GULF KEYSTONE PETROLEUM

Annual report and accounts 2024

About us

Gulf Keystone is the operator of the Shaikan Field, one of the largest oil fields in the Kurdistan Region of Iraq.

Our purpose

GKP is a responsible energy company developing natural resources for the benefit of all our stakeholders, delivering social and economic benefits by working safely and sustainably with integrity and respect.

2024 full-year highlights(1)

40,689 bopd
(2023: 21,891 bopd)
gross annual average production

See gross production KPI on page 20

443 MMstb
(31 December 2023: 458 MMstb)
internal estimate of gross 2P reserves as at 31 December 2024

$76.1 million
(2023: $50.1 million)
Adjusted EBITDA

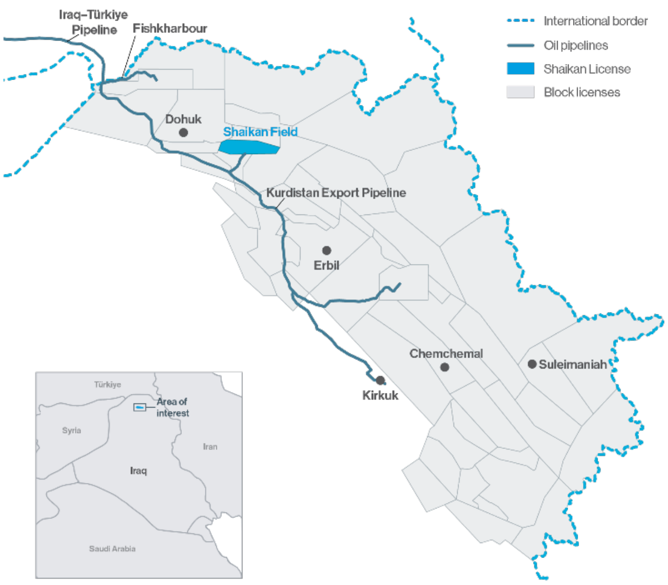
See Adjusted EBITDA KPI on page 20

$7.2 million
(2023 loss after tax: $11.5 million)
profit after tax

$65.4 million
(2023: $(13.1) million)
free cash flow

$102.3 million
(31 December 2023: $81.7 million)
cash as at 31 December 2024

See net cash KPI on page 21



2024 timeline

January – March:
Ramp up of Shaikan Field production as local market demand strengthens

March:
All trade payables overdue as a result of 2023 ITP shut-in settled using local sales cash generation

May:
Initiation of first $10 million share buyback programme (completed in July)

June:
Gabriel Papineau-Legris appointed as Chief Financial Officer following retirement of Ian Weatherdon at the 2024 AGM

July:
$15 million interim dividend paid to shareholders

September:
Record monthly gross average production of 48,458 bopd

David Thomas appointed as Chair following the passing of Martin Angle

October:
Payment of $20 million interim dividend and launch of second share buyback programme of up to $10 million

Two independent Non-Executive Directors, Catherine Krajicek and Marianne Daryabegui, appointed to the Board

November:
Safety upgrades successfully installed at PF-1 following the shut-in of the facility for approximately three weeks

December:
Ramp up of production to full well capacity

(1) Gross average production, Adjusted EBITDA and free cash flow are non-IFRS measures and explained in the summary of non-IFRS measures on page 131.

Contents

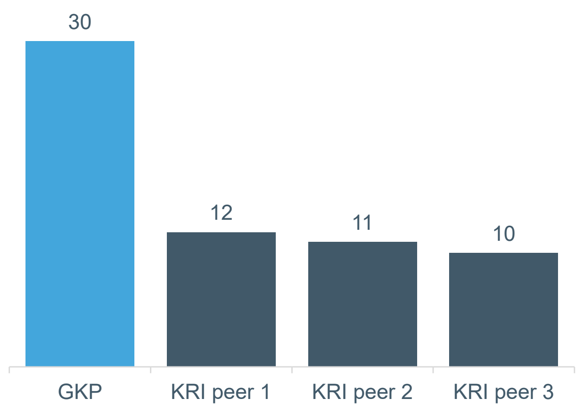
Why invest in GKP?

Attractive fundamentals underpin our focus on maximising value from local sales and unlocking significant potential upside from the restart of Kurdistan exports.

Large, long-life asset

- Operator of the Shaikan Field, one of the largest fields in the Kurdistan Region of Iraq
- Estimated gross 2P reserves of 443 MMstb as at 31 December 2024
- >10-year production record, with over 135 MMstb produced as at 18 March 2025
- Significant estimated 2P reserves life, more than double our closest KRI peer, demonstrating an opportunity for further profitable production growth

GKP estimated 2P reserves life[1] vs KRI peers (years)

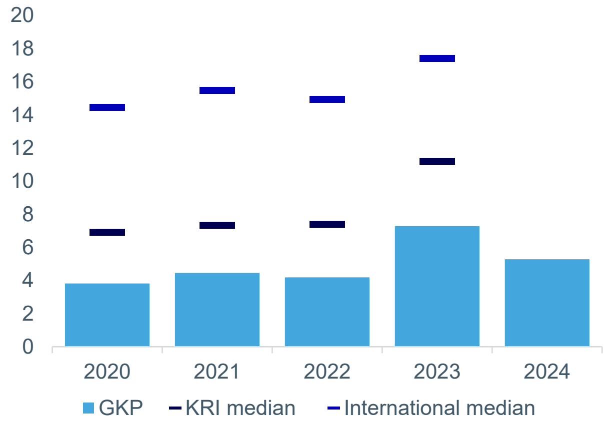


(1) Year-end 2024 net Kurdistan 2P reserves / 2024 net Kurdistan production as per latest company disclosures as at 19 March 2025.

Leading low-cost producer

- Top quartile operating and G&A costs relative to peers in 2020 to 2023, with aggregate Opex and G&A expenses per barrel returning towards historic norms in 2024 following the impact of the exports suspension on production in 2023
- Strict cost control combined with a commitment to capital discipline supported free cash flow generation in 2024, even at significantly discounted local prices
- Given our cost base is broadly fixed, a potential return to sales at international prices with the restart of Kurdistan exports could significantly improve free cash flow generation at the current level of net entitlement

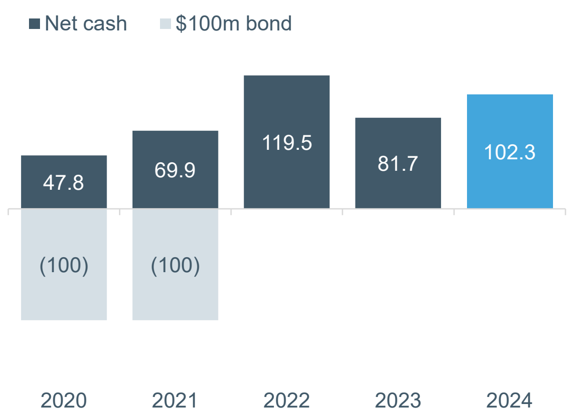
Opex and G&A expenses per barrel vs peers[2] ($/bbl)



(2) Benchmarked against international and Kurdistan E&P company peer group for 2020-2023 period; peer data unavailable for 2024.

Robust financial position	**Net cash track record ($m)[3]**

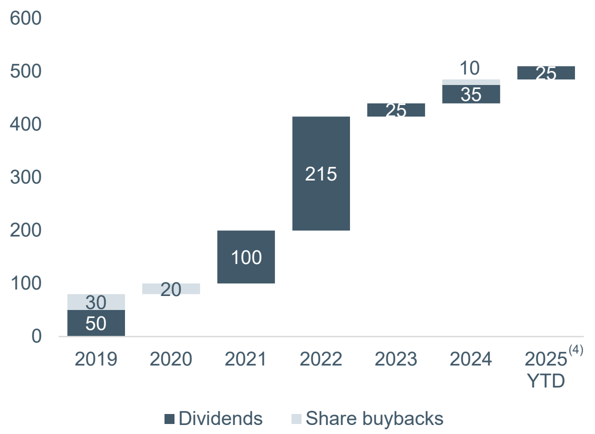
- We have a consistent track record of maintaining a robust balance sheet and cash position, enabling us to successfully navigate periods of volatility from our operating environment and the commodity cycle
- With the development and strengthening of the local sales market in Q1 2024, we were able to reduce our payables and settle all legacy supplier invoices from prior to the suspension of exports



(3) As at 31 December in each year

Proven commitment to shareholder returns	**Cumulative dividends and buybacks ($m)**

- $485 million in dividends and buybacks distributed to shareholders since 2019
- Following the suspension of the Company's ordinary dividend policy in 2023, we restarted shareholder distributions in 2024, with $45 million of dividends and buybacks paid to shareholders
- The Company is pleased to declare, alongside the 2024 full-year results, a $25 million interim dividend to be paid in April 2025



(4) $25 million interim dividend declared and to be paid in April 2025

Chair’s statement

Strong operational and financial performance positions Gulf Keystone well to benefit from the potential resumption of international oil exports.

This is my first annual results statement as Chair of Gulf Keystone following my appointment under sad circumstances in September 2024 after the passing of Martin Angle. Martin was an excellent Chair, an outstanding professional and above all a good friend with whom I worked for many years as a Non-Executive Director. He is sorely missed by all of us at the Company. Thankfully, he has left behind an experienced and diligent Board of Directors and a talented executive team focused on driving shareholder value from the Company’s world-class asset, the Shaikan oil field.

The last two years have been a challenging period for Gulf Keystone, catalysed by the suspension of international crude oil exports from Kurdistan via the Iraq-Türkiye Pipeline (“ITP”) in late March 2023 and the resultant requirement to preserve the Company’s liquidity by accessing new local oil markets whilst cutting costs and safely maintaining production. I am pleased to say that these challenges have been met and, during 2024, the Company generated a significant amount of free cash flow with a much leaner organisation and strong production levels. Production during the year averaged 40,689 bopd gross which, given the relatively low level of development activity, was a good outcome and again demonstrates the quality of the Shaikan reservoir.

The improved cash flow position allowed for the settlement of all the Company’s overdue invoices to our suppliers and service providers in Q1 2024 and for shareholder distributions to recommence consistent with our stated policy. A $10 million share buyback programme was announced in May 2024 and, with continuing strong local sales demand and improving liquidity, the Board approved the payment of a total of $35 million of dividends in July and October 2024. The total shareholder distributions completed during the year were $45 million.

Gulf Keystone’s strong operational and financial performance in 2024 reflected the Company’s commitment to maximise shareholder value and positions it well to capitalise on the potential restart of international oil exports when the ITP reopens. GKP’s leadership team and Board continue to dedicate a significant amount of time and effort to engaging with government and other stakeholders to move towards a solution, both as a Company and alongside other IOCs operating in the region. Engagement remains ongoing as we continue to seek agreements on payment surety, the repayment of past receivables and the preservation of existing commercial terms. We are hopeful of a swift resolution and remain ready to quickly restart oil exports.

One of our primary areas of focus as a Board in 2024 was to ensure that we retain the Company’s considerable talent to navigate through the current operational and commercial environment in Kurdistan. At the same time, we oversaw a number of new Director appointments which have deepened the experience and expertise of the Board and also enabled us to meet the UK Corporate Governance Code and Listing Rules requirements in respect of Board independence, gender and ethnic diversity.

In June 2024, we were pleased to welcome Gabriel Papineau-Legris as a Director following his appointment as Chief Financial Officer at the 2024 AGM, replacing Ian Weatherdon who retired. In October 2024, we also appointed Catherine Krajicek and Marianne Daryabegui to the Board and together they bring many years of experience working in the oil and gas industry, emerging markets, finance and M&A and also as Non-Executive Directors. In addition to her other Board responsibilities, Marianne has assumed the role of the Senior Independent Director for the Company. I am sure that our new Board members will make a significant contribution to the Company and look forward to working with them in the future.

I would like to take this opportunity to thank our shareholders for their continued support through what has been a period of volatility and uncertainty for the Company. We continue to actively engage with our shareholders and welcome all feedback. Gulf Keystone has emerged as a fitter and stronger organisation and, with the success of the local sales arrangements and safe maintenance and enhancement of the Shaikan Field’s production capacity, has been able to restart shareholder distributions with top quartile total shareholder return performance of 24% in 2024 relative to our peers (assuming dividends paid in the year were reinvested). The Board and the Company are now focused on unlocking further upside value by securing a commercial solution to restart oil exports while delivering on our operational and financial guidance for the year.

David Thomas
Non-Executive Chair
19 March 2025

Chief Executive Officer’s review

We remain focused on maintaining our strong performance to maximise value from local sales and unlock significant value for shareholders from the restart of Kurdistan exports.

2024 was a positive year for Gulf Keystone, characterised by strong operational and financial delivery despite the challenging operating environment. As the local sales market in Kurdistan developed, we returned to consistently strong production levels which, combined with a lean work programme and strict cost control, enabled us to generate significant free cash flow, facilitating the restart of shareholder distributions and the preservation of our robust balance sheet.

2024 performance

Our performance was underpinned by the extension of our excellent safety track record, with zero Lost Time or Recordable incidents in the year, well below the relevant Kurdistan and international peer benchmarks. This was achieved despite 24/7 truck loading operations at both production facilities and the temporary shut-in of PF-1, which involved close to 100,000 working hours of activity. We were pleased to further extend our record of Lost Time Incident free days to over two years in January 2025 and have been currently operating without an LTI for over 790 days as at 18 March 2025.

2024 gross average production of 40,689 bopd was almost double 2023’s performance of 21,891 bopd as we returned to a full year of sales after the extended shut-in of the Shaikan Field in Q2 2023 due to the suspension of Kurdistan crude exports. After a slow start in Q1 2024, during which the local market was developing to absorb increasing supply from producers in the region, we saw strong underlying demand from the second quarter onwards. This enabled a number of months of high production at levels we had last seen prior to the shut-in of the ITP, with September 2024 production of 48,458 bopd our best month on record.

Local market demand was tempered by temporary disruptions to truck availability during regional holidays, in particular the two Eid celebrations in April and June 2024, and temporary road closures related to the Kurdistan regional elections in October 2024. Production was also reduced as expected during the planned shutdown of PF-1 in November 2024 as we installed safety upgrades and carried out maintenance.

Local sales realised prices averaged $26.8/bbl in 2024. As with production volumes, we saw lower prices in Q1 2024 which then improved and stabilised in the second half of the year. Prices have averaged between $27-$29/bbl in 2025 year to date, as at 18 March 2025.

Our ability to meet local market demand was supported by the execution of a disciplined work programme focused on maintaining and enhancing the production capacity of the Shaikan Field whilst preserving the future value of the field. The successful completion of safety upgrades and maintenance at PF-1 have improved the safety and reliability of the plant, while production optimisation expenditures on existing wells enabled us to offset field declines in the year. The Shaikan Field continues to perform extremely well after over ten years of operations and over 135 million barrels of production.

Higher production and the achievement of an average monthly capex and cost run rate below $7 million, in line with guidance, enabled us to generate $65.4 million of free cash flow. In line with our commitment to return excess cash to shareholders, we distributed $45 million of dividends and share buybacks in the year, an excellent outcome after we had been forced to suspend our ordinary dividend policy in 2023 due to the suspension of exports.

Shaikan Field estimated reserves

The Company estimates gross 2P reserves of 443 MMstb as at 31 December 2024, reflecting our year-end 2023 internal estimate of 458 MMstb reduced by gross production of 15 MMstb in 2024.

We have estimated 2P reserves based on a number of modelling assumptions, including a return to development drilling and the expansion of our production facilities from 2026. A return to field development continues to be predicated on the restart of exports and establishment of a stable commercial and payments environment. This would also likely be the point at which we would review the commissioning of an updated Competent Person’s Report (“CPR”), including a comprehensive independent assessment of 1P and 2P reserves and 2C resources. Our last independent CPR was prepared by ERC Equipoise (“ERCE”) as at 31 December 2022.

2025 outlook

Gross production has averaged c.46,400 bopd in the year to date (1 January to 18 March 2025), supported by continued strong local sales demand, enabling us to reiterate our gross average production guidance of 40,000 to 45,000 bopd. Our full-year guidance is contingent on stable demand at current levels and a number of other assumptions, including estimated field declines of around 6-10%, the expected impact on production from the planned PF-2 shutdown later in the year and the estimated reduction in truck availability during regional holidays. Should we see any unforeseen disruptions in the local market or the restart of exports, we expect to review the guidance.

We remain focused on balancing capital and cost discipline while maintaining safe and reliable production capacity. We are executing a similar work programme to 2024, with estimated net capital expenditures of $25-$30 million in 2025. The increase relative to 2024 is driven by incremental expenditures on production optimisation, accounting for $5-$10 million of the guidance, as we target quick payback, low-cost and efficient interventions on existing wells to offset declines. Around $20 million is expected to be spent on replicating the 2024 PF-1 safety upgrades and maintenance at PF-2, currently scheduled for Q4 2025 and requiring the shut-in of the facility for approximately three weeks.

In addition to our existing budget, we are actively exploring additional plant initiatives to enhance production, including water handling. We have scheduled reviews and expect to take appropriate actions later in 2025 considering the Company's liquidity position and operating environment at the time.

As we execute against delivering our annual guidance, we continue to actively pursue a solution to restart the export of our crude to international markets via the ITP, with a number of recent meetings between the IOCs, KRG and FGI, in which Gulf Keystone has played an active role. As we approach the two-year anniversary of the ITP's closure on 25 March 2025, we remain hopeful that we are now nearing a solution.

We continue to believe a return to international exports with the right agreements in place regarding payment surety, receivables repayment and the preservation of our contractual rights would be transformative for the Company, Kurdistan and Iraq, both in unlocking additional revenue from a vital source of global oil supply which is currently selling for significantly discounted prices but also by signalling that Kurdistan and Iraq are open for business and are attractive destinations for foreign investment.

Jon Harris
Chief Executive Officer
19 March 2025

Financial review

A return to free cash flow generation and the restart of shareholder distributions underpinned GKP's strong financial performance in 2024.

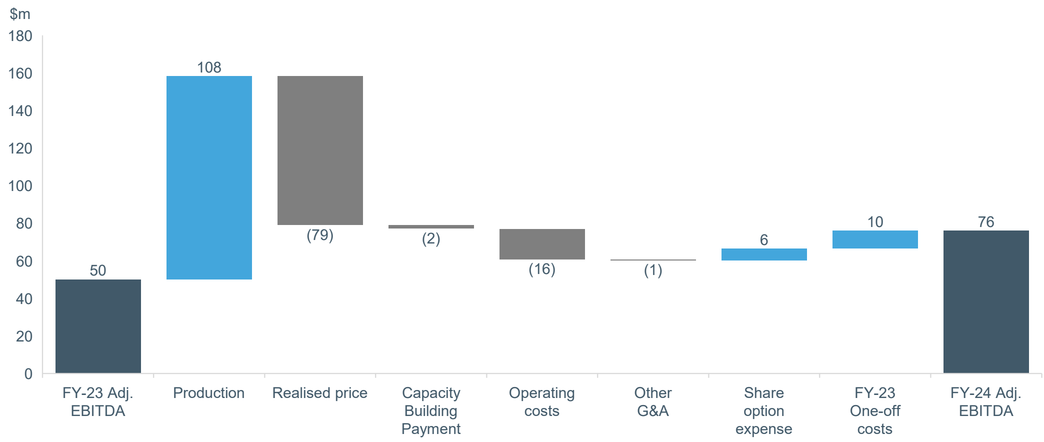
Key financial highlights

		Year ended 31 December 2024	Year ended 31 December 2023
Gross average production(1)	bopd	**40,689**	21,891
Dated Brent(2)	$/bbl	**80.8**	82.6
Realised price(1)(3)	$/bbl	**26.8**	40.9
Discount to Dated Brent	$/bbl	**53.9**	41.7
Revenue	$m	**151.2**	123.5
Operating costs	$m	**52.4**	36.1
Gross operating costs per barrel(1)	$/bbl	**4.4**	5.6
Other general and administrative expenses	$m	**11.4**	10.5
Share option expense	$m	**4.4**	10.8
Adjusted EBITDA(1)	$m	**76.1**	50.1
Profit/(loss) after tax	$m	**7.2**	(11.5)
Basic earnings/(loss) per share	cents	**3.3**	(5.3)
Revenue receipts(1)	$m	**144.1**	109.2
Net capital expenditure(1)	$m	**18.3**	58.2
Free cash flow(1)	$m	**65.4**	(13.1)
Shareholder distributions(4)	$m	**45**	25
Cash and cash equivalents	$m	**102.3**	81.7

(1) Represents either a non-financial or non-IFRS measure which are explained in the summary of non-IFRS measures where applicable.
(2) Provided as a comparator for realised price. Realised prices for local sales are currently driven by supply and demand dynamics in the local market, with no direct link to Dated Brent.
(3) 2024 realised prices reflect a full year of local sales, 2023 realised prices reflect export sales from 1 January to 24 March 2023 and local sales from 19 July to 31 December 2023.
(4) 2024: $35 million of dividends and $10 million of completed share buybacks; 2023: $25 million dividend.

GKP delivered a strong financial performance in 2024, with a full year of robust local sales combined with capital and cost discipline underpinning a return to free cash flow generation and the restart of shareholder distributions. We are pleased to declare, alongside the 2024 full-year results, a $25 million interim dividend, the first semi-annual dividend to be paid under the shareholder distributions framework announced in October 2024. Looking ahead, stable local sales demand and the delivery of our guidance should enable material free cash flow generation in 2025, with significant improvements in cash flow generation to be potentially unlocked through the restart of exports at the current level of net entitlement.

Adjusted EBITDA



Adjusted EBITDA increased 52% to $76.1 million in 2024 (2023: $50.1 million). Higher production more than offset the decline in realised prices related to the transition from exports to discounted local sales and higher operating costs related to a full year of production after the temporary shut-in of the Shaikan Field during Q2 2023.

Gross average production increased 86% to 40,689 bopd (2023: 21,891 bopd) reflecting a full year of local sales in 2024 following the impact of the suspension of pipeline exports in 2023.

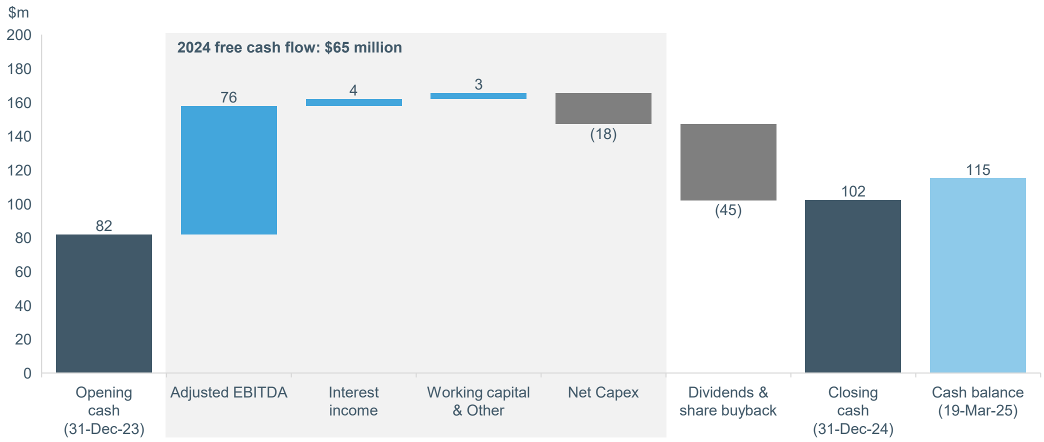
Revenue increased 22% to $151.2 million (2023: $123.5m) as the increase in 2024 volumes more than offset the 34% decline in average realised price to $26.8/bbl (2023: $40.9/bbl). Realised prices for local sales remain driven by supply and demand dynamics in the local market, with no direct link to Dated Brent. Prices have averaged between $27-$29/bbl in 2025 year to date, as at 18 March 2025.

The Company continued to exercise strict cost control in 2024 while maintaining and enhancing the production capacity of the Shaikan Field. Gross operating costs per barrel decreased 21% to $4.4/bbl (2023: $5.6/bbl) and operating costs increased to $52.4 million (2023: $36.1 million), primarily reflecting higher production but also the higher allocation of staff-related costs to operating expenditure due to the lower level of capital expenditure in the year.

Other G&A expenses were $11.4 million in 2024 (2023: $10.5 million). The increase versus the prior year primarily reflects the reinstatement of performance-based staff bonuses for 2024, compared to a small recognition payment in 2023, and the payment of one-off retention awards. These payments were partly offset by the absence of non-recurring corporate costs incurred in H1 2023. In line with industry practice, all direct Shaikan Field related expenditure, such as Shaikan Field G&A which was immaterial in 2024, is now categorised as either operating or capital expenditure as appropriate.

Share option expense of $4.4 million was 59% lower year-on-year (2023: $10.8 million), principally reflecting the reduced vesting of the 2021 LTIP award in 2024 relative to the vesting of the 2020 LTIP award in 2023.

Cash flows



Revenue receipts, which reflect cash received in the year for the Company's net entitlement of production sales, were $144.1 million, 32% higher than the previous year (2023: $109.2 million) primarily driven by higher production but also supported by pre-payments for local sales.

Net capital expenditure in 2024 was $18.3 million (2023: $58.2 million), in line with annual guidance and reflecting the Company's disciplined work programme comprised of safety-critical upgrades at PF-1 and production optimisation expenditures. 2024 expenditures were the lowest since 2017, with the 69% decrease relative to 2023 reflecting the termination of expansion activity following the suspension of Kurdistan exports in March 2023.

Free cash flow generation in 2024 was $65.4 million, compared to a $13.1 million outflow in 2023. Revenues generated by local sales more than covered the Company's aggregate net capex and costs, which on an average monthly basis were $6.8 million, below the Company's guidance of c.$7 million. Low-cost production and capital discipline provide significant downside protection even at discounted local sales prices.

The Company continued to engage with the KRG regarding the payment mechanism of the overdue October 2022 to March 2023 invoices. The total owed to GKP amounts to $151.1 million (comprising of $120.4 million cost oil and $30.7 million profit oil net to GKP after capacity building payment ('CBP') deduction). The total owed to GKP and MOL (who form together the 'Shaikan Contractor' or the 'Contractor') amounts to $192.8 million (comprising $150.5 million cost oil and $42.3 million profit oil). The Company continues to expect to recover the invoices in full (see 'Net entitlement' section below for further detail).

With improving liquidity and strong local sales demand, on 13 May 2024 the Company announced the launch of a $10 million share buyback programme, which was completed on 23 July 2024. The buyback was supplemented with the payment of two dividends in July and October 2024 respectively, totalling $35 million, increasing completed shareholder distributions in the year to $45 million. A second share buyback programme of up to $10 million was also launched in October 2024, although limited purchases were made due to the subsequent increase in the Company's share price. In light of this and the announced declaration of a $25 million interim dividend today, the Company has decided not to renew the buyback programme which expired on 20 March 2025.

GKP's cash balance was $102.3 million as at 31 December 2024 (31 December 2023: $81.7 million) with no outstanding debt. Continued free cash flow generation from local sales in Q1 2025 to date have led to a further increase in the Company's cash balance to $115 million as at 19 March 2025.

The Group performed a cash flow and liquidity analysis, including the current uncertainty over the timing of the pipeline reopening and settlement of outstanding amounts due from the KRG, and the fact that the outlook for local sales volumes has fluctuated in the past and may be difficult to predict, based on which the Directors have a reasonable expectation that the Group has adequate resources to continue to operate for at least 12 months. Therefore, the going concern basis of accounting is used to prepare the financial statements.

Net entitlement

The Company shares Shaikan Field revenues with its partner, MOL, and the KRG, based on the terms of the Shaikan Production Sharing Contract ('Shaikan PSC'). GKP and MOL's revenue entitlement is described as 'Contractor entitlement' and GKP's entitlement alone is described as 'net'. GKP's net entitlement includes its share of the recovery of the Company's investment in the Shaikan Field, comprising capital expenditure and operating costs, through cost oil and a share of the profits through profit oil, less a CBP owed to the KRG.

The unrecovered cost oil balance (or 'Cost Pool') and R-factor are used to calculate monthly cost oil and profit oil entitlements, respectively, owed to the Shaikan Contractor from crude oil sales. Unrecovered cost oil owed to the Shaikan Contractor increases with the addition of incurred expenditures deemed recoverable under the Shaikan PSC and is depleted on a cash basis as crude sales are paid. As at 31 December 2024, there was $162.9 million of unrecovered cost oil for the Shaikan Contractor ($130.3 million net to GKP), subject to potential cost audit by the KRG. The R-factor, calculated as cumulative Contractor revenue receipts of $2,417 million divided by cumulative Contractor costs of $1,963 million, was 1.23, resulting in a share in the profit oil for the Contractor of 26.5%.

GKP's net entitlement of total Shaikan Field sales was 36% in 2024. Looking ahead, the Company expects its net entitlement to remain around 36% in 2025 in a continuing local sales environment. Should exports restart, increases in realised price, cash receipt of payments for international sales and the potential implementation by the KRG of a repayment mechanism for past overdue invoices would accelerate the depletion of the Cost Pool upon receipt of payment. This would shorten the period that the Company's net entitlement is expected to remain around 36% provided that investment in the Shaikan Field does not increase.

The outlook for the Company's net entitlement assumes receipt of the cost oil portion of the outstanding October 2022 to March 2023 receivable balance due from the KRG to the Shaikan Contractor, which comprises $150.5 million of the total unrecovered cost oil of $162.9 million as at 31 December 2024 (or on a net basis to GKP, $120.4 million of the unrecovered cost oil of $130.3 million). Recovery of the receivable cost oil is expected to begin in the first half of 2025 with regular payment from either local or export sales. Recovery will in turn lead to a corresponding reduction in the receivable balance due from the KRG, with $30.7 million of profit oil (net to GKP after CBP deduction) expected to be fully repaid by the KRG as part of a repayment mechanism.

Outlook

The Company plans to invest net capital expenditure of $25-$30 million in 2025, which includes $20 million on the implementation of safety upgrades and maintenance at PF-2, currently scheduled to take place in Q4 2025, and $5-$10 million on the Company's ongoing production optimisation programme. While maintaining a strong focus on capital discipline, the Company continues to explore a range of additional plant initiatives to preserve and enhance production, including water handling.

The Company expects its cost base to remain stable in 2025, with expected operating costs of $50-$55 million and other G&A expenses forecast below $10 million in 2025. Strict cost control combined with capital discipline should enable material free cash flow generation in 2025 provided local sales demand and pricing remain stable.

Gulf Keystone remains committed to returning excess cash to shareholders via dividends and/or share buybacks, subject to the liquidity needs of the business and the operating environment. In October 2024, the Company set out a framework for shareholder distributions to enable investors to better evaluate the prospect of future returns in a local sales environment.

The Board will review the Company's capacity to declare an interim dividend on a semi-annual basis around the time of the full-year results and half-year results and will consider share buybacks on an opportunistic basis throughout the year. Distribution capacity will be determined with reference to the Company's operating environment and liquidity needs, typically the next year of capital expenditures and costs but also the potential liquidity required to transition from pre-paid local sales to the restart of exports and the normalisation of KRG payments.

In line with this framework, the Company is pleased to announce the declaration of a $25 million interim dividend. The dividend will be paid on 23 April 2025, based on a record date of 4 April 2025 and ex-dividend date of 3 April 2025. Shareholders will have the option of being paid the dividend in either GBP or USD, with the default currency GBP. The USD and GBP rate per share will be announced ahead of the payment date based on the Company's latest total issued share capital.

Gabriel Papineau-Legris
Chief Financial Officer
19 March 2025

Our asset

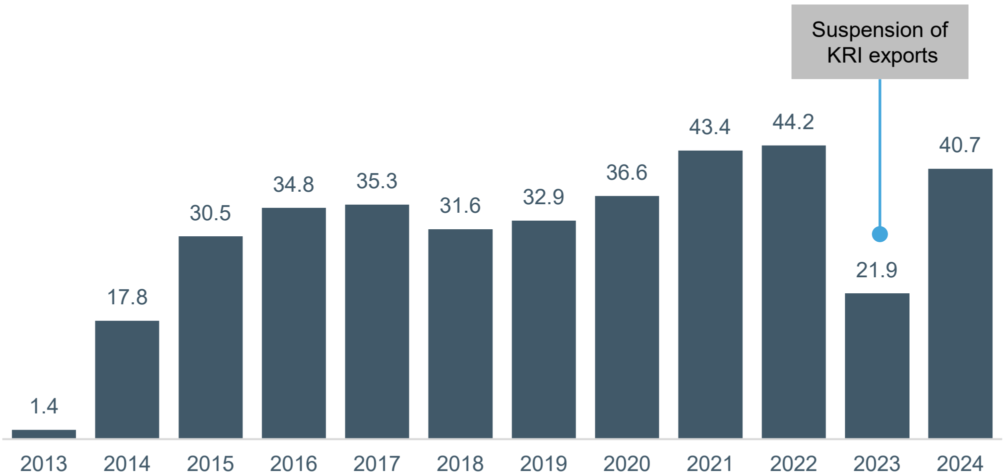
The Shaikan Field is a long-life asset, with a proven track record of low-cost production and significant growth potential.

Overview

The Shaikan Field is one of the largest oil fields in the Kurdistan Region of Iraq by reserves and production, with internally estimated gross 2P reserves of 443 MMstb at year end 2024 and 2025 year-to-date gross average production of c.46,400 bopd as at 18 March 2025. Located about 60 kilometres north-west of Erbil, the largest city in Kurdistan, and at the north-west end of the Zagros Fold-belt, the field spans an area of approximately 280 square kilometres.

Gulf Keystone is operator of the Shaikan Field with an 80% working interest. The remaining 20% is held by our partner MOL, who together with GKP form the 'Shaikan Contractor'. The Shaikan Field Production Sharing Contract ("PSC") was awarded in 2007 by the KRG, with oil discovered in 2009 by the SH-1 well and first commercial production achieved in July 2013. Since then, over 135 MMstb of oil has been produced, as at 18 March 2024.

Gross average production track record (kbopd)

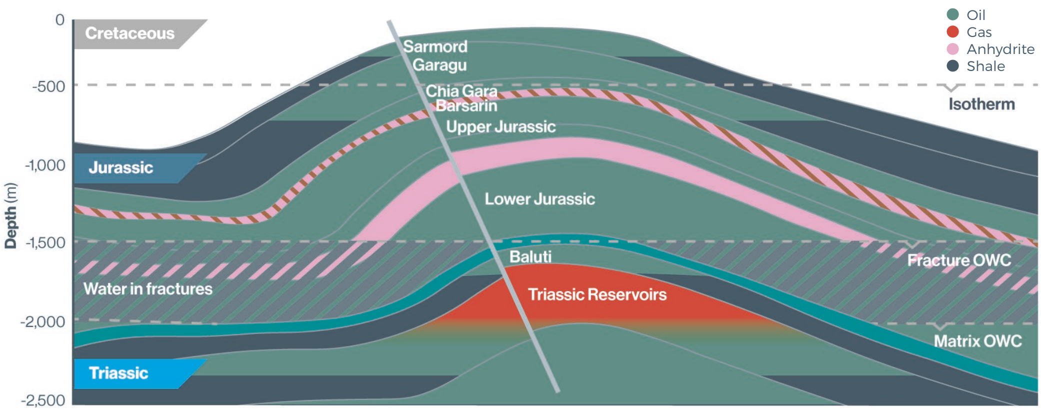


Reservoir geology

The Shaikan Field consists of three fractured carbonate reservoirs, the Cretaceous, the Jurassic and the Triassic, with the Cretaceous being the shallowest and the Triassic the deepest.

Crude oil in the Cretaceous and Jurassic reservoirs is relatively heavy, with the Cretaceous bituminous oil between 12-15° API and the Jurassic heavy oil ranging from API of 15-17°. The Triassic reservoir contains light oil with gas condensate of between 38-43° API.

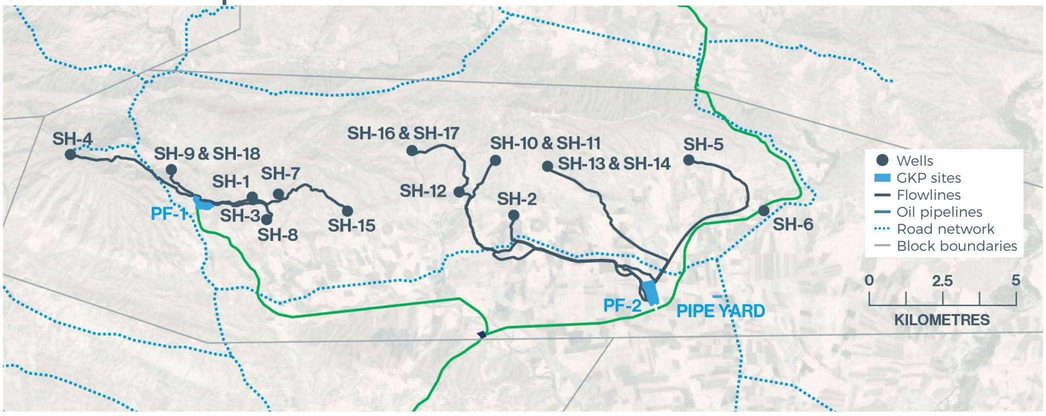
Shaikan Field production to date has been entirely from the Jurassic reservoir.



Shaikan Field estimated reserves

The Company estimates gross 2P reserves of 443 MMstb as at 31 December 2024, reflecting our year-end 2023 internal estimate of 458 MMstb reduced by gross production of 15 MMstb in 2024.

Shaikan Field map



Infrastructure

The Shaikan Field consists of 17 production wells connected to two production facilities, PF-1 and PF-2. Total facilities processing capacity is currently around 60,000 bopd. The Company's gross average production guidance for 2025 is 40,000 to 45,000 bopd, subject to continuing stable local sales demand.

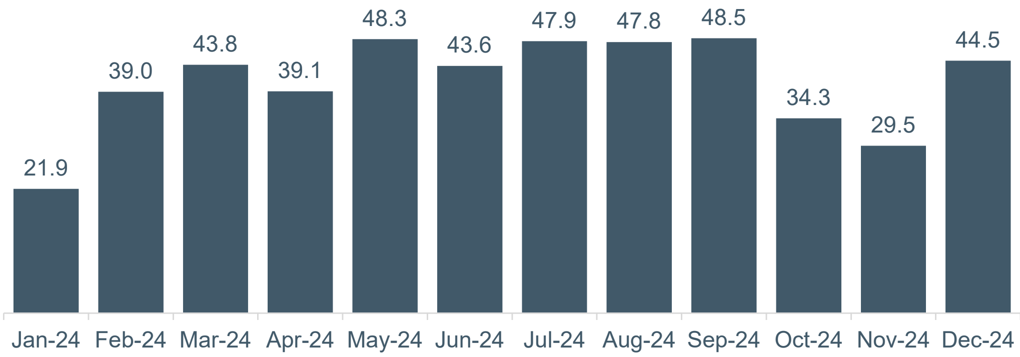
Route to market

The KRG has historically been responsible for marketing and exporting production from the Shaikan Field, transporting crude via pipeline to the Ceyhan oil terminal in Türkiye to be sold along with exports from the various other oil fields in Kurdistan. This changed in 2023 following the closure of the ITP and suspension of Kurdistan exports on 25 March, the unexpected consequence of a long-standing International Chamber of Commerce arbitration between Iraq and Türkiye being awarded in Iraq's favour. As a result of this development, it is expected the Federal Government of Iraq ("FGI") will control the marketing of Kurdistan's crude oil once pipeline exports resume.

Pipeline export map

Since July 2023, the Company, along with other International Oil Companies ("IOCs") in the region, has been able sell its crude to local buyers, primarily via trucking. After a slow start to 2024, during which the local market was developing to absorb increasing supply from other producers in the region, we saw strong underlying demand from Q2 2024 onwards, enabling a number of months of high production at levels we had last seen prior to the ITP shut-in.

2024 monthly gross average production (kbopd)



The local market, which is regulated by the KRG, consists of a number of refineries and topping plants in Kurdistan, which process Shaikan crude into products, such as naphtha, heavy fuel oil and bitumen. While sales are paid for in advance, realised prices have been at steep discounts to Brent. Sales prices averaged $26.8/bbl in 2024 and have ranged between $27-$29/bbl in Q1 2025, as at 18 March 2025. To date, local market prices have had limited sensitivity to Brent and have been influenced more by local supply and demand dynamics.

While the local sales market has provided a source of material free cash flow, it remains the Company's objective to achieve an exports restart solution, which would unlock a return to selling Shaikan Field crude at international prices. The Company remains ready to restart exports quickly and continues to engage with the KRG, FGI and other political stakeholders to secure agreements regarding payment surety, the repayment of receivables and preservation of existing contractual commercial terms.

Field development and investment

With an estimated 2P reserves life of around 30 years based on 2024 production, it is clear that the Shaikan Field remains underdeveloped and offers an opportunity for significant growth within the Company's existing licence period, which currently expires in 2043, assuming extensions permitted under the PSC.

Prior to the suspension of Kurdistan exports in March 2023, we had been progressing towards government approval of a Field Development Plan ("FDP"), with the vision of driving profitable production growth, enhancing the sustainability and longevity of the Company's capacity for shareholder distributions and transforming the emissions footprint of our operations.

Specifically, we were targeting to:

- increase the gross production plateau from the Jurassic reservoir to 85,000 bopd with a continuous drilling programme and expansion of the production facilities, including the installation of water handling;
- test the Triassic reservoir, targeting incremental production from the initial pilot of up to 10,000 bopd; and
- eliminate almost all routine flaring and more than halve our scope 1 carbon intensity with the implementation of a Gas Management Plan, subject to securing external financing for the project.

Following the suspension of exports, we were forced to put these plans on hold and unwind our ongoing development programme to reduce capital expenditure and costs. While we have since returned to free cash flow generation from pre-paid local sales, local market prices remain significantly discounted and as a result we have remained focused on balancing capital and cost discipline with safely maintaining the production capacity of our existing well stock. With the restart of exports and the establishment of a stable commercial and payments environment, we expect to review our plans to develop the Shaikan Field.

Shaikan Field Production Sharing Contract ("PSC")

Gulf Keystone's net entitlement of Shaikan Field production and revenue is based on the terms of the Shaikan PSC. The contract was awarded by the KRG in 2007 following the creation of the Kurdistan Region Oil and Gas Law in the same year.

PSCs are widely used in the international oil and gas industry, with similar contracts used in Azerbaijan, Brazil, Indonesia, Malaysia and Oman, among many other countries. They are commonly used in developing and emerging markets to incentivise international investors to explore frontier areas or open new geological plays. They have played an instrumental role in the prosperity of Kurdistan's oil and gas industry and economy over the last two decades by attracting billions of US dollars of investment from oil majors and IOCs, such as Gulf Keystone, to the region with a well-established and recognised fiscal regime and appropriate risk / reward contract structure for investment, enabling Kurdistan production to grow from 0 to over 400,000 barrels per day prior to the closure of the ITP.

At a high level, the PSC structure incentivises an IOC to fund all costs and assume all risks. In return, upon the discovery, appraisal and development of a commercially viable producing field, the IOC is able to recover its costs and take a share in the profits through its entitlement of production over the licence period of the contract.

With respect to the Shaikan Field PSC, GKP shares Shaikan Field revenues with its partner, MOL (who form together with GKP the "Shaikan Contractor" or the "Contractor"), and the KRG. GKP and MOL's revenue entitlement is described as "Contractor entitlement" and GKP's entitlement alone is described as "net". GKP's net entitlement includes its share of the recovery of the Company's investment in the Shaikan Field, comprising capital expenditures and operating costs, through cost oil and a share of the profits through profit oil, less a Capacity Building Payment ("CBP") owed to the KRG.

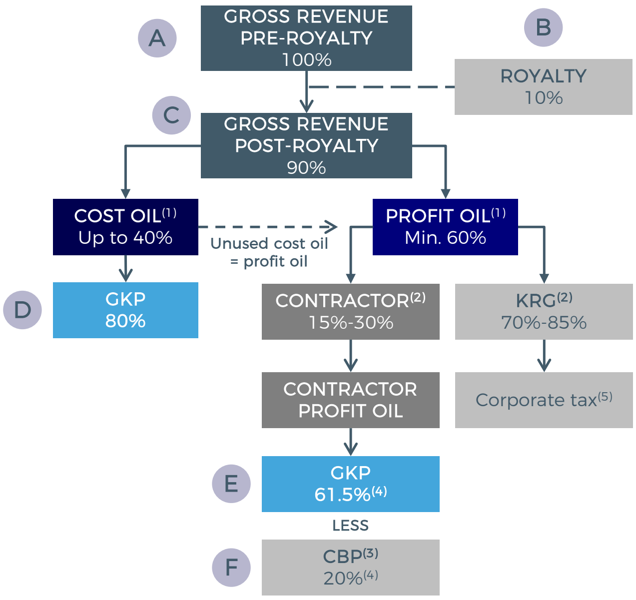
The unrecovered cost oil balance (or "Cost Pool") and R-factor are used to calculate monthly cost oil and profit oil entitlements, respectively, owed to the Shaikan Contractor from crude oil sales. Unrecovered cost oil owed to the Shaikan Contractor increases with the addition of incurred expenditures deemed recoverable under the Shaikan PSC and is depleted on a cash basis as crude sales are paid.

GKP's net entitlement of total Shaikan Field sales was 36% in 2024. Looking ahead, the Company expects its net entitlement to remain around 36% in 2025 in a continuing local sales environment. Beyond 2025, the cost pool is expected to be eventually fully recovered. Once this happens, the Company's net entitlement will be below 36% and will be determined by the revenue realised from oil sales and the amount of recoverable net capital expenditures and operating costs spent in a given period.

A summary of the Shaikan Field's fiscal terms and Company's net entitlement calculation as at 31 December 2024, which will be the entitlement basis for the first half of 2025, is provided below, with more detailed information available in the Net entitlement section of the Financial review on page 10.

Shaikan Field fiscal terms (as at 31 December 2024)

Shaikan Field fiscal take waterfall



Calculating GKP's net entitlement

Stage	%	Notes	
Gross revenue pre-royalty	100	Gross production x realised price	A
LESS: Royalty	(10)	10% KRG royalty	B
Gross revenue post-royalty	90	Gross revenue to partners (Contractor & KRG)	C
GKP cost oil	28.8	90% x 40%[1] x 80% GKP paying interest	D
GKP profit oil	8.8	90% x 60% x 26.5%[2] x 61.5%[4] GKP working interest	E
GKP revenue pre-CBP	37.6	GKP cost oil + GKP profit oil ("Revenue" in GKP financial statements)	
LESS: CBP	(1.8)	20%[4] of GKP profit oil, expensed in cost of sales in GKP financial statements	F
GKP revenue post-CBP (i.e. net entitlement)	35.9	Cash received	

(1) Monthly cost recovery at max. of 40% of gross revenue post royalty given unrecovered cost oil ("Cost Pool") owed to the Contractor (GKP and MOL) of $163m at 31-Dec-24 (vs $224m at 31-Dec-23), subject to potential cost audit by KRG; costs incurred in excess of cost recovery are allocated to the Cost Pool for future recovery

(2) R-factor of 1.23 as at 31-Dec-24: current Profit Oil split at 26.5% for the Contractor[4] and 73.5% for Kurdistan Regional Government ("KRG")

(3) Capacity Building Payments expense to KRG: defined as 20%[4] of GKP share of profit oil

(4) During PSC negotiations with the Ministry of Natural Resources ("MNR"), it was tentatively agreed that the Contractor would provide the KRG a 20% carried working interest in the Production Sharing Contract ("PSC"). This would result in a reduction of GKP's working interest from 80% to 61.5% and, to compensate for such decrease, a reduction in the Capacity Building Payments expense from 40% to 20%. While the PSC has not been formally amended, it was agreed with the MNR that GKP would invoice the KRG for oil sales based on the proposed revised terms from October 2017

(5) Income tax arising from the Company's activities under its PSC is settled by the KRG on behalf of the Company

Business model

Our purpose

GKP is a responsible energy company developing natural resources for the benefit of all our stakeholders, delivering social and economic benefits by working safely and sustainably with integrity and respect.

Our values

Safety	Social responsibility	Trust through open communication	Innovation and excellence	Integrity and respect	Teamwork

Inputs

Responsibility	Committed to a rigorous focus on safety, minimising our environmental impact and generating economic value for Kurdistan.
Governance	Outstanding governance, ethical conduct and compliance are the foundation of GKP's business.
Long life asset	We are operator of one of the largest fields in Kurdistan with an established production track record and significant growth potential.
Low cost	We are a leading low-cost operator relative to Kurdistan and international peers.
Expertise	Our teams bring together years of experience operating in Kurdistan and other emerging market environments as well as significant technical expertise in understanding fractured carbonate reservoirs.
Discipline	Our strategy is to balance profitable production growth with the return of excess cash to shareholders while maintaining a robust balance sheet. We remain focused on minimising costs and improving our liquidity position while Kurdistan exports remain suspended.

Zero LTIs	443 MMstb	30 years	86%	$115m
for >790 days(1)	estimated gross 2P reserves(2)	estimated gross 2P reserves life(3)	of GKP's workforce in Kurdistan are local nationals(4)	cash as at 19 March 2025 with no outstanding debt

(1) As at 18 March 2025.
(2) Internal estimate of gross 2P reserves as at 31 December 2024 (see 'Chief Executive Officer's review' on pages 6 and 7 for more detail).
(3) Internally estimated gross 2P reserves of 443 MMstb as at 31 December 2024 / 2024 gross average production of 40,689 bopd.
(4) As at 31 December 2024.

Our core activities

Produce

Gulf Keystone has a proven track record of delivering production growth from the Shaikan Field. Since first commercial production in 2013, GKP has produced over 135 MMstb, with gross average production in 2025 to 18 March of c.46,400 bopd.

Develop	The Shaikan Field is one of the largest oil fields in Kurdistan by reserves and production, with significant growth potential. Based on internally estimated gross 2P reserves at 2024 year end and 2024 gross average production of 40,689 bopd, the Shaikan Field's reserves life is around 30 years, demonstrating the significant development potential. With the restart of exports and establishment of a stable commercial and payments environment, we expect to review our development plans for the Field.

Our strategy

Our strategy is to create value for all stakeholders by balancing investment in profitable production growth with sustainable shareholder returns, while maintaining a robust balance sheet and prudent liquidity levels. Our focus on safety and sustainability and strong corporate governance underpins our strategy.

Outputs

Investors	Gulf Keystone has a track record of balancing investment in profitable growth with sustainable shareholder returns, while maintaining a robust balance sheet and prudent liquidity levels. In the period from 2019 to 2024, the Company has distributed $485 million to shareholders in the form of dividends and share buybacks. Looking ahead, we remain committed to returning excess cash to shareholders, subject to the liquidity needs of the business and the operating environment.
Kurdistan	Kurdistan is part of Gulf Keystone's DNA. Through our ongoing operations and by creating local jobs, investing in the local supply chain and supporting local communities, Gulf Keystone makes a significant contribution to Kurdistan's economy and society. Since entry into the region in 2007, the Company has played a significant role in the development of Kurdistan's oil and gas industry, investing with its partners over $3 billion gross in the exploration, development and production of crude oil, $2 billion of which has been spent on the Shaikan Field. In the past six years, the Shaikan Field has generated over $1.5 billion of revenues for the Kurdistan Regional Government.
Communities	Gulf Keystone takes pride in its engagement with local communities and, through regular engagement and investment, has a strong relationship with the areas local to Shaikan. The Company is a significant employer in Kurdistan and has a high staff localisation ratio, with many employees hired from neighbouring villages. It is committed to local workforce development through jobs, training and career opportunities.
Workforce	Gulf Keystone's workforce is integral to the Company's ability to deliver its strategy. To support our staff, we foster a safe, diverse and inclusive working environment that enables our people to thrive and develop.

Strategy and objectives

Gulf Keystone's strategy is to create value for all stakeholders by balancing investment in profitable production growth with sustainable shareholder returns, while maintaining a robust balance sheet and prudent liquidity levels. Our focus on safety and sustainability and strong corporate governance underpins our strategy.

