodiversity impacts depending on where the activities take place. Onshore, the potential risks arise from land disturbances associated with wells and facilities, the management of drilling and operational wastes, and the movement of vehicles and heavy machinery outside established disturbance areas. Offshore, the dominant biodiversity risk is a loss of containment event involving hydrocarbons or production chemicals, which could affect species, habitat and ecosystem function.

Given the potential significant environmental consequences of a major spill, biodiversity was elevated to a priority one material topic in our double materiality assessment. As a non-operator, Horizon's influence is exercised through the environmental management systems, plans and regulatory approvals maintained by our operators, together with the oversight and scrutiny we apply through our governance and assurance activities.

Healthy ecosystems provide a range of services, including water purification and the maintenance of environmental quality. At our onshore assets, the quality and availability of water are closely linked to biodiversity values, agricultural land use, surrounding communities and the long-term rehabilitation outcomes of disturbed areas. As such, water management is reported alongside biodiversity where relevant.

We are not aware of any material breach of the environmental regulations relating to our operations during FY26.

8.2.2 Reported Environmental Incidents & Spills to the Environment

During FY26, there were zero reportable environmental incidents across our assets.

The pond seepage incident in Section 7, does not meet the materiality threshold and is not considered a Reportable Environmental Incident. The regulator has been notified, temporary measures undertaken whilst a permanent solution is being expedited.

Reported Environmental Incidents – Horizon Group

Refer to glossary for definition of reportable environmental incident.

Block 22/12, China

Block 22/12's operator works under Chinese environmental law, is a member of the International Petroleum Industry Environmental Conservation Association (IPIECA) and maintains an environmental management system aligned to ISO 14001.

During the year the operator carried out a structured environmental compliance program in four stages. Self-inspection against ecological and environmental compliance requirements ran to 30 December 2025, supported by a register recording each identified issue, the rectification measure, the party responsible and the date for completion. A special inspection followed during January 2026, conducted by a team drawn from external experts and the operator's own technical specialists. Identified areas for improvement were then worked through in 2026. The operator reported no pollution incidents and no oil spill or sudden environmental incidents.

Maari, New Zealand

Maari's operator is also an IPIECA member and manages its systems to ISO 14001. Marine discharges occur under consents issued by the regulator, and compliance is demonstrated through the monitoring and reporting of discharge quantity, quality and dosage, with any nonconformity reported.

The operator maintains a strong regulatory standing with the Environmental Protection Authority.

Mereenie, Australia

Operations are governed by Environmental Management Plans (EMPs) approved by both national and territory regulators, which set obligations spanning waste management, water resource protection, air emissions, land disturbance and rehabilitation, soil and biodiversity conservation, pest and weed control, and bushfire prevention and mitigation.

The field lies in a water constrained region, which gives water resource protection particular weight among those obligations. Approvals and clearances are obtained before any ground disturbing activity is undertaken, and environmental inspections are carried out by the operator, by third party contractors and by regulators.

Weed Management at Mereenie

Weed control is a requirement of the Mereenie Field EMP. Weed management activities were undertaken across the field towards the end of FY26 to address priority actions identified in the 2025 annual weed survey. Contractors worked alongside Traditional Owners to manage invasive species, including buffel grass, paddy melon and African lovegrass. Priority was given to areas of high ecological value, rehabilitation sites, and locations where vehicle and equipment movement creates an elevated risk of weed spread. The program also provided practical training for Traditional Owners in weed identification, herbicide application, safe chemical handling, personal protective equipment requirements and spraying techniques, supporting ongoing capacity building in land management activities.

Program outcomes will be monitored through ongoing photopoint monitoring and future annual weed surveys, with follow-up activities planned to address regrowth and support rehabilitation objectives.

Sinphuhorm and Nam Phong, Thailand

Sinphuhorm well pads sit within national forest, and the gas processing plant with farmland immediately adjacent, making land use and disturbance particularly important. During the year, the operator progressed construction of a new well pad and connecting flowline at Sinphuhorm and undertook well site road repairs, both taken through public consultation with the surrounding communities and with strict adherence to permit conditions.

Sinphuhorm's operator holds ISO 14001 certification for environmental management. Environmental initiatives at the asset include reforestation, forest fire prevention and protection, a bio-gas initiative and a youth environmental campaign.

At Nam Phong, all environmental and regulatory approvals required for a new booster gas compressor project were in place before the investment decision was taken.

Water management is a standing focus at Nam Phong. The operator maintains monitoring and inspection programs for produced water facilities, groundwater and waste management systems, with produced water disposed of through managed evaporation. Groundwater monitoring forms part of the operator's ongoing environmental program.

8.3 Decommissioning and Rehabilitation

The obligation to remove our facilities and restore our sites at the end of field life, and the planning and financial provisioning required to meet that obligation.

Our Goal

We are committed to planning early and transparently for the end of life of our assets, and to leaving the environments in which we have operated in a condition that supports their long-term recovery.

Targets For FY26

Decommissioning and rehabilitation was identified as a material topic for the first time through our FY25 double materiality assessment, and goals and targets have since been set to apply from FY27.

8.3.1 Our Approach

Every producing field reaches the end of its commercial life. When ours do, the facilities will be removed and the sites restored. That obligation is shared among the participants in each joint venture, and our share of it is provided for in our cash flow forecasts. For most of our assets the work lies well into the future, and none entered decommissioning during FY26. Instead, the year focused on planning, provisioning, and engagement with the regulators who will oversee that work when the time comes.

While our assets remain in production, operators implement a range of environmental management measures designed to minimise impacts and support eventual site rehabilitation. These include environmental management plans, monitoring programs and biodiversity initiatives.

Planning for the end of asset life

The most significant development during the year concerned Maari. In August 2025 the joint venture received approval from the New Zealand Petroleum & Minerals Department to extend the PMP 38160 permit by ten years, moving its expiry from 1 December 2027 to 1 December 2037. The extension was granted without additional work program obligations and gives the joint venture time to continue economic production, mature production enhancement opportunities, and plan for the orderly decommissioning of the field.

The extension matters for decommissioning as much as for production. A longer permit term allows end-of-life activities to be planned and executed deliberately, rather than under time pressure, and it is our intention that our obligations at Maari are met to the highest environmental and regulatory standards. Managing a mature asset responsibly includes preparing properly for its eventual closure.

Financial provisions

Horizon maintains financial provisions for the future decommissioning, removal and rehabilitation of our assets. Decommissioning scope, timing and cost estimates are reviewed regularly and updated as required to reflect changes in asset plans, regulatory expectations and technical information. Through ongoing engagement with operators and regulators, Horizon seeks to ensure that adequate funding arrangements are in place to meet our end-of-life obligations and support responsible asset closure.

A decommissioning fund was established at the commencement of production for Block 22/12 offshore assets and is fully funded in respect of the WZ12-8W and WZ6-12 fields and the joint venture-operated PUQB facilities. Production-based progressive contributions are being made in respect of the WZ12-8E field.

The New Zealand Government continues its assessment of the Maari joint venture's financial assurance arrangements for decommissioning, with ongoing engagement between the joint venture and the regulator.

In Thailand, financial security for decommissioning has been posted for all three concessions.

Regulatory engagement

Decommissioning regulation continues to evolve across our portfolio. In New Zealand, where the requirements apply directly to Maari, the Government progressed implementation of its Financial Assurance regime during FY26, and continued engagement with permit participants on the financial arrangements required to support future decommissioning obligations. In the Northern Territory of Australia, the framework used to determine rehabilitation and decommissioning security requirements continues to develop. Horizon and our joint venture partners monitor these developments and engage with regulators as requirements evolve, helping to ensure future obligations remain appropriately planned and funded.

Rehabilitation

Rehabilitation is a condition of closure as well as an obligation at the end of field life. At Mereenie, sites cannot achieve closure sign off until weed free conditions are demonstrated, and the work supporting that outcome is discussed under Biodiversity on page 24.

The joint venture has previously undertaken rehabilitation work at Mereenie, including the removal of legacy sumps and flare pits and the reduction of selected well pad footprints. These works were carried out under the requirements of the field's EMP and subject to regulatory oversight.

In addition, decommissioning work has commenced on the Mereenie Alice Springs Pipeline (MASP) including dewatering of the pipeline.

9. Our People and Communities

9.1 Employment Practices

Our approach to job creation, terms of employment, working conditions, and the training, development and retention of our people, including employment practices within our supply chain.

Our Goals

We support our team to excel and are committed to innovation, teamwork and being an employer of choice.

