

Archer



Archer Limited

ANNUAL REPORT



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Board of Directors Report: Business and Financial Review





Business Overview

Archer Limited, along with its subsidiaries, (“Archer” or the “Company”) is a global energy services company with a heritage in drilling and well services that stretches back over 50 years.

The legal name of the Company is Archer Limited, which also is its commercial name. The Company’s registered office is at Par-la-Ville Place, 14 Par-la-Ville Road, Hamilton HM 08, Bermuda and its main telephone number at that address is +441-295- 6935.

The Company is an exempted company limited by shares and is organized and exists under the laws of Bermuda and the Bermuda Companies Act, with registration no. 40612. The Company’s LEI code is 549300D1D5TS4O1V4923. The Company’s Shares are listed the Oslo Stock Exchange under the ticker symbol “ARCH” and the Company’s website can be found at www.archerwell.com.

Principal markets

Archer provides drilling and well services to the global energy industry, employing 4,476 globally at 31 December 2025. Archer operates in over 40 countries, providing sustainable high-quality services and innovative technology to optimize Archer’s customer’s energy solutions. Archer’s main operations currently take place in the major basins within Europe, Asia Pacific, North and South America and Archer is expanding throughout the Middle East, and West Africa. Archer holds a leading and technologically advanced position within plug and abandonment (P&A), delivering integrated solutions that enable safe, efficient and permanent well decommissioning in mature basins globally. Leveraging decades of operational experience, proprietary technology and engineering expertise, Archer supports operators in meeting regulatory requirements while optimizing cost and reducing environmental footprint.

The Group’s operations are managed through four segments:

- *Platform Operations*
- *Well Services*
- *Land Drilling*
- *Renewables*

Platform Operations

Platform Operations delivers drilling operations, maintenance and engineering services on offshore production platforms, primarily in the North Sea and other mature basins. The segment focuses on safe, efficient and cost-effective platform drilling, modification projects and integrated operations to maximize oil and gas production uptime and asset value for operators.

The Group conducts offshore drilling services on client owned fixed oil and gas installations, referred to as “platforms”. The Group manage the drilling operation and supplies experienced personnel for drilling operations, maintenance, and technical support on production platforms.

The Company and its predecessors have provided drilling and management services on platforms in the UK and Norwegian North Sea for 50 years. Since the award of the first platform drilling contract in the North Sea on the Heather platform in 1977, the Group has been a key player in the supply of drilling and maintenance personnel to platforms. Since that time, the Group has continued to build on its early experience by increasing capabilities, developing supporting technologies, and extending the Group’s global footprint. Currently, the Group offshore drilling business operate over 30 platforms in the UK, Norway and Brazil, with responsibility for the operation and maintenance of all the equipment owned by clients. The

Group has long-term relationships with a large number of major operators, including Apache, Ithaca Energy, Repsol Resources and Taqa in the UK, and Aker BP and Equinor in Norway as well as Equinor and Trident Energy in Brazil historically.

The Group constructed and operates modular drilling units and compact workover units), to cost-effectively service the platform drilling industry focusing on the plug and abandonment phase. The units are designed to operate stand-alone and can be rigged up on certain offshore platforms to provide complete life-cycle drilling and work-over services from initial well delivery right through to decommissioning. Archer provides engineering services encompassing conceptual solutions through detailed design and construction to final offshore and onshore commissioning.

Well Services

Well Services provides a broad portfolio of well services technologies and services aimed at improving well performance and extending field life, and finally permanent plug and abandonment these wells. The segment supports customers throughout the well lifecycle, from well construction, completion, well intervention to plug and abandonment.

Well Services is a result of merging Coiled Tubing, Oiltools, and Wireline into one division. The division employs close to 1,000 people globally, with operations in over 40 countries worldwide and offices in 13 countries. The segment offers a wide array of downhole technologies for various phases of the well lifecycle, spanning from well construction, completion, well intervention to plug and abandonment.

Archer has developed a range of technology and tools to enhance safety well integrity, and to optimize heavy well



interventions. From gas-tight stage tools and barrier plugs, traditional down-hole equipment and high tier solutions for well intervention and for the plug and abandonment of wells. The solutions contribute to the efficient management and integrity of a well throughout its life. The Group's technologies provide solutions for a wide range of tasks during the design phase, through drilling, completion and well intervention, to abandonment.

Land Drilling

Land Drilling comprises Archer's fleet of high-specification land drilling rigs, primarily deployed in the Vaca Muerta basin in Argentina. With a long operational heritage in the region, the segment delivers efficient and reliable drilling services to leading operators, supported by strong local expertise, modern rig technology and a consistent focus on safety and performance in unconventional shale developments.

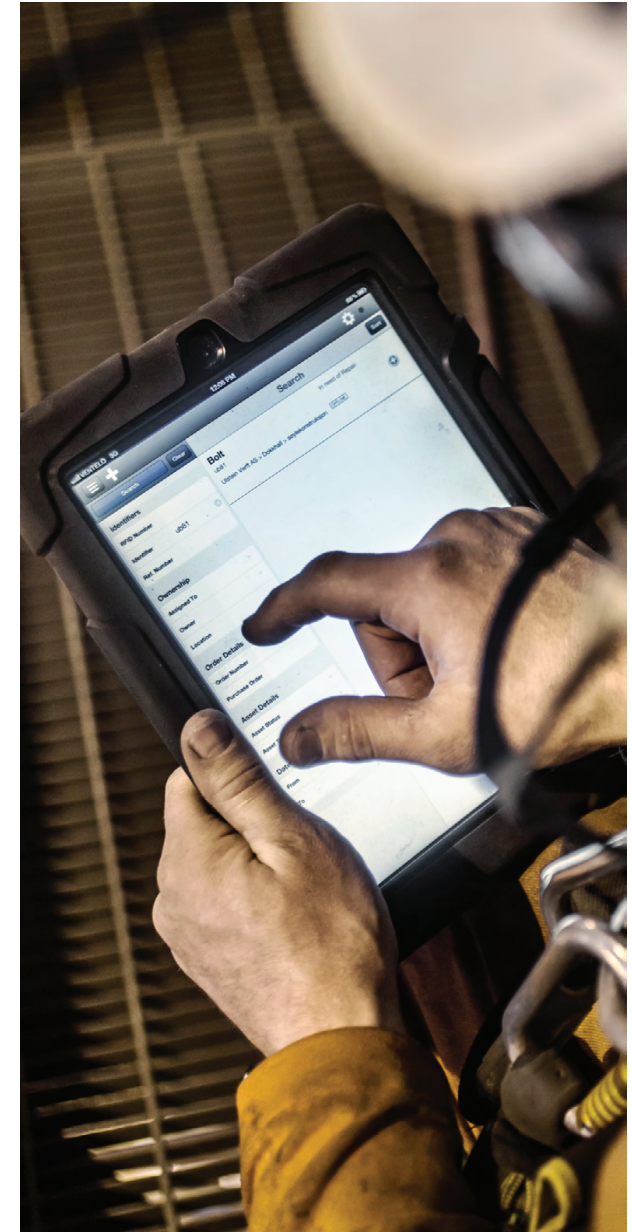
Archer's Land Drilling business offer a complete range of integrated drilling, manage pressure drilling services, completion and work over services for the entire well lifecycle.

DLS, Archer's Land Drilling division, is a leading drilling and technology company that operates one of the largest fleets of advanced technology, AC-powered land rigs in Latin America, including Quicksilver and Ideal drilling units. These mobile, innovative land rig units are specifically designed to deliver safe and efficient operations.

Renewables

Renewables leverages Archer's drilling and engineering competence to support energy transition activities. The segment provides services within areas such as geothermal low-carbon energy solutions and wind services.

Archer's geothermal operation is conducted through its 60% ownership in Iceland Drilling. Iceland Drilling is an international leader in high-temperature geothermal drilling, with offerings across renewable service segments such as deep drilling for electricity generation, wells for district heating and cooling, and wells for carbon storage. The company has close to 250 employees with its main operations currently in Iceland and the Philippines.





Archer

The Well Company

● **Geothermal**
Drilling & Well Services

● **Land Drilling**
Drilling Services

● **Platform Operations**
Platform Drilling Services
Engineering Services
Integrated Project Management

● **Well Services**
Well Construction Services
Well Intervention
Brownfield & Late Life Services
Well P&A

Well Construction Services
Solutions used for installation into the wellbore, facilitating wellbore construction, and supporting drilling services

Well Intervention
Wellbore re-entry for retrieval and removal of wellbore components for re-drill or re-completion (fishing & remedial services)

Well Intervention
Services supporting wellbore departure and re-drill of wells

Well P&A
Establishment of safe and secure permanent barriers for the abandonment of the well



Market environment and outlook

The demand for the Group's services is driven by operator activity levels within drilling, well services, and late-life field operations. In the medium to long term, demand is influenced by the global energy transition, while in the short to medium term it remains subject to cyclical variations in oil and gas markets, including commodity price levels, capital allocation priorities, and broader macroeconomic conditions.

Archer shares the view that global energy consumption is expected to continue to grow, with oil and gas remaining an important part of the energy mix for decades as the energy transition progresses. Offshore and onshore producing reserves are expected to remain critical to future energy supply and energy security, supporting continued demand for Archer's service offerings. The Group's core activities are primarily focused on the brownfield segment of the oil and gas value chain, which is generally less volatile than greenfield developments and characterized by production drilling, well intervention, and plug and abandonment (P&A) activity.

While macroeconomic uncertainty, volatile oil prices, and with trade and tariff developments continue to present challenges for the energy sector and oilfield services industry, Archer expects operators in the near term to maintain a strong focus on production-related activity in existing fields, both offshore and onshore. Over time, the number of production facilities in mature regions such as the North Sea is expected to decline, resulting in a structural shift from exploration and development towards late-life operations, P&A, and decommissioning. The pace and magnitude of the transition from hydrocarbons to renewable energy sources remain uncertain and dependent on regulatory, technological, and economic factors.

At the same time, the energy transition is creating new market opportunities for Archer. The Group is advancing its OneArcher operating model and leveraging its market position and integrated service offering to capture a significant share of the substantial P&A and decommissioning activity expected in the North Sea and

other mature offshore basins over the coming decades. Archer's ownership interest in Iceland Drilling provides exposure to the geothermal drilling market and operational synergies with the Group's land drilling and well services capabilities.

Within the Land Drilling division, Archer continues to position itself as a preferred drilling contractor in the Vaca Muerta shale oil and gas formation in Argentina. Although the operating environment in Argentina has been challenging in recent years due to macroeconomic instability and capital restrictions, ongoing infrastructure development and regulatory initiatives support a more constructive medium-term outlook for activity in the basin. Portfolio adjustments have been undertaken to focus the business on scalable, higher-return drilling operations.

Strategy

The Group's strategy is to deliver better wells and be the supplier of choice for drilling services, well intervention, and plug and abandonment. This is achieved through continuous improvement in service quality, operational efficiency, and safety performance, supported by skilled personnel who demonstrate the Group's values and commitment to excellence.

Archer seeks to deliver sustainable, long-term profitable growth by leveraging its core drilling and well expertise across resilient brownfield oil and gas markets while selectively expanding into energy transition-related services, including geothermal energy, carbon capture and storage, wind, and hydropower. The Group will continue to pursue economies of scale, selectively strengthen its geographical footprint, and develop proprietary technologies and integrated service offerings that enhance customer value and reinforce Archer's competitive position.





Financial Review

Operating results

The comparative figures for 2024 have been restated to reflect the Group's transition to IFRS® Accounting Standards.

The Group delivered solid operating performance in 2025, supported by increased activity levels across several business segments. Revenue for the year ended 31 December 2025 amounted to \$1,197 million, compared to \$1,115.6 million in 2024, representing an increase of approximately 7%.

The improvement in revenue reflects a combination of higher utilisation across Platform Operations and Well Services, continued execution of long-term contracts, and increased activity within Renewables. Market conditions remained volatile in certain regions, particularly within Land Drilling's operation in the south of Argentina, however the Group continued to prioritise operational discipline, contract selectivity and cost control.

EBITDA for the year ended 31 December 2025 amounted to \$165.5 million, compared to \$151.3 million in 2024. The development in EBITDA reflects improved operational performance in Platform Operations, Well Services and Renewables, partly offset by weaker results in the Land Drilling segment.

Platform Operations

Platform Operations revenue amounted to \$470.7 million in 2025, compared to \$447.8 million in 2024, representing an increase of approximately 5%. The increase in revenue was driven by higher activity levels within platform drilling, modular rig services and engineering projects, supported by strong execution across the North Sea and other mature basins.

Operating income for Platform Operations amounted to \$42.3 million in 2025, compared to \$38.6 million in 2024.

Well Services

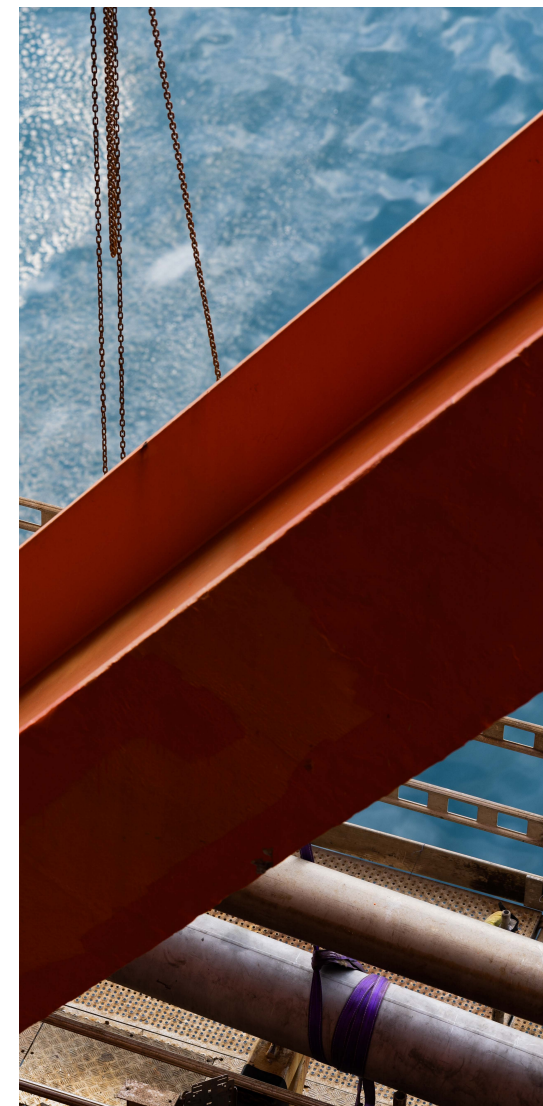
Well Services revenue increased to \$299.9 million in 2025, compared to \$274.8 million in 2024, representing an increase of approximately 9%. Growth was primarily driven by higher activity levels within Oiltools across several of the Group's core markets, as well as contributions from acquisitions completed during 2025 and 2024.

Operating income for Well Services amounted to \$36.4 million in 2025, compared to \$43.4 million in 2024. While revenue increased year-on-year, margins were impacted by a mix of project timing, start-up costs related to new contracts, and integration costs associated with recent acquisitions.

Land Drilling

Land Drilling revenue amounted to \$301.9 million in 2025, compared to \$376.6 million in 2024, representing a decrease of approximately 20%. The reduction in revenue primarily reflects lower activity levels in Argentina compared to 2024, driven by the reduction in activity in the south of Argentina.

The segment reported an operating loss of \$36.4 million in 2025, compared to operating income of \$9.4 million in 2024. The 2025 result was adversely affected by a loss of \$8.7 million related to the partial divestment of the Land Drilling operation, an impairment loss of \$25.3 million associated with the sale of the workover business in southern Argentina, and rig impairments totalling \$5.1 million. See Note 15 Impairment of Assets and Note 17 Business Acquisitions and Disposals for further details.





Renewables

Revenue within the Renewables reporting segment amounted to \$124.5 million in 2025, compared to \$16.5 million in 2024. The significant increase reflects that the financials of Iceland Drilling was consolidated into Archer's financials for the full year 2025 and the continued development and scaling of the Renewables business, including increased execution of offshore wind project for Total Energies and Vertikal Services.

The segment reported operating income of \$7.6 million in 2025, compared to an operating loss of \$0.3 million in 2024. The improvement follows fall through from increased revenues and reflects increased activity and the consolidation of Iceland Drilling for the full year in 2025.

Total expenses

Total expenses, including reimbursable expenses and depreciation, for the year ended 31 December 2025 amounted to \$1,151.4 million, compared to \$1,034.8 million in 2024. The increase in expenses is primarily related to higher activity levels, inflationary cost pressures and the consolidation of acquired businesses as well as impairment charges and loss on sale of business.

Depreciation and amortisation

Depreciation and amortisation expenses for the year ended 31 December 2025 amounted to \$78.1 million, compared to \$70.1 million in 2024. The increase reflects continued investments in operational assets and the consolidation of acquired businesses.

Net interest expense

Net interest expense for the year ended 31 December 2025 amounted to \$81.3 million, compared to \$62.0 million in 2024. The increase reflects, the make-whole fee incurred in relation to the refinancing in 2025 and higher average debt levels during the year, offset with reduced interest levels following the refinancing.

Other financial items

Other financial items for the year ended 31 December 2025 amounted to \$12.5 million, compared to \$27.8 million in 2024. Other financial items mainly comprise foreign exchange gains and losses arising from the Group's operations across multiple jurisdictions as well as the extinguishment of accrued prepaid debt fees.

Profit / loss

The net loss before income taxes for the year ended 31 December 2025 amounted to \$48.2 million, compared to a net loss before taxes of \$6.6 million in 2024. Income tax expense for 2025 amounted to \$5.3 million, compared to \$14.6 million in 2024.

The result in 2025 was adversely affected by impairments totalling \$39.1 million relating to our Land Drilling segment, as described in Note 15 Impairment of Assets and Note 17 Business Acquisitions and Disposals and the extinguishment of accrued prepaid debt fees of \$16.2 million and the make-whole premium on early debt repayment of \$21.4 million as described in Note 8 Financial Income and Expenses.

Balance sheet

Total current assets amounted to \$379.4 million at 31 December 2025, compared to \$401.3 million at 31 December 2024. Trade receivables amounted to \$187.8 million, reflecting the level of activity across the Group's business segments. Cash and cash equivalents amounted to \$40.6 million at year-end.

Total non-current assets amounted to \$675.5 million at 31 December 2025 and consisted primarily of property, plant and equipment, goodwill and right-of-use assets. Total assets amounted to \$1,054.9 million.

Total assets held for sale amounted to \$28.9 million at December 31, 2025, and represents the carrying value of the assets that was sold in connection with the sale of the

workover business in the south of Argentina which was executed in January 2026. See Note 36 Subsequent events for further details.

Total current liabilities amounted to \$369.3 million at 31 December 2025. Liabilities directly associated with assets held for sale amounted to \$28.4 million, total non-current liabilities amounted to \$485.9 million and consisted primarily of the Group's interest-bearing debt facilities and lease liabilities.



Cash flows

The following table summarises our cash flows from operating, investing and financing activities for the years ended 31 December 2025 and 2024.

Summary of cash flows

	2025	2024
<i>USD (in millions)</i>		(Restated)
Operating cash flow	105.4	174.3
Investing cash flow	(71.9)	(122.9)
Financing cash flow	(80.2)	(16.7)
FX effects	6.6	(9.7)
Opening balance cash	80.6	55.6
Closing balance cash	40.6	80.6

Substantial contract awards and increased backlog transparency

During 2025, the Group announced several substantial contract awards and contract extensions across its core business segments. These awards support long-term revenue visibility, reinforce the Group's strategic positioning within late-life operations, plug and abandonment ("P&A"), and drilling services, and contribute to an increasingly transparent and diversified contract backlog.

Within P&A and late-life services, Archer was awarded multiple contracts and scope extensions by major international operators. In the North Sea, the Group was selected by Equinor to perform planning work related to the permanent P&A of the Snorre UPA and Heidrun B&C subsea templates. This award highlights Archer's integrated P&A capabilities, covering early-phase planning, well engineering and execution, and supports the Group's strategic focus on providing end-to-end decommissioning solutions.

Archer also signed a major long-term agreement with Neo Next Energy UK for late-life operations and P&A services across Neo Next Energy's UK platform portfolio. The

five-year contract, which includes optional extensions, covers a broad scope of platform drilling, engineering, well services and P&A activities and further strengthens Archer's position as a leading provider of integrated late-life and decommissioning services in the UK Continental Shelf.

Within Land Drilling, Archer secured a significant long-term drilling contract in the Vaca Muerta shale formation in Argentina. The five-year agreement with YPF, with an estimated contract value of \$600 million, covers the provision and operation of multiple high-specification drilling rigs and includes extension options. The contract represents a material addition to the Group's backlog and provides long-term visibility within one of the world's most important unconventional resource plays.

In addition, the Group announced several contract renewals and extensions, supporting continuity of operations and backlog stability. This includes the extension of a long-term platform drilling and maintenance contract with Aker BP in the Norwegian sector of the North Sea, extending services on the Ula and Valhall installations. The extension reflects the customer's continued confidence in Archer's operational performance and strengthens revenue visibility through the extended contract period.

Within Well Services, the Group's subsidiary Wellbore Fishing & Rental Tools LLC ("WFR") was awarded a multi-year frame agreement to provide fishing and thru-tubing fishing services for a major deepwater operator in the U.S. Gulf of America. The contract includes a firm multi-year period with additional extension options and reflects continued demand for specialised well intervention services in deepwater environments. The award further strengthens the Group's presence in the U.S. offshore market and demonstrates the technical capability and competitiveness of the Well Services portfolio.

Collectively, these contract awards and extensions demonstrate sustained demand for the Group's core service offerings and underpin a growing and increasingly diversified backlog. Management continues to prioritise transparency around contract awards and backlog development, providing stakeholders with improved

visibility into future revenue streams while maintaining a disciplined approach to risk management and capital allocation.

Other events in 2025

Acquisition of Premium Oilfield Services LLC

On 2 October 2025, Archer completed the acquisition of Premium Oilfield Services LLC ("Premium"), a U.S.-based well service provider specializing in fishing and plug and abandonment (P&A) related services. The acquisition strengthens Archer's position in the U.S. market, particularly within deepwater P&A and decommissioning activities in the Gulf of America. Premium's experienced workforce, strong customer relationships, and extensive, well-maintained equipment portfolio are expected to generate meaningful operational and capital expenditure synergies and enhance Archer's integrated P&A service offering.

Acquisition of Wellconnection Norway AS and Well Machining AS

In June 2025, Archer AS agreed to acquire Well Machining AS and Wellconnection Norway AS (together "Wellconnection") from Wellconnection Group AS, an unrelated third party. Wellconnection provides Inspection, Maintenance and Repair (IMR) services within Platform Operations and has historically supported Archer's Platform Operation division. The acquisition strengthens continuity of critical IMR services and enhances Archer's integrated offering through inspection, maintenance, repair and machining of drilling equipment, delivered through a centralized, one-stop-shop service model focused on efficiency, reuse and reduced environmental impact.

Sale of part of Land Drilling operations

During the second quarter, the Group sold part of the land drilling operations, comprising two rigs and associated assets and liabilities to Pan American Energy.



Sale of workover business in the southern part of Argentina

During the fourth quarter 2025, the Group initiated the sale of the remaining workover and pulling unit business in the southern part of Argentina. The market for the workover business in the southern part of Argentina has been declining, as the market for conventional oil production in Argentina South is reducing. The sale is an overall reduction of the risk and exposure in a declining market. The focus for Archer going forward is to grow the drilling business in the growing unconventional market in Vaca Muerta. See Subsequent Events below for further details.

Shareholder return program

During 2025, the Group initiated its first shareholder return program, reflecting improved financial performance, strengthened liquidity and increased confidence in the Group's cash flow generation. As announced in connection with the first quarter results, the Board of Directors approved the introduction of quarterly cash distributions to shareholders, with the first payment made during the second quarter of 2025. The initiation of the shareholder return program followed the successful refinancing completed earlier in the year and marks an important milestone in the Group's capital allocation strategy, balancing growth investments with returns to shareholders.

Refinancing

In February 2025, the Group successfully completed a refinancing through the issuance of a \$425 million senior secured bond with maturity in February 2030. The bond carries a fixed coupon of 9.5% per annum and was issued by Archer Norge AS, an indirect subsidiary of Archer Limited. The net proceeds from the bond issue were used to refinance existing debt and for general corporate purposes. The refinancing strengthened the Group's capital structure, extended debt maturities and enhanced financial flexibility, providing a stable platform to support future operations, investments and shareholder distributions.

Private Placement

On 24 September 2025, the Company announced that it had successfully completed a private placement raising the NOK equivalent of approx. \$20 million in gross proceeds, through the allocation of in total 8,848,000 Shares at a subscription price of NOK 22.50 per Share. The proceeds from the private placement were applied towards the settlement of the Premium Oilfield Services acquisition.

Subsequent Events

On 7 January 2026, Archer announced the award of an integrated plug and abandonment ("P&A") contract with Equinor for 30 subsea wells. The firm contract term is 3 years, and includes 2 options of 2 years each, with an estimated total contract value of up to \$140 million. Approximately 50% of the contract value relates to services delivered by Archer's alliance partners.

On 14 January 2026, Archer announced the award of an integrated plug and abandonment ("P&A") contract in the deepwater Gulf of America, in collaboration with SLB. The scope covers P&A of three wells, and the service offerings includes project management, well engineering, provision of a compact workover rig, coiled tubing, wireline services and a suite of downhole P&A technologies.

On 15 January 2026, Archer announced the agreement with Patterson-UTI for the lease of two high spec drilling rigs. The rigs are set to be deployed in Vaca Muerta, Argentina, as part of Archer's announced seven-rig drilling contract with YPF.

On 30 January 2026, Archer announced the closing of the transaction to sell the workover business in the south of Argentina, in the Provinces of Chubut and Santa Cruz. The sale includes 12 workover rigs, 12 pulling units and approximately 750 employees. Archer will retain ownership of 4 drilling rigs, 5 workover units and 4 pulling units from the workover business. Following the divestment, Archer's Land Drilling division will primarily operate drilling and workover services in the unconventional Vaca Muerta field.

On 2 February 2026, the Board of Directors approved a cash distribution of 0.62 NOK per share, equal to about \$6.4 million, paid in Q1 2026 in the form of return of capital.

On 10 March 2026, Archer announced the extension of a wireline contract for an additional three years in Norway.

Key figures

The table below presents selected key financial and operational figures for the Group for the years ended 31 December 2025 and 2024. The figures provide a high-level overview of the Group's performance, profitability, capital structure and workforce, and should be read in conjunction with the consolidated financial statements and the accompanying notes.

	2025	2024
<i>USD (in millions)</i>		<i>(Restated)</i>
Total revenue	1,197.0	1,115.6
EBITDA	165.5	151.3
Net (loss)/income from continuing operations	(53.5)	(21.2)
Net interest-bearing debt	427	364
Employees at 31 December	4,476	5,037

Going concern

Our Board of Directors confirms their assumption of the Group as a going concern for the foreseeable future, being a period of not less than 12 months from the date of this report. This assumption is based on the liquidity position of the Group, forecasted operating results, the debt maturity being extended to 2030 following the refinancing in 2025, and the market outlook for the energy service sector as at 31 December 2025. The Board believes the annual report provides a fair presentation of the Group's assets and debt, financial position and financial performance.



Health, Safety and Environmental

Archer's HSE philosophy is to establish and maintain an incident-free workplace where accidents, injuries or losses do not occur.

Safety is one of our key values. The value is embedded in the way we work in compliance with our procedures, with the authority to 'stop work' if safety is compromised, planning before we act, evaluating performance to ensure we improve, and maintaining a positive working environment.

Measuring performance is a key element in Archer's continuous improvement process, and results are monitored constantly and systematically. A selection of KPIs reflecting Archer's policies and objectives is reviewed down to installation level and reported to management on a monthly basis.

External and internal audits, verifications, inspections, and management visits offshore are carried out to measure compliance towards requirements. Archer has in the last couple of years introduced a new tool, which we call check-act. The check-act is also a verification tool, but more based on interviews with focus on getting employee feedback on status and suggestions for improvements. This increases the ownership to improvement actions coming out of the check-acts.

The close monitoring of the KPI results facilitates analysis of trends and causes, enabling the management to implement corrective actions if and when required. Together with the outcome of audits and inspections and the discussions in our management reviews, these results are used in the preparation of the annual HSE focus plans.

The main element in the Archer 2025 QHSE plan has been the further follow-up of the Archer safety culture program;

The big 5 & the broken window. Via different initiatives during the year, Archer reinforced the message in these two programs through several initiatives:

1. Implementation of a global digital process for pre-check of equipment

Archer has implemented a standardized, global digital workflow for equipment pre-checks. This ensures uniform quality control, reduces risk of equipment-related incidents, and provides a reliable audit trail to support compliance and continuous improvement.

2. Upgrade of Archer Management system; Compass

The Archer Management system was upgraded. The system upgrade has transitioned us to a modern, fully supported platform that delivers improved performance, higher stability, and strengthened back-end capabilities. This ensures long-term system reliability, reduces operational risk, and provides a more robust foundation for future enhancements to our management system.

3. Establish a new Management system archive

In Q4, Archer launched an upgraded Management System archive fully integrated with Compass, providing a significantly more efficient and user-friendly interface. The new solution improves document control through automated metadata updates, alignment with the Compass structure, and streamlined bulk import of legacy documents. Automated synchronization ensures that new and updated documents are reflected in the archive hourly, while obsolete documents are removed daily. This enhances accuracy, reduces manual effort, and ensures a clean, reliable, and compliant management system across the organization.

4. Established training videos for all HSE related systems

We have developed structured training videos to introduce all HSE-related software systems in a clear and accessible way. The videos focus on ensuring users understand system functionality and apply it correctly in daily operations. This targeted approach improves data quality, reduces misuse of tools, and supports consistent, high-quality reporting and compliance across the organization.

5. Establishing a One Pager solution within our incident reporting tool (Synergi)

Within Synergi, Archer have established a new "One Pager" solution that simplifies how incidents and learnings are communicated. This improves clarity, accelerates learning transfer across the organization, and supports more effective preventive actions.

6. Campaigns on Broken Window and Error Traps

- Awareness campaigns for prompt handling of minor deviations
- Implementation of reporting routines to prevent escalation
- Workshops and discussions on error traps and improvement measures
- Perform check-acts to verify compliance and identify error traps

7. Follow-up on Mental Health

- October is dedicated to mental health
- Presentations and supporting material made available for all employees
- Local initiatives to follow-up on employee's well-being and to put mental health on the agenda



The Big 5 & the broken window will continue to play a central role in the Archer HSE plan for 2026, ensuring a continued improvement in the Archer total recordable injury frequency (“TRIF”) trend.

Archer 2025 safety performance shows a clear positive development compared with 2024. While the Lost Time Injury (LTI) rate remained stable, the Total Recordable Injury Frequency (TRIF) improved significantly, decreasing by 38%. The improvement reflects the strong commitment and disciplined execution demonstrated by everyone working in the line of fire, and it underlines the value of continued focus on safe operations, quality routines, and learning in the organization. Archer injury trend is based on number of injuries during 200,000 work-hours.

Most incidents can easily be avoided, which is why we keep consistent and high QHSE focus. To help us build a proactive reporting culture to ensure continuous improvement, Archer also has a global system where all employees have access to report observations and/or suggest improvements. To ensure quality in the content and use of the system, Archer also tracks proactive reporting as a KPI.

The close monitoring of the KPI results enable analyses of trends and causes, enabling the management to implement corrective actions if and when required. Incidents and high-risk events are subject to root cause analysis to ensure learning across all operations. Together with the outcome of audits and inspections and the discussions in our management reviews, these results are used in the preparation of the annual HSE focus plans.