Our strategic objectives are as follows:

<table>
<tr><th>Safety and sustainability</th><th>Value creation</th></tr>
<tr><td>Strategic objective
The Group is committed to improving the sustainability of its business and operations with a focus on safety, our environmental impact, our people and generating economic and social value for Kurdistan and our local communities, underpinned by strong corporate governance and compliance.</td><td>Strategic objective
Balance investment in profitable production growth with sustainable distributions to shareholders.</td></tr>
<tr><td>2024 performance highlights
▪ Zero Lost Time or Recordable incidents, well below the relevant Kurdistan and international peer benchmarks. Zero Lost Time Incidents for over 790 days as at 18 March 2025
▪ Successfully completed safety upgrades at PF-1 as part of an in-depth review of the Company's production facility safety protocols
▪ Local proportion of the Company's workforce remained high, accounting for 86% as at 31 December 2024
▪ Continued to invest in our local supply chain in Kurdistan, with over 40% of our purchasing and contracting in 2024 with local suppliers
▪ Generated $175 million of revenue for the KRG in the year, bringing cumulative revenue generation for the KRG to over $1.5 billion in the past six years
▪ Provided over $200,000 of funding for local community projects focused on agriculture, education and improving local infrastructure
▪ Rolled out a new air quality monitoring system in the Shaikan Field
▪ Restarted training and development programmes for our staff and improved employee engagement with the implementation of monthly town halls, regular intranet newsflow and pulse surveys
▪ 100% workforce compliance with GKP's Code of Business Conduct certification process</td><td>2024 performance highlights
▪ Increased gross average production 86% to 40,689 bopd, capitalising on robust local market demand following the impact of the suspension of Kurdistan exports in 2023
▪ Executed low-cost work programme of well interventions, maintenance and PF-1 safety upgrades to maintain and enhance production capacity
▪ Restarted shareholder distributions, with $35 million of dividends and $10 million of share purchases completed under the buyback programme launched in May 2024
▪ Published an updated approach to shareholder distributions in the local sales environment, with semi-annual dividend reviews and the opportunistic consideration of share buybacks</td></tr>
<tr><td>2025 focus
▪ Continue to target zero harm to people across our operations by extending our current record of zero LTI days and avoiding recordable incidents
▪ Implement safety upgrades at PF-2, currently scheduled for Q4 2025
▪ Continue to generate economic value for Kurdistan while delivering expanded programme of local community projects
▪ Progress to potential sanction a tank blanketing project to eliminate methane emissions from the Company's oil storage tanks at PF-2
▪ Maintain robust governance and compliance and high standards of ethical conduct</td><td>2025 focus
▪ Deliver gross average production guidance of 40,000-45,000 bopd, subject to stable local market demand
▪ Maximise cash flow generation from local sales by delivering capex and cost guidance
▪ Continue to review returns of excess cash to shareholders based on approach to shareholder distributions
▪ Engage with key government stakeholders to secure a solution for the restart of exports</td></tr>
<tr><td>Link to key performance measures
▪ Safety performance (TRIR)</td><td>Link to key performance measures
▪ Gross production (bopd)
▪ Adjusted EBITDA ($m)</td></tr>
</table>

<table>
<tr><th>Capital discipline and cost focus</th><th>Robust financial position</th></tr>
<tr><td>Strategic objective
Prudent, disciplined and proactive management of capital expenditures and underlying cost base.</td><td>Strategic objective
Maintain a robust balance sheet and prudent liquidity levels to fund and execute strategy and to manage commodity cycle and operating in Kurdistan.</td></tr>
<tr><td>2024 performance highlights
▪ Retained focus on capital discipline and strict cost control while maintaining and enhancing production capacity
▪ 2024 net capex of $18.3 million in line with guidance, primarily reflecting safety-critical upgrades at PF-1, maintenance and production optimisation expenditures
▪ 2024 operating costs of $52.4 million, with gross Opex per barrel reducing to $4.4/bbl, reflecting higher production
▪ 2024 other G&A expenses stable at $11.4 million
▪ 2024 monthly average capex and costs, including net capital expenditure, operating costs and other G&A expenses, below $7 million, in line with guidance</td><td>2024 performance highlights
▪ Free cash flow generation of $65.4 million funded $45 million of shareholder distributions
▪ The Company’s cash balance improved from $81.7 million as at 31 December 2023 to $102.3 million as at 31 December 2024
▪ Published updated approach to shareholder distributions outlining how the Board views the Company’s liquidity needs when considering dividend or share buyback decisions, with a year of capital expenditures and costs evaluated as the primary reference point</td></tr>
<tr><td>2025 focus
▪ Deliver disciplined and flexible work programme focused on safety, reliability and maintaining the capacity of existing wells
▪ Estimated 2025 net capex of $25-$30 million, comprising PF-2 safety upgrades, maintenance and production optimisation programme
▪ Explore additional plant initiatives to enhance production, including water handling, with planned reviews later in 2025 based on the Company’s liquidity position and operating environment
▪ Maintain stable cost base, with expected operating costs of $50-$55 million and other G&A expenses below $10 million in 2025</td><td>2025 focus
▪ Maximise cash flow generation from local sales
▪ Ensure the Company has sufficient liquidity to transition successfully from local sales to the restart of Kurdistan exports and normalisation of KRG payments</td></tr>
<tr><td>Link to key performance measures
▪ Net capital expenditure ($m)
▪ Operating costs ($m)
▪ Other G&A expenses ($m)</td><td>Link to key performance measures
▪ Adjusted EBITDA ($m)
▪ Net cash ($m)</td></tr>
</table>

Key performance indicators

Gulf Keystone sets performance measures and assesses progress against these targets on a regular basis.

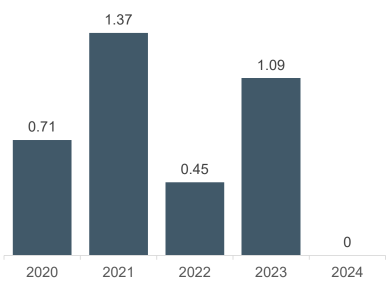
Strategic priorities:

Safety and sustainability	Value creation
Capital discipline and cost focus	Robust financial position

Link to remuneration:

Safety performance, gross average production, operating costs, other G&A expenses and net capital expenditure are all performance measures embedded into the corporate KPIs table on page 111 of the Remuneration Committee report.

Safety performance (TRIR)



Why we measure this

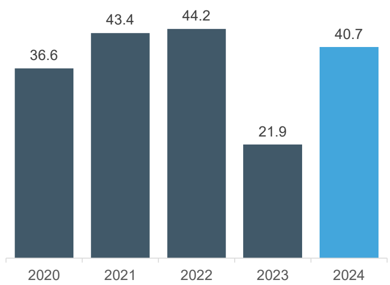
- The Company is committed to safe and reliable operations
- Safety performance and improvements in safety management are measured using several metrics, including Total Recordable Incident Rate ("TRIR")
- We require employees and contractors to work in a safe and responsible manner and provide them with the training and equipment to do so

Strategic priorities

Performance

- TRIR reduced in 2024 to zero, reflecting no Lost Time or Recordable incidents in the year
- We were pleased to extend our record of Lost Time Incident free days to over two years in January 2025 and have been operating for over 790 days without an LTI as at 18 March 2025
- We have had one recordable incident in 2025 year to date relating to a minor injury to a contractor's hand

Gross average production (bopd)



Why we measure this

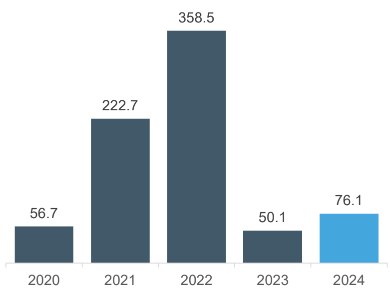
- Indicator of our revenue generation potential
- Measure of progress towards driving profitable production growth

Strategic priorities

Performance

- 86% annual increase reflecting a full year of local sales in 2024 following the impact of the suspension of exports in 2023
- Gross average production of c.46,400 bopd in 2025 year to 18 March, reflecting strong local sales demand

Adjusted EBITDA ($m)



Why we measure this

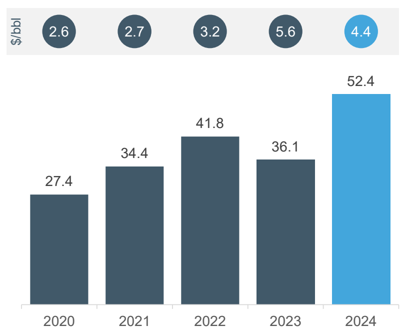
- Indicator of the Group's cash generation to fund expenditures and return capital to shareholders

Strategic priorities

Performance

- 52% increase relative to 2023, as higher production more than offset the decline in realised prices related to the transition from exports to discounted local sales

Operating costs ($m)



Why we measure this

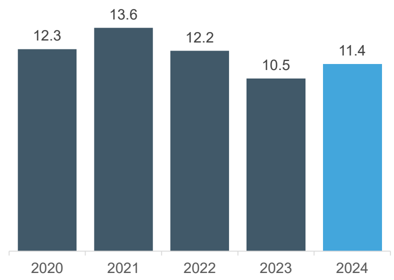
- Operating costs are carefully managed with a focus on remaining a low-cost operator

Strategic priorities

Performance

- 21% decrease in gross operating costs per barrel to $4.4/bbl
- Increase in operating costs to $52.4 million
- Both movements primarily reflect higher production but also the higher allocation of staff-related costs to operating expenditure due to the low levels of capital expenditure in the year

Other G&A expenses ($m)



Why we measure this

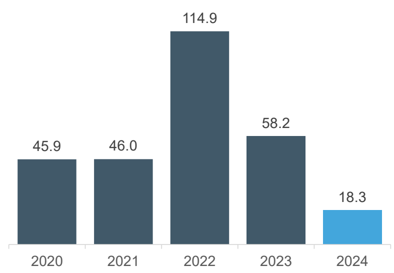
- A key metric for the Company is to control G&A expenses, including business, corporate and support costs

Strategic priorities

Performance

- 9% increase versus 2023, with the reinstatement of performance-based staff bonuses for 2024 and the payment of one-off retention awards partly offset by the absence of non-recurring corporate costs incurred in H1 2023.

Net capital expenditure ($m)



Why we measure this

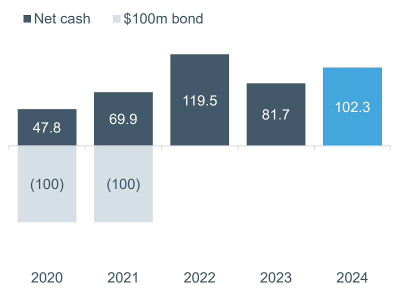
- Net capital expenditure includes the Company's net expenditure on oil asset investments
- Net capital expenditure is incurred with a focus on capital discipline and flexibility to drive profitable production growth and to meet the requirements of the Shaikan Production Sharing Contract

Strategic priorities

Performance

- Expenditure in the year of $18.3 million reflected the Company's disciplined work programme comprised of safety-critical upgrades at PF-1 and production optimisation expenditures
- 69% decrease versus 2023, reflecting the termination of expansion activity following the suspension of Kurdistan exports in March 2023

Net cash ($m)



Why we measure this

- Maintaining a robust balance sheet and prudent liquidity management provides the flexibility to fund our strategy of balancing investment in profitable growth and shareholder returns, while providing a cushion to manage through declines in oil price and risks associated with operating in Kurdistan.

Strategic priorities

Performance

- Increase versus 2023 driven by $65.4 million of free cash flow generation, offset by $45 million of dividends and share buybacks as the Company restarted shareholder distributions

Stakeholder engagement

Engagement with our stakeholders is critical to Gulf Keystone's success.

Statement by the Directors in performance of their statutory duties in accordance with section 172(1) of the Companies Act 2006

The Board of Directors of Gulf Keystone Petroleum Limited consider, both individually and together, that they have acted in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to its stakeholders and matters set out in s172 of the Companies Act 2006 ('section 172')) in the decisions taken during the year ended 31 December 2024.

In doing so, the Directors have taken account of the likely long-term consequences of the key strategic decisions made in the year (examples of which are provided below), the interests of Gulf Keystone's employees, the Company's business relationships with its host government, local sales market and suppliers and the impact of the Company's operations on its local communities and the environment.

The Directors have also acted with regard to the desirability of Gulf Keystone maintaining a reputation for high standards of business conduct and ethics, and the need to act fairly as between members of the Company.

When formulating the Company's strategy, the Directors consider the longer-term and broader consequences and implications of its business on key stakeholders and factors relating to climate change. The need to be a responsible energy company is embedded in Gulf Keystone's corporate purpose and is the focus of the Company's sustainability strategy. Further detail is available in the Company's Sustainability report on pages 26 to 43 and TCFD report on pages 44 to 53.

As part of GKP's commitment to effective stakeholder engagement, and in accordance with section 172, the Company sets out on pages 24 to 25 its key stakeholder groups and corresponding approach to engagement with them. GKP's stakeholder engagement strategies are tailored for each of these key audiences to continue a mutually beneficial dialogue with those who are invested in, or impacted by, the Company's operations.

Considering stakeholders in key 2024 strategic decisions

Set out below are three examples of Board decisions made during 2024 which illustrate how the Directors have fulfilled their duties.

Decision	Temporary shutdown of PF-1 and implementation of safety upgrades
Overview	▪ The principal element of the Company's work programme and budget in 2024, which was approved by the Board, was the implementation of critical safety upgrades and maintenance at PF-1 ▪ The works required the shutdown of PF-1 for around three weeks in November 2024
Stakeholder considerations	▪ **Investors:** The Board carefully considered the impact of the PF-1 shutdown on production and cash generation and suggested schedule optimisations to improve these. The Board also analysed the benefits of the safety upgrades for plant reliability ▪ **Workforce; suppliers and contractors:** The Board reviewed the Company's plans to mitigate the incremental safety risks to staff and contractors from the period of increased activity during the plant shutdown, with the works taking almost 100,000 working hours to complete; the Board also considered the long-term improvements to safety and reliability from the upgrades

Decision	Increase in local community investment budget
Overview	▪ The Company entered 2024 with a significantly reduced budget for local community projects relative to prior years given the continued focus on cost reductions following the suspension of exports in 2023 ▪ Given the development and strengthening of the local sales market, the Board decided in June 2024 to more than double the budget from $100,000 to $219,200
Stakeholder considerations	▪ **Local communities:** The Board considered the impact of an increase in budget on local communities in the Shaikan Field and reviewed the specific projects earmarked for the funds

Decision	Restart of shareholder distributions
Overview	▪ Following the decision to suspend the Company's ordinary dividend policy in 2023 due to the suspension of Kurdistan exports, the Board approved the launch of a $10 million share buyback in May 2024, reflecting robust local market demand and the Company's improving liquidity ▪ The programme was supplemented later in the year with two dividend payments to shareholders, totalling $35 million, and the launch of a second share buyback programme of up to $10 million in October 2024 ▪ To provide investors and other stakeholders with greater visibility on the timing and quantum of shareholder returns in a local sales environment, the Board approved the communication of an updated approach to shareholder distributions, underpinned by semi-annual dividend reviews and the consideration of share buybacks on an opportunistic basis
Stakeholder considerations	▪ **Investors:** The Board considered the expectations of the Company's shareholders regarding the predictability and quantum of shareholder returns and their preferences for dividends versus share buybacks ▪ **Host government; workforce:** The Board considered the views of the MNR and the Company's workforce in its analysis of whether the capital returned was in excess to the investment and liquidity needs of the Company ▪ **Suppliers and contractors:** The Board approved the launch of the May 2024 share buyback programme after all outstanding overdue invoices to suppliers had been settled

Key stakeholder groups

Investors		
Key engagement topics	**How we engaged in 2024**	**Why we engage**
▪ Geopolitical and economic environment ▪ Timeline for exports restart ▪ Local sales market ▪ Operational and financial performance ▪ Balance sheet and liquidity ▪ Capital allocation ▪ Financing strategy ▪ Risk management ▪ Shareholder distributions ▪ Sustainability strategy and addressing climate-related risks and opportunities	▪ Active and ongoing investor relations programme engaging with shareholders, prospective equity and debt investors and sell-side analysts ▪ Clear and timely investor communications ▪ Virtual AGM held with open invitation to all shareholders with the ability to submit questions electronically ▪ Engagement with shareholders prior to AGM to encourage voting turnout	▪ Maintain flexibility to access equity and debt funding ▪ Our investors have valid views on strategic, financial and operational decision making which we must take into account

Host government		
Key engagement topics	**How we engaged in 2024**	**Why we engage**
▪ Crude oil sales marketing, payments and pricing ▪ Commercial arrangements ▪ Shaikan Field performance ▪ Shaikan Field Development Plan ▪ Health and safety ▪ Community investment strategy and plans ▪ Environmental matters	▪ Regular meetings and correspondence with senior KRG and MNR officials ▪ Engagement regarding pipeline exports and a restart solution ▪ Engagement regarding participation in the local sales market, including buyer selection and related due diligence; contracting and commercial terms, and approvals for transporting crude via truck ▪ Engagement regarding delays to payments and overdue invoices ▪ Generated revenues from the Shaikan Field for the government, comprising production entitlements, royalties and capacity building payments	▪ We work closely with our host government, the KRG, to ensure alignment on: developing and producing resources for the benefit of all stakeholders; business and operational strategy; commercial terms regarding the sale of Shaikan crude oil; and our licence to operate under the Shaikan PSC ▪ The KRG is responsible for managing Kurdistan's oil and gas industry, including marketing and exporting all crude from the Shaikan Field and regulating the market for local sales, including the approval of buyers and transportation of crude within Kurdistan

Local communities		
Key engagement topics	**How we engaged in 2024**	**Why we engage**
▪ Health, safety and security ▪ Local employment ▪ Development of local staff and contractors ▪ Major incident prevention ▪ Local community projects ▪ Protection of the environment	▪ Active and ongoing engagement with local communities ▪ Support and funding for local community initiatives ▪ Proactive staff localisation policy ▪ Proactive use of local suppliers and service companies	▪ The support of local communities is essential for the mutually beneficial development and operation of the Shaikan Field ▪ GKP is an important employer in the local communities

Workforce		
Key engagement topics	**How we engaged in 2024**	**Why we engage**
▪ Health, safety and security ▪ Gulf Keystone's purpose, values and culture ▪ Gulf Keystone's Code of Business Conduct ▪ Company strategy and operational progress ▪ Geopolitical, security and economic environment ▪ Learning and development	▪ Regular digital and in-person engagement, including through monthly town hall meetings, employee surveys and the Company's intranet ▪ Regular health and safety briefings across the Company ▪ Ongoing initiatives to support mental and physical wellbeing ▪ Engagement regarding policies and procedures, including Code of	▪ The health and safety, understanding of the business, key performance goals and their role in the delivery, development, diversity and retention of GKP's workforce is essential to the Company's success and execution of its strategy

▪ Diversity and inclusion ▪ Remuneration and benefits ▪ Sustainability and climate-related risks and opportunities	Business Conduct training and compliance, security and cybersecurity ▪ Engagement and initiatives to improve diversity and inclusion ▪ Learning and development programmes ▪ Initiatives to deepen workforce understanding of and involvement in sustainability strategy and addressing climate-related risks and opportunities, including the establishment of GKP's Sustainability Academy	

Joint venture partner		
Key engagement topics	**How we engaged in 2024**	**Why we engage**
▪ Health, safety and security ▪ Local community engagement ▪ Long-term asset strategy ▪ Shaikan Field performance ▪ Shaikan Field development ▪ Work programme and budget ▪ Commercial arrangements ▪ Crude oil sales payments ▪ Sustainability strategy and addressing climate-related risks and opportunities	▪ Regular multi-disciplinary meetings and dialogue ▪ Approval of work programmes and budgets	▪ Partner alignment is critical for the development and operation of the Shaikan Field

Suppliers and contractors		
Key engagement topics	**How we engaged in 2024**	**Why we engage**
▪ Health, safety and security ▪ Fair and transparent contracting processes ▪ Long-term partnerships ▪ Collaborative approach ▪ Fair payment terms ▪ Local community involvement ▪ Consistency of application of business ethics practices	▪ Regular engagement on health, safety and security to ensure compliance with GKP policies and procedures ▪ Rigorous contracting processes strictly in accordance with the MNR set tendering processes for all suppliers, resulting in broad participation ▪ Regular communication with all suppliers and the MNR Tender Committee ▪ Settling of all overdue invoices outstanding following the suspension of Kurdistan exports in March 2023	▪ The support and performance of suppliers and contractors enables the Company to deliver against its strategy

Environment		
Key engagement topics	**How we engaged in 2024**	**Why we engage**
▪ Operational emissions and addressing climate-related opportunities and risks ▪ Protection of air quality to conform to Kurdish standards ▪ Facility impact, water and waste management	▪ Explored options to optimise the scope and cost of the Gas Management Plan, which has remained on hold to date due to the operating environment ▪ Assessed and prioritised a list of other decarbonisation projects, with our focus in 2025 progressing to potential sanction a project to eliminate methane venting from our production facility storage tanks ▪ Installed a new air quality monitoring system in the Shaikan Field	▪ In order to maintain our licence to operate, we are focused on emissions reduction, addressing climate-related risks and opportunities, and minimising our impact on the environment, while ensuring our disclosures are fully compliant with the TCFD recommendations ▪ The Company's impact on the environment continues to be a key consideration

Sustainability report

CEO's introduction

As a responsible energy company, we are focused on improving the sustainability of our business and operations. Our sustainability strategy, summarised on the next page of this report, prioritises safety, emissions, the local environment, our people, economic and social value, and strong governance and ethical behaviour. Sustainability is an important consideration for the Board, who have direct oversight of the Company's strategy and who regularly review our Sustainability and Climate Risk Register. Safety and sustainability related objectives are embedded into management and staff remuneration at all levels.

Our priority, above all others, is keeping our staff and contractors safe. In this respect, we were delighted in 2024 to avoid any Lost Time or Recordable incidents, well below the relevant Kurdistan and international peer benchmarks. This performance was achieved during a year of 24/7 truck loading operations and a three-week shut-in of PF-1, which involved close to 100,000 working hours of activity. We were pleased to further extend our record of Lost Time Incident free days to over two years in January 2025 and have been currently operating without an LTI for over 790 days, as at 18 March 2025.

Our operations and investment continued to generate economic value for Kurdistan in the year. With the development of the local market and return to consistently strong production levels, albeit at significantly discounted prices, we generated around c.$175 million in revenues for the KRG from the Shaikan Field in 2024, bringing cumulative revenue generation for the KRG to over $1.5 billion in the past six years. We also maintained high levels of local employment and spending with local suppliers, with 86% of our workforce in Kurdistan consisting of local Kurds and over 40% of our purchasing and contracting in the year with local suppliers. We are embedding an even greater focus on local talent in 2025 as we seek to develop the Company's future leaders from our local workforce.

As we continue to engage with government stakeholders regarding a pipeline exports restart solution, we are hopeful of returning to a stable commercial and payments environment. An attractive environment for international investment could unlock billions of dollars of additional revenue for Kurdistan and Iraq through the return of Kurdish crude to the international market and the potential restart of field development and production growth across the industry. As at the end of 2024, we had spent over $3 billion in Kurdistan with our partners on the exploration, development and production of crude oil, $2 billion of which had been invested in the Shaikan Field. With an estimated 2P reserves life of around 30 years, based on 2024 production, we have significant running room for growth in the asset which could be unlocked with the right investment framework in place.

Economic value generation in 2024 was supplemented by an increase in our support for local communities in the Shaikan area, which had been impacted in 2023 by the suspension of exports and our need to reduce expenditures. We remained focused on funding and developing strategic, impactful projects to benefit local agriculture, education and infrastructure, building on our long track record of support for the over 30 villages who reside in close proximity to our operations. In 2025, we are targeting a further increase in our budget, with some exciting projects planned.

As an International Oil Company, our emissions and environmental footprint are critical considerations for our sustainability strategy. The suspension of exports has unfortunately slowed us down on our path to emissions reduction as we were forced in 2023 to pause progress towards a Gas Management Plan, which would have enabled the elimination of almost all routine flaring upon commissioning. At the time, we were in the final stages of a commercial tender and were close to securing external financing for the project prior to sanction. With a restart of exports and establishment of a stable commercial and payments environment, we plan to review the project. In the meantime, continuing strong local sales are enabling us to restart a project to implement tank blanketing at our production facilities, targeting the elimination of methane venting.

Finally, we continued to reinforce a strong focus on ethical conduct and compliance in 2024. We were pleased to see 100% of our employees and contractors, including all Board Directors, complete their Code of Business Conduct training as part of an annual mandatory refresher and we remain focused on maintaining high ethical standards at all levels of the organisation in 2025.

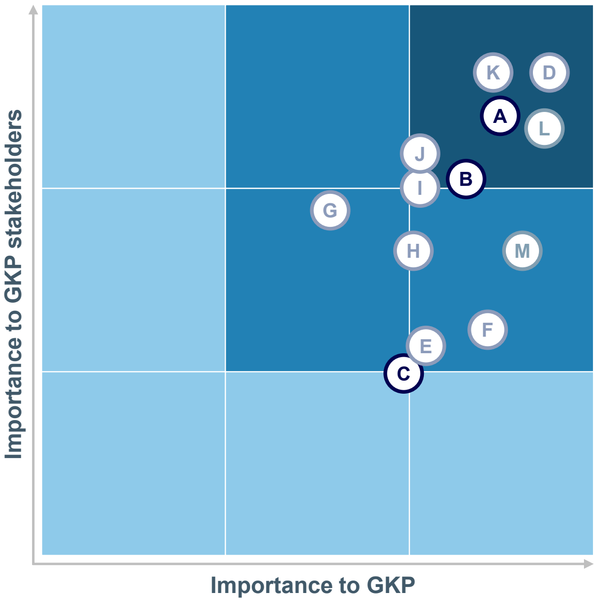
Jon Harris
Chief Executive Officer
19 March 2025

Our sustainability strategy:

Environment	Social	Governance
Strategic priorities ▪ Address climate-related risks and opportunities ▪ Protect air quality and the local environment	**Strategic priorities** ▪ Workforce health and safety ▪ Recruit, nurture, develop and retain talent ▪ Enhance diversity and inclusion ▪ Support our local communities ▪ Generate economic value for Kurdistan	**Strategic priorities** ▪ Robust corporate governance and compliance ▪ High standards of business ethics
Material factors ▪ GHG and other emissions ▪ Air quality ▪ Facility impact management ▪ Water management and withdrawal ▪ Waste management ▪ Soil and land remediation	**Material factors** ▪ Health, safety and wellbeing ▪ Learning and development ▪ Diversity and inclusion ▪ Local employment ▪ Local supply chain purchasing and contracting ▪ Community engagement and investment ▪ Shaikan Field revenues generated for the KRG	**Material factors** ▪ Board oversight effectiveness ▪ Internal controls and policies efficiency and effectiveness ▪ Risk management ▪ Anti-bribery and corruption initiatives ▪ Code of Business Conduct compliance
Key current targets ▪ Minimise our impact on the environment	**Key current targets** ▪ Zero harm to staff, contractors and local communities	**Key current targets** ▪ Effective governance and compliance ▪ Annual workforce compliance with Code of Business Conduct
SDG(1) alignment 11 Sustainable cities and communities; 13 Climate action; 15 Life on land	**SDG(1) alignment** 4 Quality education; 5 Gender equality; 8 Decent work and economic growth	**SDG(1) alignment** 16 Peace, justice and strong institutions

(1) The UN's Sustainable Development Goals

Material ESG factors matrix



Environment	
A.	Climate change/gas flaring
B.	Environmental management
C.	Biodiversity
Social	
D.	Process safety
E.	Occupational health
F.	Employee training and development
G.	Diversity
H.	Human rights
I.	Community engagement
J.	Community investment
K.	Economic value generated
Governance	
L.	Business ethics and anti-corruption
M.	Effective governance

We have conducted a materiality assessment to identify the ESG risk factors that are most relevant to Gulf Keystone and its stakeholders. The process involved identifying relevant risk factors for the Company based on Gulf Keystone's operations and with reference to the Sustainability Accounting Standards Board's risk matrix and risk factors reported by relevant peer companies. This universe was refined and ranked based on the views of internal and external stakeholders, including the Company's shareholders, employees, local communities and host government, the Kurdistan Regional Government. The outcomes of this process and the key material ESG factors identified can be found in the "Material ESG factors matrix" on page 27.

We review the material factors and their importance on an annual basis and update the matrix if required. As part of the review in 2024, we asked our employees to rank the factors in terms of importance and extended the same survey to the mayors of two of our largest local communities. We continued to discuss climate-related opportunities and risks with our shareholders and host government, when appropriate.

Climate change/gas flaring, environmental management, process safety, community engagement and investment, economic value generated, and business ethics and corruption continue to be viewed by the Company and its stakeholders as the most important risk factors. Based on the feedback from our employees and local communities, we also increased the importance to the Company of occupational health, human rights, and community engagement and investment.

The material risk factors inform the ESG metrics that we disclose in this report. The metrics draw on recognised reporting standards and frameworks for sustainability information disclosure, including the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations, Streamlined Energy and Carbon Reporting ("SECR"), SASB, International Petroleum Industry Environmental Conservation Association ("IPIECA") and the GHG Protocol. Since 2022, our reporting of the Company's GHG emissions has been independently verified by a third-party organisation, according to the ISO 14064-3:2019 standard.

Environment

Our focus

We recognise the need to develop and produce from the Shaikan Field in a way that minimises our impact on the local environment and addresses climate-related risks and opportunities. In the near term, this means monitoring our emissions footprint, protecting air quality around our operations, managing the impact of our facilities on the local environment and maintaining compliance with TCFD recommendations for our reporting. In the longer term, our ambition remains to significantly reduce our scope 1 emissions intensity, primarily through implementing a Gas Management Plan ("GMP") to eliminate routine flaring. While our progress towards sanction of the GMP remains on hold, we plan to review the status of the project following the restart of exports and establishment of a stable commercial and payments environment. In the meantime, we are progressing other projects targeting incremental emissions reduction.

SDG[1] alignment	
	Sustainable cities and communities By monitoring and protecting local air quality and managing our water and waste, we are focused on minimising the impact of our activities on the communities that surround our operations (see page 33 for further detail).
	Climate action We retain our long-standing ambition to eliminate routine flaring and reduce the carbon intensity of our operations, primarily through a potential Gas Management Plan (see page 48 for further detail).
	Life on land Through our robust facilities impact management programme, we ensure that any land we operate on is carefully assessed via detailed environmental and social impact assessments to protect and preserve life on land (see page 33 for further detail).

(1) The UN's Sustainable Development Goals

Target
Minimise our impact on the environment.

Key performance highlights

Material factor	Indicator	Unit	2022[1]	2023[1]	**2024[1]**
GHG emissions[3]	Total scope 1 emissions	$ktCO_2e$	739	365	**647**
	Scope 1 emissions – Flaring	$ktCO_2e$	654	306	**560**
	Scope 1 emissions – Venting	$ktCO_2e$	21	10	**19**
	Scope 1 – Fugitive	$ktCO_2e$	5	4	**5**
	Scope 1 – Combustion of petrol and diesel	$ktCO_2e$	9	15	**12**
	Scope 1 – Combustion of fuel gas	$ktCO_2e$	50	31	**51**
	Total CH_4 emissions[2]	$ktCO_2e$	57	28	**32**
	Total scope 1 emissions intensity	$kgCO_2e$ per barrel	57.2	57.1	**54.5**
	Total scope 3 emissions	$ktCO_2e$	6,497	3,219	**5,949**
Other emissions[3]	Total SO_2 emissions	$ktSO_2$	87	41	**79**
Energy consumption[4]	Total energy consumption	kWh	1,688,110	1,514,197	**1,806,085**
	UK	kWh	50,366	50,052	**26,260**
	Kurdistan Region of Iraq	kWh	1,637,744	1,464,145	**1,779,824**
Water management[3]	Total water withdrawn	m^3	80,628	74,799	**51,131**
Waste management	Recycled solid non-hazardous waste	% of total waste	92	95	**97**
	Recycled solid hazardous waste	% of total waste	86	49	**23**
	Recycled liquid non-hazardous waste	% of total waste	100	100	**100**
	Recycled liquid hazardous waste[5]	% of total waste	100	100	**100**

References

(1) Scope 1 and 3 emissions for 2024 have been independently verified by UL Solutions, aligned with the ISO 14064-3:2019 standard with specification and guidance for the verification and validation of greenhouse gas statements. Previous years were verified by EcoAct.
(2) Methane emissions are also included in scope 1 – Flaring, Venting and Fugitive.
(3) All GHG emissions, other emissions, energy consumption and water management metrics based on GKP's 80% working interest in the Shaikan Production Sharing Contract.
(4) Calculated in line with Streamlined Energy and Carbon Reporting ("SECR").

Monitoring our emissions performance

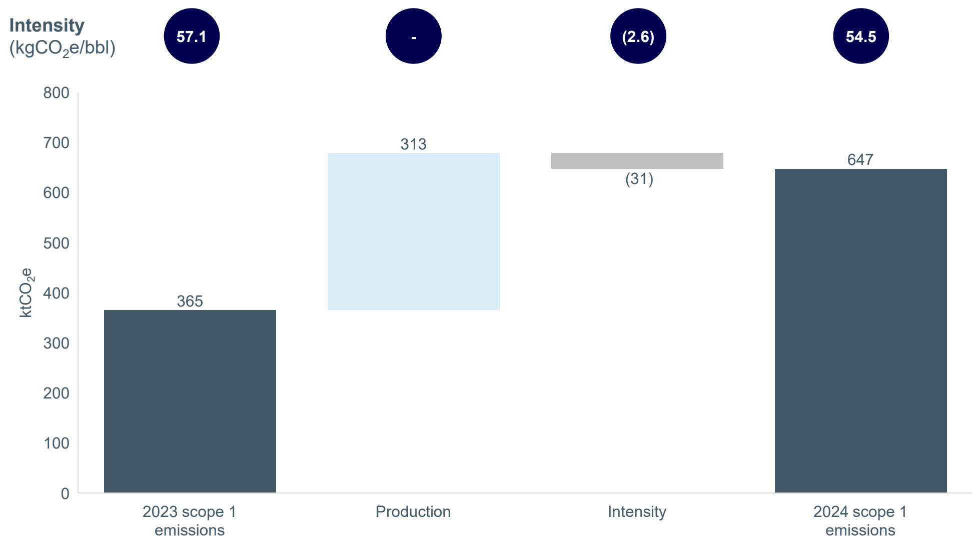
We monitor our emissions footprint and report scope 1 and scope 3 emissions on an annual basis using the equity share approach. Scope 2 emissions are not relevant as emissions from the Company's power generators are reported as part of scope 1. Since 2022, our reporting has been independently verified by a third-party organisation, according to the ISO 14064-3:2019 standard.

Scope 1 emissions

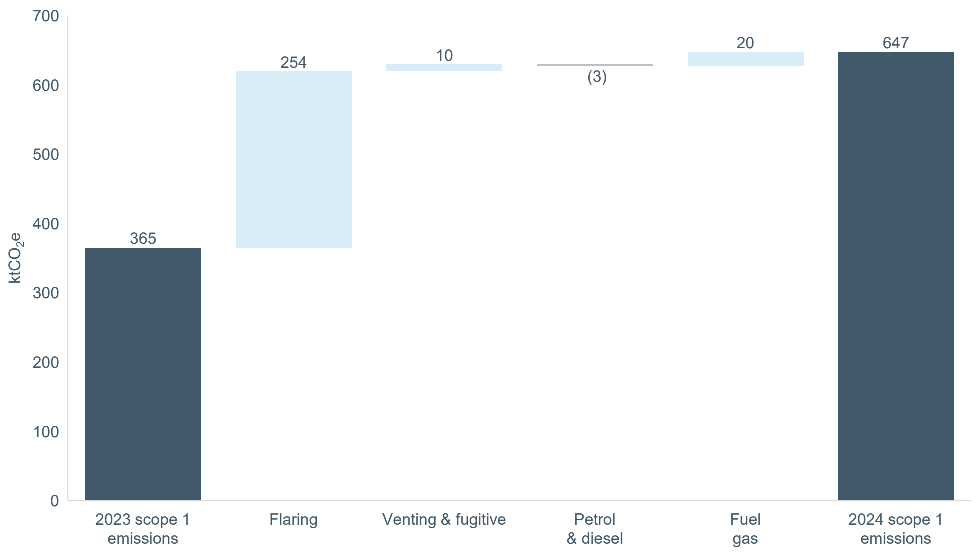
The Company's scope 1 emissions are primarily related to the flaring of associated gas that accompanies production. Higher production and/or increased production from wells with higher gas-oil ratios typically drives higher scope 1 emissions (and vice versa).

In 2024, scope 1 emissions were 647 ktCO_2e, an increase relative to the previous year (2023: 365 ktCO_2e). The movement was primarily driven by the 86% increase in production as we returned to a full year of sales to the local Kurdistan market following the suspension of exports in 2023 (see the 'Chief Executive Officer's review' on pages 6 to 7 for full details). Scope 1 emissions intensity reduced slightly to 54.5 kgCO_2e/bbl reflecting lower production from higher gas-oil ratio wells.

2024 vs 2023 change in scope 1 emissions by production and intensity



2024 vs 2023 change in scope 1 emissions by type



Scope 3 emissions

We commenced reporting of scope 3 emissions for 2022 to ensure full compliance with TCFD recommendations. Scope 3 emissions are indirect emissions that occur in our value chain.

As an energy company, categories 10 and 11 are the most material, as most oil and gas emissions are generated from the processing or use of sold products. Categories 13-15, related to downstream leased assets, franchises and financial investments, are not relevant to the Company and not reported. Total scope 3 emissions and categories 1-12 are outlined below.

2024 scope 3 emissions were 85% higher versus the prior year, primarily driven by the increase in production.

Scope 3 emissions, categories 1-12

Cat	Category	Note	2022 ($ktCO_2e$)	2023 ($ktCO_2e$)	**2024 ($ktCO_2e$)**
1	Purchased goods and services	Relevant, reported	1	0	**1**
2	Capital goods	Relevant, reported	30	24	**6**
3	Fuel and energy	Relevant, reported	9	8	**17**
4	Upstream transportation and distribution	Relevant, reported	2	1	**2**
5	Waste generated in operations	Relevant, reported	1	0	**0**
6	Business travel	Relevant, reported	3	2	**1**
7	Employee commuting	Relevant, reported	0	0	**0**
8	Upstream leased assets	Relevant, reported	1	1	**1**
9	Downstream transportation and distribution	Relevant, reported	86	30	**39**
10	Processing of sold products	Relevant, reported	751	372	**694**
11	Use of sold products	Relevant, reported	5,613	2,780	**5,186**
12	End-of-life treatment of sold products	Relevant, reported	0	0	**0**
	Total scope 3		6,497	3,219	**5,949**

Decarbonisation opportunities

It remains our ambition to reduce our scope 1 emissions intensity to increase the sustainability of our operations, address climate-related risks and opportunities and maintain our licence to operate in Kurdistan. Our primary opportunity to achieve this is by eliminating routine flaring, the principal contributor of our scope 1 emissions, through the implementation of a Gas Management Plan. We have also been developing a list of additional smaller decarbonisation opportunities focused on incremental emissions intensity reductions.

While the Gas Management Plan remains on hold for the time being following the suspension of Kurdistan exports in March 2023, we have restarted a project to implement tank blanketing at our production facilities, targeting the elimination of methane venting from our storage tanks.

Further information regarding the Gas Management Plan and our other decarbonisation opportunities can be found in the Strategy section of our TCFD report on pages 46 to 48.

Protecting air quality

We maintain a robust air quality monitoring programme to protect our local communities. We monitor air quality in a variety of ways, including stationary field monitoring, diffusion tubes, handheld Photo-ionisation Detectors ("PIDs") and gas surveys. Air quality data is reported to Kurdistan's Ministry of Natural Resources on a monthly basis to ensure ongoing compliance. In 2024, our annual average emissions of SO_2, NO_2, O_3 and H_2S measured by diffusion tubes were within Kurdish regulatory limits.

1. Stationary field monitoring

In 2024, the Company rolled out a new air quality monitoring system, the Oizom 'Polludrone', replacing its Scentinal SL-50 stations. The new system consists of five monitoring stations which have been installed in strategic locations in the Shaikan Field around PF-1, PF-2 and local villages close to the production facilities. The system provides real-time data regarding multiple ambient parameters, including PM_1, $PM_{2.5}$, PM_{10}, CO, CO_2, SO_2, NO_2, O_3 and H_2S, along with ambient noise, light, UV, temperature and humidity, enabling the Company to monitor air quality instantly and take proactive measures to safeguard public health.

Air quality monitoring station at local village close to PF-1

2. Diffusion tubes

We deploy diffusion tubes at PF-1, PF-2 and several villages located close to our production facilities. Tubes are deployed for around a month at a time and measure SO_2, NO_2, O_3, H_2S and VOC, as well as BTEX (Benzene, Toluene, Ethylbenzene and Xylene) at both production facilities.

3. Handheld Photo-ionisation Detector ("PID")

GKP uses handheld PIDs to monitor photo-ionisation which can detect more than 400 gaseous pollutants in the air. This enables us to put in place actions to identify, prioritise and target specific pollutants should they occur.

4. Gas surveys

From time to time we conduct gas surveys of the Shaikan Field to identify any natural gas seeps at surface level and provide insights into the underlying geology. Past surveys have been conducted using hydrogen sulphide (H_2S), methane (CH_4) and sulphur dioxide (SO_2) detectors deployed from a vehicle, together with sensors deployed from a drone to cover inaccessible areas. More recently we have used satellite monitoring, which also provides valuable data on biodiversity, land use, hydrology and topography.

Minimising our impact on the local environment

Facility impact management

We undertake detailed facility impact management studies prior to commencing any site work. Before facilities or access roads are built, flowlines installed or wells drilled, GKP conducts a thorough environmental and social impact assessment (“ESIA”) as part of our project design phase. No ESIAs were conducted in 2024 given the Company’s limited capital programme.

Specific measures to minimise the impact of Gulf Keystone facilities on the environment include:

- effective site selection: including safe location of well pads, clear access roads and flowlines as far as possible away from environmentally sensitive targets, such as human habitations and places of ecological and cultural significance. GKP maximises the use of existing field infrastructure and conducts detailed studies for site selection;
- adequate waste management: with a strong focus on waste reduction, reuse and recycling;
- implementing civil engineering designs that prevent or minimise any impacts on natural hydrology, drainage systems and erosion patterns; maximising the use and reuse of local fill material from the area of land disturbance; ensuring potentially hazardous materials are contained on site (including drainage systems that capture contaminated run-off from accidental spills and leaks) and enhancing future site restoration plans;
- efficient equipment specification, maintenance and operational control: to prioritise equipment that is fuel efficient, well maintained, and controlling operations to mitigate environmental impacts;
- clear operational management control: to ensure the right documentation is in place to deliver operational activity in line with a given project’s environment, social and safety objectives; ensuring the requirements of GKP’s health and safety and environmental management systems are met; and ensuring the recommendations of the development environmental management plan are adhered to; and
- preparedness for unplanned events: to embed effective emergency response and contingency plans, that are resourced and rehearsed to mitigate any unforeseen events that could have a significant environmental or social impact.

Soil remediation

We aim to avoid any instances of contaminated soil, surface water and groundwater resulting from our operations, in particular drilling, to prevent any risks to public health and safety or our impact on the environment. As part of our standard procedure, all waste drilling cuttings and fluids are managed in line with Kurdistan legislation and international standards. We also ensure that any pits that are excavated next to well pads to hold drilling fluid are remediated after any drilling operations are completed.

Waste management

Gulf Keystone maintains high standards of waste management in the Shaikan Field and our offices. We sort our waste into four categories:

- liquid hazardous waste: includes waste crude oil, contaminated water and drilling fluids;
- liquid non-hazardous waste: includes uncontaminated water and cooking oil;
- solid hazardous waste: includes drilling cuttings, metal containers, chemicals and medical waste; and
- solid non-hazardous waste: includes food waste, packaging, glass and metals.

All waste generated at GKP operational sites is transported to a centralised Waste Management Area, where it is separated by our Waste Management Team. Waste that can be recycled or reused is then transported to specialist recycling companies. All our waste management suppliers are approved by the Ministry of Natural Resources.

97% of our solid non-hazardous waste was recycled in 2024. 23% of our solid hazardous waste was recycled, with the decrease in recycling rate versus 2023 reflecting the lack of any drilling activity and associated cuttings, which have a high recycling rate. 100% of our liquid hazardous and non-hazardous waste was recycled in 2024.

Water management

With our operations situated in a region that is prone to drought, having a strong water and wastewater management process in place is a key consideration – not only for our own business but for our land and local communities. The majority of our water use, measured as water withdrawn, is associated with our drilling activities. The remainder primarily reflects drinking water, hygiene and food preparation uses at our production facilities. 2024 water withdrawn decreased by 32% year-on-year to 51,131m^3, primarily reflecting the lack of drilling activity in the year.

Wastewater management

Our sewage wastewater is continuously treated in sewage treatment units, with samples taken from the inlet and outlet streams to ensure the units are operating efficiently and that the quality of the effluent meets WHO guidelines.

Any wastewater from drilling activities with oil traces is collected and transported via vacuum trucks to an MNR-approved refinery that specialises in recycling oil and lubricants of different grades from waste containing oil and/or hydrocarbons.

Social

Our focus

Our contribution to Kurdistan's social and economic development is critical to our licence to operate and our long-term future success. Throughout our corporate history, we have been committed to creating significant local economic value by employing local people, supporting local suppliers and generating revenues for our host government from the Shaikan Field. We regularly engage with and invest in our local communities, as we continue to strengthen the relationships we have built over 17 years working in Kurdistan. We also continue to focus on making GKP a great place to work, embedding a culture underpinned by our corporate values.

SDG alignment[1]	
4 QUALITY EDUCATION	**Quality education** We are committed to developing the technical skills of our people, many of whom are local Kurds (see page 37). Projects focused on education and skills development are also a key focus of our local community engagement programme (see page 40 for further detail).
5 GENDER EQUALITY	**Gender equality** We are focused on increasing the number of women who work for GKP and empowering female leaders through our Global Women's Network (see page 38 for further detail).
8 DECENT WORK AND ECONOMIC GROWTH	**Decent work and economic growth** We promote a safe and secure working environment for all employees and contractors. We also have a track record of generating economic value for Kurdistan, creating local jobs and developing our people, supporting regional suppliers and generating revenues for the region through production from the Shaikan Field (see page 39 for further detail).

(1) The UN's Sustainable Development Goals

Target
Zero harm to staff, contractors and local communities

Key performance highlights

Material factor	Metric	Unit	2022	2023	2024
Health, safety and wellbeing	Total Recordable Incident Rate ("TRIR")	Incidents per million man-hours	0.45	1.09	**0**
	Lost Time Incident Rate ("LTIR")	Incidents per million man-hours	0	0.54	**0**
Gender diversity	Proportion of female staff in workforce (as at 31 December)	%	14	16	**15**
	Proportion of female staff in Kurdistan (as at 31 December)	%	12	14	**13**
	Proportion of female staff in UK (as at 31 December)	%	38	37	**39**
Generating economic value in Kurdistan	Proportion of local staff in workforce (as at 31 December)	%	74	86	**86**
	Local supplier purchasing and contracting (80% WI)[1]	$m	64	30	**25**
	Proportion of total purchasing and contracting with local suppliers[1]	%	35	36	**42**
	Payments to host government[2] (80% WI)	$m	515	143	**175**
Local community projects	Total value of contributions to local communities (80% WI)	$	833,500	7,500	**219,200**

References

(1) Purchasing and contracting data prior to 2023 reflects amounts contracted but not necessarily spent in the year with local suppliers, used as a proxy for actual expenditure. 2023 and 2024 purchasing and contracting figures reflect actual expenditures in the year.

(2) See the Report on Payments to Governments for 2024 on page 162 for full disclosure.

Health, safety and wellbeing

The health, safety and wellbeing of our workforce and local communities is a priority. Safety is one of GKP's six core values and integrated across all organisational levels and operational activities. We believe that no job is so urgent or important that it cannot be done safely, which is why we are committed to zero harm across all our business activities.

Health, safety, environment and quality governance

Health, safety, environment and quality ("HSEQ") governance is a core responsibility for our executive team. Led by our Chief Executive Officer ("CEO"), the Board oversees our HSEQ strategy and receives regular updates on our performance via the Safety and Sustainability Committee. The Executive Committee addresses health and safety via ongoing operational meetings which include senior management meetings.

Our Chief Operating Officer ("COO") holds weekly health, safety and sustainability meetings with GKP's Head of Safety and Sustainability to ensure that our HSEQ Action Plan, HSEQ-related metrics and daily actions are appropriately addressed. This includes upholding the principles and expectations outlined in Gulf Keystone's Health, Safety, Security, Environment and Community Policy and our Code of Business Conduct.

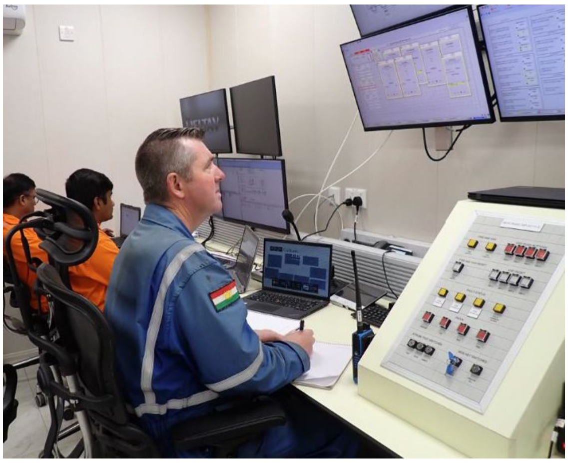
Our 2024 HSEQ Plan

Our annual HSEQ Plan outlines GKP's roadmap for improving HSEQ performance and measuring HSEQ metrics throughout the year. The annual HSEQ Plan is put forward by our COO to the Executive Committee at the start of the year for approval and is endorsed by the Safety and Sustainability Committee before being rolled out. As at 31 December 2024, the Plan was 100% complete.

Central to the 2024 HSEQ Plan was process safety as we carried out an in-depth review of our production facility safety protocols and identified and executed improvement measures. The focus of this work was the implementation of safety-critical upgrades at PF-1 which took place in November 2024 requiring the full shutdown of the plant for around three weeks. During that time, a new Integrated Control and Safety System ("ICSS") was installed while drums associated with the flare and amine system were replaced to handle higher pressures. Almost 100,000 working hours were completed, with GKP teams working 24 hours a day in shifts to complete the work. A similar programme of safety upgrades is scheduled to take place in Q4 2025 at PF-2.