Targets For FY26

1. Promote flexible working arrangements to encourage employees to return to work after parental leave
2. Equal opportunity to participate in development and training programs to support career growth

9.1.1 Our Workforce

Horizon is a small company. Our people work from our Sydney head office, supported by consultants engaged for their technical and commercial expertise. Our workforce has remained highly stable, with only one consultant departure over the past two years, reflecting a planned retirement. As of 30 June 2026, Horizon's workforce comprised 19 employees and consultants (full time, part time and ad-hoc).

Employees participate in the Company's performance rights plan, aligning employee and shareholder interests and supporting the long-term success of the business. Oversight of remuneration practices is provided by the Remuneration and Nomination Committee, with further details available in the Remuneration Report within our Annual Report.

9.1.2 Employee Support

We offer flexible and remote working to all employees and consultants, recognising that people at every level have responsibilities outside work. Our parental leave entitlements exceed Australian statutory obligations.

Our Employee Assistance Program, delivered in partnership with Connect Psych, gives employees, consultants and directors access to free and confidential mental health counselling and a range of wellbeing resources. Interactions with the service are strictly confidential, and only high level, de-identified insights are shared with management to inform how we support our people.

We continue to provide financial support for gym memberships and fitness programs, and our novated lease arrangement for electric and plug-in hybrid vehicles remains available through pre-tax salary deductions.

9.1.3 Development and Training

All employees have equal access to development and training opportunities. During FY26 our employees and consultants attended seminars and professional training events. We fund relevant industry memberships and professional subscriptions, and make webinars, courses and industry forums available with allocated time and budget.

9.1.4 Employment Beyond Our Own Workforce

Most of the people who help us produce our oil and gas do not work for us. They are employed by our operators, or by the contractors and suppliers those operators engage, and their conditions may differ from our own. That matters to us: employment practices across this value chain affect workers, the communities near our assets and our own standing. While we do not set those terms directly, we seek to understand how our operators attract, develop and retain their people, support local employment and manage workforce challenges.

At Block 22/12, the operator continued a structured development program for new employees.

At Maari, workforce availability continued to be influenced by broader labour market conditions in the New Plymouth region, where activity levels in the oil and gas industry have declined in recent years.

In Thailand, we supported the transition of personnel from ExxonMobil to MH Energy Thailand following the change of operatorship, with due attention to ensuring that the staff received comparable benefits. The Nam Phong workforce and its onsite contractors are entirely Thai, and the operator continues to increase local content, moving services including finance, accounting and training from external providers to in-house delivery and from offshore to domestic suppliers. On the ongoing booster gas compressor project, Thai vendors accounted for 80% of vendor engagement, all contractors were Thai, and the project was managed from within Thailand.

Labour conditions across our supply chain are assessed through our modern slavery work, which is reported on page 30.

9.2 Non-discrimination and Equal Opportunity

Freedom from discrimination and fair access to opportunity, regardless of gender, background or personal characteristics, across our own workforce and those of our operators and suppliers.

Our Goal

We are committed to equal opportunity and to a workplace free from discrimination, so that our people can achieve their personal best.

Targets For FY26

1. At least 20% women employees in senior executive roles through any future recruitment initiatives
2. 30% women directors on the Board

9.2.1 Our Approach

Merit is the core principle for employment at Horizon. Employees and applicants are evaluated on their job related skills, qualifications, abilities and aptitudes, regardless of gender, disability, age, race, religion, marital status, sexual preference or political belief. We do not tolerate discrimination, bullying or harassment in any form, and treat such conduct as serious misconduct.

Our Diversity Policy applies at every level of employment, including senior executive and Board appointments, and extends to consultants engaged directly by us. Under it we commit to recruiting and managing on the basis of ability and performance, to creating a work environment in which each person can develop their full potential, complying with equal opportunity and anti-discrimination law, and to building a culture that values diverse backgrounds and recognises that people at all levels have responsibilities outside work.

Our Board is responsible for implementing the policy and has delegated responsibility below Board level to our CEO who reports to the Board and to the Remuneration and Nomination Committee on performance against its objectives. The Board reviews and assesses measurable diversity objectives annually, with particular emphasis on gender.

9.2.2 Gender Diversity

At the end of FY25, the number of women directors on our Board increased to two in seven (28.6%) for an interim period, following Ms Catherine Costello's appointment. Following the planned retirement of Ms Sandra Birkensleigh from the Board in August 2025, the Board composition reverted to women directors comprising one in six (16.7%). No new director appointments were made.

The target for women in senior executive positions remains an area of ongoing focus. Due to our lean organisational structure and limited executive turnover, opportunities to influence representation through recruitment have been limited since FY22.

Representation across the broader workforce remains strong, with women holding five of our ten employee positions and two of our nine consultant roles. During FY26, we further strengthened female representation in technical roles through the appointment of a female Senior Petroleum Engineer following the retirement of the incumbent.

Like many technical and engineering industries, the oil and gas sector continues to face challenges in achieving balanced workforce representation, with women's participation well below national averages in many countries. We recognise that both of the targets we have set are difficult to achieve at our size and with a lean operating model. We retain both as ongoing targets, and our diversity objectives apply to every future Board and senior executive appointment.

Flexible working is among the most effective means of enabling people, and particularly women, to remain in the workforce and return to it. Our flexible working arrangements, parental leave entitlements and employee support programs are described on page 27.

9.2.3 Raising Concerns

Discrimination and harassment are treated as serious misconduct under Horizon's Diversity Policy and Code of Conduct. Concerns can be raised through management channels and through Horizon's independently operated whistleblower service, which allows reports to be made anonymously. Conduct found to breach the Code may result in disciplinary action, including dismissal.

9.3 Community Relations

Our impact on the communities near our assets, and the relationships that support our ability to operate there, including the economic contribution we make through employment, procurement, taxes and royalties.

Our Goal

We seek to contribute positively to the communities in which we operate through engagement, local participation and support for community initiatives.

Targets For FY26

1. Work with our operators and partners to identify and participate in relevant and meaningful community-based projects

9.3.1 Our Communities

Our operators manage day-to-day relationships with communities around our assets, employing local people, buying from local businesses and delivering programs alongside operations. Through our joint ventures, we support these relationships and report outcomes. In FY26 our portfolio extended into a fourth country, and both Thai fields came with community programs running for decades.

Some assets are remote, which shapes the scale of what we can contribute. Two things reach beyond the immediate area: the taxes and royalties our production generates, and the energy itself. Gas from the Amadeus basin meets a substantial share of Northern Territory power generation demand, and gas from Nam Phong and Sinphuhorm supplies power stations serving north-east Thailand. Our role in the energy security of these regions is described on page 3.

Thailand

At Nam Phong, the operator delivers a scholarship program for students in Khon Kaen province in partnership with the Electricity Generating Authority of Thailand and PTTEP. During the year, scholarships were presented to 176 primary and secondary students, continuing a program established in 1997. Following the transition of operatorship, MH Energy Thailand was introduced to local officials and the wider community.

At Sinphuhorm, the operator engages through a collaborative committee, monthly meetings with the district administration, public participation sessions, engagement with key stakeholders and non-government organisations, and a community page followed by around 6,500 people. It assesses these relationships on a scale from awareness to advocacy and reports reaching the advocacy level, reflecting a long-standing focus on community engagement and relationship building.

During the year the operator undertook construction of a new well pad and connecting flowline, and repairs to well site roads, through public consultation with surrounding communities. In the same period it received a community award from Thailand's Ministry of Social Development and Human Security.

Programs across the two fields span education, health, environment and culture, including scholarships, support for elderly people and people with disabilities, reforestation, forest fire prevention, an environmental campaign for young people, and support for local festivals and producers.

Mereenie

Mereenie operates on Aboriginal land under a land access agreement administered by the Central Land Council in accordance with the Aboriginal Land Rights (Northern Territory) Act 1976. The operator engages regularly with Traditional Owners. Sacred Site Clearance Certificates cover previously cleared areas and are obtained before new ground disturbance. Cultural heritage and environmental protection are integral to field management.

During the year, Traditional Owners worked alongside contractors on the field's weed control program and received practical training in weed identification, herbicide application and safe chemical handling. That work is described on page 24.

Royalties from production contribute to the Central Land Council in its role as a representative voice for Aboriginal communities.