The following table provides a summary of our work injury statistics.

Area	2025		2024	
	Loss Time Injuries	Medical Treatment Cases	Loss Time Injuries	Medical Treatment Cases
Platform Operation	8	4	7	11
Well Services	1	-	2	1
Land Drilling	-	-	-	2
Renewables	1	2	3	8
Archer Total	10	6	12	22

The table above illustrates the total amount of recordable personnel injuries for Archer Platform Operations, Well Services, Archer Renewables and Land Drilling.

Archer is actively working to minimize the risk of damage to the environment as a result of operations. This includes the systematic registration of emissions and discharges and pre-emptive action in selecting chemicals that cause minimum harm to the environment. However, there are still risks of environmental damage and negative consequences for the company. In 2025 Archer had two reportable spills.

The Archer Management system is certified according to the ISO 9001:2015 certificate. Oiltools Norway, UK and US are certified in accordance with API Q1. In addition, the UK and Brazil operations are accredited to the ISO 14001:2015 for Environmental Management Standards. Archer has described the social responsibility in its management system and made clear commitments throughout the year.

Transparency act

Archer respects and acknowledges the principles of fundamental human rights and decent working conditions as defined in the Norwegian Transparency Act (“NTA”). Archer’s assessments in accordance with the requirements of the NTA for 2025 will be made available on the Company’s website when it is approved prior to June 30, 2026, in compliance with the requirements of the NTA. The 2024 assessment is available on our website.

Employees and diversity

We are proud to see that our global workforces’ dedication to demonstrating our values and delivering leading performance to our clients has continued to impress throughout 2025. The Company’s strategy to develop sustainable renewable business lines has materialized during the year. A new Renewable Division has been established and consists of 3 organizations, totaling 413 employees.

We have during the year continued to increase focus towards digitalization to improve our work processes and upheld the opportunity to practice work flexibility for our workforce. This has been recognized by our global workforce and has improved our ability to connect and to support our clients with reduced mobility and continued home office requirements. The 2024 employee engagement survey indicates that this flexibility has a positive impact to our workforce and their overall impression of their work – life balance.

The geopolitical situation in the Middle East still creates some uncertainties for our employees in the region, which cause high focus on safety and employee security.

The total headcount for Archer had a net decrease of 561 employees during 2025, with 4,476 employees at year-end. The highest headcount decrease is within our Land drilling activities in Argentina, UK and Brazil, followed by a minor increase for Well Services (M&A) and Renewables business.



The Groups diverse global workforce is composed of 59 different nationalities spread across in 15 countries. Although, the business remains heavily male dominated due to the nature of work, 2025 has seen an increase of 11.3% in the female ratio versus 2024, making a total female ratio of 8.0%. Female employees make up 23.2% of our non-field workforce, with 31.1% of those female employees holding leadership positions.

Archer is a people business, therefore diversity has a high focus and is very important to the Group. Archer firmly believe that the people are the most valuable capital. Creating a learning, sustainable and safe workplace is a key to the success of the company.

The Archer Group is an equal opportunity employer and exercises fair treatment to all individuals regardless of race, colour, religion, gender, national origin, age, disability, or any other status protected by law. This commitment applies to all employment decisions and to all the countries in which Archer entities operate. Included within the Human Rights policy is the Group's commitment to respect the principles in the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, and the ILO Core Conventions on Labor Standards. Archer complies with established international labor standards and employment legislation where the Group operates and is committed to the prevention of child and forced labor, non-discrimination in the workplace, the right of freedom of association and assembly, and the right to collective bargaining.

Archer is a member of employer associations where applicable. The Group have established union agreements with employee unions at locations where required due to union presence, and perform there regular meetings with union representatives.

The company complies with the Activity and Reporting Duty (ARP) under Norwegian law and the UK Gender Pay Gap Regulations. Relevant disclosures are available on the company's website.

Absenteeism

The target for overall absenteeism for the organization vary a bit from country to country, and a target is set between 3% - 5% for field personnel and in the range of 2% - 3% for non-field personnel. The Group is continuously focusing on following up on the absenteeism to understand how to best support to get people back to work as quick as possible. Managers have close communication with their personnel on sick leave to ensure we keep close contact between the employee and the company. As most locations have established a flexible work policy for non-field personnel, we see a trend that some employees are working from home when same condition previously would be taken as sick leave. The high focus on absenteeism has continued during the year. We are running two pilot projects in Norway and Argentina with focus on workforce health and welfare to ensure the best possible work attendance. We have receive a positive feedback from the organizations for these initiatives.

The overall reported sick leave for 2025 was 2.0% of total working hours (2024: 2.0%) and is flat compared to 2024. Sick leave for offshore/field personnel was 2.1% (2024: 2.1%), while onshore personnel reported 1.9% (2024: 1.6%). Total sick leave includes both short-term and long-term absence and represents the total absence in the financial year.



Risk factors

Risks relating to Group and the industry in which it operates

The Group's business depends on the level of activity of oil and gas exploration, development and production in the North Sea and internationally, and in particular, the level of exploration, development and production expenditures of the Group's customers.

The North Sea is a mature oil and natural gas production region that has experienced substantial seismic survey and exploration activity for many years. Because a large number of oil and natural gas prospects in this region have already been drilled, additional prospects of sufficient size and quality could be more difficult to identify in the future. The decrease in the size of oil and natural gas prospects and a decrease in production may result in reduced drilling activity in the North Sea. As a significant portion of the Group's business is conducted in the North Sea, such decrease may reduce the demand for the Group's services, which would adversely affect the Group's business, results of operations, cash flows, financial condition and prospects. However, the energy transition and the permanent abandonment of existing fields and wells will mitigate some of the risk in the short to medium term. The risk for the Group's business is the timing of when the decline in development and production of oil and gas in the North Sea and Internationally are materialising and when the Group experiences uptick in the volume of permanent abandonment and decommission.

Further, although the pace and magnitude of the demand for a shift from hydrocarbons to renewable energy sources is uncertain and difficult to predict, such energy transition could lead to a decline in the demand for the Group's services and thus negatively affect the Group, and there can be no assurance that the Group will be able to successfully adapt to such energy transition.

The Group's business is significantly dependent on the level of oil and gas prices

The demand for the Group's drilling and well services is adversely affected by declines in exploration, development and production activity associated with depressed oil and natural gas prices. Historically, oil and gas prices have been highly volatile and subject to large fluctuations in response to relatively minor changes in the supply of and demand for oil and gas, market uncertainty and a variety of other economic and political factors, as seen in connection with the COVID-19 pandemic and the war in Ukraine.

Lower oil prices typically result in significant reductions in capital expenditure budgets, cancellation or deferral of projects and reductions in discretionary expenditures. Certain development projects could also become unprofitable as a result of price declines, which could in turn result in the Group postponing or cancelling a planned project or, if it is not possible to cancel the project, carrying out the project with negative economic impact. In addition, the Group may face property impairments if prices fall significantly. However, higher prices do not necessarily translate into increased drilling activity since clients' expectations about future commodity prices typically drive demand for the Group's services.





As such, no assurance can be given that oil prices will remain at levels which will enable the Group to do business profitably or at levels that make it economically viable to produce from certain wells and any material decline in such prices could result in a reduction of net production volumes and revenue and a decrease in reserves and in the valuation of exploration, appraisal, development and production properties.

Additionally, adverse changes to commodity prices could reduce the Group's ability to refinance outstanding indebtedness in the event lenders or investors reduce access to liquidity in response to such adverse changes. Consequently, changes in oil and gas prices may adversely affect the Group's business, results of operations, cash flow, financial condition and prospects.

The Group's industry is highly competitive

The Group's industry is highly competitive. The Group's contracts are traditionally awarded on a competitive bid basis, with pricing often being the primary factor in determining which qualified contractor is awarded a job, although each contractor's technical capability, product and service quality and availability, responsiveness, experience, safety performance record and reputation for quality can also be key factors in the determination.

Several other oilfield service companies are larger than the Group, and have resources that are significantly greater than the Group's resources. Furthermore, the Group competes with several smaller companies capable of competing effectively on a regional or local basis. These competitors may be able to better withstand industry downturns, compete on the basis of price, and acquire and implement new equipment and technologies. Should the Group not be able to compete effectively, this could adversely affect the Group's revenues and profitability.

For most of its businesses, the Group is primarily awarded contracts by participating in tender processes. However, some of the Group's contracts are entered into following direct negotiations with clients. Where the Group tenders for contracts, it is generally difficult to predict whether the

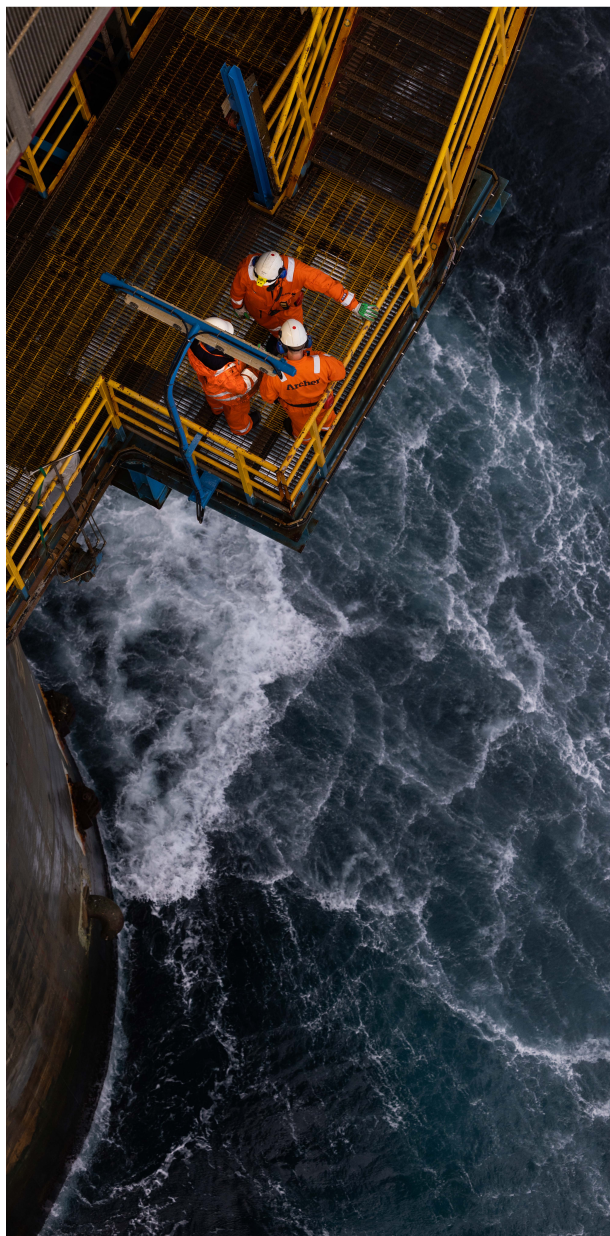
Group will be awarded contracts on favourable terms or at all. The tenders are affected by several factors beyond the Group's control, such as market conditions, competition (including the intensity of the competition in a particular market), financing arrangements and governmental approvals required by clients. The Group's ability to renew or extend existing contracts or sign new contracts will largely depend on prevailing market conditions. If the Group is unable to sign new contracts or if new contracts are entered into at rates or prices substantially below the current cost levels or on terms otherwise less favorable compared to existing contract terms, the Group's business, results of operations, cash flow and financial condition may be adversely affected.

The Group's Argentina operations could be affected by government action

The Group's land drilling division provides drilling and workover services to operators in Argentina, and these operations accounted for approximately 25% of the Group's total revenues in 2025. Argentina's has in the past defaulted on its sovereign debt, and from time-to-time imposed capital restrictions, both leading to a challenging situation for the oil and gas sector in the country, including the oil service industry. How the government of Argentina invests in the energy sector, makes changes to employment and labour legislation, and formulates policy around taxation, currency control and exchange, national debt repayment and commodity pricing could all have a significant effect on the Group's business in Argentina.

For instance, the Argentinean government continue to impose strict capital controls, including restrictions on payment to related parties for services rendered. This restricts payment from Argentinean Archer entities to non-Argentinean Archer entities using the official foreign exchange market rates. Until these capital controls are lifted, there is a risk that the Group will not be in a position to freely utilise cash generated from its Argentinean operation, to settle internal bareboat obligations to other Group companies outside Argentina, to support the rest of the Group's activity.

Argentina has recently taken significant steps to support the development of its oil and gas resources, focusing primarily on the massive Vaca Muerta shale formation. Recent initiatives include investments in pipeline expansion, legislative reforms and sanctioning of LNG export infrastructure projects. These measures aim to transform Argentina into a significant player in the global energy market while bolstering domestic energy security. Should the government be unsuccessful in the implementation of these measures, either through financing constraints, policy reversal or delays in the approval processes, there would be lower demand for Archer's services in Argentina, which could have an adverse effect on both activity levels and profitability in the Group's Argentinian operation.



The Group may pursue acquisitions that prove unsuccessful or divert its resources

Acquisitions have historically been, and may continue to be, important for the growth of the Group's business, and the Group may consider making strategic merger and acquisitions to support further growth and profitability. During 2024, the Company acquired 65% of the shares in Vertical Services AS, 100% of the shares in Moreld Ocean Wind, 100% of the shares in ADA Argentina, and an additional 10% of the shares in Iceland Drilling. Furthermore, in November 2024, the Company completed the acquisition of Wellbore Fishing & Rental Tools, LLC. In 2025, the Company acquired Wellconnection Norway AS, Well Maching AS and Premium Oilfield Services LLC. There is a risk that the Group will not be able to successfully integrate these companies into the Group, or that any of the other risks set out in the below paragraphs may materialize with respect to the acquisition of acquired businesses.

Successful growth through acquisitions is dependent upon the Company's ability to identify suitable acquisition targets, conduct appropriate due diligence, negotiate transactions on favorable terms and ultimately complete such acquisitions and integrate acquired entities, including retaining key personnel. There can be no assurance that acquisition opportunities will be available on acceptable terms or at all, or that the Group will be able to obtain necessary financing or regulatory approvals to complete potential acquisitions. Its assessment of and assumptions regarding acquisition targets may prove to be incorrect, and actual developments may differ significantly from expectations. The Group may not be able to integrate acquisitions successfully, synergies may not be realized, and integration may require greater investment and time than anticipated. Additionally, any acquisitions completed by the Group may result in unintended consequences, for example, if significant liabilities are not identified during due diligence or come to light after the expiration of any applicable warranty or indemnity periods.

Additionally, the process of integrating the business of the targets may be disruptive to the Group's operations, as a result of, among other things, unforeseen legal, regulatory,

contractual and other issues, including or following disputes with minority shareholders, and difficulties in realizing operating synergies, which could adversely affect its results of operations. Moreover, successful integration of the targets may place a significant burden on management and other internal resources. The diversion of management's attention, and any difficulties encountered in the transition and integration process, could harm the Group's business, financial condition and results of operations.

The Group may pursue divestments that may not achieve the intended strategic or financial outcomes

As part of its ongoing portfolio management, the Group may from time to time pursue divestments of businesses, assets or operations that are no longer considered core to its strategy, that operate in markets with declining activity, or where the Group seeks to reallocate capital and management resources. Divestments may support the Group's strategic focus and risk profile; however, there can be no assurance that any divestment will be completed on acceptable terms or achieve the intended strategic, operational or financial outcomes.

During 2025, the Group completed the sale of part of its land drilling operations during Q2 2025 and initiated and completed the divestment of its remaining workover and pulling unit business in the southern part of Argentina in January 2026, transactions that resulted in recognized losses. The final financial outcome of final divestments may differ from estimates and may be recognized in periods following completion of the transaction.

Divestments involve inherent risks, including the risk that assets or businesses are sold at valuations below their carrying amounts or management's expectations, resulting in impairment losses or losses on sale. The timing, pricing and structure of divestments may be adversely affected by market conditions, buyer demand, regulatory approvals, contractual restrictions, employee matters and other factors outside the Group's control. In addition, the Group may retain certain liabilities, indemnities, guarantees or



other contingent obligations following a divestment, or be exposed to claims or disputes relating to periods prior to completion.

The execution of divestments may also be complex and resource-intensive and could divert management attention from the Group's ongoing operations. Separating assets, contracts, systems and personnel may give rise to unforeseen legal, regulatory, tax, operational or labor-related issues, which could adversely affect the Group's business.

If the Group is unable to execute divestments on acceptable terms, if divestments result in greater-than-expected losses or retained liabilities, or if the anticipated benefits are not realized, this could have a material adverse effect on the Group's business, results of operations, cash flows, financial condition and prospects.

A small number of customers account for a significant portion of the Group's total operating revenues

The Group derives a significant amount of its total operating revenues from a few energy companies. In the year ended 31 December 2025, Equinor and Pan American Energy accounted for approximately 30.7% and 15.8% of the Group's total operating revenues, respectively. During the year ended 31 December 2024, contracts from Equinor and Pan American Energy accounted for 31.8% and 22.3% of the Group's total operating revenues, respectively. Consequently, the Group's financial condition and results of operations will be materially adversely affected if these customers interrupt or curtail their activities, terminate their contracts with the Group, fail to renew their existing contracts or make timely payments under existing contract, or refuse to award new contracts to the Group, and the Group is unable to enter into contracts with new customers at comparable day rates. As such, the loss of any significant customer could adversely affect the Group's financial condition and results of operations.

An oversupply of comparable rigs in the geographic markets in which the Group competes could depress the utilization rates and day rates for its rigs

Utilization rates, which are the number of days a rig actually works divided by the number of days the rig is available for work, and day rates, which are the contract prices customers pay for rigs per day, are also affected by the total supply of comparable rigs available for service in the geographic markets in which the Group competes. Improvements in demand in a geographic market may cause the Group's competitors to respond by moving competing rigs into the market, thus intensifying price competition. Significant new rig construction could also intensify price competition. In the past, there have been prolonged periods of rig oversupply with correspondingly depressed utilization rates and day rates largely due to earlier, speculative construction of new rigs. Improvements in day rates and expectations of longer-term, sustained improvements in utilization rates and day rates for drilling rigs may lead to construction of new rigs. Furthermore, these increases in the supply of rigs could also depress the utilization rates and day rates for the Group's modular rigs and thus materially reduce the Group's revenues and profitability for this segment. The Group's land drilling operations in Argentina are particularly exposed to the aforementioned risks.

The Group will experience reduced profitability if its customers reduce activity levels or terminate or seek to renegotiate their contracts with the Group

Currently, the Group's drilling services contracts with major customers are largely day rate contracts, pursuant to which the Group charges a fixed charge per day regardless of the number of days needed to drill the well. Likewise, under the Group's current well services contracts, the Group charges a fixed daily fee. During depressed market conditions, a customer may no longer need services that are currently under contract or may be able to obtain comparable services at a lower daily rate. As a result, customers may seek to renegotiate the terms of their existing platform drilling contracts with the Group or avoid their obligations under such contracts. In addition, the Group's customers

may have the right to terminate, or may seek to renegotiate, existing contracts if the Group experiences downtime, operational problems above the contractual limit or safety-related issues or in other specified circumstances, which include events beyond the control of either party.

The Group's total backlog, including contract extension options, is estimated at \$3.6 billion. This estimate is subject to change as operators may revise the scope of work or terminate existing contracts, and there is no assurance that contract extension options will be exercised. Changes to work scope, non-exercise of extension options, or contract terminations could potentially impact the Group's annual revenue by up to 50% over the next 3–4 years.

Further, some of the Group's contracts with its customers include terms allowing the customer to terminate the contracts without cause, with little or no prior notice and without penalty or early termination payments. In addition, under some of its existing contracts, the Group could be required to pay penalties if such contracts are terminated due to downtime, operational problems or failure to perform by the Group. Some of the Group's other contracts with customers may be cancellable at the option of the customer upon payment of a penalty, which may not fully compensate the Group for the loss of the contract. Early termination of a contract may result in the Group's employees being idle for an extended period of time. If the Group's customers cancel or require the Group to renegotiate some of its significant contracts, and the Group is unable to secure new contracts on substantially similar terms, or if contracts are suspended for an extended period of time, the Group's revenues and profitability would be materially reduced.

Exploration and production operations involve numerous operational risks and hazards

Substantially all of the Group's operations are subject to hazards that are customary for exploration and production activity, including blow outs, reservoir damage, loss of well control, cratering, oil and gas well fires and explosions, natural disasters, pollution and mechanical failure. Any of these risks could result in damage to or destruction of



drilling equipment, personal injury and property damage, suspension of operations, or environmental damage, and may subject the Company to claims and litigation.

To the extent that the Group is unable to transfer risks such as the above-mentioned to customers by contract or indemnification agreements, the Group generally seeks protection through customary insurance to protect its business against these potential losses. However, there is no assurance that such insurance or indemnification agreements will adequately protect the Group against liability from all of the consequences of the hazards and risks described above. The occurrence of an event for which the Group is not fully insured or indemnified against, or the failure of a customer or insurer to meet its indemnification or insurance obligations, could result in substantial losses.

The Group almost invariably transfer the following risks to clients (i) pollution/contamination/reservoir risk, (ii) injury/death to their personnel, (iii) damage to their owned property, and (iv) blowouts/uncontrolled flow of hydrocarbons. There are some contracts in some jurisdictions where it is more common to impose a 'deductible' for these events with an indemnity over that sum, or where an indemnity is excluded for the Group's own gross negligence or willful misconduct (either by contract or operation of law). The Group insures for and generally takes the risks for its own property, personnel, and pollution/contamination emanating or existing on its own property. The Group insures for all these events.



Risks relating to cyber-attacks

The Group relies heavily on technology and data systems in order to conduct its operations. The Group's software, technology, data, websites or networks, as well as those of third parties, are vulnerable to security breaches, including unauthorised access, computer viruses or other cyber threats that could have a security impact. Although the Group has implemented security systems, the Group may not be able to prevent cyber-attacks, such as phishing and hacking, or prevent breaches caused by employee error, in a timely manner or at all. If such events occur, unauthorised persons may access or manipulate confidential and proprietary information of the Group, destroy or cause interruptions in the Group's data systems which in turn could adversely hamper the Group's ability to execute projects and otherwise conduct its business.

Consequently, cyber-attacks or breaches negatively affecting the Group's data systems could have a material adverse effect on the Group's business, financial condition and results of operations.

Operational and environmental challenges in offshore wind development

Through the acquisition of Moreld Ocean Wind, renamed Archer Wind, the Group has entered the early-stage development of offshore wind solutions. In August 2024, the Group was awarded a contract by TotalEnergies to deliver a floating wind foundation for a pilot project intended to supply power to the Culzean platform in the United Kingdom.

Floating offshore wind remains an emerging industry, and the development and installation of new technical concepts involve significant operational, technical, environmental and commercial risks. These risks include engineering challenges, cost overruns, delays, adverse weather conditions, supply chain constraints and potential technology failure, any of which could adversely affect the Group's financial performance and offshore wind activities.

Future activity will depend on the successful construction, installation and performance of the pilot concept. If the



concept proves technically or commercially unviable, or if regulatory, funding or market conditions are unfavorable, the Group may not pursue further offshore wind development.

Risks related to dependency on suppliers and subcontractors in the Group's business

The Group relies on a range of suppliers and subcontractors for critical equipment, materials, specialized services, and labour required to deliver its drilling and well services. Any disruption in the supply of these goods or services, whether due to supplier insolvency, supply chain interruptions, price fluctuations, or subcontractor performance issues, could negatively impact the Group's operations and ability to fulfill contractual obligations. Additionally, the Group may be dependent on a limited number of suppliers or subcontractors for certain key components or specialized tasks, which increases the risk of delays or disruptions if these parties are unable to meet the Group's demands. Reputational risks also arise if the performance or reliability of suppliers and subcontractors falls short of expectations, particularly with key clients. Failure to meet project deadlines or contractual obligations, as well as reputational damage from these parties' failures, could undermine client trust and affect future business opportunities. If any such disruptions or reputational issues occur, they could adversely affect the Group's business, operations, financial performance, and ability to meet project deadlines and contractual obligations.

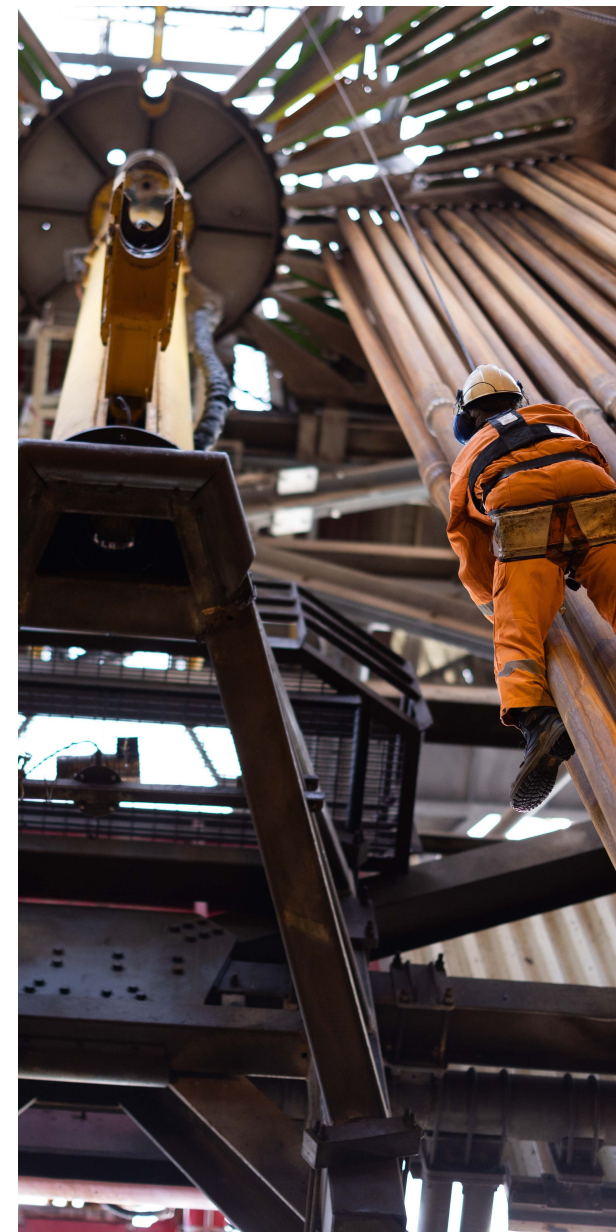
Risks relating to trade tariffs

Archer operates in a global economic environment where trade policies, including the imposition of tariffs and other trade restrictions, can significantly impact financial markets and demand for services. Government actions affecting international trade, including new or increased tariffs, trade barriers, sanctions, or other restrictions, may influence the overall economic climate and Archer Limited's operational performance.

Trade tariffs can create volatility in financial markets, leading to fluctuations in currency exchange rates, interest rates,

and commodity prices. Such volatility may impact Archer's cost structure, financing capabilities, and overall financial stability. Additionally, trade disputes between major economies can result in decreased investor confidence, affecting capital availability and market valuation.

The imposition of tariffs on key raw materials and finished goods used in our industry may increase operational costs for our clients, leading to potential reductions in demand for Archer's services. Tariff-related uncertainties may also cause delays or cancellations in investment decisions, further impacting our revenue streams. Furthermore, retaliatory tariffs imposed by other nations could limit market access for key customers, indirectly reducing the demand for our services.





Risks related to law, regulation and litigation

Risks related to the Group's international operations

The Group has had operations in 40 countries in Asia, Oceania, Europe, North America, South America, the Middle East and Africa, and may expand into new countries and geographies in the future. As such, the Group's operations are subject to various laws and regulations in the countries in which it operates, whose political and compliance regimes differ. Part of the Group's strategy is to prudently and opportunistically acquire businesses and assets that complement the Group's existing products and services and to expand the Group's geographic footprint. There can, however, be no assurance that that Group will be able to successfully integrate businesses or assets acquired in the future (domestic or abroad), and there is a risk that substantial costs, delays, business disruptions or other issues could arise in connection with such acquisitions, which in turn could have a material adverse effect on the Group. Further, if the Group makes acquisitions in other countries, the Group may increase its exposure to various risks, such as unexpected changes in regulatory requirements, foreign currency fluctuations and devaluation, increased governmental ownership and regulation of the economy in markets in which the Group operates, and other forms of government regulations beyond the Group's control. Governments in some foreign countries have become increasingly active in regulating and controlling the ownership of concessions and companies holding concessions, the exploration for oil and natural gas, and other aspects of their countries' oil and natural gas industries. In some areas of the world, this governmental activity has adversely affected the amount of exploration and development work done by major oil and natural gas companies and may continue to do so. For instance, the Company has observed certain foreign exchange restrictions in Argentina and Angola, an increase of local content legislation in West Africa and more challenging contracting practices by national oil companies (NOCs) in e.g. Brazil, United Arab Emirates and Malaysia.

Further, in some of the foreign jurisdictions in which the Group operates, or may operate in the future, the Group is subject to foreign governmental regulations favouring or requiring the awarding of contracts to local contractors or requiring foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. These regulations may adversely affect the Group's ability to compete.

The risks described above could cause the Group to curtail or terminate operations, result in the loss of personnel or assets, disrupt financial and commercial markets, and generate greater political and economic instability in some of the geographic areas in which the Group operates. Further, there can be no assurance that the Group will be able to comply with applicable regulations in all countries in which it operates or that the Group can do so without incurring unexpected costs. If these or other risks related to the Group's international operations cannot be effectively managed, the business, financial condition and results of operations of the Group may be materially affected.

The Group is subject to governmental laws and regulations, some of which may impose significant liability on the Group

Many aspects of the Group's operations are subject to laws and regulations that relate, directly or indirectly, to the oilfield services industry, including laws requiring the Group to control the discharge of oil and other contaminants into the environment, requiring removal and clean-up of materials that may harm the environment, controlling carbon dioxide emissions or otherwise relating to environmental protection. The Group incurs, and expects to continue to incur, capital and operating costs to comply with environmental laws and regulations.

Although the Group actively works towards minimizing the risk of damage to the environment as a result of its operations, there are still risks of environmental damage and negative consequences for the Group. Failure to comply with environmental laws and regulations may result in the assessment of administrative, civil and even criminal penalties, the imposition of remedial obligations, and the

issuance of injunctions that may limit or prohibit the Group's operations. The technical requirements of environmental laws and regulations are becoming increasingly expensive, complex and stringent. The application of these requirements, the modification of existing laws or regulations or the adoption of new laws or regulations curtailing exploration and production activity could materially limit the Group's future contract opportunities, limit the Group's activities or the activities and levels of capital spending by the Group's customers, or materially increase the Group's costs.

Failure by the Group to comply with anti-bribery laws may have a negative impact on its ongoing operations

The Group operates in countries, and may expand its operation into new countries, known to experience governmental corruption, as indicated by Transparency International's Corruption Perception Index, such as Angola, Azerbaijan, Brazil, and Indonesia. While the Group is committed to conducting business in a legal and ethical manner, there is a risk that its employees or agents or those of its affiliates may take actions that violate legislation promulgated by a number of countries pursuant to the 1997 OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or other applicable anti-corruption laws which generally prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business. Any failure to comply with the anti-bribery laws could subject the Group to fines, sanctions and other penalties against it which could have a material adverse impact on the Group's business, financial condition and results of operations.

