



## **Corporate Governance**

### *Statement of Compliance with the QCA Corporate Governance Code*

*Last updated: 21 April 2026*

Sunda Energy (“Sunda Energy”, “Sunda” or the “Company”) is an independent gas-focussed exploration and appraisal company which holds interests in SE Asia (Timor-Leste). Shares in the Company are quoted in the UK on the AIM Market (“AIM”) of the London Stock Exchange (SNDA.L).

AIM companies are required to disclose details of the recognised Corporate Governance Code it follows. The Directors have adopted the principles-based Quoted Companies Alliance (“QCA”) Corporate Governance Code as published in 2023. In this Statement of Compliance, we have set out in broad terms how we comply and, as required, will provide annual updates.

Corporate governance broadly refers to the mechanisms, relations and processes by which a corporation is controlled and directed. It is the role of the Board of Directors (the “Board”) to ensure that the Company is managed for the long-term benefit of all stakeholders, whether they be Directors/employees, consultants, shareholders, suppliers, or the community at large.

The Board recognises the importance of sound corporate governance. We have adopted the QCA Code as we believe it to be the most appropriate for a company of our size, stage of development and nature. Where policies differ from the norm, we have made use of the “Comply or Explain” regime in a manner that enables shareholders to evaluate how the principles have been applied.

Following changes made in the previous transition year, the Company will report fully against the 2023 QCA Corporate Governance Code in its accounts for the year ended 31<sup>st</sup> December 2025 and moving forwards.

Gerry Aherne  
Independent Non-executive Chairman  
31 March 2026

## **QCA Corporate Governance Principles**

### **Principle One**

*Establish a strategy and business model which promote long-term value for shareholders*

The Company's objective is to deliver significant shareholder returns through the acquisition and maturation of gas-prone assets, close to energy markets and in jurisdictions where robust demand and / or energy security drivers ensure positive alignment with government. We aim to achieve this by deploying Sunda Energy's expertise in the Asia-Pacific region, where it focusses its efforts and where the Company's management and technical team has a strong track record of success.

We believe the Company is well positioned to build a business with material value across its operating region, anchored around its existing asset in Timor-Leste, where we have a large gas appraisal asset with significant resources and potential value. The Board believes that it has the requisite skills and experience to direct and control operations, supported by a strong team of staff and consultants, with certain functions outsourced as necessary.

### **Principle Two**

*Promote a corporate culture that is based on ethical values and behaviours*

The Board recognises that a corporate culture based on sound ethical values and behaviours is an asset. The Company operates in international markets and is careful to ensure it operates in conformity with its listing regulations as well as the social, legal, religious and cultural requirements of the countries in which it operates. Through developing sustainable long-term relationships with its partners and the community, Sunda Energy aims to conduct business and enhance value in a responsible manner.

The Company aspires to achieve the highest standards of HSE performance as the Board wishes to earn the confidence of those the Company works with and for it to be a good corporate citizen. In late 2024, the Board constituted a Health, Safety and Environment Committee Chaired by Independent Non-Executive Director Keith Bush in order to oversee HSE within the Company. In addition, to achieve the high standards of health, safety and environmental protection to which the Board is committed, it will:

- Actively protect the environment in its areas of operation by preventing pollution, making efficient use of energy and natural resources, reducing emissions and avoiding waste;
- Comply with all applicable laws, rules and regulations;
- Ensure that all contractors and employees understand their HSE responsibilities, are trained, and have the appropriate resources to meet them;
- Identify, assess and effectively manage risks and re-evaluate those risks following significant changes to operations, facilities or personnel;

- Ensure appropriate preparation and handling of emergencies;
- Ensure that responsibility for health, safety and environmental matters is a condition of employment for all of the Company's personnel, contractors and consultants.

The Board is committed to conduct all its business in an honest and ethical manner. The Directors take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all the Company's business dealings and relationships, wherever it operates, and to implementing and enforcing effective systems to counter bribery and corruption. To this end, the Company approved an updated Anti-Bribery and Corruption Policy on 10 February 2025. Sunda Energy upholds all laws relevant to countering bribery and corruption in all the jurisdictions in which it operates. In particular, it adheres to the laws of England & Wales, including the Bribery Act 2010, in respect of conduct in all jurisdictions in which it operates.