Maari

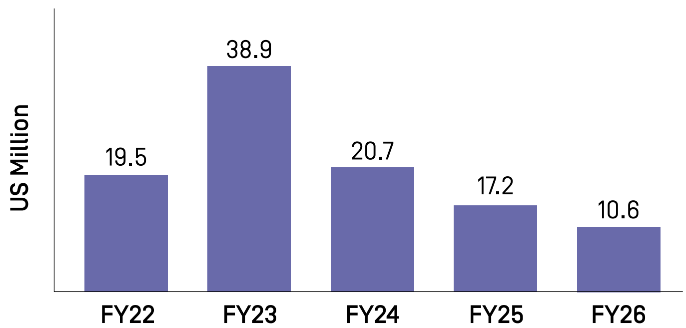
The Maari joint venture's previously sponsored community projects, including the Waverley pump track and the Patea jetty and viewing platform, continued to provide benefits to local communities during FY26. The joint venture remains engaged with local councils to identify potential opportunities for future community support.

Block 22/12

The operator maintains a preference for domestic procurement and sources locally manufactured equipment where suitable alternatives are available.

Taxes and royalties

Taxes and royalties paid during FY26 were US$10.6 million. At Mereenie these include royalties flowing to the Central Land Council, and elsewhere they are paid to the governments of the countries in which our assets are located.



10. Governance

10.1 Business, Ethics and Transparency

The principles that guide how we make decisions and conduct business, and our openness in sharing information about our policies, practices and performance.

Our Goals

1. We have a zero tolerance policy on bribery and other forms of corruption. We will continue to strengthen and uphold the highest standard of integrity and ethical business conduct in all our business activities.
2. We promote and uphold high standards of integrity, ethical conduct and transparency in the way we conduct our business.

Targets for FY26

Business ethics and transparency was identified as a material topic for the first time through our FY25 double materiality assessment, and goals and targets have since been set to apply from FY27.

10.1.1 Our Commitment to Ethical Business Conduct

We conduct business ethically and transparently in every jurisdiction in which we operate. Our Code of Conduct sets the standard we expect, supported by our Anti-Bribery Policy and our Whistleblower Policy. Employees are required to act in accordance with these standards, and breaches may result in disciplinary action.

Good governance is supported through clear processes for managing conflicts of interest, maintaining independent oversight and encouraging the reporting of concerns. We take care when entering new jurisdictions, assessing corruption and other governance risks before committing to new activities.

Our expectations extend beyond our own operations. We work with our operators, joint venture partners and suppliers to promote ethical business practices and uphold shared standards of conduct.

10.1.2 Whistleblowing

Concerns can be raised through an independently operated whistleblower service, which allows reports to be made anonymously. Investigations are managed by the Company Secretary, with oversight from the Audit Committee. During the year, no reports were made.

10.1.3 Modern slavery

Modern slavery risks are reviewed every six months, with results reported to our Risk Management Committee and the Board.

Our Modern Slavery Statement for FY25 was approved by the Board on 18 November 2025 and published in February 2026, prepared under the Modern Slavery Act 2018. It covered all of Horizon's controlled entities. Our FY25 Modern Slavery Statement reflected the reporting boundary applicable at that time. The Thailand operations will be incorporated into future reporting following their acquisition.

The statement recorded approximately 74 direct suppliers and around US$5.8M of direct procurement spend, of which 51% was in New Zealand, 42% in Australia and 7% in China. For our non-operated joint ventures, procurement is managed by the operator.

Risk was assessed by geographic location, industry sector, and product or commodity, drawing on the Walk Free Foundation's Global Slavery Index. Two categories were identified as carrying higher risk: information technology and telecommunications equipment, and personal protective equipment and uniforms.

Actions recorded for FY25 included a detailed assessment of the Mereenie supply chain following our acquisition of that interest, work with the Mereenie operator to understand its procurement processes, updating our internal risk registers to assess modern slavery risk by jurisdiction, and reporting the results to the Board.

The statement set out the activities planned for FY26. These included assessing the supply chains of the Sinphuhorm and Nam Phong fields, working with their operators to understand procurement processes, continuing to refine pre-qualification for operators, suppliers and service providers so that modern slavery risk is specifically addressed, incorporating modern slavery clauses into new contracts, and maintaining an awareness program for our people.

Our Modern Slavery Statement for FY26 will be published in Q4 2026.

10.1.4 Corporate Governance Reporting

We publish a Corporate Governance Statement each year, reporting against the ASX Corporate Governance Council's Principles and Recommendations. Our statement for FY25 was published in August 2025. Our statement for FY26 will be published in Q4 2026 and will be available, together with our Board and committee charters and our policies, on the governance pages of our website.

10.2 Cyber Security, Data Security and Data Management

The security and responsible management of the information and systems we rely on, including the protection of data and privacy of our people and those we do business with.

Our Goal

1. We are committed to protecting the systems and information entrusted to us, and to maintaining secure, reliable and resilient operations for our shareholders, partners and people.

Targets for FY26

Cyber security, data security and data management was identified as a material topic for the first time through our FY25 double materiality assessment, and goals and targets have been set to apply from FY27.

10.2.1 Our approach

The loss, corruption or unauthorised disclosure of information could have significant operational, financial and reputational consequences for Horizon and our business partners. While Horizon does not hold large volumes of consumer data, cyber security remains an important business risk due to our reliance on information technology systems and the critical role of digital communications in managing a geographically diverse asset portfolio.

As a non-operating joint venture participant, Horizon does not directly manage the operational technology and industrial control systems used at our producing assets. Responsibility for the design, operation and cyber protection of these systems rests with the respective field operators. However, we maintain oversight of operational risks through established governance and assurance processes, including regular engagement with operators, review of operational performance and material risk reporting.

Cyber security is managed within our enterprise risk framework and is reported to the Risk Management Committee and the Board as part of regular risk oversight activities. Horizon periodically reviews our own information security controls and is developing measurable cyber-security objectives, including independent security assessments and the timely actioning of priority findings. Horizon also seeks to minimise cyber-fraud risk through appropriate controls, awareness and governance processes.

10.2.2 Our controls

Horizon maintains a range of controls designed to protect our systems, information and financial processes. Baseline cyber-security measures include multi-factor authentication, advanced email filtering and secure remote access arrangements. These controls are intended to reduce the risk of unauthorised access, phishing attacks and other common cyber threats.

Financial controls are also designed to reduce exposure to cyber-enabled fraud. Payment processes incorporate verification and authorisation requirements, helping to mitigate the risk of business email compromise and fraudulent payment requests.

Recognising that people remain an important line of defence, Horizon provides cyber-security awareness and training for employees and consultants. This includes guidance on identifying phishing attempts, protecting sensitive information and responding appropriately to suspected cyber-security incidents.

11. Climate Change and the Energy Transition

11.1 Voluntary Disclosure Preamble

Our double materiality assessment did not identify GHG emissions and energy efficiency as a priority one material topic. Climate adaptation, resilience and transition was assessed as priority two. We nevertheless provide comprehensive climate-related disclosures for two reasons.

First, climate reporting will become a regulatory requirement. As a Group 3 entity under Australia's climate-related financial disclosure regime, we will be required to report in accordance with AASB S2 Climate-related Disclosures for the reporting period beginning 1 July 2027.

Second, our stakeholders expect it. Our investors, financiers and joint venture partners seek transparency on how we manage greenhouse gas emissions and climate-related risks and opportunities.

This section is structured around the four thematic areas of the Task Force on Climate-related Financial Disclosures (TCFD): governance, strategy, risk management, and metrics and targets. Those recommendations have been incorporated into the ASRS, and reporting against them prepares us for future mandatory disclosures. While we do not formally report against the TCFD framework, a cross-reference to the TCFD recommendations is provided on page 44.

11.2 Governance

Responsibility for climate-related matters sits with the Board. Oversight is exercised through the SSC, chaired by our CEO, whose charter includes responsibility for reporting on climate matters. Climate change is expressly within the Committee's remit, including oversight of our corporate climate change related risk register and preparedness for emerging reporting requirements. The Committee's composition and reporting arrangements are described in Section 5.

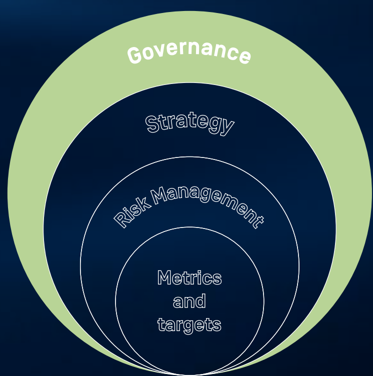
How Climate enters our decisions

Climate considerations inform both our risk management processes and our financial decision-making. Current climate change legislation and regulatory requirements are considered in the assumptions underpinning asset impairment testing, including estimated future cash flows. The potential implications of climate-related risks and the energy transition are also monitored as part of this assessment.