The Group is exposed to risk due to changes in tax laws or tax practice of any jurisdiction in which the Group operates

The Company is a Bermuda company and, as such, the Company is not required to pay taxes in Bermuda on income or capital gains pursuant to current Bermuda law. However, in December 2023, Bermuda implemented corporate



income tax, effective for fiscal years beginning on or after 1 January 2025. The Bermuda income tax rules are intended to align to the Organisation for Economic Co-operation and Development's global anti-base erosion (GloBE) rules to support consistent and predictable tax outcomes. The calculation of taxable income begins with financial fluctuation and restrictions on currency repatriation where possible by obtaining contracts providing for payment of a percentage of the contract indexed to the U.S. dollar exchange rate. Consequently, fluctuations between USD, NOK, Argentine Pesos, British pounds, and other currencies, may have a material adverse effect on the Group's cash flow and financial condition.

Risks related to labour disruptions

Union activity and general labour unrest may significantly affect the Group's operations in some jurisdictions. In Argentina and Brazil, which are countries where the Group operates, labour organizations have substantial support and considerable political influence. The demands of labour organizations in Argentina have increased in recent years as a result of the general labour unrest and dissatisfaction resulting from the disparity between the cost of living and salaries in Argentina due to the devaluation of the Argentine Peso. Should the Group's operations in Argentina, or in other countries in which the Group operates, face labour disruptions in the future, this could have a material adverse effect on the Group's financial condition and results of operations.

Risks relating to legal disputes

The Group may from time to time become involved in significant legal disputes and legal proceedings relating to operations, environmental issues, intellectual property rights or otherwise. By way of illustration, and as concerns intellectual property rights, third parties could assert that the tools, techniques, methodologies, programs and components the Group uses to provide its services infringe upon the intellectual property rights of others. Infringement claims generally result in significant legal and other costs and may distract management from running the Group's core business. Additionally, if any of these claims were to

be successful, developing non-infringing technologies and/or making royalty payments under licenses from third parties, if available, would increase the Group's costs.

Furthermore, legal proceedings could be ruled against the Group and the Group could be required to, inter alia, pay damages, halt its operations, stop its projects or relinquish licences. Even if the Group would ultimately prevail, which cannot be assured, such disputes and litigation may have a substantially negative effect on the Group, its financial condition, cash flow, prospects and/or its operations.

The Group has not in recent years had any significant legal disputes or legal proceedings.





Risks related to financial matters

The Group may be unable to access sufficient funding.

The Group is dependent on timely access to sufficient funding on acceptable terms, in order to execute the Group's strategy and optimise the Group's asset portfolio through acquisitions, which may be difficult to achieve if the Group faces an economic downturn or in the event of a general economic downturn. Any difficulty the Group may encounter in securing adequate sources of short and long-term funding could hamper future merger and acquisition opportunities and other growth opportunities, and as such adversely affect the Group.

Risks relating to the Group's financing arrangement

The Group refinanced its existing first lien facility and the second lien bonds in 2025. The new financing arrangement contains various restrictive covenants, including change of control clauses, and undertakings that limit the discretion of the Group's management in operating the Group's business. In particular, these covenants limit the Group's ability to, among other things:

- provide loans or other financial support to third parties, joint ventures and other investment vehicles;
- acquire companies or assets, including a yearly basket amount that can be freely used to acquire companies, and for acquisitions outside these are restricted to those funded by equity or which meet specific criteria in relation to EBITDA, etc;
- incur or guarantee additional indebtedness;
- pay dividends, redeem or repurchase stock, prepay, redeem or repurchase other debt or make other restricted payments;
- use proceeds from asset sales, new indebtedness or equity issuances for general corporate purposes or investment into its business;
- invest in joint ventures;
- create or incur liens;
- enter into transactions with affiliates;

- sell assets or consolidate or merge with or into other companies; and enter into new lines of business.

The Group's continued ability to incur additional debt and to conduct business in general is subject to the Group's compliance with the above-mentioned covenants, which limit the discretion of management in operating the Group's business and that, in turn, could impair the Group's ability to meet its obligations. Breaches of these covenants could result in defaults under the applicable debt instruments and could trigger defaults under any of the Group's other indebtedness that is cross defaulted against such instruments, even if the Group meets its payment obligations. In particular, the first lien facility includes a change of control clause which, if triggered, will, inter alia, entitle a lender or guarantee facility bank to require repayment under the first lien facility, and also entitle a lender to cancel its commitment under the first lien facility. Financial and other covenants that limit the Group's operational flexibility, as well as defaults resulting from breach of any of these covenants, could have a material adverse effect Group's business, results of operations, cash flows, financial condition and prospects.

The Group's results of operations may be adversely affected by currency fluctuations

The Group's reporting currency is US Dollars, but the Group receives revenues and incur expenditures in other currencies due to its international operations, mainly Argentine Pesos, Norwegian kroner, and British pounds. As such, the Group is exposed to foreign currency exchange movements in both transactions that are denominated in currency other than US dollars and in translating consolidated subsidiaries who do not have a functional currency of US dollars. For the financial year 2025, the Group recognized net foreign exchange gain of \$8.9 million in its consolidated income statement (2024: \$20.9 million). The Group attempts to limit the risks of currency fluctuation and restrictions on currency repatriation where possible by obtaining contracts providing for payment of a percentage of the contract indexed to the US dollar exchange rate. To the extent possible, the Group seeks to limit its exposure

to local currencies by matching the acceptance of local currencies to the Group's local expense requirements in those currencies. However, there can be no assurance that future hedging arrangements will be effective. Consequently, fluctuations between USD, NOK, Argentine Pesos, British pounds, and other currencies, may have a material adverse effect on the Group's cash flow and financial condition.

The Group currently has a significant level of debt and could incur additional debt in the future

As of 31 December 2025, the Group had total outstanding interest-bearing debt of \$467.9 million. This debt represented 44% of the Group's total assets. The Group's current debt and the limitations imposed on the Group by the Refinancing or any future debt agreements could have significant adverse consequences for the Group's business and future prospects, including the following:

- limit the Group's ability to obtain necessary financing in the future for working capital, capital expenditure, acquisitions, debt services requirements or other purposes;
- make it difficult for the Group to repay the debt as it comes due, obtain extension of maturities or secure sufficient refinancing;
- require the Group to dedicate a substantial portion of its cash flow from operations to payments of principal and interest on its debt;
- make the Group more vulnerable during downturns in its business and limit its ability to take advantage of significant business opportunities and to react to changes in the Group's business and in market or industry conditions; and
- place the Group at a competitive disadvantage compared to competitors that have less debt.

If the Group's operating income is not sufficient to service its current or future indebtedness, the Group may be forced to take action such as reducing or delaying its business activities, acquisitions, investments or capital expenditures,



selling assets, restructuring or refinancing its debt or seeking additional equity capital, which in turn could materially and adversely affect the business of the Group

Risk related to the outlook

The Group's future results may differ materially from what is expressed and the Group's financial outlook for the year ending 31 December 2025 reflects various material assumptions some of which are outside management's control. These, and the other assumptions, may or may not prove to be correct. The outlook has been prepared in accordance with the Group's ordinary forecasting procedures which have been prepared in accordance with the Company's accounting policies and on a basis comparable to the historical financial information. However, the forecast of consolidated financial information is based on estimates made by the Group based on assumptions about future events, including the acquisition of Premium Oilfield Services LLC. Certain of the assumptions, uncertainties and contingencies relating to the forecast of consolidated financial information and the projections of financial targets are wholly or partially within the Group's control, while others are outside or substantially outside of its control.

The Group has recorded substantial goodwill subject to periodic reviews of impairment

The Group performs purchase price allocations to intangible assets when it makes acquisitions. The excess of the purchase price after allocation of fair values to tangible assets is allocated to identifiable intangibles and thereafter to goodwill. The value of the Group's goodwill is material, and amounted to \$196.2 million, equivalent to approximately 18% of the asset values in the balance sheet, as per 31 December 2025. As of 31 December 2024, the goodwill amounted to \$174.0 million, equivalent to 17% of the values in the balance sheet. The Group is required to conduct periodic reviews of goodwill for impairment in value. The testing of the valuation of goodwill requires judgment and assumptions to be made in connection with the future performance of the various components of the Group's business operations and may significantly impact

any subsequent impairment charge. Any impairment would result in a non-cash charge against earnings in the period reviewed, which may or may not create a tax benefit, and would cause a corresponding decrease in shareholders' equity. In the event that market conditions deteriorate or there is a prolonged downturn, the Group may be required to record an impairment of goodwill, and such impairment could be material.

The Group has recorded substantial values related to rigs and equipment, which values fluctuate over time and which are subject to periodic review of impairment

The Group's Property Plant and Equipment, primarily consisting of rigs and equipment used in its international drilling operations, have been recorded in the balance sheet at substantial values. These assets are subject to periodic impairment reviews, conducted whenever events or changes in circumstances indicate that their carrying value may not be recoverable, and at least annually as part of the Group's reporting process. As of 31 December 2025, the carrying value of the Group's Property Plant and Equipment is \$324.9 million. The recoverable value of the rigs are determined based on factors such as market conditions, demand for oil and gas services, technological advancements, and other operational considerations. The Group uses various methods, involving estimated future cashflows and independent broker valuations, to estimate the fair value of these assets, which involve significant judgment. If the carrying value of these assets exceeds their recoverable amount, an impairment charge may be recognized, potentially affecting the Group's profitability, net assets, and financial performance. Fluctuations in market conditions, changes in commodity prices, or technological developments could further reduce the value of the Group's rigs and equipment, even if previously considered recoverable. Additional impairment charges, if incurred, could adversely affect the Group's financial condition.

Risks Relating to the Shares

Future issues of Shares may dilute the holdings of Shareholders

The Company may decide to offer additional Shares in the future, to finance new capital-intensive projects, to pursue merger and acquisition opportunities, in connection with unanticipated liabilities of expenses, for the purpose of delivering shares under employee incentive programs or for any other purposes. As the Company is a Bermuda exempted company limited by shares, shareholders do not have the same preferential rights in a future offering in the Company as shareholders in Norwegian limited liability companies listed on the Oslo Stock Exchange normally have. Depending on the structure of any future offering, certain existing shareholders may therefore not be able to purchase additional equity securities, meaning that these shareholders' holding and voting interest may be diluted.

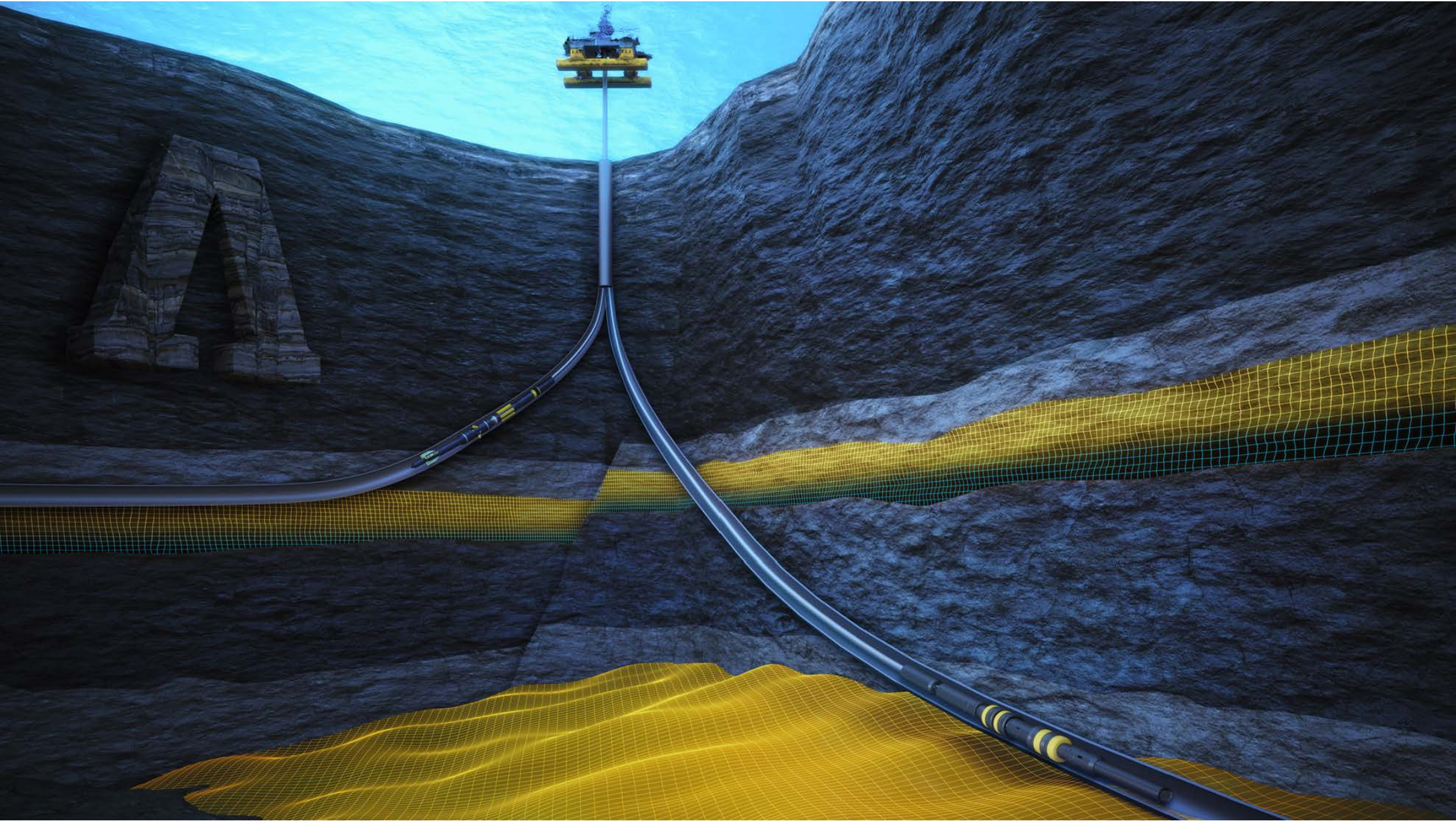
Shareholder distributions are subject to change and are not guaranteed

In 2025, the Company initiated a quarterly shareholder distribution program as part of its capital allocation framework. The level, timing and form of any future shareholder distributions, including dividends or share repurchases, are subject to the discretion of the Board of Directors and will depend on a number of factors, including the Company's financial performance, cash flow generation, capital requirements, investment opportunities, balance sheet strength, debt service obligations and covenants, applicable legal restrictions, and prevailing market and industry conditions.

There can be no assurance that the Company will maintain the current level of shareholder distributions or that distributions will continue on a quarterly basis or at all. The Board of Directors may, at its discretion, reduce, suspend or discontinue shareholder distributions at any time, including in response to changes in the Company's financial condition, liquidity position, capital allocation priorities or external market conditions.

Accordingly, shareholders should not rely on the continuation of the current distribution level or on the Company's ability to make distributions in future periods.

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Share capital issues and Corporate Governance

Share Capital issues

At 31 December 2025, the number of shares issued was 99,495,398 corresponding to a share capital of \$994,953.98. At 31 December 2025, our authorised share capital was \$1,500,000 consisting of 150,000,000 shares each with a par value of \$0.01. All of our shares are of the same class.

The issued shares are fully paid, and all issued shares represent capital in the company. The shares are equal in all respects and each share carries one vote at our General Meeting of shareholders. None of our shareholders have different voting rights. The Board is not aware of any other shareholders agreements or any take-over bids during the year.

All of our issued shares are listed on the Oslo Stock Exchange and the split of the shareholders, as registered in the Norwegian Central Securities Depository (VPS), was as per the table below.

Shareholder overview as of 31 December 2025

Hemen Holding Limited	30.6%
Morgan Stanley & Co. Int. Pic.	5.1%
Euroclear Bank S.A./N.V.	4.6%
Others	59.4%

Corporate governance

The Board has reviewed our compliance with various rules and regulations, such as the Norwegian Accounting Act, the Norwegian Code of Practice for Corporate Governance, as well as the respective Bermuda law. A detailed discussion of each item can be found in the compliance section of this annual report in Appendix A. The Board believes that we are in compliance with the rules and regulations except for certain sections where the reasons for this noncompliance are provided.





Board of Directors

Composition of the Board

Overall responsibility for the management of Archer Limited and its subsidiaries rests with the Board. Our bye-laws provide that the Board shall consist of a minimum of two directors and the shareholders have currently approved a maximum of nine directors. One of the directors is elected to act as chairman at each Board meeting. Archer maintains Directors & Officers liability insurance against liabilities incurred in their capacity as Director or officer. The policy has a limit of \$40 million.

Archer Limited's business address at Par-la-Ville Place, 14 Par-la-Ville Road, Hamilton HM 08, Bermuda, serves as c/o addresses for the members of the Board in relation to their directorships of the company.

Board competences and diversity

The Board has identified several key competences needed within the Board to fulfil its responsibilities; operations, finance and accounting, ESG, risk management, global leadership and board service in stock listed companies.

Currently, the Board consists of six directors, none of which are members of the registered management of the company. The current split is not considered to be equal gender representation on the Board according to Section 8 of the Norwegian code of practice, however in accordance with the company laws of Bermuda.

Ref	Indicator	Unit	2025
GOV-1 §21a	Number of executive members	#	0
GOV-1 §21a	Number of non-executive members	#	6
GOV-1 §21b	Number of employees in the company	#	0
GOV-1 §21e	Percentage of independent Board members	%	83
GOV-1 §21d	Percentage of women	%	0
GOV-1 §21d	Percentage of men	%	100

Skills and expertise within ESG-related matters

When evaluating Board candidates, the Board assesses both their ESG-related expertise and that of the existing Board members to ensure the Board collectively maintains a relevant level of competence in sustainability matters.

The Audit Committee oversees sustainability-related matters in external reporting, including discussions on Archer's CSRD double materiality assessment. This involvement enhances the Committee members' expertise in assessing material sustainability impacts, risks, and opportunities.

Board independence

The Chairman of the company's six-member Board of Directors is elected by the Board of Directors and not by the shareholders as recommended in the Norwegian Code of Practice. This is in compliance with normal procedures under Bermuda law.





James O'Shaughnessy

Director

James O'Shaughnessy has served as Director and Chairman of the Audit Committee since September 2018.

O'Shaughnessy served as an Executive Vice President, Chief Accounting Officer and Corporate Controller of Axis Capital Holdings Limited up to March 2019. Prior to that Mr. O'Shaughnessy has amongst others served as Chief Financial Officer of Flagstone Reinsurance Holdings and as Chief Accounting Officer and Senior Vice President of Scottish Re Group Ltd., and Chief Financial Officer of XL Re Ltd. at XL Group plc. Mr. O'Shaughnessy received a Bachelor of Commerce degree from University College, Cork, Ireland and is a Fellow of the Institute of Chartered Accountants of Ireland, an Associate Member of the Chartered Insurance Institute of the UK and a Chartered Director. Mr. O'Shaughnessy also serves as a director of Frontline, SFL Corporation Limited and various insurance entities.

O'Shaughnessy has relevant qualifications, experience and competence within ESG, environment, social and governance. GOV-1§21-c. O'Shaughnessy is an Irish, British and Bermudan citizen, residing in Bermuda.

Giovanni Dell' Orto

Director

Giovanni Dell' Orto was appointed as Director in February 2011.

Dell' Orto was president and chief executive officer of DLS Drilling, Logistics and Services from 1994 to August 2006; since then he remains member of the board of DLS. He is a member of the board of Energy Developments and Investments Corporation (EDIC), a company with substantial investments in the oil and gas activities in South America. Dell' Orto had a 23 years long experience in ENI, with different positions in the Institutional Relations area; in 1983 he was appointed by the Italian Government member of the board and of the Executive Committee of ENI. He also served between 1985 to 1993 as chairman and chief executive officer of Saipem, and as board member of Agip and Snam, at that time ENI's operational subsidiaries.

Dell' Orto is an Argentinean and Italian citizen and resides in Switzerland.

Jan Erik Klepsland

Director

Jan Erik Klepsland, has served as Director in Archer since October 2021 and as member of the compensation committee since December 2023.

Klepsland is an Investment Director in Seatankers Management Norway AS where he is overseeing and managing various public and private investments. He serves as a board member of Noram Drilling AS, SFL Corporation Ltd., Fortis Shipping AS and Northern Ocean Ltd. Prior to joining Seatankers, he held the position as Partner at ABG Sundal Collier and prior to that Director in Nordea.

Klepsland holds a MSc in Finance from Norwegian School of Economics (NHH), is a Norwegian citizen and resides in Oslo, Norway.



Peter J. Sharpe

Director

Peter Sharpe was appointed as a Director in November 2019 and as chairman of the compensation committee since December 2023.

Sharpe retired from Shell in 2017 after holding a diverse range of Executive Management positions at various international locations over a period of 37 years. He served as Executive Vice President of Shell for over 10 years, with responsibility for managing Shell upstream investments in well construction and maintenance globally. He served as chairman of Sirius Well Manufacturing Pte, an independent joint venture between Shell and China National Petroleum Corporation from 2012 to 2017, as a non-executive director of Xtreme Drilling and Coil Services Corporation from 2008 to 2014 and as a Director of Seadrill Ltd from 2018 to 2020.

Sharpe received a Bachelor of Science degree from the University of Hull in 1980, is a UK citizen resides in the United Kingdom.

Richard Stables

Director

Richard Stables has served as director since May 2023 and as member of the audit committee since December 2023.

He is a chartered accountant with many years' experience in banking and financial services. He was a corporate finance partner at Lazard, where he worked for 32 years until his retirement at the end of 2021. He brings a wealth of knowledge and experience of the financial markets, corporate finance and strategy. He now runs his own consultancy, Fulcrum Advisory Partners LLP, is a non-executive director of The Gym Group plc and amongst other roles is a senior advisor to Blantyre Capital Limited. Stables has relevant qualifications, experience and competence within ESG, environment, social and governance. GOV1§21-c

Stables holds an BSc in Engineering Sciences and Management from Durham University, is a British citizen and resides in England.

Derek Mathieson

Director

Derek Mathieson was appointed as Director in January 2026.

Mathieson is an experienced energy industry executive with more than 25 years of international leadership across commercial, operational, and technology roles. He spent over a decade with Baker Hughes, where he served as Chief Technology and Marketing Officer, Chief Strategy Officer, and President of Western Hemisphere Operations, and played a key role in the merger with GE Oil & Gas. Earlier in his career, he held senior positions with Wood Group and Shell, and later served as Chief Executive Officer of WellDynamics. Since 2020, Mathieson has pursued a plural career as chair and non-executive director for several UK-based technology and energy companies, including Novosound, FIS Chemicals, Logan Energy, Merlin and Innovatium.

Mathieson holds a Ph.D. in Microelectromechanical Systems, an honorary Doctorate in Engineering and a Bachelor of Engineering from Heriot-Watt University. He is a UK and US citizen and resides in Edinburgh, Scotland.





Executive management

Executive management competences and diversity GOV-1§21-d

The Executive Management team brings substantial expertise from their respective fields prior to joining the Group and has further developed sector-specific, product-related, and regional experience during their tenure. They also receive sustainability-related training from external consultants, courses and inhouse experts, as needed to support their responsibilities.

Dag Skindlo

CEO

1968, Norway, he/him

Dag Skindlo joined Archer in April 2016 as CFO before his appointment as CEO in March 2020.

Skindlo is a business-oriented executive with over 30 years in the energy industry. He joined Schlumberger in 1992 where he held various financial and operational positions before joining the Aker Group of companies in 2005 where he held several global CFO and Managing Director roles before moving to Aquamarine Subsea as CEO. Skindlo has served on the boards of several oilfield services companies, including as Chairman of Nasdaq-listed KLX Energy Services Holdings Inc. (2021–2024), and as a director of Quintana Energy Services (2016–2020), Archer Limited (2016–2019), and Paratus Energy Services from 2025.

Skindlo has relevant qualifications, experience and competence within ESG, environment, social and governance. GOV1§21-c

Skindlo is a Norwegian citizen, holds a Master of Science in Economics and Business Administration from the Norwegian School of Economy and Business Administration (NHH), and resides in Oslo, Norway.

Espen Joranger

CFO

1977, Norway, he/him

Espen Joranger joined Archer in May 2013 as the Finance Director for the North Sea Region and held the position of Archer Group Controller prior to his appointment as CFO in March 2020.

Joranger started his career with EY in Norway for 8 years, before joining Seadrill for 3 years as Director of Financial Accounting. Joranger has over 20 years of experience in the energy industry across a wide portfolio of finance, accounting, M&A, strategy, and investor relations.

Joranger has relevant qualifications, experience and competence within ESG, environment, social and governance. GOV1§21-c

Joranger is a state authorized Public Accountant from the Norwegian School of Economics and Business Administration (NHH), is a Norwegian citizen, and resides in Bryne, Norway.

Adam Todd

General Counsel

1977, Canada, he/him

Adam Todd was appointed General Counsel of Archer in September 2017.

He started his career in 2003 with Canadian law firms in Calgary, Alberta before joining Aker Solutions in 2009 where he held various senior corporate legal positions in both Oslo and London. Todd brings with him over 20 years of international experience advising on major global oil and gas projects, cross border M&A, litigation and dispute resolution, compliance, and corporate governance matters.

Todd has relevant qualifications, experience and competence within ESG, environment, social and governance.

Todd holds a Juris Doctor from the University of Alberta, is a Canadian citizen, and resides in Oslo, Norway



Gerardo Molinaro

Executive Vice President Land Drilling

Gerardo Molinaro joined Archer as CFO of Land Drilling in 2018 and was appointed Executive Vice President – Land Drilling in December 2022.

He has 40 years of professional experience from executive positions with San Antonio International, and from large corporations such as Arcor, Cencosud, Bemberg, and Deloitte. Molinaro brings extensive industrial, strategic, and management expertise in multinational companies and the energy industry in Latin America.

Molinaro is a Certified Public Accountant and holds a degree in Business Administration from the University of Buenos Aires, is an Argentinian citizen, and resides in Buenos Aires, Argentina.

Alexander Olsson

Executive Vice President Platform Operations

Alexander Olsson was appointed Executive Vice President – Platform Operations for Archer in October 2023.

He brings with him more than 20 years of professional experience from the international energy industry. Before joining Archer, Olsson worked at Weatherford for 18 years, where he held multiple senior management roles with an international portfolio, most recently as VP Completions and earlier as VP of North Sea & Sub-Saharan Africa.

Olsson holds a Master of Mechanical Engineering degree from the Royal Institute of Technology in Stockholm, Sweden, is a Swedish citizen, and resides in London, United Kingdom.

Nicholas Pantin

Executive Vice President Well Services

Nicholas Pantin joined Archer as part of their Oiltools segment in August 2019 and was appointed the Executive Vice President of Archer's Well Services Division in October 2023.

He has more than 25 years of professional experience joining Schlumberger in 1998. He spent 7 years at the Schlumberger headquarters in Paris, where his last role was head of global product and service delivery before joining Archer.

Pantin holds a bachelor's degree in electrical engineering from the University of the West Indies he is a national of Trinidad and Tobago and resides in Stavanger, Norway

Charlotte Berge

Executive Vice President Renewables

Charlotte Berge joined Archer in August 2025 as EVP Renewables.

Berge has over 30 years international experience spanning energy, renewable, technology and aerospace industries, including senior executive roles at Hydro Havrand and Lundin Energy. She started her career in the US in 1994 before returning to Norway in 2003 to join Aker Solutions. In 2010 Charlotte joined Equinor and held senior project positions for the Gudrun and Johan Sverdrup Field Developments before her role as Field Development Director for Lundin Energy and CPO for Hydro Havrand. Throughout her career, Berge has led large-scale, multi-billion dollar field developments, digital transformations, and sustainability initiatives.

Berge is both a Norwegian and US citizen, holds a MSc in Mechanical Engineering from the Norwegian Institute of Technology and a BSc from the University of Texas at Austin.



Board of Directors Report: Sustainability Statement





General

BP-1

General basis for preparation of sustainability statements

The purpose of Archer's sustainability reporting is to provide investors, banks, clients, and other stakeholders with a fair and balanced picture of relevant aspects, engagements, practices, and results of sustainability matters as of 31 December, 2025.

Consolidation

The sustainability statement has been prepared on the same consolidated basis as the financial statements. For details on the group companies included in the consolidation, refer to Note 37 Subsidiaries in the financial statements.

Operations acquired during the reporting year are included in the sustainability statement for the period they were under control by Archer, unless otherwise specified. Metrics from consolidated subsidiaries that were previously joint ventures are reported as investments until the date control was achieved, unless stated otherwise.

Sustainability information related to business relationships in non-consolidated entities, including Archer's upstream and downstream value chain, are defined in the value chain illustration and the overview of where our material impacts, risks and opportunities occur under SBM-3.

The sustainability statement covers the reporting period from 1 January to 31 December 2025. Archer has not opted to omit information based on intellectual property, know-how or the results of innovation in the Sustainability Statement 2025.

Framework and data selection

Archer's sustainability statement is prepared in compliance with the European Sustainability Reporting Standards (ESRS) adopted by the European Commission under the Corporate Sustainability Reporting Directive (CSRD). All the data points included in the E, S, and G sections have been assessed as material according to our double materiality assessment (DMA). Please see the IRO-1 and SBM-3 for information on our DMA's limitations to scope and our methodology.

BP-2

Disclosures in relation to specific circumstances

Time Horizons

In our sustainability work we have used the following definitions of the time horizons:

- Short Term (2026)
- Medium (2027-2036)
- Long term (2037-2051)

The time horizons used differ from the time intervals defined in the ESRS. The organization defines the medium-term time horizon as 1+ to 10 years, and the long-term time horizon as 10+ years. These durations were selected to align with Archer's strategic planning, risk analysis and capital investment cycles. The medium-term horizon reflects the period required to implement operational changes and achieve initial milestones in our sustainability initiatives, while the long-term horizon accounts for the extended timeframe necessary to realize transformative changes, such as achieving emission reductions or aligning with global climate targets.





Estimates

Limited availability of information, particularly within parts of the value chain, may introduce uncertainties in the reported data and necessitate the use of estimates. In preparing the sustainability statement, management has applied estimates and assumptions based on the information available at the time, combined with relevant experience and judgement. Actual results may differ as more detailed or higher-quality data become available. These estimates and judgements are reviewed regularly, taking into account historical trends, current market conditions and other relevant factors.

The methodology for calculating and presenting sustainability metrics is described in the notes accompanying each disclosure. These notes specify whether data are directly measured or estimated, including where third-party sources, industry averages or other indirect data are used. Metrics are collected from Archer’s operational units through local management systems and are based on process data, measurements, calculations and procurement records.

Further methodological details for each material sustainability topic, including value chain information derived from indirect data sources and areas with higher measurement uncertainty, are provided in the respective chapters.

Estimate with a high level of measurement Link uncertainty

GHG emissions from upstream transportation and distribution activity estimates	Climate Change
Pollution from drilling activities	Pollution

Use of phase-in provisions

In accordance with the phase-in provisions set out in ESRS 1 General requirements, Archer has applied the available transitional reliefs for ESRS E4 Biodiversity and ecosystems in the current reporting period. Due to the complexity of biodiversity-related data collection and the ongoing enhancement of data availability across the value chain. A brief statement on our biodiversity and ecosystem impacts

is provided under IRO-1 E4 *Assessing nature-specific impacts, risks and opportunities* according to ESRS 2 § 17. Archer is continuing to engage with relevant value-chain actors and to further develop its data collection processes and governance arrangements, with the objective of enabling full compliance with ESRS E4 disclosures within the applicable phase-in period. Archer has not yet defined biodiversity-specific actions, resources, targets or metrics. A phase-in approach has been applied to the S1-14 health and safety metrics.

Changes in preparation and presentation of sustainability information

During the reporting period, Archer transitioned its financial reporting framework from U.S. GAAP to IFRS. This change has resulted in updates to the presentation and measurement of financial information, including restatement of comparative 2024 financial figures to ensure consistency and comparability with the current reporting period.