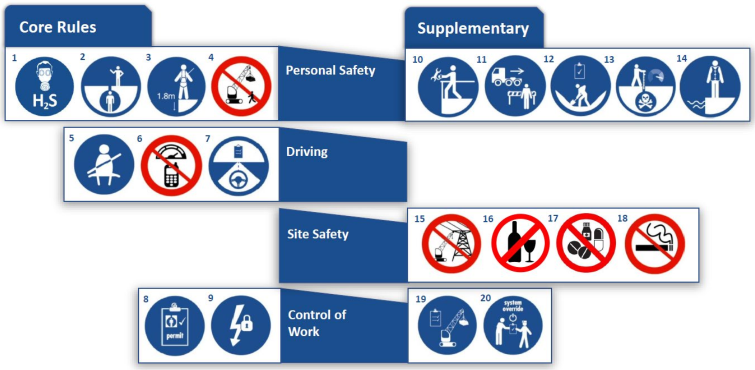
New flare knock-out drums at PF-1

New ICSS system at PF-1



GKP Life Saving Rules

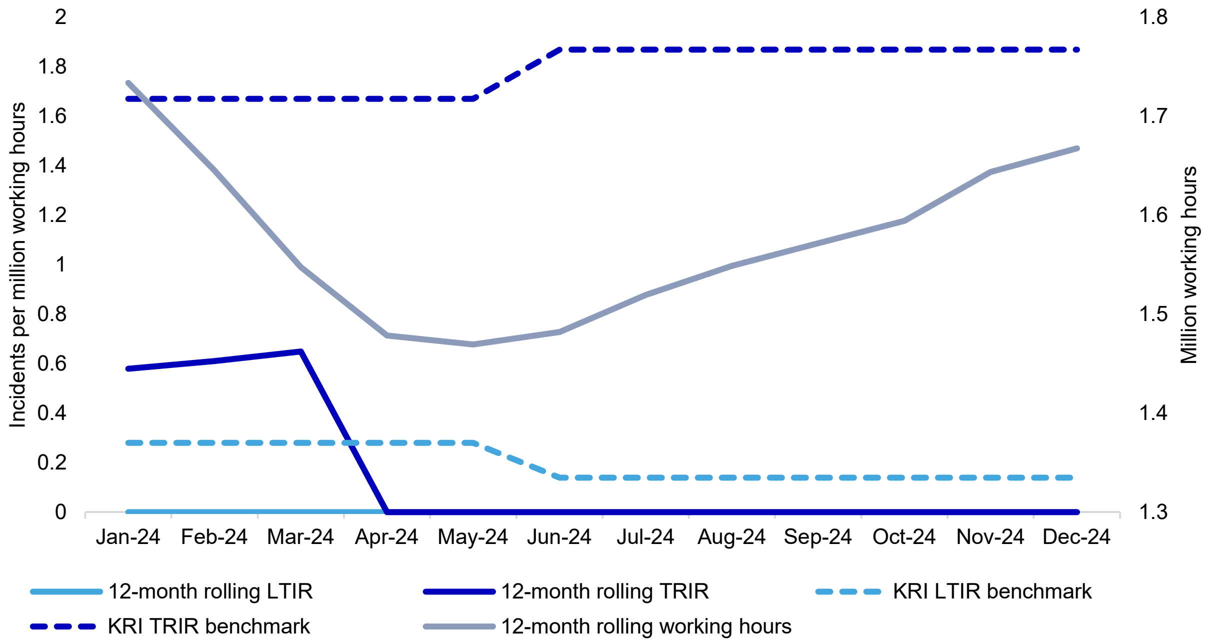
Embedded into our approach to safety are Gulf Keystone's Life Saving Rules. These are based on the International Association of Oil & Gas Producers' Life Saving Rules and provide all our people and contractors with practical life-saving guidance required in the field. The nine Core Rules and 11 Supplementary Rules are regularly discussed and reinforced at safety briefings, highlighted in various places around our facilities and are reviewed on an ongoing basis to ensure they remain front-of-mind for all our staff.



2024 health and safety performance

Zero Lost Time and Recordable incidents were recorded in 2024, despite the PF-1 shutdown and 24-7 trucking operations at both production facilities. We were delighted to extend this to a two-year milestone on 13 January 2025, while more than 790 LTI-free days have been recorded as at 18 March 2025.

2024 rolling LTIR and TRIR – GKP vs KRI benchmark



Emergency response planning

We have long-standing tiered emergency response plans in place on our sites, which are regularly tested through a combination of drills and response exercises covering different operational and security-related scenarios. In 2024, two emergency exercises with different scenarios were conducted involving the Shaikan Field, Erbil and London offices.

Our people

Our team of over 400 staff and contractors in Kurdistan and the UK are the lifeblood of our organisation. To support them, we are focused on fostering a safe, diverse and inclusive working environment that enables our people to thrive and develop their careers. We are also deeply committed to enhancing employment opportunities for local people in Kurdistan and we place a strong emphasis on hiring directly from our local communities in the Shaikan Field.

Our purpose and values

As a purpose-driven business, GKP exists to develop natural resources for the benefit of all stakeholders by delivering social and economic benefits by working safely and sustainably with integrity and respect.

Our culture is underpinned by six core values which provide the building blocks for how we operate and get things done as a team.
It is by embodying these values that we can deliver our purpose and meet our strategic objectives.

To ensure we live these values every day, we hold regular meetings, briefing sessions and town hall sessions, as well as carrying out regular employee surveys, to give our people the opportunity to share their views, listen to our progress and understand our shared direction.

GKP's values

Safety	Safety comes first. No job is so urgent or important that it cannot be done safely.
Social responsibility	We are committed to meeting high standards of corporate citizenship by protecting the wellbeing of our employees, by safeguarding the environment and by creating a long-standing, positive impact on the communities where we do business.
Trust through open communication	We understand the importance of listening and open communication with employees, our business partners, stakeholders and shareholders – our success depends on everyone. We encourage an environment of open and continuous communication and build our relationships on trust.
Innovation and excellence	We are committed to a high-performance culture and to ensure sustained long-term value for not only our external stakeholders but also our employees through learning, mentoring and career development.
Integrity and respect	Doing the right thing. We are always guided by the highest standards of ethical conduct, integrity and fairness. Respect is: ensuring diversity and equal opportunities in the business with our partners, stakeholders and contractors, and seeking to conduct our business openly and to mutual benefit of all.
Teamwork	Positive and constructive collaboration and relationships between all employees is vital to deliver outstanding performance in everything we do.

2024 in review and the year ahead

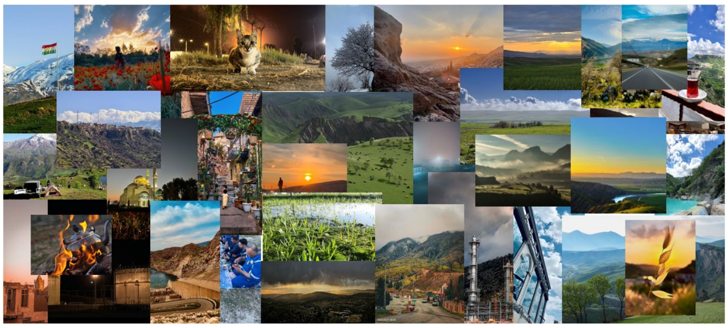
Following a challenging year in 2023, the Company's focus in 2024 was balancing a continued commitment to cost control with the retention and development of staff while further embedding a culture focused on employee engagement, wellbeing, diversity and ethical business conduct. Our objectives were supported by the return to cash flow generation from consistent local demand for Shaikan Field crude.

Employee engagement

We hold monthly town hall meetings providing updates to staff in London, Erbil and the Shaikan Field in English and Kurdish. We encourage feedback through an anonymous Q&A function and by conducting broader employee surveys on sentiment and specific topics, such as mental health and stress. We also publish news and drive engagement through an internal intranet system.

Case study: GKP Photographer of the Year competition

In 2024 we launched a photography competition focused on showcasing the talent and creativity of our staff. Over 100 photos were submitted of our operations and Kurdistan, with an employee vote held at the November 2024 town hall to pick three winners from a shortlist of 33 photos.



Retention and development

In 2024 we reintroduced talent reviews and development plans for our staff and later in the year, we restarted training initiatives that had been previously paused in response to the suspension of exports, including our Management Development, Coaching & Mentoring and Business English programmes aimed at developing our senior leaders, managers and supervisors, in particular those among our local Kurdish staff.

Diversity and inclusion

We seek to create a strong culture in which the principles of diversity and inclusion are promoted across the business. As detailed in our Diversity and Equal Opportunities Policy, we treat all people fairly, equally and without prejudice irrespective of their gender, sex, age, race, disability, sexual orientation or any other attributes.

We work hard to build an inclusive culture that creates a strong sense of belonging and purpose. We believe our individual differences and unique cultural perspectives add value to our expertise and enable us to find innovative solutions to solve challenges. As at 31 December 2024, our workforce was comprised of 23 different nationalities.

We also recognise that we operate in an industry with low rates of female participation. As a result, we make a concerted effort to attract and retain female talent, improve the balance of our workforce and to create opportunities for the development and promotion of women into senior leadership roles. GKP’s Global Women’s Network focuses on driving professional development and advocacy for women across the organisation. In 2024, the proportion of women in our workforce was 15%, broadly flat relative to the prior year.

GKP's economic and social contribution to Kurdistan

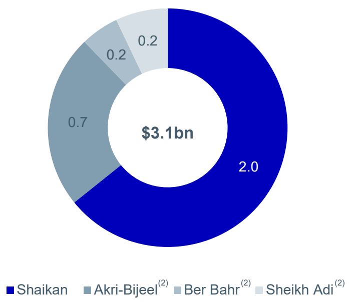
Since our entry into Kurdistan in 2007, GKP has created significant economic value for the region. To date, the Company has invested with its partners over $3 billion gross in the exploration, development and production of crude oil, $2 billion of which has been spent in the Shaikan Field and $1.1 billion across three other licences which have since been relinquished. GKP and other International Oil Companies ("IOCs") have funded all at-risk capital to develop the region's industry, which has been enabled by the mutually beneficial risk and reward structure of our Production Sharing Contract.

Over the past five years, 43% on average of our purchasing and contracting has been with local companies. We are also committed to the employment of local people, who in the past two years have accounted for 86% of our total workforce.

GKP's investment, as well as the size of the Shaikan Field and its track record of profitable production growth, has made the Company a key participant in the rapid development of the Kurdistan oil industry. The Shaikan Field alone has generated over $1.5 billion of revenues for the Kurdistan Regional Government in the last six years.

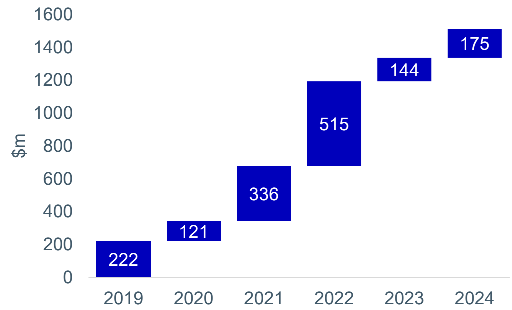
Looking ahead, there is significant potential economic value to be unlocked for both Kurdistan and Iraq through the restart of exports and the establishment of a constructive investment environment for IOCs and investors. The Shaikan Field, which has historically accounted for around 10% of Kurdistan's total production, has an estimated 2P reserves life of 30 years based on 2024 production, indicating the opportunity for significant growth and value creation for Kurdistan and Iraq's economy.

Cumulative gross investment in Kurdistan oil licences since 2007 ($bn)[1]



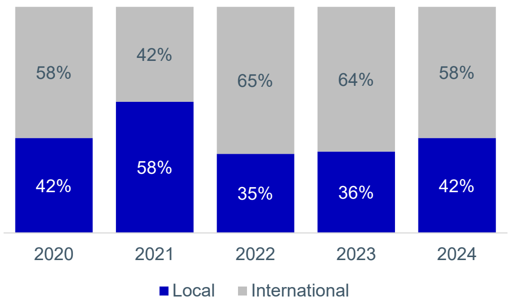
(1) Cumulative costs incurred by GKP and partners as at 31 December 2024.
(2) Licences since relinquished.

Cumulative Shaikan Field revenues for KRG (2020-2024)[3]

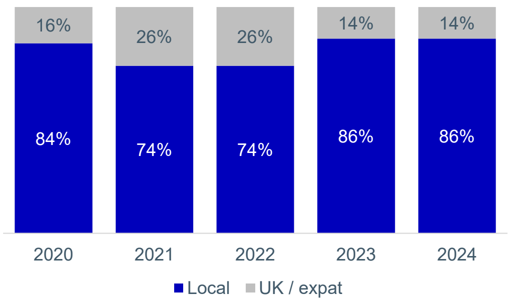


(3) Based on 'Payments to host government' data.

Proportion of GKP purchasing and contracting with local suppliers (2020-2024)[4]



GKP workforce local staff (2020-2024)

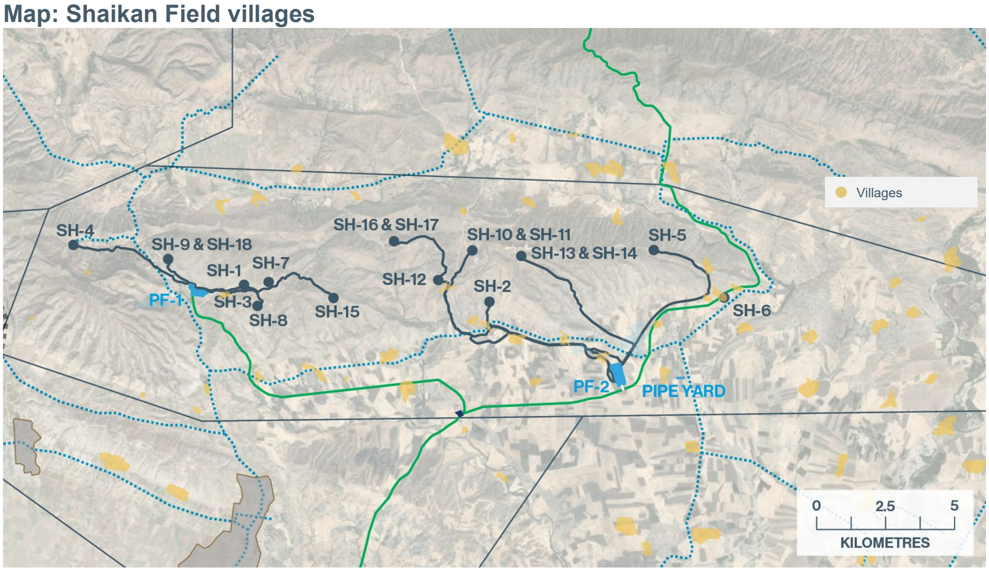


(4) Purchasing and contracting data prior to 2023 reflects amounts contracted but not necessarily spent in the year with local suppliers, used as a proxy for actual expenditure. 2023 and 2024 purchasing and contracting figures reflect actual expenditures in the year.

Local community engagement

Our relationships with local communities are critical to our licence to operate. There are over 30 villages in the Shaikan area close to our operations; by listening and responding to their needs and by supporting valuable community initiatives, we have been able to make a lasting impact.

Map: Shaikan Field villages



We work in close collaboration with our local communities to identify programmes that promote economic growth, social development and shared prosperity. Our community focus is split into three core areas. Firstly, we support regional agriculture – the second largest sector of Kurdistan's economy after oil and gas. Secondly, we support local education and enterprise projects. And thirdly, we support Good Neighbour projects that provide vital community infrastructure, such as power and water, and protect public health and safety.

GKP's total 2024 investment in community projects amounted to c.$219,200, with the increase from the original planned 2024 budget of $100,000 enabled by the strength of local sales in the year. In 2025, we are planning to further increase our CSR budget to $468,000, with a number of critical projects planned. A summary of our 2024 and 2025 contributions is provided below.

Local farmer support (Agriculture)

We support local farmers with the tools and infrastructure they need to take care of their livestock. A vital initiative has been the provision of dip pools for sheep and goats, which enable farmers to eliminate external parasites. Pools constructed previously in 2019 and 2020 helped prevent outbreaks of haemorrhagic fever in 2023. In 2024, we funded and built an additional pool.

Over the last few years, we have also provided local farmers with thousands of olive trees to provide a productive method of sequestration for the area. As well as providing year-round greenery, the olives can be converted into olive oil via an extractor donated by GKP in 2021. In 2024, we donated an additional 2,000 olive trees to two villages. In 2025, we are planning to fund a new bottling machine for the olive oil extractor to improve productivity.

Literacy, language and sewing courses (Education)

In 2024, we funded and organised Kurdish literacy and English language courses for several villages in the Shaikan Block. Over 100 local villagers attended the courses in aggregate and we are planning to run additional sessions in 2025.

We also organised advanced sewing courses in 2024, attracting over 60 attendees. Participants were provided with their own sewing machines and received teaching on digital marketing to enable them to sell their clothing. We have plans to extend the programme to 2025.

Road safety measures (Good Neighbour)

With the continuation of local sales via trucking in 2024, we funded additional safety measures across the Shaikan Block, including speed bumps, signs, road crossings and the employment of a traffic warden for a local school. We are targeting further initiatives in 2025.

Community infrastructure (Good Neighbour)

We have an extensive track record of supporting our local communities to fund and develop vital infrastructure via our Good Neighbour projects programme. Requests we receive from villages typically relate to the provision of new water pipes, tanks, wells and filtration systems as well as power lines and generators.

Highlights from 2024 included:

- the drilling of a new 240-metre-deep water well for a local village to replace one that had previously dried up;
- provision of stand-alone water filtration systems to 40 households; and
- donation of 285 kerosene heaters to households in Duhok, a city around c.60 kilometres north-west of the Shaikan Field, following heavy flooding in March 2024.

Governance

Our focus

Outstanding governance, ethical conduct and compliance are the foundation of GKP's business and underpin our purpose as a responsible energy company. We have taken significant steps to establish robust oversight and management of our sustainability strategy and climate-related risks and opportunities. We also continue to embed a focus on ethical conduct and compliance at all levels of the organisation.

SDG(1) alignment

Peace, justice and strong institutions
We operate a zero-tolerance approach to bribery and corruption and maintain transparent relationships free from corruption with our host government, suppliers, contractors and local communities.

(1) The UN's Sustainable Development Goals

Targets

Effective governance and compliance
Annual workforce compliance with Code of Business Conduct

Key performance highlights

(All dates as at 31 December of each year)

Material factor	Metric	Unit	2022	2023	**2024**
Board oversight	Proportion of independent Directors on Board(1)	%	63%	57%	**57%**
	Proportion of independent Directors on Nomination Committee	%	100%	100%	**75%**
	Proportion of independent Directors on Audit and Risk Committee	%	100%	100%	**100%**
	Proportion of independent Directors on Remuneration Committee	%	100%	100%	**100%**
	Proportion of female Directors on Board	%	25%	29%	**43%**
	Director Board meeting attendance	%	100%	100%	**100%**

(1) Includes independent Non-Executive Chair.

Board and management oversight of GKP's sustainability strategy

GKP's Board meets regularly to consider and discuss the Company's strategy, policies, major capital expenditure and all aspects of the Company's activities and business operations. This includes active involvement and ultimate accountability for matters relating to safety, sustainability and climate change through oversight of GKP's sustainability strategy.

The Safety and Sustainability Committee has primary responsibility for ensuring appropriate systems are in place to manage health, safety, security and environmental risks, including climate-related risks and opportunities, as well as implementing and monitoring appropriate safety and sustainability-related governance processes across the Company. This includes the development of relevant KPIs and making recommendations for improvement where appropriate. The Safety and Sustainability Committee meets four times per year and reports all matters discussed into the Board.

All significant decisions affecting sustainability matters and climate-related risks and opportunities are considered by the Board upon the recommendations of the Safety and Sustainability Committee.

Gulf Keystone's Chief Operating Officer ("COO") is executive sponsor for sustainability and climate-related risks and opportunities and has an open and regular dialogue with the Safety and Sustainability Committee. He is supported by the HSE and Sustainability team, headed up by Gulf Keystone's Head of HSE and Sustainability, who is in turn supported by a dedicated Sustainability Manager. The COO, Safety and Sustainability team and other members of the Executive Committee and senior management team are part of the Sustainability Panel, which has the mandate of facilitating the execution of GKP's sustainability strategy.

Further information on the Board's role and responsibilities, as well as the oversight and management of climate-related risks and opportunities in the organisation, can be found in the Corporate Governance report on pages 76 to 87 and in our TCFD report on pages 44 to 53.

Ethics and compliance

We are committed to operating as a responsible business that upholds the highest standards of ethics and compliance wherever and however we operate. Failure to do so could put our licence to operate at risk and result in significant legal and financial losses.

Anti-bribery and corruption

We operate a zero-tolerance approach to bribery and corruption. It is essential that the Company maintains transparent relationships free from corruption with our host government, suppliers, contractors and local communities. This protects our reputation and our licence to operate, as well as the ability to access funding and operate effectively. To monitor our activity, we operate an independent whistleblowing service in the event any employee wishes to raise a concern, either online or over the phone, anonymously and without fear of reprimand.

With the reintroduction of crude sales to local buyers in July 2023, in addition to GKP's existing controls, a detailed due diligence process was implemented that must be completed prior to any crude sales with a new buyer.

Code of Business Conduct

To reinforce our commitment to ethics, GKP's Code of Business Conduct ("COBC") contains an overview of our policies and procedures relating to anti-bribery and corruption, conflicts of interest, competition and anti-trust, data and information security, diversity, harassment, human rights, modern slavery and HSEQ. All GKP staff receive mandatory annual training on the COBC at the beginning of each year, following which they are required to sign a certificate, confirming their compliance for the past and coming year. 100% of GKP's workforce completed the Code of Business Conduct certification process in 2024.

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

We recognise the need to develop and produce from the Shaikan Field in a way that minimises our impact on the local environment and addresses climate-related risks and opportunities.

GKP has taken significant steps in recent years to develop a sustainability strategy, with a focus on minimising the Company’s environmental footprint, while addressing climate-related risks and opportunities. 2020 represented GKP’s first disclosure to address the TCFD recommendations and since then the Company has focused its efforts on enhancing its disclosures, with the climate-related financial disclosures in the 2022 annual report fully compliant with TCFD’s recommended disclosures.

Gulf Keystone’s climate-related financial disclosures made in the 2024 annual report are fully compliant with all 11 of the TCFD’s recommended disclosures described in ‘Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures’ published in October 2021, in line with the Financial Conduct Authority’s UKLR 6.6.8 requirement. The Company’s disclosures are also compliant with the TCFD’s additional recommendations for the oil and gas industry outlined in the same publication mentioned above, including reporting of scope 1 emissions by source, presented on page 29 of the Sustainability report. Full compliance with TCFD demonstrates GKP’s commitment to addressing climate-related risks and opportunities, with the four pillars of TCFD embedded into our business and strategy.

TCFD Pillar 1 – Governance

GKP’s Board is responsible for the Company’s sustainability strategy and governance, and its focus on addressing climate-related risks and opportunities. The Board is supported, as appropriate, by its Board Committees. The sustainability strategy is integral to GKP’s overall strategy and ability to create long-term value for its shareholders and other stakeholders.

Board members meet at least four times per year with members of GKP’s Executive Committee and senior management to consider climate-related risks and opportunities and to facilitate the sustainability strategy’s success.

The broader workforce and organisation are empowered to support the sustainability strategy through regular engagement. GKP’s Sustainability Champions initiative brings together representatives from each of the Company’s business departments to support GKP’s sustainability strategy, including addressing climate-related risks and opportunities, while the Sustainability Academy, established in 2024, provides teach-ins on a wide range of sustainability and climate-related issues.

Board and Board Committees

<table>
<tr><th colspan="5">Board of Directors</th></tr>
<tr><td>Technical Committee</td><td>Audit and Risk Committee</td><td>Safety and Sustainability Committee</td><td>Nomination Committee</td><td>Remuneration Committee</td></tr>
<tr><th colspan="5">Management</th></tr>
<tr><td>Executive Committee</td><td colspan="2">Chief Operating Officer
Sustainability strategy sponsor</td><td colspan="2" rowspan="2">Sustainability Panel</td></tr>
<tr><td>Safety and Sustainability team</td><td colspan="2">Other relevant senior management</td></tr>
<tr><th colspan="5">Workforce</th></tr>
<tr><td colspan="3">Sustainability Champions and Sustainability Academy</td><td colspan="2">Business departments</td></tr>
</table>

a) Describe the Board’s oversight of climate-related risks and opportunities

The Board

The Board carries out robust assessments of GKP’s principal and emerging risks, including those related to climate change, as maintained in the Company’s Sustainability and Climate Risk Register. The Company’s sustainability strategy, including climate-related risks and opportunities, is the responsibility of the Board, with specific issues and responsibilities related to the strategy delegated to the appropriate Board Committees. The Board has significant oil and gas industry experience and expertise and continues to develop its knowledge and expertise on climate-related matters.

In 2024, the Board met seven times and discussed climate-related risks and opportunities on four occasions. Meetings were attended by Board Directors, as well as other members of the Executive Committee.

Throughout the year, the Board considered climate-related risks and opportunities when reviewing GKP's strategy, capital allocation, budgeting and risk management. Specific topics were as follows:

- discussions regarding potential alternatives to the Gas Management Plan to improve the scope and cost of the project;
- evaluation of other potential decarbonisation initiatives, such as tank blanketing to eliminate methane venting;
- review of the Company's emissions and potential additional options for collecting and measuring data;
- review of the Company's Sustainability and Climate Risk Register; and
- analysis of market trends related to climate change, including potential upcoming updates to relevant climate-related regulation and reporting standards.

As part of the discussions, the Board reviewed reports from relevant Board Committees on specific topics, in particular from the Safety and Sustainability and Audit and Risk Committees.

Further detail on the role and responsibilities of the Board is available in the Corporate governance report on pages 76 to 87.

Safety and Sustainability Committee

The Safety and Sustainability Committee is responsible for ensuring that appropriate systems and resources are in place to manage the Company's commitment to safety and sustainability, including the management of climate-related risks and opportunities. The Committee, supported by the Technical Committee, monitors and oversees progress of climate-related goals and targets.

In 2024, the Safety and Sustainability Committee met three times and discussed climate-related risks and opportunities at all three meetings. The topics discussed were the same as those discussed by the Board (see above).

Further detail on the role and responsibilities of the Safety and Sustainability Committee is available in the Safety and Sustainability Committee report on pages 96 to 98.

Audit and Risk Committee

The Audit and Risk Committee is responsible for overseeing GKP's financial reporting, risk management and control functions and the appointment and oversight of the Company's internal (as appropriate) and external auditor. This responsibility includes oversight of the identification and mitigation of climate-related risks, including physical and transition risks defined by TCFD, as maintained in the Company's Sustainability and Climate Risk Register. The Committee reviews key risks from the Company's risk registers, including the Company's Sustainability and Climate Risk Register, on an annual basis, following which a risk report is provided to the Board. The Committee also ensures that there is appropriate disclosure on climate-related risks and opportunities within the Company's financial reporting.

The Safety and Sustainability Committee is responsible for providing regular verbal and written updates on climate-related matters to the Audit and Risk Committee.

Further detail on the role and responsibilities of the Audit and Risk Committee is available in the Audit and Risk Committee report on pages 91 to 95.

Remuneration Committee

The Remuneration Committee determines GKP's Remuneration Policy for Executive Committee members, including Executive Directors, and employees, which includes sustainability and climate-related initiatives. Further information on how the Board, upon the recommendation of the Remuneration Committee, embeds climate-related initiatives into its Remuneration Policy can be found on page 52 of the TCFD report.

Further detail on the role and responsibilities of the Remuneration Committee is available in the Remuneration Committee report on pages 100 to 124.

Nomination Committee

The Nomination Committee is responsible for the identification and nomination of Directors for vacancies on the Board and other Board Committees, as and when they arise.

The Board and Nomination Committee aim to ensure that for future appointments to the Board, there is an appropriate balance of skills and experience that continues to align with GKP's overall business objectives, which include a focus on addressing climate-related risks and opportunities.

Further detail on the role and responsibilities of the Nomination Committee is available in the Nomination Committee report on pages 88 to 90.

Technical Committee

The Technical Committee provides support and guidance for the Shaikan Field operations and development planning and project execution activities. Within this, it oversees GKP's produced gas management strategy and other carbon reduction opportunities.

Further detail on the role and responsibilities of the Technical Committee is available in the Technical Committee report on page 99.

b) Describe management's role in assessing and managing climate-related risks and opportunities

Executive Committee and senior management

GKP's Executive Committee, comprised of the CEO, CFO, Chief Operating Officer, Chief Legal Officer and Company Secretary and Chief HR Officer, is responsible for managing climate-related risks and opportunities on a day-to-day basis and for executing GKP's sustainability strategy. The CEO and CFO are Executive Directors.

The Chief Operating Officer ("COO"), John Hulme, is executive sponsor for the sustainability strategy and climate-related risks and opportunities. He reports directly to the Chief Executive Officer and is responsible for updating the Safety and Sustainability Committee and the Board on the sustainability strategy and climate-related risks and opportunities. The COO has weekly meetings with heads of departments, including the Head of Safety and Sustainability, to discuss climate-related issues and updates.

The Head of Safety and Sustainability shares updates and decisions with the wider Safety and Sustainability team and reports regularly to the Executive Committee and senior management team on sustainability and climate-related issues.

The GKP Sustainability Panel

The GKP Sustainability Panel brings together all Company managers and employees whose responsibilities include sustainability and climate-related matters. The Panel's mandate is to facilitate the execution of GKP's sustainability strategy, ensuring that the Company has the necessary resources and systems in place to oversee, manage and monitor sustainability issues, including climate-related risks and opportunities.

The Sustainability Panel meets on a quarterly basis. Meetings in 2024 reviewed, among other things:

- discussions regarding potential alternatives to the Gas Management Plan to improve the scope and cost of the project;
- evaluation of other potential decarbonisation initiatives, such as tank blanketing to eliminate methane venting;
- review of the Company's monthly emissions and additional options for collecting and measuring data, in particular regarding fugitive emissions;
- discussions regarding the appointment of a company to independently verify the Company's scope 1 and scope 3 emissions; and
- discussions regarding potential upcoming updates to relevant climate-related regulation and reporting standards.

The permanent members of the Sustainability Panel include the Executive Committee, the Safety and Sustainability team, the Company's Country Manager, the Head of Investor Relations and Corporate Communications, the Group Finance Director and the Group's Financial Planning, Performance & Risk Manager. Other senior management members and employees are invited to attend and contribute, as appropriate.

TCFD Pillar 2 – Strategy

a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term

GKP assesses climate-related risks and opportunities for its business and strategy across three distinct time periods: short term, medium term and long term. These are based on the time periods in which we would expect a potential financial impact on the Company to materialise and are bounded by the duration of the Shaikan Field licence, which is set to expire in 2043, assuming extensions permitted under the Production Sharing Contract.

- Short term (2025 to 2027)
- Medium term (2028 to 2032)
- Long term (2033 to 2043)

Given that 100% of GKP's revenues are generated from a single oil asset, the Shaikan Field, in the Kurdistan Region of Iraq, all of GKP's climate-related risks and opportunities are deemed to be related to a single sector and geography.

Climate-related risks

GKP's Board and management team have identified a number of transition and physical climate-related risks, which are maintained in the Company's Sustainability and Climate Risk Register and regularly reviewed and updated by the management team and Board.

For each risk, the Company determines the relevant time horizon(s), assesses the potential financial impact on the Company and describes the Company's strategic response and resilience. Risks are categorised as either transition or physical: transition risks relate to policy and legal, market conditions, reputation and technology; physical risks can be event driven (acute) or longer-term shifts (chronic) in climate patterns.

Materiality of climate-related risks

To assess the potential financial impact and materiality of climate-related risks, the Company uses a risk matrix to determine expected probability and impact, considering the key financial and non-financial metrics that could be affected. Further detail on the Company's identification, assessment and management of climate-related risks is available on pages 51 and 52, Pillar 3 – Risk Management.

As the operator of a single oil-producing asset, the most material risk to the Company's strategy and valuation is the oil price. Carbon prices, which are not currently in place in Kurdistan, could also have a material impact, if implemented. As a result, GKP believes that climate-related risks connected to the transition to a lower carbon economy could have a material financial impact on the Company. The qualitative assessment of climate-related transition risks is summarised in the table on pages 47 and 48 and the Company has carried out scenario analysis on oil price and carbon price, described on page 49 to assess the potential impact on its strategy and valuation.

Regarding physical risks of climate change, the Company has identified potential chronic and acute risks, including extreme changes in weather patterns, extreme weather events and rising mean temperatures. However, these risks are not currently deemed to be material to our strategy and valuation, given the design of GKP's facilities, operational processes and focus on asset integrity to mitigate these risks. There has been no discernible financial impact from climate-related physical risks in recent years.

The impact of climate-related risks on our supply chain is currently not considered to be material.

Climate-related transition risks

Type of risk	Potential financial impacts	Our strategic response
Transition Market **Risk description** Decreased oil demand and oil prices **Time horizon** S M L	▪ Decreased revenue from lower crude sales ▪ Decreased profitability and cash generation from lower realised prices ▪ Impairment and early retirement of existing assets	▪ Maintain low production costs to enable profitable production at lower realised prices ▪ Develop disciplined and flexible capital programmes that can be quickly adapted to changing market conditions ▪ Maintain a robust balance sheet and prudent liquidity levels
Transition Market **Risk description** Unable to secure financing due to increasing lender focus on emissions and climate change **Time horizon** S M L	▪ Inability to fund development projects and other capital allocation priorities	▪ Proactively engage with existing and potential shareholders and lenders ▪ Monitor the Nordic Bond market, where GKP has previously secured debt financing ▪ Explore alternative sources of financing, including those linked to addressing climate change and emissions reduction
Transition Market **Risk description** Increased cost of raw materials, equipment and technology **Time horizon** S M L	▪ Increased operational expenditure due to changing input costs (e.g. fuel costs) ▪ Increased capital expenditure due to changing input costs (e.g. production and drilling equipment, decarbonisation technology) ▪ Decreased profitability and cash generation	▪ Actively engage with supply chain to manage short-term disruptions and reduce price volatility through negotiation of multi-year contracts ▪ Develop flexible and disciplined capital programmes that can be quickly adapted to changing market conditions ▪ Maintain a robust balance sheet and prudent liquidity levels
Transition Policy and legal **Risk description** Introduction of carbon pricing/taxation Introduction of new regulations Exposure to litigation **Time horizon** S M L	▪ Decreased revenue from lower crude sales ▪ Decreased profitability and cash generation from lower realised prices ▪ Increased costs from complying with new regulation and from litigation/fines ▪ Impairment and early retirement of existing assets	▪ Implement decarbonisation projects, principally the Gas Management Plan, to reduce carbon emissions and potential impact of carbon prices/taxes ▪ Maintain low production costs to enable profitable production at lower realised prices ▪ Develop flexible and disciplined capital programmes that can be quickly adapted to changing market conditions ▪ Maintain robust balance sheet and prudent liquidity levels ▪ Monitor and comply with existing and emerging regulation, where applicable

Type of risk	Potential financial impacts	Our strategic response
Transition Technology **Risk description** Substitution of crude oil with lower emission products and technologies **Time horizon** M L	▪ Decreased revenue and profitability ▪ Impairment and early retirement of existing assets ▪ Increased expenditures	▪ Implement decarbonisation projects, principally the Gas Management Plan, to reduce carbon emissions ▪ Maintain low production costs to enable profitable production at lower realised prices ▪ Develop flexible capital programmes that can be quickly adapted to changing market conditions ▪ Maintain a robust balance sheet and prudent liquidity levels
Transition Reputation **Risk description** Negative public perception of oil and gas industry **Time horizon** M L	▪ Reduced access to talent ▪ Increased hiring and employment costs ▪ Increased staff turnover rate	▪ Proactively communicate GKP's sustainability strategy and focus on addressing climate risk to all stakeholders ▪ Implement initiatives to attract, retain and develop talent ▪ Monitor relevant data regarding employment trends in the UK and Kurdistan

Key:
S = Short term M = Medium term L = Long term

Climate-related opportunities

GKP's climate-related opportunities comprise potential decarbonisation projects to reduce the Company's scope 1 emissions. The Company's primary opportunity is the Gas Management Plan, as well as a number of potential smaller projects.

The Company has identified several potential benefits from these opportunities:

- By lowering emissions, the Gas Management Plan and other decarbonisation projects would reduce the financial impact on the Company from the potential introduction of carbon prices, thereby increasing the Company's resilience to transition-related risks, as described in the scenario analysis in Pillar 2c on pages 49 and 50.
- While the Gas Management Plan and other decarbonisation projects would likely not produce any revenue, we expect their costs would be recoverable through production under the terms of the Shaikan PSC. With external financing, it might be possible that the Gas Management Plan be broadly value neutral to the Company.
- Lower carbon intensity production could improve the sustainability credentials of the Company with its stakeholders, including investors, lenders and employees, and could potentially increase access to capital.

The Gas Management Plan

GKP's primary climate-related opportunity is the Gas Management Plan ("GMP"), a component of the Shaikan Field Development Plan. Prior to the suspension of Kurdistan crude exports in March 2023, we had made significant progress in progressing the project towards sanction, including requesting bids from potential EPC contractors and advancing discussions with a potential provider of climate-linked financing. Following the exports suspension, we were forced to pause all expansion activity, including the GMP.

Based on the scope submitted to the Ministry of Natural Resources at the time, the GMP was envisaged to eliminate almost all routine flaring at the Company's production facilities by processing and reinjecting associated gas. Some of the processed gas would have also been used for power generation at the production facilities, displacing the use of diesel. Once online, the project was expected to transform GKP's carbon footprint, more than halving scope 1 emissions intensity versus the original 2020 baseline of 38 kgCO_2e per barrel.

As at the date of this report, the project remains on hold. We are continuing to explore options to optimise its schedule and cost. We expect to review the project following the restart of exports and establishment of a stable commercial and payments environment.

Additional decarbonisation projects

GKP has developed a list of other potential decarbonisation projects, with the objective of targeting incremental reductions to the Company's scope 1 emissions. In 2024, we reviewed and prioritised the list based on the emissions reduction potential and cost of each project. Given continuing strong local sales, we are considering the possibility of progressing a low-cost tank blanketing initiative to eliminate methane emissions from the venting of our production facility storage tanks, which had previously been paused following the suspension of exports. We expect to review the sanction of the project later in the year subject to the Company's liquidity and operating environment.

b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning

As an energy company, we recognise the importance of incorporating climate-related risks and opportunities into our strategy and financial planning. This includes assessing the potential impact of climate-related risks and opportunities on our production of crude oil and broader operations, our use of global and regional supply chains and our access to and allocation of capital. We do not currently invest in research and development.

We incorporate climate-related risks and opportunities into our strategy and financial planning by:

- Assessing in our Sustainability and Climate Risk Register the potential operational and financial impact of climate-related transition and physical risks on our business and identifying strategic responses to mitigate their impact, as described in section 2a on pages 46 to 48.
- Developing our Climate Change Opportunities Register to capitalise on climate-related opportunities that could benefit the Company, as described in section 2a on pages 46 to 48.
- Using scenario analysis to assess both the resilience of our strategy and business to material climate-related risks and the mitigating benefits of climate-related opportunities, primarily the Gas Management Plan, as described in section 2c on pages 49 to 50.

c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

To assess the resilience of our strategy to a transition to a lower carbon economy and the climate-related transition risks identified in section 2a on pages 46 to 48, GKP has updated a scenario analysis exploring the impact on the Company's internal base case net present value from two scenarios published by the International Energy Agency ("IEA") in its 2024 World Energy Outlook, both associated with a rise in global average temperatures of less than 2°C in 2100. The scenarios include:

1. Announced Pledges Scenario ("APS"); and
2. Net Zero Emissions by 2050 ("NZE").

The IEA scenarios reflect different potential government, industry and consumer responses to rising global demand for energy, resulting in different trajectories for oil demand, oil prices and carbon prices, which, as the operator of a single oil-producing asset, are key determinants for the Company's future cash generation and value. Both scenarios cover the combined period identified by our short, medium and long-term time horizons on page 46 (from 2025 to 2043, the end of the Shaikan licence period).

We have applied the scenario assumptions in our valuation model to test the resilience of our strategy, with the same assumptions also used as the foundation for impairment testing, referenced on page 145.

The IEA scenarios have been chosen by the Company for their independence, high degree of acceptance in the global oil and gas industry among corporates and investors, annual updates to forecasts and adjustment of carbon prices for emerging markets, such as Iraq. The relevance of the IEA scenarios to the Company will continue to be assessed for future updates of the analysis.

Announced Pledges Scenario ("APS")

The APS assumes that governments will meet, in full and on time, all national energy and climate targets, including longer-term net zero emissions targets and pledges in Nationally Determined Contributions ("NDCs"). This leads to a global temperature rise of 1.7°C in 2100.

Global oil demand in the scenario is assumed to decrease from around 99 mb/d in 2023 to approximately 93 mb/d in 2030, followed by a more than 40% decline to around 54 mb/d in 2050, with road transport and industry responsible for the largest reductions. Oil prices (real 2023) are expected to remain reasonably strong at $72/bbl in 2030, with declines to just under $60/bbl by 2050.

No carbon prices are assumed to be in place in the scenario until 2031, in line with the IEA's assumptions for emerging market and developing economies without net zero emissions pledges (which currently includes Iraq). From 2031, the scenario assumes carbon prices (real 2023) are implemented, increasing from $1 t$CO_2$ in 2031 to $26 t$CO_2$ by the end of the Shaikan licence period in 2043.

Net Zero Emissions by 2050 ("NZE")

This scenario portrays a pathway for the global energy sector to reach net zero CO_2 emissions by 2050 which is consistent with limiting long-term global warming to 1.5°C with limited overshoot. The target is achieved through the rapid deployment of clean energies, which are estimated to meet 90% of global energy demand in 2050.

Global oil demand in the scenario is consequently assumed to radically change, decreasing by just over a fifth between 2023 and 2030 to around 78 mb/d, and by a further 70% from 2030 to around 23 mb/d in 2050. The oil price (real 2023) is increasingly set by the operating cost of the marginal project, falling to around $42/bbl real in 2030 and to $25/bbl by 2050.

Carbon prices (real 2023) are assumed to be in place from 2026, even in emerging market and developing economies without net zero emissions pledges, with real prices rising from $5 t$CO_2$ in 2026 to $25 t$CO_2$ in 2030 and to $114 t$CO_2$ by the end of the Shaikan licence period in 2043.

Modelling assumptions and key drivers of value

In both the Company's base case and the IEA scenarios, present value is driven by:

- oil price assumptions; for modelling purposes, all scenarios assume the restart of exports in Q4 2025 and return to sales at the Brent price adjusted for a quality and transportation discount;
- carbon price assumptions; the Company conservatively applies the full carbon prices in the APS and NZE scenarios, even though 1) IEA oil prices already incorporate carbon prices and 2) it is not clear what average carbon intensity per barrel of production the IEA assumes above which carbon prices would be applied;
- the production profile estimated from the Shaikan Field and the timing of start-up of the Gas Management Plan, which reduces emissions and lowers any exposure to carbon prices. Both are driven by the timing of the Company's future investment programme and implementation of the Shaikan Field Development Plan; and
- the weighted average cost of capital used to discount future cash flows.

In the APS scenario, net present value increases by 15% versus the Company's base case, primarily due to the more conservative oil price deck used in our internal financial planning assumptions, offset by the introduction of carbon pricing in the IEA scenario from 2031. In the NZE scenario, net present value declines by 73% versus our base case. This is primarily driven by the sharply lower oil price deck versus our base case.

Value is also impacted by the introduction of carbon prices from 2026. While the GMP acts as a material mitigant against carbon prices, assumed start-up in 2029 means full exposure between 2026-2028. The combination of these factors means that the NZE scenario would lead to an impairment to the current carrying value of our assets. However, if the Company's assumed future average carbon intensity per barrel of production is in fact at or below the undisclosed IEA carbon intensity per barrel of production, there would be a potential impairment.

If the oil and carbon price assumptions in the NZE scenario were to materialise, we would take steps to review our strategy and adapt our capital programme and cost base at the time. However, this currently seems unlikely given the continued outlook for oil prices and demand and the current levels of investment in clean energy. There has also been no indication that any plans exist for the introduction of carbon prices in Kurdistan or Federal Iraq in the near term. From a strategic perspective, until Kurdistan exports resume and we continue to rely on local market demand at significantly discounted prices, the Company plans to remain disciplined on capital expenditures and costs.

The short-term period as identified in our scenario analysis is captured under the assessment period covered by the going concern and viability statement. The base case oil price used in these assessments up to the end of 2025 is lower than the NZE, the most conservative climate-related scenario, and therefore we believe that any further adverse oil price due to the impact of transition to a lower carbon economy is not material on going concern and viability.

TCFD Pillar 3 – Risk Management

a) Describe the organisation's processes for identifying and assessing climate-related risks

Risk identification

GKP's identification of climate-related risks combines a bottom-up approach, carried out by GKP's Safety and Sustainability team in collaboration with the Company's heads of departments, with top-down oversight from GKP's Executive Committee and Board, who hold ultimate responsibility for risk management.

Risks are identified initially by the Safety and Sustainability team with reference to existing and emerging regulatory requirements and guidelines, including those provided by TCFD, the International Energy Agency ("IEA"), the European Bank for Reconstruction and Development ("EBRD"), International Sustainability Standards Board ("ISSB"), International Petroleum Industry Environmental Conservation Association ("IPIECA") and the US Environmental Protection Agency ("EPA").

The risks are then discussed with relevant heads of department to agree relevance to GKP. Once agreed, risks are added to the Sustainability and Climate Risk Register, as described below, and reviewed by the Executive Committee, before being submitted to the Audit and Risk Committee and the Board. At the end of 2024, the Company had identified ten climate-related risks. Material risks are outlined on pages 47 and 48 of Pillar 2 – Strategy.

Risk assessment

The Company maintains a separate Sustainability and Climate Risk Register, acknowledging the increasing importance of climate change to the Company's stakeholders and the need to manage climate-related risks in a more structured and comprehensive way.

Each risk contained in the Sustainability and Climate Risk Register is assessed based on the Company's risk matrix, which is used to assess the materiality of the Company's risks across all risk registers.

The relevance of climate-related risks is described in the Management of principal risks and uncertainties section on page 62 of the annual report.

GKP's risk matrix defines a rating, from 'Lowest' to 'Severe', for each risk according to probability of occurrence and severity of impact. To define severity, the Company considers the impact of the risk according to a number of dimensions and both financial and non-financial metrics, such as safety, environmental damage, annual production loss, financial loss, market impact, social impact and reputation and regulatory action, among others. To determine probability, the Company considers the frequency of past occurrences and an assessment of future potential occurrences. The Company's Chief Financial Officer leads a process whereby the heads of department and senior managers complete an assessment of each risk, which are then reviewed in detail by the Executive Committee.

In addition to determining severity and probability, the Sustainability and Climate Risk Register categorises risks as either transition or physical and identifies the most applicable time horizon, in accordance with TCFD requirements. The register also determines appropriate prevention and mitigation actions and assigns a risk owner to manage the risk with oversight from the Company's Executive Committee.
As described in Pillar 2 – Strategy, the Company believes that climate-related risks connected to the transition to a lower carbon economy could have a material financial impact on the Company. Physical risks of climate change are not currently expected to be material to our strategy and valuation.

b) Describe the organisation's processes for managing climate-related risks

The Company's Executive Committee is responsible for the overall management of the Sustainability and Climate Risk Register. The Risk Register is reviewed at least two times a year by the Audit and Risk Committee and the Board.

Each climate-related risk is allocated a risk owner and actions are identified to either prevent or mitigate the risk, as described in the climate-related risk tables on pages 47 and 48.

c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management

The approach implemented by GKP to identify, assess and manage climate-related risks is consistent with the Company's overall risk management framework and processes applied to other business risks:

- the Sustainability and Climate Risk Register is one of several detailed risk registers maintained by heads of department and other appropriate senior managers, who identify, manage and rank risks. The process is supported by the Safety and Sustainability team and led by the CFO;
- the Executive Committee has oversight of all risk registers. All risks, including climate-related risks, are assigned an executive risk owner; and
- the Audit and Risk Committee reviews all risks that have been determined as material.

Further information on the Company's management of principal and emerging risks can be found on pages 54 to 71.

Integration of climate-related risk management into overall risk framework

Board			
Board responsible for overall system of internal control and risk management			
Audit and Risk Committee			
Audit and Risk Committee reviews all risks, including material risks			
Executive Committee			
Risk registers reviewed by Executive Committee and risks assigned an executive owner			
Risks identified, ranked and managed by heads of department			
Sustainability and Climate Risk Register	Operational Risk Register	Corporate Risk Register	Finance Risk Register
Information Technology Risk Register	Operational Technology Risk Register	Fraud Risk Register	Project Risk Register

TCFD Pillar 4 – Metrics and Targets

a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process

GKP assesses climate-related risks and opportunities using a number of metrics. These metrics, which encompass GHG and other emissions and quantification of financial impact, are summarised as follows.

Type	Metric	Unit	Page
GHG emissions	▪ Scope 1 GHG emissions, categorised by source according to the TCFD recommendations for oil and gas companies: • flaring; • venting; • fugitive; and • combustion of petrol, diesel and fuel gas. ▪ Methane emissions (also reported under scope 1 Flaring, Venting and Fugitive emissions)	$ktCO_2e$	Page 29 Sustainability report
	▪ Scope 1 GHG emissions intensity	$kgCO_2e/bbl$	Page 29 Sustainability report
	▪ Scope 3 GHG emissions, categories 1-12	$ktCO_2e$	Page 31 Sustainability report
Financial impact	▪ Dated Brent price	$/bbl	Page 49 Pillar 2 – Strategy
	▪ Carbon price	$\$/tCO_2$	Page 49 Pillar 2 – Strategy
	▪ Change in net present value	$m	Page 50 Pillar 2 – Strategy

GKP recognises the importance of accurate and comprehensive data to ensure the Company can make appropriate strategic and risk management decisions. Our scope 1 and 3 emissions disclosures for 2022, 2023 and 2024 are independently verified by a third-party organisation according to the ISO 14064-3:2019 standard.

The Group embeds a number of initiatives related to climate change in its Executive Director and employee remuneration.

2024 initiatives

In 2024, the bonus plan included a KPI of 20% related to safety, sustainability and security, of which 8% was related to climate-related risks and opportunities. The KPI included objectives focused on exploring alternative options to the Gas Management Plan to optimise the scope and cost of the project and prioritising a list of other decarbonisation projects.

2025 initiatives

In 2025, the bonus plan includes a KPI of 25% related to safety, sustainability and security, of which 7.5% is related to climate-related risks and opportunities. The primary objective included in the KPI is progressing to potential sanction a tank blanketing project to eliminate methane emissions from the Company's oil storage tanks at PF-2, as described on page 48, Pillar 2. Project sanction will be based on the Company's liquidity position and operating environment.

Further information is available in the Remuneration Committee report on pages 100 to 124.

b) Disclose scope 1, scope 2 and, if appropriate, scope 3 greenhouse gas ("GHG") emissions, and the related risks

GKP discloses scope 1 and scope 3 emissions in its Sustainability report on pages 26 to 43.

c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets

The Company does not currently have targets to reduce emissions given the Gas Management Plan, the primary driver of emissions reduction, remains suspended, as described on page 48, Pillar 2. Nonetheless, we remain committed to significantly reducing our scope 1 emissions intensity over time and plan to review the reinstatement of specific targets when we have more clarity on the outlook for the GMP, which will be reviewed following the restart of Kurdistan exports and the establishment of a stable commercial and payments environment. For modelling purposes, we continue to assume the Gas Management Plan is implemented, as described in the scenario analysis on pages 49 to 50 of Pillar 2 – Strategy.

Management of principal risks and uncertainties

Board Responsible for oversight of the overall system of internal control and risk management	**Audit and Risk Committee** Responsible for monitoring the effectiveness of the Company's risk management framework and internal controls	**Senior management** Responsible for implementation and management of internal control and risk management systems
	Safety and Sustainability Committee Ensures appropriate systems are in place to manage health and safety, security, environment, climate and community risks	
	Technical Committee Ensures that appropriate processes are in place to manage Shaikan operations, development planning and project execution risks	

Risk assessment framework

The Board regularly considers the Group's principal and emerging risks and reviews reports from the Audit and Risk, Safety and Sustainability and Technical Committees.

The Group considers potential emerging risks and maintains risk registers that incorporate strategic, sustainability and climate, commercial, financial, operations, projects, cyber, information technology and operational technology risks. The risk registers include clear definitions of the risk, potential impact, mitigating controls the Group has in place to reduce the impact or probability of the risk to an acceptable level, and potential further actions to further mitigate the impact or probability of the risk. Risks in the registers are included in the Company's risk matrix, which is used to assess the materiality of the Company's risks across all risk registers based on estimated impact and probability. The Company invites specialist advisers to complete independent assessments and, as appropriate, attend meetings with the Board and management to provide an assessment of particular risks which may affect the Company, such as climate, geopolitical, security and cybersecurity risks, thus enabling the Company to understand and plan for the mitigation of these risks.

The risk register is reviewed and challenged by senior management on a regular basis following consultation with owners of the risks and external consultants, as appropriate.

