

DIRECTORS' REPORT

For the purpose of section 415 of the Companies Act 2006, the Directors present their report and the audited financial statements of Hunting PLC for the year ended 31 December 2016.

The Strategic Report, incorporating the Chairman's Statement, Chief Executive's Review and Outlook, Business Model and Strategy, Key Performance Indicators, Risk and Management, Group Performance and Development, Group Funding and Position, is located on pages 2 to 49.

As permitted by legislation, the Board has chosen to set out within the Strategic Report some of the matters required to be disclosed in the Directors' Report which it considers to be complementary to communicating Hunting's performance and position, as follows:

- changes in the Group and its interests (pages 7 and 8);
- future developments (page 8);
- risk management, objectives and policies (pages 30 to 37);
- inclusion and diversity (page 17); and
- greenhouse gas emissions (pages 18 and 19).

Up to the date of this report, there have been no events after the reporting period that require disclosure.

In addition, information relating to the Directors' indemnity provisions, substantial shareholder interests and dividend waivers, as required by legislation, are disclosed within the Corporate Governance report on pages 53 to 55.

Investor-related information and further disclosures incorporated into the Directors' Report, such as information relating to the AGM, dividends, Directors' powers and interests, share capital, political donations, research and development and significant agreements, can be found within the Shareholders' Information section located on pages 147 to 149.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report, the Audit and Remuneration Committee Reports, and the financial statements in accordance with applicable laws and regulations.

Company Law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the Group and parent Company financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union ("EU").

Under Company Law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the results of the Group for the year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the EU have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions, disclose with reasonable accuracy at any time the financial position of the Group and the Company and to enable them to ensure that the financial statements and the Remuneration Committee Report comply with the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation. The Directors are also responsible for safeguarding the assets of the Group and the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for the maintenance and integrity of the Group's website, www.huntingplc.com. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Pursuant to the Financial Conduct Authority's Listing Rules, Disclosure Guidance and Transparency Rules sourcebook and the UK Corporate Governance Code, each of the Directors, whose names and responsibilities are listed on pages 50 and 51, confirm that, to the best of their knowledge and belief:

- the financial statements, prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and loss of the Group and profit of the Company;
- the Strategic Report on pages 2 to 49 includes a fair review of the development and performance of the Group's operations and the year end position of the Group and the Company, together with a description of the principal risks and uncertainties they face. The Strategic Report also details the Group's policies on human rights, gender balance and its Scope 1 and 2 greenhouse gas emissions; and
- the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess a Company's performance and position, business model and strategy.

By Order of the Board



BEN WILLEY
COMPANY SECRETARY

2 March 2017