The transition to IFRS has also impacted certain sustainability-related disclosures, including greenhouse gas (GHG) accounting under ESRS E1, where financial data and accounting judgements are used as inputs to activity data, scope definitions and emission calculations. As a result, comparative GHG information for 2024 has been updated where relevant to reflect the revised accounting basis and related methodological changes.

These changes primarily relate to updated calculation methodologies, underlying financial data sources and clarified scope definitions. The adjustments do not reflect changes in underlying operational performance or emissions intensity, but rather result from the change in accounting framework and improved alignment with ESRS requirements.



GOV-1, GOV-2

The role of the administrative, management and supervisory bodies

Archer's governance of sustainability and business conduct matters is overseen by various administrative, management, and supervisory bodies, ensuring alignment with our ethical principles, compliance with legal requirements, and effective risk management across our operations and value chain.

The administrative, management, and supervisory bodies, including their relevant committees, are regularly informed about material impacts, risks, and opportunities, the implementation of due diligence, and the results and effectiveness of policies, actions, metrics, and targets adopted to address them. This information flow is facilitated by the Vice President Sustainability and General Counsel during half year and annual reviews, ensuring transparency and accountability. Archer's governance structure integrates the consideration of impacts, risks, and opportunities into strategic decision-making processes, evaluating trade-offs associated with these elements to ensure comprehensive risk management and alignment with the company's sustainability objectives.

The governance structure and the respective roles and responsibilities are described below.

Board of Directors

The Board of Directors serves as the highest administrative and governing authority at Archer, responsible for setting the strategic direction on business conduct and sustainability matters. The board's expertise includes professionals with backgrounds in corporate governance, legal compliance, risk management, and sustainability.

For more details on the composition and diversity of the Board of Directors and their skills, please refer to the Board of Directors section.

Roles and responsibilities

The Board is responsible for approving the overall strategic direction and targets, overseeing performance on material sustainability impacts, risks, and opportunities (IROs), and

reviewing and approving the results of the double materiality assessment (DMA) on an annual basis. All the material IROs reported on can be found under section SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model. To ensure transparency and accountability, the board reviews quarterly and annual reports on ethical compliance, risk assessments, and the outcomes of whistleblowing investigations.

Skills and Expertise

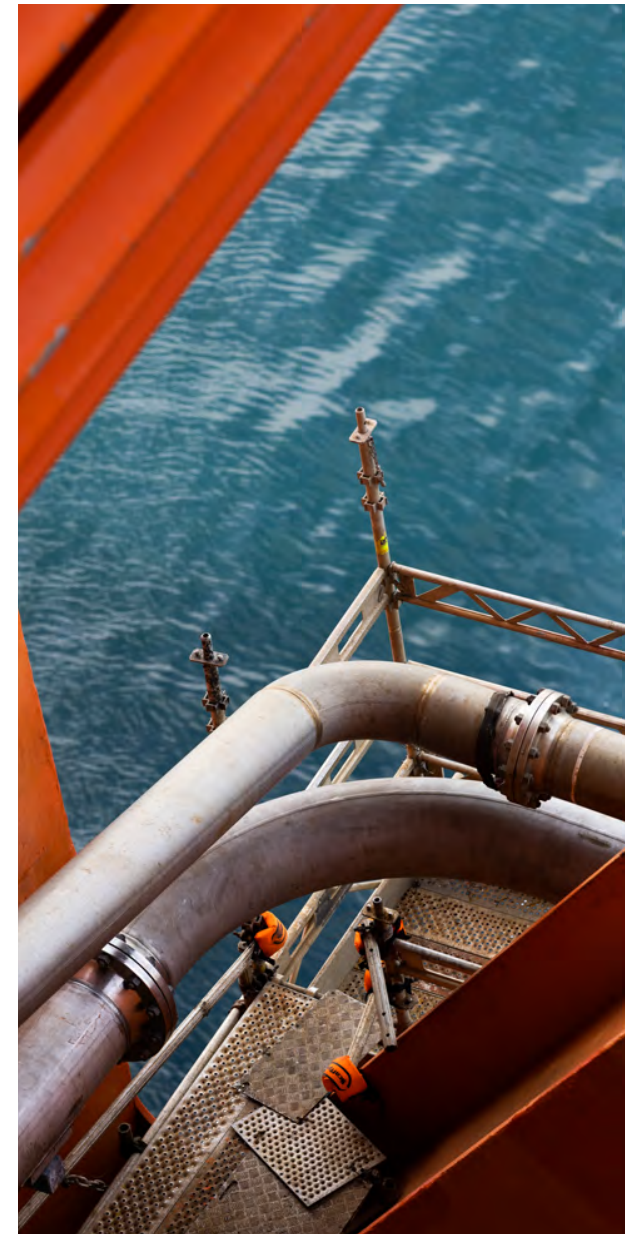
The Board collectively holds expertise relevant to our material sustainability IROs. To ensure effective oversight of material sustainability matters, we have mapped the Board's competencies against the ESRS topics identified as material to Archer through our DMA. The Board is presented with a progress update annually across material IROs and strategic priorities and targets and engages in deep dives on sustainability topics when needed.

Audit Committee

The Audit Committee is responsible for the integrity and statutory compliance of Archer's CSR reporting. It meets four times a year and annually reviews our CSR reporting, including the results of the double materiality assessment, before the Board of Directors approves it. This body conducts periodic reviews of risk exposure, evaluates findings from internal and external audits, and ensures corrective actions are implemented where needed.

Executive Management Team

The Executive Management Team, led by the Chief Executive Officer (CEO), is responsible for the implementation and operational oversight of business conduct policies. The CEO, supported by leaders with expertise in compliance, procurement, human resources, and sustainability, ensures that ethical standards are upheld throughout the organization.





For more details on the composition and diversity of the Executive Management Team and their skills, please refer to the Executive management section.

Roles and Responsibilities

The Executive Management Team directs and approves the strategic direction on sustainability and is accountable for oversight and performance on material sustainability impacts, risks, and opportunities (IROs).

Archer's Vice President Sustainability is entrusted with overseeing the company's sustainability-related impacts, risks, and opportunities, ensuring the achievement of our sustainability targets and actions in alignment with our sustainability ambition. The Vice President Sustainability also integrates ESG topics into core business processes by setting targets, developing and monitoring key metrics, and implementing oversight mechanisms and relevant control measures across administrative, management, and supervisory levels.

Our Chief Financial Officer (CFO) is responsible for sustainable finance reporting, including CSRD reporting.

Archer's ethics and compliance program is led by our General Counsel, who has organizational responsibility for its structure and implementation. This program is executed through Archer's legal function and supported by various initiatives involving training, QHSE, HR, and management resources from the Archer organization. The General Counsel leads the legal team, which comprises seven senior lawyers in five locations, each with an average of over 20 years of legal and compliance experience from multinational companies and law firms.

Skills and Expertise

The Executive Management Team brings decades of collective experience across the international oilfield services and energy sector, operating in complex regulatory environments and diverse geographic regions. The team has solid experience in corporate governance, financial management and legal compliance. They are skilled in overseeing the company's impacts, risks and opportunities, with knowledge in strategic planning, risk management, and

ethical standards. When necessary, the team consults external experts on specific topics to ensure comprehensive oversight and informed decision-making.

Information Flow and Strategic Considerations

The Executive Team convenes twice a year to discuss material sustainability IROs. Together with the CEO, they approve of our strategic direction and targets on sustainability, including links to our corporate strategy, and are accountable for our performance ambitions on sustainability topics. The Executive Team reviews the double materiality assessment ahead of the Board of Directors' annual approval and monitors performance on material sustainability matters and progress towards targets. The team considers material sustainability matters when overseeing our corporate strategy and making decisions on major transactions.

The accountable persons within the Executive Team are individually responsible for driving progress on assigned sustainability topics, including defining key actions and allocating resources to ensure progress on targets and ambitions. They are supported by the business and support functions.

Business and Support Functions

Business Functions

The business functions are responsible for executing material sustainability IROs. They deliver concrete actions on the ground to progress on our targets and ambitions while managing risks and capturing performance data

Support Functions

The support functions assist all accountable persons in facilitating sustainability work and oversight, guiding and enabling the Executive Team and the business in setting ambition levels and delivering on sustainability matters.

Determination of Skills and Expertise

Archer's administrative, management, and supervisory bodies regularly assess the skills and expertise needed to oversee the company's material impacts, risks, and opportunities. This involves evaluating the collective

knowledge of their members and identifying any gaps. External advisors and industry specialists are consulted to support decision-making on complex sustainability issues. Ongoing training programs focus on regulatory developments, climate risks, and ESG best practices ensuring our team is well-equipped to manage these matters. By aligning competencies with the ESRS topics identified as material through our double materiality assessment (DMA), Archer ensures that the necessary skills and expertise are in place or developed as needed.

GOV-3 E1

Integration of sustainability-related performance in incentive schemes

Archer has integrated Quality, Health, Safety and Environment (QHSE) and broader ESG performance metrics into its incentive schemes for senior management and relevant employees. For the 2025 performance year, 4% of variable remuneration is linked to Business Unit Safety performance and 1% to ESG performance. These indicators are designed to promote strong operational safety practices and reinforce accountability for environmental, social, and governance outcomes.

Performance is assessed annually against predefined targets. Within Business Unit Safety, targets relate to Total Recordable Injury Frequency (TRIF), High Impact Operational Potential (HIOP), and safe start-up. The 1% ESG objective is set as an individual performance target and is defined on a role-specific basis, reflecting the employees' responsibilities. The incentive scheme for members of the administrative, management and supervisory bodies does not incorporate climate-related considerations at group level. However, climate-related objectives may be included in individual performance goals, where relevant to the role and responsibilities of the individual.

The incentive structure, including the selection and weighing of sustainability-related metrics, is reviewed and approved each year by the Board of Directors as part of its oversight of remuneration and sustainability governance.



GOV-4

Archer's approach to sustainability due diligence

Archer is committed to responsible business practices and ensuring sustainability throughout our supply chain. Our due diligence process is designed to assess and mitigate environmental, social, and governance (ESG) risks.

Sustainability due diligence and risk management, aligned with Archer's sustainability strategies, are embedded into business processes through comprehensive policies, directives, and procedures. These include Archer's Human Rights Policy, Code of Conduct, Supplier Declaration, environmental management, HSE (Health, Safety, and Environment) risk management, social responsibility, and sustainability reviews related to new projects or significant modifications to existing facilities.

Our Due Diligence can be described as followed:

- Our supply chain due diligence approach is as set out in the Workers in the value chain section. Our supplier due diligence is performed through our Supplier Approval Framework and focuses on human rights, compliance, quality assurance, environmental issues, and technical capability. The aim is to ensure that Archer's supply chain comprises suppliers who align with our values, are compliant with our Code of Conduct and HSE requirements, are technically capable to deliver according to our specifications, and will be sustainable business partners. We perform due diligence on suppliers as they are registered in our Supplier Approval Framework, further due diligence is performed on an ad hoc, risk based, basis.
- All Archer approved vendors undergo a prequalification process that includes ESG criteria, ensuring alignment with our sustainability policies and international standards.

Follow-up and Compliance Measures

- **Audits & Assessments:** We perform regular on-site and remote audits to verify compliance with our sustainability requirements. These audits may be conducted internally or by third-party assessors

- **Performance Reviews:** Critical vendors participate in structured performance meetings, where sustainability metrics, progress reports, and improvement plans are reviewed
- **Corrective Action Plans:** When non-compliance is identified, we work closely with vendors to implement corrective measures, setting clear timelines for improvement.

Core elements of due Sections in the sustainability diligence statement

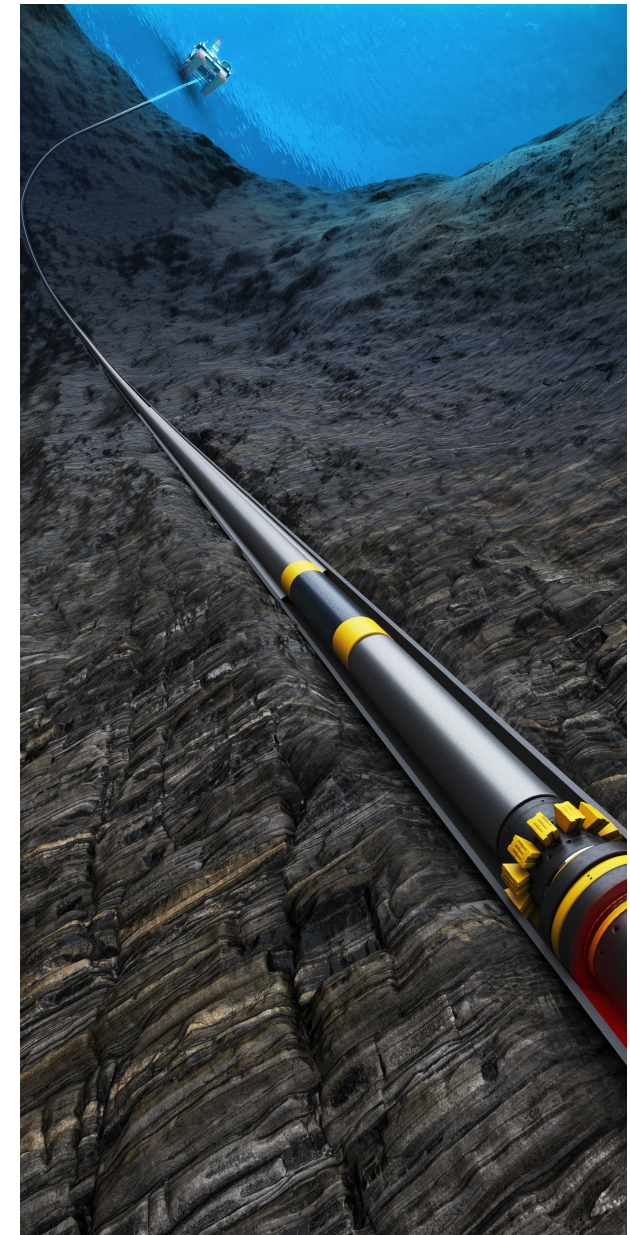
Embedding due diligence GOV-2, GOV-3, GOV-5, SBM-3, in governance, strategy E1-2, E2-1, S1-1, S2-1, G1-1 and business model

Engaging with affected SBM-2, SBM-2.S1, SBM-2.S2, stakeholders in all key IRO-1, E2-1, S1-2, S1-5, S2-2 steps of the due diligence

Identifying and assessing GOV-5, SBM-3, IRO-1, S1-3, adverse impacts G1-1

Taking actions to address E1-3, E2-2, S1-4, S2-4, G1-3 those adverse impacts

Tracing the effectiveness E1-4, E2-3, E2-4, S1-5, S2-5, of these efforts and G1-4 communicating





GOV-5

Risk management and internal control

Our management is responsible for establishing and maintaining adequate internal control over the ESG reporting to ensure the information we report is complete and accurate. Our Group Accounting department regularly assess risks and controls related to its sustainability reporting process. The risks are presented and discussed with the Audit Committee with representation from the Board on a regular basis, so adequate corrective measures can be taken if and when necessary. Our risk management and internal control processes cover all environmental, social and governance matters and both quantitative and qualitative information – depending on where risks are identified and prioritized.

Archer is exposed to risks associated with incomplete or inconsistent sustainability reporting, including risks associated with greenwashing. Other risks include inaccuracies in data inputs and manual errors during the aggregation of data from multiple systems into the corporate disclosure management system. Inaccurate data may also require the use of estimates, which are inherently uncertain and require additional review. The risk of inaccurate data is particularly large related to the value chain, where limited data availability may introduce heightened level of uncertainty in reported information.

To address these risks, Archer has developed and implemented internal controls. These include review controls for both quantitative and qualitative data, performed by business areas and group functions. Access controls and automated input controls are also embedded in our sustainability reporting systems to enhance data reliability.

While some formalization has been implemented, we recognize the need to improve our risk management and internal control approach through formalized roles, responsibilities and definitions for the information reporting in our sustainability statement. As our sustainability reporting matures, so will our risk management and internal control approach.

SBM-1

Strategy, business model and value chain**Delivering Value: Out Business Model**

Archer is a global energy service company with over 50 years of experience, operating in more than 40 locations worldwide. We specialize in drilling and work-over services, including platform drilling, land drilling, modular drilling rigs, engineering services, geothermal drilling, equipment rentals, and a select range of support services and products. Archer's customers include companies in oil and gas, energy services, and renewable power generation, such as geothermal, hydropower, and offshore wind. In recent years, Archer has begun its expansion into energy transition markets, leveraging its expertise to develop solutions for the decommissioning of oil and gas wells and supporting the growth of renewable energy services.

Our comprehensive offerings enable clients to achieve safe, efficient, and cost-effective operations throughout the exploration, construction, production, and abandonment phases of energy projects. Safety and operational excellence are the cornerstones of our value proposition, ensuring reliable and sustainable solutions for the energy industry.

Key features of our value chain

Archer's value chain is meticulously designed to optimize every stage of energy project operations, from exploration to abandonment.

Our upstream value chain is characterized by resource extraction, production of goods, production assembly, and logistics. Resource extraction involves sourcing the raw materials needed to manufacture equipment and rigs, ensuring the procurement of high-quality materials through strategic partnerships with reliable suppliers. The production of goods includes the manufacturing of these materials into components, implementing stringent quality control measures to maintain high standards. Production assembly encompasses the assembly of these components into finished products, such as well integrity diagnostic tools and intervention equipment, ensuring they meet industry specifications and performance

requirements. Logistics involve the efficient management and transportation of materials and finished products to ensure timely delivery and operational efficiency.

Archer's own operations involve the direct provision of services to energy clients, including platform operations, well services, land drilling, and renewable services. We support all stages of the well lifecycle, from exploration, drilling, completion, and maintenance to workover, slot recovery, and plug and abandonment. Archer's renewable services encompass six core segments: geothermal drilling for electricity, district heating, carbon storage, floating offshore wind, wind turbine services, and hydropower services. These operations are integral to our business model and reflect our commitment to delivering high-quality services and products.

Archer's downstream value chain is characterized by the key products and services we provide, that supports the production, maintenance and abandonment of oil and gas operations and renewable services. As an actor in the oil and gas industry, Archer acknowledges its responsibility for the final use of oil and gas products, ensuring that our operations contribute to sustainable practices and minimize environmental impacts.

Key Inputs and Resources

Archer's operations depend on several essential inputs. Natural resources, including steel and other materials, are crucial for developing engineered solutions and maintaining high-quality service delivery. The company relies on energy sources such as electricity and fossil fuels to power its rigs and equipment. Additionally, proprietary technologies and intellectual property are fundamental to enhancing drilling efficiency, improving safety, and minimizing environmental impact. Archer ensures that essential inputs are secured for its future operations through focusing on supply chain risk management, diversification of suppliers, inventory management, and strategic partnerships with key suppliers.

Human capital is central to Archer's success, with a workforce exceeding 4,400 employees providing specialized expertise in offshore and onshore drilling. The company invests in continuous learning and career



development to ensure long-term workforce stability and talent retention. Archer also prioritizes employee safety, diversity, equity, and inclusion through comprehensive health and safety programs and workplace policies that foster an inclusive environment.

Financial capital, sourced from shareholders, banks, and bondholders, supports operations, research, development, and expansion efforts. Archer also engages with key stakeholders, including regulatory authorities, suppliers, investors, and local communities, to uphold compliance, optimize operational performance, and advance sustainability initiatives. To mitigate supply chain risks, the company employs strategic supplier agreements, bulk purchasing strategies, and rigorous supplier screening processes.

Geographical breakdown of employees by headcount

Norway	2,107
Argentina	1,231
United Kingdom	462
USA	186
Other	490
Total	4,476

Significant Markets and Customer Groups

Archer operates in key energy markets across multiple geographies, serving oil and gas, geothermal, offshore wind, and hydropower customers. Over time, the company has expanded its services beyond traditional drilling operations to include renewable energy solutions, demonstrating its commitment to the energy transition. The latter is exemplified with several acquisitions in 2024 and 2025, such as the acquisition of Moreld Ocean Wind, renamed Archer Wind, a technology, product, and solutions provider for the floating offshore wind industry in addition to Vertikal Service AS, a wind and hydropower engineering company. Other acquisitions are mainly increased shareholdings such as in Iceland Drilling and acquisitions

related to existing products and services (ADA, Comtrac) and plugging and abandonment services (WFR, Premium Oilfield Services).

Archer operates within the fossil fuel sector, generating revenue from oil and gas drilling, well intervention, and decommissioning services. Its main customers in this sector include major oil and gas companies that rely on Archer for hydrocarbon production support. While supporting clients in hydrocarbon production, Archer prioritizes well decommissioning and emissions reduction to mitigate long-term environmental impacts. The company is also investing in renewable energy services and low-carbon drilling technologies.

In addition to fossil fuel-related activities, Archer generates revenue from geothermal energy services, offshore wind, and hydropower maintenance. The company is working towards enhanced segment reporting in compliance with ESRS sector requirements, aiming for greater transparency in revenue attribution and sustainability-related financial disclosures.

Revenue by Sector	Revenue (USD million)
Platform Operations	470.7
Well Services	299.9
Land Drilling	301.9
Renewables	124.6
Total	1,197.0

Sustainability-Related Goals and Strategic Alignment

Archer's sustainability strategy focuses on supporting the energy transition while improving environmental performance in its core markets, including North America, Europe and Asia. The company works to reduce emissions associated with drilling activities by improving operational efficiency and advancing well decommissioning solutions that help limit the long-term environmental footprint of abandoned wells. Stakeholder engagement is an important part of this work, and Archer maintains dialogue with

customers, regulators and industry partners to support alignment with regulatory developments and broader societal expectations.

As part of its contribution to the transition towards low-carbon energy systems, Archer has an ambition of expanding its activities in geothermal drilling, offshore wind engineering and hydropower services, while also seeking to improve the efficiency and environmental performance of traditional oil and gas operations. Through ongoing materiality assessments and due diligence processes, the company evaluates how its products, services and market exposure align with its long-term sustainability objectives. This assessment helps inform business decisions and the development of solutions that can contribute to the decarbonisation of the energy sector.

Archer also recognises several challenges associated with balancing its fossil fuel-related services with a growing focus on low-carbon energy. These include adapting to shifting market conditions, meeting evolving regulatory expectations and responding to increased interest from investors in sustainability-related performance. Transitioning into new energy services requires continued investment in technologies, skills and business capabilities, including in areas such as plugging and abandonment, geothermal drilling and offshore wind.

To address these challenges, Archer is prioritising research and development and selectively pursuing mergers and acquisitions to gain access to technologies that improve well abandonment processes and support its overall transition strategy. Future growth will depend on the company's ability to expand its renewable energy service portfolio while maintaining strong operational performance across existing markets.



SBM-2

Interest and views of Stakeholders

Archer is committed to maintaining an open and continuous dialogue with its stakeholders to ensure that their interests, concerns, and expectations are considered in our strategic decisions and business model development. Our engagement efforts are structured to gather insights that inform our due diligence processes and materiality assessments, ensuring that sustainability-related impacts and opportunities are addressed effectively.

Archer actively engages with regulatory authorities, customers, investors, financial institutions, local communities, and NGOs to align its business model with stakeholder expectations. These interactions help shape the company's approach to risk assessment, materiality analysis, and strategic decision-making. Engagement with investors and financial stakeholders ensures that capital allocation aligns with sustainability-driven innovation, while collaboration with local communities supports initiatives that promote environmental and social responsibility.

We adhere to principles of transparency, integrity, and accountability in our stakeholder interactions. The insights gained from these engagements are systematically communicated to our management and board through established governance structures, enabling informed decision-making on sustainability-related matters.

Archer's key stakeholders are identified and documented within our Management System. Follow-up actions related to these stakeholders are defined and implemented throughout the year. At year-end, the key stakeholder list is reviewed as part of the annual Management Review. This review focuses on assessing the actions implemented during the year and evaluating any key challenges encountered. Based on the findings, we discuss and determine the need for additional actions to address these challenges and enhance stakeholder engagement.

Archer's stakeholder engagements provide key insights that shape its strategy and business model. Through structured interactions, the company identifies stakeholder concerns, expectations, and opportunities, integrating them into its due diligence and materiality assessments. These insights inform risk management, sustainability efforts, and operational priorities, ensuring alignment with stakeholder interests. Regular reviews of stakeholder feedback within Archer's governance framework support informed decision-making, transparency, and continuous improvement.





Type of Stakeholder	How engagement is organized	Purpose of engagement
Employees	<ul style="list-style-type: none"> • Bi-annual global Employee Engagement Survey • Quarterly Global Town Hall • Exit interviews 	<ul style="list-style-type: none"> • Enhance employee well-being & safety • Foster transparent communication • Identify areas of improvement
Customers	<ul style="list-style-type: none"> • Performance monitoring & improvement meetings • Regular stakeholder meetings • Audits & compliance checks 	<ul style="list-style-type: none"> • Ensure operational excellence • Strengthen collaboration & transparency • Drive continuous improvement
Suppliers & workers in the value chain	<ul style="list-style-type: none"> • Supplier approval & qualification • Regular audits & compliance monitoring • Performance reviews & NCR follow-up • Framework agreements 	<ul style="list-style-type: none"> • Ensure quality & compliance • Strengthening supplier collaboration • Drive continuous improvement • Aligning with ESG standards
Government, policymakers and regulators	<ul style="list-style-type: none"> • Regular audits & compliance checks • Direct dialogue with policymakers • ESG reporting & policy updates 	<ul style="list-style-type: none"> • Ensure regulatory compliance • Promote transparency & accountability • Strengthen governance & risk management
Local community	<ul style="list-style-type: none"> • ESG initiatives & community programs • Charity partnerships & community support • Environmental responsibility activities • Public consultations & clean-up events 	<ul style="list-style-type: none"> • Promote sustainability & local well-being • Build community trust & support • Maintain clean & safe environments • Strengthening community relations
Investors	<ul style="list-style-type: none"> • Financial & ESG reporting • Investor meetings & calls • Market updates & transparency initiatives • Quarterly earnings calls 	<ul style="list-style-type: none"> • Ensure transparency & accountability • Build investor confidence • Facilitate informed decision-making • Foster long-term partnerships
Civic and non-profit organizations	<ul style="list-style-type: none"> • Partnerships & sponsorships • ESG initiatives & community support • Donations & fundraising • Collaboration with NGOs 	<ul style="list-style-type: none"> • Support community development • Enhance corporate social responsibility • Promote sustainability values
Industry and sustainability associations	<ul style="list-style-type: none"> • Membership in industry groups • Participation in forums & workshops • ESG commitments & sustainability programs • Knowledge sharing & training 	<ul style="list-style-type: none"> • Stay aligned with regulations • Strengthen ESG efforts • Enhance industry knowledge • Drive sustainability commitments



SBM-2 S1

Interest, views and rights of Own Workforce

Archer's strategy and business model are shaped by the interests, views, and rights of our workforce, including respect for human rights. We achieve this through well-being programs and mental health initiatives, employee surveys and town halls, and leadership coaching and performance reviews. These engagement methods aim to enhance employee well-being and safety, foster transparent communication, and promote leadership and career development, ensuring that our operations reflect the values and needs of our workforce

SBM-2 S2

Interest, views and rights of Workers in the Value Chain

Archer's strategy and business model are informed by the interests, views, and rights of value chain workers who could be materially impacted by our operations, including respect for their human rights. We organize engagement through supplier approval and qualification processes, regular audits and compliance monitoring, performance reviews, NCR follow-up, and framework agreements. The purpose of these engagements is to ensure quality and compliance, strengthen supplier collaboration, drive continuous improvement, and align with ESG standards. These methods ensure that the well-being and rights of value chain workers are considered in our decision-making processes, promoting ethical and sustainable practices throughout our value chain.

SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

Our business model and global presence expose us to a dynamic landscape of sustainability-related impacts, risks, and opportunities, influencing both our resilience and long-term value creation. Through the double materiality assessment described in IRO-1, we have identified material impacts, risks and opportunities related to Climate Change (E1), Pollution (E2), Biodiversity and Ecosystems (E4), Own Workforce (S1), Workers in the value chain (S2) and Governance (G1) as our material sustainability topics. These topics guide our sustainability efforts and long-term strategic priorities.

Key sustainability topics remain aligned with past strategic priorities. After reviewing our double materiality assessment in 2025, we concluded that E4 Biodiversity and Ecosystems is a material topic due to our value chain impact. This topic will be disclosed in accordance with ESRS 2 § 17 in line with updated phase-in provisions adopted in 2025. The remaining material topics are disclosed in accordance with the relevant topical standards.

The illustration below highlights what our material impacts, risks, and opportunities (IROs) are and where they occur across our value chain, including direct operations, as well as upstream and downstream value chain. These insights help us understand how sustainability factors influence our business model and, in turn, shape our strategic priorities. The IROs are categorized within relevant ESRS topics and linked to the lowest sub-sub-topic possible for clarity.