Climate considerations are incorporated into investment decisions. When appropriate, carbon price forecast assumptions are applied as sensitivities during project evaluation to assess whether opportunities would remain economic under a range of potential policy settings. This approach was applied during the assessment of the Thai assets acquisition.

Preparing for future reporting requirements

During FY26, our SSC considered our obligations under the ASRS, confirmed that we remain a Group 3 entity following the Cue acquisition, and continued planning for our first reporting period under AASB S2.



11.3 Strategy

Horizon has applied the following timeframes to the identification of climate-related risks and opportunities.

Short	Medium	Long
1 to 3 years	3 to 8 years	8 years plus

Risk and Opportunity Categories

Transition Risk

Transitioning to a lower-carbon economy will involve extensive regulation, legal, technological, and market changes.

Physical Risk

Physical risk can be both acute and chronic. Acute physical risks are event-driven, including increased severity of extreme weather events, such as cyclones, hurricanes, or floods. Chronic physical risks are longer-term shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea level rise or hotter, more frequent heat waves and drought.

Resource Efficiency & Energy Source Opportunity

Reduction of operating costs by reducing fuel consumption and GHG emissions, improving energy and operational efficiency across production processes.

Products, Services & Markets Opportunity

Increased revenues through access to new and emerging markets, such as carbon capture and storage, and biogas into existing infrastructure networks. Increased opportunity to diversify business activities and investment. For Mereenie, the potential extraction of helium from the raw gas stream could provide an additional revenue stream.

Climate-related Risks and Opportunities

Climate-related risks and opportunities are identified, assessed and managed within our established risk management framework. Our bottom-up assessment approach considers each field in the physical, environmental and regulatory setting in which it operates. During FY26, the assessment was extended to the Sinphuhorm and Nam Phong fields, which had not been included when the work was last undertaken.

While the categories of climate-related risk we identify are broadly consistent across the portfolio, the nature, significance of those risks varies by asset. Our offshore fields in China and New Zealand are more exposed to storm and cyclone risk, while Mereenie and the Thai fields face greater exposure to extreme heat, drought and flooding. Seasonal rainfall can also affect operational activities, such as produced water management on site. Climate-related regulatory risks likewise differ across the four countries in which we operate, and our approach reflects the requirements applicable in each jurisdiction.

Horizon Climate-related Risks

	Risk Type	Description	Potential Financial Impacts	Time Horizon
PHYSICAL RISKS	Acute	Climate change increases the severity, duration and frequency of extreme weather events in the Beibu Gulf (Block 22/12) and/or offshore Taranaki (Maari). As these assets are located offshore, extreme weather events include storms and typhoons. The Mereenie and Thai fields, located onshore in Central Australia and Northeast Thailand respectively, can experience periods of extreme heat. Other physical risks include drought, flooding, erosion and land instability.	Declining revenue due to disruptions to operations and supply chains, reduced labour productivity, increased costs to repair or replace equipment damaged by severe weather events, unable to meet operational budgets and KPIs leading to a decline in expected shareholder returns.	Short, medium, and long term
PHYSICAL RISKS	Chronic	Increasing average temperatures and changing climate conditions across the regions in which we operate.	Reduced workforce productivity and increased operating costs associated with managing heat exposure, cooling requirements and asset integrity. Over the longer term, adaptation measures may require additional capital expenditure to maintain facility performance and reliability.	Long term
TRANSITION RISKS	Policy & Legal	Changes in legislation and regulation relating to climate and sustainability matters, including emissions reporting, financial disclosure requirements, carbon pricing and sector-specific environmental obligations.	Increased compliance costs, insurance premiums, taxes, carbon pricing, changes in demand and pricing, and potential litigation arising from non-compliance. Onerous operating conditions for late-life assets, reducing revenue and profitability, leading to early retirement of existing assets.	Short, medium and long term
TRANSITION RISKS	Policy & Legal (Decommissioning)	Changes in environmental and decommissioning regulations associated with climate, environmental and energy transition policies	Increased financial assurance requirements, earlier retirement of assets and higher rehabilitation or decommissioning costs	Medium to long term
TRANSITION RISKS	Technology	Continued development and adoption of alternative energy technologies could reduce demand for petroleum products.	The development of alternative energy systems could ultimately reduce demand for petroleum products (greater impact on liquid fuels than gas is anticipated) that are produced by Horizon's assets, leading to reduced revenue.	Long term
TRANSITION RISKS	Reputational	Reputational damage arising from association with oil and gas assets and partners with oil and gas companies.	Targeted operator or shareholder activism, assets divestment, and reduction of shareholder value. Loss of social license could lead to project delays or stoppages, losing value-adding opportunities.	Medium to long term
TRANSITION RISKS	Capital & financing	Increasing ESG-related expectations from institutional investors, lenders and insurers.	More onerous ESG requirements to qualify for financing, leading to reduced access to financing, increased cost of capital, additional reporting requirements and reduced flexibility in funding future growth opportunities.	Long term
TRANSITION RISKS	Market	Changes in commodity demand, customer preferences, market access, investor sentiment and carbon-related costs arising from the energy transition.	Reduced demand for petroleum products, lower commodity prices, shortened asset lives, reduced reserves value and impairment of existing assets.	Long term

Horizon Climate-Related Opportunities

Opportunity	Description	Potential Financial Impacts	Time Horizon
Resource Efficiency and Energy Use	Plant modifications and capital projects to reduce energy consumption and asset field emissions.	Improved operating efficiency and reduced use of fuel and Scope 1 emissions, resulting in lower operating costs for the business.	Short, medium and long term
Value-add products	Develop new revenue opportunities and optimise value from existing assets.	Increased revenues through access to new and emerging markets. For example, additional revenue could be generated through the extraction and sale of helium associated with Mereenie gas production.	Medium to long term
Energy security and reliable gas supply	Demand for reliable and secure energy supply may support investment in existing gas assets and associated infrastructure.	Increased revenues through sustained demand for gas, improved economics of development and production enhancement projects, extension of production license / asset life, and increased reserves and resources conversion.	Medium to long term

Resilience of our Portfolio

Based on the scenario analysis undertaken and the assumptions applied, our producing assets remained economically viable under the scenarios assessed.

Scenario analysis considered the potential impacts of a range of energy transition pathways on asset economics and asset life. Under the scenarios assessed, all producing assets remain Net Present Value (NPV)-positive and are expected to remain economic through at least the end of their existing license periods.

Asset	Scenarios	FY26 & 27 NPV	Project NPV	Economic Life	Comment
Maari	IEA CPS	🟢	🟢	🟢	Significantly positive oil price impact partially mitigated by modestly higher CO_2 prices.
	IEA STEPS	🟢	🟢	🟢	Moderately positive oil prices impact partially mitigated by moderately higher CO_2 prices.
	IEA NZE	🟢	🟠	🟠	Asset economics impacted by lower oil prices and significantly higher CO_2 prices.
Block 22/12	IEA CPS	🟢	🟢	🟢	Significantly positive oil price impact partially mitigated by slightly higher CO_2 prices.
	IEA STEPS	🟢	🟢	🟢	Moderately positive oil price impact partially mitigated by moderately higher CO_2 prices.
	IEA NZE	🟢	🟢	🟢	Asset remained economically viable under the assumptions applied with lower oil prices and significantly higher CO_2 prices.
Mereenie	IEA CPS & AEMO Slower Growth	🟢	🟢	🟢	Moderately positive gas price impact partially mitigated by modestly higher CO_2 prices.
	IEA STEPS & AEMO Step Change	🟢	🟢	🟢	Asset remained economically viable under the assumptions applied with slightly lower gas prices and moderately higher CO_2 prices.
	IEA NZE & AEMO Accelerated Transition	🟢	🟢	🟢	Asset remained economically viable under the assumptions applied, with slightly lower gas prices and significantly higher CO_2 prices.
Sinphuhorm and Nam Phong	IEA CPS	🟢	🟢	🟢	Significantly positive oil price impact partially mitigated by slightly higher CO_2 prices.
	IEA STEPS	🟢	🟢	🟢	Moderately positive oil price impact partially mitigated by modestly higher CO_2 prices.
	IEA NZE	🟢	🟢	🟢	Asset remained economically viable under the assumptions applied, with lower oil prices and significantly higher CO_2 prices.

🟢 Positive/negligible impact 🟠 Moderate negative impact 🔴 Significant negative impact

Refer to the tables on page 36 - 2025 IEA Climate Scenarios and 2025 AEMO Outlook Scenarios for more information on IEA and AEMO scenarios.