The Board has also implemented both a Whistleblower policy and an Anti-Money Laundering Policy which provide a policy framework that supports employees to voice concerns.

The Company seeks to keep employees, contractors and consultants informed and involved in the operations and progress of the business.

The Company is an equal opportunity employer and seeks to hire, promote and retain highly skilled people based on merit, competence, performance, and business needs. The Company is committed to employment policies which follow best practice, based on equal opportunities for all employees, irrespective of ethnic origin, religion, political opinion, gender, marital status, disability, age or sexual orientation. Existing employees who become disabled will have the opportunity to retrain and continue in employment wherever possible.

### **Principle Three**

#### *Seek to understand and meet shareholder needs and expectations*

The Company remains committed to listening and communicating openly with its shareholders. This communication is achieved through company presentations, timely and considered news flow, regulatory disclosures, meetings and correspondence, investor roadshows, attending and speaking at investor conferences, and supported by our financial reporting calendar.

The Annual General Meeting ("AGM") is the main open forum for dialogue between shareholders and the Board and all shareholders are encouraged to attend. All Directors are expected to attend and make themselves available to answer questions raised by shareholders. As part of the regulatory process, the results of the AGM are subsequently published on the Company's corporate website (<http://www.sundaenergy.com/>). The views of Shareholders are reported to the Board, ensuring that all members of the Board are fully aware of the thoughts and opinions of Shareholders.

Shareholder relations are managed primarily by the Chief Executive. All communications are subject to legal and regulatory requirements including the AIM Rules for Companies and the UK Market Abuse Regulation ("MAR").

## **Principle Four**

*Take into account wider stakeholder interests, including social and environmental responsibilities and their implications for long-term success*

Engaging with stakeholders strengthens the Company's relationships and enables the Board to make better business decisions to deliver on its commitments. The Board recognises that this is fundamental to ensuring sustainability and delivering long-term value to shareholders.

Under Section 172 of the Companies Act 2006, the Directors have a duty to behave and carry out their activities to promote the long-term success of the Group for the benefit of the Company's shareholders, employees, suppliers and other stakeholders. They engage with shareholders, employees, suppliers and other stakeholders to reflect their insights and views when making decisions on strategy; delivering operational effectiveness; making plans; driving initiatives; and committing to deliver outcomes that enhance social value. The culture and values promoted by the Directors create a focus across the Group on observing and maintaining the highest standards of business conduct whilst promoting the long-term success of the Company.

As an oil & gas company, Sunda Energy has a particular responsibility to ensure safe and sustainable operations, in a way that minimises any adverse environmental and social impacts and achieves the highest standards of health and safety. The Company sets out specific environmental and social issues that are material within its annual report and accounts.

Sunda Energy has adopted its own Health, Safety and Environment ("HSE") Plan which is designed to achieve safe and reliable conduct of operations and activities, to avoid significant and unintended impact on the safety and health of people, on property and on the environment, and to comply with laws and regulations relating to HSE. The goal is to ensure that Sunda Energy's joint venture partners and third-party companies that operate on Sunda Energy's behalf also plan, design and conduct joint operations and operate joint property consistent with Sunda Energy's HSE Plan and with the laws and regulations relating to HSE while behaving in a manner consistent with standards and procedures generally followed in the international petroleum industry. The Board has also newly instituted an HSE Committee to assist with the attainment of the Company's HSE objectives.

The Company is committed to safeguarding the environment and minimising risk to its employees, contractors and the communities in which it operates. Through developing sustainable long-term relationships with its partners and the community, Sunda Energy aims to conduct business and enhance value in a responsible manner. Both the Company and its employees will try to be recognised by regulatory agencies, environmental groups and governments in each jurisdiction where its business is conducted for its efforts to safeguard the environment. The Group ensures to maintain constant contact with key stakeholders and seeks to provide continual opportunities in which issues can be raised and allowing for the provision of feedback. This feedback process helps to ensure that new issues and opportunities that arise may be used to further the success of the Group.

The Board believes in its responsibility to act as a good corporate citizen to improve the quality of life in the communities in which it operates and seeks to contribute towards local cultural and educational organisations. The local community is vital to ensuring Sunda Energy's longevity and

success and community members are treated with the utmost respect. Further details of the Company's actions as a responsible corporate citizen are detailed on the Corporate Social Responsibility page of the Company website.