E1 - Climate Change

Where it originates	IRO	Origin IRO	Description of IRO	Time horizon
GHG Emissions, Scope 1 and 2	Negative / Actual / Impact	Own operations and value chain	Archer has an actual negative impact on the environment through its greenhouse gas (GHG) emissions, specifically Scope 1 and Scope 2. The majority of these emissions are directly linked to the company's operational activities, including energy use and fuel consumption across its drilling and well services operations.	Short-, medium-, and long-term
GHG Emissions, Scope 3	Negative / Actual / Impact	Upstream value chain	Archer has an actual negative impact on the environment through its Scope 3 greenhouse gas (GHG) emissions. These emissions are significantly linked to the company's upstream activities, particularly those associated with its tier-1 suppliers.	Short-, medium-, and long-term
Fluctuating and increasing prices	Risk (Transition)	Own operations	Archer is actively assessing opportunities to electrify its rig fleet to reduce operational emissions. However, future constraints in energy availability and potential increases in electricity prices could present challenges and result in higher operating costs for the company.	Long-term
Shifting market demand away from O&G	Risk (Transition)	Own operations	A shift in market demand away from oil and gas may reduce access to capital, increase financing and operational costs due to tighter climate regulation, and over the longer term increase price pressure and the risk of stranded assets.	Medium- and long term
Operational disruptions	Risk (Physical)	Own operations	Although offshore platforms are engineered to operate in demanding environments, the growing frequency of extreme weather events, larger wave heights, and logistical constraints may increase operational and safety risks, particularly concerning the safe transport of personnel to and from installations. While these risks are effectively managed today, they might become increasingly relevant in the future.	Medium- and long term
Increased demand for renewable energy	Opportunity (Transition)	Own operations	Given the society's shift towards greener energy and as the demand for these services increases, Archer has the potential to position as a total supplier of carbon storage, P&A and geothermal energy. We anticipate this risk to be fluctuating and increasing in the medium to long-term.	Medium- and long term

E2 - Pollution

Where it originates	IRO	Origin of IRO	Description of IRO	Time horizon
Land Drilling activities	Negative / Actual / Impact	Own operations	Our land drilling and production activities release pollutants such as NOx into the air, potentially contributing to local air quality concerns and negative environmental impacts.	Short-, medium-, and long-term
Logistics in the supply chain	Negative / Actual / Impact	Upstream value chain	Logistics in supply chain release pollutants, comprising air quality, such as SOx and NOx.	Short-, medium-, and long-term



E4 - Biodiversity and Ecosystems

Where it originates	IRO	Origin of IRO	Description of IRO	Time horizon
Offshore platform and production operations	Negative / Actual / Impact	Downstream Value Chain	Platform operations may disturb marine ecosystems, negatively impacting biodiversity and overall marine ecosystem health. Drilling activities, spills, or leaks can degrade marine habitats and threaten the survival of marine species.	Short-, medium-, and long-term

S1 - Own workforce

Where it originates	IRO	Origin of IRO	Description of IRO	Time horizon
Unequal gender distribution	Negative / Actual / Impact	Own operations	Of Archers' approximately 4,400 employees, 92 percent are men. The imbalance, especially in offshore environments, can perpetuate gender stereotypes, contribute to a non-inclusive work environment, and negatively impact team dynamics, innovation, and overall organizational performance.	Medium to Long-term
Equal opportunities for all in a global workforce	Negative / Actual / Impact	Own operations	With a global workforce representing over 50 nationalities, there is an inherent risk of workplace discrimination and inequality, which could create a non-inclusive work environment and negatively impact innovation and overall organizational performance.	Short-, medium-, and long-term
Working Conditions	Negative / Actual / Impact	Own operations	Employees working in field operations are exposed to working-time arrangements that can negatively impact their overall well-being.	Medium to Long-term
Possible work-related injuries and fatalities	Negative / Actual / Impact	Own operations	Operating in over 40 locations worldwide, including 32 offshore platforms and 24 land, our workforce is engaged in high-risk activities that can lead to accidents and workplace injuries.	Short to Medium-term

S2 - Workers in the value chain

Where it originates	IRO	Origin of IRO	Description of IRO	Time horizon
Supply chain labour practices in a global supply chain	Negative / Potential / Impact	Upstream value chain	Workers in parts of the supply chain may receive wages below living standards, face excessive working hours, and experience inadequate health and safety conditions. In some geographies, structural vulnerabilities also result in exposure to forced labour practices.	Short-, medium-, and long-term
Equality, non-discrimination and fair treatment of value chain workers	Negative / Potential / Impact	Upstream value chain	Value chain workers, particularly women and vulnerable groups, may face unequal treatment, unequal pay for equal work, and reduced opportunities for advancement or fair grievance mechanisms.	Medium-long term
Worker representation and freedom of association	Negative / Potential / Impact	Upstream value chain	Workers may lack the ability to organise, negotiate working conditions, or advocate for fair wages and safer workplaces, reducing their influence over their own labour conditions.	Medium-long term



G1 - Business Conduct

Where it originates	IRO	Origin of IRO	Description of IRO	Time horizon
Unethical business conduct across global operations	Risk	Own Operations	There is an inherent risk of unethical business conduct within our operations. While safeguards are in place, such risks could, in certain cases, lead to financial or legal consequences, reputational challenges, or impacts on investor confidence over time.	Short-, medium- and long-term
Ethical business practices across our international operations	Negative / Potential Impact	Upstream value chain	Our global supply chain carries a potential risk of exposure to corrupt practices at various stages. This can result in serious consequences, including worker exploitation, term environmental degradation, and the erosion of legal and ethical standards.	Short-, medium- and long-term

Current and anticipated effects of material impacts, risks and opportunities

The material impacts, risks and opportunities influence both our strategic direction and operational decision-making. Often directly linked to our impacts resulting from our business model and global presence, key identified risks such as the impact of extreme weather on offshore operations, changes in investor and customer behavior and regulatory shifts require strategic adaptation of our business model and value chain to ensure long-term resilience. At the same time, material opportunities are expected to have a positive impact on our revenue growth in existing and new market segments.

The identified risks are anticipated to potentially have a significant financial implication on Archer. Regulatory changes such as carbon taxes and stricter environmental standards contribute to increased operational and compliance costs. Additionally, physical climate risks, including extreme weather events, may result in higher maintenance expenses, operational disruptions, and potential asset impairments. Market shifts towards lower-carbon solutions could also impact revenue streams, necessitating strategic investments in innovation and diversification to remain competitive. In response to the risks, Archer has initiated measures to enhance operational preparedness, including strengthening supply chain resilience, integrating climate risk considerations into asset planning, and investing in low-carbon technologies.

Similarly, in response to the opportunities like increased demand for P&A and expansion into geothermal drilling and other energy transition solutions, Archer has initiated shifts in resource allocation and R&D investments. These ongoing adjustments align with our energy transition strategy and ensure that Archer remains competitive while addressing sustainability-related risks and opportunities. An investment of more than \$30m is budgeted in 2026 for renewables and P&A, with a particular focus on advancing transitional services and the future P&A model. While these initiatives require upfront investment, they are expected to drive long-term financial gains through increased demand for sustainable solutions.

Navigating Risks and Opportunities: The Resilience of Our Business Model

Archer’s strategy and business model are continuously adapted to address our material impacts, risks, and opportunities (IROs) while leveraging our long-term commitment to sustainability and operational excellence. The material topics align with Archer’s strategic priorities and have been integrated into its approach to risk management and value creation.

For the 2025 reporting year, Archer has conducted a resilience analysis covering our climate-related risks (E1). The resilience analysis underscores Archer’s ability to adapt to both climate scenarios while maintaining profitability. The details of this analysis are disclosed in the E1 – Climate change chapter.

We have not conducted resilience analysis covering our material impacts, risks and opportunities related to Pollution (E2), Biodiversity and Ecosystems (E4), Own-workforce (S1), Workers in the value chain (S2) or Business conduct (G1). Resilience is supported by Archer’s commitment to sustainability, well-established risk management frameworks, governance structures, and continuous engagement with stakeholders. These factors enable Archer to anticipate and respond to evolving regulatory landscapes, labor market dynamics, and ethical business expectations.

IRO-1

Description of the process to identify and assess material impacts, risks and opportunities

The double materiality assessment (DMA) was conducted in alignment with the ESRS requirements, utilizing a methodology that integrated internal and external industry expertise and knowledge, as well as topical subject matter expertise to ensure a thorough and comprehensive evaluation. In 2024 Archer conducted its first DMA. In 2025 the DMA was updated to include new IROs, resulting in another topical standard becoming material, ESRS E4. For more information regarding Archer’s material IROs please see SBM-3 of this sustainability statement. The DMA process has not changed in 2025.



The process of identifying, assessing, and managing sustainability-related risks and impact is integrated into Archer's broader risk management framework. This ensures that sustainability-related risks are considered alongside other business risks, using the same/similar risk assessment frameworks based on likelihood of occurrence and expected financial effect. This approach ensures a comprehensive evaluation of the company's overall risk profile and informing risk mitigation strategies. Similarly, where applicable, the identification, assessment, and management of sustainability-related opportunities are embedded within the company's broader management processes. This integration enables Archer to align its sustainability efforts with strategic decision-making, fostering resilience and value creation in the long term.

"Own workforce" covers all employees directly employed by the company. "Workers in the value chain" covers individuals who are not part of the company's own workforce but whose work is linked to the company's value chain, including workers employed or engaged by suppliers, contractors, and other business partners.

Scope

We have identified and assessed impacts, risks, and opportunities across our entire up- and downstream value chain, including own operational activities. The impact assessment covers both positive and negative impacts, as well as actual and potential impacts related to sustainability issues. In the financial risk and opportunity assessment, we have evaluated sustainability-related risks and opportunities that could potentially trigger financial consequences for the organization.

Whilst Archer is present across 40 locations globally, Archer's operations are predominantly on the Norwegian Continental shelf, in the UK and in Argentina. Given the heightened risk of adverse impacts, risks and opportunities in these locations, our assessment focused on these locations.

As a part of the assessment, key internal and external stakeholders were engaged to bring in perspectives that could inform Archer's priorities and to ensure good insights in the double materiality assessment. Stakeholders were engaged through two primary methods, including impact and financial materiality assessment workshops and a series of in-depth interviews.

In both the impact and the financial materiality assessment workshop, Archer ensured involvement of HR, QHSE and Legal Counsel in addition to the core team. The purpose of the interviews was to gain an understanding of how Archer impacts external factors according to the stakeholders' perspectives, as well as the requirements and expectations the stakeholders have for Archer. A total of 23 interviews with 26 internal and external stakeholders were conducted in 2024. When updating our DMA in 2025, we relied on input from interviews conducted in 2024, as well as input from our general stakeholder engagement process (see SBM-2).

Assessment of impacts, risks and opportunities

Impacts

When assessing impacts, we attributed a score to all of them based on both the severity and likelihood of the impact. The severity of the impact is measured by its scale, scope, and irremediability.

- When scoring **scale**, we considered how grave the impact is on people or the environment.
- When scoring **scope**, we considered how widespread the impact is.
- When scoring **irremediability**, we assessed how difficult it would be to remediate the negative impact.

The method applied to assess the scale, scope and irremediability were based on OECD's Due Diligence Guidelines for Responsible Business Conduct guidelines and followed a scale of 1-5, ranging from very low impact (1) to very high (5). The assessment of likelihood followed a similar scale, where (1) indicates a rare likelihood and (5) indicates an almost certain likelihood. For potential negative human rights related impacts, the severity of the impact took precedence over its likelihood, meaning that a low likelihood of occurrence would not result in a human right related severe impact being assessed as immaterial.

Risks and opportunities

To identify risks and opportunities, we based our approach on the identified impacts as well as the dependencies arising from our value chain and defined the risks and opportunities that may emerge from those impacts and dependencies. When assessing risks and opportunities we gave them a score based on the financial effect these risks and opportunities can have on Archer.

To assess financial materiality, we considered severity and likelihood over three-time horizons, short- (2026), medium- (2036) and long-term (2050). The time horizons correspond with Archer's strategic planning horizons and enable us to assess the risks and opportunities in relation to the expected lifetime of our assets and capital allocation plans.

- When scoring **severity**, we considered the potential size of the financial effect based on percentage of EBITDA using an appropriate scale from 1 to 5.
- When scoring **probability**, we considered the probability of the financial effect occurring based on a qualitative assessment, scoring the likelihood from 1 to 5.

The thresholds applied for severity and likelihood were based on Archer's existing risk management framework.



Defining a materiality threshold

The thresholds for impact materiality and financial materiality were applied separately on a 5x5 matrix, with severity or financial effect on the x-axis and likelihood on the y-axis. Both thresholds were designed to capture the impact, risk, and opportunities that ranked highest based on the combination of severity (or financial effect) and likelihood.

Our Double Materiality Process in short

The DMA process followed a structured five-step approach, which enabled us to systematically identify, assess and prioritize both impact and financial materiality, integrating stakeholder perspectives and aligning with relevant frameworks. The five-step approach is further described in the following sections.

1. Understanding our business and sustainability context

The first step involved defining the scope of the analysis, engaging key stakeholders, establishing the project team, and setting critical milestones. Our goal was to conduct a double materiality assessment in accordance with CSRD requirements, identifying the material topics necessary for reporting.

2. Develop a long list of sustainability topics and related impacts, risks and opportunities.

This list was based on the sustainability topics and sub-topics outlined by the ESRS, with additional topics drawn from other relevant reporting frameworks, a peer analysis, and a media search. Each topic was carefully evaluated to ensure its relevance, and only those deemed relevant were retained on the list.

3. Assess material impacts.

Using the long list as a foundation, we identified key internal and external stakeholders and conducted interviews to gather insights on the identified topics. To ensure enough breadth in assumptions and sufficient coverage of silent stakeholders, we performed a desk top analysis of environmental topics where we looked to scientific sources and report provided by NGOs.

The findings from these discussions and the research was documented and used to inform an impact materiality workshop. During the workshop, internal stakeholders assessed each topic against the input gathered from the interviews and the long list to evaluate its materiality from an impact perspective.

4. Assess material financial risks and opportunities.

Building on the impact materiality assessment and the findings from stakeholder interviews and conducted research, we engaged key internal stakeholders in a workshop to assess the financial materiality of each topic. This step ensured that both the financial and impact dimensions were thoroughly evaluated.

5. Validate results.

The thresholds and outcomes from both the impact and financial materiality assessments were validated in two rounds with the project team at Archer. The results were also validated by the Board to ensure alignment with company objectives and governance standards.

6. Documentation

As this was our second double materiality assessment, we carefully documented changes from the first DMA to ensure traceability of key decisions and reduce the risk of errors in future revisions.



IRO-1 E1

Assessing climate-related impacts, risks and opportunities**Climate-related impacts**

Archer has assessed its greenhouse gas (GHG) emissions, considering both actual and potential climate-related impacts. The evaluation of our climate-related impacts depends on insights from our GHG inventory, which covers Scope 1, 2, and 3 emissions. In 2025, we undertook a comprehensive enhancement of our GHG inventory, screening our activities through detailed assessments of operational processes, supply chain interactions, and industry practices. This involved extensive data collection and analysis to identify both actual and potential sources of GHG emissions across our operations and value chain. The GHG inventory pin-points key emission sources across our operations and value chain and uncovers opportunities to reduce our carbon footprint and enhance sustainability efforts.

Climate-related risk and opportunities through the lens of two scenarios

Our assessment of climate-related risks and opportunities has identified a combination of physical and transition risks, which have been instrumental in serving as the foundation for assessing the resilience of our strategy.

Methodology

To identify and evaluate our climate-related physical and transition risks and opportunities, we applied two scenarios. Our scenario analysis evaluates climate-related physical and transitional risks over the short-, medium-, and long-term in accordance with the time horizons used in the double materiality assessment, and covers our entire up- and downstream value chain, including own operations. The scenarios were focusing on the period up until 2050 and hence covered the relevant time horizons used by Archer. To cover the plausible climate-related risks and opportunities facing Archer, a high emission scenario stressing physical elements and a low emission scenario aligned with the Paris Agreement were selected. By applying these two scenarios, different operations, business area and assets are stressed in different ways, and it therefore provides a good foundation for discussions and considerations regarding how the company can be affected. The applied scenarios, with narratives and selected key assumptions, are outlined below.

High Emission Scenario

The first scenario draws on established scenarios such as RCP 8.5, NGFS Current Policies, and to a certain extent IEA STEPS, and projects significant global warming by 2100, driven by weak efforts to limit emissions. In this high emission scenario, global efforts to limit emissions are weak, leading to a projected warming of 3-4°C by the end of the century.

Key drivers of this scenario include weak regulatory pressure, sustained market demand for fossil fuels, and slow technological advancements. There is a slow transition to renewable energy, with continued reliance on fossil fuels. Carbon pricing mechanisms are either absent or set at low levels, providing little economic incentive to reduce emissions. Carbon capture and storage technologies are not widely adopted, and their deployment remains limited. Offshore oil and gas operations continue with minimal changes, and investments in fossil fuel infrastructure persist. Renewable energy sees slow growth, and fossil fuels remain a significant part of the energy mix. The oil price will remain around 75-80 USD/bbl. towards 2050. In this scenario extreme weather events become more frequent and severe, though the North Sea remains relatively stable compared to other regions. Annual expected damage from tropical cyclones in the US is expected to increase with 29% by 2050. Certain parts of South-East Asia will be exposed to extreme weather and increases in draughts could be taking place in parts of Argentina.

Low Emission Scenario

In contrast, the second scenario is based on insights and parameters from NGFS's Net Zero 2050 scenario, IRENA's 1.5°C scenario, IEA's Net Zero Emissions roadmap, and envisions limiting warming to 1.5°C by 2100 through a rapid energy transition and robust carbon pricing. This scenario is aligned with the goals of the Paris Agreement.

Key drivers of this scenario include regulatory pressure, market demand shifts, technological advancements, and economic incentives. Offshore oil and gas operations face stringent emissions regulations and must adopt advanced technologies to minimize their carbon footprint. Economic and regulatory shifts focus on accelerating the adoption of clean technologies and reducing emissions. The global carbon price reaches 200 USD/CO₂e in 2050 and offshore oil production declines with close to 80% over the 25-year period. In this scenario fossil fuel demand globally decreases significantly, CCS technologies are widely adopted, and renewables become the dominant energy source. Global demand for gas is halved over the period and offshore wind capacity increases by more than 500%.

Key results**Climate-related physical risks**

In the high-emissions scenario, Archer has identified both chronic and acute climate hazards that can pose a threat to our assets and business activities in the medium and long term. Offshore operations face increasing challenges due to intensifying storms, rough seas, and adverse weather conditions, disrupting logistics and jeopardizing employee safety. Seasonal changes, particularly in Argentina, impose additional constraints on work schedules as high wind intensity limits operational efficiency. We have not identified climate related hazards that pose a considerable threat in the short term.



Climate-related transition risks

Archer has assessed the extent to which our assets or business activities may be exposed to, or are sensitive to, potential climate-related transition events. In a low-emissions scenario, Archer has identified transition events that may either challenge its assets and business activities or create new opportunities, in the medium and long term. These events are driven by regulatory pressures, market shifts, and evolving corporate reputation dynamics. One key transition risk is the evolving behaviour of investors, who are increasingly prioritizing green energy initiatives, potentially making access to financing more challenging. Similarly, customer behaviour is shifting, with potential future decline in demand for fossil fuels, and market's increased alignment with the goals of the Paris Agreement. This trend could result in stranded assets and reduced revenue streams. Regulatory changes also present significant risks. Policies such as carbon taxes on materials like steel and cement could increase project costs, particularly in cement-intensive processes like well closures (P&A). Stricter regulations may necessitate the adoption of sustainable alternatives to mitigate these impacts. Additionally, bans on fossil fuel vehicles could raise transportation costs in remote areas.

Based on our scenario analysis, Archer has not identified any *current* assets or business activities that are presently incompatible with a transition to a climate-neutral economy. However, the 1.5°C scenario highlights potential medium- and long-term transition risks, such as possible stranded assets, reduced revenues, and increased regulatory costs, that may challenge future compatibility or profitability if not managed proactively. These risks do not represent immediate short-term threats but are monitored closely as part of Archer's strategic planning.

Archer has not identified climate-related transition events that pose a threat in the short term.

IRO-1 E2

Assessing pollution-specific impacts, risks and opportunities

Archer has been collecting relevant fuel use data across all operational levels since 2019. This has given us valuable insight into how our operations have an impact on the environment through pollution. Using the methodology and process outlined under IRO-1, we have identified and evaluated the impacts, risks, and opportunities related to pollution. As part of this process, supplemented by the insights gained through data collection, we conducted a preliminary screening of our assets and activities to identify any actual or potential impacts, risks, or opportunities related to pollution. The screening process included assumptions about emission sources, types of pollutants, and their quantities for site locations in our own operations, suppliers' emission sources and pollution levels for site locations in our upstream value chain, and distribution and logistics pollution impacts for site locations in our downstream value chain. We did not conduct consultations with affected communities in the process.

In this process Archer has considered locations of its assets and operations, and the related downstream and upstream value chain activities to identify areas of concern. Archer has evaluated the pollution-related impacts, risks, and opportunities identified in the screening, based on severity and likelihood of the impacts, risks, and opportunities.

IRO-1 E3

Assessing water-specific impacts, risks and opportunities

In 2025, we reviewed, and evaluation of impacts, risks and opportunities related to water and marine resources in accordance with the methodology set out under IRO-1. The assessment covered our own operations as well as upstream and downstream value chain activities and was carried out through value chain mapping, stakeholder involvement and desktop research. As part of this work, we conducted a screening of our assets and activities to determine whether any significant actual or potential impacts, risks or opportunities were associated with water use or marine resources. This included an evaluation of our primary water sources, the availability and reliability of these sources over time and the estimated water demand required for our operational activities. Based on the results of this assessment, we did not identify any significant actual or potential impacts, dependencies or risks in relation to water use or marine resources across our operations or value chain. We did not conduct consultations with affected communities in this process.

IRO-1 E4

Assessing nature-specific impacts, risks and opportunities

In 2025, Archer concluded that Biodiversity and Ecosystems (E4) is a material topic based on an updated double materiality assessment conducted in accordance with ESRS 2 IRO-1. The assessment incorporated value chain mapping, internal expertise, stakeholder feedback and desktop research, and identified potential negative biodiversity impacts primarily in the downstream value chain, including seabed disturbance during construction activities and risks of accidental discharges in offshore environments operated by customers. While earlier assessments showed limited exposure at Archer's own sites, the expanded 2025 review demonstrated that biodiversity-related impacts arise where Archer's services form part of broader customer-managed operations. Archer has through its DMA assessment not identified any physical or transitional risks and opportunities related to biodiversity and ecosystems

At present, Archer does not have a biodiversity transition plan (E4-1) nor dedicated internal policies specific to biodiversity and ecosystems (E4-2). Biodiversity considerations are addressed indirectly through compliance with applicable environmental legislation, customer environmental management systems and industry standards covering spill prevention and pollution control. Existing environmental controls, such as spill response procedures, operational risk assessments and pollution-prevention measures, provide partial mitigation but do not constitute a dedicated biodiversity management approach. Due-diligence processes related to biodiversity remain at an early stage, and the most



recent assessment did not include structured engagement with affected communities or marine stakeholders. Archer intends to further develop governance, data collection and management processes for biodiversity within the applicable phase-in period.

IRO-1 E5

Assessing circular economy-specific impacts, risks and opportunities

In 2025, we reviewed and evaluated the impacts, risks, and opportunities related to resource use and the circular economy in accordance with the IRO-1 methodology. The assessment covered our value chain and was based on value chain mapping, stakeholder input, internal subject-matter expertise, and desktop research. As part of this work, we conducted screening of our assets and activities to identify any actual or potential impacts, risks, or opportunities connected to resource use and circularity, taking into account factors such as material quantities, availability, and potential regulatory changes. The assessment did not identify any significant actual or potential impacts, dependencies, or risks related to resource use or the circular economy at this stage. We did not conduct consultations with affected communities in this process.

IRO-1 G1

Assessing business conduct-specific impacts, risks and opportunities

As part of our double materiality assessment, we have evaluated the significance of business conduct across our operations, as well as in our upstream and downstream value chain. In this process, we have actively engaged with key stakeholders, including employees, suppliers, clients, unions, and investors, to ensure diverse perspectives are considered. Stakeholder feedback is gathered through workshops, interviews, and publicly available information.

Archer has assessed business conduct risks and opportunities by considering the locations of its operations and the regulatory environments in which it operates, as well as the specific activities within its upstream and downstream value chain. Additionally, the assessment reviewed sector-specific risks and transaction structures, including supplier relationships and subcontracting arrangements, to ensure a comprehensive understanding of business conduct-related impacts.

IRO-2

Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

Content index

The tables below and on the following pages outline all ESRS disclosure requirements in ESRS 2 and the six topical ESRS standards that are material to Archer and have guided the preparation of our sustainability statements. These tables serve as a navigation tool, allowing readers to locate information on specific ESRS disclosure requirements (e.g., BP-1). They also indicate where to find disclosure requirements that are referenced outside the sustainability statements and are 'incorporated by reference.'

Determining material information

Our general approach to identify material information for reporting is provided in section IRO-1, including the criteria and thresholds used to conclude on material IROs and topics. For data points whose decision-usefulness depend on our specific circumstances, such as certain metrics, we determined materiality of information based on the principles outlined in the standard. This includes the datapoints relevance and explanatory power in relation to the impacts, risks, and opportunities identified, as well as its relevance to our stakeholders in terms of decision usefulness and information needs. This assessment has been carried out by our reporting team and has been subject to several considerations, including the extent to which the information is already covered by other national or international reporting obligations.



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GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	34
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Incorporation by reference

The table below provides an overview of where information can be found relating to ESRS disclosures that have been incorporated by reference and stated outside the sustainability statement as part of other sections of this Annual Report

Disclosure requirement	Data point(s)	Paragraph	Page	
GOV-1	§21a	Number of executive and non-executive members of the Board of Directors	25	Board of Directors report
GOV-1	§21b	Employee representatives on the Board of Directors	25	Board of Directors report
GOV-1	§21d, §23a-b	Diversity of the Board of Directors	25	Board of Directors report
GOV-1	§21e	Percentage of independent Board of Directors members	25	Board of Directors report
GOV-1	G1, 23a-b, §5b, §21c, §17	Information on Board competences, skills and relevant experience	26-27	Board of Directors report



Disclosure Requirement	Related Datapoint	EU Legislation	Material	Page
ESRS 2 GOV-1	Board's gender diversity paragraph 21 (d)	SFDR, BR	Material	26
ESRS 2 GOV-1	Percentage of board members who are independent paragraph 21 (e)	BR	Material	26
ESRS 2 GOV-4	Statement on due diligence paragraph 30	SFDR	Material	36
ESRS 2 SBM-1	Involvement in activities related to fossil fuel activities paragraph 40 (d) i	SFDR, P3, BR	Material	37
ESRS 2 SBM-1	Involvement in activities related to chemical production paragraph 40 (d) ii	SFDR, BR	Not material	—
ESRS 2 SBM-1	Involvement in activities related to controversial weapons paragraph 40 (d) iii	SFDR	Not material	—
ESRS 2 SBM-1	Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	SFDR	Not material	—
ESRS E1-1	Transition plan to reach climate neutrality by 2050 paragraph 14	EUCL	Not material	—
ESRS E1-1	Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	P3	Not material	—
ESRS E1-4	GHG emission reduction targets paragraph 34	SFDR, P3, BR	Material	59
ESRS E1-5	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	SFDR	Material	62
ESRS E1-5	Energy consumption and mix paragraph 37	SFDR	Material	62
ESRS E1-5	Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	SFDR	Material	63
ESRS E1-6	Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	SFDR, P3, BR	Material	64
ESRS E1-6	Gross GHG emissions intensity paragraphs 53 to 55	SFDR, P3, BR	Material	67
ESRS E1-7	GHG removals and carbon credits paragraph 56	EUCL	Not material	—
ESRS E1-9	Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	BR	Not material	—
ESRS E1-9	Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)	P3	Not material	—
ESRS E1-9	Location of significant assets at material physical risk paragraph 66 (c)	P3	Not material	—
ESRS E1-9	Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	P3	Not material	—
ESRS E1-9	Degree of exposure of the portfolio to climate-related opportunities paragraph 69	BR	Not material	—
ESRS E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	SFDR	Material	73
ESRS E3-1	Water and marine resources paragraph 9	SFDR	Not material	—
ESRS E3-1	Sustainable oceans and seas paragraph 14	SFDR	Not material	—
ESRS E3-4	Total water recycled and reused paragraph 28 (c)	SFDR	Not material	—
ESRS E3-4	Total water consumption in m ³ per net revenue on own operations paragraph 29	SFDR	Not material	—
ESRS 2- SBM 3 - E4	paragraph 16 (a)	SFDR	Not material	—
ESRS 2- SBM 3 - E4	paragraph 16 (b)	SFDR	Not material	—
ESRS 2- SBM 3 - E4	paragraph 16 (c)	SFDR	Not material	—
ESRS E4-2	Sustainable land / agriculture practices or policies paragraph 24 (b)	SFDR	Not material	—



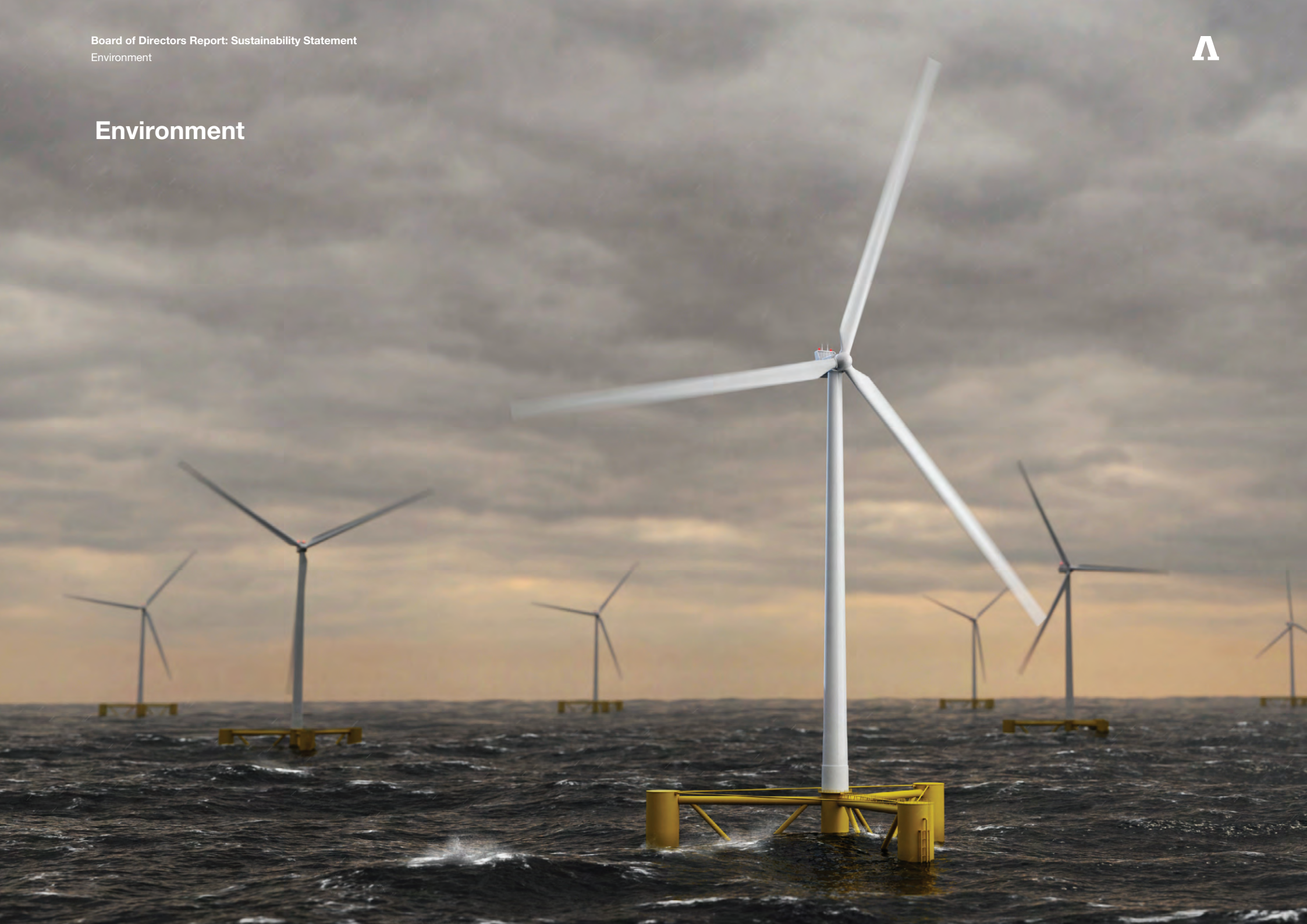
Disclosure Requirement	Related Datapoint	EU Legislation	Material	Page
ESRS E4-2	Sustainable oceans / seas practices or policies paragraph 24 (c)	SFDR	Not material	–
ESRS E4-2	Policies to address deforestation paragraph 24 (d)	SFDR	Not material	–
ESRS E5-5	Non-recycled waste paragraph 37 (d)	SFDR	Not material	–
ESRS E5-5	Hazardous waste and radioactive waste paragraph 39	SFDR	Not material	–
ESRS 2- SBM3 - S1	Risk of incidents of forced labour paragraph 14 (f)	SFDR	Not material	–
ESRS 2- SBM3 - S1	Risk of incidents of child labour paragraph 14 (g)	SFDR	Not material	–
ESRS S1-1	Human rights policy commitments paragraph 20	SFDR	Material	–
ESRS S1-1	Due diligence policies on issues addressed by the fundamental International Labor BR Organisation Conventions 1 to 8, paragraph 21		Material	76
ESRS S1-1	Processes and measures for preventing trafficking in human beings paragraph 22	SFDR	Material	76
ESRS S1-1	Workplace accident prevention policy or management system paragraph 23	SFDR	Material	76
ESRS S1-3	Grievance/complaints handling mechanisms paragraph 32 (c)	SFDR	Material	79
ESRS S1-14	Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	SFDR, BR	Material	87
ESRS S1-14	Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	SFDR	Material	87
ESRS S1-16	Unadjusted gender pay gap paragraph 97 (a)	SFDR, BR	Material	88
ESRS S1-16	Excessive CEO pay ratio paragraph 97 (b)	SFDR	Material	88
ESRS S1-17	Incidents of discrimination paragraph 103 (a)	SFDR	Material	88
ESRS S1-17	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	SFDR, BR	Material	88
ESRS 2- SBM3 – S2	Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	SFDR	Material	41
ESRS S2-1	Human rights policy commitments paragraph 17	SFDR	Material	90
ESRS S2-1	Policies related to value chain workers paragraph 18	SFDR	Material	90
ESRS S2-1	Non-respect of UNGPs on Business and Human Rights principles and OECD Guidelines paragraph 19	SFDR, BR	Material	90
ESRS S2-1	Due diligence policies on issues addressed by the fundamental International Labor BR Organisation Conventions 1 to 8, paragraph 19		Material	90
ESRS S2-4	Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	SFDR	Material	93
ESRS S3-1	Human rights policy commitments paragraph 16	SFDR	Not material	–
ESRS S3-1	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD Guidelines paragraph 17	SFDR, BR	Not material	–
ESRS S3-4	Human rights issues and incidents paragraph 36	SFDR	Not material	–
ESRS S4-1	Policies related to consumers and end-users paragraph 16	SFDR	Not material	–
ESRS S4-1	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 17	SFDR, BR	Not material	–



Disclosure Requirement	Related Datapoint	EU Legislation	Material	Page
ESRS S4-4	Human rights issues and incidents paragraph 35	SFDR	Not material	—
ESRS G1-1	United Nations Convention against Corruption paragraph 10 (b)	SFDR	Material	96
ESRS G1-1	Protection of whistle-blowers paragraph 10 (d)	SFDR	Material	96
ESRS G1-4	Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	SFDR, BR	Material	99
ESRS G1-4	Standards of anti- corruption and anti- bribery paragraph 24 (b)	SFDR	Material	99



Environment





Climate Change

Climate change represents a significant global challenge with implications for businesses, ecosystems, and societies. Archer acknowledges its responsibility to address climate change, including the greenhouse gas emissions arising from our own operations and value chain.