The Audit and Risk Committee regularly reviews the status of the Group's key risks and reviews the effectiveness of the internal control and risk management systems to ensure risks are appropriately identified, monitored and reported to the Board and are aligned with the Group's strategy.

The Safety and Sustainability Committee is primarily responsible for ensuring that appropriate systems are in place to manage health, safety, security and environmental risks, including climate-related risks, that is one of our principal risks, as well as corporate social responsibility.

The Technical Committee regularly reviews the Group's principal operational risks. It supports ongoing production operations and the Company's Shaikan development planning and project execution activities and ensures that appropriate processes are in place to manage project execution and subsurface risks.

The Board monitors the Company's risk management and internal control systems by means of reports from the various committees and direct consideration of risk within the Board meeting agenda.

Principal risks

The Board has carried out a robust assessment of the principal and emerging risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity, recognising the Company remains dependent on its interest in a single asset, the Shaikan Field, located in the Kurdistan Region of Iraq. The tables over the next few pages summarise the principal risks the Group faces after considering mitigations. For each risk, the Group determines whether the level of risk, considering severity and probability, has changed in the year. The list is not exhaustive nor in priority order and may change.

Key

Strategic priorities

	Safety and sustainability		Value creation
	Capital discipline and cost focus		Robust financial position

Change in year

	Increased level of risk		Similar level of risk
	Decreased level of risk	N	New risk

Strategic		
Key risk factor	**Potential impact**	**Mitigation**
Export route availability **Risk owner:** CEO Risks associated with the availability and accessibility of infrastructure allowing the Group to sell oil to export markets, and changes to export route forced on the Group which affect profitability. **Link to strategic priorities** **Change in year**	Loss of revenue or reduction in profitability. The Group relies on the Iraq-Türkiye Pipeline ("ITP") between Fishkhabour (in Kurdistan) and Ceyhan (in Türkiye) and the Kurdistan Export Pipeline for delivery of crude oil to international markets. Following the closure of the ITP in March 2023 (see context below), the alternative of selling crude to the local Kurdistan market has been at significantly reduced realised prices. Beyond the ITP arbitration ruling and regional politics, the pipeline may be subject to interruption for a variety of reasons, including, but not limited to, technical, maintenance, repairs, damage (for example earthquake, military operations or terrorism), theft, smuggling or sanctions. The Shaikan Lifting Agreement between the Group and MNR that provided access to the Kurdistan Export Pipeline expired on 31 August 2022 and has not yet been extended as negotiations are ongoing related to the resumption of crude oil exports and payment of exports, including outstanding arrears. ***Context regarding the ITP closure*** In March 2023, the ITP was shut-in as the result of the International Chamber of Commerce ruling awarded in Iraq's favour in the first of two long-running arbitration cases dating back to 2014. The cases claimed Türkiye had violated the terms of a 1973 bilateral agreement by allowing the KRG to export crude oil through the pipeline without the FGI's consent. In February 2025, the Iraqi Parliament approved an amendment to Article 12 of the Iraqi 2023-2025 Budget Law regarding the compensation for Kurdistan's oil production and transportation costs, potentially facilitating the resumption of Kurdistan's oil exports and supporting the prospect of future budget transfers to the KRG. While the approval of the amendment is a key step towards the resumption of Kurdistan oil exports, a number of key details remain outstanding regarding payment surety for future oil exports, the repayment of outstanding receivables and the preservation of current contract economics. The pipeline remains closed at the date of this report.	While the Company waits for the reopening of the ITP and associated agreements regarding payment surety, the repayment of past receivables and the preservation of contract economics, it continues crude oil sales to local buyers that truck the crude oil from the Company's facilities. While local sales volumes and prices were sufficient in 2024 to generate free cash flow and the near-term outlook remain strong, visibility remains limited beyond the Company's monthly contract renewals with buyers.

	Based on our understanding, the agreement between the Turkish Government and the FGI covering the ITP, dating from 1973, expires in July 2026, with a potential five-year extension period depending upon the status of renegotiation or formal termination. Any potential negotiations around the extension or renegotiation of the agreement are currently unknown.	

Strategic		
Key risk factor	**Potential impact**	**Mitigation**
Political, social and economic instability **Risk owner:** CEO Kurdistan and Iraq as a whole and the neighbouring region have a history of political, social and economic instability which continues to represent a risk to the Group, its operations and its personnel. Uncertainty may arise from changes in the KRG leadership or changes in the continued administration of the Shaikan licence by the KRG. **Link to strategic priorities** **Change in year**	There has been a history of tension between the political parties in Kurdistan and with the FGI. The impact of the Federal Supreme Court ruling in February 2022, the ITP arbitration award and subsequent closure of the pipeline in March 2023 (see "Export Route Availability" risk factor on page 56), and the increased dependency of the Kurdistan Region of Iraq for budget transfers from the FGI, have served to increase tensions and geopolitical risk. Any changes in the administration of the Shaikan licence or changes in government may generate uncertainty and potentially have a significant adverse impact on the Group, including the potential erosion of contractual and economic rights in respect of the Shaikan licence. Other consequences of political, social and economic instability may include unrest or armed conflict, limits on production (including restrictions related to OPEC actions) or cost recovery, import and export restrictions, restrictions on pipeline exports, local sales constraints, price controls, uncertainty over payment mechanisms for export sales, imposition of additional costs and taxes, tax increases and other retroactive tax claims, revocation of licence to operate, expropriation of property, cancellation of contract rights and an increase in regulatory burdens and fiscal pressures on the KRG.	The Group engages in continuous dialogue with advisers and the KRG. The Group is a founding member of the Association of the Petroleum Industry of Kurdistan ("APIKUR") that serves as a joint voice to advocate for and represent the common interests of its members. The Group acts as a responsible operator and adheres to the terms and requirements of the PSC, and holds regular, minuted meetings with the MNR. The Group's PSC has been affirmed as valid and enforceable by the Baghdad Commercial Court. Iraq's Cassation Court has also affirmed the validity and enforceability of the Group's PSC although the Iraqi Ministry of Oil has applied to the Cassation Court for a procedure known as a 'Correction', seeking to overturn this judgement; this process was ongoing at the date of this report. Given the suspension of exports, the Group has paused field development, including the Gas Management Plan, and finalisation of the FDP. The Group maintains an active dialogue with the MNR and provides updates on production, local sales and planned work programmes and budgets. The Board closely monitors future spending plans, maintaining flexibility and phasing expenditures to ensure that an adequate cash balance and other potential sources of liquidity are identified and maintained to enable the Company to manage potential future uncertainties.

Strategic		
Key risk factor	**Potential impact**	**Mitigation**
Stakeholder misalignment **Risk owner:** CEO The Group's long-term strategy and plans may not be fully aligned with all stakeholder groups due to the diverse nature of the stakeholders (including, but not limited to, shareholders, the KRG, the MNR, the FGI, joint venture partners and local communities). **Link to strategic priorities** **Change in year**	Ineffective or poorly executed strategy may lead to loss of investor confidence and reduction in the Company's share price or credit quality, which reduces the Group's ability to access finance and increases vulnerability to a takeover. Misalignment between the KRG, FGI and IOCs may impact the Company's ability to sell crude oil locally and to the international market, receive payments on a timely basis for oil sales including the recovery of outstanding arrears, and develop and realise the full potential of the Shaikan Field. Misalignment with our joint venture partner, the KRG or the MNR may result in delays or modifications to the development project, potentially impacting economic returns. Delays in FDP approval may impact Shaikan Management Committee timely approval of budgets, increasing cost recovery risk. The inability to finalise commercial negotiations with the MNR confirming either no changes are required to the existing PSC or that the PSC will be amended could potentially negatively impact profitability and stakeholder value. Amount of recoverable costs may be challenged and reduced, adversely impacting net entitlement, profit and cash generation from operating activities. Local community opposition may lead to project delays, inability to gain land lease extensions, significant security risk to our employees and contractors or, in extreme cases, loss of licence to operate.	The Group maintains regular dialogue with the Group's investor base and releases all key developments to the market through the London Stock Exchange's Regulatory News Service. The Group, along with APIKUR as appropriate, continues to engage with KRG officials to pursue a solution that provides PSC contract clarity, facilitates the restart of pipeline exports and normalises payments, including repayment of arrears. The Group has restarted commercial negotiations with the MNR taking into account revenue and contractual arrangements. While the overarching objective is to at least maintain the value of the current contract, there is a risk that may not be achievable. Once exports resume and oil sales payments have normalised, the Group expects to review and update the FDP and re-engage with the MNR towards project sanction. Shaikan Management Committee meetings including representatives of the MNR, MOL and GKP are held periodically to discuss issues and ensure alignment. Key decisions from meetings are formally documented. The Company strictly adheres to MNR-approved tendering processes and regularly updates the MNR on field operations and development progress, mitigating the potential impact of budget approval delays and cost recovery challenges. Strong community relations are vital to our ability to achieve local support for new projects. Gulf Keystone strives to be a good corporate citizen and fosters its reputation through strong and positive relationships with the governments and communities where we do business. The Group continues to collaborate with local and government stakeholders and has a CSR strategy to complement its existing community welfare initiatives.

Strategic		
Key risk factor	**Potential impact**	**Mitigation**
Disputes regarding title or exploration and production rights **Risk owner:** CEO The Iraqi government disputes the validity of the PSCs granted by the KRG. **Link to strategic priorities** **Change in year**	If the validity of the PSCs was successfully challenged, the Group could be required by the KRG or FGI to either accept terms that are materially less favourable than the current PSC or relinquish the PSC. ***Context regarding Iraqi court cases concerning the validity of the KRG PSCs*** In February 2022, a majority decision of the Iraqi Supreme Court ruled that the Kurdistan Region of Iraq Oil and Gas Law ("KROGL") was unconstitutional. The ruling also provided that the Iraqi Ministry of Oil may pursue annulment of Production Sharing Contracts ("PSCs") issued by the KRG. Subsequently, the Iraqi Ministry of Oil issued proceedings against various IOCs in the Commercial Court and, on 23 October 2022, the Baghdad Commercial Court issued rulings seeking to nullify the Production Sharing Contracts in absentia against some IOCs, including Gulf Keystone. In December 2024, the Baghdad Commercial Court reversed its previous rulings, ruling that the PSCs were legally valid and enforceable. On 29 January 2025, the matter was appealed by the Iraqi Ministry of Oil to the Cassation Court. The Cassation Court rejected the appeal and affirmed the validity and enforceability of the PSCs. On 27 February 2025, the Company was informed that the Iraqi Ministry of Oil had applied to the Cassation Court for a procedure known as a 'Correction', seeking once more to overturn the judgement; this process is ongoing. It is unclear to date what, if any, influence these Iraqi court rulings will have on the timing of the restart of Kurdistan exports through the ITP and the ability of the Company and other IOCs to secure payment surety for future oil exports, the repayment of outstanding receivables and the preservation of current contract economics. The Iraqi Supreme Court ruling also remains outstanding.	This is an industry-wide risk faced by all International Oil Companies operating in the Kurdistan Region of Iraq. The Group, along with APIKUR as appropriate, continues to engage with KRG and FGI officials to pursue a solution that provides PSC contract clarity, facilitates the restart of pipeline exports and normalises payments, including repayment of arrears. The Group also continues to consult with external legal counsel and other advisers on the matter.

Strategic		
Key risk factor	**Potential impact**	**Mitigation**
Business conduct and anti-corruption **Risk owner:** Anti-Bribery Officer/CLO Due to the nature of the industry sector and the region in which the Group operates, it is exposed to the risk that the Group, or parties acting on its behalf, breach relevant laws, including anti-bribery and corruption laws. The reintroduction of local crude oil sales has increased exposure to counterparty risks associated with potential crude oil buyers. **Link to strategic priorities** **Change in year**	Violation of anti-bribery, sanctions or corruption regulations by the Group, or those acting on its behalf, may result in a criminal case against Gulf Keystone and/or its employees which may lead to reputational damage, monetary losses, fines, imprisonment of staff and revocation of licence to operate.	The Chief Legal Officer and Company Secretary is the Anti-Bribery Officer for the Group and reports directly to the Audit and Risk Committee and Board. The Group has a Code of Business Conduct and various policies, including anti-bribery and corruption, whistleblowing and prevention of tax evasion, and has implemented training programmes to ensure understanding and promote ethical behaviours and compliance. All employees, agents and other associated persons are made fully aware of the Group's policies and procedures regarding ethical behaviour, business conduct and transparency. All Directors, staff and contractors are required to certify compliance with policies on an annual basis. The Group has robust controls around contracting, payment approvals and the non-facilitation of tax evasion. A detailed due diligence process is conducted prior to any local crude oil sales with a new buyer. A comprehensive report is prepared on each potential buyer using diligence from various sources, both local and international. An adverse report will lead to a new buyer being declined. A prescribed contract procurement process is in place as stipulated by the MNR. This includes stringent technical and commercial bid stipulations in accordance with the MNR procedures and an Approved Vendor List. Contracted entities are also subject to detailed due diligence and anti-bribery representations and protections.

Strategic		
Key risk factor	**Potential impact**	**Mitigation**
Risk of economic sanctions impacting the Group **Risk owner:** Chief Legal Officer and Company Secretary The imposition of foreign economic sanctions impacts the ability of the Group to operate, or to produce, transport or market crude oil. **Link to strategic priorities** **Change in year**	In the event foreign economic sanctions (be it country, sectoral or specific) are made on Russian, Iranian or other owned companies, this could have an impact on GKP's ability to operate, or to produce, transport or market crude oil. Specifically, GKP may not be able to trade with local buyers of crude in the event they have any association with sanctioned entities or countries.	The Group continues to monitor the current economic sanctions imposed on a country, sectoral and specific basis and takes professional advice relating to this. The Group monitors the potential sanctions-related risks affecting all suppliers and stakeholders. The Group implemented robust procedures to manage potential exposure to sanctions resulting from selling crude oil to certain local companies. All potential crude oil buyers must satisfy the requirements of a detailed due diligence process. Also, all crude sales are conducted pursuant to contracts that include appropriate representations and protections.

Strategic		
Key risk factor	**Potential impact**	**Mitigation**
Climate change **Risk owner:** CEO Climate change is a material global issue and Group risk. Climate-related transition risks may have a significant effect on the long-term viability of the Group. **Link to strategic priorities** **Change in year**	The transition to a low carbon economy may lead to a decline in oil demand resulting in lower oil prices, lower revenue, decreased profitability, increased capital and operational costs including costs relating to decarbonisation projects, impairment and early retirement of existing assets, flaring emissions or carbon taxes, reduced access to or increased cost of funding and insurance, disruptions to the supply chain, interruptions to production, increasing challenges and cost to attract and retain talent, increased exposure to litigation and climate activism, and increased compliance and monitoring costs related to new regulatory frameworks. The Group may also be impacted by physical risks due to climate change, including increasing frequency and magnitude of extreme weather events impacting operations, production efficiency losses, disruptions to the supply chain and weakened international cooperation. Additionally, conflicting stakeholder expectations and/or a lower oil price may lead to an inability of the Group to develop the asset.	The ability to achieve the Group's ambition of reducing emissions intensity and eliminating almost all routine flaring is dependent on sanction of the FDP and implementation of the Gas Management Plan with our partner MOL and the MNR. For the time being, the Group has suspended capital investment on the FDP and Gas Management Plan pending review once crude oil exports resume and KRG payments normalise, including arrears. GKP has developed a list of other potential decarbonisation projects, with the objective of targeting incremental reductions to the Company's scope 1 emissions. In 2024, the Group reviewed and prioritised the list based on the emissions reduction potential and cost of each project. Given continuing strong local sales, the Group will consider the possibility of progressing a low-cost tank blanketing initiative to eliminate methane emissions from the venting of production facility storage tanks. The Group expects to review the sanction of the project later in the year subject to liquidity and operating environment. The Company has formulated its sustainability strategy and an ESG implementation roadmap with key actions to mitigate climate change risk has been approved by the Board. The Group maintains a specific Sustainability and Climate Risk Register where it closely tracks and reviews existing and evolving risks along with identified mitigation actions. The Group continuously monitors air quality and its management of waste, water and wastewater, soil remediation and the impact of its facilities as part of its commitment to minimise impact on the environment and local communities. The Group maintains low production costs and monitors raw material costs to enable profitable production at lower realised prices and a robust balance sheet and prudent liquidity levels to fund required technology and decarbonisation projects. Management actively engages with supply chain to secure required technology at the best possible price.

		The Group develops flexible capital programmes that can be quickly adapted to changing market conditions. The Group monitors relevant data regarding employment trends in the UK and Kurdistan. It also implements initiatives to attract, retain and develop talent. The Group monitors weather and regularly review and update health and safety procedures and working patterns to adapt to changes in weather patterns. The Group maintains and practises crisis management and business continuity protocols to protect workforce and assets from extreme weather events.

Strategic		
Key risk factor	**Potential impact**	**Mitigation**
Organisation and talent **Risk owner:** CHRO The Group may fail to retain, attract and develop talent, impacting its capability and capacity to safely execute the strategy and business plans. **Link to strategic priorities** **Change in year**	Current geopolitical challenges and the inherent uncertainty associated with operating in Kurdistan may make it difficult to retain, develop and attract talent. The transition to a future less reliant on fossil fuels may impact the Group's ability to attract talent, especially younger talent, to manage the impact of an ageing workforce.	Annual targets are established to embed a culture that supports engagement, wellbeing, diversity, inclusion and ethical business conduct. Annual performance management process is in place with clear links to corporate and individual goals encourages and rewards high performance. A clearly defined succession planning process has been established for key positions to proactively manage career progression, localisation of expatriate positions and development needs. Training programmes are implemented to meet identified development needs. The Group offers and maintains a competitive compensation and benefits plan, including hybrid working options, that are designed to attract and retain talent, while motivating short, medium and long-term high performance. Industry benchmarking exercises are completed periodically to ensure the plans remain competitive. Regular staff communications take place in the form of town halls, including staff surveys with action plans to facilitate interactions, understanding and engagement. Staff wellbeing initiatives are implemented based on employee feedback and survey results. Code of Business Conduct and other annual training is conducted, clearly outlining how we conduct business, safeguard our assets and work together to create a positive work environment.

Strategic		
Key risk factor	**Potential impact**	**Mitigation**
Cybersecurity **Risk owner:** CFO The Group is reliant on information technology systems, software and cloud computing, exposing it to the potential impacts of malicious cyber attacks. **Link to strategic priorities** **Change in year**	A cybersecurity breach could disrupt operational and development activities, expose the Company to ransomware demands, put employees at risk, or result in the disclosure of confidential information, which could adversely affect the share price, damage our reputation and create significant financial and legal exposure for the Group. As a result of rising tensions in the Middle East there could be an increase in the frequency and severity of cyber attacks.	The Group has implemented a Cybersecurity Strategy Group which oversees the strategy and roadmap to continuously identify and remediate system vulnerabilities. In 2024 the Group implemented an integrated information and operational technology governance model. The Group maintains an information and operational technology cyber risk register to facilitate identification, management and mitigation of potential risks. The Group has contracted a recognised Managed Security Services Provider that employs several tools to manage cybersecurity risks on an ongoing basis, including third-party monitoring, vulnerabilities management, red team tests, dark web monitoring, endpoints and perimeter security and ongoing cybersecurity awareness training. The Group continues to invest in staff and software to monitor, maintain and regularly upgrade its systems, processes and network. The Group is enrolled on the Early Warning Service carried out by the UK National Cyber Security Centre.

Operational		
Key risk factor	**Potential impact**	**Mitigation**
Health, safety and environment ("HSE") risks **Risk owner:** COO The Group, its staff and contractors and local communities may be exposed to specific risks in relation to HSE matters. Identified risk areas include, but are not limited to, H_2S leaks at the production facilities, loss of containment, road traffic accidents and other accidents at production facilities and well sites. **Link to strategic priorities** **Change in year**	Consequences may include accidents resulting in loss of life or injury, significant pollution of the local environment, destruction of facilities, disruption to business activities, risk of litigation and reputational damage with an associated financial loss.	The Board has established a Safety and Sustainability Committee to ensure that the Company has a robust HSE strategy with clear lines of accountability and commitment throughout the organisation. The Company has established a sustainability strategy and is implementing the Board-approved ESG roadmap. In addition, the Company has developed specific risk registers and action plans to proactively identify and manage risks. The Group has comprehensive HSE and operations management procedures, including emergency and incident response plans. The Company establishes an annual HSE Plan to continuously improve its HSE performance (see 'Key performance indicators' section on pages 20 and 21). In 2024, continued safety improvements were made to the Company's production facilities. All staff undergo training with respect to the Code of Business Conduct compliance. In addition, 'safety moments' are held at every town hall and senior management meetings so that staff know how to report and respond to potential incidents. Following the transition from pipeline to trucking operations in 2023, additional safety measures were put in place, including training and managing increased traffic around the Group's facilities and local communities.

Operational		
Key risk factor	**Potential impact**	**Mitigation**
Gas flaring **Risk owner:** COO GKP currently relies on flaring as a disposal method for the gas produced as a by-product of its oil production, which creates an environmental impact. There is a risk that the Group does not achieve its target of reducing scope 1 CO_2e emissions per barrel by more than 50%, which has been deferred due to the shut-in of the ITP and KRG payment delays. **Link to strategic priorities** **Change in year**	The KRG may enforce a ban on gas flaring and/or introduce a financial penalty or other sanctions for gas flaring, resulting in reduction or cessation of production or a less favourable Shaikan asset valuation.	The Group maintains active dialogue with the MNR to ensure that it complies with the existing emissions regulations. Harmful gas emissions are closely monitored by the HSE department, with any variances outside normal levels investigated and reported to executive management and the MNR. In 2024, our annual average emissions of SO_2, NO_2, O_3 and H_2S measured by diffusion tubes were within Kurdish regulatory limits. The ability to achieve a material reduction of routine flaring is dependent on the resumption of crude exports and normalisation of KRG payments, and then the approval of the FDP, finalisation of tendering of the Gas Management Plan with our partner, MOL, and the MNR and its subsequent implementation, and financing.

Operational		
Key risk factor	**Potential impact**	**Mitigation**
Security **Risk owner:** COO The Group is exposed to security risks by virtue of the location of its operations. These include the threat of terrorist attack, military action and local protests and unrest at Gulf Keystone sites. **Link to strategic priorities** **Change in year**	Political unrest, armed conflict in Iraq and in the Middle East, or other security issues may lead to loss of life or injury to personnel, personnel evacuations, disruption to operations, costs to repair facilities, increased costs of doing business due to increased security and reduced staff retention, reputational damage with the associated financial loss and loss of investor confidence. There can be no assurance that the Group will be able to obtain or maintain effective security over any of the Group's assets or personnel.	The Board has established a Safety and Sustainability Committee to ensure that the Company has a robust security strategy with clear lines of accountability and commitment throughout the organisation. In 2024 the Company completed a security management review with the final report issued in November; improvement recommendations are incorporated into the 2025 security plan. The wells and facilities are protected by external security consultants and local government forces who work closely with the Group's internal security team. The Company retains external security advisers who prepare detailed risk assessments, security procedures and contingency plans which can be activated when threats arise. Local communities are an essential source of intelligence about the nature, severity and likelihood of any threat. The Group ensures it maintains good relations with the local population and considers the impact of all decisions on them.

Operational		
Key risk factor	**Potential impact**	**Mitigation**
Reserves **Risk owner:** COO Recoverable reserves decrease below existing stated levels, affecting the revenue and economic viability of the field. Potential changes to the PSC may impact the Group's ability to report reserves and resources in line with existing reserves reports. **Link to strategic priorities** **Change in year**	The last independent third-party evaluation of the Company's reserves was completed as at 31 December 2022 by ERCE. Due to the suspension of expansion activity and lack of clarity around when the export pipeline will reopen and KRG payments will normalise, uncertainty exists as to when development activity will recommence, which will be required to fully realise GKP's reserves base. As a result, while the Company has prepared an internal estimate of 2P reserves at 31 December 2024, it is difficult to estimate current reserves and resources. Due to natural uncertainty in the volumes of hydrocarbons in place and the proportion of those hydrocarbons that might be recoverable, the actual reserves may be lower than our most likely forecast. Any PSC amendment may impact the Group's ability to book reserves and resources.	The Company bases its reserve estimates on the existing PSC and its development plans. The development plans use an assumption regarding the restart of exports and arrears to recommence development activity and finalise the FDP. These will be optimised when the actual dates and payments are known. The Group bases its forecasts and investment planning on a range of possible outcomes that include a low-side case. Seismic, fracture and structural models continue to be updated as wells are drilled in order to better understand the subsurface and optimise future well locations.

Operational		
Key risk factor	**Potential impact**	**Mitigation**
Field delivery risk **Risk owner:** COO While expenditures have been minimised to preserve liquidity, with the resumption of crude oil exports and normalisation of KRG payments, the Company plans to consider increasing investment to realise the potential of the Shaikan Field. Once reinvestment restarts, there is a risk the Company does not achieve its updated investment case and economic and production returns do not match expectations. The delay to implementing some of the development plans (such as water handling) may increase the risk of not being able to deliver production targets due to the need to shut-in/choke back wells to deal with any produced water. The major identified risks are the following: ▪ loss of a well due to water or gas breakthrough, pressure decline or mechanical failure; ▪ damage to wells during drilling and loss of drill fluids; ▪ well locations are sub-optimal; and ▪ cost overruns. **Link to strategic priorities** **Change in year**	Failure to control development and production risks may manifest as project delays, cost overruns, high production costs, early field decommissioning and, ultimately, lower than expected reserves. Water breakthrough in advance of the installation of appropriate water-handling facilities may result in damage to the production facilities and reduced well production and temporary well shut-ins resulting in failure to meet production targets. Gas breakthrough in volumes exceeding the limit of the gas processing capacity could result in reduced oil production and shutting-in the well with gas breakthrough. Drilling operations issues might result in cost overruns and project delays, and possibly even the termination of drilling operations.	Technical and financial approvals are required for all material projects and for all dedicated project teams. All projects are closely monitored to ensure the project delivers against plan, which enables actions to be taken to maintain progress, and minimise budget overruns. All wells are monitored to ensure early detection of, and reaction to, any abnormalities. Zones within wells which are producing water may be isolated while other zones in the well are brought on production. Wells are regularly tested to look for any changes in gas/oil ratio and to provide an early warning of any gas breakthrough. Reservoir modelling, including data acquired from well production and pressure measurements and the results from new wells, is carried out to improve our understanding and forecasting of this event. Our current analysis does not show inclement water breakthrough in advance of the scheduled installation of water handling and desalting facilities. Design of future development wells takes account of modelling to optimally locate the producing interval at a depth to minimise the risk of early gas and water breakthrough.

Financial		
Key risk factor	**Potential impact**	**Mitigation**
Commodity prices **Risk owner:** CFO A material decline in oil prices may adversely affect the Group's revenues, profits, cash flows, asset valuations, production operations or result in delays to the Shaikan development. Low oil prices may adversely impact the KRG's ability to meet its payment obligations towards the region's producers. **Link to strategic priorities** **Change in year**	With the shut-in of the ITP, the Company has been selling crude oil locally at significantly reduced prices relative to the international market. The Group's revenues, profitability and future rate of growth will depend substantially on prevailing oil prices, which can be volatile and subject to fluctuation. A sustained low oil price environment could have an adverse effect on the Group's liquidity and ability to develop the asset. In addition, it may lead to a reduction in the Group's commercial reserves and an impairment of its asset.	The Group's cash forecast and commitments are constantly monitored and it maintains surplus cash and a flexible expenditure programme to manage uncertainty. In establishing the annual work programme and budget, the Group considers a range of forward oil prices and sales volumes to assess the potential impact on cash flows and liquidity. Commodity prices are monitored on an ongoing basis. The Group monitors and, where possible, reduces costs while maintaining safe operations. As appropriate, the Board considers hedging, taking into account macro-economic and corporate considerations.

Financial		
Key risk factor	**Potential impact**	**Mitigation**
Oil revenue payment mechanism **Risk owner:** CFO There is uncertainty relating to the revenue payment mechanism for oil in Kurdistan. There can be no assurance that PSC operators will be paid on a timely basis or will receive their full contractual entitlement. **Link to strategic priorities** **Change in year**	The shut-in of the ITP and lack of revenue payments from the KRG has adversely impacted the Group's ability to develop and invest in the asset. Such impact has been partially mitigated by local crude oil sales. To the extent the Company experiences decreased local sales, its ability to operate efficiently and to make necessary working capital payments may be adversely impacted. Irregular receipts of revenue payments may damage investor confidence in the Group and the region and make any fundraising difficult. The Shaikan Lifting Agreement between the Group and the MNR that provided access to the Kurdistan Export Pipeline expired on 31 August 2022 and has not yet been extended as negotiations are ongoing related to the resumption of crude oil exports and payment of exports, including outstanding arrears.	The Group, along with APIKUR as appropriate, continue to engage with KRG and FGI officials to pursue a solution that provides commercial and PSC contractual clarity, facilitates the restart of pipeline exports and normalises payments, including repayment of arrears. Local buyers are required to pay for crude oil in advance, thus eliminating counterparty credit risk. The Company continues to reiterate to the KRG its expectation that all overdue payments for October 2022 to March 2023 crude oil sales are paid in full. As at 19 March 2025, the value of overdue invoices was $151.1 million net to GKP on the basis of the KBT pricing mechanism. Leading up to the resumption of pipeline exports, the Company is targeting to negotiate with the MNR a Shaikan Lifting Agreement. The timing to conclude such negotiations is currently unknown.

Financial		
Key risk factor	**Potential impact**	**Mitigation**
Liquidity and funding capability **Risk owner:** CFO The Group has insufficient working capital to meet short-term operational requirements or has insufficient funding in place to eventually pursue the full Shaikan development programme. The risk to short-term liquidity has been exacerbated by the ITP shut-in and delayed KRG payments. **Link to strategic priorities** **Change in year**	Lack of liquidity may result in the Group not being able to function as a going concern and not being able to meet its operational and contractual commitments. Lack of funding may result in the Group's inability to fully achieve its strategy, failure to reach the stated field plateau, failure to service its debt, as appropriate, and inability to deliver a return to shareholders. Lack of capital discipline and operational cost focus may result in significant unplanned cash outflows and inadequate liquidity.	The Group targets to maintain a minimum level of cash to manage potential downside risks. The Company is currently debt free. The Company prepares detailed short-term and medium-term liquidity forecasts to clearly understand and proactively manage cash flows and commitments. The Board and management ensure that the planning process is robust. The Group's business plan is regularly reviewed and revisited by the Board to ensure that it reflects any changes to internal or external factors. Business planning and corporate performance management processes are used to control spend. These processes involve the review of multiple scenarios to assess a possible range of outcomes. The Group invests capital in phases and has a flexible capital programme, enabling it to quickly adjust levels of spending to adapt to changes in market circumstances and timeliness of KRG payments. The Group intends to further consider and review potential financing options to execute the GMP, once a decision has been taken to restart capital investment in the field.

Viability statement

In accordance with the UK Corporate Governance Code, the Directors have carefully assessed the Group's viability and prospects over a longer period than the 12 months required by the going concern provision. The Board assesses the business over a number of time horizons for different reasons, including the following:

a) annual Corporate Budget (i.e. 2025);
b) medium-term Corporate Budget; and
c) life-of-field plan used to produce an internal view of the value of the Company.

The Board concluded that a three-year period most appropriately reflects the underlying prospects and viability of the Group for the following reasons:

a) the Group expects a return to field development during this timeframe following the assumed restart of Kurdistan exports; and
b) should the risks and uncertainties identified by the Group on pages 54 to 71 have an impact on the Group, it is reasonable to believe that many of the risk and uncertainties will occur within this period.

Notwithstanding, the Group will continue to monitor the business over all time horizons noted above.

The Directors' viability assessment has been made with reference to the Group's strategy and business model, as detailed on pages 16 to 19 and to the risks, uncertainties and available mitigating action plans, as detailed on pages 54 to 71.

The Group conducted an annual planning process which consisted of the review of the Group's strategy and performance, preparation of a work plan and budget and review of risks, uncertainties and opportunities over the three-year assessment period.

The Directors reviewed the Group's cash flow projections which were prepared using the following base assumptions:

- restart of Kurdistan exports in October 2025;
- local oil sales for Q1-Q3 2025;
- local oil sales average price of $27/bbl;
- export sales average Brent prices (nominal) of $74/bbl in 2025, $72/bbl in 2026, $74/bbl in 2027 and $75/bbl in 2028;
- discount to Brent on export sales of up to $27/bbl;
- Jurassic development investment commences in 2026;
- Gas Management Plan investment commences in 2027 and is internally funded;
- no financial impact resulting from climate change risks;
- latest cost estimates for the Jurassic development and Gas Management Plan;
- production profiles in line with internal estimates;
- regular revenue receipts and
- excludes current liabilities of around $81 million payable to the KRG, which are not expected to be cash settled (see note 14 of the financial statements).

While the Group continues to believe that the full amount of KRG invoices outstanding for the period October 2022 – March 2023 will be recovered, the cash flow projections exclude recoveries other than to the extent some cost oil may be recovered via monthly invoicing during local oil sales. Further details are contained within the Financial review.

The assessment demonstrated that the Group is in a reasonable financial position, with an adequate cash balance and ability to meet liabilities as they fall due.

Further, the Directors have considered the financial and operational impact of severe but plausible scenarios that could threaten GKP's viability. This was done through modelling the individual and combined effects of various risks and uncertainties in order to establish the Group's ability to meet its working capital requirements. Additionally, the Directors considered possible mitigating actions. The modelled stress scenarios and potential mitigating actions considered are as follows:

Stress test scenarios	Downside assumptions	Mitigating actions	Reference to principal risks and uncertainties(1)
▪ Low oil price environment ▪ Oil revenue payment interruptions ▪ Delays to the development programme ▪ Decreasing reservoir productivity ▪ Inability to access export pipeline ▪ Extended period of local sales	▪ Brent price reduction to $55/bbl flat real ▪ Revenue receipts interruptions ▪ Reduced production ▪ Cost increases	▪ Deferrals and reductions in capital expenditure ▪ Further optimisation of the development programme ▪ Further rationalisation of the operational cost base ▪ Continued local oil sales ▪ Debt finance GMP	▪ Political, social and economic instability ▪ Disputes regarding title or exploration and production rights ▪ Export route availability ▪ Risk of economic sanctions impacting Group ▪ Oil revenue payment mechanism ▪ Stakeholder misalignment ▪ Climate change ▪ Commodity prices ▪ Field delivery risk ▪ Reserves ▪ Liquidity and funding capability

(1) Principal risks which were not specifically modelled were either considered not likely to have an impact within the viability period or their financial effect was covered within the overall downside economic risks implicit within the stress testing.

The Company previously reported that the Iraqi Federal Supreme Court ("FSC") in February 2022 had ruled that the Kurdistan Oil and Gas Law ("KROGL") was unconstitutional. Subsequently, the Iraqi Ministry of Oil issued proceedings against various IOCs in the Commercial Court and, on 23 October 2022, the Baghdad Commercial Court issued rulings seeking to nullify the Production Sharing Contracts in absentia against some IOCs, including Gulf Keystone.

In December 2024, the Baghdad Commercial Court reversed its previous rulings, ruling that the PSCs were legally valid and enforceable. On 29 January 2025, the matter was appealed by the Iraqi Ministry of Oil to the Cassation Court. The Cassation Court rejected the appeal and affirmed the validity and enforceability of the PSCs. On 27 February 2025, the Company was informed that the Iraqi Ministry of Oil had applied to the Cassation Court for a procedure known as a 'Correction', seeking once more to overturn the judgement; this process is ongoing. While these rulings by the Baghdad Commercial Court and Cassation Court appear to be a positive development, it is unclear to date what, if any, influence they will have on the timing of the restart of Kurdistan exports through the Iraq-Türkiye Pipeline ("ITP") and the ability of the Company and other IOCs to secure payment surety for future oil exports, the repayment of outstanding receivables and the preservation of current contract economics. The Iraqi Supreme Court ruling also remains outstanding.

The ITP was shut down on 25 March 2023 following the International Chamber of Commerce in Paris arbitration ruling in favour of Iraq over Türkiye.

In February 2025, the Iraqi Parliament approved an amendment to Article 12 of the Iraqi 2023-2025 Budget Law regarding the compensation for Kurdistan's oil production and transportation costs, potentially facilitating the resumption of Kurdistan's oil exports. Whilst the approval of the amendment is a key step towards the resumption of Kurdistan oil exports, a number of key details remain outstanding regarding payment surety for future oil exports, the repayment of outstanding receivables and the preservation of current contract economics. Whilst the Company waits for the reopening of the ITP, it continues crude oil sales to local buyers. Future local sales volumes remain unpredictable with limited visibility beyond the Company's monthly contract renewals with buyers.

Based upon the Directors' robust assessment of the principal risks facing the Group, the stress test scenarios and possible mitigating actions, as described above, the Directors have a reasonable expectation that the Group will be able to continue to operate and meet its liabilities as they fall due over the three-year viability assessment period.

In the event the stress test scenario assumptions are more severe than the Directors reasonably considered as severe but plausible, it could lead to significant changes to the Group's operational and development plans, including a further curtailment of activities, and reductions in staff, amongst other things, may be required and there could be an impact on the Group's viability. Such circumstances include: the cessation of both local and export sales; the impact of the Article 12 budget amendment, where key details regarding payment surety and the preservation of current contract economics remain outstanding and difficult to predict; and the impact of the potential renegotiation of the Turkish export pipeline agreement by the Turkish Government and Federal Government of Iraq which we understand expires in July 2026 if either party provides a termination notice one year prior to the expiry date (otherwise it is automatically extended for five years).

Board of Directors

David Thomas
Non-Executive Chair

Appointed: September 2024

Board Committee appointments: Chair of the Nomination and Technical Committees, member of the Remuneration Committee

Skills and experience: David Thomas was appointed as an independent Non-Executive Director of Gulf Keystone in October 2016 and became Chair of the Board in September 2024.

David is an experienced oil and gas professional with 40 years in the industry. He started his career as a petroleum engineer working for Conoco, before moving into various reservoir engineering and asset management roles. Subsequently, he joined Lasmo and, following the company's acquisition, held three regional Vice President roles with Eni covering the North Sea, Russia/Asia/Australia and West Africa portfolios. David's Board directorships have included positions as President and COO of Centurion Energy, CEO of Melrose Resources and CEO of Cheiron, where he is now a Non-Executive Director.

David has a BSc in Mining Engineering from Nottingham University and an MSc in Petroleum Engineering from Imperial College.

Jon Harris
Chief Executive Officer

Appointed: January 2021

Board Committee appointments: Member of the Safety and Sustainability and Technical Committees

Skills and experience: Jon Harris has over 35 years' experience in the oil and gas industry and joined GKP from SASOL Limited, an integrated energy and chemicals company based in South Africa, where he was Executive Vice President, Upstream. Prior to this, he spent 25 years with BG Group in various international roles, including Executive Vice President Technical and General Manager Production Operations, as well as senior management assignments in the United States, Trinidad and Tobago, and Egypt.

Jon received a Masters of Engineering from the University of Leeds, UK. He is a Non-Executive Director of PetroTal Corp.

Gabriel Papineau-Legris
Chief Financial Officer

Appointed: June 2024

Board Committee appointments: Member of the Technical Committee

Skills and experience: Gabriel Papineau-Legris joined Gulf Keystone in September 2016 and was promoted to Chief Financial Officer in June 2024.

Gabriel has over 15 years of experience in the energy industry. Prior to his appointment at Gulf Keystone, Gabriel worked in private equity at Lime Rock Partners, where he was involved in investigating and executing E&P and oilfield services investment opportunities internationally as well as monitoring portfolio companies. Gabriel began his career in investment banking at Merrill Lynch, advising oil majors, E&P companies and governments on M&A and restructuring transactions, and capital markets financing.

Gabriel graduated from HEC Montréal (BBA) and EDHEC Business School (MSc). He is also a CFA charter holder.

Marianne Daryabegui
Senior Independent Director

Appointed: October 2024

Board Committee appointments: Chair of the Remuneration Committee, member of the Audit and Risk, Nomination and Safety and Sustainability Committees

Skills and experience: Marianne Daryabegui joined Gulf Keystone as an independent Non-Executive Director in October 2024 and was appointed Senior Independent Director in March 2025.

Marianne is an experienced capital markets adviser who has focused on oil and gas throughout her career, firstly in-house at Total, then in the banking sector at BNP Paribas and Natixis, where she advised multiple oil and gas companies. At Natixis, Marianne co-led the M&A Energy and Natural Resources practice. She was also formerly Head of Natural Resources at BNP Paribas. In 2021, Marianne was appointed as Chief Financial Officer of Lithium de France and is currently Head of M&A and capital market operations at the Arverne Group. Marianne is a Non-Executive Director on the Board of EnQuest plc and was previously a Non-Executive Director on the Board of Pharos plc.

Catherine Krajicek
Non-Executive Director

Appointed: October 2024

Board Committee appointments: Chair of the Safety and Sustainability Committee and member of the Audit and Risk, Remuneration and Technical Committees

Skills and experience: Catherine Krajicek was appointed as an independent Non-Executive Director in October 2024. She started her career with ConocoPhillips as an associate engineer and remained with the company for a total of 22 years, progressing through a variety of oil and gas technical and subsequently asset management roles in both the US and Indonesia. In 2007, Catherine left ConocoPhillips and joined Marathon Oil where she went on to hold a number of senior executive roles before retiring from Marathon in 2018. Catherine is currently a Non-Executive Director at Hunting plc. From July 2019 to June 2023 she served as a Non-Executive Director on the Board of Cairn Energy plc.

Catherine holds a BSc and MSc in Petroleum Engineering from the Colorado School of Mines.

Wanda Mwaura
Non-Executive Director

Appointed: July 2022

Board Committee appointments: Chair of the Audit and Risk Committee and member of the Remuneration and Nomination Committees

Skills and experience: Wanda Mwaura was appointed as an independent Non-Executive Director in July 2022. She has over 25 years' experience in the financial services sector with extensive experience in both executive and non-executive roles, including audit committee membership. She is a qualified accountant and was previously a partner in Ernst & Young (Bermuda) and the Chief Accounting Officer at PartnerRe. Wanda is now a Non-Executive Director of International General Insurance Holdings Limited and a number of private companies, including Clarien Bank Limited, as well as Executive Director for the Bermuda Public Accountability Board.

Wanda has a Bachelor of Commerce degree from Dalhousie University, Nova Scotia and is a member of the Chartered Professional Accountants of Bermuda, where she resides.

Julien Balkany
Non-Executive Director

Appointed: July 2023

Board Committee appointments: Member of the Nomination Committee

Skills and experience: Julien Balkany is a non-independent Non-Executive Director representing funds managed by Lansdowne Partners Austria GmbH in July 2023.

Julien has extensive experience as an investor and board member in the international oil and gas industry. He is currently Managing Partner of Nanes-Balkany Partners, a group of investment funds that focuses on the oil and gas industry, which he co-founded in 2007. Since 2014, he has been Chairman of the Norwegian oil and gas exploration and production company Panoro Energy ASA. He has also been a Non-Executive Director of several other private and publicly listed oil and gas companies including Norwegian Energy Company (Noreco), Gasfrac Energy Services, Toreador Resources, and Amromco Energy.

Julien began his career as an oil and gas investment banker and studied at the Institute of Political Studies (Strasbourg) and at UC Berkeley.

Corporate governance report

Outstanding governance, ethical conduct and compliance are the foundation of GKP's business and underpin our purpose as a responsible energy company.

Dear Shareholder,

Operating with integrity is a core pillar to the culture at Gulf Keystone. We believe it is in the best interests of all our stakeholders to uphold the highest levels of governance and in order to achieve this it is essential that the Company has the appropriate culture, systems, policies, integrity and ethics in place. Furthermore, the highest priority is given to fostering a culture of safety, governance, sustainability, environmental, social and ethical considerations, underpinned by the Company's core purpose and values which are regularly communicated to all staff. The Company voluntarily complies with the UK Corporate Governance Code.

The Board encourages a transparent and open culture to ensure effective contributions from all Directors, management and the wider workforce. Communication is key to this and we continue to maintain and enhance this through ongoing staff communication initiatives including monthly 'town hall' meetings which are encouraged to be interactive.

A successful company is led by an effective and entrepreneurial Board of Directors, whose role is to promote the long-term sustainable success of the Company. In early 2024, the Board completed an externally facilitated evaluation of its performance and governance. This evaluation concluded that the Board as a whole considered the overall governance and associated processes of the Company to be strong, with only a small number of enhancements proposed to improve the overall effectiveness, all of which were addressed. We have decided to postpone our 2025 evaluation until later in the year due to the recent and significant changes to the composition of the Board. This is explained further in the report of the Nomination Committee.

The Company maintains an absolute zero-tolerance approach to bribery and corruption and reinforces this through specific training of all staff and contractors. Strong ethics are an integral part of the way we do business. All employees must abide by the Code of Business Conduct which incorporates a wide range of policies and standards in respect of governance, ethics, workplace behaviours and integrity. All staff and contractors also have to undertake compulsory training in this and certify that they have, and will, comply. The Board will always look to continually enhance such policies and procedures, ensuring that operating with integrity remains a top priority.

David Thomas
Non-Executive Chair
19 March 2025

Introduction

It is the duty of the Board of Directors that it must act in a manner, in good faith, which will be most likely to promote the success of the Company for the benefit of its members as a whole and taking account of the likely consequences of any decision in the long term. The maintenance of high standards of governance is integral to this, and the Board sets the tone for the highest ethical compliance. The Board aims to create a culture which demands the same commitment and performance from all employees and contractors in all business activities. The governance processes applied across the Group are set out below and in the individual Committee reports.

The Board accepts responsibility for oversight of management who prepares the annual report and accounts and considers the annual report and accounts, taken as a whole, to be fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

Board leadership and purpose

The Board is accountable to shareholders and other stakeholders for the creation of a sustainable, long-term business. The Board oversees a robust governance framework with clear procedures, lines of responsibility and delegated authorities to ensure that the Company's strategy and values are implemented, and key risks identified, assessed and managed effectively. The Board also engages with the Company's stakeholders on an ongoing basis to ensure their long-term interests are understood and preserved. This includes investors, the host government and local communities, staff and contractors, business partners and suppliers. It is recognised that the nature of the Company's business requires specific expertise at Board level and this is regularly reviewed to ensure it is appropriate.

Key oversight responsibilities of the Board include:

- health and safety;
- environmental and social standards and governance;
- ethical compliance, including whistleblowing;
- strategy development and objectives;
- operational and technical oversight;
- financial performance, structure and capital management;
- corporate planning and KPIs;
- stakeholder and workforce engagement;
- shareholder value;
- legal compliance and strategy;
- people, culture and values;
- risk management;
- Board development and effectiveness; and
- governance and regulatory compliance.

When considering these responsibilities, the Chair encourages an open, respectful and collaborative working environment where all Directors voice their opinions and contribute to constructive debate.

Division of responsibilities

The Board is led by the Chair, who promotes a culture of openness and debate and is responsible for the leadership of the Board and its overall effectiveness. The Chair also facilitates constructive Board relations and the effective contribution of all Non-Executive and Executive Directors, and ensures that Directors receive accurate, timely and clear information. The Chair is supported on the Board by three independent Non-Executive Directors, one of whom is the Senior Independent Director, a further Non-Executive Director who is a non-independent shareholder representative, and the CEO and CFO. The CEO is responsible for operational management, and the development and implementation of strategy in conjunction with the senior leadership team. The Chief Legal Officer attends Board and Committee meetings as Secretary to ensure corporate governance and regulatory compliance.

The Company has a formal register of 'Matters Reserved for the Board' which is reviewed and approved on a regular basis, and there is a clear separation of responsibilities between the Board and management. Some matters may be delegated to the Board Committees: the Safety and Sustainability Committee; the Technical Committee; the Audit and Risk Committee; the Remuneration Committee; and the Nomination Committee. Each Board Committee has terms of reference in place which are reviewed and approved on a regular basis.
The Board is satisfied that the Committees and the individual Directors have sufficient time and resources to carry out their duties effectively and anticipate that will continue to be the case during 2025. The Company maintains an ongoing review of the external commitments of its Directors. 2024 was a year of significant change in the composition of the Board and its Committees, and this is fully explained in this report.

The Executive Committee comprises the CEO, CFO, Chief Operations Officer, Chief Legal Officer and Chief HR Officer. They meet on a regular basis, at least weekly, to discuss significant management matters. The senior leadership team, comprising functional heads of departments and the Executive Committee, also meets on a regular basis to discuss management matters.

Composition, succession and evaluation

The Nomination Committee is primarily responsible for reviewing the composition and balance of the Board, and for recommending any new appointments to the Board and Committees. Appointments and succession planning are based on merit and in accordance with the Company's Diversity Policy.

During the year the following changes to the Board were made:

- All at Gulf Keystone were very sad to hear of the sudden passing of the Non-Executive Chair, Mr Martin Angle, on 2 September 2024. Mr David Thomas, independent Non-Executive Director, who had also been appointed acting Senior Independent Director in June 2024, agreed to step into the role of Chair of the Board with immediate effect.
- Ms Kimberley Wood, independent Non-Executive Director and Senior Independent Director, accepted a full-time executive role with another company and thus did not put herself forward for re-election at the 2024 AGM, resigning on 21 June 2024.
- Mr Ian Weatherdon retired as CFO and an Executive Director on 21 June 2024 upon conclusion of the AGM. He was replaced as CFO and Executive Director by Gabriel Papineau-Legris on that date.
- Marianne Daryabegui was appointed an independent Non-Executive Director on 1 October 2024.
- Catherine Krajicek was appointed an independent Non-Executive Director on 1 October 2024.

All Directors are subject to annual re-election by shareholders in accordance with the Company's Byelaws and the Code.

Audit, risk and internal control

The Audit and Risk Committee is primarily responsible for ensuring that the financial performance of the Company is measured and reported, in conjunction with the Company's auditor. This Committee will also review and report on the risk identification, mitigation and management, identifying specific 'deep dives' on particular risks, as appropriate. It is recognised that risk management is of crucial importance to a company of the profile of Gulf Keystone. The risk process is therefore placed as an integral part of the Company's strategy formulation and execution.

The Board acknowledges that it must have in place a sound system of internal control to safeguard the assets and value of the business and to ensure reliability of financial information. In this respect, a regular review is undertaken by the Audit and Risk Committee to consider the adequacy of the current internal control systems and whether any enhancements are necessary.

The Board is mindful of the new requirements relating to internal controls as contained in the UK Corporate Governance Code 2024 which come into effect in 2026. Management is currently preparing for full compliance with this.

Remuneration

The Remuneration Committee is primarily responsible for devising and monitoring the Company's remuneration policies to ensure that they are consistent with corporate governance guidelines and the Company's objectives, and it is assisted by external remuneration consultants, Mercer. A detailed report of all remuneration matters is contained in the Directors' remuneration report. The Company's Remuneration Policy will be formally put forward for approval by shareholders at the Annual General Meeting in 2025. Marianne Daryabegui was appointed Chair of the Remuneration Committee from 3 October 2024. In accordance with the UK Corporate Governance Code, Ms Daryabegui had previously served on the Remuneration Committee of another company, Pharos Energy, for a period in excess of 12 months.

Adherence with the UK Corporate Governance Code

Although the Company is not subject to the UK Corporate Governance Code 2018 (replaced by the 2024 version with effect from 1 January 2025) (the 'Code') on account of its 'equity shares – transition category' listing on the London Stock Exchange, the Company has voluntarily agreed to adhere to the Code so far as practicable. We firmly believe that this voluntary adherence establishes a solid basis from which to conduct Board and managerial decision-making, acting in the best interests of the Company and its stakeholders. A copy of the Code is available on the website of the Financial Reporting Council ("FRC") on **www.frc.org.uk**.