The CEO is responsible for stakeholder engagement. The CEO is also accountable for the responsibilities for the HSE performance of the Company, with oversight of HSE delegated to the HSE Committee and its Chair.

## **Principle Five**

*Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation*

The business of securing and commercialising energy resources through the exploration, appraisal and development of hydrocarbons involves significant degrees of potential risk. The Board constantly monitors the operational and financial aspects of the Company's activities and is responsible for the ongoing review of business risks and implementation of appropriate internal controls. While risks cannot be eliminated entirely, internal controls are implemented so as to reasonably minimise losses.

The optimisation of capital resources, combined with careful cost management, allows us to achieve the appropriate balance between short and long-term goals.

As a matter of course, the Company continues to review its principal risks. A number of these risks are discussed within the Strategic Report in the Company's Annual Report & Accounts along with the potential impact on the Company and the action that the Board needs to take in order to minimise these risks to an acceptable level. The Company also maintains a strategic risk register to capture these identified risks.

At present, the Company considers its principal risks - business, financial and operational – to be the following:

- Liquidity
- Exchange rate fluctuations – now mostly related to US\$ exposure
- Oil & gas market conditions
- Management of the Company's performance guarantee
- Taxation

The Company adheres to its financial position and prospects procedures (FPPP) memorandum, which sets out a framework of internal financial controls, the effectiveness of which is reviewed by the executive management, the Audit Committee, and the Board in light of an ongoing assessment of significant risks facing the Company.

The Board is responsible for reviewing and approving overall Company strategy, approving revenue, capital budgets and plans, and for determining the financial structure of the Company. All material contracts and expenditures are approved by the Board. Monthly results and variances from plans and forecasts are reported to the Board, together with forecasts for the current financial year and into the following year.

The Audit Committee assists the Board in discharging its duties regarding financial statements, accounting policies and the maintenance of proper internal business, operational and financial controls.

In addition, Directors are covered by the relevant Directors' and Officers' liability insurance and all drilling operations are appropriately insured.

Sunda Energy's company policies include guidance on matters such as business integrity and include a separate policy relating to anti-bribery and corruption issues.

## **Principle Six**

*Establish and maintain the Board as a well-functioning, balanced team led by the Chair*

The Sunda Energy board consists of two executive directors and three independent non-executive Directors.

- Gerry Aherne, an experienced actuarial and finance professional, is the independent non-executive Chairman
- Dr Andrew (Andy) Butler, an experienced petroleum geologist is Chief Executive Officer
- Rob Collins is Sunda Energy's Chief Financial Officer and has extensive experience in the resources sector
- Keith Bush, an experienced petroleum engineer, is an independent non-executive director
- Dr John Chessher, an investment industry professional with considerable experience in Asia, is an independent non-executive director.
- Geoffrey Barnes, a former Finance Director of the Company, continues to be employed part-time as Financial Controller and Company Secretary

Fuller details of the Director's experience, skills and capabilities are set out under principle 7, below.

The Directors are not obliged to commit the whole of their time to the Company's business and are entitled to hold other directorships as well as being able to enter consultancy arrangements. They are, however, required to devote such proportion of their time, attention and abilities during normal business hours as may be reasonable and necessary for the proper performance of their duties as Directors and to ensure that they continue to discharge such duties in a timely manner. They are required to inform the Company of any proposed arrangements for work outside the Company prior to taking such positions. At the date of this Statement, each of the Directors has other private interests and duties. This generally means that Gerry Aherne, Keith Bush and John Chessher are part time and Dr Andy Butler and Rob Collins are full time.

The Board is satisfied that it has a suitable balance between independence on the one hand and knowledge of the Company and industry on the other to enable it to discharge its duties and responsibilities effectively. Together, the Board combines a broad range of business, commercial and other relevant experience.

The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its Directors and changes to these

commitments and interests are reported to and, where appropriate, agreed with the rest of the Board.

The Board delegates certain decisions to an Audit Committee, a Remuneration Committee and a newly instituted HSE Committee. Details of these committees can be found under Principle Nine below and in the Company's Annual Report & Accounts.

The Company's Non-Executive Directors do not receive any performance-based remuneration.