Archer's climate-related risks and opportunities are described in section SBM-3, where the company presents its assessment of material impacts, risks, and opportunities related to climate change.

E1 - Climate Change

Where it originates	IRO	Origin IRO	Description of IRO	Time horizon
GHG Emissions, Scope 1 and 2	Negative / Actual / Impact	Own operations and value chain	Archer has an actual negative impact on the environment through its greenhouse gas (GHG) emissions, specifically Scope 1 and Scope 2. The majority of these emissions are directly linked to the company's operational activities, including energy use and fuel consumption across its drilling and well services operations.	Short-, medium-, and long-term
GHG Emissions, Scope 3	Negative / Actual / Impact	Upstream value chain	Archer has an actual negative impact on the environment through its Scope 3 greenhouse gas (GHG) emissions. These emissions are significantly linked to the company's upstream activities, particularly those associated with its tier-1 suppliers.	Short-, medium-, and long-term
Fluctuating and increasing prices	Risk (Transition)	Own operations	Archer is actively assessing opportunities to electrify its rig fleet to reduce operational emissions. However, future constraints in energy availability and potential increases in electricity prices could present challenges and result in higher operating costs for the company.	Long-term
Shifting market demand away from O&G	Risk (Transition)	Own operations	A shift in market demand away from oil and gas may reduce access to capital, increase financing and operational costs due to tighter climate regulation, and over the longer term increase price pressure and the risk of stranded assets.	Medium- and long term
Operational disruptions	Risk (Physical)	Own operations	Although offshore platforms are engineered to operate in demanding environments, the growing frequency of extreme weather events, larger wave heights, and logistical constraints may increase operational and safety risks, particularly concerning the safe transport of personnel to and from installations. While these risks are effectively managed today, they might become increasingly relevant in the future.	Medium- and long term
Increased demand for renewable energy	Opportunity (Transition)	Own operations	Given the society's shift towards greener energy and as the demand for these services increases, Archer has the potential to position as a total supplier of carbon storage, P&A and geothermal energy. We anticipate this risk to be fluctuating and increasing in the medium to long-term.	Medium- and long term



SBM-3

A Resilient Business Model

Methodology

Archer conducted a resilience analysis at the beginning of 2025 through a workshop involving representatives from the finance, strategy and sustainability. The workshop was facilitated by subject matter experts ensuring a structured and informed approach.

The resilience analysis underscores Archer's ability to adapt to both climate scenarios while maintaining profitability. The resilience analysis conducted by Archer focused on the company's own operations while also indirectly considering the activities of its clients in the energy industry. All material physical or transition risks identified through scenario analysis were included in the evaluation, ensuring a comprehensive assessment of Archer's exposure to climate-related risks and the robustness of its strategic response. The resilience analysis considered period 2025 to 2050, where short-term is 2025, medium term is 2026 – 2035 and long term is 2036 – 2050. To address the uncertainties inherent in climate change, the analysis was conducted using both low-emission and high-emission scenarios.

A qualitative analysis of the estimated anticipated financial effects from material physical and transition risks, as well as the mitigation actions and resources, has been carried out. In 2024 we stated that we would update the qualitative assessment of the resilience analysis in 2025. As a consequence of the postponement of our transition plan, we have also deferred the update of our climate resilience analysis. Our resilience analysis will now be revised alongside the transition plan, including a comprehensive quantitative assessment of climate-related risks and opportunities. This future analysis will detail how assets and business activities at risk are considered in our strategy, investment decisions, and current and planned mitigation actions. In this year's report, these elements have been assessed qualitatively, and we will address them more systematically in the upcoming years once the transition plan is finalized.

Result

Resilience in a high-emission scenario

The high-emission scenario is based on a qualitative assessment assuming limited global climate mitigation, continued high greenhouse-gas emissions, and increasing physical climate impacts over time. In a high-emission scenario, Archer is exposed to increased acute physical climate-related risks, particularly affecting offshore operations. Intensifying storms, higher winds, rough seas, and more frequent extreme weather events may lead to operational delays, temporary shutdowns, and restricted access to offshore installations. These conditions could increase project execution risk and place additional stress on equipment, potentially resulting in higher maintenance requirements and costs.

Archer manages weather-related risks through established operational procedures, safety management systems, and technical standards, including equipment designed in accordance with stringent NORSOK requirements developed for harsh offshore environments. Continuous monitoring, defined operating limits, and contingency procedures support safe and reliable operations.

While harsher operating conditions may increase demand for robust, high-quality equipment and services, continued escalation of extreme weather events could result in higher operational disruption and costs over time. The potential impacts of physical climate risks and related opportunities are subject to ongoing monitoring and assessment.

Resilience in a low-emission scenario

In a scenario aligned with the Paris Agreement, where no or few new oil fields are developed in Norway, Archer's operations would remain resilient. The company anticipates reduced revenues from traditional oil and gas operations but increased revenues from renewable energy investments. Capital expenditure on CCS and renewable energy projects is expected to rise. With only 10% of revenues derived from greenfield projects, the company's financial stability would not be jeopardised. Moreover, the expected significant growth in plugging and abandonment (P&A) activities presents a substantial opportunity for Archer to expand its market share. This scenario also anticipates considerable growth in renewable energy, an area where Archer has already positioned itself strategically through investments in geothermal, offshore- and onshore wind, and solar energy. These forward-looking initiatives highlight Archer's preparedness to thrive in a low-carbon economy, ensuring long-term resilience and adaptability.

Conclusion

Archer demonstrates the ability to adjust and adapt its strategy and business model to climate change across the short, medium, and long term through targeted measures in strategic planning, operational adjustments, and resource allocation. The assessment of business resilience under a 1.5°C transition scenario is based on qualitative evaluation of Archer's market positioning, capabilities, and asset base, as well as the expected evolution of customer demand.

Archer's diversification into geothermal energy, wind-related services, and plugging and abandonment (P&A) activities is supported by the relevance of its existing technical expertise in drilling, well services, project execution, and operations in complex and regulated environments. These capabilities are considered transferable to renewable and late-life energy applications, although they may require targeted upskilling, adaptation of processes, and selective investment over time.

Market demand assumptions underpinning this assessment include continued growth in geothermal and renewable energy projects alongside increasing activity related to well



decommissioning and P&A, driven by climate policy, regulatory requirements, and asset retirement obligations. Archer's positioning in these markets is supported by established customer relationships, prior project experience, and the applicability of parts of its existing equipment, engineering competence, and safety management systems. At the same time, these markets are competitive and evolving, and the pace at which opportunities materialize may vary by geography and regulatory framework.

While Archer expects that not all assets or competencies can be redeployed immediately or at full scale, the company considers its phased approach — including the establishment of renewables as a separate business area and ongoing workforce development — to support a gradual rebalancing of its portfolio over time. This enables Archer to participate in low-emission growth markets while continuing to serve existing customers during the transition.

Based on this assessment, Archer considers its business model to be resilient under a 1.5° C scenario, acknowledging that execution risk, competitive pressure, and market uncertainty remain. The assumptions underlying this conclusion are subject to ongoing review as market conditions, regulation, and technology maturity evolve.

E1-1

Navigating the Transition to a Low-carbon Future

In 2024, Archer initiated the process of drafting a transition plan, marking a significant step in our commitment to addressing climate-related challenges and aligning with global sustainability goals. This process requires thorough analysis, stakeholder engagement, and internal alignment. While progress was made in 2025, we have currently not adopted a transition plan as we decided to postpone the finalization until the amended European Sustainability Reporting Standards (ESRS) are adopted. This ensures that our transition plan reflects the latest regulatory expectations.

Embedding Climate Action in our Business Strategy – Our approach is two folded

In our work with the transition plan, Archer is adopting a dual-focused approach. On one hand, we focus on achieving emission reduction targets in our own operations and value chain. This includes actively working towards our decarbonization goals to enhance operational efficiency, meet regulatory requirements, and align with market expectations for sustainability. By integrating these efforts into our broader strategy, we not only minimize our environmental footprint but also strengthen our resilience, ensuring our operations remain competitive and adaptable in an evolving industry landscape.

On the other hand, we diversify our business model by actively pursuing opportunities and growing our business within renewables and the energy transition landscape. This includes services such as geothermal drilling, plugging and abandonment (P&A) of wells, wind and

hydro-related services, as well as carbon storage. By strategically growing our portfolio in these areas, we ensure long-term resilience while supporting the global shift towards a low-carbon economy.

This approach is already embedded in our current climate targets, as outlined in Chapter E1-3 and E1-4: Targets & Actions. Our ongoing work with targets and actions will serve as a crucial foundation for the development of our transition plan.

E1-2

Policies related to climate change mitigation and adaptation

Tackling climate change requires a solid framework that ensures accountability and guides our actions across both our operations and the value chain. Our environmental policy and energy management policy is designed to address our environmental footprint, including our climate-related impacts. These policies guide our behaviour in addressing Archer's impact on climate change, with a primary focus on climate change mitigation measures and enhancing energy efficiency in our operations. Our environmental- and energy policies commits us to enhancing energy efficiency, managing greenhouse gas emissions, alongside other pollutants, to address our material environmental impacts. These policies do not explicitly address climate change adaptation or renewable energy deployment, as they are primarily centred around mitigating the environmental footprint of our operational activities.

All our policies across environmental, social and governance matters are global in scope and apply to all of Archers companies that were part of the group at the start of the year. Companies acquired during 2025 currently operate under their existing policies but will adopt Archer's policies in 2026 as part of the integration process.

The policies undergo an annual review to ensure they remain fit for purpose and are updated as needed. This review also evaluates whether additional training on the policies is necessary. As part of the process, we incorporate feedback from key stakeholders, addressing any challenges they identify to continuously improve the effectiveness of our policies.

Our CEO holds overall responsibility for the implementation of all environmental-related policies, ensuring alignment with our environmental objectives and organizational goals.

Environmental policy

Archer's commitment to climate change mitigation is outlined in the [Archer Environmental Policy](#), available on our webpage. One key pillar in the policy is Archer's commitment to continuously strive to reduce environmental impacts, and to proactively monitor and assess environmental aspects from our activities. The policy addresses all of Archer's material



impacts related to climate change mitigation, and applies all activities in own operations. We expect our business partners to adhere to the same principles, extending our environmental commitments to value chain partners.

The policy requires all operational sites to proactively monitor and assess environmental aspects, and continuously strive to reduce environmental impacts from our activities, in accordance with local rules and regulations. Our ambition is that each sub process and routine performed by Archer will be systematically examined to identify potential and actual environmental impacts.

Energy management policy

Archer's Energy Management Policy commits to reduce the use of energy and improve productivity to protect the environment. Central to this policy is our commitment to reduce emissions in own operations by ensuring competence among employees related to energy efficiency and monitor energy efficiency in our operations. The policy addresses all of Archer's material impacts related to energy and applies both to activities in own operations and in our value chain. The policy is available on our website.

Our Energy Management Policy commits the Group to continuously review and improve our purchasing and operations practices reducing emissions in the supply chain. In this work, we aim to use local suppliers and hire locally to reduce emissions from transportation and logistics. The policy is aligned with Archer's strategy, which emphasizes evaluating sustainable practices in operations, the supply chain and partnerships with customers to reduce our environmental footprint.

In addition to our policies, we are certificated according to ISO 14001, the international standard for environmental management systems. While we are not ISO 50001 certified, ISO 50001 provides a practical way to improve energy use, and we let this standard shape our everyday energy management work.

Internally, Archer enforces policies through a global management system, APD. This system assesses environmental and chemical impacts and helps us monitor our emissions. The corporate QHSE function oversees and reports to the top management and the Board.

E1-3, E1-4

Targets & Actions

Archer has set a target for decarbonization and an ambition for energy transition. Archer commits to reducing carbon emissions across our operations and accelerating the shift towards renewable energy sources to drive a more sustainable future.

Our decarbonisation target supports our policies focus on continuous improvement in environmental performance and energy efficiency. Our energy transition ambition is embedded in Archer's strategy focusing on providing services that support the energy transition and reduce reliance on fossil fuels. Since our energy transition ambition is focused on our services' portfolio, it is not directly linked to any of our policies which are directed towards mitigating the environmental impacts of our operational activities. Our climate mitigation targets and adaptation ambitions will be reassessed as part of preparing our transition plan in line with revised reporting standards.

Our energy transition ambition and how we will reach them

We aim to ensure that renewables and energy transition activities represent 35% of our revenue by 2040, reinforcing our role in shaping a sustainable future. Our transition ambition includes all services directly related to geothermal drilling, plugging and abandonment (P&A) of wells, production of wind and hydropower, as well as carbon capture, utilization, and storage (CCUS). The ambition and selection of services was developed by synthesising strategic, financial, and sustainability insights, and analysing the industry's growth potential and opportunities. Our analysis was informed by market outlooks from sources such as Rystad Energy, BCG, and DNV, which provided insights into the expansion of the renewable energy market, a favourable regulatory environment, and increased investment in sustainable technologies, all while maintaining and enhancing shareholder value. We did not apply scenario analysis in the development of this ambition and the definition adopted for "renewables and energy transition activities" does not align with the EU taxonomy classification of sustainability business activities. We are working on making this ambition a measurable outcome-oriented target together with our transition plan.

Over the past years, Archer has taken steps to enhance our portfolio of services in the renewable energy sector, aligning with our ambition of achieving 35% of global revenue from renewable and energy transition activities by 2040. These efforts reflect Archer's dedication to diversifying its operations, expanding its renewable energy offerings, and supporting the global energy transition. Our group currently consist of several entities predominantly operating in the renewables and energy transition market:

- **Archer Vertikal AS**, a company specializing in providing engineering and operational services to the wind and hydro sectors, including inspection, maintenance, and technical support for renewable energy infrastructure.
- **Iceland Drilling**, a leading provider of geothermal energy solutions
- **Archer Wind AS**, a technology, product, and solutions provider for the Floating Offshore Wind industry.

In 2025, 23% of our revenue was within the Renewable and transition activities. The revenue share related to this segment is expected to increase from 2025 due to increase activity



within PP&A. In the coming years, Archer will continue to pursue opportunities in energy transition activities and renewable energy, further advancing the diversification of its business. Other relevant acquisitions include the Acquisition of Wellbore Fishing & Rental Tools (WFR) and Premium Oilfield Services Ltd - two leading P&A specialist in the Gulf of America.

This will position Archer for plugging and abandonment of offshore oil and gas wells in the US market.

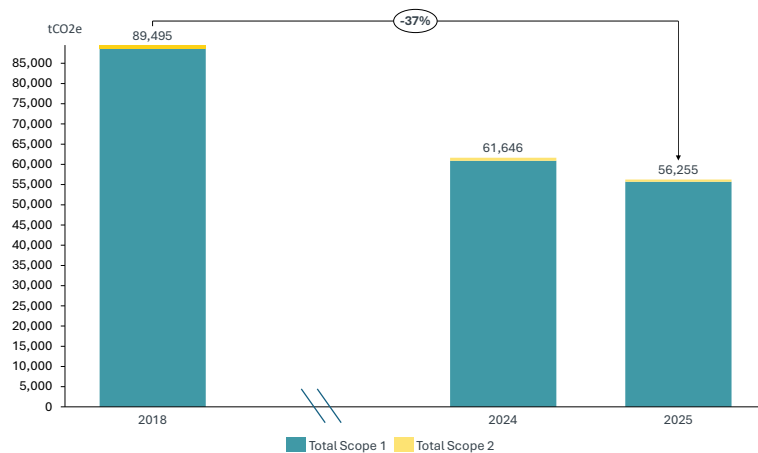
Our decarbonisation targets & decarbonisation levers

Archer is currently reviewing its decarbonisation targets; however, we continue to use our existing target while the review is ongoing. The current target was established in 2022 and reflects our commitment to reducing greenhouse gas emissions from our operations. Our short- to medium-term target is to achieve a 30% reduction in combined Scope 1 and Scope 2 CO₂e location based emissions by 2030, using 2018 as the baseline year. As Scope 1 represents the majority of our operational emissions, most reductions are expected to occur within Scope 1.

Progress Against Target

In 2025, Archer achieved total Scope 1 and 2 emissions of 56,255 tonnes CO₂e, compared with 89,495 tonnes CO₂e in 2018.

This represents a 37% reduction, meaning we have exceeded our 30% reduction target ahead of 2030.



Co2 emission development

Methodology

Archer’s decarbonisation target was developed through an internal process led by the Sustainability Department with significant contributions from Operations. The first step involved identifying the company’s main emission sources and evaluating the reduction potential of different operational areas. This assessment provided a clear overview of key levers for emission reductions.

External stakeholders—including customers and investors—were also consulted to ensure the target was realistic, aligned with expectations, and consistent with our Environmental and Energy Management Policy.

The 2018 baseline year was selected because it represents a normal operational year without major disruptions such as the COVID-19 pandemic or severe market volatility. This makes it a reliable baseline against which to measure progress.

Scope 2 emissions are tracked using the location-based method for target monitoring. Scope 3 emissions were calculated for the first time in 2024 and are not yet included in Archer’s decarbonisation targets. Scope 3 will be addressed as part of the broader transition plan and the future revision of our climate targets.

Archer’s existing 30% reduction target is not a science-based target and is not aligned with a 1.5°C trajectory. It was developed without reference to a sectoral decarbonisation pathway. As part of the transition plan process, Archer intends to reassess the target to ensure alignment with operational developments, regulatory expectations, technological progress, and evolving climate science.

Decarbonisation levers

Archer’s decarbonisation levers include both implemented and planned measures across Scope 1, Scope 2, and Scope 3. While many current levers do not yet include quantified forward-looking reductions, these will be developed as part of the transition plan. For implemented measures, quantitative reductions and related financial information are disclosed where available. Where such information is not yet available, this is primarily due to limitations in data availability, methodological challenges or the early stage of implementation. The company is working to improve data collection and measurement methodologies and expects to disclose quantitative and financial impacts once these can be reliably determined.



Scope 1

Electrification of land-based drilling.

Archer aims to reduce emissions from drilling operations by shifting from diesel-powered to electrically powered rigs. The electrification of the Óðinn rig began in 2024 and was completed in 2025. This upgrade enables the rig to operate on electricity where available.

- CapEx: EUR 1 million
- Expected Scope 1 reduction: 3,989 tCO₂e
- Expected Scope 2 increase: 1.3 tCO₂e
- Status: 50% of Iceland’s rig fleet can now operate on electricity

Archer will continue exploring opportunities for further rig electrification in regions where grid infrastructure supports this approach. A timeline for full fleet electrification has not yet been established.

Fuel switch

Switching from diesel to alternatives delivers the largest Scope 1 emission reductions due to significantly lower combustion emissions. Fuel switching is considered an immediate and practical decarbonisation action where electrification remains constrained by limited grid access. In 2025 our geothermal drilling rig Sleipnir switched from diesel to HVO biodiesel its operations from September to December. This resulted in a reduction of 585 kgCO₂e. Future steps will be assessed as part of our transition plan.

Operational awareness

Archer continuously improves rig operations, focusing on fuel efficiency and energy management. These incremental improvements are expected to contribute to gradual emission reductions over time and remain a core part of our operational strategy. Due to the incremental, site-specific nature of these measures, varying operational conditions and methodological limitations, it is not currently possible to reliably estimate the expected emission reductions in quantitative terms.

Scope 2

On-site Renewable Energy Production

Archer has significantly reduced Scope 2 emissions through investments in solar energy. Approximately one-fourth of the electricity consumed at our Norwegian headquarters is supplied by our on-site solar park, with additional smaller installations in the UK and Argentina. In 2025, the installed solar panels reduced Archer’s Scope 2 emissions by 39.4

tCO₂e (location based). Further expansion of renewable energy generation is planned and is expected to deliver comparable reductions in Scope 2 emissions, supporting continued decarbonisation of purchased electricity.

Energy Efficiency Improvements

Archer continues to implement energy efficiency measures across offices and workshops, including LED lighting, improved insulation, and energy management systems. These measures are expected to deliver incremental reductions in electricity consumption, contributing to Scope 2 emission reductions. While the individual impact of these initiatives is not expected to be significant at group level, they complement Archer’s renewable energy initiatives and support ongoing energy efficiency improvements.

Scope 3

Supplier engagement

Transportation and logistics represent a significant share of Archer’s Scope 3 footprint. Since 2022, we have collaborated with key suppliers to gather information on their energy management practices and pollution control measures. In 2024, Archer created a dedicated task force to develop a comprehensive logistics emission management strategy.

Since 2025, our primary logistics provider in Europe delivers periodic emissions reporting, improving accuracy and transparency of our Scope 3 accounting and supporting more targeted reduction measures in the future.

Progress over time

Scope	Unit	Baseline value	2025 value	2024 value
Scope 1	tCO ₂ e	88,582	55,687	60,898
Scope 2	tCO ₂ e	913	568	748

Since the baseline year of 2018, Archer has reduced its scope 1 and scope 2 emissions by 33.240 tCO₂e in 2025, a reduction of 37%.

Future Outlook

Archer is currently preparing a climate transition plan. This plan will refine our decarbonisation levers, quantify expected GHG reductions for planned actions, and support a potential revision of our overall climate targets, including the integration of Scope 3 where relevant.



E1-5

Energy consumption and mix

Most of the energy consumption in Scope 1 is from drilling activities on land. Scope 2 electricity used by our production sites mainly based in Norway, Argentina, United Kingdom and United States. Our Electricity consumption in the United Kingdom is covered by Guarantees of Origin.

The table below presents the Group's energy intensity related to its activities in high climate impact sectors. These sectors are defined based on the Group's operations classified under NACE section C. The Group also generates a small amount of its own energy through self-production.

The table shows the total energy consumption in Archer's consolidated activities.

	Unit	2025	2024
Non renewable sources			
Fuel consumption from coal and coal products	MWh	-	-
Fuel consumption from crude oil and petroleum product	MWh	207,460	226,790
Fuel consumption from natural gas	MWh	369	542
Fuel consumption from other non-renewable sources	MWh	-	-
Consumption of purchased or acquired electricity, heat, steam, and cooling	MWh	8,210	4,847
Total Energy consumption from Non-renewable sources	MWh	216,040	232,179
Share of fossil sources in total energy consumption	%	97.4	99.4
Total energy consumption from nuclear sources			
	MWh	1,792	482
Share of fossil sources in total energy consumption	%	0.8	0.2
Renewable sources			
Fuel consumption from renewable sources	MWh	2,121	-
Consumption of purchased or acquired electricity, heat, steam, and cooling	MWh	1,398	400
Consumption of self-generated non-fuel renewable energy	MWh	496	1,654
Total Energy consumption from Renewable sources	MWh	4,015	2,054
Share of renewable sources in total energy consumption	%	1.8	0.9
Total energy consumption	MWh	221,847	234,715



Accounting Policies

Total energy consumption related to own operations include fuel consumption at sites, fuel consumption in owned and leased vehicles, operational equipment, and consumption of purchased and self-generated energy (electricity, heat and cooling).

Energy values were calculated using fuel quantity data (in litres) and converted into MWh using the UK Government GHG Conversion Factors for Company Reporting.

Electricity consumption is obtained from electricity bills. In shared buildings, where multiple companies operate, consumption is estimated based on our occupancy share, calculated as the percentage of our employees relative to the total building occupants or area occupied.

Energy intensity	Unit	2025	2024	% 2025/2024
Energy intensity from activities in high climate impact sectors	MWh per USD million	185.3	210.4	(12)%
Total energy consumption from activities in high climate impact sectors	MWh	221,847	234,715	

Net revenue used in the calculation of Energy intensity is the total revenue in our Consolidated Statement of Operations and further described in Note 4 Revenue.

As described in BP-2, the comparative figures for 2024 have been updated to reflect a change from U.S. GAAP to IFRS.

Archer's operation is divided into 4 different segments: Platform Operations, Well Services, Land Drilling and Renewables. All our operations are classified as High Climate Impact sectors as defined by NACE.



	Base year	Comparative year 2024	Retrospective		Milestones and target years		
			2025	% 2025/ 2024	2026	2030	2050 Annual % Target / base year
Scope 1 GHG Emissions							
Gross Scope 1 GHG emissions (tCO ₂ e) ¹	88,582	60,898	55,686	(9)%			
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0%	0%	0%				
Scope 2 GHG Emissions							
Gross location-based Scope 2 GHG emissions (tCO ₂ e)	913	748	568	(24)%			
Gross market-based Scope 2 GHG emissions (tCO ₂ e)		2,723	5,331	96%			
Total Scope 1 and 2 (location-based) GHG emissions (tCO₂e)	89,495	61,646	56,254			62,646	
Significant scope 3 GHG emissions							
Total Gross indirect (Scope 3) GHG emissions (tCO₂e)	150,967	150,967	112,359	(26)%			
1: Purchased goods and services	50,079	50,079	55,575	11%			
2: Capital goods	11,352	11,352	9,795	(14)%			
3: Fuel and energy-related activities (not included in Scope 1 or Scope 2)	14,586	14,586	13,506	(7)%			
4: Upstream transportation and distribution	28,861	28,861	23,567	(18)%			
6: Business travelling	5,989	5,989	5,603	(6)%			
8: Upstream leased assets	4,704	4,704	4,313	(8)%			
15: Investments	35,396	35,396	-	(100)%			
Total GHG emissions							
Total GHG emissions location based (tCO ₂ e)		212,613	168,614	(21)%			
Total GHG emissions market based (tCO ₂ e)		214,588	173,377	(19)%			

1) Base year for scope 1 and scope 2 is 2018

2) Base year for scope 3 is 2024

3) As described in BP-2, the comparative figures for 2024 have been updated to reflect a change from U.S. GAAP to IFRS.

4)The tableline *Total Scope 1 and 2 (location-based) GHG emissions (tCO₂e)* deviate from AR 48 under ESRS E1; however, this disclosure is included because Scope 1 and Scope 2 targets have been combined. Our 2030 target is location based.



E1-6

Gross Scopes 1, 2, 3 and Total GHG emissions

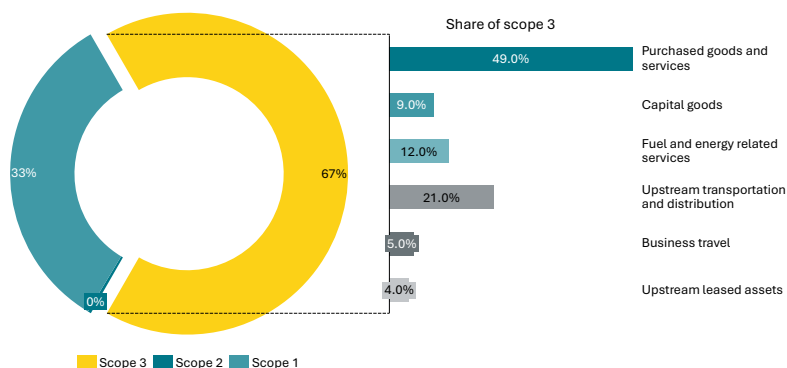
Archer's carbon footprint provides an overview of greenhouse gas (GHG) emissions across Scope 1, Scope 2 and Scope 3, expressed in tonnes of CO₂-equivalents (tCO₂e). Emissions are calculated in accordance with the European Sustainability Reporting Standards (ESRS), covering CO₂, CH₄, N₂O, SF₆, HFCs, PFCs and NF₃. All gases are converted to CO₂-equivalents using applicable global warming potentials.

GHG data is consolidated based on the financial control approach. The CEMAsys platform and its integrated calculation tools are used to prepare the GHG inventory. Scope 1, 2, and 3 figures have not been validated by an external party beyond the assurance provider.

Enhanced Data Accuracy in 2025

In 2025, Archer focused on strengthening data quality across all scopes. The largest improvements relate to Scope 3:

- Category 1: Transition from spend-based calculations to average, product-level activity data for several plug and plug-solution products.
- Category 4: Shift from spend-based data to supplier-reported CO₂e emissions for our main logistics provider in Europe, supplemented by km-based activity data from other key locations.
- Category 15: No longer applicable. Archer increased its investments in two previously reported associates. These entities are now consolidated, and their emissions are included in Scopes 1–3 rather than Category 15.
- Financial reporting changes: The transition from US GAAP/IFRS to new internal accounting principles reduced the volume of reimbursable cost included in Scope 3. This also contributed to a lower total Scope 3 figure for 2025



Accounting policies

Direct GHG Emissions (Scope 1)

Scope 1 covers all direct greenhouse gas emissions from sources owned or controlled by Archer. This includes fuel combustion in land rigs, company-owned vehicles, and natural gas used in owned or leased buildings. Emissions are calculated using the reported quantities of fuels purchased during the year (diesel, petrol, and natural gas), applying DEFRA emission factors. The data is primarily based on actual consumption. In cases where the customer purchases the fuel, we use the actual volumes filled into the tanks.

Indirect GHG Emissions (Scope 2)

Scope 2 emissions arise from purchased or produced electricity, heating, and cooling used in Archer's operations. Archer reports Scope 2 using both the location-based and market-based methods. Emission calculations are based on reported energy consumption and use emission factors from the IEA.

Indirect GHG Emissions (Scope 3):

In 2025, Archer continued its efforts to improve the accuracy and quality of its Scope 3 greenhouse gas (GHG) emissions data. The company prioritizes the use of activity-based calculations and supplier-specific information where available, as this provides higher data accuracy. However, due to limited access to supplier-specific emissions data across large parts of the value chain, a significant share of Scope 3 emissions continues to be estimated using secondary data.

Archer's Scope 3 GHG emissions are calculated in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Standard. Where primary data or activity-based inputs are available, these are incorporated into the calculations. In the 2025 reporting year, approximately 29% of Scope 3 emissions were calculated using primary or activity-specific data obtained from suppliers or other value-chain partners, including data from travel agencies and, where applicable, utility providers related to energy procurement (Category 3 and Category 6).