As at the date of this report, the Board considers that the Company has applied all of the principles and complied with all of the provisions of the Code, except for the following matters, using the provision references set out in the 2018 version of the Code:

Provision 5 – There is no formal workforce engagement scheme in place. The Company's existing remuneration arrangements have been reviewed by the Board in conjunction with its external remuneration advisers, Mercer. It was concluded that GKP had a very transparent culture with regular staff engagement initiatives and an open reporting line which encouraged staff participation. Such initiatives include regular 'town hall' meetings, off-site strategy sessions by department, grade and location, and regular internal communications including through the Company's intranet. Taking these existing arrangements, and the size and nature of the business, into account, it was considered that it was an unnecessary step to formalise this into a formal workforce engagement scheme. The Board will keep these arrangements under review, taking into account GKP's size and legal and regulatory requirements in its locations. With respect to the remuneration of the wider workforce, this is benchmarked and reported to the Remuneration Committee, although the determination of workforce remuneration is a matter for management. The Remuneration Committee, which has responsibility for the remuneration of the Executive Committee, will take into account the remuneration of the wider workforce to ensure alignment with the Executive Committee.

The information contained in this report, and elsewhere in this annual report and accounts, describes the manner in which Gulf Keystone has applied the principles of governance set out in the Code and complied with individual Code provisions.

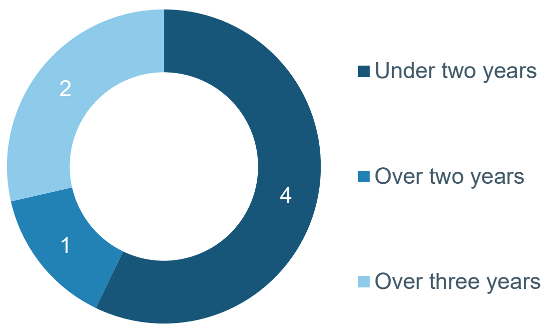
The Board

The composition of the Board is a key constituent of the Company's corporate governance. As an international energy company, Gulf Keystone's business carries a diverse range of risks and it is important that these are covered by the skills and knowledge of the Board. For each Board appointment a number of factors will be considered, including skills, experience, diversity and ability. This is replicated in senior management positions and in the Company's succession planning.

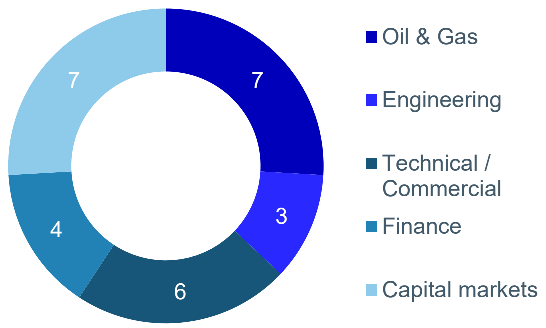
As at the date of this report, the Directors of the Company are:

Name	Role	Date of appointment	Date of last re-election
Jon Harris	CEO	18 January 2021	21 June 2024
Gabriel Papineau-Legris	CFO	21 June 2024	21 June 2024
David Thomas	Non-Executive Chair	13 October 2016	21 June 2024
Wanda Mwaura	Non-Executive Director	1 July 2022	21 June 2024
Julien Balkany	Non-Executive Director	3 July 2023	21 June 2024
Catherine Krajicek	Non-Executive Director	1 October 2024	–
Marianne Daryabegui	Senior Independent Director	1 October 2024	–

Board tenure



Board experience



Board composition, independence and diversity

As at the date of this report, the Board is comprised of two Executive Directors and five Non-Executive Directors (including the Chair). In accordance with Code Provision 9, the Chair was independent on appointment. The Company regards the other Non-Executive Directors as independent according to Code Provision 10, except for Julien Balkany who is representing funds managed by Lansdowne Partners Austria GmbH.

In 2023, a new Listing Rule was introduced by the Financial Conduct Authority which states:

a) at least 40% of the Board must comprise of women;
b) at least one of the senior Board positions (Chair, CEO, Senior Independent Director or CFO) must be held by a woman; and
c) at least one member of the Board must be from a minority ethnic background (which is defined by reference to categories recommended by the Office for National Statistics ("ONS") excluding those listed, by the ONS, as coming from a White ethnic background.

GKP is currently fully compliant with this rule.

The independence of each of the Non-Executive Directors is considered upon appointment, at each Board evaluation and at any other time a Director's circumstances change in a way that warrants reconsideration, and by their ongoing actions. Julien Balkany is considered to be non-independent as a shareholder representative of Lansdowne Partners Austria GmbH. David Thomas, Wanda Mwaura, Catherine Krajicek and Marianne Daryabegui are all considered to be independent.

The Board considers whether the Non-Executive Director is independent of management and any business or other relationship that could materially interfere with the exercise of objective and independent judgement by the Director or the Director's ability to act in the best interests of all stakeholders. In particular, the Board has considered any positions which the Non-Executive Director holds, or held, in companies with which Gulf Keystone has commercial relationships. None of the Non-Executive Directors participate in share compensation schemes, including the Company Share Options Plan and executive bonus schemes.

The Company's Executive and Non-Executive Directors are recruited from a variety of backgrounds and bring different experience and perspectives, ensuring that the Company's Directors have capacity and capability to meet the needs of the business.

The Company places high importance on having diverse Board composition to enable robust consideration and challenge of the strategies proposed by the Executive Directors. The balance of skill diversity of the Board is specifically considered at the annual Board evaluation and by the Nomination Committee.

The experience provided by the Board covers, amongst other things, financial/capital markets, legal, commercial, technical (including petroleum engineering, geology, operations and HSE) and project management. The Company actively considers Board composition on a regular basis to ensure the Board has the necessary balance of skills, experience, knowledge, independence and diversity to discharge its duties.

Board appointments are undertaken through a formal, rigorous and transparent procedure run by external search consultants.
Catherine Krajicek and Marianne Daryabegui were both appointed during the year upon a conclusion run by the external search consultants, Teneo.

The Company has in place a Diversity Policy which applies across the Company, including at Board level, and seeks to ensure that there is no discrimination within the Company on the basis of gender, sexual orientation, ethnicity, age, disability or other minority. It is recognised that diversity is a key element for the Board, and that diversity extends to a number of different facets.

The operation of this policy is monitored on a continual basis and a report is prepared for each scheduled Board meeting which sets out the breakdown of staff according to various diversity metrics. This includes the gender balance of those considered to be senior management. The implementation of the Diversity Policy has resulted in enhanced awareness throughout the organisation of the benefits of a diverse workforce. The Diversity Policy will be strictly adhered to in the recruitment process for any Board position. The current gender balance of the Board is four males and three females. Further information on diversity at Board and executive management level can be found below.

Board and executive diversity data

The Company is reporting its Board and executive management diversity data as at 31 December 2024 in accordance with the new UK Listing Rules disclosure requirements and the Company's progress in meeting the new UK Listing Rules Board diversity targets.

As at 31 December 2024, the Board comprised 43% women. One of the four senior positions on the Board, being the Senior Independent Director, is held by a woman, and there is one Directors from an ethnic minority background. The Board is committed to meet the UK Listing Rules targets and will continue to keep its progress under review.

Gender representation: Board and executive management as at 31 December 2024	Number of Board members	Percentage of the Board	Number of senior positions (CEO, CFO, Chair and SID)	Number in executive management	Percentage of executive management
Men	4	67	3	4	80
Women	3	43	1	1	20
Other categories/not specified/prefer not to say	—	—	—	—	—

Ethnic background: Board and executive management as at 31 December 2024	Number of Board members	Percentage of the Board	Number of senior positions (CEO, CFO, Chair and SID)	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	6	86	3	5	100
Mixed/Multiple ethnic groups/Asian/Asian British/Black African/Caribbean/Black British/Other ethnic group, including Arab/Not specified/prefer not to say	1	14	1	—	—

Executive management for these purposes is the Executive Committee (the most senior executive body below the Board) and the Company Secretary, excluding administrative and support staff, as defined by the UK Listing Rules.

Gender and ethnicity data relating to the Board and senior management team was collected by the Company's Human Resources department.

Board induction

New Directors receive a full and appropriate induction on joining the Board. This includes meetings with functional heads of department, other Board members and the Company's principal advisers as appropriate. A comprehensive induction pack is also prepared which includes historical Board and Committee papers and minutes, Company compliance policies (for example the Anti-Bribery Policy), organisational structure charts, relevant legal, insurance and regulatory information.

The Company will also provide training on a periodic basis to the Directors on relevant matters. All Directors undergo Code of Business Conduct training on the same cycle as staff, with the latest such cycle having been completed in March 2025.

The role of the Board

The Board leads the Company in the delivery of its strategic goals, generating long-term sustainable success whilst putting in place and respecting the necessary controls within which the Company must operate to ensure appropriate assessment and management of risk and respect for the environment. The Board establishes the Company's purpose, values and strategy, and ensures that these are aligned with its culture. This is brought into the Company's training on the Code of Business Conduct to ensure they are appropriately embedded within the organisation.

The Board has a formal schedule of matters specifically reserved to it for decision-making on certain aspects of the business which is approved on an annual basis (last approved in March 2025). They cover the key strategic, financial and operational issues facing the Group and include:

- the Group's strategic aims and objectives;
- annual operating and capital expenditure budgets;
- changes to the Group's capital, management or control structures;
- dividend policy and dividend recommendation;
- half-yearly reports, final results, annual report and accounts;
- the overall system of internal control and risk management;
- major capital projects, corporate actions and investment;
- acquisitions and disposals; and
- changes to the structure, size and composition of the Board.

A Delegation of Authority is reviewed by the Board on a regular basis to ensure there are appropriate controls in place for management decisions. In addition, terms of reference are set and approved for each of the Board sub-committees; these are available on the Company's website. The Board and its Committees have access to the advice and services of the Chief Legal Officer and Company Secretary and, if necessary, the Board and its individual Directors have the ability to seek external expert advice at the expense of the Company.

Board and Committee meetings are attended by members of the senior management team upon invitation. At each Board meeting any attendees are required to declare any conflicts of interest they may have, including in relation to significant shareholdings. The Board will ensure that the influence of third parties will not compromise or override independent judgement.

Division of responsibilities between Non-Executive Chair and Chief Executive Officer

The Company maintains a clear division of responsibilities between the independent Non-Executive Chair and the Chief Executive Officer. The Non-Executive Chair is responsible for leading the Board in an ethical manner and for guiding the Directors in the development of the Company's strategy. The Non-Executive Chair chairs the Board meetings and oversees implementation of the Board's decisions. On occasions, the Non-Executive Chair will meet with key shareholders and stakeholders to articulate the Company's strategy and seek their feedback.

In running the Board, the Non-Executive Chair is responsible for creating an environment that facilitates robust and constructive challenge whilst promoting a culture of openness and debate. In creating this environment, the Non-Executive Chair encourages open communications and aims to ensure that the Non-Executive Directors' challenges and suggestions are considered dispassionately and on their merits. The Non-Executive Chair is responsible for setting the Board's agenda and ensuring that adequate time is available for discussion of all agenda items including strategic issues.

The Chief Executive Officer is responsible for the overall management of the business, delivering successful achievement of the Company's KPIs and providing leadership to the management team and staff whilst communicating and fostering the underlying culture and principles of the Company to all staff and stakeholders.

The role of the Senior Independent Director ("SID")

Marianne Daryabegui was appointed as SID in March 2025. The SID is responsible for assisting the Non-Executive Chair with effective communications with shareholders and is available to shareholders should there be any concern which could not be resolved through the normal channels of the Non-Executive Chair, Executive Directors or the Investor Relations team. The SID is available to meet shareholders if they have specific concerns. The SID also ensures that there is a clear division of responsibility between the Non-Executive Chair and Chief Executive Officer and, as necessary, acts as a conduit between the Board's Non-Executive Directors, its Chair and the Executive Directors. Marianne Daryabegui also acts as Deputy Non-Executive Chair of the Board. The Board is satisfied that the SID demonstrates complete independence in the role.

Board meetings and attendance

Board meetings are held on a regular basis and no decision of any consequence is made other than by the Directors. A total of seven scheduled Board meetings were held during the year ended 31 December 2024. In addition to those scheduled meetings, the Board held periodic informal update meetings. These meetings were attended by all Directors and, if appropriate, senior management, with discussions being minuted. No formal decisions were made at the informal meetings.

The Directors' attendance record at the scheduled Board meetings and Board Committee meetings for the year ended 31 December 2024 is shown in the table below. For Board and Board Committee meetings, attendance is expressed as the number of meetings that each Director attended followed by the number of meetings held for the period she/he was a Director during the year. The number of meetings attended by each Director is shown out of the total number she/he was eligible to attend.

Name	Board meetings (7)	Audit and Risk Committee (6)	Remuneration Committee (7)	Nomination Committee (4)	Safety and Sustainability Committee (3)	Technical Committee (3)
Martin Angle[(1)]	4/4		5/5	3/3		
David Thomas[(2)]	7/7	4/4	7/7	4/4	3/3	3/3
Kimberley Wood[(3)]	2/2	3/3	4/4	2/2	2/2	
Jon Harris	7/7				3/3	3/3
Ian Weatherdon[(4)]	2/2					
Gabriel Papineau-Legris[(5)]	5/5					3/3
Wanda Mwaura[(6)]	7/7	6/6	2/2	1/1		
Julien Balkany[(7)]	7/7			1/1		
Catherine Krajicek[(8)]	3/3	1/1	0/0		0/0	0/0
Marianne Daryabegui[(9)]	3/3	1/1	1/1	1/1	0/0	
John Hulme					3/3	3/3

(1) Martin Angle – Passed away on 2 September 2024.
(2) David Thomas – Appointed to the Audit and Risk Committee on 14 March 2024. Stepped down from the Audit and Risk Committee on 3 October 2024. Stepped down from the Safety and Sustainability Committee on 16 January 2025.
(3) Kimberley Wood – Resigned on 21 June 2024.
(4) Ian Weatherdon – Retired on 21 June 2024.
(5) Gabriel Papineau-Legris – Appointed to the Board on 21 June 2024.
(6) Wanda Mwaura – Appointed to the Remuneration Committee on 20 June 2024. Appointed to the Nomination Committee on 3 October 2024.
(7) Julien Balkany – Appointed to the Nomination Committee on 3 October 2024.
(8) Catherine Krajicek – Appointed to the Board on 1 October 2024. Appointed to the Audit and Risk Committee, Safety and Sustainability Committee and Technical Committee on 3 October 2024. Appointed to the Remuneration Committee on 5 December 2024.
(9) Marianne Daryabegui – Appointed to the Board on 1 October 2024. Appointed to the Audit and Risk Committee, Remuneration Committee, Nomination Committee and Safety and Sustainability Committee on 3 October 2024. Appointed as Senior Independent Director on 13 March 2025.

In advance of the Board meeting, meetings of the Audit and Risk, Nomination and Remuneration Committees may be held as appropriate. Meetings of the Technical Committee and Safety and Sustainability Committee will generally be held in advance of the Board meeting. The formal agenda for the Board meeting will be determined by the Non-Executive Chair following consultation with the Chief Executive Officer and the Chief Legal Officer.

Current Board Committees		
Audit and Risk Wanda Mwaura (Chair) Catherine Krajicek Marianne Daryabegui	**Remuneration** Marianne Daryabegui (Chair) David Thomas Wanda Mwaura Catherine Krajicek	**Nomination** David Thomas (Chair) Julien Balkany Wanda Mwaura Marianne Daryabegui
Safety and Sustainability Catherine Krajicek (Chair) Marianne Daryabegui Jon Harris John Hulme	**Technical** David Thomas (Chair) Catherine Krajicek Jon Harris Gabriel Papineau-Legris John Hulme	

The Board Committees

The Company has five Board Committees: the Audit and Risk Committee, the Remuneration Committee, the Nomination Committee, the Safety and Sustainability Committee and the Technical Committee. Each Board Committee has specific written terms of reference issued by the Board and adopted by the relevant Committee, updated on a regular basis and published in the corporate governance section of the Company's website www.gulfkeystone.com.

All Committee Chairs report orally on the proceedings of their Committees at the meetings of the Board. Where appropriate, the Committee Chairs also make recommendations to the Board in accordance with their relevant terms of reference. In addition, the minutes and papers of the Committee meetings are distributed to all Board members in advance of Committee meetings.

To ensure Directors are kept up to date on developing issues and to support the overall effectiveness of the Board and its Committees, the Non-Executive Chair and Committee Chairs communicate regularly with the Chief Executive Officer and other executive management. Alasdair Robinson, the Company's Chief Legal Officer, acts as Company Secretary to each Committee.

The key governance mandates of the Board's five main Committees are shown on the following pages.

Audit and Risk Committee

As at 31 December 2024, the Audit and Risk Committee comprised three Non-Executive Directors, all of whom are considered to be independent.

The Committee members have been selected to provide the wide range of financial and commercial expertise necessary to fulfil the Committee's duties. The Board considers that the Committee has experience to be recent and relevant for the purposes of the Code and the members of the Committee as a whole have competence relevant to the sector in which the Company operates; in particular, Wanda Mwaura is a qualified accountant and Marianne Daryabegui has held several senior roles in the financial industry in her career. This Committee meets at least three times per year. During the year ended 31 December 2024, the Committee met six times.

The terms of reference of the Audit and Risk Committee are documented and agreed by the Board and are available in the corporate governance section of Gulf Keystone's corporate website: www.gulfkeystone.com. The terms of reference are reviewed regularly and were last updated in December 2023.

The Audit and Risk Committee report is set out on pages 91 to 95.

Nomination Committee

As at 31 December 2023, the Nomination Committee comprised four Non-Executive Directors, three of whom are considered to be independent, including the Non-Executive Chair of the Board.

The Nomination Committee met on four occasions during the year on a formal basis. The terms of reference of the Nomination Committee are documented and agreed by the Board and are available in the corporate governance section of Gulf Keystone's corporate website: www.gulfkeystone.com. The terms of reference are reviewed regularly and were last updated in December 2024.

The Nomination Committee report is set out on pages 88 to 90.

Remuneration Committee

As at 31 December 2024, the Remuneration Committee comprised four Non-Executive Directors, all of whom are considered independent.

This Committee, which meets at least twice per year, is responsible for making recommendations to the Board concerning the compensation of the Executive Directors and the Non-Executive Chair, as well as the level and structure of remuneration for senior management.
The Committee is also responsible for the determination of the Group's Remuneration Policy. The Remuneration Committee met on seven occasions during the year.

The terms of reference for the Remuneration Committee are available in the corporate governance section of Gulf Keystone's corporate website: www.gulfkeystone.com. The terms of reference are reviewed regularly and were last updated in October 2024.

The Remuneration Committee report is set out on pages 100 to 124.

Safety and Sustainability Committee

As at 31 December 2024, the Safety and Sustainability Committee comprised three Non-Executive Directors, one Executive Director and the Chief Operating Officer. David Thomas stepped down from the Committee on 16 January 2025.

The Committee was formed in June 2020 in succession to the HSE and CSR Committee. It aims to meet four times a year and met three times during 2024, as one meeting was postponed for availability considerations until January 2025. The primary function of the Committee is to oversee the development of the Group's policies and guidelines for the management of ESG, including evaluating HSE and social risks, evaluate the effectiveness of these policies and their ability to ensure compliance with applicable legal and regulatory requirements, overseeing the quality and integrity of reporting to external stakeholders concerning safety and sustainability, and reviewing the results of any independent audits of the Group's performance in regard to safety and sustainability making recommendations, where appropriate, to the Board concerning the same. The Committee also reviews ESG and safety performance and examines specific safety issues as requested by the Board and will also review all governance matters which are relevant to the work of the Committee. The Committee aims to provide visible leadership on HSE matters through periodic site visits to the Company's operations.

The terms of reference of the Safety and Sustainability Committee are documented and agreed by the Board and are available in the corporate governance section of Gulf Keystone's corporate website: www.gulfkeystone.com. The terms of reference are reviewed regularly and were last updated in September 2023.

The Safety and Sustainability Committee report is set out on pages 96 to 98.

Technical Committee

As at 31 December 2024, the Technical Committee comprised two independent Non-Executive Directors, two Executive Directors and the Chief Operating Officer.

The Committee's main remit is to support the Company's Shaikan development planning and project execution activities. The Committee also has the following specific objectives:

- provide assurance that development plans are in line with the Company's strategy and have been optimised;
- review and recommend to the Board approval of Shaikan Field reserves and resources estimates and revisions;
- ensure that the Company has the appropriate resources and project management systems in place to successfully execute development projects on time and within budget;
- provide the Board with assurance that the key project execution risks have been identified and that the required risk management processes and mitigation measures are in place;
- provide oversight, where appropriate, for any material contract tendering exercises; and
- review and recommend for executive approval any information relating to the Shaikan FDP and reserves and resources estimates for public release.

The Committee met three times in 2024. The terms of reference of the Technical Committee are documented and agreed by the Board and are available in the corporate governance section of Gulf Keystone's corporate website: www.gulfkeystone.com. The terms of reference are reviewed regularly and were last updated in June 2024.

The Technical Committee report is set out on page 99.

Information and support

The Company is committed to supplying the Board and its Committees with full and timely information, including detailed financial, operational and corporate information, to enable Directors and Committee members to discharge their responsibilities. The Committees are provided with sufficient resources to undertake their duties. All Directors have access to the advice of senior management and, where appropriate, the services of other employees and the Company Secretary and Chief Legal Officer for all governance and regulatory matters. Independent professional advice is also available to Directors in appropriate circumstances, at the Company's expense. Board members also keep up to date with developments in relevant law, regulation and best practice to maintain their skills and knowledge.

Relevant analysis and reports are prepared by management prior to all Board and Committee meetings, allowing the Board to effectively address all of the items on the relevant meeting's agenda. Documents and reports are provided to the Board in a timely manner allowing for sufficient time to review the information prior to the meeting and raise questions where necessary. Management discusses the detail and format of Board reports on an ongoing basis to ensure the Board is appropriately informed of all relevant information.

Business ethics

The Company adopts a zero-tolerance approach to bribery and corruption and has adopted a number of measures and procedures to ensure ongoing compliance with relevant anti-bribery laws. An Anti-Bribery Policy is in place which is regularly reviewed and updated by the Board. This policy also includes provisions on conflicts of interest and the Criminal Finances Act. Training is undertaken on a regular basis through the annual Code of Business Conduct training programme. A number of procedures underlie the Code, including the maintenance of registers covering, for example, gifts and hospitality. The latest compliance training cycle was completed in March 2025.

An external whistleblowing service, Navex Global, is maintained in order to provide a mechanism whereby staff and contractors may make anonymous reports, if necessary, which is designed to encourage staff to 'speak up'. In the event any reports are received through this service, the matter is brought to the attention of the Board and a full review is undertaken on the allegations. The Board will then determine whether there is a need for a further independent investigation of such matters and for follow-up action.

Workforce engagement and Company culture

The Company has noted the provisions contained in the Code with respect to workforce engagement. In the context of the size of the Company, the Board does not intend to appoint either a Director from the workforce or a designated Non-Executive Director to ensure engagement with the workforce. However, the Company does run a system of regular 'town hall' events across its offices and production facilities which enable an open forum for discussion with its workforce. The workforce receive updates on recent developments relating to the Company and have the opportunity to ask questions of management through interactive sessions and meetings. This matter is reviewed on a regular basis by management and, where appropriate, its advisers. The current conclusion is that the Company is not of a sufficiently complex nature to warrant the need for additional levels of workforce engagement processes and the Board will keep this assessment under review.

The Company has embedded six fundamental principles in the organisation which cover its purpose, values and culture. These are:

Safety

- Safety comes first. No job is so urgent or important that it cannot be done safely.

Social responsibility

- Gulf Keystone's relationship with, and contribution to, society has been critical to the development of the Company as it stands today and is fundamental for its future success. We are committed to meeting high standards of corporate citizenship by protecting the wellbeing of our employees, by safeguarding the environment and by creating a long-standing, positive impact on the communities where we do business.

Trust through open communication

- We understand the importance of listening and open communication with employees, our business partners, stakeholders and shareholders; our success depends on everyone. We encourage an environment of open and continuous communication and build our relationships on trust.

Teamwork

- Positive and constructive collaboration and relationships between all employees is vital to deliver outstanding performance in everything we do.

Innovation and excellence

- We are committed to a high-performance culture and to ensure sustained long-term value for not only our external stakeholders but also our employees through learning, mentoring and career development.

Integrity and respect

- Doing the right thing. We are always guided by the highest standards of ethical conduct, integrity and fairness. Respect is: ensuring diversity and equal opportunities in the business; with our partners, stakeholders and contractors seeking to conduct our business openly for the mutual benefit of all.

The principles are referred to on an ongoing basis through internal communications and meetings, and are displayed prominently throughout all Company offices, and even on Company mouse mats and screensavers. In addition, the principles are incorporated into the annual training which staff and contractors take on the Code of Business Conduct. All staff and contractors are required to adhere to the principles.

Risk management and internal control

The Board acknowledges its responsibility for establishing and monitoring the Group's systems of risk management and internal control. While the systems of internal control cannot provide absolute assurance against material misstatement or loss, the Group's systems are designed to provide the Directors with a high level of assurance that material emerging and principal risks are identified on a timely basis and dealt with appropriately. The Board annually reviews the effectiveness of the systems of risk management and internal control and considers the significant business risks and the control environment. This is carried out by management and reported to the Audit and Risk Committee which assesses and tests the conclusions, including the need for an internal audit function. The Audit and Risk Committee will then report on the matter to the Board. The Board is currently satisfied that effective controls are in place and that risks have been identified and mitigated as appropriate. The Board is, however, cognisant of the new provisions on internal controls contained within the UK Corporate Governance Code 2024, which take effect in 2026. Management, the Audit and Risk Committee and the Board are preparing for compliance with this through 2025.

The Group is subject to a variety of risks, which derive from the nature of the oil and gas exploration, development and production business and relate to the countries in which it conducts its activities. The key procedures that have been established and which are designed to provide effective control are as follows:

- regular meetings between executive management and the Board to discuss all issues affecting the Group;
- detailed analysis of risk reviews undertaken at Audit and Risk Committee meetings (strategic, financial, ESG, IT/OT and cyber, fraud risks) and Technical Committee meetings (operational and project risks);
- a clearly defined framework for investment appraisal with Board approval required as appropriate;
- regular analysis and reporting on the Company's risk register; and
- reviews of the Company's risk management systems, controls and culture by external advisers.

The Board also believes that the ability to work in partnership with the host government is a critical ingredient in managing risk successfully.

The Directors have derived assurance over the control environment from the following internal and external controls during 2024:

- implementation of policies and procedures for key business activities;
- an appropriate organisational structure;
- specific delegations of authority for all financial and other transactions;
- segregation of duties where appropriate and cost effective;
- management and financial reporting, including KPIs;
- reports from the Group Audit and Risk, Safety and Sustainability, and Technical Committees; and
- reports from the Group's external auditor on matters identified during their audit.

The above procedures and controls have been in place in respect of the Group for the 2024 accounting period and up to the date of approval of the annual report and accounts. There were no significant weaknesses or material failings in the risk management and internal control system identified in any of the above reviews and reports. Further details on the Company's emerging and principal risks and procedures in place and how these are managed and mitigated are contained on pages 54 to 71.

Relations with investors and stakeholders

Regular communications with the Company's institutional and retail equity investors, as well as credit investors, are given high priority by the Board. The Non-Executive Chair, Senior Independent Director, Chief Executive Officer, Chief Financial Officer and the Head of Investor Relations and Corporate Communications are the Company's principal spokespersons, engaging with investors, analysts, the press and other interested parties. Communication is undertaken through site visits, shareholder presentations, attendance and presentations at industry conferences, one-on-one meetings, conference calls and other written and oral mediums. Throughout 2024, the Group held a number of investor presentations which are available to view on the Group's website.

The Company is committed to maintaining this constructive dialogue with all its investors and will continue to provide regular updates on its operations and corporate developments.

The Company has an established practice of issuing regulatory announcements on the Group's operations and/or any new price-sensitive information. The Group's website, www.gulfkeystone.com, which is regularly updated, contains a wide range of information on the Group, including a dedicated investor section where investors can find the Company's share price, financial information, regulatory announcements, investor presentations and corporate webcasts with the Group's management.

A list of the Company's significant shareholders as at the date of this report can be found in the Directors' report and on the Group's website, at www.gulfkeystone.com.

The Company also seeks to engage with its wider stakeholders on a regular basis. This includes, for example, the Ministry of Natural Resources in Kurdistan, the Company's joint venture partner, MOL Group, residents local to the Company's operations, suppliers, contractors and employees.

Additional information

The Company has provided the additional information required by the UK Financial Conduct Authority's Disclosure Guidance and Transparency Rules of the Listing Rules (and specifically the requirements of DTR 7.2.6 in respect of directors' interests in shares; appointment and replacement of directors; powers of the directors; restrictions on voting rights; and rights regarding control of the Company) in the Directors' report.

Annual General Meeting

At the Company's Annual General Meeting ("AGM") held on 21 June 2024, all resolutions were successfully passed with all resolutions attaining in excess of 80% of votes cast in favour.

The 2025 AGM will be held on 20 June 2025 via webcast which will be accessible to all shareholders. The Notice of AGM, once published in advance of the meeting on the Company's website, will accompany this annual report and accounts and will set out the business to be considered at the meeting. The Board uses the AGM to communicate with private and institutional investors and welcomes their participation.

David Thomas
Non-Executive Chair
19 March 2025

Nomination Committee report

2024 membership and meeting attendance

	Member since	Nomination Committee
David Thomas (Chair)[1]	5 Oct 2023	4/4
Martin Angle[2]	16 Jul 2018	3/3
Kimberley Wood[3]	3 Oct 2019	2/2
Wanda Mwaura[4]	3 Oct 2024	1/1
Marianne Daryabegui[5]	3 Oct 2024	1/1
Julien Balkany[6]	3 Oct 2024	1/1

(1) David Thomas assumed Chair of the Committee upon Martin Angle's passing on 2 September 2024.
(2) Martin Angle passed away on 2 September 2024.
(3) Kimberley Wood resigned on 21 June 2024.
(4) Wanda Mwaura appointed on 3 October 2024.
(5) Marianne Daryabegui appointed on 3 October 2024.
(6) Julien Balkany appointed on 3 October 2024.

Matters discussed

February 2024

- Board composition

March 2024

- Board evaluation
- Non-Executive Director recruitment

June 2024

- Board composition
- Non-Executive Director recruitment
- Committee membership

December 2024

- Board and Executive Committee composition and succession
- Board evaluation
- Terms of reference

Role

In accordance with its terms of reference, which are available on the Company's website, the Nomination Committee (the 'Committee') is a committee of the Board of Directors of the Company which is primarily responsible for:

- reviewing the structure, size and composition of the Board and recommending changes;
- considering and recommending succession planning strategy for Executive and Non-Executive Directors and key senior management positions;
- identifying and nominating for the approval of the Board candidates to fill Board vacancies or new positions as and when they arise;
- reviewing the Company's policy on diversity and inclusion and the progress made in achieving the policy's objectives; and
- the Committee will lead an annual evaluation of the performance of the Board, its Committees, the Chair and the individual Directors. The Committee will consider an externally facilitated approach to this at least every three years.

Composition

The Nomination Committee currently comprises three independent Non-Executive Directors: David Thomas (Chair), Marianne Daryabegui and Wanda Mwaura, and one non-independent Non-Executive Director, Julien Balkany. Martin Angle, formerly the Chair, sadly passed away on 2 September 2024 whereupon David Thomas took over as Chair. Wanda Mwaura, Marianne Daryabegui and Julien Balkany were appointed to the Committee on 3 October 2024.

The meetings may be attended by Alasdair Robinson (Chief Legal Officer and Secretary to the Committee), Clare Kinahan (Chief HR Officer), other Non-Executive and Executive Directors, and external advisers as appropriate.

Review of the Committee's activities

The Nomination Committee meets at least twice per year. During 2024, the Committee met formally on four occasions. In addition, a number of informal meetings took place to discuss matters relevant to the Committee and, on some occasions, matters of a Nomination Committee nature may be discussed in full Board meetings.

Some of the key matters considered by the Committee during the year ended 31 December 2024 were: considering the balance and composition of the Board and Committees; the recruitment of further independent Non-Executive Directors; succession planning for the Board and Executive Committee; Board Committee composition; and Board evaluation.

On 1 October 2024, Catherine Krajicek and Marianne Daryabegui were appointed as independent Non-Executive Directors to the Board. Both were appointed following an extensive search process undertaken by independent consultants, Teneo. Teneo has no disclosable interests with any of the Board Directors and was appointed following a tender process.

Further information on Catherine Krajicek and Marianne Daryabegui is detailed in the section on the Board of Directors on page 75.

Diversity

The Committee recognises the benefits of diversity across all areas of the Group and believes that a diverse Board is a positive factor in business success, brings a broader, more rounded perspective to decision-making, and makes the Board more effective. When recruiting, the Board endeavours to consider a wide and diverse talent pool whilst also taking into account the optimum make-up of the Board, including the benefits of differences in skills, industry experience, business model experience, gender, race, disability, age, nationality, background and other attributes that individuals may bring.

In 2018, Gulf Keystone implemented a formal Diversity Policy throughout the organisation. The policy states that:

“The Company does not discriminate against workers or consultants on the basis of their gender, sexual orientation, marital or civil partner status, gender reassignment, race, colour, nationality, ethnic or national origin, religion or belief, disability or age. The Company will also seek to accommodate the religious observations and beliefs of all workers and consultants. The principle of non-discrimination and equality of opportunity applies equally to the treatment of former workers, visitors, clients, customers and suppliers by members of the Company’s current workforce.”

The Diversity Policy applies across all facets of the business, including administrative, management and supervisory functions, including at Board level. Diversity statistics are provided in each scheduled Board meeting showing the breakdown of senior management (and their direct reports) and staff by a number of metrics. These are reviewed in detail by the Board and the Committee.

In the event the statistics demonstrate a trend or weighting which is not in accordance with the Diversity Policy, this will be investigated and, if necessary, rectified. In the event an individual has concerns about matters of a diversity nature, the Company has in place a confidential third-party-managed whistleblowing service, which is described in more detail on page 85.

For the purposes of the UK Corporate Governance Code, the gender balance of senior management (being the Executive Committee and including the Company Secretary) and their direct reports is described on page 80.

Succession

During 2024, the Committee has continued to review succession planning and the active engagement and development of the Company’s staff. This included the consideration and development of succession planning for the Executive Directors and the Executive Committee, which takes into account the Diversity Policy and the need to foster a diverse pool of candidates. Training is provided for executives as appropriate.

On 2 September 2024, the Company Chair, Martin Angle, sadly passed away suddenly. David Thomas, then Senior Independent Director, agreed to step up as Chair with immediate effect. Given the circumstances, no external process was undertaken and it was agreed by the Board that this appointment was in the best interests of the Company and its stakeholders as a whole. It was recognised that Mr Thomas had extensive knowledge of the Company, having been a Director since 2016, was well respected, and thus was best placed to assume the role of Chair.

On 21 June 2024, Kimberley Wood resigned from the Company to pursue an executive position with another company. At this time, she also stepped down as Senior Independent Director and Deputy Chair. Marianne Daryabegui was subsequently appointed Senior Independent Director in her place.

Process used for Board appointments

The Committee adopts a formal, rigorous and transparent procedure for the appointment of new Directors to the Board (aside from if the appointment involves a shareholder representative Director).

In appointing Non-Executive Directors, the Board’s practice is to use external recruitment consultants appointed following a formal pitch process. A detailed job profile and engagement scope will be agreed with the selected recruitment consultant following a review of the balance and composition of the Board. New Directors are subject to a formal induction process covering all facets of the business including asset review, technical, operations, finance, legal, ESG and HR.

Board evaluation

The Company aims to undertake an externally facilitated Board evaluation process every three years. In early 2024, the Company undertook an externally facilitated evaluation with Evalu8 Limited ('Evalu8'). Evalu8 has no other connection with the Company or any individual Director and was selected following a review by the Committee of a number of potential suppliers taking into account the level of interaction by the external consultant, cost, and the experience of the Committee of such evaluations. The evaluation, which is questionnaire based rather than interview based, covered the following topics and covered the Board and all Board Committees, with all Board members participating through questionnaires and subsequent analysis and discussion of the results:

- composition, succession and evaluation;
- Board/Committee strategy and Company purpose;
- leadership;
- meetings, contributions and relationship with the Board;
- effectiveness;
- accountability;
- remuneration; and
- relations with shareholders.

The results of the review were considered by both the Committee and the Board. The review concluded that the Board as a whole considered the overall governance and associated processes of the Company were strong with only a small number of enhancements being proposed to improve overall effectiveness. These included:

- the need to enhance diversity in the composition of the Board and Committees;
- new UK governance requirements.

Both of these matters have since been addressed through the recruitment of new Board Directors, and additional processes implemented to comply with the provisions of the new Corporate Governance Code. The Board currently complies with the UK Corporate Governance Code and UK Listing Rules requirements with respect to the independence and the gender and ethnic diversity of the Board, as described on page 80 of the Corporate governance report.

In light of the significant changes made to the Board over the past 12 months, the Board has decided to defer its annual Board evaluation process from early 2025 until the second half of 2025. This is to allow the new Directors time to further develop their understanding of the Company's governance and processes. The Board will consider a number of options for delivering the evaluation and will choose the optimal solution. The process and results of this evaluation will be reported to shareholders in due course.

There are no arrangements or understandings between any Director or executive officer and any other person pursuant to which any Director or executive officer was selected to serve, aside from the appointment of Julien Balkany as a shareholder representative of Lansdowne Partners Austria. There are no family relationships between the Directors.

David Thomas
Chair of the Nomination Committee
19 March 2025

Audit and Risk Committee report

2024 membership and meeting attendance

	Member since	Audit and Risk Committee
Wanda Mwaura (Chair)	1 July 2022	6/6
David Thomas(1)	14 March 2024	4/4
Kimberley Wood(2)	12 October 2018	3/3
Catherine Krajicek(3)	3 October 2024	1/1
Marianne Daryabegui(4)	3 October 2024	1/1

(1) Appointed to the Committee on 14 March 2024 and stepped down from the Committee on 3 October 2024.
(2) Resigned on 21 June 2024.
(3) Appointed on 3 October 2024.
(4) Appointed on 3 October 2024.

Matters discussed

March 2024 (first meeting)

- External audit and year-end financial results
- Risk management and controls including disclosures relating to climate change and cyber security
- Controls review
- Private session with the auditor

March 2024 (second meeting)

- 2023 annual report and financial statements
- Management representation letter

June 2024

- Risk management and controls
- Assess appropriateness to establish an internal audit function
- Approve audit fee proposal
- Tax compliance and optimisation review
- Auditor engagement and effectiveness review
- Potential half-year financial reporting considerations

August 2024 (first meeting)

- 2024 half-year results
- Report from the external auditor on outcome of interim review including key judgements
- Management representation letter

August 2024 (second meeting)

- 2024 half-year results
- Half-year results RNS release
- Management representation letter

December 2024

- BDO audit planning report
- Potential year-end financial reporting considerations
- Insurance update
- Risk management and controls
- Cost recovery review
- UK Corporate Governance Code update
- Cyber review
- Auditor audit and non-audit fees
- Delegation of Authority review

Role

The Audit and Risk Committee is the committee of the Board of Directors that is primarily responsible for overseeing the financial reporting, internal risk management and control functions, the external and internal audit requirements, and for making recommendations to the Board in relation to the appointment of the Group's internal (if applicable) and external auditor.

The Audit and Risk Committee has written terms of reference which were last updated in December 2023. A copy of the terms of reference is available on the Company's website. In accordance with its terms of reference, the Committee, which reports its findings to the Board, is authorised to:

- monitor the integrity of the Group's financial statements and announcements, and significant financial accounting estimates and judgements;
- review the effectiveness of the Group's risk management framework and internal controls and risk management systems;
- consider and make recommendations with respect to the Group's risk appetite, and review, on behalf of the Board, the Group's risk profile;
- monitor and review the effectiveness of internal controls and the need for, if appropriate, a Group internal audit function;
- oversee the Company's corporate and operations technology functions, including cyber security controls and processes;
- advise the Board on the appointment of the external auditor and on the remuneration for both audit and non-audit work;
- discuss the nature and scope of the audit with the external auditor, and review the audit findings ahead of reporting to the Board; and
- assess the performance, independence and objectivity of the external auditor and any supply of non-audit services.

Composition

As at 31 December 2024 and the date of this report, the Committee comprised three Non-Executive Directors, all of whom are considered to be independent. The members of the Committee are Wanda Mwaura (Committee Chair), Catherine Krajicek and Marianne Daryabegui. Following the 2024 AGM, Kimberley Wood stepped down as a member of the Committee. David Thomas was appointed to the Committee on 14 March 2024 and stepped down on 3 October 2024; his appointment being a temporary one until the appointments of Catherine Krajicek and Marianne Daryabegui, both of whom were appointed to the Committee on 3 October 2024.

The meetings are also typically attended by other Non-Executive Directors, Jon Harris (CEO), Gabriel Papineau-Legris (CFO), Michael Cameron (Group Finance Director), Alasdair Robinson (Chief Legal Officer and Company Secretary), BDO LLP (external auditor) and, as appropriate, representatives from finance management and representatives from operations.

Review of the Committee's activities

Six Audit and Risk Committee meetings were held in the financial year. Meetings are held at key times during the Group's reporting and audit calendar.

Matters discussed

During the year, the main focus of the Audit and Risk Committee has been to support and oversee the Group's ongoing monitoring, review and evaluation of its risk management systems and internal controls, ensure the robustness and integrity of the Group's financial reporting and assess the effectiveness of the external audit process.

The Committee has devoted significant time to reviewing those areas that are integral to the Group's core management and financial processes, as well as engaging regularly with management and the external auditor.

The Committee worked closely with the management team to ensure these recommendations were implemented in an efficient and timely manner. The Committee has been proactive in requesting information in order to fulfil its role. During the course of the year, the Committee has received sufficient information on a timely basis to enable it to discharge its duties effectively.

Significant issues considered by the Audit and Risk Committee in 2024

BDO LLP was appointed by the Company as external auditor in 2023. BDO is considered fully independent of the Company.

The Committee assesses whether suitable accounting policies have been adopted and whether management have made appropriate estimates and judgements. The Committee reviews reports prepared by management that provide details on the main financial reporting judgements and estimates. The Committee also reviews reports by the external auditor on the full-year and half-year results of the Group that highlight any issues identified by the auditor and provide further insights into the judgements and estimates used by management.

Following the closure of the ITP in 2023, the Company continued to rely on local sales to generate revenue. The Company continued to operate as a going concern throughout 2024.

The Company constantly reviewed its liquidity and ensured that all appropriate scenarios and accounting policies were reviewed on an ongoing basis.

The significant issues considered in the year are detailed below:

Significant issue	How the issue was addressed by the Committee
Revenue recognition: In order to recognise revenue, management must be able to measure reliably the economic benefit to be received and the costs associated with the sale and it must be probable that the Group will receive the economic benefits. In 2024, the Group has continued to recognise revenue in line with IFRS 15 Revenue from Contracts with Customers. For the 2024 financial year the Company sold its entitlement share of production to local buyers with delivery taking place when crude oil was loaded into trucks. Volumes were sold at negotiated contract prices in line with the local market, with advance payments received in accordance with Production Sharing Contract entitlements. The key judgement for revenue recognition is considering whether the accounting policy remains appropriate.	The Committee considered whether recognition of revenue in relation to oil sales was appropriate. The Committee discussed the key judgements with management and reviewed the information provided. The Committee also had discussions with the external auditor in respect of the Group's accounting policy. For this financial year, the Committee reviewed and agreed that revenue should be recognised in accordance with the contractual terms for sales to local buyers. Any advance payments for which crude oil had not been delivered to the buyer at the reporting date should be recognised as deferred revenue.
Impairment and carrying value of oil and gas assets: An assessment of any impairment and carrying value of the Group's assets is required under International Financial Reporting Standards (IAS 36 Impairment of Assets). This assessment involves management making a number of judgements and assumptions including identifying indicators of impairment and estimating future oil prices, production profiles, the timing of revenue receipts, development timing, costs, cost recovery, potential climate change transition risks impacts, inflation and discount rates.	The Committee considered reports from management and reviewed the impairment indicator assessment. For the 2024 interim and 2024 full-year financial statements the Committee reviewed all potential indicators of impairment and concluded that no impairment indicator existed. Despite the continued pipeline shutdown, the stabilisation of local sales generating steady cash flows, combined with the sensitivity performed in March 2024 (required for the 2023 financial statements) of a delay to exports of up to two years, enabled the Committee to be satisfied there were no indicators of impairment under the requirements of IAS 36. The potential indicators of impairment assessed are detailed within the material sources of estimation uncertainty section of the financial statements. The Committee also reviewed climate change scenarios. The International Energy Agency's ("IEA") most recent Announced Pledges Scenario ("APS") and Net Zero Emissions ("NZE") climate scenario oil prices and carbon taxes were used to evaluate the potential impact of the principal climate change transition risks. The Committee agreed with management's conclusion that under the APS and NZE scenarios there was no impairment. However, it was acknowledged that while the sensitivity to conservatively include IEA carbon pricing on all production resulted in no impairment under the APS scenario, under the NZE scenario, there could be a potential impairment if the Group's carbon intensity per barrel of production was greater than that assumed by the IEA, which the IEA have not disclosed.
Going concern and viability statement: The appropriateness of preparing the Group financial statements for the year on a going concern basis and the preparation of the long-term viability statement.	The Committee considered reports and analysis prepared by management, taking into account the external auditor's review of these papers and their observations. The analysis involved stress testing the assumptions and in particular reviewing the potential impact arising from the uncertainty over the timing of the pipeline reopening and settlement of outstanding amounts due from the KRG, and the fact that the outlook for local sales volumes and pricing is considered difficult to predict. The Committee reviewed the mitigating actions available and concluded that management's recommendation to prepare the financial statements on a going concern basis was appropriate. As the timing of the pipeline reopening is still uncertain, the Committee considered before concluding that no material uncertainty exists, having taken due consideration of cash balances, projected cash inflows and outflows and

	mitigating actions available to reduce the cost base in the event of reduced local sales volumes or delays to KRG payments after reopening of the pipeline. The Committee reviewed the assessment of the principal risks facing the Group, the stress test scenarios and possible mitigating actions over the three-year viability statement period. Based on this review, the Committee approved the disclosure included under the long-term viability statement.
Valuation of KRG receivable (Expected Credit Loss "ECL")): An assessment was undertaken to assess the valuation of the receivable balance due from the KRG at year end taking into account both relevant macro-economic factors and requirements under accounting standards.	Under IFRS, the Company is required to assess the likelihood of default by a counterparty. To assess the reasonableness of the expected credit loss provision, the Committee reviewed management's methodology and key variables, including when the pipeline is anticipated to reopen, the estimated duration for the KRG to repay the balance outstanding, and whether the cost oil portion of the outstanding invoices may be recovered via monthly invoicing. Based on this review, the Committee agreed that the expected credit loss provision had been appropriately calculated. The Committee also reviewed management's disclosure that the outstanding balance is expected to be fully recovered and agreed there is a reasonable basis for such disclosure. The key assumptions are set out within the material source of estimation uncertainty section of the financial statements, with further details in note 13 including ECL sensitives.
Non-cash payables: The appropriateness of the statement that liabilities of $81 million held on the balance sheet payable to the KRG are not expected to be cash settled was reviewed.	As explained further in note 14 of the financial statements, the Committee reviewed and considered whether it was still appropriate to disclose that liabilities due to the KRG are unlikely to be cash settled. Broadly, these fall into two categories as noted below: $40.1 million is expected to be offset against oil sales made to the KRG up to 2018, which are not recorded as an asset as management consider that the criteria for revenue recognition has not been met. $40.8 million is recorded as a liability for the difference between the capacity building rate of 20%, as per the invoicing basis in effect since October 2017, and 30% as per the 2016 Bilateral Agreement. Management would not expect to cash settle this balance on the basis the commercial terms reverted to the Bilaterial Agreement, as this would increase GKP's net entitlement, and therefore revenue, which would be expected to exceed the accrued $40.8 million. After due consideration the Committee agreed with management's position that these liabilities are unlikely to be cash settled.

Internal audit

The Audit and Risk Committee has oversight responsibilities for the internal audit function. During the year, the Committee considered the appropriateness of the appointment of an internal auditor. The Committee recognises the additional requirements to comply with the UK Corporate Governance Code 2024 in respect of internal controls. Although these new provisions do not come into effect until 1 January 2026, the Company is preparing for this through 2025, which will include further consideration of establishing an internal audit function.

The Committee undertakes detailed analysis of higher-risk internal procedures and controls on a periodic basis, recent examples being cyber security, payments, inventory and supply chain management. In addition, specialist advisers are engaged, where necessary, to review key controls in high-risk areas to ensure that internal assurance is achieved. The current lack of an internal audit function has not had a negative impact on completion of the external audit.

External auditor

The Audit and Risk Committee is responsible for reviewing the effectiveness of the external audit process taking into consideration relevant professional and regulatory requirements and the Group's policy on external audit, including ensuring that the auditor remains objective and independent. To fulfil its responsibility regarding independence, the Committee considered:

- the external auditor's plan for the current year, noting the role of the audit partner who signs the audit report and who, in accordance with professional rules, has not held office for more than five years, and any changes in the key audit staff;
- the overall extent of non-audit services provided by the external auditor, in addition to its case-by-case approval of the provision of non-audit services by the external auditor;
- the external auditor's written confirmation of independence to the Audit and Risk Committee; and
- the past service of the external auditor, albeit BDO LLP were only appointed in 2023.

Effectiveness of external auditor

To assess the effectiveness of the external audit process, the auditor is asked on an annual basis to describe the steps that they have taken to ensure objectivity and independence, including where the auditor provides non-audit services. Gulf Keystone monitors the auditor's performance, behaviour and effectiveness during the exercise of their duties, which informs the Committee's decision to recommend reappointment on an annual basis. The external auditor's fulfilment of the agreed audit plan and any variations from the plan and the robustness and perceptiveness of the auditor in its assessment of the key accounting and audit judgements are also considered when making a judgement on auditor effectiveness. The Committee is responsible for monitoring the efficiency of the audit process and the performance of the auditor and will assess annually that the audit process was effective.

Non-audit services

As a safeguard to avoid the objectivity and independence of the external auditor becoming compromised, the Committee has a formal policy governing the supply of non-audit services by the external auditor. The policy is consistent with the regulations set out in the Financial Reporting Council's Revised Audit & Assurance Ethical Standard 2019. The Group may engage the external auditor to provide a limited range of non-audit services where this is the most effective and efficient way of procuring such services, provided that the Group is satisfied that the auditor's objectivity and independence will not be compromised as a result.

In 2024, BDO LLP provided non-audit services to the Group related to the interim review of the half-year results, and other assurance services related to the Company's joint operating agreement with its partner, MOL. BDO was appointed to provide non-audit services due to the synergies of performing the engagement alongside the services already performed as the Group's statutory auditor.

A breakdown of the fees paid to the external auditor in respect of audit and non-audit work is included in note 4 to the consolidated financial statements. The ratio of non-audit fees to audit fees was 17%.

The Committee considered the potential threats that engagement of BDO LLP to perform non-audit services may pose to auditor independence. BDO LLP ensured that necessary safeguards were put in place to reduce the independence threats to an acceptable level. The Committee was satisfied that, given the nature of the work and the safeguards in place, the provision of non-audit services did not undermine auditor objectivity and independence.

Committee evaluation

In 2024, an externally facilitated review of the Audit and Risk Committee's performance and effectiveness was completed which did not raise any substantive issues concerning the performance of the Committee. This was conducted alongside a full Board and Committee evaluation.

Wanda Mwaura
Chair of the Audit and Risk Committee
19 March 2025

Safety and Sustainability Committee report

2024 membership and meeting attendance

	Member since	Safety and Sustainability Committee
Catherine Krajicek (Chair)[(1)]	3 Oct 2024	N/A
David Thomas[(2)]	8 Dec 2016	3/3
Marianne Daryabegui[(3)]	3 Oct 2024	N/A
Kimberley Wood[(4)]	11 Oct 2018	2/2
Jon Harris	26 Jan 2021	3/3
John Hulme[(5)]	23 Jun 2022	3/3

(1) Appointed to the Committee on 3 October 2024. Appointed Chair on 16 January 2025.
(2) Stepped down from the Committee on 16 January 2025.
(3) Appointed on 3 October 2024.
(4) Resigned on 21 June 2024.
(5) John Hulme, COO, is a member of the Executive Committee but not a Board member.