## **Principle Seven**

*Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up-to-date experience, skills and capabilities*

### **The Directors**

The Board is satisfied that, between the Directors, it has the effective and appropriate balance of skills and experience required at this stage of its development, which includes managerial, technical, financial and corporate expertise. An overview of the Directors' backgrounds and experience is included below.

#### **Gerry Aherne, Independent Non-executive Chairman**

Gerry Aherne has a wealth of career experience in the insurance and financial markets, having been a founding director of PRI Group plc, a directors' and officers' liability insurer, and having held non-executive directorships with Henderson Group plc, Mecom Group plc, Omnis Investments Ltd, and Iveagh Ltd. He was Investment Director at Schroder Investment Management for 16 years, managing pension funds and unit trusts, Chairman of Electric & General Investment Trust plc, and Chairman of Cenkos Securities plc from 2012 to 2018. He is currently Managing Partner of Javelin Capital Partners LLP.

*Gerry is a member the Audit, Remuneration and HSE Committees.*

#### **Dr Andrew (Andy) Butler, Chief Executive Officer**

Andy Butler has over 27 years of experience in the oil and gas sector and brings relevant expertise to the Company's Board. Andy has had involvement with Sunda Energy since 2016, when the Company entered into a joint venture agreement with SundaGas Pte Ltd, a company he founded, and which ultimately led to the signing in 2019 of the Timor-Leste TL-SO-19-16 Production Sharing Contract. He joined the Board in July 2023 and was appointed Chief Executive Officer on 15 March 2024, and continues to manage the Company's Timor-Leste project.

Andy was formerly vice president of business development at Mitra Energy Ltd (subsequently renamed Jadestone Energy Plc) and new ventures manager and a principal consultant geologist at BG Group. Andy is a Fellow of the Geological Society of London and an active member of the South-East Asia Petroleum Exploration Society (SEAPEX), the Geoscience Energy Society of Great Britain, the Society of Petroleum Engineers, the Association of International Energy

Negotiators and the Singapore Institute of Directors. He has a Ph.D. in Geology from the University of Cambridge and a B.A. in Geology from the University of Oxford.

*Andy is a member of the HSE Committee.*

### **Rob Collins, Chief Financial Officer, Executive Director**

Rob Collins has over 20 years' experience in natural resources corporate finance, advising on a broad range of corporate transactions spanning various commodity groups and transactions primarily at Evolution Securities, Canaccord Genuity Europe and GMP Securities Europe. He has successfully advised on numerous IPOs, public and private equity raises and M&A transactions for many UK, Canadian and Australian listed companies as well as acting as CFO for Victoria Oil & Gas Plc. Rob commenced his career at Coopers and Lybrand and is a qualified Chartered Accountant. Rob has been working with the Company, initially as a consultant, since December 2023.

### **Keith Bush, Independent Non-executive Director**

Keith is an experienced quoted company director having worked for over 30 years in the energy industry. He has a petroleum engineering background, with significant experience in the oil and gas sector. Previously he has worked for Amerada Hess, Burlington Resources and E.ON Ruhrgas, before joining AIM quoted Northern Petroleum plc, initially as COO and later as CEO. Keith is currently COO at Hartshead Resources, an ASX-listed gas development company. He holds a degree in Physics from the University of Manchester.

*Keith is Chairman of the HSE Committee and a member of the Remuneration Committee and the Audit Committee.*

### **Dr John Chessher, Independent Non-executive Director**

John is a highly experienced investment industry professional who has held CEO and director-level positions at leading asset management and investment banking firms. John has extensive knowledge and experience of corporate research and capital raising, including as CEO of Cenkos Securities Asia and Head of Asia Pacific Research at Schroder Investment Management. He holds an MA in Engineering Science from University of Oxford and DBA, MSc and MBA qualifications from Henley Business School. He is a CFA charter-holder and currently combines non-executive and advisory roles with his position as a lecturer at Henley Business School.

*John is Chairman of both the Remuneration Committee and the Audit Committee and a member of the HSE Committee.*

The Directors' service contracts, appointment letters and consultancy arrangements are available for inspection at the Company's registered office and at Annual General Meetings.

Each member of the Board is committed to spending sufficient time on Continuing Professional Development (CPD) activities. CPD is important because it delivers benefits to the individual, their profession and, last but not least, the Company they represent.