Climate Scenario Analysis

A. Methodology

Horizon has applied the IEA and AEMO scenario assumptions to its base case modelling to assess their potential impact on the NPV of our producing assets: Block 22/12, Maari, Mereenie, Sinphuhorm and Nam Phong. This analysis incorporates Horizon's forecast carbon emissions, the IEAs crude oil and carbon price forecasts, and AEMO's Northern Territory industrial gas price forecasts.

For Block 22/12, Maari, Sinphuhorm and Nam Phong, Horizon has compared the NPV impact under each IEA scenario against its base case to assess asset resilience. For Mereenie, the assessment has incorporated both IEA and AEMO scenarios. Resilience has been evaluated based on whether scenario assumptions materially impact asset NPV or alter the current forecast economic life of each asset. Horizon has also considered the implications over the short and medium term. Horizon's base case assumptions indicate that our producing assets remain economic at least to the end of their existing licence periods.

B. IEA & AEMO scenarios

Horizon's scenario analysis utilises the IEA's crude oil and carbon price forecasts for the following three scenarios:

2025 IEA Climate Scenarios

Key Features	IEA Scenarios		
	Current Policies Scenario [CPS]	Stated Policies Scenario [STEPS]	Net Zero Emissions by 2050 [NZE]
Overview	Assumes only currently implemented policies remain in place, with no additional policy measures introduced.	Assumes current policies and announced government plans are implemented.	Assumes a pathway consistent with limiting global warming to 1.5°C and achieving net-zero emissions by 2050.
Crude Oil Prices [real 2025]	US$89/bbl in 2035; US$106/bbl in 2050.	US$80/bbl in 2035; US$76/bbl in 2050.	US$33/bbl in 2035; US$25/bbl in 2050.
World CO_2 Emissions	38.5Gt in 2035; 38.1Gt in 2040; 37.8Gt in 2050.	35.2Gt in 2035; 32.8Gt in 2040; 29.6Gt in 2050.	17.6Gt in 2035; 8.1Gt in 2040; - Gt in 2050 [no emissions].
China and Thailand Carbon Price Forecast	US$14/t CO_2 in 2035; US$14/t CO_2 in 2040; US$14/t CO_2 in 2050.	US$22/t CO_2 in 2035; US$26/t CO_2 in 2040; US$34/t CO_2 in 2050.	US$125/t CO_2 in 2035; US$160/t CO_2 in 2040; US$200/t CO_2 in 2050.
New Zealand Australian Carbon Price Forecast	US$87/t CO_2 in 2035; US$87/t CO_2 in 2040; US$87/t CO_2 in 2050.	US$89/t CO_2 in 2035; US$92/t CO_2 in 2040; US$174/t CO_2 in 2050.	US$180/t $CO_2$2 in 2035; US$205/t CO_2 in 2040; US$250/t CO_2 in 2050.

Source: IEA

Oil price forecasts are based on a linear extrapolation from the 2025 oil price and the projections in the World Energy Outlook 2025. An inflation rate of 2% has been assumed.

CO_2 price forecasts are based on a linear extrapolation from the 2025 CO_2 price and the projections in the World Energy Outlook 2025. Where the IEA does not provide country-specific carbon price pathways under the CPS and STEPS scenarios, representative proxy jurisdictions have been applied for scenario analysis purposes. China has been used as a proxy for Thailand, reflecting its closer regional and emerging-market context, while European Union carbon prices have been applied as a proxy for Australia and New Zealand, given the relative maturity and transparency of the EU carbon market.

For Mereenie, the scenario analysis utilises AEMO's NT GPG industrial gas price forecasts for the following three scenarios

2025 AEMO Outlook Scenarios

Key Features	Slower Growth	Step Change	Accelerated Transition
Overview	Energy transition progresses more slowly, net-zero policies are curtailed, and reliance on oil, gas and LNG remains relatively high.	Government transition policies are broadly achieved, with global and domestic action consistent with limiting warming to below 2ºC. Continued investment in renewable energy, electrification and energy efficiency.	Rapid decarbonisation globally and domestically, consistent with limiting warming to around 1.5oC. Faster decline in fossil fuel demand and stronger uptake of low-carbon technologies.
NT Industrial Gas Prices (real June 2025)	A$10.0/GJ in 2035; A$11.1/GJ in 2040; A$12.7/GJ in 2050.	A$10.0/GJ in 2035; A$9.3/GJ in 2040; A$9.6/GJ in 2050.	A$10.0/GJ in 2035; A$9.6/GJ in 2040; A$7.6/GJ in 2050.

Source: AMEO

Importantly, Horizon incorporates carbon pricing into its base case valuation. The base case modelling applies a carbon price of US$32/t CO_2e (real 2025) to its producing asset in New Zealand, US$27/t CO_2e (real 2025) to its producing asset in Australia, and US$10/t CO_2e (real 2025) to its producing assets in China and Thailand. These assumptions reflect the current regulatory settings in each jurisdiction, including the New Zealand Emissions Trading Scheme, the Australian Government's Safeguard Mechanism threshold, China's national emissions trading scheme and voluntary offset mechanism, and the emerging carbon market framework in Thailand. While these frameworks do not currently impose a direct mandatory carbon cost on all of Horizon's relevant producing assets, our base case valuation incorporates carbon-cost assumptions for scenario and valuation purposes.

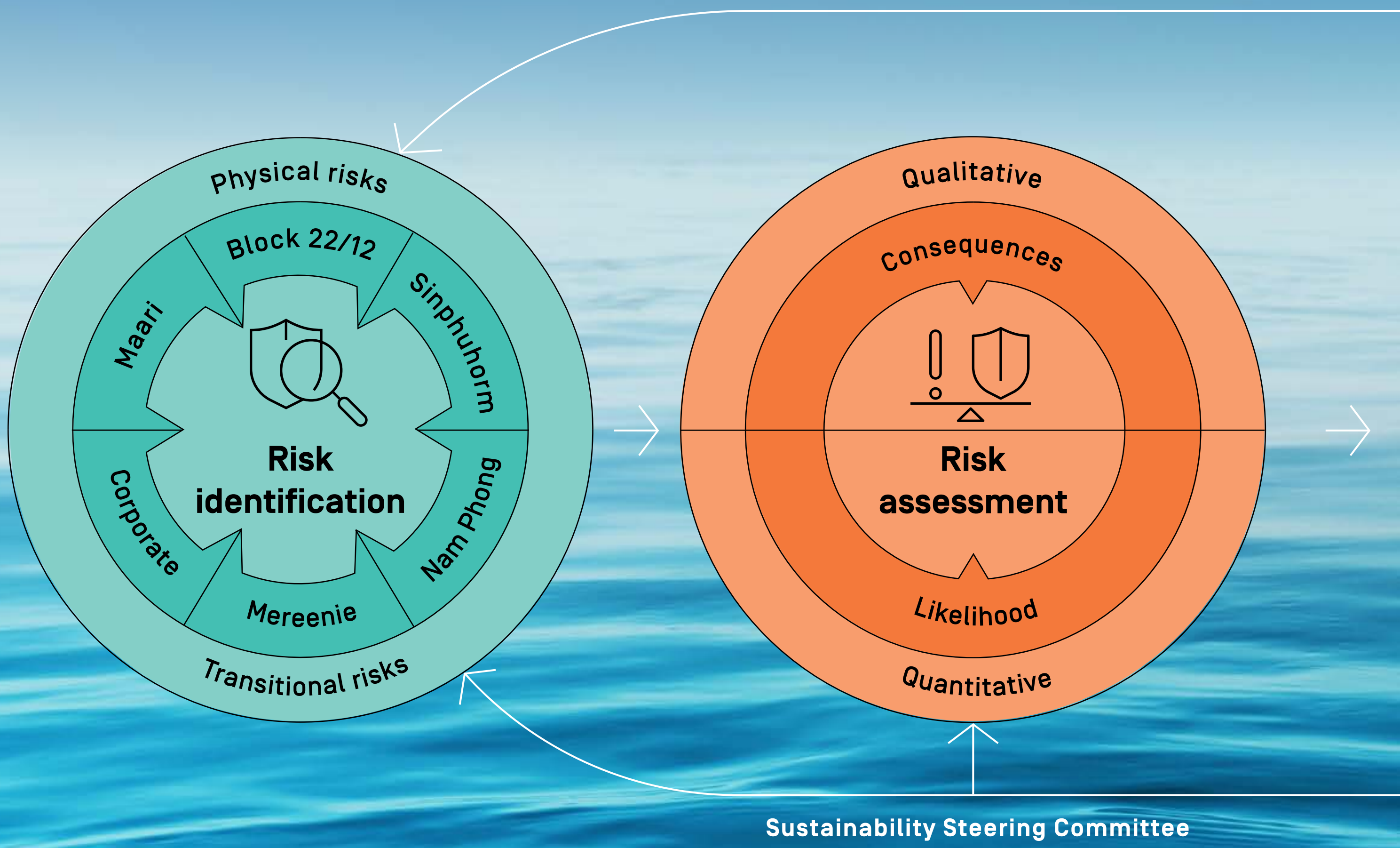
Scope and Assumptions of the Analysis

The IEA and AEMO scenarios are based on reported 2025 data. As a result, the commodity price forecasts do not consider the prices currently being realised in the market. Our current climate scenario analysis also does not include detailed consideration of geopolitical tensions or Gross Domestic Product (GDP) implications that are likely to escalate in cases where decarbonisation is accelerated. Horizon intends to continue enhancing our climate scenario analysis over time, including further consideration of physical climate risk scenarios.