Committee activities during 2024

The Committee seeks to meet formally four times a year and during 2024 it met on three occasions (in March, May and September), with a further meeting in January 2025. The Committee has a number of standing agenda items which are considered at each meeting and will supplement these with specific agenda items as necessary. In 2024, the topics considered included:

- HSE performance and statistics, including a detailed review of any incidents which have occurred and lessons learned;
- ESG strategy plan formulation and implementation, including production of the Group's Sustainability report;
- progress for the year against the Health, Safety and Environmental ("HSE") improvement plan;
- security review and risk assessment, including security audit;
- the formulation, approval and delivery of the Group's annual CSR plan and initiatives, including review of key initiatives;
- the Group's strategy on climate change and the reduction of GHG emissions, including the formulation of specific targets relating thereto;
- compliance with TCFD requirements;
- review of the Group's GHG emissions data to improve the accuracy and scope of reporting;
- governance review;
- analysis of market and industry trends related to climate change; and
- HSE operational planning for key field activities (for example, well operations).

Role

The role of the Safety and Sustainability Committee is to monitor the development and implementation of the Group's health and safety, environmental, social responsibility and ESG governance policies and to ensure that appropriate management systems and processes are in place to minimise any HSE risks associated with the Group's activities, including the impact of the Group's operations on GHG emissions and on local communities.

The Committee's activities form an integral part of the Group's HSE governance process, which includes the following key elements: Board and management site visits, external and internal audits, third-party inspections, Permit to Work audits, regulatory inspections, safety walkabouts and ensuring visible safety leadership.

The Group has robust governance processes in place to ensure that the appropriate framework exists to ensure that all matters of an ESG nature are appropriately considered and actioned, and these are reviewed at each meeting.

The Safety and Sustainability Committee has written terms of reference, a copy of which is available on the Company's website. In accordance with its terms of reference, the Committee is authorised to:

- oversee the development of policies and guidelines for the management of all risks relating to safety, sustainability and ESG, incorporating health, safety, security and environmental and social risks within the Group's operations;
- oversee the quality of safety and ESG (incorporating health, safety, security, environment and corporate social responsibility) policies, processes, governance, management and the methods to create appropriate behaviours and decisions, including relevant key performance indicators;
- review health and safety performance to assess the effectiveness of health and safety programmes and to make recommendations for improvement, where appropriate;
- review, and if appropriate approve, specific corporate social responsibility projects within the agreed budgeted level approved by the Board;
- evaluate the effectiveness of the Group's policies and systems for identifying and managing health, safety, security, environmental and social risks within the Group's operations;

- assess the policies and systems within the Group for ensuring compliance with applicable legal and regulatory requirements;
- assess the performance of the Group with regard to the impact of health, safety, security, environmental and social decisions and impact of actions upon employees, communities and other stakeholders. It shall also assess the impact of such decisions and actions on the reputation of the Group and make recommendations to the Board on areas for improvement;
- working in conjunction with the Technical Committee, the Board of Directors and management as appropriate, specifically consider the level of greenhouse gas ("GHG") emissions generated by the Company, and review challenging and achievable targets to reduce these;
- on behalf of the Board, receive reports from management concerning all fatalities and serious accidents within the Group and actions taken by management as a result of such fatalities or serious accidents;
- evaluate and oversee, on behalf of the Board, the quality and integrity of any reporting to external stakeholders concerning safety, sustainability and ESG issues;
- review the results of any independent audits of the Group's performance in regard to safety, sustainability or ESG matters, review any strategies and action plans developed by management in response to issues raised and, where appropriate, make recommendations to the Board concerning the same; and
- consider the position of the Group with respect to international best practice for safety, sustainability and ESG and emerging legal requirements including relevant corporate governance developments.

Composition

As at 31 December 2024, the Safety and Sustainability Committee comprised of three independent Non-Executive Directors, David Thomas (Chair), Catherine Krajicek and Marianne Daryabegui, the CEO, Jon Harris, and the COO, John Hulme. Kimberley Wood stepped down from the Committee upon leaving the Company on 21 June 2024. On 3 October 2024, Catherine Krajicek and Marianne Daryabegui were appointed to the Committee. Catherine Krajicek subsequently took over as Chair on 16 January 2025 whereupon David Thomas stepped down from the Committee. The Company's Head of HSE and Sustainability, Patrick Bersebach, the CSR Manager, Sirwan Dara, and the Security Manager, Sardar Abdullah, also attend meetings, along with other management and staff members as required. Alasdair Robinson acts as Secretary to the Committee, and also reports on governance at each meeting.

Governance

The Company endeavours to ensure that no harm comes to people as a result of its operations and that any effect on the environment is minimised. It also looks to have a beneficial long-term impact on the communities located in the vicinity of the Shaikan Field. The Group aims to ensure that all employees and contractors understand that working safely is the absolute priority and that they are responsible for their own safety and the safety of those around them.

The importance of these areas to the Group is demonstrated by the priority given to them at all levels in the organisation, from the daily toolbox talks in the Shaikan Field through to the regular weekly senior management meetings, and Safety and Sustainability Committee and Board meetings. At Board meetings, a formal report is provided on these matters to the Directors by the COO and the Safety and Sustainability Committee Chair.

Sustainability

Recognising the importance of sustainability to both society and business organisations, the Company has included a detailed Sustainability report in the annual report and accounts; please refer to pages 26 to 43.

This sets out the Company's culture as it relates to sustainability issues, the management processes which it has in place, and focuses on a number of the environmental and social initiatives which have been launched and implemented over the past few years. In addition, the report includes key environmental and safety performance statistics.

Health and safety

During 2024, the Committee monitored and supported the Company's 2024 HSE Action Plan implementation and was pleased to see an overall achievement of 100% of plan objectives during the year. The Committee was encouraged by the level of incident or potential incident reporting which occurred during the year and the open reporting culture which has continued to be developed in the organisation. The Company has recently attained two years LTI free; this is considered to be a significant achievement, particularly in the context of significant trucking operations ongoing since July 2023, and the planned plant maintenance shutdown in the final quarter of 2024. The Company also held emergency response simulation exercises during the year.

Security

The security environment in Kurdistan remained relatively stable in 2024 notwithstanding the heightened tensions in the Middle Eastern area, enabling Shaikan Field operations and staff travel and work patterns to continue unchanged. The Company is mindful of the potential threat from targeted or errant missile strike and takes all necessary precautions to protect its staff and operations. Shaikan Field operations continued unaffected, supported by standard security precautions.

The Board and the Committee keep the security environment under constant review through specialist advice and local security experts. The Company has response plans in place which can be activated immediately if required.

Environment

The Company recognises the need to develop and produce from the Shaikan Field in a way that minimises its impact on the local environment and addresses climate-related risks and opportunities. During 2024, the Company took a proactive role in the implementation of a number of specific initiatives aligned with these objectives. These are described more fully in the Sustainability report on pages 26 to 43. The Company has also published a fully compliant TCFD report on pages 44 to 53.

Corporate social responsibility (‘CSR’)

Since the formal CSR programme was initiated in 2017, the Company has continued to progress several social initiatives for the local communities surrounding the Shaikan Field, with a specific focus on sustainability. These are also more fully described in the Sustainability report. The Company considers CSR to be an integral part of the Company’s operations and stakeholder management, and will continue to support sustainable community projects.

Catherine Krajicek
Chair of the Safety and Sustainability Committee
19 March 2025

Technical Committee report

2024 membership and meeting attendance

	Member since	Technical Committee
David Thomas (Chair)	8 Dec 2016	3/3
Catherine Krajicek[(1)]	3 Oct 2024	N/A
Jon Harris	26 Jan 2021	3/3
Gabriel Papineau-Legris	8 Dec 2016	3/3
John Hulme[(2)]	23 Jun 2022	3/3

(1) Appointed on 3 October 2024.
(2) John Hulme (COO) is a member of the Executive Committee but not a Board member.

Role

The Technical Committee provides support and guidance for the Shaikan Field development planning and project execution activities and has the following specific objectives to:

- review the Company's production performance, and production guidance, including recommending the proposed production guidance to the Board;
- provide assurance that development plans are in line with the Company's strategy and have been optimised in the context of the current and forecast funding position;
- review subsurface analysis, well management plans and drilling strategy;
- review and approve the Shaikan Field reserves and resources estimates and revisions;
- ensure that the Company has the appropriate resources and project management systems in place to successfully execute the development projects on time and within budget;
- provide the Board with assurance that the key operational and project execution risks have been identified and that the required risk management processes and mitigation measures are in place;
- review the technical components of the work programme and budget and make recommendations to the Board accordingly;
- provide a detailed review of the Company's Field Development Plan ("FDP") and process;
- provide a detailed review of the Company's strategy and plans for the management of produced gas; and
- review and recommend for Board approval any information relating to the Shaikan FDP and reserves and resources estimates for public release.

The Committee is supported in its activities by key members of the London-based technical, commercial and finance teams and by the Erbil-based projects and operations teams. Members of these teams are regularly invited to participate in Committee meetings to provide input in relation to the Committee's deliberations.

Committee activities during 2024

Generally, the Committee plans to meet three to four times per annum, but adjusts the meeting timings to coincide with key decision points within the project development schedule or the release of significant new technical or reserves-related information.

The Committee met three times in 2024. In addition to standing agenda items, the following key matters were discussed:

- production planning and forecasting (including 2024 production guidance);
- reserves estimates of the Shaikan Field;
- 2024 and 2025 work programme and budget;
- produced gas management strategy, including reviewing the options available and recommending incremental gas management projects;
- production enhancement and well management initiatives (including ESP installation programmes);
- field shut-down, local sales, and effects on production and well management;
- drilling strategy and progress;
- operational risk reviews; and
- well workover options.

The Company estimates gross 2P reserves of 443 MMstb as at 31 December 2024. Further detail on the Company's estimated reserves is available on page 6 of the 'Chief Executive Officer's review'.

David Thomas
Chair of the Technical Committee
19 March 2025

Remuneration Committee report

2024 membership and meeting attendance

	Member since	Remuneration Committee
Marianne Daryabegui (Chair from 3 October 2024)	3 Oct 2024	1/1
Kimberley Wood (Chair until 21 June 2024)	12 Oct 2018	4/4
Martin Angle (Chair from 21 June 2024 until 2 September 2024)	16 Jul 2018	5/5
David Thomas (Interim Chair from 2 September 2024 to 3 October 2024)	8 Dec 2016	7/7
Catherine Krajicek	5 Dec 2024	N/A
Wanda Mwaura	20 Jun 2024	2/2

Matters discussed by the Remuneration Committee in 2024

The Committee held seven Committee meetings in 2024 and also met on an informal basis to discuss the following remuneration matters:

- reviewed and agreed award levels and performance metrics for the 2024 LTIP award;
- reviewed and agreed a one-off retention package for the CEO that was approved at the 2024 AGM;
- reviewed and agreed new 2024 LTIP rules and DBP rules which were approved at the 2024 AGM;
- reviewed and approved 2021 LTIP vesting, including treatment of dividends;
- conducted further review and agreed amendments to the LTIP comparator peer group;
- reviewed and approved salary/fee deferment and subsequent reinstatement of Board remuneration;
- approved KPIs for 2024 which are used to determine bonus awards;
- approved 2024 LTIP awards to all eligible participants and associated performance targets;
- reviewed and approved 2025 salary increases for the Executive Committee, Executive Directors and broader workforce;
- reviewed and approved the Directors’ remuneration report; and
- approved the terms of reference of the Remuneration Committee.

Part one: Annual statement from the Chair of the Committee

Dear Shareholder,

On behalf of the Remuneration Committee, I am pleased to present the Directors' remuneration report for the year ended 31 December 2024.

2024 was a year of transition for us and following the resignation of Kimberley Wood at the 2024 AGM, Martin Angle stepped into the Chair of the Remuneration Committee role on an interim basis, as the Company recruited a permanent replacement. Shortly after this we were saddened to announce Martin's sudden passing. Martin was instrumental in guiding the Company through a period of significant value creation for shareholders while navigating material challenges such as the COVID-19 pandemic and the suspension of the export pipeline. He will be sorely missed for his generous spirit and enthusiasm and fondly remembered by everyone at Gulf Keystone, both as a colleague and a friend. Martin joined the Gulf Keystone Board in July 2018 as Senior Independent Director and served as Deputy Chair from 2019 before being appointed Chair at the Gulf Keystone 2023 AGM. The Board valued his contribution, and he will be greatly missed. David Thomas assumed the role of interim Chair of the Remuneration Committee and I would like to thank him for his efforts and contribution during this difficult time.

I stepped into the role of Remuneration Committee Chair in October 2024 and have spent much of the time since in the role ensuring a smooth transition as we undertook a review of the current remuneration arrangements in advance of submitting a new Remuneration Policy to the 2025 AGM.

The aim of the review was to identify necessary modifications to ensure the Remuneration Policy is strategically aligned and fit for purpose. I have received input from my fellow members of the Remuneration Committee and the wider Board, management, external advisers, shareholder advisory bodies and, of course, our fellow shareholders.

During the year, the Committee continued to focus on the implementation of the amended Remuneration Policy for the Executive Directors, including reviewing shareholders' feedback from the AGM and refining the frameworks, processes and structures for the measurement and assessment of performance for incentive compensation. We reached out to our shareholders and the changes we are proposing for the Remuneration Policy take into account the feedback we received. We are grateful to shareholders for their time and feedback, which we have carefully considered in proposing an updated Remuneration Policy which we believe best supports the needs of the Company today and will drive value creation over the long term.

Changes to the Remuneration Policy

Our current Policy was approved at the 2022 AGM with support in excess of 99% with an amendment approved at the 2024 AGM with support in excess of 91%. Therefore, a vote on a new Policy is required in 2025.

The changes proposed to the Remuneration Policy are relatively minor in nature and reflect current remuneration market practice.

In line with common UK practice, GKP is reducing the bonus target to 50% of maximum and slightly increasing the maximum opportunity to ensure there is no change in the target bonus quantum. Maximum bonus opportunity is 150% of annual salary for the CEO and 120% for other Executive Directors, based on achievement of annual objectives. Under the Long-Term Incentive Plan ("LTIP"), the Committee agreed that threshold performance would pay out at no more than 25% of maximum for threshold performance for awards granted from 2023.

Performance and implementation of the Remuneration Policy in 2024

Annual bonus

Based on the Remuneration Committee's assessment of GKP and individual performance in 2024, the bonus awarded to the CEO was 99.07% of his base salary out of a maximum potential of 125%, the incumbent CFO was awarded 81.74% of salary out of a potential of 100% for the period 21 June 2024 to 31 December 2024, and the former CFO was awarded 76.74% of salary out of a potential of 100%. 30% of the annual bonus is to be deferred in shares for three years after award date. These payments reflect the attainment of personal objectives combined with Company performance as measured in the corporate KPIs. Further details can be found on page 116 of the Directors' remuneration report.

Long-term incentives

The final assessment and vesting of Gulf Keystone's 2022 LTIP award will take place in April 2025. All employees participate in the plan. The award is currently expected to vest at 46.08% of maximum based on the latest assessment up to the end of February 2025.

Retention payment

In accordance with the amended Remuneration Policy, the CEO was awarded a retention payment of 100% of his base salary which was paid in January 2025. This was paid 50% in cash and 50% in shares.

Instances of the exercise of discretion by the Remuneration Committee

No discretion was exercised by the Remuneration Committee outside the normal Remuneration Policy guidelines.

Remuneration across the workforce

GKP fosters an inclusive culture across the whole workforce which is reflected in our Remuneration Policy. Base salaries for all employees are benchmarked on a regular basis and targeted at median. The annual bonus plan is open to all employees, the outcome of which is linked to both corporate and individual targets. The corporate targets are the same for all who participate. Similarly, all employees are eligible to participate in the Company's LTIP.

The Committee and Board are given regular briefings on the pay, incentive and benefit arrangements for the wider workforce as well as receiving updates from the Chief HR Officer who attends all Committee meetings by invitation.

Summary of remuneration for Executive Directors in 2025

In light of the current business context and the detailed remuneration benchmarking review, the Remuneration Committee decided to award the CEO and the CFO increases in salary of 6% respectively, which is in line with the salary review budget for other employees. These are the first pay increases since January 2023.

Both the CEO and CFO will be eligible for a 2025 bonus, subject to Company and individual performance metrics. The Committee will review the Company's achievements, KPIs and performance targets and publish these in the 2025 Directors' remuneration report. The 2025 bonus measures incorporate targets on safety and sustainability, value creation, financial, and people, culture and values initiatives. Further information is set out on page 111 of the Directors' remuneration report.

The CEO and CFO are entitled to participate in the LTIP where performance-based shares are granted up to a maximum of 200% and 150% of salary, respectively, in line with policy. The 2025 LTIP award will have performance conditions based on absolute and relative TSR.

Basis of preparation of the report

As GKP is not incorporated in the UK, it is not subject to UK company law or the UK Corporate Governance Code. However, the Company's Byelaws require it to comply with the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 (the '2013 Regulations'). The Directors' remuneration report has been prepared in accordance with such 2013 Regulations as amended.

As a responsible corporate citizen, GKP is committed to following best practice, maintaining high corporate governance standards and the principles enshrined in the UK Corporate Governance Code 2024 (the 'Code') which are taken into account to the extent they are considered appropriate for the Company. As GKP only has 25 employees in the UK, not all elements of the Code or certain 2018 changes to the 2013 Regulations, including the CEO pay ratio, are relevant or applicable. As noted above, the Committee has regard to wider workforce reward but considers that a ratio calculation would not be meaningful with such a small UK workforce.

2025 AGM

At the 2025 AGM, our Directors' remuneration report (pages 100 to 124) will be the subject of an advisory vote and shareholders will be asked to vote on the revised Remuneration Policy, described on pages 105 to 110, in accordance with the 2013 Regulations. The Remuneration Committee ensures that, in carrying out its obligations, it takes account of the views and opinions of all its stakeholders; this includes consulting with our major shareholders and with leading proxy advisers.

The Committee believes the remuneration outcomes for 2024 reflect an appropriate outcome taking into account the global context, the difficult trading and operational conditions and shareholder experience during this period. We hope and trust that shareholders will recognise this as a continuation of our strategy for reward and recognise the efforts we have taken to retain key staff during this period. On behalf of the Remuneration Committee, I would like to thank all shareholders for their continued support and hope that you will vote in favour of the resolutions contained within the report at the AGM on 20 June 2025.

Yours sincerely,

Marianne Daryabegui
Chair of the Remuneration Committee
19 March 2025

Remuneration at a glance

Remuneration Policy objective

The Group's Remuneration Policy seeks to ensure that the Company is able to attract, retain and motivate its Executive Directors and members of the Executive Committee. The retention of key management and the alignment of management incentives to the Group's purpose are the key objectives of this Policy.

Alignment of the Remuneration Policy to purpose and strategy

Our purpose

GKP is a responsible energy company developing natural resources for the benefit of all our stakeholders, delivering social and economic benefits by working safely and sustainably with integrity and respect.

Strategic priorities for 2025:	Relevant incentive metrics:
Safety, sustainability and security	▪ Emissions reduction alternatives ▪ HSE plan ▪ Safety performance ▪ Security audit and cybersecurity plan
Value creation	▪ Pipeline export resumption solution ▪ Digitalisation strategy ▪ PF2 turnaround ▪ Absolute and relative total shareholder return
Capital discipline, cost focus and robust financial position	▪ Sales targets ▪ Operating efficiency ▪ Budget discipline
People, culture and values	▪ Build workforce capability ▪ Drive improved employee engagement

Summary of Remuneration Policy

The key aspects of the Remuneration Policy to be approved by shareholders at the 2025 AGM are set out below.

Element of remuneration	Current structure and operation	Summary of proposed changes from current Policy	Rationale for change
Base salary	Salary increases for Executive Directors will typically be in line with the average employee increase.	None.	N/A
Benefits	Includes car allowance, private medical insurance, income protection insurance and death-in-service benefits.	None.	N/A
Pensions	Pension contribution is up to 10% of salary, in line with the rest of the workforce.	None.	N/A
Annual bonus	Maximum bonus opportunity is 125% of annual salary for the CEO and 100% for other Executive Directors, based on achievement of annual objectives. 30% of the annual bonus is deferred in shares for three years after award date. Malus and clawback provisions apply. Target bonus is 60% of max (75% and 60% of salary).	Maximum bonus opportunity is 150% of annual salary for the CEO and 120% for other Executive Directors, based on achievement of annual objectives. 30% of the annual bonus is deferred in shares for three years after award date. Malus and clawback provisions apply. Target bonus is 50% of max (still 75% and 60% of salary).	Most shareholders expect target bonus is no more than 50% of maximum. GKP proposes reducing the target to 50% of maximum but increasing the maximum opportunity simultaneously so there is no change in the target bonus quantum.

LTIP	Typically granted annually and in the form of nil-cost share options, nominal-cost share options or conditional shares. Awards vest after three years to the extent that performance targets have been met. When eligible, the maximum opportunity is 200% of annual salary for CEO and 150% of salary for CFO. At threshold performance up to 30% of the award vests. Malus and clawback provisions apply. The threshold amount has been reduced to 25% for awards granted from 2023. Awards are subject to a two-year holding period post vesting.	Typically granted annually and in the form of nil-cost share options, nominal-cost share options or conditional shares. Awards vest after three years to the extent that performance targets have been met. When eligible, the maximum opportunity is 200% of annual salary for CEO and 150% of salary for CFO. At threshold performance up to 25% of the award vests. Malus and clawback provisions apply. Awards are subject to a two-year holding period post vesting.	The Committee agreed that threshold performance would pay out up to 25% at threshold for awards granted from 2023 and the new Policy reflects this undertaking.
In-post shareholding requirements	At least 200% of salary holding required for all Executive Directors.	None.	N/A
Post-exit shareholding requirements	Executive Directors are required to hold any shares acquired through LTIPs granted after the 2025 AGM up to the in-post shareholding requirements for two years post-cessation of employment. Post-exit shareholding requirements in line with the IA guidelines.	None.	N/A

2024 remuneration outcomes

Implementation in 2024

	CEO	CFO
2024 base salary	£470,000	£350,000 (£183,151 prorated)
Benefits	Private medical insurance, death-in-service and income protection	Private medical insurance, death-in-service and income protection
Pensions	10% of salary	10% of salary
Annual bonus pay-out	£465,629 (99.07% of salary) 30% of the bonus is deferred for three years and paid in shares	£149,707 (81.74% of salary prorated) 30% of the bonus is deferred for three years and paid in shares
LTIP	200% of salary, vesting dependent on absolute and relative TSR performance over three years	150% of salary, vesting dependent on absolute and relative TSR performance over three years
Shareholder-approved one-off retention award	£470,000 (100% of salary) 50% shares/50% cash. Paid in January 2025	n/a

Implementation in 2025

	CEO	CFO
2025 base salary	£498,200 (+6%)	£371,000 (+6%)
Benefits	Private medical insurance, death-in-service and income protection	Private medical insurance, death-in-service and income protection
Pensions	10% of salary	10% of salary
Annual bonus	Maximum opportunity is 150% of salary. Payments determined based on performance against a range of KPIs.	Maximum opportunity is 120% of salary. Payments determined based on performance against a range of KPIs.
LTIP	200% of salary, vesting dependent on absolute and relative TSR performance over three years	150% of salary, vesting dependent on absolute and relative TSR performance over three years

Part two: Directors' Remuneration Policy

Introduction

Part two provides an overview of the proposed new Directors' Remuneration Policy. It describes the elements of remuneration and summarises the approach the Remuneration Committee will adopt in certain circumstances, such as the exercise of discretion, the recruitment of new Directors and the making of any payments for loss of office.

Purpose and role of the Remuneration Committee

The Remuneration Committee determines and agrees with the Board the overall Remuneration Policy for the Executive Directors and Executive Committee members. Within the terms of the agreed policy, key responsibilities of the Committee include:

- determining and agreeing with the Board the framework and broad policy for the remuneration of the Company's Executive Directors and setting remuneration for the Non-Executive Chair of the Board, the Executive Directors and the Executive Committee (being those individuals considered to be Persons Discharging Managerial Responsibilities ("PDMR");
- when setting the Remuneration Policy, reviewing and having regard to remuneration and related policies across the Group and the wider workforce, aligning incentives and rewards with culture and the overall strategy of the Company. When conducting its last major review of the Remuneration Policy, the Committee took into account simplicity, clarity, risk management, predictability and proportionality, as well as alignment to culture, as part of the process;
- reviewing the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determining each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to the Executive Directors and members of the Executive Committee and the performance targets to be used;
- agreeing pension arrangements, service agreements and termination payments for Executive Directors and members of the Executive Committee and ensuring that any termination payments are fair to the individual and the Company; and
- overseeing any major changes in employee benefits structures throughout the Company and/or the Group and giving advice on any such changes.

The Remuneration Committee also reviews and approves overall remuneration levels for employees below the level of the Executive Committee but does not set individual remuneration levels for such individuals. This oversight role allows the Committee to consider pay policies and employment conditions throughout the Company when designing packages for the Executive Directors and other key employees, and the alignment of incentives and rewards with culture. The Committee considers the general level of increases applied to basic pay across the Company when reviewing Executive Directors' base salaries.

The Remuneration Committee operates within written terms of reference agreed by the Board. These are reviewed periodically to ensure that the Committee remains up to date with best practices appropriate to GKP, its strategy and the business and regulatory environment in which it operates. Terms of reference are in place and reviewed annually, the latest version being in March 2024. They are available on the Company's website.

Remuneration Policy table

The Company's Directors' Remuneration Policy to be voted on at the 2025 AGM is described in the following table. Changes to the Policy are relatively minor and described in the Annual statement from the Chair of the Committee on page 101.

Remuneration element	Link to strategy	Operation	Opportunity	Remuneration Committee discretion
Base salary	Essential to attract and retain key executives.	Reviewed annually based on: ▪ role, experience and individual performance; ▪ pay awards elsewhere in the Group; ▪ external market; and ▪ general economic environment.	Policy is to benchmark to the relevant market median. Normally, salary increases for Executive Directors will be in line with the average employee increase.	The Committee retains discretion to: ▪ select the appropriate market comparator group; and ▪ increase salaries above the general employee average; in general, this would be to reflect significant additional responsibilities.
Benefits	Helps attract and retain key executives.	Directors may be entitled to a car allowance, private medical insurance, death-in-service benefit and income protection in line with the wider workforce.	Benefit levels reflect those typically available to senior managers within GKP.	If a Director is recruited from, or required to move, overseas, the Committee may provide additional benefits tailored to the circumstances (e.g. relocation expenses). If additional benefits are introduced for the wider workforce, the Committee reserves the right to extend these to Executive Directors on equivalent terms.
Pension	Helps executives provide for retirement and aids retention.	Up to 10% of salary; may be provided as a cash allowance. Pension allowances are not included in base salary for annual bonus or other executive rewards.	10% of base salary for Executive Directors, aligned to rates applicable to the UK workforce.	The Committee may agree with an Executive Director that the cash allowance will be paid into a pension arrangement at no additional cost.
Annual bonus	Rewards achievement of annual key performance indicators.	Targets and weightings are set annually; performance is measured over a single year. Bonus awards are determined after the year end based on achievement of targets. Clawback provisions apply.	Maximum bonus opportunity is 150% of annual salary for the CEO and 120% for other Executive Directors. Target bonus is 50% of maximum.	The Committee may, in exceptional circumstances, change performance measures and targets and their respective weightings part way through a performance year, if there is a significant event which causes the Committee to believe the original measures, weightings and targets are no longer appropriate. Discretion may also be exercised if the Committee believes the bonus outcome is not a fair and accurate reflection of business performance. Safety is of central importance to the business and the Committee may reduce bonus awards if there is a serious safety event.

Remuneration element	Link to strategy	Operation	Opportunity	Remuneration Committee discretion
LTIP	Incentivises executives to deliver key financial targets over the longer term, with particular focus on shareholder return. Helps retain key executives.	Awards are usually granted annually to participants, but grants may be made at other times, such as on recruitment or promotion of an executive. Awards are in the form of nil-cost share options, nominal-cost share options or conditional shares. In special circumstances they may be cash-settled. Awards normally vest after three years to the extent that performance targets can be based on a combination of share price, financial, operational and strategic metrics as determined by the Committee. At least 60% of the award will be based on absolute and/or relative TSR. A payment equal to the value of dividends which would have accrued on vested awards may be made following the release of awards to participants, either in the form of cash or as additional shares. It is the Company's practice to make awards under an LTIP to all employees of the Company as appropriate in a range of values based on seniority. Specific malus and clawback provisions apply (see page 108). Once vested, the shares received (net of tax) must be held for at least a two-year period before they can be sold (subject to the shareholding requirements).	When eligible, the maximum value of the shares subject to award to the CEO is 200% of annual salary and for the CFO it is 150% of salary. At threshold performance up to 25% of the award vests.	The Committee may, in exceptional circumstances, change the performance measures and targets and their respective weightings part way through a performance period, if there is a significant event which causes the Committee to believe the original measures, weightings and targets are no longer appropriate. The new measures and targets will be no more or less difficult than those they replace. Discretion may also be exercised if the Committee believes the LTIP outcome is not a fair and accurate reflection of business performance. Safety is of central importance to the business and the Committee may reduce or eliminate LTIP awards if there is a serious safety event. The Committee also has discretion in determining when awards are granted, the form of the award and those eligible within the constraints of the LTIP rules.
Shareholding requirements	Aligns the interests of executives and shareholders.	Formal requirements apply to Executive Directors. Participation in long-term incentives may be scaled back or withheld if the requirements are not met or maintained.	At least 200% of salary holding required for all Executive Directors. Post-exit: Executive Directors are required to retain the lower of actual shares held and shares equal to 200% of salary for two years post-exit in respect of shares	The Committee has discretion to change the shareholding requirements – in particular where compassionate circumstances apply.

Malus and clawback

These provisions allow the Committee in certain circumstances (such as gross misconduct, a material misstatement of the Group financial statements or decisions taken outside of the Group's risk appetite) the discretion to:

- reduce bonus pay-outs;
- cancel entitlement of bonus;
- prevent or reduce vesting of the LTIP; and/or
- allow the Company to claim back up to 100% of an award which has vested/been paid.

Remuneration scenarios for Executive Directors based on policy

The charts below provide an illustration of the potential future reward opportunities for the CEO and CFO, and the potential split between the different elements of remuneration under four different performance scenarios: 'Minimum', 'On-target', 'Maximum' and 'Maximum (including 50% share price appreciation on long-term incentive awards)'.

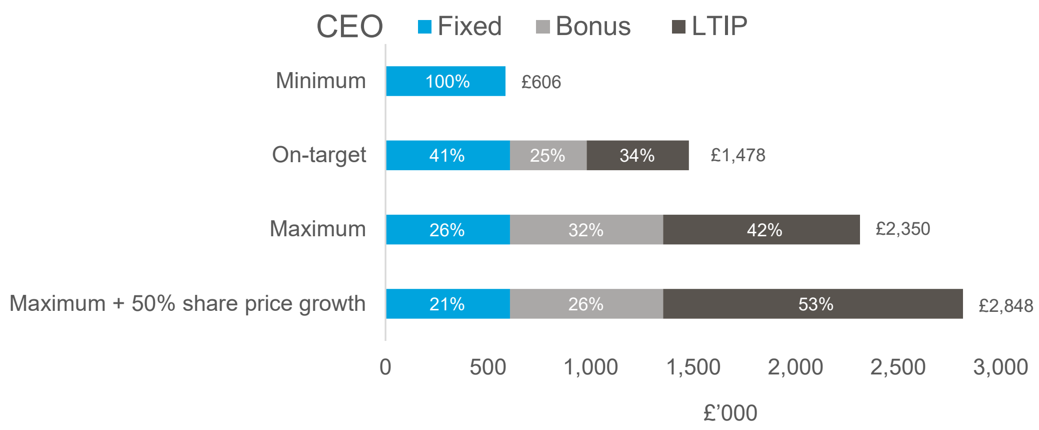
Potential reward opportunities are based on GKP's Remuneration Policy, applied to the 2024 base salaries and pension opportunities. The annual bonus and LTIP are based on the maximum opportunities as set out under the Remuneration Policy. Please note the LTIP awards granted in a year do not normally vest until the third anniversary of the date of grant and the projected values in the second and third scenarios are based on the face value at award rather than vesting (i.e. the scenarios exclude the impact of any share price movement over the period).

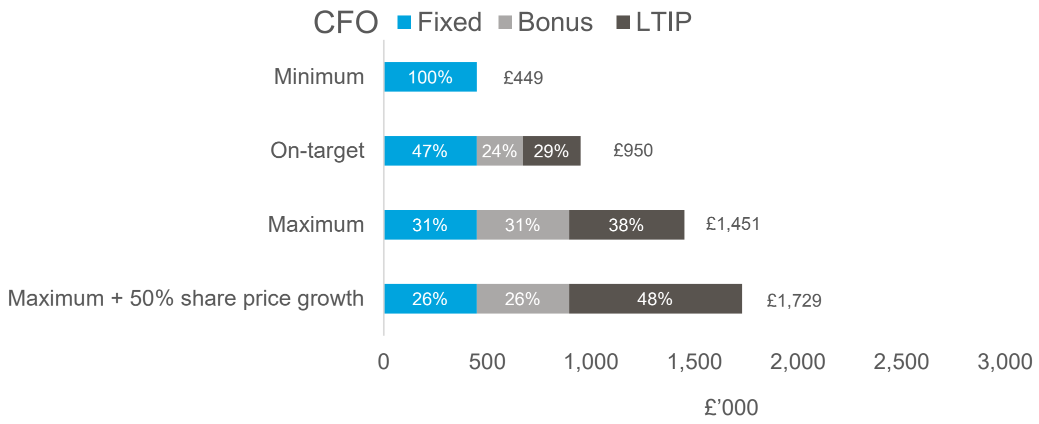
The exception to this is the final scenario which, in line with the requirements of the Companies (Miscellaneous Reporting) Regulations 2018, illustrates the maximum outcome assuming 50% share price appreciation for the purpose of LTIP value.

The 'Minimum' scenario reflects base salary, pension and benefits (i.e. fixed remuneration) which are the only elements of the executives' remuneration packages not linked to performance.

The 'On-target' scenario reflects fixed remuneration as above, plus annual bonus pay-out of 50% of maximum (75% of salary for the CEO and 60% of salary for the CFO) and LTIP at 50% of maximum award (100% and 75% of salary for the CEO and CFO respectively).

The 'Maximum' scenario is shown on two bases: excluding and including the impact of share price appreciation on the value of LTIP outcomes. In both cases, the scenario includes fixed remuneration and full pay-out of all incentives, with the final scenario also including the impact of a 50% increase in GKP's share price on the value of the LTIP.





Executive Directors' recruitment policy

Remuneration packages for future Executive Directors will be aligned to the Policy described, including a maximum annual bonus opportunity of 150% of salary for the CEO and 120% of salary for any other Executive Director and an annual LTIP grant of up to 200% of salary for the CEO and 150% of salary for the CFO or any other Executive Director. Relocation packages, if applicable, are assessed on their individual merits. It is not the Company's policy ordinarily to buy out executives from pre-existing incentive arrangements, but the Committee will consider compensating a new Executive Director for the loss of incentives awarded by a previous employer, if it believes such compensation is warranted taking into account the terms of the award forfeited. We seek to avoid paying more than necessary to secure a candidate and will have regard to current Remuneration Policy, shareholder guidance and market practice when formulating remuneration for a new Executive Director.

Where an existing employee is promoted to the Board, the Policy described above will apply from the date of promotion, and there will be no retrospective application. Existing remuneration, including incentives, will continue, even if inconsistent with the above Policy, until such time as they expire or vest. Pension contributions from the date of promotion will be aligned with that of the wider workforce.

Terms of the Executive Directors' service contracts

Executive Directors are engaged on rolling contracts, which provide for 12 months' written notice of termination from the CEO and six months' notice from other Executive Directors, with the same notice periods required from the Company.

In exceptional circumstances, the Committee may agree to a longer notice period initially, reducing to 12 or six months, as appropriate, after one year.

Non-Executive Directors' letters of appointment

Non-Executive Directors are engaged by letters of appointment terminable on one month's written notice from either the individual or the Company.

The Non-Executive Chair and Non-Executive Directors receive an annual fee paid in monthly instalments. The fee for the Non-Executive Chair is set by the Remuneration Committee and the fees for the Non-Executive Directors are approved by the Board, on the recommendation of the Non-Executive Chair and Executive Directors.

Fees are set at a level required to attract and retain individuals with the necessary experience to advise and assist with establishing the Company's strategy and monitoring its progress towards the successful implementation of that strategy. Fees are reviewed regularly to ensure they keep pace with market practice and the demands of the role.

Reasonable expenses incurred by the Non-Executive Chair and the Non-Executive Directors in the performance of their duties (including travel and accommodation benefits) may be reimbursed or paid for directly by the Company, as appropriate.

Each Non-Executive Director receives a basic fee. Additional fees are paid to the Non-Executive Chair of the Board and the Chairs of the Board Committees. In the event that the Board requires the formation of an additional Board Committee, fees for the Chair (and, where relevant, membership) of such Committee will be determined by the Board at the time. Non-Executive Directors do not participate in any of the Company's benefits or incentive plans.

Inspection of documents and re-election of Directors

Directors' service contracts and appointment letters will be available for inspection prior to and during the 2025 AGM.

All Directors are required to stand for re-election annually in accordance with the Company's Byelaws.

Termination payment policy

Any compensation payment made to an Executive Director for termination of employment will be determined with reference to the terms of the individual's service agreement and the rules of any incentive plan in which the individual is a participant. Those rules will differentiate between 'good' and 'bad' leavers. The Company's default policy is summarised in the table below, with Committee discretion to determine an alternative treatment as necessary:

Service contracts do not contain liquidated damages clauses. There is no provision in an Executive Director's service agreement providing for compensation for loss of office or employment that occurs because of a change of control. However, on a change in control the following will normally happen:

- any bonus will be paid, at the discretion of the Remuneration Committee, in cash on the date of the change of control. The amount paid will be pro-rata and based on performance to date. The deferred element of any previous bonuses will become exercisable on a change of control and will vest; and
- the vesting of LTIP awards will be accelerated: the number of shares that vest will be determined by the Remuneration Committee taking account of the Company's performance since the grant date and the proportion of the normal vesting period which has elapsed.

The Remuneration Committee reserves the right to make additional payments, where such payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation) or by way of settlement or compromise of any claim arising in connection with the termination of an Executive Director's office or employment.

When deciding on the amount of any payment for loss of office, the Remuneration Committee will seek to minimise the cost to the Company to the extent permitted by the circumstances of the particular case.

Remuneration element	Policy summary
Salary and benefits	A payment equivalent to monthly salary as if the executive had continued to be employed throughout the contractual notice period. A lump sum may be paid in lieu of notice. Benefits will cease on termination of employment. The Committee will determine such mitigation as it considers fair and reasonable in the individual circumstances.
Annual bonus	The Committee may make such payment as it deems appropriate taking into account the period up to the date on which employment ceases and the level of performance achieved up to that date. If the individual is deemed to be a 'bad' leaver (for example, if dismissed owing to misconduct), no bonus is payable for the year in which their employment terminates.
LTIP	For 'good' leavers whose employment ceases owing to death, the award shall vest in full on the normal vesting date, subject to the Committee's assessment of performance to date. For any other 'good' leavers as determined by the Remuneration Committee, awards shall vest in full on the normal vesting date prorated for time served and based on the applicable performance conditions. However, the Committee has discretion to accelerate vesting, for example in the case of ill health. Awards granted to a 'bad' leaver lapse on cessation of employment.

External appointments

The Executive Directors may accept external appointments with the prior approval of the Board provided that such appointments do not prejudice the individual's ability to fulfil their duties to the Company and the Group, as a whole. Whether any related fees are retained by the individual or remitted to the Company is considered on a case-by-case basis.

Considerations of shareholder views

When determining remuneration, the Remuneration Committee takes into account the guidelines of representative investor bodies, proxy advisers and shareholder views. The Committee is always open to feedback from shareholders on remuneration policy and arrangements and updates major shareholders on any changes.

Part three: Annual report on remuneration

Introduction

This part of the report is subject to an advisory vote at the AGM on 20 June 2025. GKP's auditor has reported on those sections (highlighted below) which the Regulations require to be audited.

Remuneration Committee membership during 2024

The terms of reference of the Remuneration Committee, reviewed annually, are available on the Company's website. As of 31 December 2024, the Remuneration Committee comprised of four independent Non-Executive Directors.

- Marianne Daryabegui (Chair);
- Catherine Krajicek;
- Wanda Mwaura; and
- David Thomas.

The members had no personal financial interest in the decisions made by the Remuneration Committee. There were no conflicts of interest arising from cross-directorships and no involvement in the Company's day-to-day operations.

The Chair of the Committee may ask non-Committee members to attend meetings, including other Board members and members of the senior management team, including the Chief Human Resources Officer. The Chief Legal Officer acts as Secretary to the Committee. No individuals are involved in decisions relating to their own remuneration. Details of the Committee's principal activities during the year ended 31 December 2024 and attendance of Committee members is included on page 100.

Advisers

The Remuneration Committee is informed of key developments and best practice in the field of remuneration and obtains advice from independent external consultants, when required, on individual remuneration packages and executive remuneration practices in general. After a competitive tender process, Mercer Limited ('Mercer') was appointed as remuneration consultant from January 2020 onwards.

Services provided to the Remuneration Committee by Mercer during 2024 included the provision of advice on the Company's equity plans and executive remuneration levels; corporate governance support and best practice advice to the Remuneration Committee on the drafting of the Directors' remuneration report; and other ad-hoc projects. Fees paid to Mercer for services provided to the Committee during the financial year were £135,218. Mercer has no connections with the Company other than an agreement for the provision of market data for the wider workforce and no personal relationships with individual Directors.

Mercer is a signatory to the Remuneration Consultants' Code of Conduct (www.remunerationconsultantsgroup.com) which requires its advice to be objective and impartial.

Alignment of the Remuneration Policy to purpose and strategy

Our purpose

GKP is a responsible energy company developing natural resources for the benefit of all our stakeholders, delivering social and economic benefits by working safely and sustainably with integrity and respect.

Strategic priorities for 2025:	Relevant incentive metrics:
Safety, sustainability and security	▪ Emissions reduction alternatives ▪ HSE plan ▪ Safety performance ▪ Security audit and cybersecurity plan
Value creation	▪ Pipeline export resumption solution ▪ Digitalisation strategy ▪ PF2 turnaround ▪ Absolute and relative total shareholder return
Capital discipline, cost focus and robust financial position	▪ Sales targets ▪ Operating efficiency ▪ Budget discipline
People, culture and values	▪ Build workforce capability ▪ Drive improved employee engagement

Statement of shareholder voting

The following table shows the results of votes on the 2023 Directors' remuneration report at the 2024 AGM held on 21 June 2024.

	Votes for	Votes against	Total votes cast (excluding withheld)	Votes withheld
Directors' remuneration report for year to 31 December 2023	91,545,527 (99.29%)	656,000 (0.71%)	92,201,527	123,738
2022 Remuneration Policy	110,834,274 (99.11%)	993,689 (0.89%)	111,829,963	107,978
2024 Remuneration Policy	83,364,568 (91.04%)	8,205,129 (8.96%)	91,569,697	794,798

Single total figure of remuneration table for the year (audited)

2024	Salary/fees £'000	Pension £'000	Benefits £'000	Annual bonus £'000	Other(1) £'000	LTIP(2) £'000	Total £'000	Total fixed remuneration £'000	Total variable remuneration £'000
Executive Directors									
Jon Harris	470	47	58	466	470	346	1,857	575	1,282
Ian Weatherdon(3)	271	23	29	176	—	168	667	323	344
Gabriel Papineau-Legris(2)	183	18	12	150	142	26	531	213	318
Non-Executive Directors									
Martin Angle(3)	117	—	—	—	—	—	117	117	—
Marianne Daryabegui(3)	19	—	—	—	—	—	19	19	—
Catherine Krajicek(3)	19	—	—	—	—	—	19	19	—
David Thomas	112	—	—	—	—	—	112	112	—
Kimberley Wood(3)	42	—	—	—	—	—	42	42	—
Wanda Mwaura(4)	85	—	—	—	—	—	85	85	—
Julien Balkany	64	—	—	—	—	—	64	64	—
Total	**1,382**	**88**	**99**	**792**	**612**	**540**	**3,513**	**1,569**	**1,944**

(1) Amounts in this column reflect the retention award for Jon Harris, which was delivered 50% in cash and 50% in shares. Gabriel Papineau-Legris was awarded a retention award prior to his appointment to the Board; the amount reflects the amount received prorated for the period of time he was a Director.

(2) LTIP is based on an estimate of the 2022 LTIP which is expected to vest at 46.08% based on performance to 28 February 2025. Amounts have been estimated using the Q4 2024 average share price of £1.36 and include dividend equivalents of £0.856 per share that vests. Final vesting will be disclosed in the relevant RNS and updated in the 2025 annual report.

(3) Prorated to date of retirement/joining. Ian Weatherdon's pay and benefits reflect time served as an Executive Director up to and including his last day of employment (5 August 2024). Gabriel Papineau-Legris' pay and benefits reflect the period 21 June 2024 to 31 December 2024 only, following his appointment to an Executive Director role on 21 June 2024.

(4) Wanda Mwaura's fee is denominated in USD.

2023	Salary/fees £'000	Pension £'000	Benefits £'000	Annual bonus £'000	Other £'000	LTIP £'000	Total £'000	Total fixed remuneration £'000	Total variable remuneration £'000
Executive Directors									
Jon Harris	470	47	56	—	—	—	573	573	—
Ian Weatherdon	386	39	40	—	—	—	465	465	—
Non-Executive Directors									
Martin Angle	136	—	—	—	—	—	136	136	—
Jaap Huijskes(1)	81	—	—	—	—	—	81	81	—
Garrett Soden(2)	30	—	—	—	—	—	30	30	—
David Thomas	84	—	—	—	—	—	84	84	—
Kimberley Wood	80	—	—	—	—	—	80	80	—
Wanda Mwaura(3)	83	—	—	—	—	—	83	83	—
Julien Balkany(4)	32	—	—	—	—	—	32	32	—
Total	**1,382**	**86**	**95**	**—**	**—**	**—**	**1,563**	**1,563**	**—**

(1) Jaap Huijskes resigned from the Board on 16 June 2023.

(2) Garrett Soden resigned from the Board on 16 June 2023.

(3) Wanda Mwaura's fee is denominated in USD.

(4) Julien Balkany joined the Board on 3 July 2023.

Historical CEO pay

Due to the ITP closure in March 2023 and the need to preserve liquidity thereafter, the Company decided not to increase the CEO's salary for 2024, effective 1 January 2024, and not to pay an annual bonus for 2023; such actions were consistent with other GKP employees. 2024 compensation reflects the payment of a one-off retention award, which was approved by the Company's shareholders at the 2024 AGM, as well as the estimated payout of the 2022 LTIP award and the reinstatement of an annual bonus following the Company's strong operational and financial performance in 2024.

	2018 £'000	2019 £'000	2020 £'000	2021 £'000	2022 £'000	2023 £'000	**2024** **£'000**
Single figure remuneration	973	824	552	857	930	573	**1,857**
Bonus percentage of maximum payable	76%	50%	0%	81%	75%	0%	**79%**
Vested LTIP awards as percentage of maximum	0%	0%	0%	0%	0%	0%	**46.1%**

Percentage change in Director remuneration

The following table shows the percentage change in the remuneration of the Directors between the years ended 31 December 2020 and 31 December 2024 and the average percentage change for the remuneration in the Group as a whole excluding the CEO.

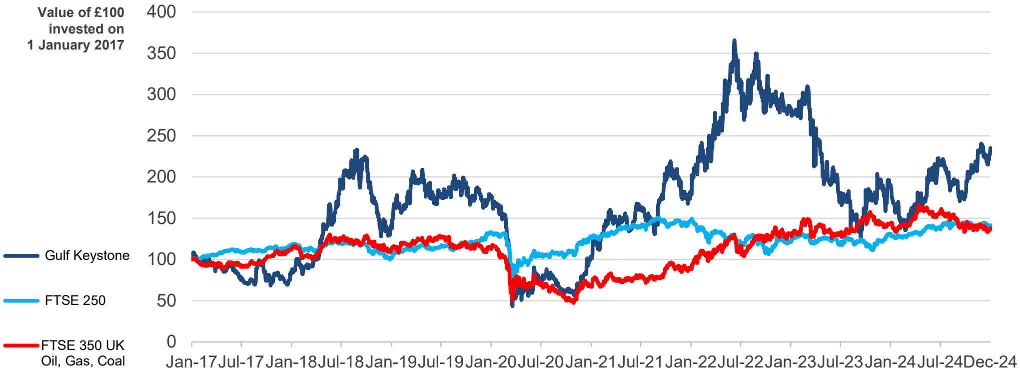
	2020			2021			2022			2023			**2024**		
	Salary/ fees	Benefits	Annual bonus	Salary/ fees	Benefits	Annual bonus	Salary/ fees	Benefits	Annual bonus	Salary/fees	Benefits	Annual bonus	**Salary/ fees**	**Benefits**	**Annual bonus**
Executive Directors															
Jon Harris[(1)]	N/A	N/A	N/A	N/A	N/A	N/A	0%	67%	5%	7%	38%	(100%)	**0%**	**3%**	**100%**
Ian Weatherdon[(2)]	N/A	N/A	N/A	0%	60%	N/A	0%	37%	(11%)	6%	2%	(100%)	**0%**	**10%**	**100%**
Gabriel Papineau-Legris[(3)]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	**N/A**	**N/A**	**N/A**
Non Executive Directors															
Martin Angle[(4)]	0%	0%	N/A	(11%)	0%	N/A	(6%)	0%	N/A	5%	0%	N/A	**31%**	**0%**	**N/A**
Jaap Huijskes[(5)]	0%	0%	N/A	(11%)	0%	N/A	0%	0%	N/A	0%	0%	N/A	**N/A**	**0%**	**N/A**
Garrett Soden[(6)]	0%	0%	N/A	(14%)	0%	N/A	0%	0%	N/A	0%	0%	N/A	**N/A**	**0%**	**N/A**
David Thomas	0%	0%	N/A	(11%)	0%	N/A	0%	0%	N/A	5%	0%	N/A	**34%**	**0%**	**N/A**
Kimberley Wood[(7)]	N/A	0%	N/A	(13%)	0%	N/A	0%	0%	N/A	6%	0%	N/A	**0%**	**0%**	**N/A**
Wanda Mwaura[(8)]	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	0%	0%	N/A	**0%**	**0%**	**N/A**
Julien Balkany[(9)]	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	0%	0%	N/A	**0%**	**0%**	**N/A**
Marianne Daryabegui[(10)]	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	0%	0%	N/A	**0%**	**0%**	**N/A**
Catherine Krajicek[(11)]	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	0%	0%	N/A	**0%**	**0%**	**N/A**
Group percentage change[(12)]	6%	0%	(23%)	7%	57%	97%	9%	5%	22%	5%	0%	(15%)	**5%**	**6%**	**221%**

(1) Jon Harris joined the Company in January 2021.
(2) Ian Weatherdon resigned from the Board effective 21 June 2024.
(3) Gabriel Papineau-Legris joined the Board effective 21 June 2024.
(4) Martin Angle passed away on 2 September 2024.
(5) Jaap Huijskes resigned from the Board effective 16 June 2023.
(6) Garrett Soden resigned from the Board effective 16 June 2023.
(7) Kimberley Wood resigned from the Board effective 21 June 2024.
(8) Wanda Mwaura joined the Board effective 1 July 2022.
(9) Julien Balkany joined the Board effective 3 July 2023.
(10) Marianne Daryabegui joined the Board effective 1 October 2024.
(11) Catherine Krajicek joined the Board effective 1 October 2024.
(12) The Group has been applied as the benchmark above given this is a more meaningful comparison than the Company.