The remaining approximately 71% of Scope 3 emissions were estimated using secondary data, including industry-average emission factors applied to spend-based data. Secondary emission factors were sourced from recognized and widely used references such as the Environmental Protection Agency (EPA), the International Energy Agency (IEA), and the UK Department for Environment, Food & Rural Affairs (DEFRA). Financial accounting records, reflecting all purchases recorded during the reporting year, form the basis for these spend-based calculations.



Archer considers the current methodology appropriate given data availability and industry practice and continues to engage with key suppliers and partners to increase the share of activity-based and primary emissions data in future reporting periods.

- **Category 1 – Purchased Goods and Services**
In 2025, Archer improved data granularity by shifting from spend-based to average activity-based emission factors for many plug and plug-solution products. For remaining purchases emissions are calculated using a spend based approach, where categorized spend data is multiplied by relevant emission factors specific to each spend category. The approach captures the upstream cradle-to-gate GHG emissions associated with the production of goods and services purchased during the reporting period. We have included all purchases booked as cost on goods or services during 2025.
- **Category 2 – Capital Goods**
Emissions are calculated using spend data for property, plant and equipment, multiplied by appropriate emission factors reflecting the carbon intensity of the capital goods purchased. Data is collected from the ERP system and refers to the Groups CapEx for assets.
- **Category 3 – Fuel- and Energy-Related Activities (not in Scope 1 or 2)**
Upstream emissions from purchased fuels and electricity are calculated using activity data and related emission factors.
- **Category 4 – Upstream Transportation and Distribution**
In 2025, Archer replaced spend-based estimates with supplier-reported CO₂e emissions for its main transportation provider in Europe. For other regions, emissions are estimated based on kilometres travelled (derived from freight cost data), combined with mode-specific emission factors. Remaining 31% is calculated based on spend.
- **Category 6 – Business Travel**
Emissions are calculated using a hybrid method (activity-based and spend-based), including mileage reimbursements, travel agency data for air, train and hotel bookings, and spend data for miscellaneous travel.
- **Category 8 – Upstream Leased Assets**
Calculated using spend data on lease payments and relevant emission factors. Includes leased industrial equipment and vehicles not captured in Scope 1 or 2.
- **Category 15 – Investments:**
The two entities previously included under Category 15 were fully consolidated in 2025, and their emissions are now included in Scope 1, 2, and relevant Scope 3 categories.

Scope 3 Categories Considered Not Significant or Not Applicable

- **Category 5 - Waste Generated in Operations** - Not significant.
Calculated based on actual waste reports from waste handling companies, including waste types and treatment pathways. Not material for the Group.
- **Category 7 – Employee Commuting** – Not significant.
Emissions from employee commuting make up only a small portion of Archer's total GHG footprint compared with Scope 1, Scope 2, and other Scope 3 categories. Archer's global operations rely largely on rotational and on-site staffing, which further limits commuting-related emissions. These emissions are estimated using headcount data, average commuting days to the office, and average commuting distance.
- **Category 9 – Downstream Transportation and Distribution** – Not applicable
Archer does not sell products that require downstream logistics organised by third parties. All relevant transportation is arranged and paid for by Archer and therefore reported under Category 4 – Upstream Transportation and Distribution.
- **Category 10 – Processing of Sold Products** – Not applicable
Archer's products and services are delivered in a final or near-final form. They do not undergo further transformation or processing by customers. Therefore, no downstream processing emissions occur.
- **Category 11 – Use of Sold Products** – Not significant / not applicable
Archer does not sell products that generate significant emissions during use. Equipment and tools provided are not energy-consuming or produce minimal indirect emissions when operated.
- **Category 12 – End-of-Life Treatment of Sold Products** – Not significant
The volume of products reaching end-of-life is low, and materials (e.g., steel, alloys) have high recycling potential, resulting in minimal end-of-life emissions.
- **Category 13 – Downstream Leased Assets** – Not applicable
Archer does not lease out assets to external parties, and therefore no downstream leased asset emissions occur.
- **Category 14 – Franchises** – Not applicable
Archer does not operate a franchise-based business model and therefore has no emissions associated with franchise operations.



Significant assumptions

The calculation of Scope 3 GHG emissions is subject to a degree of uncertainty, primarily due to the reliance on secondary data, estimation methods, and assumptions made in the absence of supplier-specific information. Significant assumptions include the use of average emission factors for broad categories of purchased goods and services, the mapping of internal procurement data to upstream emissions categories such as extraction and processing of raw materials, and generalizations about supplier production methods, energy sources, and transport distances from suppliers to operational site.

While these methodologies are consistent with the GHG Protocol, the level of accuracy is inherently lower than calculations based on primary data. As a result, Scope 3 emissions figures should be interpreted as estimates with moderate to high uncertainty, particularly in categories such as Purchased Goods and Services, Capital Goods, and Upstream Transportation. To address this, the company is working to improve data quality over time by engaging with key suppliers, collecting more activity-specific inputs, and exploring the use of third-party tools that can provide more granular data. Enhancing data transparency and consistency across the value chain remains a key priority for future reporting cycles.

Contractual instruments

Archer purchases Guarantees of Origin (GOs) in the United Kingdom, covering 100% of electricity usage in the country and approximately 3.8% of total global Scope 2 usage.

Energy intensity	Unit	2025	2024
GHG emission (location based) per net revenue	(tCO ₂ e/MUSD)	140.9	190.6
GHG emission (marked based) per net revenue	(tCO ₂ e/MUSD)	144.8	192.4

As described in BP-2, the comparative figures for 2024 have been updated to reflect a change from U.S. GAAP to IFRS.

The net revenue applied to calculate the GHG intensity is reconciled against the financial line item "Total revenues" in the Consolidated Statement of Operations in the Financial Statements, and Note 4 Revenue.



Taxonomy

EU Taxonomy Disclosure

The EU Taxonomy is a classification system established under Regulation (EU) 2020/852 to facilitate sustainable investment by defining which economic activities can be considered environmentally sustainable. An economic activity is considered environmentally sustainable if it:

- makes a substantial contribution to at least one of the six environmental objectives,
- does no significant harm (DNSH) to any of the other environmental objectives, and
- complies with the minimum safeguards relating to human rights, labour standards, anti-corruption, taxation, and fair competition.

Archer has assessed its economic activities against the EU Taxonomy requirements in accordance with the Climate Delegated Act and the Disclosures Delegated Act.

Taxonomy-eligible activities and materiality assessment

Based on its assessment, Archer identified EU Taxonomy-eligible activities within the following sectors under the Climate Delegated Act:

- Sector 4 – Energy
- Sector 6 – Transport
- Sector 7 – Construction and real estate activities

The eligible activities identified are:

Activity	
CCM 4.6	Electricity generation from geothermal energy
CCM 4.22	Production of heat/cool from geothermal energy
CCM 6.5	Transport by motorbikes, passenger cars and light commercial vehicles
CCM 7.7	Acquisition and ownership of buildings

Application of the 10% Materiality Threshold

In July 2025, the European Commission introduced a materiality exemption allowing non-financial undertakings to exclude economic activities representing less than 10% of turnover, CapEx, or OpEx from detailed EU Taxonomy eligibility and alignment assessments. The assessment must be performed separately for each key performance indicator (KPI).

For the 2025 reporting year, Archer assessed the materiality of all EU Taxonomy-eligible activities relative to turnover, capital expenditure (CapEx), and operating expenditure (OpEx).

- For turnover and OpEx, all taxonomy-eligible activities were assessed as immaterial and are therefore not considered material for the respective KPIs.
- For CapEx, all taxonomy-eligible activities have been included in the taxonomy assessment, in line with the requirement to report on all CapEx-related taxonomy activities.

The proportion of turnover, CapEx, and OpEx not assessed due to immateriality is disclosed separately in the mandatory EU Taxonomy reporting templates.

Material EU Taxonomy activity

Electricity generation and production of heat/cool from geothermal energy (CCM 4.6 / CCM 4.22)

The substantial contribution criteria and the Do No Significant Harm (DNSH) criteria for the two taxonomy-eligible activities are identical. Archer's part of the economic activities involves drilling wells that are used to produce either electricity or heat/cool. Archer's procedures are equal and as a result, we have conducted a combined assessment of these activities. To substantially contribute to climate change mitigation, the life cycle greenhouse gas (GHG) emissions from geothermal electricity generation and heat/cool production must remain below 100g CO₂e/kWh. In order to meet this requirement, quantified life cycle GHG emissions must be verified by an independent third party. Archer contributes to the Taxonomy-eligible activity by participating in the construction of geothermal power plants. While our clients are responsible for generating and distributing electricity or heat to end users, Archer relies on their GHG calculations and independent verification. Many of our clients have calculated the life cycle GHG emissions of their geothermal energy plants, demonstrating that emissions fall below the 100g CO₂e/kWh threshold. However, since these calculations have not yet been verified by an independent third party, our activity does not currently meet the criteria. We expect this to change as CSRD requirements are increasingly adopted across more countries and companies in the coming years. For the financial year 2025 CCM 4.6 and CCM 4.22 are assessed not to be taxonomy aligned.

Acquisition and ownership of buildings (CCM 7.7)

The activity "Acquisition and ownership of buildings" is the only EU Taxonomy-eligible activity exceeding the 10% materiality threshold, and it is material for CapEx only.

This activity relates to right-of-use (RoU) assets for leased office and warehouse buildings, recognised in Archer's financial statements in accordance with IFRS 16. In 2025, Archer entered into several long-term office and warehouse lease agreements, resulting in material



additions to right-of-use assets. Archer does not own the buildings included in this activity and does not carry out construction, major renovation, or redevelopment activities. The activity reflects Archer's capitalised economic interest in leased buildings used for administrative and operational purposes.

Office buildings and warehouses assessed for alignment with the substantial contribution criteria for climate change mitigation did not meet the requirement of having an Energy Performance Certificate (EPC) with a minimum rating of Class A. Although the office buildings qualify as large non-residential buildings, they did not satisfy the criteria for demonstrating efficient operation through energy performance monitoring and assessment under the specified efficiency systems. As a result, the activity is considered EU Taxonomy-eligible, but not aligned.

Key performance indicators (KPIs)

Accounting policy

Financial information used for the EU Taxonomy KPIs is prepared in accordance with IFRS® Accounting Standards and reconciles to Archer's consolidated financial statements. The KPIs are prepared at Group level and follow the definitions and calculation requirements set out in Annex I of the Disclosures Delegated Act.

All amounts are presented in US dollars (USD) and rounded to the nearest USD million, unless otherwise stated. The KPIs are presented using the mandatory templates included in Annex II of the Disclosures Delegated Act.

Turnover

Denominator

The denominator for the Turnover KPI corresponds to total revenue as recognised under IFRS 15 *Revenue from Contracts with Customers*, as presented in the consolidated income statement (see Note 4 Revenue).

Capex

Numerator - Eligible

The CapEx numerator comprises additions to right-of-use assets recognised in accordance with IFRS 16, relating specifically to buildings.

Denominator

Total CapEx includes investments in tangible and intangible assets before depreciation or amortization, covering PP&E, intangible assets, investment property, agricultural assets, and leases, excluding goodwill.

Opex

Denominator

Total OpEx includes non-capitalized costs related to R&D, building renovation, short-term leases, and maintenance and repair activities.



Financial year 2025

(N)

KPI	Total	Proportion of Taxonomy eligible activities	Proportion of Taxonomy aligned activities	Proportion of Taxonomy aligned activities	Breakdown by environmental objectives of taxonomy aligned activities							Proportion of Not assessed activities considered non-material	Proportion of Taxonomy aligned activities in previous financial year (N-1)
					Climate Change Mitigation	Climate Change Adaption	Water	Circular Economy	Pollution	Biodiversity			
Text	Million USD	%	Million USD	%	%	%	%	%	%	%	%	Million USD	%
Turnover	84.6	7.1	-	-	-	-	-	-	-	-	-	-	-
CapEx	38.3	36.5	-	-	-	-	-	-	-	-	-	-	-
OpEx	6.4	0.5	-	-	-	-	-	-	-	-	-	-	-

Reported KPI

CapEx

Financial year (N)		2025												
Economic Activities	Code	Taxonomy eligible KPI CapEx	Taxonomy aligned KPI CapEx	Taxonomy aligned KPI CapEx	Environmental objective of Taxonomy aligned activities							Enabling activity	Transitional activity	Proportion of Taxonomy aligned in Taxonomy eligible
					Climate Change Mitigation	Climate Change Adaption	Water	Circular Economy	Pollution	Biodiversity				
Text	Million USD	%	Million USD	%	%	%	%	%	%	%	E where applicable	T where applicable	%	
Electricity generation from geothermal energy	CCM 4.6	5.8	-	-	-	-	-	-	-	-	-	-	-	
Production of heat/cool from geothermal energy	CCM 4.22													
Acquisition and ownership of buildings	CCM 7.7	32.5	-	-	-	-	-	-	-	-	-	-	-	
Total KPI CapEx		38.3	-	-	-	-	-	-	-	-	-	-	-	



Pollution

Pollution poses challenges to the environment, public health, and the sustainability of industries worldwide. As a company operating in the energy sector, Archer recognizes our responsibility to address the pollution impacts associated with our operations and mitigate these impacts.

Where it originates	IRO	Origin of IRO	How it affects people or planet	Time horizon
Land Drilling activities	Negative / Actual / Impact	Own operations	Our land drilling and production activities release pollutants such as NOx into the air, potentially contributing to local air quality concerns and negative environmental impacts.	Short-, medium-, and long-term
Logistics in the supply chain	Negative / Actual / Impact	Upstream value chain	Logistics in supply chain release pollutants, comprising air quality, such as SOx and NOx.	Short-, medium-, and long-term

SBM-3

Pollution to air

Pollution is a relevant consideration for Archer’s strategy and business model, as our operations inherently involve emissions and releases that may affect air quality and the surrounding environment. Pollution risks arise both from our direct operations and from activities within our upstream supply chain.

Archer owns and operates several land rigs, primarily in Iceland and Argentina, which are used for geothermal drilling, carbon storage wells and onshore oil production. Where feasible, we aim to operate these rigs using electricity to reduce pollution from combustion. However, in locations where grid access is limited or unavailable, the rigs must operate on fossil fuels. During such periods, the main pollutants emitted are nitrogen oxides (NOx), which affect air quality and may contribute to acidification and eutrophication. These pollution risks are therefore considered in operational planning, including rig siting, energy sourcing and fuel-use strategies.

Transportation activities also play a central role in Archer’s business model and represent another source of pollution. Rigs, equipment, personnel and supplies must be transported

to and from global project sites. In Iceland and Argentina, relocations are mainly carried out by truck, while longer-distance movements may require shipping. Most transport activities are outsourced to logistics providers, and we work closely with these partners to reduce pollution where possible. Transport-related emissions, including NOx from heavy vehicles and vessels, are a key pollution source within our value chain and are relevant in assessing risks associated with our supply chain and logistics model.

These pollution-related impacts and risks influence Archer’s operational decisions and strategic priorities. They contribute to our focus on electrification where possible, on improved planning for rig movements, and on collaboration with logistics providers to minimise emissions from transport. They also guide ongoing assessments of opportunities to reduce pollution exposure in our business model over time.

E2-1

Policies

Archer addresses pollution risks through a set of policies that guide our approach to preventing and reducing pollution across our operations and value chain. These policies form part of our broader environmental management framework and establish expectations for monitoring, mitigating and continually improving our environmental performance. Pollution to air is the most material pollution impact for Archer, primarily arising from fuel combustion in land-based drilling activities and transportation.

Environmental Policy

Archer’s Environmental Policy outlines our commitment to identify, monitor and reduce environmental impacts, including pollution to air, in compliance with applicable laws and regulations. The policy applies to all operational sites and requires proactive management of pollution risks, continuous improvement of environmental performance and alignment with local regulatory requirements. The Environmental Policy is further described in the E1 Climate Change chapter and forms the foundation for our pollution-related due diligence processes.

Energy Management Policy

Because fuel consumption in land-based drilling operations is the primary source of Archer’s air pollution, the Energy Management Policy plays a central role in managing non-GHG emissions such as nitrogen oxides (NOx), sulphur dioxide (SO₂) and particulate matter. The policy sets expectations for reducing energy use and optimising operational efficiency, including reducing reliance on fossil fuels where feasible. By outlining our commitment to lower fuel consumption, the policy aims at reducing Archer’s emissions, including non-GHG emissions. Additional details on the Energy Management Policy are provided in E1 Climate Change.



Implementation and Monitoring

To support the implementation of these policies, Archer has established an environmental management system through which relevant sustainability metrics and KPIs are monitored. A key KPI for measuring pollution impacts is total fuel consumption in operations, reported quarterly by all operational units. This process follows ISO 50001 requirements for energy management systems, ensuring a consistent and structured approach to tracking and improving energy use and associated pollutant emissions.

E2-2

Actions

Archer monitors the effectiveness of its pollution-reduction measures through a combination of operational data, supplier reporting and performance indicators embedded in our environmental management system. Because many of our mitigation actions reduce both GHG and non-GHG emissions, the tracking of pollution outcomes is closely connected to our climate-related monitoring. Electrification initiatives and fuel-switching activities influence air pollution levels directly by lowering diesel and heavy-oil consumption, which in turn reduces NOx and other combustion-related pollutants. While the decarbonisation levers for climate and pollution mitigation are related, the effectiveness of actions targeting non-GHG emissions is assessed and reported separately under ESRS E2.

Electrification of Rigs

To reduce air pollution from drilling operations, Archer is working to transition its land rigs from fossil fuels to electricity where feasible. The electrification of rig Óðinn began in 2024 and was completed in 2025. The rig is now operating on Iceland using grid electricity. The impact of electrification on NOx emissions was a reduction of 69,300kg NOx for 2025.

NOx Reporting From Logistics Providers

To strengthen the monitoring of pollution impacts within our value chain, Archer has established periodic NOx reporting with our largest logistics provider in Europe, covering transportation of equipment and materials. The provider now submits NOx emissions data on a recurring basis, enabling more consistent tracking of pollution from outsourced transport activities. This data will be used in the evaluation of mitigation opportunities in future years.

E2-3

Targets

As of 2025 Archer do not have any targets related to pollution of air, nor track the effectiveness of its policies and actions related to its E2 impacts. We have established targets related to our CO2 emissions described in the chapter E1 Climate Change. Our target is to achieve a 30% reduction in global CO2 emissions (Scope 1 and Scope 2) by 2030, using 2018 as the baseline. The primary source of emissions in Scope 1 is fossil fuel consumption in Archer's operations, primarily due to consumptions of diesel on our land rigs. Fossil fuel is the main source of pollution to air within our business; hence our CO2-emissions ambitions and efforts to reduce Scope 1 emissions will have a direct impact on our non-GHG emissions.

As stated in E1 Climate change Archer has decided to defer setting new targets related to material environmental matters. The decision to defer target setting is due to the ongoing development of regulatory frameworks and the expected release of updated European Sustainability Reporting Standards (ESRS). Archer aims to ensure that any future targets are fully aligned with the latest regulatory requirements once the new standards are finalized. Accordingly, Archer will review and define appropriate targets once the regulatory landscape provides greater clarity.



E2-4

Pollution to air

Pollutant	Formula	Unit	2025	2024
Nitrogen oxides	NOx	Kg/Year	885,320	959,115

2024 was the first year we measured air pollution. However, air pollution from our own operations is directly linked to fuel consumption. As outlined in section E1 Climate Change, we have reduced our diesel use by 33% compared to 2018. Based on our calculations above, this corresponds to an average yearly reduction of 61,599 kg of NOx emissions.

Notes to Metrics

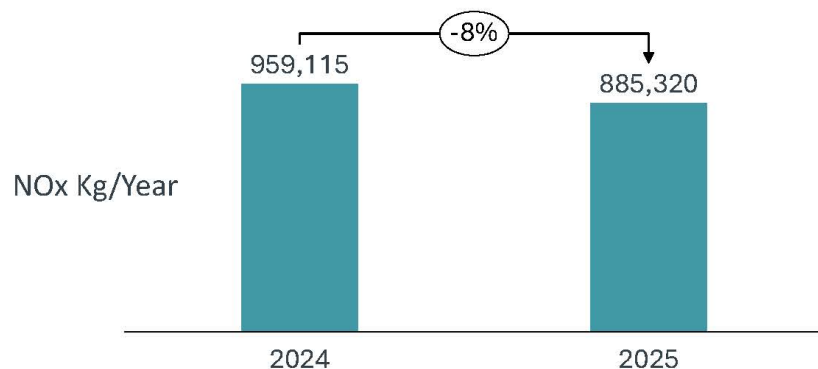
NOx emissions are estimated based on total annual fuel consumption. Fuel volumes in liters are converted to tonnes using the density factor 0.84 t/m³, in line with *Drivkraft Norge (2021)*, *Norsk bransjestandard for drivstoff og fyringsprodukter*.

To calculate NOx emissions, we apply the emission factor 0.05 from *Forskrift om særavgifter, kapittel 3-19 Avgift på NOx*. The following formula is used:

$$\text{NOx (tonnes)} = \text{Tonnes of fuel} \times 0.05$$

We apply an RPM-specific emission factor; however, engine-specific NOx measurements (e.g., exact RPM profiles, load, and engine type) are not available. As a result, emissions are estimated using standardized factors, which introduces some uncertainty compared with equipment-specific data.

The measurement of our metric is not validated by an external body other than or assurance provider.





Social





Own Workforce

SBM-3

Our talented and skilled workforce is the foundation for Archer's ability to deliver industry leading performance. With a workforce of approximately 4,400 employees worldwide, Archer recognizes its responsibility for ensuring the well-being and fair treatment of its employees.

The potential negative impacts on our workforce are largely driven by systemic characteristics of the industry and the nature of Archers' operations and primarily affect employees directly employed by the company. From a health and safety perspective, offshore and field drilling activities involve elevated risks of work-related injuries and, in rare cases, fatalities. The industry is also predominantly male, which may influence workplace culture and employee well-being and underscores the need for intentional efforts to promote an inclusive environment. This includes addressing risks of discrimination related to gender, culture or nationality, particularly given that our workforce represents more than 50 nationalities. A detailed overview of the material impacts affecting our workforce is provided in the table below.

S1 - Own workforce

Where it originates	IRO	Origin of IRO	How it affects people or planet	Time horizon
Unequal gender distribution	Negative / Actual / Impact	Own operations	Of Archers' approximately 4,400 employees, 92 percent are men. The imbalance, especially in offshore environments, can perpetuate gender stereotypes, contribute to a non-inclusive work environment, and negatively impact team dynamics, innovation, and overall organizational performance.	Medium to Long-term
Equal opportunities for all in a global workforce	Negative / Actual / Impact	Own operations	With a global workforce representing over 50 nationalities, there is an inherent risk of workplace discrimination and inequality, which could create a non-inclusive work environment and negatively impact innovation and overall organizational performance.	Short-, medium-, and long-term
Working Conditions	Negative / Actual / Impact	Own operations	Employees working in field operations are exposed to working-time arrangements that can negatively impact their overall well-being.	Medium to Long-term
Possible work-related injuries and fatalities	Negative / Actual / Impact	Own operations	Operating in over 40 locations worldwide, including 32 offshore platforms and 24 land, our workforce is engaged in high-risk activities that can lead to accidents and workplace injuries.	Short to Medium-term



Health and Safety

The potential health and safety impacts on our workforce stem from our strategy and business model, which require employees and non-employees to carry out on-site work in environments with inherent operational risks. These risks are associated with offshore and field-based activities, including the use of heavy machinery and complex technical equipment. We consider these impacts to be systemic to the industry and characteristic of the types of operations performed across our business.

In response, Archer has prioritised health and safety as a central element of its strategy, governance and communication. These risks have informed the development and implementation of global safety standards and procedures designed to reduce incidents and strengthen operational discipline. We continue to invest in risk mitigation through mandatory safety training for all employees, including global training modules on risk awareness and risk management, as well as tailored safety courses that address local operational conditions and specific customer requirements. Regular safety audits are conducted at both onshore and offshore locations to verify compliance and identify opportunities for improvement.

Safety is our most important core value, guiding how we plan, execute and evaluate our work. This includes strict adherence to procedures, the authority for all personnel to stop work if safety is compromised, and a commitment to continuous improvement in safety performance. Employee safety training remains essential to preventing accidents and mitigating the risks inherent in our operations.

In addition to our potential health and safety impacts, we have identified potential material impacts related to working time arrangements for field workers and to diversity and inclusion based on gender and nationality.

Working time

Working time arrangements, especially in field operation environments, can have a direct and significant influence on physical and mental health. Long or irregular working

hours, long periods away from family, travelling, reduced autonomy over scheduling and the demanding nature of field work can increase fatigue, elevate psychosocial stress, and contribute to higher levels of sickness absence and voluntary turnover compared with onshore roles. As part of our ESRS S1 assessment, we have identified the management of working hours, rest periods, and psychosocial wellbeing as material topics that affect both our employees and the resilience of our operations. Based on our DMA we have identified field workers as a key group in our workforce who are at greater risk of harm.

The combination of long shifts, night work, physical demands and extended period away from family can lead to fatigue, sleep disruption, loneliness and reduced mental wellbeing.

Diversity and Equal Opportunities for all

Archer's global workforce comprises individuals from more than 50 different nationalities across multiple regions. This creates a highly diverse working environment which may originate in negative impacts due to discrimination and lack of inclusive workplace culture.

The offshore and field drilling industry has traditionally been, and continues to be, highly male-dominated. The nature of our industry with typical male dominated subjects, and the fact that most of our employees are working offshore or in the field, our organization faces a gender imbalance. This underrepresentation of women can negatively impact inclusivity.

The potential negative impacts related to gender imbalance and workforce diversity have informed the development of our strategic priorities, emphasizing the need to foster gender balance and inclusivity. We have embedded gender equality into our business practices, by implementing recruitment strategies to actively attract more women, incorporates policies and actions to prevent discrimination and to ensure equal opportunities.

To mitigate these potential impacts and raise awareness, all new employees are required to complete an online course

on our "Code of Conduct", and Mission, Vision & Core Values. We are monitoring Diversity & Inclusion throughout our Global Employee Engagement Survey.

In relation to our own workforce, we have not identified any material financial risks and opportunities arising from our potential impacts. We have not identified any risks of forced labor or child labor incidents within our workforce.

S1-1

Policies

Archer's people strategy and approach to managing material impacts on our workforce are anchored in robust, globally applicable policies that reflect our unwavering commitment to Safety, Integrity, and Performance, supported by our Core Behaviours of Teamwork and Proactivity. These principles guide our efforts to create a workplace where every individual feels safe, healthy, respected, and empowered to thrive.

Our policies clearly articulate mutual expectations—what Archer expects from employees and what employees can expect from Archer. They apply consistently across all employment types, geographies, and roles, ensuring fairness and inclusively throughout our organization.

Archer has implemented overarching policies on equal opportunity, diversity, and non-discrimination, which apply to all employees. These policies are broadly formulated and aim to ensure fair and equal treatment across the workforce, including individual who may be at risk of vulnerability.

The development and continuous improvement of these policies are informed by active stakeholder engagement. We consult widely with employees, union and safety representatives, suppliers, and investors to capture diverse perspectives and anticipate emerging trends. This dialogue has driven enhancements in critical areas such as safety protocols, behavioural standards, and communication channels, reinforcing our ability to respond proactively to evolving workforce needs.



Accountability for policy implementation resides with our CEO, supported by senior functional leaders. Together, they ensure that stakeholder insights are embedded into decision-making and that policies are communicated effectively, understood thoroughly, and enforced consistently across all operational levels. This governance structure underscores our commitment to transparency, inclusively, and continuous improvement in workforce management.

All Archer policies are publicly available at www.archerwell.com/quality.

Policies related to health and safety

At Archer, safety is a non-negotiable priority. Our Safety Policy sets a clear ambition: zero accidents, zero injuries, and zero losses. We achieve this by ensuring that every individual has the time, training, and competence to plan and execute work safely. Safety is embedded in our culture and reinforced by our Code of Conduct, which commits Archer to conducting business in the safest possible manner while being responsible stewards of the environment. Our overarching ambition remains: no accidents, no harm to people, and no damage to the environment.

Every person working for Archer has both the duty and the right to stop unsafe actions or operations, and we fully support decisions to halt any activity deemed unsafe. To strengthen this culture of accountability, our QHSE team actively recognizes and rewards employees who demonstrate proactive safety leadership and report unsafe conditions.

Our Well Control Policy complements the Safety Policy, underscoring our commitment to preventing uncontrolled well situations and safeguarding our workforce. This is achieved through rigorous maintenance of well control equipment, strict compliance with legislation, and continuous monitoring, recording, and reporting of deviations to ensure immediate corrective actions.

Quality is equally fundamental to our operations. Our Quality Policy states: “*We aim to do it right the first time, every time.*” This principle is realized by deploying qualified personnel and ensuring they possess the necessary competence and understanding of planned work. High-quality execution is not only a performance goal—it is a critical factor in mitigating health and safety risks. Compliance with our management system and relevant internal and external requirements is mandatory, and we ensure that all employees are familiar with and adhere to these standards.

Our commitment to excellence is validated by our ISO 9001:2025 certification, which reflects Archer’s dedication to maintaining a high-quality working environment and continuous improvement across all operations.

Managing health and safety through our Business Management System

To ensure Archer’s operations are conducted safely, efficiently, and in compliance with global standards, all activities are governed by documented procedures within our integrated management system, Compass. Compass serves as Archer’s top-level operational framework, combining Quality, Health, Safety, and Environmental (QHSE) requirements into a single, cohesive system. It provides management, employees, and relevant stakeholders with clear, consistent, and accessible information on work processes and procedures, ensuring alignment across all operations.

Our Risk Management process is a cornerstone of our safety culture. It is designed to proactively identify, assess, and prioritize risks, followed by the targeted allocation of resources to minimize, monitor, and control the likelihood and impact of harmful events. This structured approach enables Archer to protect our employees, reduce health exposures, and maintain operational resilience.

Health and safety standards embedded in Compass are fully aligned with ISO 45001 requirements, reinforcing our commitment to internationally recognized best practices. While not all Archer locations currently have direct access

to Compass, we have established a clear directive: every Archer site must implement a health and safety management system aligned with ISO 45001, ensuring consistency with our corporate policies and effective oversight of implementation. Where local legal requirements exceed these standards, Archer complies with applicable legislation without exception.

Policies related to working time

Our Social responsibility policy states that our goal is to meet the highest standards of ethics and professionalism and that we will achieve this by protecting the environment and the health & safety of our employees. Furthermore, to ensure that all business operations are in line with regulations.

Our Health policy states that we will promote a culture in which everyone works together to ensure good health and a sound working environment. We will achieve this by creating and maintaining a healthy work environment and working culture, encouraging individuals to take responsibility for their own health and committing to initiatives that promote a positive and healthy work environment.

Archer Code of Conduct also states that the Company is committed to the health and safety of its employees.

To manage potential negative impacts on employee wellbeing from long and irregular working hours, Archer applies working-time policies that define maximum shift lengths, mandatory rest periods, and limits consecutive workdays. Working-time arrangements for employees in field operations are designed and implemented in accordance with the local labor legislation in all countries we operate. This includes compliance with national rules on maximum working hours, rest requirements, overtime limits, and protections for employees performing physically demanding or mobile work.

The company cooperates with trade unions and safety delegates when establishing or revising working-time agreements. Collective bargaining processes and local



agreements play a central role in shaping schedules, rotation patterns, and compensation mechanisms. Union and safety delegate cooperation also supports monitoring of compliance, identification of risks, and addressing employee concerns related to working time and well-being.