11.4 Risk Management

Climate-related risks and opportunities are managed through Horizon's Risk Management Standard, which provides a consistent framework for identifying, assessing and managing risks across the business. Climate-related risks are captured within a dedicated risk register and are evaluated using the same process and governance arrangements applied to other operational, financial and strategic risks.

The flow chart below summarises our climate risk management process, which is integrated within the broader risk management framework.

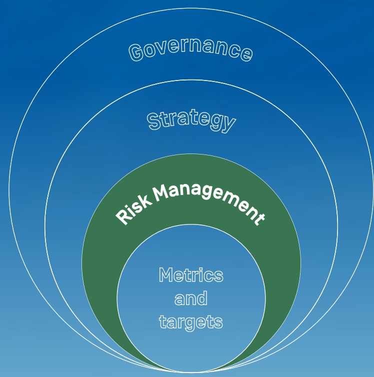


Risk identification

The identification process considers climate-related risks by the business units in different geographic regions. For each business unit (Corporate in Sydney, Maari in New Zealand, Block 22/12 in China, Mereenie in Australia. Nam Phong and Sinphuhorm in Thailand), we follow the climate-related risk categories as recommended in the TCFD implementing guidance. We consider both physical risks and transition risks are relevant to our business units, as demonstrated in the previous sections. As our business units operate in different geographic regions, we take local regulation and market conditions into consideration when identifying climate-related risks for that business unit.

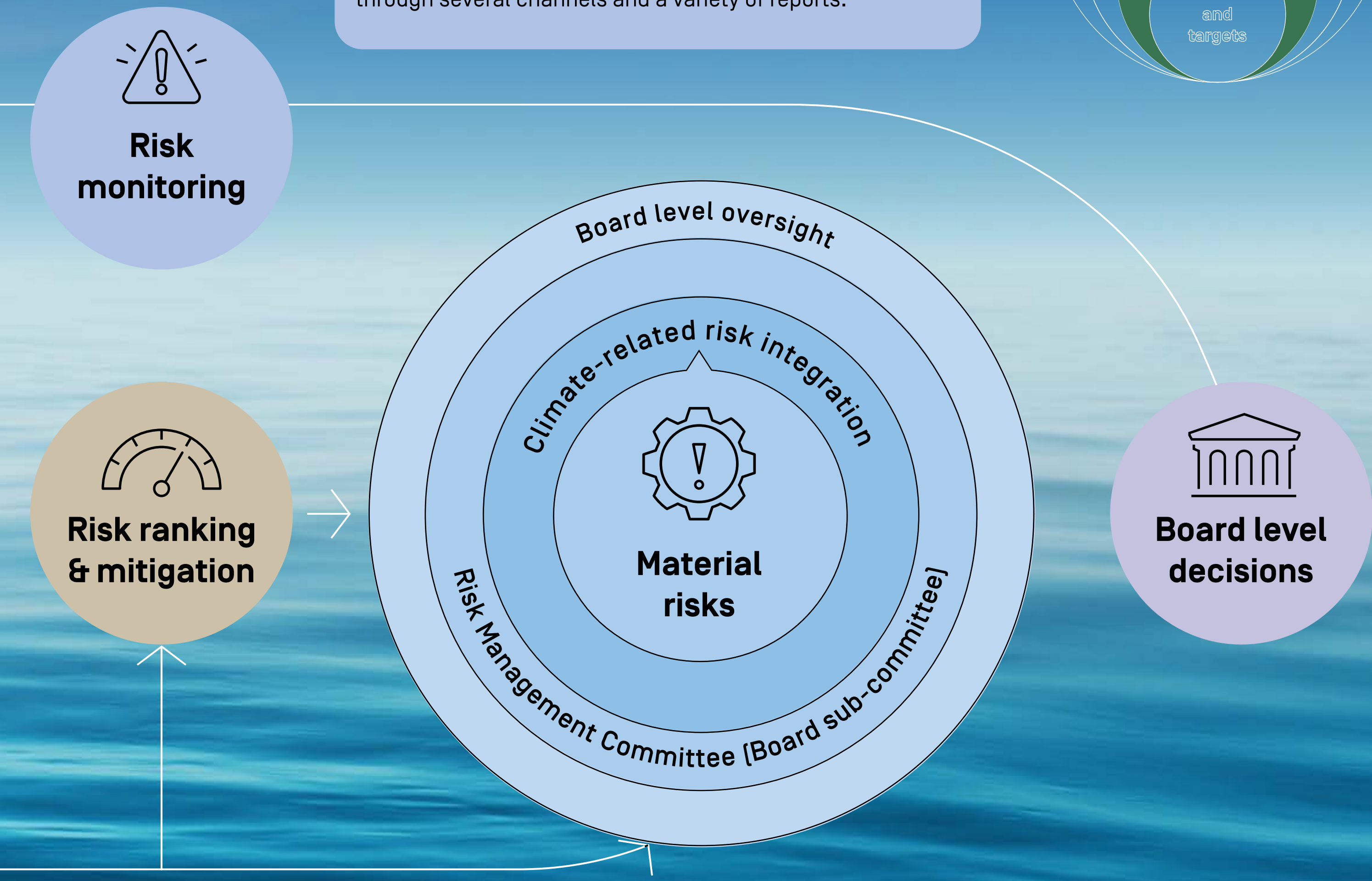
Risk assessment

The identified risks are assessed applying qualitative and quantitative methods to determine how likely the scenario is to occur and the potential consequences to our business. The likelihood and severity will determine the risk level, following Horizon's risk matrix.



Risk monitoring

Risks are reviewed regularly for any potential change and changes are promptly communicated within the organisation. Material risks are continuously monitored through several channels and a variety of reports.



Risk ranking & mitigation

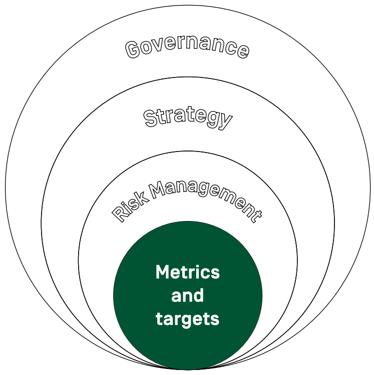
For each identified risk, we consider the mitigation measures that could effectively reduce the risk and assign a risk owner. All identified risks are reviewed holistically, guided by the risk level, to identify material risks from climate change that would expose Horizon's business. For all risks, possible mitigation measures are considered to reduce Horizon's risk exposure. While all climate-related risks are of importance, we prioritise those risks that are considered to have a material impact to the business.

Material risks

Climate-related risks that are considered material are integrated into Horizon's overall risk management. The material risks, and mitigation measures are included in Horizon's risk report, together with all other material risks to the business. These risks are also highlighted in the internal Sustainability Report to the Board, and are discussed at the Risk Management Committee.

Board level decisions

Board level decisions with specific actions are developed to manage the material risks. The actions may not necessarily reduce the risk immediately but a process to address the risks and position Horizon to be resilient to those risks in the medium to long term.



11.5 Metrics and Targets

11.5.1. GHG emissions

As Horizon is a non-operating participant in all producing assets, emissions data is primarily obtained from asset operators. Where emissions data is unavailable, emissions are estimated using operator-supplied activity data and Australian recognised greenhouse gas accounting methodologies. Reported emissions are based on the most recent information available from asset operators at the time of reporting and remain subject to revision should operators subsequently update underlying emissions data or methodologies.