In a highly technical industry, the Directors are able to keep their skill sets up to date through membership of their respective professional bodies, which also requires them to maintain ethical

standards, attendance at industry conferences, and as a result of interaction with the academic and industry groups with which they work. The Company encourages the Directors to allocate time to these activities and provides financial support for attendance which benefits the Company.

In addition, through their involvement with other listed and private companies the Directors are exposed to a diversity of opinions and inputs ensuring that the Company can operate with an open not inwards-looking culture. Continuous engagement in the Company's activities including regular operational updates ensures professional competency is maintained.

The Board is kept abreast of developments of Governance and AIM Market regulatory matters. The Company's lawyers, FieldFisher LLP, provide updates on corporate & governance matters and the Company's nominated adviser, Allenby Capital Limited, provides refresher training as well as initial training as part of a new Director's onboarding programme.

The Directors regularly attend and present at industry conferences and are active participants in a range of industry organisations such as the Southeast Asia Petroleum Exploration Society (SEAPEX), the Association of International Energy Negotiators (AIEN), Geoscience Exploration Society of Great Britain (GESGB), the Society of Petroleum Engineers (SPE) and the Energy Group of the Geological Society of London.

If required, the Board has access to a range of external professional advisers, including but not limited to, accountants, lawyers, technical consultants and a nominated adviser, as required under the AIM Rules.

Geoffrey Barnes is employed as a part-time as Financial Controller and Company Secretary whose role is to work closely with the Board to maintain high standards of corporate governance, ensuring that the necessary information is supplied to the Directors on a timely basis and that the Company complies with all applicable rules, regulations and obligations governing its operation.

### ***Governance Structures***

The Board is responsible for the Group's strategy, review and approval of acquisition opportunities, capital expenditures, budgets, trading performance and all significant financial and operational issues. Ultimately, the Board is responsible for the long-term success of the Company and there is a formal schedule of matters reserved to the Board.

*The roles of the Board are as follows:*

- The Non-executive Chairman role is to provide a creative contribution to the Board by providing independent oversight and constructive challenge to the Executive Directors.
- The Chief Executive Officer is responsible for running the business, including oversight of operations, finances (in close liaison with the CFO) and for ensuring appropriate strategic focus and direction.
- The Chief Financial Officer is responsible for the financial wellbeing and planning for the Company, include close liaison with the Audit Committee.
- The Independent Non-executive Directors (INEDs) act as a sounding board for the Chairman, as intermediaries for the other directors and are available to shareholders if they have concerns. The INEDs also chair such board meetings which deal with the succession of the chairman and the chairman's annual performance evaluation.
- The details of other specific responsibilities are set out throughout this statement.

The Board meets at least four times a year.

As part of the workings of the Board, a number of oversight committees are in place to ensure control over certain financial and non-financial matters.

#### *The Audit Committee*

The Audit Committee is comprised of the three independent Non-executive Directors with John Chessher as Chairman, Gerry Aherne and Keith Bush are the other members. The Audit Committee meets at least twice a year, and the external auditors have the opportunity to meet with members of the Audit Committee without any executive management being present. The Audit Committee's terms of reference include the review of the Interim and Annual Financial Statements, review of internal controls, risk management and compliance procedures, consideration of the Company's accounting policies and all issues with the annual audit.

In early 2025, the Audit Committee updated its Terms of Reference in line with the 2023 QCA Corporate Governance Code. These Terms of Reference are available on the Company's website.

#### *The Remuneration Committee*

The Remuneration Committee is comprised of the three independent Non-executive Directors with John Chessher as Chairman, Gerry Aherne and Keith Bush are the other members. The Remuneration Committee is responsible for the development of policy on Executive, Non-executive and senior management remuneration. The Remuneration Committee is responsible for the Company's Remuneration Policy, which aims to provide a remuneration package which will attract and retain individuals with the ability and experience required to manage the Company and is set out in the Annual Report.

The Remuneration Committee meets at least twice per year, as set out in its terms of reference. John Chessher, the Remuneration Committee's chairman, is one of the Company's Non-executive Directors and is considered to be independent. No Director can take part in discussions or vote on matters pertaining to their individual performance or remuneration. In response to the 2023 QCA Corporate Governance Code, the Remuneration Committee produced revised Terms of Reference in late 2024, which were approved by the Board. In early 2026, the Committee agreed that these Terms of Reference remain appropriate. These Terms of Reference are available on the Company's website.