TSR performance

The following charts compare the change in value of a £100 investment in the Company and in both the FTSE 250 Index and the FTSE Oil & Gas Producers Index. The TSR performance has been assessed from 1 January 2017 due to a major repricing which would distort the graph below occurring in 2016 following the completion of a balance sheet restructuring:

Total shareholder return ("TSR") from 1 January 2017 to 31 December 2024



Relative importance of spend on pay

	2024 $'000	2023 $'000	Percentage change
Total employee pay[(1)]	**45,447**	50,699	(10%)
Profit after tax	**7,158**	(11,500)	(162%)
Gross operating costs[(2)]	**65,457**	45,103	45%
Shareholder distributions[(3)]	**45,020**	24,813	81%

(1) Staff costs are shown gross before amounts recharged to operations.
(2) Gross operating costs are deemed to be a fair measure of the Company's operational expenditure and are also reported as part of the non-IFRS measure of gross operating costs per barrel in the Company's financial statements.
(3) Shareholder distributions comprise payment of dividends.

Implementation of the Directors' Remuneration Policy in 2024

Executive Directors' base salary provision

Due to the closure of the ITP in March 2023 and the need to preserve liquidity, the CEO and former CFO did not receive an increase in salary for 2024, effective 1 January 2024. Their salaries remained at £470,000 and £385,840, respectively. Salaries were also frozen for all other employees. The current CFO was appointed on a salary of £350,000 p.a. in June 2024.

Annual bonus plan (audited)

No bonuses were paid for 2023, and during 2024, GKP reinstated its normal annual executive performance bonus plan. The maximum bonus potential was 125% of base salary for the CEO and 100% of base salary for the CFO, with performance assessed against a combination of KPIs.

2024 performance elements

20%	Safety and sustainability	35%	Value creation
30%	Financial	15%	People, culture, values

The following table describes the KPIs set for 2024.

Category	KPI	Results	
		Weighting	Score
Safety and sustainability	▪ HSE improvement, safety performance measures (TRIFR), loss of containment ▪ ESG roadmap implementation	**20%**	**17.17%**
Value creation	▪ Shareholder value ▪ Firm budget implementation	**35%**	**17.5%**
Financial	▪ Financial and distributions strategy ▪ Budget discipline ▪ Operating efficiency	**30%**	**27.5%**
People, culture, values	▪ Build workforce capability ▪ Embed a culture that supports engagement, wellbeing, diversity, inclusion and ethical business conduct	**15%**	**15%**
Total		**100%**	**77.17%**

Overall outcome

Reflecting performance, Executive Directors received the following bonus awards for 2024:

Executive	Bonus award	% of base salary	% of maximum
CEO	£465,629	99.07%	79.26%
CFO	£149,707	81.74%	81.74%
Former CFO	£176,034	76.74%	76.74%

2022 LTIP vesting (audited)

The 2022 awards under the 2014 LTIP are due to vest on 1 April 2025; performance has been estimated up to 24 February 2025 for the three-year performance. The 2022 award is based on relative TSR (50%) and absolute TSR (50%). A summary of the estimated performance outcome is detailed below:

Performance measure	Weighting	Threshold performance (30% vesting)	Maximum performance (100% vesting)	Performance outcome	Vesting outcome
Absolute TSR	50%	8% p.a. compound	12% p.a. compound	7.1% p.a.	Nil
Relative TSR	50%	Median vs. peer group	Upper quartile vs. peer group	Between median upper quartile	92.16%

	No. of shares granted in 2022	Estimated vesting %	Estimated number of shares vesting	Estimated value of shares vesting £	Estimated value of dividends at 85.6p per share £	Estimated total award value £	Estimated value attributable to share price growth £
Jon Harris	339,768	46.08%	156,565	212,155	134,085	346,241	(193,348)
Ian Weatherdon[1]	164,840	46.08%	75,958	102,928	65,052	167,980	(93,803)
Gabriel Papineau-Legris[2]	25,674	46.08%	11,830	16,031	10,131	26,163	(14,609)

1) The values of performance share awards and vesting included in the table above for Ian Weatherdon are prorated reflecting the period to his retirement date on 5 August 2024 as a proportion of the three-year performance period (total shares of 210,811), as shown in the single figure table on page 112.
2) The values of performance share awards and vesting included in the table above for Gabriel Papineau-Legris are prorated reflecting the period from 21 June 2024 as a proportion of the three-year performance period (total shares of 99,081), as shown in the single figure table on page 112.

Vesting has been estimated at 46.08% based on performance up to 28 February 2025. Performance is assessed using one-month average returns up to the start and end of the performance period.

Based on the assumptions above, the 2022 award is expected to vest at 46.08%. The actual level of vesting and any gains from increases in the share price will be disclosed in next year's Directors' remuneration report.

2021 LTIP vesting (audited)

The 2021 awards under the 2014 LTIP vested on 31 March 2024. A summary of the final performance outcome is detailed below. (The 2023 annual report and accounts included an estimate of vesting and value.)

Performance measure	Weighting	Threshold performance (30% vesting)	Maximum performance (100% vesting)	Performance outcome	Vesting outcome
Absolute TSR	50%	8% p.a. compound	12% p.a. compound	1.1% p.a.	Nil
Relative TSR	50%	Median vs. peer group	Upper quartile vs. peer group	Below median	Nil

The overall vesting of the 2021 award was 0%, which was in line with the estimate disclosed previously.

	No. of shares granted in 2021	Vesting %	Number of shares vesting	Value of shares vesting at 135.8p per share £	Value of dividends at 124.243p per share £	Total award value £	Value attributable to share price growth £
Jon Harris	470,325	0%	Nil	Nil	Nil	Nil	n/a
Ian Weatherdon	305,711	0%	Nil	Nil	Nil	Nil	n/a

Retention payment for the CEO

At the 2024 AGM, the Company's shareholders approved an amendment to the Directors' Remuneration Policy to allow a one-off payment to our CEO on the same basis as other retention arrangements.

The award was limited to 100% of salary, was paid in January 2025 and is subject to malus and clawback provisions.

Pension provision for Executive Directors (audited)

In lieu of a pension provision, both the CEO and CFO received a taxable cash allowance equivalent to 10% of base salary which is in line with the workforce.

Benefits (audited)

Benefits received by the CEO and CFO included car allowance, private medical insurance, death-in-service and income protection insurance totalling £57,540 and £41,639 respectively.

LTIP awards granted in 2024 (audited)

The CEO and CFO received awards of 639,021 and 356,900 shares respectively, equivalent to 200% and 150% of salary each, on 1 July 2024. The awards are subject to both absolute and relative total shareholder return ("TSR") targets being met over a period of three years, each measure having a 50% weighting.

The relative TSR peer group for the 2024 LTIP is:

Africa Oil	Energean Oil & Gas	International Petroleum	Pharos Energy
BW Energy	EnQuest	Kosmos Energy	ShaMaran Petroleum
Capricorn Energy	FTSE 350 Integrated Oil and Gas	Maurel & Prom	Tullow Oil
Dana Gas	Genel Energy	Panoro Energy ASA	Vaalco
DNO	Harbour Energy	Petrotal Corp	

Other payments to past Directors and for loss of office (audited)

Details of Ian Weatherdon's salary, benefits and bonus payable up to and including the date of his retirement are set out in the single total figure table on page 112. The time prorated bonus is based on full-year performance and is payable at the normal time with 30% deferred into shares. Ian's deferred bonus shares will vest on their normal schedule. Ian's unvested long-term incentive awards granted in 2022 and 2023 will be prorated for time and vest on the agreed schedule subject to the agreed performance conditions.

Statement of Directors’ shareholdings and share interests (audited)

Executive Directors are required to build and maintain a shareholding in the Company of at least 200% of salary within five years of appointment. The net value of vested but unexercised share awards are included for this purpose and individuals have five years in which to acquire the required levels. Participation in long-term incentive schemes may be scaled back or withheld if the requirements are not met or maintained. The Remuneration Policy set out on pages 105 to 110 includes post-exit guidelines.

Directors’ shareholdings and share interests as at 31 December 2024 were as follows:

	Shareholding requirement as a % of salary	Beneficially owned shares	Vested but unexercised scheme interests	Unvested scheme interests subject to performance conditions	Unvested scheme interests not subject to performance conditions	Total conditional and unconditional interest in shares
Executive Directors						
Jon Harris	200%	30,000	—	1,494,140	128,699	1,652,839
Ian Weatherdon	200%	50,112	—	309,597	87,327	447,036
Gabriel Papineau-Legris	200%	441,689	—	605,113	—	1,046,802
Non-Executive Directors						
David Thomas	—	—	—	—	—	—
Wanda Mwaura	—	—	—	—	—	—
Julien Balkany	—	50,000	—	—	—	50,000
Marianne Daryabegui	—	—	—	—	—	—
Catherine Krajicek	—	—	—	—	—	—
Total	**—**	**571,801**	**—**	**2,408,850(2)**	**216,026(1)**	**3,196,677**

(1) Shares equivalent to 30% of the 2021 and 2022 bonus.
(2) Includes shares issued under the 2022, 2023 and 2024 LTIP awards.

Implementation of the Directors’ Remuneration Policy in 2025

Base salaries and benefits

In light of the current business context and the detailed remuneration benchmarking review, the Remuneration Committee decided to award the CEO and the CFO increases in salary of 6% respectively, which is line with the salary review budget for all employees.

Annual bonus

Payments under the executive annual bonus scheme will be determined based on performance against a range of KPIs.

Historically, the same Company KPIs have been used for both the executive and employee bonus plans for which all Company employees are eligible. For 2025, we will again run the plans consistently and operate on the principle that Executive Directors will be treated no more favourably than other employees.

The scorecard that will be used is as follows. Targets are commercially sensitive and will be disclosed in the 2025 annual report and accounts.

Category	KPI	Weighting
Safety and sustainability	Emissions reduction alternatives, HSE plan, safety performance measures, security audit and cybersecurity implementation	25%
Value creation	Pipeline export resumption solution Digitalisation strategy PF-2 turnaround	25%
Financial	Sales targets Operating efficiency Budget discipline	35%
People, culture, values	Build workforce capability Drive improved employee engagement	15%

LTIP

The CEO will be eligible to receive an LTIP grant of up to 200% of base salary and the CFO will be eligible to receive an LTIP grant of up to 150% of base salary, which will be granted in April 2025. The following three-year TSR performance conditions are expected to be attached to the vesting of the award.

Performance measure	Weighting	Threshold performance (25% vesting)	Maximum performance (100% vesting)
Absolute TSR	50%	8% p.a. compound	12% p.a. compound
Relative TSR	50%	Median vs. peer group	Upper quartile vs. peer group

Linear interpolation will be used for performance between threshold and maximum. There will be no payment for the relevant tranche where performance is below threshold.

Relative TSR will be compared to that achieved over the same period against listed companies selected by the Remuneration Committee on the basis of their relevance and comparability. For the 2025 LTIP, the peer group will remain the same as the 2024 LTIP peer group.

The Remuneration Committee has the discretion to review vesting outcomes to ensure a fair reflection of performance. In making this assessment, the Committee will consider, amongst other factors, the underlying performance of the Company over the period including operational milestones, production levels, safety, individual performance and the broader experience of stakeholders over the period.

Non-Executive Directors

The Chair and Non-Executive Director fees increased in line with the Executive Directors and the wider workforce by 6% for 2025. For 2025 the Chair fee is £185,500, the Non-Executive Director base fee is £67,840 and the fees for Senior Independent Director and Committee Chair have increased to £10,600.

This Directors' remuneration report was approved by the Board on 19 March 2025 and signed on its behalf by:

Marianne Daryabegui
Chair of the Remuneration Committee
19 March 2025

Directors' report

The Directors are pleased to present their report on the affairs of the Company, together with the consolidated financial statements of the Company and auditor's report, for the year ended 31 December 2024. A review of the business is set out in the preceding sections of this annual report and accounts, including the Chair's statement, Chief Executive Officer's review and Financial review, which are incorporated into this report by reference. The Corporate governance report also forms part of this report.

Results and dividends

The Company's financial results for the year ended 31 December 2024 are set out in the consolidated financial statements.

The Company made a profit after taxation for the year of $7.2 million (2023: $11.5 million loss). During 2024, dividends of $35 million were paid and a $10 million share buyback programme was completed, with aggregate shareholder distributions totalling $45 million.

Gulf Keystone remains committed to returning excess cash to shareholders via dividends and/or share buybacks, subject to the liquidity needs of the business and the operating environment. In October 2024, the Company set out a framework for shareholder distributions to enable investors to better evaluate the prospect of future returns in a local sales environment.

In summary, the Board will review the Company's capacity to declare an interim dividend on a semi-annual basis around the time of the full-year results and half-year results and will consider share buybacks on an opportunistic basis throughout the year. Distribution capacity will be determined with reference to the Company's operating environment and liquidity needs, primarily the next 12 months of capital expenditures and costs but also the potential liquidity required to transition from pre-paid local sales to the restart of exports and the normalisation of KRG payments. Following the reopening of the export pipeline and normalisation of payments by the KRG, the Board plans to provide an update on the Company's approach to distributions.

In line with this framework, the Company was pleased to announce the declaration of a $25 million interim dividend alongside the 2024 full-year results (see the Financial review on page 8 for further detail).

Capital structure

Full details of the authorised and issued share capital, together with movements in the Company's issued share capital during the year, are shown in note 18 to the consolidated financial statements. The business is financed by means of internally generated cash flow and, as appropriate, debt and external share capital. The Company also announced on 8 October 2024 a further $10 million share buyback programme, although minimal shares have been purchased under this programme to date. In light of this and the announced declaration of a $25 million interim dividend, the Company has decided not to renew the programme, which expired on 20 March 2025.

Share rights and restrictions

There are no specific restrictions on the size of a holding or on the transfer of common shares, both of which are governed by the general provisions of the Company's Byelaws and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's common shares that may result in restrictions on the transfer of securities or on voting rights. No person has any special rights of control over the Company's share capital and all issued common shares are fully paid.

Details of the employee share schemes are set out in note 21 to the consolidated financial statements and details of the Directors' awards are included in the Remuneration Committee report.

Voting rights and Byelaw amendments

The Company's Byelaws may only be revoked or amended by the shareholders of the Company by a resolution passed by a majority of not less than three-quarters of such shareholders as vote in person or, where proxies are allowed, by proxy at a general meeting.

Resolutions put to the vote of any general meeting are decided on a show of hands unless a poll is demanded in accordance with the Company's Byelaws.

The Company's Byelaws are available on the Company's website at www.gulfkeystone.com.

Directors

With regard to the appointment and replacement of Directors, the Company is governed by its Byelaws, the Companies Act (Bermuda) and related legislation. All of the Directors are required to stand for re-election by the shareholders each year at the AGM.

Directors' indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its Directors during the year and these remain in force at the date of this report.

Directors' interests in shares

As at 31 December 2024, the following Directors who held office had interest in the common shares of the Company[(1)]:

- Jon Harris (Chief Executive Officer) – 30,000 common shares; and
- Gabriel Papineau-Legris (Chief Financial Officer) – 441,689 common shares.

At the date of this report, the Employee Benefit Trust ("EBT") held 0.3 million (2023: 0.2 million) common shares of the Company.

(1) Includes common shares held directly, by family members and through the Gulf Keystone EBT which are held subject to the discretion of the EBT Trustee.

Significant shareholdings

As at 28 February 2025, being the date of the most recent analysis of the Company's share register, the Company discloses the following significant shareholdings:

Shareholder	Number of common shares	Percentage of issued shared capital
Lansdowne Partners Austria GmbH	32,549,217	15.00
Stichting Value Partners Family Office	24,978,574	11.51
Interactive Investor	15,325,809	7.06
Hargreaves Lansdown Stockbrokers Ltd.	15,218,327	7.01
Mr Gertjan Koomen	10,091,652	4.65
Goldman Sachs International	7,877,909	3.63
Halifax Stockbrokers	7,607,355	3.51
Barclays Stockbrokers	7,314,575	3.37
Dimensional Fund Advisors LP	6,945,214	3.20
Ophorst Van Marwijk Kooy Vermogensbeheer N.V.	5,705,642	2.63

The Company's share register analysis was provided by Investor Insight, based on information available at the time of publication.

Political donations

No political donations were made and no political expenditure was incurred during the year.

Employee and stakeholder engagement

Details of the Company's engagement with employees and external stakeholders are described in the Sustainability report on pages 26 to 43 and in our Stakeholder engagement report and Section 172 statement on pages 22 to 25.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Chair's statement, the Chief Executive Officer's review and the Management of principal risks and uncertainties. The financial position of the Group at the year end and its cash flows and liquidity position are included in the Financial review.

As at 19 March 2025 the Group had $115 million of cash and no debt. The Group continues to closely monitor and manage its liquidity. Cash forecasts are regularly produced and sensitivities are run for different scenarios including, but not limited, to, changes in sales volumes, commodity price fluctuations, timing of export pipeline restart, delays to revenue receipts and cost optimisations. The Group remains focused on taking appropriate actions to preserve its liquidity position.

As a result of the closure of the ITP in March 2023, the Group significantly reduced expenditures to preserve liquidity and continues to closely monitor costs with minimal capital investment committed while the pipeline remains closed. Throughout 2024 and up to the date of this report in 2025, due to the stabilising of local sales volumes, the Group has significantly improved its working capital position, including settling all legacy supplier invoices from prior to the suspension of exports, and it was able to distribute $45 million to shareholders in 2024 via buybacks and dividends, with a further $25 million interim dividend declared in March 2025.

Nonetheless, the Group is aware there could be a potential decline in local sales, and potential delays in KRG revenue receipts once the ITP has been reopened.

The key uncertainties of the alternative crude sale methods are summarised below:

- **Local sales**: the Group continues local sales with payments from buyers required in advance following extensive due diligence. During 2024 the Group received over $144 million related to local sales. However, local sales volumes (averaging c.40,700 bopd on a gross basis in 2024) and prices have fluctuated in the past and may be difficult to predict; and
- **Export sales**: In February 2025, the Iraqi Parliament approved an amendment to Article 12 of the Iraqi 2023-2025 Budget Law regarding the compensation for Kurdistan's oil production and transportation costs, potentially facilitating the resumption of Kurdistan's oil exports. Whilst the approval of the amendment is a key step towards the resumption of Kurdistan oil exports, a number of key details remain outstanding regarding payment surety for future oil exports, the repayment of outstanding receivables and the preservation of current contract economics. As such, the timing of the reopening of the ITP and payment mechanism remain uncertain.

The Directors believe an agreement will ultimately be reached to reopen the ITP, and reasonably expect that overdue balances will be paid and receipts from the KRG will return to a more regular basis. However, a reduction in local sales or reopening of the pipeline with a deferral of revenue receipts could result in liquidity pressures within the 12-month going concern period.

The Directors have considered sensitivities, including local sales volumes and potential delays in KRG revenue receipts once the ITP reopens, to assess the impact on the Group's liquidity position and believe sufficient mitigating actions are available to withstand such impacts within the 12-month going concern period. Specifically, the Directors considered stress tests that included no further local sales or KRG revenue receipts and confirmed that cost reduction opportunities exist to ensure that the Group can continue to discharge its liabilities for a period of at least 12 months.

As explained in note 14, although the Group has recognised current liabilities of around $81 million payable to the KRG, it does not expect these will be cash settled.

Overall, the Group's forecasts, taking into account the applicable risks, stress test scenarios and potential mitigating actions, show that it has sufficient financial resources for the 12 months from the date of approval of the 2024 annual report and accounts.

Based on the analysis performed, the Directors have a reasonable expectation that the Group has adequate resources to continue to operate for the foreseeable future. Thus, the going concern basis of accounting is used to prepare the annual consolidated financial statements.

Significant agreements – change of control

There are a number of agreements that take effect, alter or terminate upon a change of control of the Group, including the Shaikan PSC and employee share plans. The Directors are not aware of any agreements between the Group and its Directors or employees that provide for compensation for loss of office or employment that occurs because of a takeover bid.

Auditor

Each of the persons who is a Director at the date of approval of this annual report and accounts confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Group's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

On behalf of the Board

Jon Harris
Chief Executive Officer
19 March 2025

Directors' responsibilities statement

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements in accordance with UK-adopted International Accounting Standards ("IAS"). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss for the Group for that period. Under IAS 1 the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Bermuda Companies Act 1981. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' responsibility statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with United Kingdom adopted International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;
- the Strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

This responsibility statement was approved by the Board of Directors on 19 March 2025 and is signed on its behalf by:

Jon Harris
Chief Executive Officer
19 March 2025

Gabriel Papineau-Legris
Chief Financial Officer
19 March 2025

Independent auditor's report

to the members of Gulf Keystone Petroleum Limited

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's affairs as at 31 December 2024 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards; and
- the financial statements have been prepared in accordance with the requirements of the Bermuda Companies Act 1981.

We have audited the consolidated financial statements of Gulf Keystone Petroleum Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2024 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the Audit & Risk Committee.

Independence

We remain independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group's ability to continue to adopt the going concern basis of accounting included:

- Obtaining the Directors' base case cash flow forecasts, challenging and assessing the underlying assumptions (including the pipeline reopening, timing for payment of cash receipts, oil prices, local and export sales volumes, production levels, operating and development costs) which have been approved by the Board focussing on the appropriateness of estimates with reference to empirical data and external evidence, where possible;
- Checking for consistency against the cash flows forecasts included within the impairment model;
- Considering the implications of any events described in going concern assumptions on liquidity headroom and assessing the sensitivities and reverse stress testing analysis run by the Directors;
- Testing the integrity of the forecast models and assessed consistency of the formulae used in the model;
- Evaluating the Directors' plans for potential mitigating actions in relation to the going concern assessment including deferring planned capital expenditures, reducing operating and general and administrative expenses, including whether such plans are feasible in the circumstances; and
- Assessing the adequacy and the appropriateness of the going concern disclosures in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the Group's voluntary reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

Key audit matters	Carrying value of oil and gas assets: 2024 √, 2023 √ Recoverability of receivables & expected credit loss: 2024 √, 2023 √ Going concern: 2023 √ Going concern is no longer considered to be a key audit matter because of improvement in the financial performance of the Group since the pipeline shut in March 2023.
Materiality	*Group financial statements as a whole* $8.0m (2023: $6.9m) based on 1.2% of total assets (2023: 1.0% of total assets)

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. On the basis of this, we identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

Components in scope

The Group consists of three entities. As part of performing our Group audit, we have determined the components in scope as follows: Gulf Keystone Petroleum Limited (the Parent Company), Gulf Keystone Petroleum International Limited and Gulf Keystone Petroleum (UK) Limited. For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included:

- procedures on the entire financial information of the component, including performing substantive procedures
- procedures on one or more classes of transactions, account balances or disclosures.

Procedures performed at the component level

We performed procedures to respond to group risks of material misstatement at the component level that included the following.

Component	Component Name	Group Audit Scope
1	Gulf Keystone Petroleum Limited	Procedures on one or more classes of transactions, account balances or disclosures
2	Gulf Keystone Petroleum International Limited	Audit and procedures on the entire financial information of the component.
3	Gulf Keystone Petroleum (UK) Limited	Procedures on one or more classes of transactions, account balances or disclosures

The Group engagement team has performed all procedures directly, and has not involved component auditors in the Group audit.

Procedures performed centrally

We considered there to be a high degree of centralisation of financial reporting, commonality of controls and similarity of the Group's activities and business lines in relation to all financial statement balances. We therefore designed and performed procedures centrally for all areas.

Climate change

Our work on the assessment of potential impacts on climate-related risks on the Group's operations and financial statements included:

- Enquiries and challenge of management and Audit & Risk Committee to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report;
- Our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector;
- Involvement of climate-related experts in evaluating our risk assessment and review of the TCFD disclosures; and
- Review of the minutes of Board and Audit & Risk committee meeting and other papers related to climate change and performed a risk assessment as to how the impact of the Group's climate-related initiatives as set out in Group's TCFD disclosures within the Strategic Report may affect the financial statements and our audit.

We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives have been reflected, where appropriate, in management's going concern assessment and viability assessment and in management's judgements and estimates in relation to the carrying value of oil and gas assets.

We also assessed the consistency of management's disclosures included as 'Other Information' on pages 44 to 52 with the financial statements and with our knowledge obtained from the audit.

Based on our risk assessment procedures, we considered the carrying value of oil and gas assets Key Audit Matter to be materially impacted by climate-related risks. The explanation of and our audit response to this climate-related risk is included in the related key audit matter below.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter		How the scope of our audit addressed the key audit matter
Carrying value of oil and gas assets (refer to material accounting policy information and note 10)	Management must assess oil and gas assets (being the Shaikan Field in Kurdistan) for indicators of impairment at each reporting date. If an indicator of impairment exists, management must estimate the recoverable amount of the oil and gas assets and, if lower than the carrying value, reduce the value of the assets accordingly. Management assessed impairment indicators at the year end and concluded that there are no indicators of impairment. Management no longer consider the shutdown of the Iraq-Turkey pipeline ("ITP") in March 2023 as an indicator of impairment. This reflects a change from the previous year's assessment. Management considered the impact of climate change on the Shaikan asset, including the potential impact on future oil prices (including possible changes in demand) and carbon taxes, which each have a	Our audit work included the following procedures: ▪ Obtaining and reviewing management's impairment indicators assessment which involved the assessment of the changes to the relevant external and internal factors evidencing the existence or non-existence of an impairment indicator. The assessment included key management judgements on the following: changes to the resources and reserves, timeframe for the pipeline reopening, expected changes to the oil prices, expected local and export sales volumes, expected production levels, changes to the operating and development costs assumed, and changes to discount rates; ▪ Challenging the appropriateness of management's judgements of the impairment indicators with reference to empirical data, internal and external evidence where available, with specific emphasis on the following judgements: changes to the resources and reserves, timeframe for the pipeline reopening, expected changes to the oil prices, expected local and export sales volumes, expected production levels, changes to the operating and development costs assumed and changes to discount rates; ▪ Evaluating management's assumption about pipeline reopening date and ability to operate the Shaikan field for the remainder of its licence including assessing the results of an appeal of the Iraqi Supreme Court ruling through inquiries of the Group's internal legal counsel and its impact to the impairment indicators assessment; ▪ Benchmarking oil price assumptions applied in the impairment indicator assessment against historic figures achieved for local sales and independently sourced broker consensus pricing ranges for export sales; ▪ Obtaining the Directors' 2P reserve internal update and comparing Reserve Statements prepared by the Group's external reserve engineers (ERCE) completed at 31 December 2022, checking the

	potential impact on management's future investment decisions. Management's impairment indicators assessment indicated that the carrying value of the oil and gas assets recognised in the financial statements as at 31 December 2024 was appropriate and therefore no impairment charge was recorded. Given the significance of the assets in the Group's consolidated statement of financial position and the estimation and judgement involved in identifying indicators of impairment, we considered the carrying value of oil and gas assets, including the related disclosures, to be a key audit matter.	consistency of the reserves and resources with management's bridging analysis, assessing the reasonableness of the changes in the reserves estimate and an impact on the impairment indicator assessment; ▪ Obtaining and reviewing management's updated valuation model as at 31 December 2024 for the purposes of assessing existence of an impairment indicator. Checking the consistent application of the above judgements to the model; ▪ Assessing the impact of downside changes in key assumptions on the carrying value of the assets, using management's sensitivity analysis; ▪ Assessing the potential impact of climate change including the impact on headroom of a reduced oil price through the potential impact of the introduction of carbon taxes; ▪ Obtaining the Directors' latest risk registers, including their climate risk register, to inform our independent risk assessment around impairment; and ▪ Assessing the disclosures in relation to the carrying value of oil and gas assets in the financial statements including key assumptions and sensitivity of the carrying value to reasonable changes in such assumptions to check they were in accordance with the requirements of the relevant accounting standard. **Key observations:** Based on the procedures performed we did not identify any issues relating to management's impairment indicators' assessment including the assumptions applied, the conclusion that no impairment indicators arose and the related disclosures made.

Key audit matter		How the scope of our audit addressed the key audit matter
Recoverability of receivables & expected credit loss (refer to material accounting policy information and note 13)	As at 31 December 2024, the Group has overdue receivables of $171m (31 December 2023: $171m) due from the Kurdistan Regional Government (KRG). There has been a delay in settlement of outstanding receivables with the KRG. At the year end, no amounts had been received in respect of October 2022 to March 2023 oil deliveries. Due to the uncertainty in respect of the pipeline reopening the significant judgement and estimation involved in the assessment of recoverability of receivables, the valuation of the expected credit loss ("ECL") and the appropriateness of the assumptions used notably the timing of payments, probability of default and loss given default, we consider this to be a key audit matter including the related disclosures .	We have performed the following procedures: ▪ Evaluating management's assessment of recoverability of receivables and considering the assessment against publicly available information; ▪ Challenging management's assessment of recoverability through inquiry and discussion; ▪ Assessing the accounting treatment had been applied in line with the requirements of IFRS 9; ▪ Evaluating management's ECL assessment and challenging the assumptions used in the calculation, such as possible scenarios and their probabilities of occurrence and timing of repayment receipts through inquiry and discussion and by setting our own expectations; ▪ Involving our internal valuations experts to help us to assess the appropriateness of methodology and economic parameters applied such as probability of default rate and loss given default through benchmarking of the assumptions employed against market based rates of defaults, and recalculating the provision; ▪ Considering if the scenarios applied by management, including the expected pipeline reopening date and recovery of the cost oil component of the trade receivables balance via the settlement with local customers' receipts, are reasonable and appropriate based on the audit team's understanding, ▪ Considering if the assumption of the expected pipeline reopening date is consistent with assessments performed elsewhere (Going Concern and Impairment); and ▪ Assessing the adequacy and the appropriateness of the receivables disclosures in the financial statements, including key assumptions in judgement and estimation and sensitivity of the ECL to reasonable changes in such assumptions to check they were in accordance with the requirements of the relevant accounting standard. **Key observations:** Based on our analysis, we have not identified any issues relating to the appropriateness of the ECL model applied and relevant disclosures.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements	
	2024 $m	2023 $m
Materiality	8.0	6.9
Basis for determining materiality	1.2% of total assets	1.0% of total assets
Rationale for the benchmark applied	We consider an asset based measure to be the most appropriate due to profitability being unstable as export oil sales were suspended for a period of time, making the continued value of the Group's assets of key importance to a user of the financial statements. The input factor increased to 1.2% in the current year as a result of various considerations, including additional understanding gained from our 2023 audit of the Group.	
Performance materiality	5.2	4.5
Basis for determining performance materiality	65% of materiality	
Rationale for the percentage applied for performance materiality	In setting performance materiality we considered the nature of activities, the expected total value of known and likely misstatements.	

Component performance materiality

For the purposes of our Group audit opinion, we set performance materiality for each component of the Group based on a percentage of between 3% and 54% (2023: 5% and 55%) of Group performance materiality dependent on a number of factors including the size, reporting requirements, aggregation risk and our assessment of the risk of material misstatement of those components. Component performance materiality ranged from $232,000 to $4,324,400 (2023: $354,750 to $3,835,000).

Reporting threshold

We agreed with the Audit & Risk Committee that we would report to them all individual audit differences in excess of $160,000 (2023: $138,600). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report and accounts other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Corporate governance statement

As the Group has voluntarily adopted the UK Corporate Governance Code 2024 we are required to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit.

Going concern and longer-term viability	• The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 121 and 122; and • The Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on pages 72 and 73.
Other Code provisions	• Directors' statement on fair, balanced and understandable set out on page 123; • Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 55; • The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 54; and • The section describing the work of the audit committee set out on pages 91 to 95.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management, members of the Board, Audit & Risk Committee and in-house legal counsel;
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations; and
- Our understanding of the legal and regulatory frameworks that are applicable to the Group.

We considered the significant laws and regulations to be the applicable accounting framework (UK adopted international accounting standards), Bermuda Companies Act 1981, the UK tax legislation, the UK Listing Rules.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation, licensing and environmental regulations in both Kurdistan and Iraq.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit;
- Review of legal expenditure accounts to understand the nature of expenditure incurred;
- Reviewing the licences to assess the extent to which the Group was in compliance with the conditions of the licence and considering Directors' assessment of the impact of instances of non-compliance where applicable; and
- Consideration of the potential implications of the Iraqi Supreme Court ruling and the Iraq Turkey Pipeline Arbitration ruling.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management, members of the Board, Audit & Risk Committee and those responsible for whistleblowing regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
    - Detecting and responding to the risks of fraud; and
    - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls and revenue recognition.

Our procedures in respect of the above included:

- Performing an assessment of the Group's IT and the wider control environment and as part of this work we obtained an understanding of the design and implementation of IT access controls;
- Testing a sample of journal entries throughout the year, which met defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias (refer to key audit matters above); and
- Testing all revenue transactions to supporting documentation, including recalculation of revenue monthly entitlement for the oil sales in line with the Shaikan PSC and sales agreements. We obtained all local sales agreements and vouched all cash receipts. We evaluated key terms and assessed the appropriateness of revenue recognition policies against the relevant accounting standards.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matt Crane (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
19 March 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Non-IFRS measures

The Group uses certain measures to assess the financial performance of its business. Some of these measures exclude amounts that are included in, or include amounts that are excluded from, the most directly comparable measure calculated and presented in accordance with International Financial Reporting Standards ("IFRS"), or are calculated using financial measures that are not calculated in accordance with IFRS. As a result, these measures are termed "non-IFRS measures" and include financial measures such as operating costs and non-financial measures such as gross average production.

The Group uses such measures to measure and monitor operating performance and liquidity, in presentations to the Board and as a basis for strategic planning and forecasting. The Directors believe that these and similar measures are used widely by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity.

The non-IFRS measures may not be comparable to other similarly titled measures used by other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Group's operating results as reported under IFRS. An explanation of the relevance of each of the non-IFRS measures and a description of how they are calculated is set out below. Additionally, a reconciliation of the non-IFRS measures to the most directly comparable measures calculated and presented in accordance with IFRS and a discussion of their limitations is set out below, where applicable. The Group does not regard these non-IFRS measures as a substitute for, or superior to, measures that are equivalent to financial measures that are calculated or presented in accordance with IFRS.

Gross operating costs per barrel
Gross operating costs are divided by gross production to arrive at operating costs per barrel.

	2024	2023
Gross production (MMbbls)	**14.9**	8.0
Gross operating costs ($ million)[(1)]	**65.5**	45.1
Gross operating costs per barrel ($ per bbl)	**4.4**	5.6

(1) Gross operating costs equate to operating costs (see note 3 to the consolidated financial statements) adjusted for the Group's 80% working interest in the Shaikan Field.

Adjusted EBITDA
Adjusted EBITDA is a useful indicator of the Group's profitability, and excludes the impact of the costs noted below.

	2024 $ million	2023 $ million
Profit/(loss) after tax	**7.2**	(11.5)
Finance costs	**1.7**	1.8
Finance income	**(4.1)**	(3.8)
Tax charge	**0.7**	0.1
Depreciation of oil and gas assets	**75.8**	39.5
Depreciation of other PPE assets and amortisation of intangibles	**3.0**	2.6
(Decrease)/increase of expected credit loss provision on trade receivables	**(8.2)**	21.4
Adjusted EBITDA	**76.1**	50.1

Net cash
Net cash is a useful indicator of the Group's indebtedness and financial flexibility indicating the level of cash and cash equivalents less cash borrowings within the Group.

	2024 $ million	2023 $ million
Cash	**102.3**	81.7
Borrowings	**-**	-
Net cash	**102.3**	81.7

The Company was debt free at 31 December 2024 and 31 December 2023.

Net capital expenditure

Net capital expenditure is the value of the Group's additions to oil and gas assets excluding the change in value of the decommissioning asset or any asset impairment.

	2024 **$ million**	2023 $ million
Net capital expenditure (see note 10 to the consolidated financial statements)	**18.3**	58.2

Free cash flow

Free cash flow represents the Group's cash flows before any dividends and share buybacks including related fees.

	2024 **$ million**	2023 $ million
Net cash generated from operating activities	**93.5**	51.3
Net cash used in investing activities	**(27.6)**	(63.9)
Payment of leases	**(0.5)**	(0.5)
Free cash flow	**65.4**	(13.1)

Consolidated income statement

For the year ended 31 December 2024

	Notes	**2024 $'000**	2023 $'000
Revenue	2	**151,208**	123,514
Cost of sales	3	**(138,866)**	(93,953)
Decrease/(increase) of expected credit loss provision on trade receivables	13	**8,191**	(21,378)
Gross profit		**20,533**	8,183
Other general and administrative expenses	4	**(11,412)**	(10,466)
Share option related expenses	5	**(4,419)**	(10,760)
Profit/(loss) from operations		**4,702**	(13,043)
Finance income	7	**4,116**	3,803
Finance costs	7	**(1,676)**	(1,765)
Foreign exchange gain/(loss)		**724**	(384)
Profit/(loss) before tax		**7,866**	(11,389)
Tax charge	8	**(708)**	(111)
Profit/(loss) after tax for the year		**7,158**	(11,500)
Profit/(loss) per share (cents)			
Basic	9	**3.26**	(5.28)
Diluted	9	**3.13**	(5.28)

Consolidated statement of comprehensive income

For the year ended 31 December 2024

	2024 $'000	2023 $'000
Profit/(loss) after tax for the year	**7,158**	(11,500)
Items that may be reclassified to the income statement in subsequent periods:		
Exchange (loss)/gain on translation of foreign operations	**(517)**	952
Total comprehensive income/(loss) for the year	**6,641**	(10,548)

Consolidated balance sheet

As at 31 December 2024

	Notes	**31 December 2024 $'000**	31 December 2023 $'000
Non-current assets			
Trade receivables	13	**138,175**	140,218
Intangible assets		**1,255**	2,813
Property, plant and equipment	10	**388,450**	445,842
Deferred tax asset	16	**825**	1,545
		528,705	590,418
Current assets			
Inventories	12	**9,852**	9,901
Trade and other receivables	13	**26,779**	15,118
Cash		**102,346**	81,709
		138,977	106,728
Total assets		**667,682**	697,146
Current liabilities			
Trade and other payables	14	**(117,277)**	(109,394)
Deferred income	14	**(716)**	(5,164)
		(117,993)	(114,558)
Non-current liabilities			
Trade and other payables	14	**(1,112)**	(39)
Provisions	15	**(36,247)**	(35,312)
		(37,359)	(35,351)
Total liabilities		**(155,352)**	(149,909)
Net assets		**512,330**	547,237
Equity			
Share capital	18	**217,005**	222,443
Share premium	18	**463,985**	503,312
Exchange translation reserve		**(4,283)**	(3,766)
Accumulated losses		**(164,377)**	(174,752)
Total equity		**512,330**	547,237

The financial statements were approved by the Board of Directors and authorised for issue on 19 March 2025 and signed on its behalf by:

Jon Harris
Chief Executive Officer

Gabriel Papineau-Legris
Chief Financial Officer

Consolidated statement of changes in equity

For the year ended 31 December 2024

		Attributable to equity holders of the Company				
	Notes	Share capital $'000	Share premium $'000	Exchange translation reserve $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 January 2023		**216,247**	**528,125**	**(4,718)**	**(166,729)**	**572,925**
Loss after tax for the year		–	–	–	(11,500)	(11,500)
Exchange difference on translation of foreign operations		–	–	952	—	952
Total comprehensive loss for the year		–	–	**952**	**(11,500)**	**(10,548)**
Dividends paid	22	–	(24,813)	–	–	(24,813)
Employee share schemes	21	–	–	–	9,673	9,673
Share issues	18	6,196	–	–	(6,196)	–
Balance at 31 December 2023		**222,443**	**503,312**	**(3,766)**	**(174,752)**	**547,237**
Profit after tax for the year		–	–	–	7,158	7,158
Exchange difference on translation of foreign operations		–	–	(517)	–	(517)
Total comprehensive profit for the year		–	–	**(517)**	**7,158**	**6,641**
Dividends paid	22	–	(34,933)	–	–	(34,933)
Employee share schemes	21	–	–	–	3,472	3,472
Share issues	18	255	–	–	(255)	–
Repurchase of ordinary shares	18	(5,693)	(4,394)	–	–	(10,087)
Balance at 31 December 2024		**217,005**	**463,985**	**(4,283)**	**(164,377)**	**512,330**

Consolidated cash flow statement

For the year ended 31 December 2024

	Notes	2024 $'000	2023 $'000
Operating activities			
Cash generated from operations	19	**89,427**	47,520
Interest received	7	**4,116**	3,803
Net cash generated from operating activities		**93,543**	51,323
Investing activities			
Purchase of intangible assets		**(420)**	–
Purchase of property, plant and equipment	19	**(27,178)**	(65,386)
Sale of drilling stock		**–**	1,449
Net cash used in investing activities		**(27,598)**	(63,937)
Financing activities			
Payment of dividends	22	**(34,933)**	(24,813)
Share buyback		**(10,087)**	–
Payment of leases		**(452)**	(503)
Net cash used in financing activities		**(45,472)**	(25,316)
Net increase/(decrease) in cash		**20,473**	(37,930)
Cash at beginning of year		**81,709**	119,456
Effect of foreign exchange rate changes		**164**	183
Cash at end of the year being bank balances and cash on hand		**102,346**	81,709

Summary of material accounting policies

General information

Gulf Keystone Petroleum Limited (the "Company") is domiciled and incorporated in Bermuda (registered address: c/o Carey Olsen Services Bermuda Limited, 5th Floor, Rosebank Centre, 11 Bermudiana Road, Pembroke, HM08 Bermuda); together with its subsidiaries it forms the "Group". On 25 March 2014, the Company's common shares were admitted, with a standard listing, to the Official List of the United Kingdom Listing Authority ("UKLA") and to trading on the London Stock Exchange's Main Market for listed securities. On 29th July 2024, new Listing Rules came into effect for the London Stock Exchange. The former categories for Main Market listed companies of Premium and Standard Listed were ceased (GKP being a Standard Listed company up until this point). From that date, GKP moved to the Equity Shares – Transition category. The Company serves as the parent company for the Group, which is engaged in oil and gas exploration, development and production, operating in the Kurdistan Region of Iraq.

Amendments to International Financial Reporting Standards ("IFRS") that are mandatorily effective for the current year

In the current year, the Group has applied a number of amendments to IFRS issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2024.

The following new accounting standards, amendments to existing standards and interpretations are effective on 1 January 2024: Classification of Liabilities as Current or Non-Current & Non-current Liabilities with Covenants (Amendments to IAS 1), Lease Liability in a Sale and Leaseback (Amendments to IFRS 16), and Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7). These standards do not and are not expected to have a material impact on the Company's results or financials statement disclosures in the current or future reporting periods.

New and revised IFRSs issued but not yet effective

At the date of approval of these financial statements, the Group has not applied the following new and revised IFRSs that have been issued but are not yet effective by United Kingdom adopted International Accounting Standards:

IFRS S1	*General Requirements for Disclosure of Sustainability-related Financial Information*
IFRS S2	*Climate-related Disclosures*
IFRS 19	*Subsidiaries without Public Accountability: Disclosures*
Amendments IFRS 9 and IFRS 7	*Classification and measurement of financial instruments; Contracts Referencing Nature-dependent Electricity*
Amendments to IAS 21	*Lack of Exchangeability: when a currency is exchangeable and how to determine the exchange rate when it is not.*
Amendments to the SASB standards	*Amendments to the SASB standards to enhance their international applicability without substantially altering industries, topics or metrics*

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The Directors of the company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods.

Statement of compliance

The financial statements have been prepared in accordance with United Kingdom adopted International Accounting Standards.

Basis of accounting

The financial statements have been prepared using the going concern basis of accounting and under the historical cost basis except for the valuation of hydrocarbon inventory which has been measured at net realisable value and the valuation of certain financial instruments which have been measured at fair value. Equity-settled share-based payments are recognised at fair value at the date of grant and are not subsequently revalued. The principal accounting policies adopted are set out below.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Chair's statement, the Chief Executive Officer's review and the Management of principal risks and uncertainties. The financial position of the Group at the year end and its cash flows and liquidity position are included in the Financial review.

As at 19 March 2025 the Group had $115 million of cash and no debt. The Group continues to closely monitor and manage its liquidity. Cash forecasts are regularly produced and sensitivities are run for different scenarios including, but not limited to, changes in sales volumes, commodity price fluctuations, timing of export pipeline restart, delays to revenue receipts and cost optimisations. The Group remains focused on taking appropriate actions to preserve its liquidity position.

As a result of the closure of the Iraq-Türkiye pipeline ("ITP") in March 2023, the Group significantly reduced expenditures to preserve liquidity and continues to closely monitor costs with minimal capital investment committed while the pipeline remains closed. Throughout 2024 and up to the date of this report in 2025, due to the stabilising of local sales volumes, the Group has significantly improved its working capital position, including settling all legacy supplier invoices from prior to the suspension of exports, and it was able to distribute $45 million to shareholders in 2024 via buybacks and dividends, with a further $25 million interim dividend declared in March 2025.

Nonetheless, the Group is aware there could be a potential decline in local sales, and potential delays in Kurdistan Regional Government ("KRG") revenue receipts once the ITP has been reopened.

The key uncertainties of the alternative crude sale methods are summarised below:

- Local sales: the Group continues local sales with payments from buyers required in advance following extensive due diligence. During 2024 the Group received over $144 million related to local sales. However, local sales volumes (average c.40,700 bopd in 2024) and prices have fluctuated in the past and may be difficult to predict; and
- Export sales: In February 2025, the Iraqi Parliament approved an amendment to Article 12 of the Iraqi 2023-2025 Budget Law regarding the compensation for Kurdistan's oil production and transportation costs, potentially facilitating the resumption of Kurdistan's oil exports. Whilst the approval of the amendment is a key step towards the resumption of Kurdistan oil exports, a number of key details remain outstanding regarding payment surety for future oil exports, the repayment of outstanding receivables and the preservation of current contract economics. As such, the timing of the reopening of the ITP and payment mechanism remain uncertain.

The Directors believe an agreement will ultimately be reached to reopen the ITP, and reasonably expect that overdue balances will be paid and receipts from the KRG will return to a more regular basis. However, a reduction in local sales or reopening of the pipeline with a deferral of revenue receipts could result in liquidity pressures within the 12-month going concern period.

The Directors have considered sensitivities, including local sales volumes and potential delays in KRG revenue receipts once the ITP reopens, to assess the impact on the Group's liquidity position and believe sufficient mitigating actions are available to withstand such impacts within the 12-month going concern period. Specifically, the Directors considered stress tests that included no further local sales or KRG revenue receipts and confirmed that cost reduction opportunities exist to ensure that the Group can continue to discharge its liabilities for a period of at least 12 months.

As explained in note 14, although the Group has recognised current liabilities of around $81 million payable to the KRG, it does not expect these will be cash settled.

Overall, the Group's forecasts, taking into account the applicable risks, stress test scenarios and potential mitigating actions, show that it has sufficient financial resources for the 12 months from the date of approval of the 2024 annual report and accounts.

Based on the analysis performed, the Directors have a reasonable expectation that the Group has adequate resources to continue to operate for the foreseeable future. Thus, the going concern basis of accounting is used to prepare the annual consolidated financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and enterprises controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity, so as to obtain benefits from its activities.

Joint arrangements

The Group is engaged in oil and gas exploration, development and production through unincorporated joint arrangements; these are classified as joint operations in accordance with IFRS 11. The Group accounts for its share of the results and net assets of these joint operations. Where the Group acts as Operator of the joint operation, the gross liabilities and receivables (including amounts due to or from non-operating partners) of the joint operation are included in the Group's balance sheet.

Sales revenue

The recognition of revenue is considered to be a key accounting judgement.

Revenue is earned based on the entitlement mechanism under the terms of the Shaikan Production Sharing Contract ("PSC"). Entitlement has two components: cost oil, which is the mechanism by which the Company recovers its costs incurred, and profit oil, which is the mechanism through which profits are shared between the Company, its partner and the KRG. The Company is liable for capacity building payments calculated as a proportion of profit oil entitlement. Entitlement from cost oil and profit oil are reported as revenue, and capacity building payments are included in cost of sales.

For sales to the local market from 19 July 2023 onwards, including all of 2024, the delivery point is the point at which crude oil is loaded into the buyers' nominated trucks. The consideration is determined by reference to the crude sales agreement, with other fees and royalties due as determined by commercial agreements; revenue is reported net of these deductions.

Prior to the shut-in of the ITP on 25 March 2023, all oil was sold by the Shaikan Contractor (the Company and Kalegran BV, a subsidiary of MOL Hungarian Oil & Gas Plc, ("MOL")) to the KRG, who in turn resold the oil. The selling price was determined in accordance with the principles of the crude oil lifting agreement. On 19 July 2023, the Shaikan Contractor commenced sales to the local market by restarting trucking operations. The selling price is determined in accordance with crude sales agreements with local customers.

Under IFRS 15: Revenue from contracts with customers, GKP considers that control of crude oil is transferred from the Shaikan Contractor to the KRG or local buyer at the delivery point as defined in the lifting agreement or crude sales agreement; at this point the Shaikan Contractor is due economic benefits which can be reliably measured and are probable to be received.

For sales up to the shut-in of the ITP on 25 March 2023, the delivery point was the export pipeline and the consideration was variable and is dependent upon the monthly average oil market price with deductions for quality and transportation fees, with other fees and royalties due as determined by commercial agreements; revenue was reported net of these deductions.

Effective September 1, 2022, the KRG proposed a new pricing mechanism for crude oil export sales, which continued until 25 March 2023 when the ITP was shut-in. Under the new pricing mechanism, the realised export sales price for a month was based on the average market price realised by the KRG for the Kurdistan blend ("KBT") sold at Ceyhan, Türkiye, as advised by the KRG. The change in the benchmark market price from dated Brent to KBT has not been agreed and no lifting agreement was in place for oil sales from 1 September 2022 until the ITP shut-in referenced above. Nonetheless, the Shaikan Contractor continued production and the KRG accepted delivery of oil at the delivery points. GKP considers that the control of crude oil was transferred at the delivery points despite no commercial agreement being in place and recognised revenue for the period until 25 March 2023, based on the proposed new pricing terms. A summary of the currently estimated financial impact of the proposed change in pricing mechanism is detailed in note 2 to the consolidated financial statements.

Income tax arising from the Company's activities under its PSC is settled by the KRG on behalf of the Company. Since the Company is not able to measure the amount of income tax that has been paid on its behalf, the notional income tax amounts have not been included in revenue or in the tax charge.

Finance income

Finance income is recognised on an accruals basis, by reference to the principal outstanding and at the effective rate of interest applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Intangible assets

Intangible assets include computer software and are measured at cost and amortised over their expected useful economic lives of three years.

Property, plant and equipment ("PPE")

Oil and gas assets

Development and production assets

Development and production assets are accumulated on a field-by-field basis and represent the costs of acquisition and developing the commercial reserves discovered and bringing them into production, together with the exploration and evaluation expenditure incurred in finding commercial reserves, directly attributable overheads and costs for future restoration and decommissioning. These costs are capitalised as part of PPE and depreciated based on the Group's depreciation of oil and gas assets policy.

The net book values of producing assets are depreciated generally on a field-by-field basis using the unit of production ("UOP") basis which uses the ratio of oil and gas production in the period to the remaining commercial reserves plus the production in the period. Costs used in the calculation comprise the net book value of the field and estimated future development expenditures required to produce those reserves.

Commercial reserves are proven and probable ("2P") reserves which are estimated using standard recognised evaluation techniques. The reserves estimate used in the depreciation, depletion and amortisation ("DD&A") calculation in 2024 was based on the December 2022 Competent Person's Report ("CPR"), a reserves report completed by ERC Equipoise as at 31 December 2022; this estimate combined with the Group's subsequent production and economic modelling formed the basis of the updated estimate used in the year.