- Maari, New Zealand: Scope 1 emissions are based on operator-supplied data calculated in accordance with the New Zealand Emissions Trading Scheme (ETS) methodology.
- Block 22/12, China: Scope 1 emissions are estimated using operator-reported activity data such as produced gas, flared gas, and fuel gas consumption. Emissions are calculated using methodologies and emission factors under the Australian NGER Measurement Determination 2008 and National Greenhouse Account Factors.
- Mereenie, Australia: Scope 1 emissions are estimated using operator-reported activity data and calculated in accordance with the NGER methodology. Where our reporting deadline precedes receipt of the operator's final annual emissions data, fugitive emissions may be estimated using the most recent survey data. Any resulting variation is not considered material to total reported Scope 1 emissions.
- Nam Phong, Thailand: Scope 1 and Scope 2 emissions are based on operator-supplied data reported annually to Thailand's Department of Mineral Fuels (DMF), Ministry of Energy. As the data is reported on a calendar-year basis, Horizon assumes the reported emissions are representative of the corresponding financial year.
- Sinphuhorm, Thailand: Scope 1 and Scope 2 emissions are based on operator-supplied data calculated in accordance with the Greenhouse Gas Protocol.

Although the acquisition of the Nam Phong and Sinphuhorm assets became effective on 1 August 2025, our equity share of emissions from these assets has been included for the full FY26 reporting period, commencing 1 July 2025.

Scope 2 emissions comprise purchased electricity for our Sydney office and our equity share of Scope 2 emissions associated with purchased electricity at the Thailand operations.

Scope 3 emissions primarily represent the end-use combustion of produced oil and gas and are estimated using national GHG emission factors and assumptions consistent with previous years. These include emissions associated with the combustion of sold crude oil and natural gas products, as well as value chain emissions arising from transportation, refining, storage, business travel, and staff commuting.

For FY26, Scope 3 emissions from the Thailand assets have been incorporated for the first time. As natural gas from the Sinphuhorm and Nam Phong fields is sold directly into the pipeline network for the power plants, we have assumed all gas sold is ultimately combusted as fuel when estimating downstream use of sold products emissions.

A breakdown of our emission profile is presented in the table below:

No Offsets	Horizon Equity Basis				
Scope / Description	FY22	FY23	FY24	FY25	FY26
Scope 1, tCO_2e	42,908	54,041	42,259	48,098	**53,477**
Scope 2, tCO_2e	20	19	16	16	**245**
Scope 3, tCO_2e	575,286	822,813	610,451	634,817	**812,447**
Emissions intensity (scope 1 & 2), tCO_2e/boe	0.032	0.028	0.030	0.029	**0.023**
Emissions intensity (scope 1, 2 & 3), tCO_2e/boe	0.463	0.460	0.463	0.417	**0.376**

During FY26, we refined our emissions intensity methodology. Emissions intensity is calculated as greenhouse gas emissions divided by hydrocarbon production (boe), excluding hydrocarbons disposed of through flaring or venting. The production denominator includes oil, gas and associated hydrocarbons that are either sold or beneficially consumed in operations as fuel, reflecting hydrocarbons that contribute to revenue generation or support production activities.

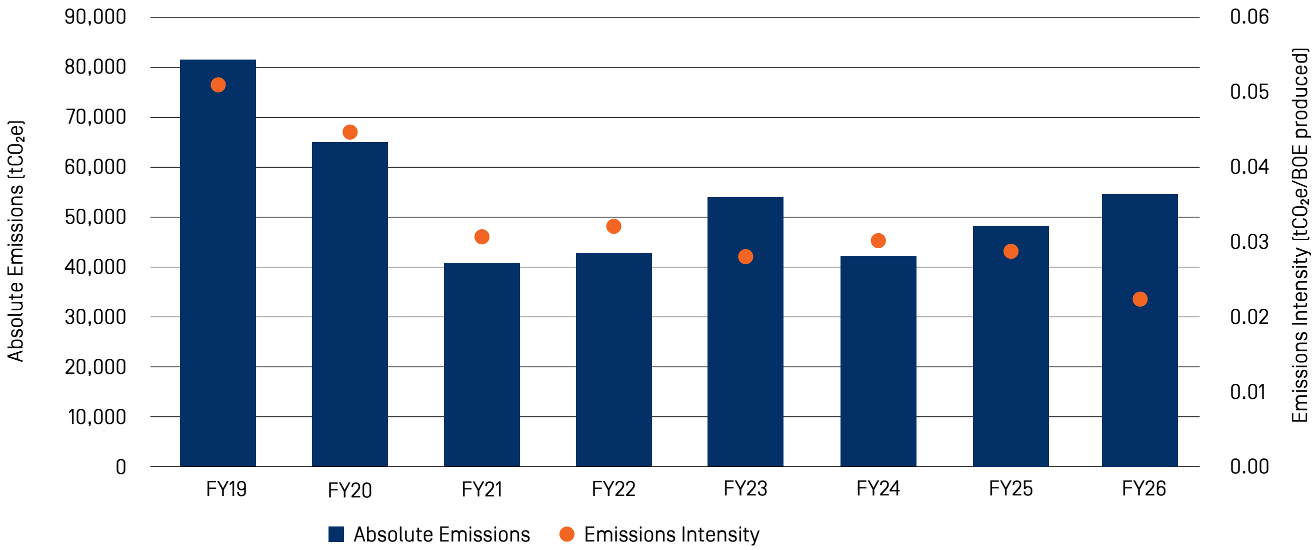
This approach is intended to measure the emissions associated with producing and processing useful hydrocarbons, while excluding waste streams that do not generate saleable products or operational value. Prior-year intensity metrics were based largely on saleable production and did not consistently include hydrocarbons consumed as fuel. The resulting difference is immaterial.

In FY26, total Scope 1 emissions across all assets were 53,477 tCO_2e, net to Horizon. The inclusion of the Thailand assets expanded Horizon's emissions inventory and production base during FY26.

Scope 2 emissions increased to 245 tCO_2e due to purchased electricity associated with the Thailand operations. Total Scope 3 emissions were 812,447 tCO_2e, approximately 28% higher than FY25. The increase was primarily attributable to the inclusion of emissions associated with gas sales from the Thailand assets, which also contributed significantly to the increase in overall production across the portfolio.

The graph below shows Horizon's Scope 1 emissions and emissions intensity from FY19, our emissions baseline year, to FY26. While Scope 1 emissions increased by approximately 11% as compared to FY25, hydrocarbon production (excluding Cue) increased by 32%, largely due to the addition of the Thailand gas assets. As a result, FY26 Scope 1 emissions intensity reduced by approximately 20% to 0.023 tCO_2e/boe. The reduction reflects the addition of lower-emissions gas production to the portfolio together with ongoing operational efficiency improvements across our assets.

Horizon Scope 1 GHG Historical Emissions and Emissions Intensity



11.5.2 Energy use

Energy consumption across our portfolio arises almost entirely from producing assets, where energy is primarily sourced from fuel gas, produced crude oil and diesel for standby generation and remote equipment. Horizon's own direct energy consumption is limited to our Sydney office.

The addition of the Nam Phong and Sinphuhorm fields in August 2025 expanded our energy footprint and increased the range of energy efficiency initiatives being undertaken across the portfolio. At Nam Phong, the operator implemented a range of energy management measures alongside onsite solar generation, which together are assessed to deliver energy savings exceeding targets set by Thailand's Department of Mineral Fuels.

At Maari, the operator continued efforts to reduce fuel consumption through operational optimisation and equipment efficiency initiatives.

In June 2026, Horizon entered into a new electricity agreement for its Sydney office incorporating accredited GreenPower for 10% of our electricity consumption. As the arrangement commenced in the final weeks of FY26, its benefits will be realised primarily in FY27.

Energy use at Mereenie is reported by the operator under Australia's NGER scheme, with associated emissions reported through the National Pollutant Inventory (NPI).

11.5.3 Scope 1 Emissions Reduction Initiatives to Date

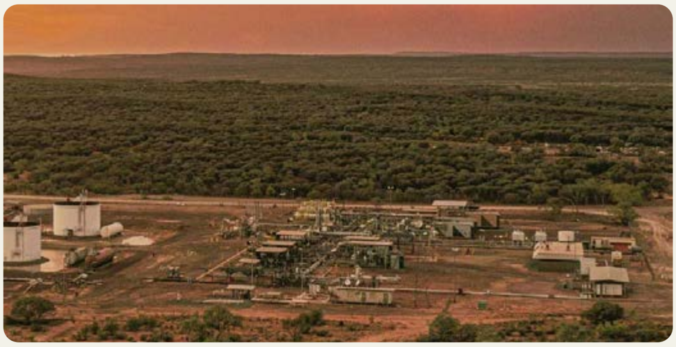
Reductions in Scope 1 emissions are delivered across our portfolio by our joint venture operators. As a non-operating participant, we engage with operators to monitor emissions performance, understand reduction opportunities and support initiatives where appropriate. The acquisition of the Nam Phong and Sinphuhorm fields during FY26 expanded the range of emissions reduction programmes represented within our portfolio.