#### *Health, Safety and Environmental Committee*

As the Company is now an active offshore operator in South East Asia, the Board has decided to constitute a Health, Safety and Environmental Committee ("HSE Committee") with Keith Bush as its Chairman, Gerry Aherne, John Chessher and Dr Andy Butler are the other members.

#### *The Nominations Committee*

Due to the small size of the Group, it is not considered necessary to have a Nominations Committee at this time in the Company's development and the Board reserves to itself the process by which a new director is appointed.

Each committee has access to such resources, information and advice as it deems necessary, at the cost of the Company, to enable the committee to discharge its duties.

The Board has not constituted any further sub-Committees for the discussion / oversight of specific matters.

Sunda Energy is committed to strict policies governing when Directors or employees wish to deal in the shares of the Company, including the procedures to be followed. These policies also govern the prevention of dissemination of inside information about the Company's activities.

Unless otherwise determined by ordinary resolution of the Company, the number of Directors shall not be less than two but shall not be subject to any maximum number; no shareholding qualification for Directors shall be required.

The business of the Company shall be managed by the Board which may exercise all powers of the Company. The Board may delegate any of its powers, authorities and discretions to any committee consisting of such person or persons as it thinks fit provided that the majority of the members of the committee are Directors.

The Articles of the Company require that at every AGM, one-third of the Directors, or if their number is not three or a multiple of three, the number nearest to but not exceeding one-third (unless there are fewer than three Directors, in which case one of those Directors) shall retire. However, the board has decided that all Directors shall retire by rotation on each occasion and shall, if they so choose, offer themselves for re-election at the AGM.

The Board may appoint a person who is willing to act to be a Director, whether to fill a vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with the Company's Articles. Any Director so appointed shall hold office only until the subsequent AGM and shall not be considered in determining the Directors or the number of Directors who are to retire by rotation at the meeting. If not reappointed at such AGM, he shall vacate office at the conclusion of the meeting. No person shall be disqualified from being appointed a Director, and no Director shall be required to vacate his office, by reason only of the fact that he has attained the age of seventy years or any other age.

Questions arising at a Board meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote; and the quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed at any other number shall be two. A meeting of the Board at which a quorum is present shall be competent to exercise all powers, authorities and discretions for the time being vested in or exercisable by the Board. The Company Secretary shall be appointed by the Board.

All Directors can take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense.

As the Group grows and develops, the Board will periodically review its corporate governance framework to ensure it remains appropriate for the size, complexity and risk profile of the Group.

Save for the Company's retained professional advisers, neither the Board nor its committees have sought external advice on a significant matter during this period.

## **Principle Eight**

*Evaluate board performance based on clear and relevant objectives, seeking continuous improvement*

It is the role of the Non-executive Chairman to assess the individual contributions of each of the members of the team to ensure that their respective contributions are relevant and effective, that they are committed and, where relevant, they have maintained their independence. Evaluation of the Board, the Committees and individual directors is undertaken on an ongoing basis.

The Company has not conducted a formal Board evaluation exercise this year given the Company's stage of development. As the Company is in a transitional phase, the Board does not believe that an evaluation exercise in the immediate term will provide value to the Company. The company will, however, seek to hold a Board evaluation in the short to medium term to comply with the Code. Further disclosure is provided under Principle Ten.

The Board reviews succession planning as part of its ordinary business and actively considers the key-man risks of the business.

The Board agreed the following KPIs for 2025, which are intended to be measurable and achievable, whilst targeted at making material progress in the development of the Company and its assets.

The KPIs for 2025 are to:

- secure necessary funding to drill the Chuditch-2 appraisal well;
- successful completion of the Chuditch-2 appraisal well;
- secure new venture licences in the SE Asia region;
- ensure that the Company remains sufficiently funded for current operations;
- ensure all workplace and operational activities are conducted without harm to staff, contractors or third parties built around a clear set of HSE policies and procedures.

KPIs for 2026 will be published within the company's Annual Financial Statements.

