

# Tax Policy

## Introduction

### Purpose

Harbour Energy Plc and its subsidiaries ('Harbour Energy') conform with this Policy.

This Policy complies with Paragraph 16(2), Schedule 19, Finance Act 2016.

### Scope

This Policy applies to all taxes that Harbour Energy is subject to including all duties, levies, import charges and withholdings direct or indirect, created or imposed by any taxing, fiscal or other appropriate authority including Corporation Tax, Corporate Income Tax, the Supplementary Charge to Tax, Petroleum Revenue Tax, the Energy Profits Levy, Government Royalties, Indirect Taxes (including VAT, Sales Tax and Customs and Excise Duties), Withholding Taxes, Capital Taxes, Stamp Taxes, Transaction Taxes and Employer Taxes.

## Ownership and Approval

Harbour Energy Plc's Board of Directors ('the Board') is ultimately responsible for this Policy and tax risk within the organisation. The Board has delegated authority to the Audit and Risk Committee ('ARC') to annually review and approve the Policy. The execution of the Policy is delegated to Harbour Energy's Chief Financial Officer ('CFO').

This document applies to the financial year ended 31 December 2023.

## Tax Policy Framework

Harbour Energy is committed to conducting its tax affairs in accordance with the following framework:

### Tax Planning

Harbour Energy is committed to:

- Paying the correct amount of taxes that it is legally required to pay as and when they become due
- Complying with tax laws, regulations, reporting and disclosure requirements in all countries in which Harbour Energy has a taxable presence
- Respecting the intention of tax legislation
- Ensuring its tax planning is commercially driven
- Not engaging in artificial tax avoidance arrangements
- Using legislative concessions, incentives and reliefs where available in the manner intended
- Conducting transactions between affiliates in accordance with the Organisation for Economic Co-operation and Development (OECD) principles
- Prompt disclosure and transparency in tax matters
- Implementing procedures to prevent facilitation of tax evasion by its employees, its contractors or anyone acting on Harbour Energy's behalf

Harbour Energy regularly uses external advisors in its tax planning to review complex or uncertain tax positions.

### Tax Risk Management

Harbour Energy's tax risk management framework:

- Comprises this Policy as well as Standards and Procedures governing the identification, management and reporting of the tax risks facing the business
- Sets out the tax risk control and governance framework that is in place to provide assurance that Harbour Energy's tax risks are being actively managed

Harbour Energy applies diligent professional care and judgement in managing and reporting tax risks in accordance with this framework.

## Tax Governance

The CFO is responsible for implementation of this Policy with the assistance of the tax function. This includes ensuring that the Standards and Procedures that support this Policy are in place, maintained and used consistently within Harbour Energy and that the tax teams located in each business unit have the skills and experience necessary to implement this appropriately.

As well as approval of this Policy, the ARC's responsibilities include the monitoring of significant tax risks on behalf of the Board. The Group Financial Controller and tax function are required to inform the ARC of any significant tax risks within Harbour Energy's tax position and, if appropriate, provide regular updates as to how they are being managed.

## Relationships with Tax Authorities

### Harbour Energy aims to:

Develop and sustain constructive, proactive working relationships with governments and tax authorities by:

- Working collaboratively wherever possible with tax authorities to resolve disputes and achieve early agreement and certainty
- Undertaking fiscal engagement where matters directly impact Harbour Energy and respond to consultation documents
- Maintaining a co-operative and transparent relationship with tax authorities, provide regular updates on business development and prompt voluntary disclosure where appropriate

## External Tax Communication

Harbour Energy's annual report and statutory accounts set out the overall tax position of the business. The annual accounts also include a report on payments made to governments in the countries in which Harbour Energy undertakes extractive operations in accordance with the transparency requirements of SI 2014/No 3209 The Reports on Payments to Governments Regulations 2014.