Maari, New Zealand

The Maari joint venture commissioned a vapour recovery unit in May 2026, recovering low pressure hydrocarbon vapours for beneficial use and reducing fuel consumption. Additional fuel efficiency measures implemented to date include boiler optimisation and improvements to the boiler fuel control system. The operator maintains an emissions opportunities register that tracks implemented initiatives as well as opportunities under assessment.

Block 22/12, China

Gas produced across the Block 22/12 production area is used for power generation, with excess gas flared. We support the operator's integrated approach to gas utilisation, which seeks to optimise energy use and minimise flaring across the production area. Given the maturity of the existing infrastructure, further emission reductions are expected to arise primarily through incremental improvements in gas recovery and fuel efficiency rather than discrete projects.



Mereenie, Australia

The flare gas recovery compressor installed in late FY24 continues to divert flare gas that would otherwise be flared for use in field operations and remains the principal driver of the Scope 1 emissions reduction achieved since FY22. Solar power and battery systems continue to supply ancillary operations. The operator maintains an annual fugitive emissions survey supported by third party measurement, with findings used to direct maintenance activity.

Sinphuhorm, Thailand

The operator reported that Sinphuhorm's 2024 GHG emissions intensity was more than 60% below the IOGP's 2023 average, and that cumulative reductions since June 2024 have exceeded 15,000 tCO_2-e.

Nam Phong, Thailand

The operator maintains a five-year GHG reduction plan, reported annually to DMF. During FY26, a rooftop solar and battery installation was commissioned at the Central Processing Unit, supplementing power supplied to site facilities and offices. The operator also implemented a range of energy efficiency initiatives, including upgrades to site lighting, optimisation of equipment operating schedules and disposal of produced water by natural evaporation rather than trucking offsite. Emissions reductions achieved during 2026 exceeded the targets established under Nam Phong's emissions reduction programme.

Horizon Corporate

The SSC maintains an internal emissions reduction register to identify, assess and prioritise emissions reduction opportunities across the portfolio and to guide engagement with operators on emissions performance improvements.

11.5.4 NZ ETS and Carbon Offsets

Horizon remains an active participant in the New Zealand Emissions Trading Scheme through our interest in the Maari field. Each year we acquire and surrender New Zealand Units equivalent to our equity share of the field's emissions, with the obligation for the 2025 calendar year settled in May 2026. Participation enables compliance with New Zealand Emissions Trading Scheme requirements applicable to the Maari field and forms part of Horizon's carbon management approach.

In addition to this, we offset the emissions generated by business air travel. Emissions are calculated and units retired each quarter through an independently administered carbon management platform, with a retirement certificate issued for each period identifying the project, unit serial numbers and vintage. During FY26 Horizon retired units generated through the following projects:

- Kenilworth Regrowth Project (Australia) - 3 units
- Cepco Wind Power Project (India) - 30 units
- Jangi Wind Farm (India) - 20 units
- April Salumei Rainforest Community Conservation Project (Papua New Guinea) - 9 units

Horizon continues to review its offsetting arrangements to ensure the projects supported meet recognised standards of environmental integrity.

11.5.5 Wundowie Carbon (formally Re-Vi Group)

Re-Vi Group merged with Wundowie Carbon in 2025 to form a combined entity focused on the development of biochar and biocoke products for the decarbonisation of heavy industry. In 2026, Wundowie Carbon announced that it had been unable to secure the investment required to progress its Kangaroo Island biocoke project. Shortly after year end, Wundowie Carbon's Board resolved to commence a solvent wind-down of the company. Horizon has reduced the carrying value of the investment to nil as at 30 June 2026.

Reconciliation against TCFD Recommendations

GOVERNANCE *Disclose the organisation's governance around climate-related risks and opportunities*	
Board oversight of climate-related risks and opportunities.	Horizon discloses our governance and management framework for climate-related risks and opportunities on page 32.
Management role in assessing and managing climate-related risks and opportunities.	
STRATEGY *Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning where such information is material*	
Climate-related risks (opportunities and threats) identified over short, medium and long term.	Horizon discloses and defines climate-related risks and opportunities over the short, medium and long term on pages 34 to 35.
Impacts of climate-related risks, (opportunities and threats) on organisation's businesses, strategy and financial planning.	
Resilience of organisation's strategy taking into account different climate scenarios, including a 2°C scenario.	Horizon has modelled the resilience of its current asset portfolio applying three IEA published scenarios. The results of our modelling are on page 35.
RISK MANAGEMENT *Disclose how the organisation identifies, assesses and manages climate-related risks*	
Processes for identifying and assessing climate-related risks.	Horizon sets out how it identifies, assesses and manages climate-related risks on pages 38 to 39.
Processes for managing climate-related risks.	
How processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	
METRICS AND TARGETS *Disclose the metrics and targets used to assess and manage the relevant climate related risks and opportunities where such information is material*	
Metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Horizon uses global oil price, carbon price forecasts and our own forecast oil production and carbon emissions to assess climate-related risks and opportunities in line with its strategy as described on page 36 to 37.
Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Horizon reports its GHG emissions, and steps it is taking to reduce its emissions, on pages 40 to 43.
Targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Climate-related risks and opportunities are managed through Horizon's established risk management framework rather than through specific climate-related targets. Oversight is provided by the Board and Sustainability Steering Committee, with identified actions and improvement initiatives monitored through internal processes and engagement with asset operators.

12. Glossary

AASB	Australian Accounting Standards Board
ABS	American Bureau of Shipping
AEMO	Australian Energy Market Operator
ALARP	As low as reasonably practicable
ASRS	Australian Sustainability Reporting Standard
BOISET	Basic Offshore Induction Safety and Emergency Training
DMF	Department of Mineral Fuels, Thailand
EMP	Environmental Management Plan
ETS	Emissions Trading Scheme
GHG	Greenhouse gas
GHG Scope 1	Direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organisation
GHS Scope 2	Indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling.
GHG Scope 3	Emissions which are the result of activities from assets not owned or controlled by the reporting organisation, but that the organization indirectly impacts in its value chain
HSE	Health, safety and environment
HSSE	Health, safety, security and security
HZN	Horizon
IEA	International Energy Agency
IPIECA	International Petroleum Industry Environmental Conservation Association
ISO	International Organisation for Standardisation
Lost Time Injury	Occurrences that resulted in a fatality, permanent disability or time lost from work of one day/shift or more. These exclude medical treatment cases, restricted work cases and first aid cases.
LTIFR	Lost Time Injury Frequency Rate = Lost Time Injuries per million hours
Material Risks	IPIECA defines a 'material issue' as any topic, that in the view of management or stakeholders, affects a company's performance significantly and informs external opinion. They tend to be issues that most affect value creation and the economic and reputation resilience of a company in a positive or negative way
Medical Treatment Injury	Any work-related loss of consciousness, injury or disease requiring more than minor first aid treatment by medical practitioner or registered medical personnel but not resulting in lost time or restricted work duties

NGER	National Greenhouse and Energy Reporting
NOPSEMA	National Offshore Petroleum & Environmental Management Authority
NPI	National Pollutant Inventory
NZU	New Zealand Units
NZ ETS	New Zealand Emissions Trading Scheme
OPITO	Offshore Petroleum Industry Training Organisation
Recordable Injuries	Lost Time Injuries + Medical Treatment Injuries + Restricted Work Injuries
Reportable Environmental Incident	Reportable environmental incidents have differing definitions in differing jurisdictions. For the purposes of this report, a Reportable Environmental Incident is defined as an environmental incident that is required to be notified to a regulator, or that meets a regulatory threshold due to its actual or potential consequences, including incidents capable of causing material environmental harm, significant environmental impact, or a loss of containment requiring formal investigation or reporting.
Restricted Work Injury	An injury or occupational illness that results in the injured person being assigned to a work assignment after the day the accident occurred, where this assignment does not include all the other normal duties of the person's regular job
SMART Framework	Specific, Measurable, Achievable, Relevant, and Time-bound
SSC	Sustainability Steering Committee
TCFD	Taskforce on climate-related disclosures
TRIFR	Total Recordable Injury Frequency Rate = Total recordable injuries per million hours
UN SDG	United Nations Sustainable Development Goals

Notes

Notes

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