## **Principle Nine**

*Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture*

Within the 2024 Annual Report and Accounts, the Remuneration Committee published the Company's Remuneration Policy. The aims of this Policy are to:

- Motivate directors and support the delivery of business objectives in the short, medium and long term;
- Align the interests of the executive team with the long-term interests of shareholders;
- Encourage the executive team to operate within the risk parameters set by the Board; and
- Ensure that Sunda Energy can recruit and retain high quality executives through packages that are fair and attractive but not excessive.

Remuneration paid to executives and senior management is formed of three elements: salary; Performance-related remuneration and Employee share options:

- Salary is set based on each executive's experience, contribution and value to Sunda Energy. Salary will be reviewed annually by the Remuneration Committee with no guarantee of increase.
- Performance related remuneration is normally paid in the form of a cash bonus and is aligned with stretching and transparent targets that include strategic milestones, KPIs and financial and non-financial value drivers.
- Employee share options will be awarded to eligible personnel in order to retain talented staff and align the interests of employees with shareholders. The Remuneration Committee will review those eligible, with input provided by management where appropriate.

Through its target and KPI-centred approach to remuneration, the Remuneration Committee and Board believe that the Company operates a simple and clear to understand remuneration structure and one that rewards the creation and maintenance of shareholder value.

The Company's remuneration policy is considered commensurate with the Company's size, organisation and level of operations. The Remuneration Committee considers and applies the policy when making remuneration decisions. Owing to the size of the Company and the number of Directors, the Committee is well placed to consider the views of other Committees of the Board and the Board itself when making remuneration decisions.

Given the transitional nature of the Company at the current time, the Board and Remuneration Committee has decided not to put the Company's Remuneration Report or Remuneration Policy to an advisory vote of the shareholders at the upcoming AGM and will reconsider its position in the following year. Further disclosure is provided under Principle Ten.

## **Principle Ten**

*Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders*

The Company communicates with shareholders through the normal regulatory channels such as the Annual Report and Financial Statements, full-year and half-year announcements, business updates, regulatory announcements and at the annual general meeting. In addition, Sunda Energy also conducts company presentations, undertakes one on one meetings and correspondence, investor roadshows and attends and speaks at investor conferences.

All Company announcements are released without delay via a regulatory information service (RIS) and the Board ensures that announcements are written in a clear and informative manner. RIS announcements provide updates to stakeholders on all material issues related to the Company, including annual and financial reports, annual and general meeting announcements, voting results of the meetings, Board changes, acquisitions, divestments and operational updates.

The Chief Executive Officer is responsible for ensuring an active programme of shareholder and stakeholder relations. This includes responsibility for ensuring there is appropriate communications with major shareholders and other shareholders who wish to be part of a

dialogue. The Company also retains an investor relations adviser to assist with shareholder communications.

A range of corporate information (including all Company announcements and presentations) is also available to shareholders and the public on the Company's corporate website, which include the following:

- Articles of Association
- Health, Safety and Environment Plan and Policy
- Anti-Bribery and Corruption Policy
- AIM Rule 26 Regulatory Information
- Information on the Board of Directors
- Directory of Company Advisers
- Information on Major Shareholders
- Dealing Code and Company Wide Dealing Policy
- Regulatory and Press Releases
- Annual Reports and Accounts
- Unaudited Interim Results (under Regulatory News and Alerts)

A statement of Remuneration Policy is included in the Company's Annual Report & Accounts, accompanying details of the Directors' remuneration. The Company's Audit Committee does not produce a public report on its work over the year, as its work and any key findings are communicated to the Board.

Further information regarding the Audit Committee and Remuneration Committee can be found elsewhere in this document and in the Company's Annual Report & Accounts.

The Company was pleased to receive votes in favour in excess of 89.9% across all resolutions at the most recent Annual General Meeting, as well as support in excess of 93.2% across all resolutions at the most recent General Meeting. The Company is grateful to its shareholders for their support and will engage with shareholders should significant adverse voting occur at future Meetings of the Company.

Following the recent announcement of the Company's conditional acquisition of Matahio Energy NZ Limited and its subsidiary companies, the Company has entered into a transitional phase that will see the Company develop into an oil and gas producer. As such, the Board have taken pragmatic decisions in relation to the requirements of the QCA Code and their application to the Company at this moment. This includes in relation to remuneration and the Board evaluation. The Board will look to align more fully with the Code moving forwards, following the Company's development.