Other property, plant and equipment

Other property, plant and equipment are principally equipment used in the field which are separately identifiable to development and production assets and typically have a shorter useful economic life. Assets are carried at cost, less any accumulated depreciation and accumulated impairment losses. Costs include purchase price, construction and installation costs.

These assets are expensed on a straight-line basis over their estimated useful lives of three-years from the date they are put in use.

Fixtures and equipment

Fixtures and equipment assets are stated at cost less accumulated depreciation and any accumulated impairment losses. These assets are expensed on a straight-line basis over their estimated useful lives of five-years from the date they are available for use.

Impairment of PPE and intangible non-current assets

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset, or group of assets, is estimated in order to determine the extent of the impairment loss (if any).

For assets which do not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell ("FVLCTS") and value in use. In assessing FVLCTS and value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Any impairment identified is immediately recognised as an expense. Conversely, any reversal of an impairment is immediately recognised as income.

Taxation

Tax expense or credit represents the sum of tax currently payable or recoverable and deferred tax.

Tax currently payable or recoverable is based on taxable profit or loss for the year. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

As described in the revenue accounting policy section above, it is not possible to calculate the amount of notional tax in relation to any tax liabilities settled on behalf of the Group by the KRG.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part assets to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also recognised in equity.

Foreign currencies

The individual financial statements of each company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and the financial position of the Group are expressed in US dollars, which is the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in the income statement for the year.

On consolidation, the assets and liabilities of the Group's foreign operations which use functional currencies other than US dollars are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity in the Group's translation reserve. On the disposal of a foreign operation, such translation differences are reclassified to profit or loss.

Inventories

Inventories, except for hydrocarbon inventories, are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost method. Hydrocarbon inventories are recorded at net realisable value with changes in the value of hydrocarbon inventories being adjusted through cost of sales.

Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group has become a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables are measured at amortised cost using the effective interest method less any impairment.

Cash

Cash comprises cash on hand and demand deposits that are not subject to a risk of changes in value other than foreign exchange gain or loss.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on trade receivables and contract assets, as well as on financial guarantee contracts. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group considers a counterparty to be in default if it can no longer be reasonably expected to recover receivable amounts at a future date; no counterparties are currently considered to be in default.

The Group recognises lifetime ECL for trade receivables, contract assets and lease receivables. The ECL on these financial assets are estimated based on observed market data and convention, existing market conditions and forward-looking estimates at the end of each reporting period.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument; this is known as a stage 2 receivable and GKP's trade outstanding receivable is classified within this category. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date; this is known as a stage 1 receivable.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs, which are charged to share premium.

Trade payables

Trade payables are stated at amortised cost.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reliably estimated.

Decommissioning provision

Provision for decommissioning is recognised in full when there is an obligation to restore the site to its original condition. The amount recognised is the present value of the estimated future expenditure for restoring the sites of drilled wells and related facilities to their original status. A corresponding amount equivalent to the provision is also recognised as part of the cost of the related oil and gas asset. The amount recognised is reassessed each year in accordance with local conditions and requirements. Any change in the present value of the estimated expenditure is dealt with prospectively. The unwinding of the discount is included as a finance cost.

Share-based payments

Equity-settled share-based payments to employees are measured at the fair value of the instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 21. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest. At each balance sheet date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserve.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each balance sheet date until the liability is settled, and at the date of settlement, the fair value of the liability is re-measured, with any changes in fair value recognised in profit or loss for the period. Details regarding the determination of the fair value of cash-settled share-based transactions are set out in note 21.

Leases

The Group assesses whether a contract contains a lease at inception of the contract. The Group recognises a right-of-use asset and corresponding lease liability in the consolidated balance sheet for all lease arrangements longer than twelve months, where it is the lessee and has control of the asset. For all other leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the future lease payments from the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the company specific incremental borrowing rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The lease liability is recognised in creditors as current or non-current liabilities depending on underlying lease terms.

The right-of-use assets are initially recognised on the balance sheet at cost, which comprises the amount of the initial measurement of the corresponding lease liability, adjusted for any lease payments made at or prior to the commencement date of the lease and any lease incentive received.

For short-term leases (periods less than 12 months) and leases of low value, the Group has opted to recognise lease expense on a straight-line basis.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies described above, the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Production sharing contract entitlement: Revenue and capacity building payments

The recognition of revenue, particularly the recognition of revenue from pipeline exports, is considered to be a key accounting judgement. The Group began commercial production from the Shaikan Field in July 2013 and historically made sales to both the domestic and export markets. The Group considers that revenue can be reliably measured as it passes the delivery point into the export pipeline or truck, as appropriate. The critical accounting judgement applied in the comparative financial statements for 2023 considered whether it was appropriate to recognise export revenue for deliveries from 1 January to 25 March 2023 based on the proposed new pricing mechanism, notwithstanding that there was no signed lifting agreement for that period and the pricing mechanism. Further details of this judgement are provided in the sales revenue accounting policy above. In making this judgement, consideration was given to the fact that the Group received payment for September 2022 deliveries at an amount that was consistent with the proposed new pricing terms; no further receipts for the period of pipeline exports from 1 October 2022 to 25 March 2023 have been received. No adjustments were made in 2024 in respect of the above as revenue was earned via local sales, with no agreement yet reached in respect of the export period mentioned above.

A summary of the currently estimated financial impact of the proposed change in pricing mechanism is detailed in note 2.

Any future agreements between the Group and the KRG might change the amounts of revenue recognised.

During past PSC negotiations with the Ministry of Natural Resources (“MNR”), it was tentatively agreed that the Shaikan Contractor would provide the KRG a 20% carried working interest in the PSC. This would result in a reduction of GKP’s working interest from 80% to 61.5%. To compensate for such decrease, capacity building payments expense would be reduced to 20% of profit petroleum. While the PSC has not been formally amended, it was agreed that GKP would invoice the KRG for oil sales based on the proposed revised terms from October 2017. The financial statements reflect the proposed revised working interest of 61.5%. Relative to the PSC terms, the proposed revised invoicing terms result in a decrease in both revenue and cost of sales and on a net basis are slightly positive for the Group.

As part of earlier PSC negotiations, on 16 March 2016, GKP signed a bilateral agreement with the MNR (the “Bilateral Agreement”). The Bilateral Agreement included a reduction in the Group’s capacity building payment from 40% to 30% of profit petroleum. Subsequent to signing the Bilateral Agreement, further negotiations resulted in the capacity building payment rate being reduced from 30% to 20%, which has formed the basis for all oil sales invoices to date as noted above. Since PSC negotiations have not been finalised, GKP has included a non-cash payable for the difference between the capacity building rate of 20% and 30%, which is recognised in cost of sales and other payables. See note 14 for further details.

The Group expects to confirm with the MNR whether to proceed with a formal amendment to the PSC to reflect current invoice terms.

Material sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Expected credit loss (“ECL”)

The recoverability of receivables is a key accounting judgement. The difference between the nominal value of receivables and the expected value of receivables after allowing for counterparty default risk is the basis for the ECL. This ECL is offset against current and non-current receivable amounts as appropriate within the balance sheet with the change in the receivable balance during the period recognised in the income statement.

In making this judgement, a weighted average has been applied to modelled receipt profiles, upon which a counterparty default allowance has been applied to derive the ECL. When modelling receipt profiles management have made a number of key estimates that are dependent upon uncertain future events including: the KRG’s deemed credit rating, the export pipeline reopening date, the unrecovered cost pool is depleted on a cash basis as invoices for crude sales are paid which can be recovered through local and export sales, estimated timeline of cost oil and profit oil recoveries via commercial terms which have not yet been agreed with the KRG, future oil price including an estimate of both local and export prices, future oil production, and the probabilities allocated to various scenarios incorporating the aforementioned variables. Management has estimated the KRG’s probability of default based on credit default swap ratings (“CDS”) applicable to sovereign nations with similar characteristics to the KRG. Material sensitivities of the ECL to discrete variables are summarised in note 13.

Decommissioning provision

Decommissioning provisions are estimated based upon the obligations and costs to be incurred in accordance with the PSC at the end of field life in 2043. There is uncertainty in the decommissioning estimate due to factors including potential changes to the cost of activities, potential emergence of new techniques or changes to best practice. The Group performed an estimate of the value of obligations and costs to decommission the asset as at 31 December 2023, which was reviewed by ERC Equipoise, an independent third party; this estimate formed the basis of the updated estimate of the current value of obligations and costs at 31 December 2024.

Management have increased these costs by estimated compound interest rates, to future value in 2043, and reduced to present value by an estimated discount rate, there is also uncertainty regarding the inflation and discount rates used. For the carrying amount of the item, see note 15.

Carrying value of producing assets

In line with the Group's accounting policy on impairment, management performs an impairment review of the Group's oil and gas assets at least annually with reference to indicators as set out in IAS 36 'Impairment of Assets'. The Group assesses its group of assets, called a cash-generating unit ("CGU"), for impairment, if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Where indicators are present, management calculates the recoverable amount using key estimates such as future oil prices, estimated production volumes, the cost of development and production, post-tax discount rates that reflect the current market assessment of the time value of money and risks specific to the asset, commercial reserves and inflation. The key assumptions are subject to change based on market trends and economic conditions. Where the CGU's recoverable amount is lower than the carrying amount, the CGU is considered impaired and is written down to its recoverable amount.

The Group's sole CGU at 31 December 2024 was the Shaikan Field with a carrying value, being Oil and Gas assets less capitalised decommissioning provision, of $348.9 million (2023: $408.0 million). The Group performed an impairment indicator evaluation as at 31 December 2024 and concluded that no impairment indicators arose. The key areas of estimation in assessing the potential impairment indicators are as follows:

- While the date of the re-opening of the ITP remains uncertain, management have assessed a re-opening date of October 2025 as being reasonable. Although the estimated re-opening date is one year later than the base case assessment at 31 December 2023, management previously performed sensitivities of up to two years with no impairment, therefore this delay to the projected re-opening was not assessed to be an impairment trigger;
- The Group's netback oil price applied only to export pipeline sales was based on the Brent forward curve and market participants' consensus, including banks, analysts and independent reserves evaluators, as at 31 December 2024 for the period 2025 to 2030 with inflation of 2.50% per annum thereafter, less transportation costs and quality adjustments. Brent consensus prices are as follows

Scenario ($/bbl – nominal)	2024	2025	2026	2027	2028	2029	2030
31 December 2024 – base case	n/a	74.0	72.0	74.0	75.0	73.0	80.0
31 December 2024 – stress case	n/a	66.6	64.8	66.6	67.5	65.7	72.0
31 December 2023 – base case	83.0	80.0	77.0	77.0	77.0	80.0	81.8
31 December 2023 – stress case	74.7	72.0	69.3	69.3	69.3	72.0	73.6

- Management have previously applied sensitivities in reviewing stress case pricing including a 10% reduction from base case pricing to derive a stress case price with no impairment impact. The stress case pricing is noted above;
- Discount rates are adjusted to reflect risks specific to the Shaikan Field and the Kurdistan Region of Iraq. Management assessed changes to the key variables that could impact discount rate and concluded no change was necessary. The post-tax nominal discount rate was estimated to be 16%, unchanged from 31 December 2023;
- Operating costs and capital expenditure are based on financial budgets and internal management forecasts. Costs assumptions incorporate management experience and expectations, as well as the nature and location of the operation and the risks associated therewith. There were no indicators that costs will increase in comparison to 31 December 2023 impairment assessment;
- No adverse changes were noted for commercial reserves and production profiles;
- No changes were noted in the operating environment such as local market conditions, tax or other legal or regulatory changes. Specifically, management considered if there had been any update with respect to the Iraqi Federal Supreme Court ruling announced in 2022 and concluded there was no movement in the period which would impact the impairment analysis; and
- The Group continues to develop its assessment of the potential impacts of climate change and the associated risks of the transition to a low-carbon future. Our ambition to reduce scope one per barrel CO_2 emissions intensity by at least 50% versus the original 2020 baseline of 38 $kgCO_2e$ per barrel is dependent on the timing of sanction and implementation of the Gas Management Plan. The International Energy Agency's ("IEA") most recent Announced Pledges Scenario ("APS") and Net Zero Emissions ("NZE") climate scenario oil prices and carbon taxes were used to evaluate the potential impact of the principal climate change transition risks. The APS scenario assumes that governments will meet, in full and on time, all of the climate-related commitments that they have announced, including longer term net zero emissions targets and pledges in Nationally Determined Contributions ("NDCs") to reduce national emissions and adapt to the impacts of climate change leading to a global temperature rise of 1.7°C in 2100. NZE scenario portrays a pathway for the global energy sector to reach net zero CO2 emissions by 2050 which is consistent with limiting long-term global warming to 1.5 °C with limited overshoot. The estimated re-opening date is one year later than the base case assessment at 31 December 2023, management previously performed sensitivities of up to two years. There was no impairment under the APS scenario, but a potential impairment under the NZE scenario. While the IEA oil price assumptions incorporate carbon prices, the IEA has not disclosed the assumed average carbon intensity per barrel of production. Therefore, the Group has performed a sensitivity to conservatively include IEA carbon pricing on all production which results in no impairment under the APS scenario, but a potential impairment under the NZE scenario.

Notes to the consolidated financial statements

1. Geographical information

The Chief Operating Decision Maker, as per the definition in IFRS 8 ‘Operating Segments’, is considered to be the Board of Directors. The Group operates in a single segment, that of oil and gas exploration, development and production, in a single geographical location, the Kurdistan Region of Iraq (“KRI”); 100% (2023: 100%) of the group’s non-current assets, excluding deferred tax assets and other financial assets, are located in the KRI. The financial information of the single segment is materially the same as set out in the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement and these related notes.

2. Revenue

	2024 $’000	2023 $’000
Oil sales via export pipeline	**–**	78,955
Local oil sales	**151,208**	44,559
	151,208	123,514

The Group’s accounting policy for revenue recognition is set out in the ‘Summary of material accounting policies’, with revenue recognised upon crude oil passing the delivery points, either being entry into pipeline or delivered into trucks.

Local oil sales (from 19 July 2023 and throughout 2024)

In July 2023, GKP began selling oil to local buyers at negotiated prices. The realised price achieved in 2024 was $27/bbl (July to December 2023: $30/bbl). Local buyers are contracted to pay GKP in advance of receipt of oil; such amounts are recognised as deferred income (see note 14) until a customer’s receipt of oil at the delivery point.

Oil sales via export pipeline (from 1 January - 25 March 2023)

The International Court of Arbitration in Paris ruled on the long running ITP arbitration case in Iraq’s favour, which led to the shut-in of the ITP on 25 March 2023. Negotiations are ongoing to reopen the pipeline.

From 1 September 2022 until shut-in of the ITP on 25 March 2023 there was no lifting agreement in place between the Shaikan Contractor and the KRG. The KRG proposed a new pricing mechanism based upon the average monthly KBT sales price realised by the KRG at Ceyhan; formerly the pricing mechanism was based upon Dated Brent. The Group has not accepted the proposed contract modification and continued, until suspension of the export pipeline, to invoice the KRG for oil sales based on the pre-1 September 2022 pricing formula. Considering the uncertainty with respect to the variable consideration within the pricing mechanism, the Group has concluded that it is an appropriate judgement to recognise revenue based on the proposed contract modification for the period to the pipeline shutdown on 25 March 2023.

Export sales covering the period from 1 January to 25 March 2023 were based upon the monthly KBT price, the realised price in this period was $51.3/bbl. The revenue impact of using the proposed KBT pricing mechanism instead of Dated Brent for the export sales period in 2023 is estimated to be a reduction of revenue by $12.0 million; taking into account the associated reduction in capacity building payments results in a total reduction of profit after tax for the export sales period in 2023 of $11.4 million.

Information about major customers

Customers making up greater than 10% of revenue are as follows:

	2024	2023
Kurdistan Regional Government	**0%**	68%
Customer A	**88%**	<10%
Customer B	**<10%**	11%
Customer C	**<10%**	0%
Customer D	**0%**	10%
Customer E	**0%**	10%

3. Cost of sales

	2024 $'000	2023 $'000
Operating costs	**52,435**	36,082
Capacity building payments	**10,818**	8,872
Change in oil inventory value	**(168)**	(75)
Depreciation of oil and gas assets and operational assets	**75,781**	39,470
Contract termination costs	**–**	5,525
Provision against inventory held for sale	**–**	2,627
Loss on disposal of drilling stock	**–**	1,452
	138,866	93,953

Capacity building payments from 1 January until 25 March 2023 have been recorded in line with the proposed pricing mechanism (see note 2); any difference between the proposed and final pricing mechanism will be reflected in future periods.

The Group accounting policy for depreciation of oil and gas assets and operational assets, as well as the recognition of capacity building payments, are set out in the Summary of material accounting policies section.

The depreciation charge in 2024 is based upon internal reserves and development cost estimates. The 2023 depreciation charge was derived from the CPR prepared by ERC Equipoise as at 31 December 2022. The increase in charge compared to the corresponding period in 2023 is principally derived from higher production in 2024.

Contract termination, provision against inventory held for sale and loss on disposal of drilling stocks in 2023 relate to non-recurring activities undertaken following the ITP export pipeline suspension in March 2023.

4. Other general and administrative expenses

	2024 $'000	2023 $'000
Depreciation and amortisation	**3,033**	2,652
Auditor's remuneration (see below)	**679**	635
Other general and administrative costs	**7,700**	7,179
	11,412	10,466

	2024 $'000	2023 $'000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**530**	474
Fees payable to the Company's auditor for other services to the Group		
– audit of the Company's subsidiaries pursuant to legislation	**32**	26
Total audit fees	**562**	500
Other assurance services (including a half year review)	**117**	135
Total fees	**679**	635

5. Share option related expense

	2024 $'000	2023 $'000
Share-based payment expense	**3,472**	9,673
Payments related to share options exercised	**704**	797
Share-based payment related provision for taxes	**243**	290
	4,419	10,760

Under the Long Term Incentive Plan ("LTIP") schemes, GKP awards share options to employees annually that have a three-year vesting period, the share price at the date of award is a significant determinant of the number of shares issued to employees (see note 21).

In the event the Company pays dividends to shareholders during the vesting period, upon vesting the Company would compensate employees for an amount equivalent to the dividends paid during the vesting period and such amount would be settled at the Company's discretion with shares or cash. Given the financial challenges following the ITP closure, the Company used its discretion in 2023 to pay the dividend equivalent predominantly in shares to preserve liquidity. The significant decrease in share-based payment expense in 2024 is due to the decrease in shares issued in 2024 versus 2023 as compensation related to dividends paid in the vesting periods of the 2021 LTIP and 2020 LTIP.

6. Staff costs

The average number of employees, including Executive directors, and contractors employed by the Group was 411 (2023: 471); the number of full-time equivalents of these workers was 274 (2023: 303).

	Average number of employees		Average number of full-time equivalents	
	2024	2023	**2024**	2023
Kurdistan	**387**	444	**250**	276
United Kingdom	**24**	27	**24**	27
Total	**411**	471	**274**	303

Staff costs as follows are shown net of amounts recharged to joint operations:

	2024 $'000	2023 $'000
Wages and salaries	**37,833**	37,645
Social security costs	**2,723**	1,826
Pension costs	**472**	468
Share-based payment (see note 21)	**4,419**	10,760
	45,447	50,699

Staff costs include costs relating to contractors who are long-term workers in key positions and are included in PPE additions, cost of sales and other general and administrative expenditure depending on the nature of such costs. Staff costs are shown net of amounts recharged to joint operations.

7. Finance costs and finance income

	2024	2023
	$'000	$'000
Lease interest	**(48)**	(66)
Unwinding of discount on provisions (see note 15)	**(1,628)**	(1,699)
Total finance costs	**(1,676)**	(1,765)
Finance income	**4,116**	3,803
Net finance income	**2,440**	2,038

Since redemption of $100m notes on 2 August 2022, the Group has remained debt free.

8. Income tax

	2024	2023
	$'000	$'000
Prior year adjustment	**–**	195
Deferred UK corporation tax charge (see note 16)	**(708)**	(306)
Tax (charge)/credit attributable to the Company and its subsidiaries	**(708)**	(111)

The Group is not required to pay taxes in Bermuda on either income or capital gains. The Group has received an undertaking from the Minister of Finance in Bermuda exempting it from any such taxes at least until the year 2035.

In the KRI, the Group is subject to corporate income tax on its income from petroleum operations under the Kurdistan PSC. Under the Shaikan PSC, any corporate income tax arising from petroleum operations will be paid from the KRG's share of petroleum profits. Due to the uncertainty over the payment mechanism for oil sales in Kurdistan, it has not been possible to measure reliably the taxation due that has been paid on behalf of the Group by the KRG and therefore the notional tax amounts have not been included in revenue or in the tax charge. This is an accounting presentational issue and there is no taxation to be paid.

The annual UK corporation tax rate for the years ended 31 December 2024 and 31 December 2023 was 19% on profits up to £50k tapered to 25% on profits above £250k.

Deferred tax is provided for due to the temporary differences, which give rise to such a balance in jurisdictions subject to income tax. All deferred tax arises in the UK.

9. Earnings per share

The calculation of the basic and diluted profit/(loss) per share is based on the following data:

	2024	2023
Profit/(loss) after tax for basic and diluted per share calculations ($'000)	**7,158**	(11,500)

Number of shares ('000s):		
Basic weighted average number of ordinary shares	**219,562**	217,992
Basic EPS (cents)	**3.26**	(5.28)

The Group followed the steps specified by IAS 33 in determining whether potential common shares are dilutive or anti-dilutive.

Reconciliation of dilutive shares:

	2024	2023
Number of shares ('000s)		
Basic weighted average number of ordinary shares outstanding	**219,562**	217,992
Effect of potential dilutive share options[1]	**9,134**	–
Diluted number of ordinary shares outstanding	**228,696**	217,992
Diluted EPS (cents)[1]	**3.13**	(5.28)

(1) At the reporting date, the Company had 9,134k dilutive (2023: 8,224k antidilutive) ordinary shares relating to outstanding share options. Earnings per share are calculated on the assumption of conversion of all potentially dilutive ordinary shares however, during a period where a company makes a loss, anti-dilutive shares are not included in the loss per share calculation as they would reduce the reported loss per share.

The weighted average number of ordinary shares in issue excludes shares held by Employee Benefit Trustee ("EBT") of 0.1 million, (2023: 0.2 million).

10. Property, plant and equipment

	Oil and gas assets $'000	Fixtures and equipment $'000	Right of use assets $'000	Total $'000
Year ended 31 December 2023				
Opening net book value	433,556	2,257	630	436,443
Additions	58,240	453	86	58,779
Disposals' cost	–	–	(70)	(70)
Revision to decommissioning asset	(8,933)	–	–	(8,933)
Depreciation charge	(39,470)	(649)	(356)	(40,475)
Disposals' depreciation	–	–	66	66
Foreign currency translation differences	–	5	27	32
Closing net book value	**443,393**	**2,066**	**383**	**445,842**
At 31 December 2023				
Cost	992,870	9,404	2,188	1,004,462
Accumulated depreciation	(549,477)	(7,338)	(1,805)	(558,620)
Net book value	**443,393**	**2,066**	**383**	**445,842**
Year ended 31 December 2024				
Opening net book value	443,393	2,066	383	445,842
Additions	18,252	284	1,559	20,095
Disposals' cost	–	–	(2,040)	(2,040)
Revision to decommissioning asset	(693)	–	–	(693)
Depreciation charge	(75,781)	(576)	(394)	(76,751)
Disposals' depreciation	–	–	2,004	2,004
Foreign currency translation differences	–	(1)	(6)	(7)
Closing net book value	**385,171**	**1,773**	**1,506**	**388,450**
At 31 December 2024				
Cost	1,010,429	9,687	1,701	1,021,817
Accumulated depreciation	(625,258)	(7,914)	(195)	(633,367)
Net book value	**385,171**	**1,773**	**1,506**	**388,450**

The net book value of oil and gas assets at 31 December 2024 is comprised of property, plant and equipment relating to the Shaikan block with a carrying value of $385.2 million (2023: $443.4 million).

The additions to the Shaikan asset amounting to $18.3 million during the year included safety critical upgrades at PF-1 and production optimisation expenditures.

The $0.7 million (2023: $8.9 million) decrease in decommissioning asset value relates to a $1.1 million decrease in changes to inflation and discount rates (2023: $13.1 million), offset by an increase of $0.4 million relating to facilities work (2023: $4.2 million).

The DD&A charge of $75.8 million (2023: $39.5 million) on oil and gas assets has been included within cost of sales (see note 3). The depreciation charge of $0.6 million (2023: $0.6 million) on fixtures and equipment and $0.4 million (2023: $0.4 million) on right of use assets has been included in general and administrative expenses (see note 4).

Right of use assets at 31 December 2024 of $1.5 million (2023: $0.4 million) consisted principally of buildings, with a new office lease entered into in 2024.

For details of the key assumptions and judgements underlying the impairment assessment, refer to the "Critical accounting estimates and judgements" section of the Summary of material accounting policies.

11. Group companies

Details of the Company's subsidiaries and joint operations at 31 December 2024 is as follows:

Name of subsidiary	Place of incorporation	Proportion of ownership interest	Principal activity
Gulf Keystone Petroleum (UK) Limited 1st Floor Brownlow Yard 7 Roger Street London, WC1N 2JU	United Kingdom	100%	Management, support, geological, geophysical and engineering services
Gulf Keystone Petroleum International Limited c/o Carey Olsen Services Bermuda Limited 5th Floor Rosebank Centre 11 Bermudiana Road Pembroke, HM08 Bermuda	Bermuda	100%	Exploration, evaluation, development and production activities in Kurdistan

Name of joint operation	Location	Proportion of ownership interest	Principal activity
Shaikan	Kurdistan	80%	Production and development activities

12. Inventories

	2024 **$'000**	2023 $'000
Warehouse stocks and materials	**6,829**	6,900
Crude oil	**234**	374
Inventory held for sale	**2,789**	2,627
	9,852	9,901

13. Trade and other receivables

Non-current receivables

	2024 $'000	2023 $'000
Trade receivables – non-current	**138,175**	140,218

Non-current trade receivables relate to overdue amounts due from the KRG, after deducting the expected credit loss, that are expected to be received more than 12 months from the reporting date (see Reconciliation of trade receivables below).

Current receivables

	2024 $'000	2023 $'000
Trade receivables	**16,583**	6,350
Underlift	**–**	3,806
Other receivables	**7,291**	3,080
Prepayments and accrued income	**2,905**	1,882
Total current receivables	**26,779**	15,118
Total receivables	**164,954**	155,336

Reconciliation of trade receivables

	2024 $'000	2023 $'000
Gross carrying amount	**171,026**	171,026
Less: Impairment allowance	**(16,267)**	(24,458)
Carrying value at 31 December	**154,759**	146,568

Gross trade receivables relating to export sales of $171.0 million (2023: $171.0 million) are comprised of invoiced amounts due, based upon KBT pricing, from the KRG for crude oil sales totalling $158.8 million (2023: $158.8 million) related to October 2022 – March 2023 and a share of Shaikan amounts due from the KRG that GKP purchased from MOL amounting to $12.2 million (2023: $12.2 million). Although no legal right of offset exists, the net balance due from the KRG comprises $158.8 million (2023: $158.8 million) included in trade receivables and $7.7 million (2023: $7.7 million) included within current liabilities (see note 14), resulting in a net receivable balance due from the KRG relating to crude oil sales of $151.1 million (2023: $151.1 million).

As detailed in the *Sales Revenue* accounting policies, entitlement has two components: cost oil, which is the mechanism by which the Company recovers its costs incurred, and profit oil, which is the mechanism through which profits are shared between the Company, its partner and the KRG. The outstanding receivable balance of $151.1 million above, comprises $120.4 million cost oil and $30.7 million profit oil (net of Capacity Building Payment).

While GKP expects to recover the full value of the outstanding invoices and purchased revenue arrears, an ECL of $16.3 million (2023: $24.5 million) was provided against the trade receivables balance in accordance with IFRS 9 'Financial Instruments'. During the year, a $8.2 million credit was recognised due to the decrease in the ECL provision (2023: charge of $21.4 million) arising from the earlier repayment profile estimated compared to the prior year. During 2025 the Company expects to begin recovering the cost oil component of the trade receivables balance due from the KRG via the settlement of invoices (inclusive of both cost and profit oil) due from oil sales to local customers as the outstanding cost pool balance declines to a level at or below the trade receivable balance. Following the export pipeline reopening the remaining overdue trade receivables is expected to be recovered from the KRG including both the outstanding cost oil balance at that time and the full profit oil balance referenced above.

As detailed in the Summary of material accounting policies and note 2, the outstanding sales invoices from October 2022 – March 2023 receivable have been recognised based on a proposed pricing mechanism, which GKP has not accepted.

ECL sensitivities

Considering the variables listed within the Summary of material accounting policies, the only variables with a significant impact upon the profit before tax, when varied reasonably, are the estimation of the KRG's credit rating for which no official market data exists and the estimated date of the re-opening of the ITP.

For the purpose of GKP's ECL calculation, the KRG's deemed CDS was estimated to be 4.88%. An increase of the CDS of 2% would increase the ECL provision by $6.1 million, conversely a decrease of the CDS by 2% would decrease the ECL provision by $6.4 million.

GKP estimates that the re-opening of the ITP will occur in October 2025, should this be delayed by 12 months there would be a $7.5 million increase in the ECL provision.

All other variables listed within the Summary of material accounting policies, when individually reasonably varied, do not have a material impact upon the ECL valuation.

Other receivables

Included within Other receivables is an amount of $0.5 million (2023: $0.4 million) being the deposits for leased assets which are receivable after more than one year. There are no receivables from related parties as at 31 December 2024 (2023: nil). No impairments of other receivables have been recognised during the year (2023: nil).

14. Current liabilities

Trade and other payables

	2024 **$'000**	2023 $'000
Trade payables	**1,746**	11,953
Accrued expenditures	**22,228**	14,009
Amounts due to KRG not expected to be cash settled	**80,905**	74,703
Capacity building payment due to KRG on trade receivables	**7,687**	7,687
Other payables	**4,080**	683
Lease obligations	**395**	359
Overlift	**236**	–
Total trade and other payables	**117,277**	109,394

Trade payables and accrued expenditures principally comprise amounts outstanding for trade purchases and ongoing costs and the Directors consider that carrying amounts approximate fair value. The stabilising of local sale revenues during 2024 enabled the Group to settle all overdue trade payables in the first quarter of 2024.

Amounts due to KRG not expected to be cash settled of $80.9 million (2023: $74.7 million) include:

- $40.1 million (2023: $37.7 million) expected to be offset against oil sales to the KRG up to 2018, together with other amounts since due from the KRG, that have not been recognised in the financial statements as management consider that the criteria for revenue recognition have not been satisfied.
- $40.8 million (2023: $37.0 million) related to an accrual for the difference between the capacity building rate of 20%, as per the invoicing basis in effect since October 2017, and 30% as per the 2016 Bilateral Agreement. The working interest under the 2016 bilateral agreement is 80% whereas the invoicing basis is 61.5%. If the commercial position were to revert to the full terms of the executed amended PSC and the 2016 Bilateral Agreement, the Group would not expect to cash settle this balance as a more than offsetting increase in GKP's net entitlement is expected to result in revenue being due to GKP (see critical accounting judgements), the value of which is expected to exceed the accrued $40.8 million.

Overlift is the volumes owed by the Company to the KRG through the lifting of volumes in excess of contractual entitlement in accordance with the PSC. The overlift is valued at the year-end sales price. The overlift was temporary and the KRG lifted the volumes in 2025.

Deferred income

At 31 December 2024, deferred income of $0.7 million (2023: $5.2 million) related to cash advances paid by local oil buyers in advance of lifting oil (See note 2).

Non-current liabilities

	2024 **$'000**	2023 $'000
Non-current lease liability	**1,112**	39

15. Provisions

Decommissioning provision	2024 $'000	2023 $'000
At 1 January	**35,312**	42,546
New provisions and changes in estimates	**(693)**	(8,933)
Unwinding of discount	**1,628**	1,699
At 31 December	**36,247**	35,312

The $0.7 million decrease in new provisions and changes in estimates (2023: $8.9 million decrease) comprises an increase relating to new drilling and facilities work of $0.4 million (2023: $4.2 million), offset by a reduction of $1.1 million (2023: $13.1 million) due to changes in inflation and discount rates. The provision for decommissioning is based on the net present value of the Group's estimated share of expenditure, inflated at 2.5 % (2023: 2.25%) and discounted at 4.9 % (2023: 4.6%), which may be incurred for the removal and decommissioning of the wells and facilities currently in place and restoration of the sites to their original state. Most expenditures are expected to take place towards the end of the PSC term in 2043.

16. Deferred tax asset

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the current and prior reporting periods. The deferred tax assets arise in the United Kingdom.

	Accelerated tax depreciation $'000	Share-based payments $'000	Tax losses carried forward $'000	Total $'000
At 1 January 2023	**(572)**	**1,181**	**967**	**1,576**
(Charge)/credit to income statement	882	(741)	(447)	(306)
Exchange differences	(17)	42	250	275
At 31 December 2023	**293**	**482**	**770**	**1,545**
(Charge)/credit to income statement	(271)	238	(675)	(708)
Exchange differences	–	(11)	(1)	(12)
At 31 December 2024	**22**	**709**	**94**	**825**

17. Financial instruments

	2024 $'000	2023 $'000
Financial assets		
Cash	**102,346**	81,709
Receivables	**161,426**	152,709
	263,772	234,418
Financial liabilities		
Trade and other payables	**118,152**	109,433
	118,152	109,433

All financial liabilities, except for non-current lease liabilities (see note 14), are due to be settled within one year and are classified as current liabilities. All financial liabilities are recognised at amortised cost.

Fair values of financial assets and liabilities

With the exception of the receivables from the KRG which the Group expects to recover in full (see note 13), the Group considers the carrying value of all its financial assets and liabilities to be materially the same as their fair value.

The financial assets balance includes a $16.3 million provision against trade receivables (2023: $24.5 million) (see note 13). All financial assets are measured at amortised cost which is materially the same as fair value.

Capital Risk Management

The Group manages its capital to ensure that the entities within the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity structure. The capital structure of the Group consists of cash, cash equivalents, notes (in previous years) and equity attributable to equity holders of the parent. Equity comprises issued capital, reserves and accumulated losses as disclosed in note 18 and the Consolidated statement of changes in equity.

Capital Structure

The Company's Board of Directors reviews the capital structure on a regular basis and will make adjustments in light of changes in economic conditions. As part of this review, the Board considers the cost of capital and the risks associated with each class of capital.

Material Accounting Policies

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the Summary of material accounting policies.

Financial Risk Management Objectives

The Group's management monitors and manages the financial risks relating to the operations of the Group. These financial risks include market risk (including commodity price, currency and fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk.

As at year end, the Group did not hold any derivative assets to hedge against commodity price declines or any other financial risks. The Group does not use derivative financial instruments for speculative purposes.

The risks are closely reviewed by the Group's management under the oversight of the Board on a regular basis and, where appropriate, steps are taken to ensure these risks are minimised.

Market risk

The Group's activities expose it primarily to the financial risks of changes in oil prices, foreign currency exchange rates and changes in interest rates in relation to the Group's cash balances.

There have been no changes to the Group's exposure to other market risks. The risks are monitored by the Group's management under the oversight of the Board on a regular basis.

The Group conducts and manages its business predominantly in US dollars, the operating currency of the industry in which it operates. The Group also purchases the operating currencies of the countries in which it operates routinely on the spot market. Cash balances are held in other currencies to meet immediate operating and administrative expenses or to comply with local currency regulations.

At 31 December 2024, a 10% weakening or strengthening of the US dollar against the other currencies in which the Group's monetary assets and monetary liabilities are denominated would not have a material effect on the Group's net assets or profit.

Interest rate risk management

The Group's policy on interest rate management is agreed at the Board level and is reviewed on an ongoing basis. The current policy is to maintain a certain amount of funds in the form of cash for short-term liabilities and have the rest on short-term deposits to maximise returns and accessibility.

Based on the exposure to interest rates for cash at the balance sheet date, a 0.5% increase or decrease in interest rates would not have a material impact on the Group's profit.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2024, the maximum exposure to credit risk from a trade receivable outstanding from one customer is $171.0 million (2023: $171.0 million). Although the Group is confident in the recovery of the trade receivables balance, a provision of $16.3 million (2023: $24.5 million) was recognised against the trade receivables balance.

The credit risk on liquid funds is limited because the counterparties for a significant portion of the cash at the balance sheet date are banks with investment grade credit ratings assigned by international credit-rating agencies.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Group's management under the oversight of the Board of Directors. It is the Group's policy to finance its business by means of internally generated funds, external share capital and debt. The Group seeks to raise further funding as and when required.

18. Share capital

	2024 $'000	2023 $'000
Authorised:		
Common shares of $1 each	**292,105**	292,105

	Common shares			
	No. of shares '000	**Share capital $'000**	**Share premium $'000**	**Total amount $'000**
Balance 1 January 2023	**216,247**	**216,247**	**528,125**	**744,372**
Dividends paid	–	–	(24,813)	(24,813)
Shares issued	6,196	6,196	–	6,196
Balance 31 December 2023	**222,443**	**222,443**	**503,312**	**725,755**
Dividends paid	–	–	(34,933)	(34,933)
Shares issued	255	255	–	255
Repurchase of ordinary shares	(5,693)	(5,693)	(4,394)	(10,087)
Balance 31 December 2024	**217,005**	**217,005**	**463,985**	**680,990**

At 31 December 2024, a total of 0.1 million common shares at $1 each were held by the EBT (2023: 0.2 million at $1 each). These common shares were included within reserves.

Rights attached to share capital

The holders of the common shares have the following rights (subject to the other provisions of the Byelaws):

(i) entitled to one vote per common share;
(ii) entitled to receive notice of, and attend and vote at, general meetings of the Company;
(iii) entitled to dividends or other distributions; and
(iv) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for a reorganisation or otherwise or upon a distribution of capital, entitled to receive the amount of capital paid up on their common shares and to participate further in the surplus assets of the Company only after payment of the Series A Liquidation Value (as defined in the Byelaws) on the Series A Preferred Shares.

19. Cash flow reconciliation

	Notes	**2024 $'000**	2023 $'000
Cash flows from operating activities			
Profit/(loss) from operations		**4,702**	(13,043)
Adjustments for:			
Depreciation, depletion and amortisation of property, plant and equipment (including the right of use assets)		**76,752**	40,409
Amortisation of intangible assets		**1,980**	1,648
(Decrease)/Increase of provision for impairment of trade receivables	13	**(8,191)**	21,378
Share-based payment expense	21	**3,472**	9,673
Provision against inventory held for sale	3	**34**	2,627
Operating cash flows before movements in working capital		**78,749**	62,692
Decrease/(Increase) in inventories		**49**	(7,605)
Increase in trade and other receivables		**(1,290)**	(10,741)
Increase in trade and other payables		**11,919**	3,107
Income taxes received		**–**	67
Cash generated from operations		**89,427**	47,520

Reconciliation of property, plant and equipment additions to cash flows from purchase of property, plant and equipment:

	2024 $'000	2023 $'000
Associated cash flows		
Additions to property, plant and equipment	**20,102**	58,652
Movement in working capital	**7,083**	6,764
Non-cash movements		
Foreign exchange differences	**(7)**	(30)
Purchase of property, plant and equipment	**27,178**	65,386

20. Commitments

Exploration and development commitments

Additions to property, plant and equipment are generally funded with the cash flow generated from the Shaikan Field. As at 31 December 2024, gross capital commitments in relation to the Shaikan Field were estimated to be $9.2 million (2023: $2.2 million).

21. Share-based payments

	2024 $'000	2023 $'000
Total share options charge	**3,472**	9,673

The share options charge of $3.5 million (2023: $9.6 million) is comprised of $3.2 million (2023: $9.1 million) related to the LTIP plan and $0.3 million (2023: $0.6 million) related to the deferred bonus plan.

See note 5 for other share option related expenses charged to the consolidated income statement.

Long Term Incentive Plan

The Gulf Keystone Petroleum 2014 LTIP is designed to reward members of staff through the grant of share options at a zero-exercise price, that vest three-years after grant, subject to the fulfilment of specified performance conditions. These performance conditions are 50% Total Shareholder Return ("TSR") over the vesting period and 50% of the Group's TSR relative to a bespoke group of comparators over the vesting period.

In July 2024, Gulf Keystone Petroleum introduced the 2024 LTIP. Under this plan, Executive Directors were awarded shares consistent with the 2014 LTIP, with the addition of a two-year post-vesting holding period, during which vested awards cannot be sold except to cover the tax liability upon exercise. Similarly, the 2024 LTIP granted to senior management follows the 2014 LTIP guidelines, featuring a three-year vesting period from the grant date, without a post-vesting holding period, and subject to specific performance conditions. The 2024 LTIP granted to other staff members consists of nil-cost options with one, two, and three-year vesting periods, with no post-vesting holding periods or performance conditions attached.

	2024 Number of share options '000	2023 Number of share options '000
Outstanding at 1 January	**8,004**	8,785
Granted during the year	**3,590**	6,295
Exercised during the year	**(516)**	(6,383)
Forfeited during the year	**(288)**	(211)
Expired during the year	**(1,872)**	(482)
Outstanding at 31 December	**8,918**	8,004
Exercisable at 31 December	**–**	–

The weighted average share price at the date of exercise for share options exercised during the year was £1.48 (2023: £1.17).

The inputs into the calculation of fair values of the share options granted during the year are as follows:

	2024	2023
Weighted average share price	**£1.11**	£1.07
Weighted average exercise price	**Nil**	Nil
Expected volatility	**56.1%**	52.5%
Expected life	**3 years**	3 years
Risk-free rate	**4.3%**	3.3%
Expected dividend yield (on the basis dividends equivalents received)	**Nil**	Nil

The options outstanding at 31 December 2024 had a weighted average remaining contractual life of two years (2023: two years).

The aggregate of the estimated fair value of options granted in 2024 is $4.6 million (2023 $4.6 million).

Deferred Bonus Plan

At the Company's AGM in June 2019, shareholders approved the Deferred Bonus Plan. This provides for 30% of the annual bonus attributable to executive directors to be paid in the form of nil cost options that can be exercised any time after the three-year vesting period. There are no performance conditions other than the executive director must continue to be employed for this period (subject to certain limited exceptions).

	2024 Number of share options ’000	2023 Number of share options ’000
Outstanding at 1 January	**216**	218
Exercised during the year	**–**	(180)
Granted during the year	**–**	178
Outstanding at 31 December	**216**	216
Exercisable at 31 December	**–**	–

There were no options exercised during the year under the Deferred Bonus Plan (2023: the weighted average share price at the date of exercise for share options exercised was £1.37).

During the year no options were granted to employees under the Deferred Bonus Plan (2023: 177,832 options granted).

The options outstanding at 31 December 2024 had a weighted average remaining contractual life of one year (2023: two years).

22. Dividends

During 2024, a total of $35 million dividends (16.048 US cents per Common Share), being interim dividends, were declared and paid to shareholders. In 2023, a total of $25 million dividends (11.561 US cents per Common Share).

An interim dividend of $25 million was declared in March 2025.

23. Related party transactions

The Company has a related party relationship with its subsidiaries and in the ordinary course of business, enters into various sales, purchase and service transactions with joint operations in which the Company has a material interest. These transactions are under terms that are no less favourable to the Group than those arranged with third parties.

Remuneration of Directors and Officers

The Directors and Officers who served during the year ended 31 December 2024 were as follows:

M Angle – Chair (deceased September 2024)
D Thomas – Non-Executive Director became Deputy Chair June 2023, became Interim Chair September 2024 and became Chair October 2024
J Balkany – Non-Executive Director
M Daryabegui – Non-Executive Director (appointed October 2024)
C Krajicek – Non-Executive Director (appointed October 2024)
W Mwaura – Non-Executive Director
K Wood – Non-Executive Director (resigned June 2024)
J Harris – Chief Executive Officer and Executive Director
G Papineau-Legris – Chief Commercial Officer appointed as Chief Financial Officer and Executive Director (effective June 2024)
I Weatherdon – Chief Financial Officer and Executive Director (resigned June 2024)
C Kinahan – Chief Human Resources Officer
J Hulme – Chief Operating Officer
A Robinson – Chief Legal Officer and Company Secretary

The remuneration of the Directors and Officers who are considered to be key management personnel is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures.

The values below are calculated in accordance with IAS 19 and IFRS 2.

	2024	2023
	$'000	$'000
Short-term employee benefits	**7,196**	3,463
Share-based payment - options	**1,493**	4,065
	8,689	7,528

Further information about the remuneration of individual Directors is provided in the Directors' Emoluments section of the Remuneration Committee report.

24. Contingent Liabilities

The Group has a contingent liability of $27.3 million (2023: $27.3 million) in relation to the proceeds from the sale of test production in the period prior to the approval of the original Shaikan Field Development Plan ("FDP") in June 2013. The Shaikan PSC does not appear to address expressly any party's rights to this pre-FDP petroleum. The sales were made based on sales contracts with domestic offtakers which were approved by the KRG. The Group believes that the receipts from these sales of pre-FDP petroleum are for the account of the Contractor, rather than the KRG and accordingly recorded them as test revenue in prior years. However, the KRG has requested a repayment of these amounts and the Group is involved in negotiations to resolve this matter. The Group has received external legal advice and continues to maintain that pre-FDP petroleum receipts are for the account of the Contractor. This contingent liability forms part of the Shaikan PSC amendment negotiations and it is likely that it will be resolved as part of those negotiations.

Report on Payments to Governments for 2024

Introduction

This report sets out details of the payments made to governments by Gulf Keystone Petroleum Ltd and its subsidiary undertakings ('Gulf Keystone') for the year ended 31 December 2024 as required under Disclosure and Transparency Rule 4.3A issued by the UK's Financial Conduct Authority ('DTR 4.3A') and in accordance with The Reports on Payments to Governments Regulations 2014 (as amended in 2015) (the 'UK Regulations') and our interpretation of the Industry Guidance on the UK Regulations issued by the International Association of Oil & Gas Producers. DTR 4.3A requires companies listed on a stock exchange in the UK and operating in the extractive industry to publicly disclose payments to governments in the countries where they undertake exploration, prospection, discovery, development and extraction of minerals, oil, natural gas deposits or other materials.

Basis for preparation

Total payments below £86,000 made to a government are excluded from this report, as permitted under the UK Regulations.

All of the payments made in relation to the Shaikan Production Sharing Contract ('Shaikan PSC') in the Kurdistan Region of Iraq have been made to the Ministry of Natural Resources ("MNR") of the Kurdistan Regional Government ("KRG").

Production entitlements

Production entitlements are the host government's share of production during the reporting period from the Shaikan Field operated by Gulf Keystone. The figures reported have been produced on an entitlement basis, rather than on a liftings basis. Production entitlements are paid in-kind and the monetary value disclosed is derived from management's estimates based on the monthly oil sales invoices.

Royalties

Royalties represent royalties paid in-kind to governments during the year for the extraction of oil. The terms of the royalties are described within the Shaikan PSC. Royalties have been calculated on the same basis as production entitlements.

Licence fees and capacity building payments

These include licence fees, rental fees, entry fees, capacity building payments, security fees and other considerations for licences or concessions.

Summary of payments

	2024
Production entitlements in-kind(1) ('000 bbl)	4,987
Production entitlements in-kind(1) ($'000)	134,261
Royalties in-kind(1) ('000 bbl)	1,192
Royalties in-kind(1) ($'000)	32,098
Licence fees and capacity building payments in-kind(2) ($'000)	8,566
Infrastructure improvement payments(3)	218
Total ('000 bbl)	**6,177**
Total ($'000)	**175,080**

(1) For the purposes of the reporting requirements under the UK Regulations, Gulf Keystone is required to characterise the value of the KRG's production entitlements under the PSC as a payment to the KRG. Throughout all of 2024, crude oil produced by Gulf Keystone was sold to local buyers. The KRG received its share of profit oil in accordance with the PSC and sold the volumes directly to local buyers with the estimated value of such sales being included as a payment to the KRG.

(2) All sales in the period were sold locally with the KRG receiving capacity building volumes in-kind, which they then sold to local buyers. The value of licence, rental and security fees has been accrued and is not expected to be cash settled, but rather offset against historic revenue due from the KRG, which has not yet been recognised in the financial statements.

(3) Support for local communities including drilling of water supply well and providing water filtration equipment, purchase of generators following severe floods, planting olive trees and upgrade of road-calming measures. In addition, provided training to local villagers including literacy programmes and sewing courses.

Glossary

1P	proved reserves
2C	best estimate of contingent resources
2P	proved plus probable reserves
AGM	Annual General Meeting
APIKUR	Association of the Petroleum Industry of Kurdistan
bbl	barrel
bopd	barrels of oil per day
CAGR	Compound Annual Growth Rate
capex	capital expenditure
CBP	Capacity Building Payment
CGU	cash-generating unit
COVID-19	Coronavirus
CPR	Competent Person's Report
CSR	corporate social responsibility
DBP	Deferred Bonus Plan
DD&A	depreciation, depletion and amortisation
E&P	exploration and production
EBITDA	earnings before interest, tax, depreciation and amortisation
EBT	employee benefit trust
ECL	expected credit losses
EPC	engineering, procurement and construction
ERCE	ERC Equipoise Ltd
ERP	Enterprise Resource Planning
ESG	environmental, social and governance
ESIA	environmental and social impact assessment
ESP	electric submersible pump
FDP	Field Development Plan
FGI	Federal Government of Iraq
FVTPL	fair value through profit and loss
G&A	general and administrative
GHG	greenhouse gas
GKP	Gulf Keystone Petroleum Limited
GKPI	Gulf Keystone Petroleum International Limited
GMP	Gas Management Plan
GRI	Global Reporting Initiative
HSE	health, safety and environment
IA	Investment Association
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
IOCs	International Oil Companies
IOGP	International Association of Oil & Gas Producers
IPIECA	International Petroleum Industry Environmental Conservation Association
ISAs (UK)	International Standards on Auditing (UK)
ITP	Iraq-Türkiye Pipeline
kbopd	thousand barrels of oil per day
KPI	key performance indicator
KRG	Kurdistan Regional Government
KRI	Kurdistan Region of Iraq
LTI	Lost Time Incident
LTIP	Long-Term Incentive Plan
LTIR	Lost Time Incident Rate
MMbbls	million barrels
MMstb	million stock tank barrels
MNR	Ministry of Natural Resources of the Kurdistan Regional Government
MOL	Kalegran B.V. (a subsidiary of MOL Hungarian Oil & Gas plc)
OBM	oil-based mud
OPEC	Organization of the Petroleum Exporting Countries
Opex	operating costs

PDMR	Persons Discharging Managerial Responsibilities
PF-1	Shaikan Production Facility 1
PF-2	Shaikan Production Facility 2
PID	photo-ionisation detector
PPE	property, plant and equipment
PSC	Production Sharing Contract
SASB	Sustainability Accounting Standards Board
SDGs	The UN's Sustainable Development Goals
SECR	Streamlined Energy and Carbon Reporting
SH	Shaikan
Shaikan PSC	PSC for the Shaikan block between the KRG, Gulf Keystone Petroleum International Limited, Texas Keystone, Inc and MOL signed on 6 November 2007 as amended by subsequent agreement
SID	Senior Independent Director
SRP	Staff Retention Plan
TCFD	Task Force on Climate-related Financial Disclosures
TRIR	Total Recordable Incident Rate
TSR	total shareholder return
UKLA	United Kingdom Listing Authority
VCP	Value Creation Plan
WEF	Water Environment Federation
WHO	World Health Organization
WI	working interest
$	US dollars

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Key shareholder engagements

23 January 2025
Pareto Securities' 20th Annual E&P Independents Conference, London

26 February 2025
SpareBank 1 Markets 2025 Energy Conference, Oslo

20 March 2025
2024 full-year results announcement

20 June 2025
AGM, via webcast

28 August 2025
2025 half-year results announcement

10-11 September 2025
Pareto Securities' 32nd Annual Energy Conference, Oslo

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Further details regarding shareholder information can be found on our website.

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