Field employees have access to support services, including health and safety programs, psychological resources, and well-being initiatives. Where possible, Archer promotes predictable scheduling, enables adequate recovery periods, and implements measures to mitigate both physical and mental strain.

Policies for equal treatment and opportunities for all

Our identified potential impacts of unequal gender distribution and workforce diversity are addressed by our policy commitments, including our policies to uphold human rights.

Our Archer Human Rights Policy affirms our commitment to fostering a company culture that respects and promotes human rights. We will achieve this by adhering to recognized international standards and the laws of the countries in which we operate. This includes upholding the principles of non-discrimination in the workplace, the right to freedom of association and assembly, and the right to collective bargaining. The policy is supplemented by Archer Code of Conduct which states that Archer complies with international labor standards and employment legislation where we operate. We are committed to non-discrimination in the workplace, the right of freedom of association and assembly, and the right to collective bargaining.

Additionally, we monitor our operations, practices, and procedures to ensure compliance with the Archer Human Rights Policy and Archer's core values.

Our Health policy states that we will promote a culture in which everyone works together to ensure good health and a sound working environment. We will achieve this by creating and maintaining a healthy working environment and working culture and commitment to initiatives that support and promote this.

The Archer Behavior and Conduct Policy set the expectation that all individuals behave respectfully towards others and act in accordance with Archer's values. This commitment is achieved by fostering ethical awareness and integrity in daily activities, ensuring equal opportunities for all individuals, and maintaining a zero-tolerance policy for sexual harassment and bullying.

Additionally, the Archer Code of Conduct states that we are committed to ensuring equal employment opportunities for all individuals. We do not tolerate discrimination based on race, ethnicity, religion, sexual orientation, gender identity, career and parental status, national origin, age, marital status, or disability. Through these commitments, Archer fosters a fair, inclusive, and respectful work environment for all employees.

Furthermore, the Code of Conduct states that we will uphold and respect the human rights of our employees, suppliers, clients, and the communities we operate in, and we expect our employees and contractors to fully support in this endeavor. Our approach is informed by internationally recognized frameworks, including the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, and the ILO Core Conventions on Labor Standards.

Archer complies with international labor standards and employment legislation where we operate, and we are committed to the prevention of child and forced labor, human trafficking and non-discrimination in the workplace, the right of freedom of association and assembly, and the right to collective bargaining.

While our policies broadly support human rights and labor standards, they do not currently include explicit language addressing the prevention of trafficking in human beings. This is an area we recognize as increasingly important, and we are assessing opportunities to strengthen our policies to reflect our commitment to ethical labor practices throughout our operations and supply chain.

This commitment applies to all employment decisions, including recruiting, hiring, termination, promoting,

demoting, training, transfers, reductions—in-force, rehiring, compensation, benefits, discipline, and other terms, conditions and privileges of employment.

To ensure compliance with internationally recognized human rights Archer has made a Transparency Act Procedure and publishes yearly Transparency Act Reports in accordance with the Norwegian Act relating to enterprises 'transparency and work on fundamental human rights and decent working conditions ("The Transparency Act"). Our commitment extends not only to our own operations but also to the companies we collaborate with and the communities in which we operate.

With reference to the UK Modern Slavery Act 2015 we present Slavery Act Statements and yearly Gender Pay Gap Reports for the UK. More on this regarding suppliers and workers in the value chain in Workers in the Value chain

Lastly, every employee is subject to the Archer Employee Handbook, with versions for each country, region or employee location (onshore or offshore). It addresses equal opportunities, harassment and bullying, grievance procedures, and adherence to the Code of Conduct.

S1-2

Process for engaging with our own workforce

At Archer, we expect our leadership to directly engage with our workforce to gain insights and perspectives on a wide range of matters. These insights play a crucial role in shaping our decisions and strategies.

We engage directly with our employees via our bi-annual global Employee Engagement Survey. The survey is designed to gather employees' perspectives and opinions on their satisfaction and motivation on various aspects of their work experience. Director Human Resources is responsible for this initiative. The survey covers key areas, including Employee Net Promoter Score (eNPS), social interaction, inclusion and diversity, achievements, job requirements, sense of control, leadership, company values, overall engagement with the organization, and



internal company issues. By collecting this feedback, we aim to better understand employee experiences and continuously improve the workplace. All levels in the organization are engaged in response to the employee engagement survey, ensuring that the process is inclusive and transparent. From collaboration with the Executive Management team to working closely with each department, we prioritize open communication and feedback. We establish task forces that bring together both employees and management, fostering ownership and involvement in the action plan for improvements.

We arrange Quarterly Global Town Hall sessions with the Group CEO, which provides employees with the opportunity to raise questions and concerns.

We conduct exit interviews when employees leave the organization to gain valuable insights into the employee experience and to identify areas for improvement. These interviews are an essential part of our employee engagement strategy, providing employees with a platform to share feedback and their reason for leaving. The data collected from exit interviews is analyzed to inform our retention strategies and drive continuous improvement. Our local HR are responsible for conducting exit interviews.

Although Archer does not have targeted engagement processes for specific sub-groups of the workforce- such as offshore workers, that may face elevated safety risks or female and minority employees with inclusion related concerns the perspective of these groups is captured through our general engagement mechanisms. The offshore and field workers are the majority of the workforce. Our global employee engagement survey and observation cards (OBS cards) are designed to promote inclusiveness of all employee voices, and analysis of feedback includes attention to demographic and role-based differences where data allows.

Our engagement with unions

We respect our employees' rights to organize and to voice their opinions, and we have the same clear expectations for our suppliers and partners. We engage with employee

representatives on labor matters through a variety of channels, including meetings with labor unions on all levels of the organization, work councils, and health and working environment committees. Union representatives are invited to collaborate in connection with change initiatives. We engage in monthly meetings with the Unions where both the company and union representatives can bring in topics they would like to discuss. This has led to a good relationship and cooperation with the unions.

In 2024, several collective agreements were negotiated with relevant unions. Some of these were main settlements that covered both the annual wage increase and other compensation elements. These were put into effect at different locations and for various types of personnel across the organization. Through 2025, we have had continuous dialogue and collaboration with union representatives and safety delegates on several topics. This includes discussions on changes to the legislative framework, change processes, working time, rotations and shift schedules and career development. The Union relations Manager oversees union negotiations, and Director Human Resources is accountable for this engagement. We have not signed a Global Framework Agreement (GFA) with respect to labor rights but are committed to ensure fundamental labor rights through our human rights policy, including freedom of association and collective bargaining.

Monitoring the effectiveness of our engagement

We closely monitor the effectiveness of our employee engagement initiatives. After conducting employee engagement surveys, we track key metrics and trends over time to assess the impact of our engagement efforts. We also monitor the implementation of action plans developed by the task forces mentioned to ensure they address identified areas of improvement. This ongoing evaluation process allows us to refine our strategies and measure the effectiveness of initiatives. Turnover metrics serve as additional indicators of the success of our engagement initiatives, helping us identify areas for improvement.

S1-3

Processes to remediate negative impacts and channels for own workforce to raise concerns

We are committed to fostering a safe, inclusive, and respectful working environment for all employees. To uphold this commitment, we have established multiple channels for reporting grievances and concerns, ensuring that all employees can raise issues in a professional, confidential, and secure manner.

We are dedicated to not only providing accessible grievance mechanisms but also fostering a culture where employees feel it's safe to report concerns. Employees have the unequivocal right to report concerns without fear of retaliation.

Employees have access to various channels for reporting workplace concerns. They can approach their direct leader, they can reach out to the HR organization, they can contact the safety – or union representatives. In addition to this our confidential Whistleblower channel can be used by both our employees and external stakeholders.

Reports can be made anonymously to the Whistleblower hotline that is operated by an independent outside service provider retained by Archer. Information reported in this manner is forwarded to the company without identifying the source. Links to the Whistleblower channel are available on the Archer website. Further information on the whistleblower channel is included in our Business Conduct section.

Issues raised are addressed, documented and feedback is shared with key stakeholders, including the quarterly submission of a comprehensive whistleblower report to the Audit Committee. This includes a summary with key performance measures such as the number of cases reported, cases open and type of reports. A comprehensive report also includes case status and actions taken.



Awareness and trust in our grievance mechanisms

We take proactive steps to ensure that our employees are aware of and reminded about the available grievance mechanisms. This awareness is embedded in various aspects of the employee experience, including:

1. Code of conduct training:

Our mandatory code of conduct e-learning includes guidance on our grievance and complaint handling policy.

2. Personnel handbook:

Grievance procedures are addressed in the personnel handbook

3. Information boards:

Information boards in the buildings display relevant safety representatives and their contact information.

To ensure employees are aware of and have confidence in our reporting channels, we track awareness and utilization through our biannual employee engagement survey. The results help us assess the effectiveness of our mechanisms and drive continuous improvement.

Process for remediation negative impact

Archer is committed to providing remedy in cases that have caused or contributed to adverse negative impact on employee well-being, including related to human rights. If situations occur, remediation is essential to ensure that those who suffer receive appropriate support and to prevent similar situations in the future. We continue working towards strengthening processes to provide remedy to affected stakeholders, including own workforce. As part of our commitment to addressing workforce risks related to health, safety, diversity and inclusion, Archer provides private health insurance to the majority of our employees. This coverage includes access to both physical and psychological health services. By ensuring access to mental health support and comprehensive care, Archer seeks to remediate any potential negative impact on employee well-being.

In addition to medical support, remedial actions may include workplace adjustments, formal apologies, corrective measures, or other restorative steps depending on the nature of the issue.

Archer Code of Conduct states that no employee (including worker's representatives) will be negatively affected in employment with the Company as a result of reporting possible violation of Company policy or cooperating in a Company investigation. This includes those who report a possible violation of the Company's policies against discrimination and sexual harassment.

The Audit Committee of the Archer Ltd Board reviews whistleblower reports and other material workforce-related issues at quarterly board meetings as part of its oversight of remediation efforts. This includes monitoring both the implementation and the effectiveness of remedies. The Committee conducts an annual review to assess whether remedial actions are adequate, timely and satisfactory. Although workers are not currently directly involved in the design of remedial processes, their feedback through surveys and grievance outcomes informs continuous improvement.





S1-4

Actions for Health & Safety

Archer addresses material workforce impacts, risks and opportunities by selecting the most effective preventive and mitigative actions based on severity and expected outcomes, and embedding these actions into daily operations through our integrated management system, Compass, with clearly assigned responsibilities. We monitor the effectiveness of actions through incident data, audits and employee feedback, adjusting measures as needed. Employees and representatives are involved in evaluating whether actions work in practice, supporting continuous improvement. All measures are further reinforced by site-level systems aligned with ISO 45001, with stricter local legal requirements always taking precedence

The materiality assessment identified *possible work-related injuries and fatalities* as a material impact under S1 – Own workforce / Health and Safety. Our health and safety actions directly address this impact, and Archer manages these actions through the integrated governance, procedures, and monitoring processes described above, ensuring that hazards are systematically identified, risks are controlled, and preventive measures are continuously strengthened across all operations. QHSE director at Archer manages our actions in regard to our health and safety impact.

Key Action	Expected Outcome	Contribution to Policy Objectives	Contribution to Targets	Scope	Time horizon
Implementation of a Global Tool for pre-check of equipment	Improved Equipment Reliability, Enhanced Safety Compliance, Data-Driven Insights	Alignment with Quality and Safety Standards, Sustainability and Resource Optimization, Digitalization Standardization	Zero Harm Goal, Reduction in Non-Productive Time (NPT), and Standardization KPIs	Group-wide, Global operation regions	all Completed in 2025
Introduction of a One-Pager functionality in Archer NCR system	Efficient Knowledge Sharing, Direct Integration, Improved Analysis, Time Savings	Standardization, Transparency and Accountability, Digitalization	Reduction in Repeat Incidents, Employee Engagement in Learning	Group-wide, operation regions	all Completed in 2025
Upgraded Management system archive	Improved Document Accessibility, Enhanced Data Integrity, Streamlined Document Management, Operational Efficiency, Controlled Lifecycle	Compliance and Governance, Digitalization Standardization, Continuous Improvement	Reduction in Administrative Time, User Adoption and Engagement	Group-wide, operation regions	all Completed in 2025
Broken Window & Error Trap Campaigns	Improved Hazard Identification, Strengthened Safety Culture, Reduction in Human Errors, Proactive Risk Management	Zero Harm Principle, Behavioural Safety Focus, Continuous Improvement, Global Standardization, Employee Engagement in Safety	Reduction in Near Misses and Incidents, Improved Observation Reporting	Group-wide, operation regions	all 2025- ongoing
Mental Health Awareness Month	Increased Awareness and Understanding, Early Identification and Support, Improved employee well-being;	Promotes a healthy and inclusive workplace environment, reduces risks associated with absenteeism, scores, burnout, and workplace incidents linked to mental health issues.	Improved participation in mental health initiatives; employee satisfaction scores, Reduction in Sick Leave, Zero Harm Culture	Group-wide all operation regions	October 2025



Actions related to working hours

The materiality assessment identified “wellbeing of field workers” as a material impact under S1 – Own workforce / Working conditions. If not effectively managed, reduced field employee wellbeing can result in sickness absence and turnover. Conversely, strong focus on working time management and wellbeing supports high employee engagement and strengthens our ability to attract and retain skilled offshore personnel. HR at Archer manages our actions regarding our working hours impact.

We comply with applicable legislation and collective agreements on working time, rest periods and overtime for all employees, including field personnel in rotation. For field workers we have additional safeguards to manage fatigue and psychosocial risks. including:

Key Action	Expected Outcome	Contribution to Policy Objectives	Contribution to Targets	Scope	Time horizon
Design of rotation schedules to allow sufficient recovery between working periods	Reduced fatigue and psychosocial strain; improved physical and mental wellbeing.	Supports the policy objective of ensuring safe and healthy working conditions of psychosocial risks.	Contribute to fatigue-risk reduction and employee wellbeing indicators.	Own workforce- field personnel	Short, medium and long term
Limits and approval procedures for overtime	Prevention of excessive working time; improved work-life balance, reduced fatigue.	Supports commitment to fair working conditions and compliance with working-time legislation and collective agreements.	Reduction in overtime hours, improvements in well-being survey results.	Own workforce- all employees (with focus on field employees)	Short and medium term
Monitoring working hours and rest periods	Early detection of non-compliance or fatigue-related risks, strengthened operational oversight.	Reinforces policy objectives related to risk management linked to excessive working time.	Contribute to targets on rest period compliance and fatigue risk.	Own- workforce	Short term (monitoring), medium term (performance)
Access to psychological support and Occupational Health Service	Improved mental health, earlier intervention, reduced sickness absence, increased feeling of support.	Supports policy objective of promoting mental wellbeing and addressing psychosocial risks.	Contributes to targets on employee wellbeing, mental health indicators and sickness absence rates.	Own workforce- all employees	Short, medium and long term
Mental health awareness campaigns	Increased awareness, reduced stigma, increased utilization of support services, stronger psychosocial safety culture.	Supports policy objectives for inclusive, supporting and health promoting workplace.	Contributes to long-term improvement of psychosocial risk perceptions, engagement scores, and wellbeing outcomes.	Own workforce- all employees	Medium term (cultural change), long term (sustained wellbeing)



Actions related to equality, diversity, and inclusion

To mitigate the negative impact of unequal gender distribution, and in support of our Diversity and Inclusion Strategy 2022-2030, we have implemented several key actions and continue to plan further initiatives. These actions aim to strengthen gender balance across all levels of the organization, enhance awareness, and foster a culture of inclusion across all geographic locations and operations.

Archer allocated dedicated resources to Diversity and Inclusion implementation, including funding for inclusive recruitment, leadership development programs and awareness campaigns. The HR function, supported by local teams, oversees the roll-out and ensures accountability at both corporate and regional levels.

Archer monitors gender distribution across the workforce and leadership levels to support diversity and the implemented of related actions. In 2025, the share of women in the total workforce increased from 7% to 8%, and the proportion of women under the age of 30 also increased compared to the previous year. Female representation at the executive level also increased following the appointment of one female executive in 2025. Archer continues to support gender diversity through recruitment processes, leadership development initiatives, and succession planning. The actions listed below are designed to strengthen gender balance in recruitment, leadership development, and organizational culture across the company.

Key Action	Expected Outcome	Contribution to Policy Objectives	Contribution to Targets	Scope	Time horizon
Talent Acquisition Lead appointment	Increased inclusion in hiring processes	Supports non-discriminatory recruitment	More female candidates hired, incl. for leadership roles	Group-wide, all operation regions	2022-ongoing
Gender-neutral role descriptions	Fair and inclusive job postings	Promotes equality and awareness in recruitment	Gender balance in applicant pool	Group-wide, all operation regions	2022- ongoing
Headhunter policy requiring gender balance	Ensures diverse talent pipeline	Supports increased female representation in leadership	More women shortlisted and hired	Group-wide, all operation regions	2022- ongoing
Recruitment training for hiring managers	Improved decision-making and less bias in hiring	Drives awareness and competency at management level	Reduction in biased hiring	Group-wide operation regions	2022- ongoing
Code of conduct training for new employees	Awareness of inclusion, non-discrimination and harassment	Culture-building promotes inclusion and respect	All new hires trained	Group-wide, all operation regions	2019-ongoing
Global leadership training roll-out	Awareness of unconscious bias and inclusive leadership. Psychological safety and Growth mindset	Strengthen inclusive leadership practices and psychological safety	Empower managers to drive EDI culture	Group-wide, all operating regions	Q1 2025- Q1-2027
Local accountability for D&I actions	Culturally relevant and impactful D&I interventions	Ensure policy is embedded and implemented at operational level	Measure D&I progress at local/ regional level	Group-wide, all operating regions	2025-2030



Key Actions planned

Key Action	Expected Outcome	Contribution to Policy Objectives	Contribution to Targets	Scope	Time horizon
Improved succession planning methodology	Balanced leadership representation through improved talent pipelines	Supports accountability and systematic D&I approach	More women considered and appointed for leadership roles	Group-wide, operating regions	all 2026

Progress on Local Accountability for D&I Actions:

Across all operating regions, targeted and culturally relevant D&I initiatives were implemented to strengthen local accountability and ensure that policy commitments are embedded at the operational level. The following actions were completed in 2025:

- United Kingdom**
 Delivered neurodiversity awareness training for managers to strengthen understanding and support for neurodivergent employees. In addition, the UK team partnered with a specialist charity to review recruitment processes, ensuring more inclusive and accessible hiring practices.
- Poland**
 Conducted a company-wide cultural awareness workshop focused on enhancing cross-cultural collaboration, particularly between teams in Poland and Norway. The initiative received highly positive feedback and contributed to improved cooperation and mutual understanding.
- Norway**
 Established a dedicated network for women working offshore and in workshop environments- groups that have traditionally been underrepresented. The network aims to provide support, visibility, and improved retention for women in these operational roles.
- Middle East**
 Delivered Diversity & Inclusion training sessions for managers, emphasizing the importance of fostering an inclusive workplace and raising awareness of regional legal obligations related to D&I. The sessions strengthened managerial capability and local ownership of D&I priorities.



S1-5

Targets

Archer is dedicated to our ongoing ambition of achieving zero incidents related to health and safety, discrimination, and other potential impacts on our workforce. While we have not yet specific time-bound targets for all workforce-related topics, we are developing our measurement framework in alignment with our potential negative impact and, we are committed to continuously improving our performance by monitoring relevant metrics and KPIs, supported by the policies and actions outlined in this chapter and will continue to evaluate the need for formal target-setting

Safety

As articulated in the Archer Safety Policy our long-term ambition is zero accidents, injuries, and losses across all operations. Measuring performance is a critical component of our continuous improvement cycle, and results are monitored consistently and systematically across the organization.

To manage the health and safety impact on our employees, we track the following KPIs which support our zero-incident ambition:

- Fatality Frequency
- Medical Treatment Case Frequency
- Total recordable incident frequency

These KPIs are reviewed monthly at both local and corporate levels. Year-on-year trends are analysed to inform risk-based decision-making and resource allocation. Dedicated resources- including budget, digital tools, and internal safety facilitators are allocated annually to support the achievement of our safety related ambitions. Oversight is provided by the HSEQ function and reported regularly to executive leadership and the Board.

Working hours

Supporting the well-being of our workforce is a central element of our approach to responsible operations. To address the potential negative impact of working time rotation, we have established measurable ambitions linked to our core KPIs:

- Sick leave monitored separately for our offshore and onshore workforce. These metrics provide clear insight into how working time and wellbeing interventions influence our overall organizational health.
- Attrition

These KPIs are reviewed monthly at both local and corporate levels. Year-on-year trends are analyzed to inform risk-based decision-making and resource allocation.

In addition, employee wellbeing is monitored through our bi-annual employee engagement survey.

Dedicated resources- including budget, digital tools, and internal HSEQ and HR resources are allocated annually to support the achievement of our well-being related ambitions. Oversight is provided by the HR function and reported regularly to executive leadership and the Board.

Equality, Diversity and Inclusion

To deliver on our long-term commitment outlined in Archers Diversity and inclusion strategy 2022-2030, Archer monitors progress through relevant HR metrics and employee feedback mechanism.

Our ambition is to:

- Increase share of female employees, also within management position
- Raise company-wide awareness of diversity and inclusion
- Ensure a fair and non-discriminatory recruitment and hiring process

We track progress through the following:

- Gender diversity metrics (including gender balance in leadership and new hires)
- Diversity in recruitment pipelines
- Results from our bi-annual Employee Engagement Survey, which included dedicated questions related to inclusion and equal treatment.

The baseline from 2022 serves as our point of comparison, and we aim to demonstrate positive year-on-year progression across these indicators.

Financial and personnel resources are allocated to support the implementation of Equality, Diversity and Inclusion measures, including training programs, awareness campaigns, recruitment policy reviews, and leadership initiatives. Oversight is provided by the HR function, with accountability shared by executive management and local leadership.



Methodologies and measurements

Information about employees is gathered by the HR function across the Archer group of companies and entities. IFS is the main source of people data within Archer, however due to the geographical and organizational structure some data is also hosted on localized secure systems. For the purpose of the CSRD reporting a global dataset has been gathered and stored in a static database. The database contain core employee data and demographics used in S1-6, S1-9 and S1-16. Data in S1-14 is gathered from the Archer Performance Dashboard and S1-17 is collected from the Archer Whistleblower database. None of our social metrics are validated by external third party, other than the auditor.

S1-6

Employee		2025	2024
Permanent	Women	324	318
	Men	3,903	4,500
	Total	4,227	4,818
Temp	Women	19	24
	Men	122	106
	Total	141	130
Waged / Hourly	Women	3	2
	Men	37	22
	Total	40	24
Apprentice	Women	12	14
	Men	56	51
	Total	68	65
Total*	4,476	5,037	

Headcount based on employee, temporary staff and apprentices; not counting external personnel with effective date 31 December, 2025.

Countries with less than 50 staff summarized together under Others.

* cross-referenced Financial Review

Number of Employees	2025	2024
Norway	2,107	2,036
Argentina	1,231	1,807
United Kingdom	462	509
United States	186	115
Brazil	165	250
Iceland	148	127
Philippines	64	93
Others	113	100
Total	4,476	5,037

Headcount based on employees not counting external personnel with effective date 31 December, 2025.

Countries with less than 50 staff summarized together under Others.

Turnover	2025		2024	
	#	%	#	%
Total Turnover	1,029	21.8	899	17.8
Voluntary turnover	151	3.2	230	4.6

Turnover is calculated: Total number Leaving / Average Headcount

Voluntary turnover = Staff leaving company based on own decision (excluding retirement, end of contract, etc.)

Total = Staff leaving for any reason including TUPE

Gender Distribution Archer	2025		2024	
Unit	#	%	#	%
Female	358	8.0	362	7.2
Male	4,118	92.0	4,675	92.8

The calculation of the gender distribution is based on the recorded genders in our HR systems over the total headcount



S1-9

Gender Distribution Executive	2025		2024	
	#	%	#	%
Female	1	14.3	0	0
Male	6	85.7	6	100

The definition of executives is aligned with announced executives as stated on Archerwell.com and does not include all direct reports of the CEO.

Age Distribution	Female		Male		Total	
	#	%	#	%	#	%
2025						
Under 30 years	67	12.0	491	88.0	558	12.5
30 - 50 years	210	8.0	2,424	92.0	2,634	58.8
Above 50 years	81	6.3	1,203	93.7	1,284	28.7
Total 2025	358	8.0	4,118	92.0	4,476	100.0
2024						
Under 30 years	75	8.0	522	92.0	597	12.0
30 - 50 years	208	7.0	2,887	93.0	3,078	61.0
Above 50 years	79	6.0	1,293	94.0	1,362	27.0
Total 2024	362	7.0	4,675	93.0	5,037	100.0

The calculation of the gender distribution is based upon the recorded Date of Birth.

S1-14

Own Workforce covered by Health & Safety Management System	2025	2024
	%	%
Unit		
Employees Covered	100	100
Non-Employees Covered	100	100

Total Recordable Work-Related Accidents	2025		2024	
	#	%	#	%
Unit				
Employees	21	0.52	37	0.84
Non-Employees	-	-	-	-

Fatalities due to work-related injuries	2025	2024
	#	#
Unit		
Employees	-	-
Non-Employees	-	-
Other workers	-	-

Fatalities due to work-related ill health	2025	2024
	#	#
Unit		
Employees	-	-
Non-Employees	-	-
Other workers	-	-



	2025	2024
Number of cases of recordable work-related ill health of employees in the entity's own workforce	5	8

Health and safety information is recorded in Synergi and the Archer monthly QHSE reports. The metric is based on OSHA standards which looks at a time span of 200,000 worked hours. The data is displayed in Corporator (Archer Performance Dashboard)

S1-16

Average Gender Pay Gap	2025	2024
Average Gender Pay Gap	20%	15%

This ratio does not account for cost-of-living adjustments, local market rates, and economic conditions.

In order to have a global comparison all currencies have been converted to USD based on company fx rates 31 December 2025 exception being Guyana and Argentina where rates from Oanda have been used with effective date of 31 December 2025. Full time employees, excludes temporary staff and staff hired during 2025.

CEO Pay ratio	2025	2024
CEO Pay ratio	10.3	9.6

Calculation: Median total remuneration of all employees, excluding CEO, divided by CEO total remuneration. Excluding part time employees, and staff hired during the year.

S1-17

	2025	2024
Total number of incidents of discrimination, including harassment, reported in the reporting period	4	0
Number of complaints filed through channels for own people in the entity's own workforce to raise concerns (including grievance mechanisms)	8	8
Amount of fines, penalties, and compensation for damages as result of incidents of discrimination, including harassment and complaints filed	0	0
Number of severe human rights incidents connected to the entity's workforce in the reporting period	0	0
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0	0



Workers in the Value chain

At Archer, our commitment to sustainability and ethical responsibility extends throughout our entire value chain. We recognize that respecting and upholding internationally recognized human rights and labor standards is essential, not only because it is the right thing to do but because it contributes to our long-term success and resilience. Related to our workers in the value chain, Archer has identified the following material impacts:

Where it originates	IRO	Origin of IRO	How it affects people or planet	Time horizon
Supply chain labour practices in a global supply chain	Negative / Potential / Impact	Upstream value chain	Workers in parts of the supply chain may receive wages below living standards, face excessive working hours, and experience inadequate health and safety conditions. In some geographies, structural vulnerabilities also result in exposure to forced labour practices.	Short-, medium-, and long-term
Equality, non-discrimination and fair treatment of value chain workers	Negative / Potential / Impact	Upstream value chain	Value chain workers, particularly women and vulnerable groups, may face unequal treatment, unequal pay for equal work, and reduced opportunities for advancement or fair grievance mechanisms.	Medium-long term
Worker representation and freedom of association	Negative / Potential / Impact	Upstream value chain	Workers may lack the ability to organise, negotiate working conditions, or advocate for fair wages and safer workplaces, reducing their influence over their own labour conditions.	Medium-long term

SBM-3

Working conditions

With operations in more than 40 countries and a supplier base of more than 4,000 suppliers, Archer has a significant indirect impact on society and the environment through its value chain. Most suppliers operate within the offshore oil and gas sector and are located in Europe, North America and South America. Archer generally procures specialised goods and services designed for use in a highly regulated industry and has limited exposure to commodity-type procurement. The majority of direct suppliers are based in Norway, UK, US and Argentina. As part of an industry subject to strict technical, safety and quality requirements, many of Archer's direct suppliers operate under robust regulatory frameworks and undergo regular industry audits. To date, Archer has not identified breaches of working conditions within its direct supply chain, and this has not required changes to the business model or strategy beyond maintaining existing policies and the Code of Conduct.

However, Archer recognises that its broader global value chain extends beyond these direct relationships and includes suppliers, subcontractors and upstream activities in regions and sectors where the prevalence of sub-standard working conditions is higher. This includes risks related to unsafe working environments, excessive working hours, inadequate wages and insufficient access to personal protective equipment. Beyond tier 1 suppliers, the highest risk of forced labour is associated with upstream sourcing of raw materials and components in regions such as South and Southeast Asia, Sub-Saharan Africa, and parts of Latin America, as well as in sectors including metals and steel components, electronics,

and certain chemicals. These risks are considered systemic to the contexts in which these materials are produced, driven by structural factors such as weak enforcement of labour standards, reliance on migrant labour, and limited supply chain transparency, rather than by specific incidents identified by Archer. Based on these characteristics and broader global evidence, we consider the most material exposure to value chain worker impacts to be located in our upstream value chain rather than in downstream activities or joint ventures, and we assess limited risk for non-employee workers at Archer-operated sites due to the stringent requirements of the oil and gas industry.

As Archer pursues its strategy to expand operations within key regions and product segments, the potential exposure to labour-related risks in the value chain may increase. Entering new geographies or supply markets may introduce higher-risk sourcing environments and require enhanced oversight. These potential impacts and risks influence our business model and strategic decision-making by reinforcing the need for continued monitoring and ongoing improvement of Archer's policies, supplier requirements and Code of Conduct. As part of this, we expect to strengthen our supplier due diligence processes over the next years, including revised supplier declarations, targeted follow-up and, where appropriate, supplier assessments or audits in higher-risk areas. We also intend to expand engagement with suppliers and other stakeholders to ensure that their perspectives inform updates to our global policies and due diligence processes. This approach will help us better identify and address the interests of workers most affected by our value chain as our operations develop.

S2-1



Policies

Archer's commitment to high ethical standards is reflected in its policies, procedures and corporate governance practices, which guide how the company manages impacts on value chain workers. Transparency and traceability are core principles underpinning these policies and support the development of a responsible supply chain that aligns with stakeholder expectations and Archer's corporate values. When developing and evaluating its policies, Archer considers the interests of key stakeholders through established engagement mechanisms, integration of stakeholder feedback and collaboration with suppliers. This approach is consistent with industry practice, recognized standards and Archer's focus on proactive risk management.

Human Rights Policy

Archer's Human Rights Policy sets out the company's expectations for the fair treatment and protection of workers across its value chain. The policy covers non-discrimination, fair and ethical employment practices, the prevention of child labour and forced labour, and compliance with applicable labour legislation in all regions where Archer operates. It affirms the rights to freedom of association and collective bargaining and applies equally to Archer employees, contractors and workers in the value chain. While the prohibition of human trafficking is not explicitly stated, it is covered through Archer's zero-tolerance approach to all human rights violations. The policy aligns with the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights and the ILO Core Labour Standards.

Archer is committed to upholding the safety and well-being of all workers in the value chain. Engagement with suppliers and other stakeholders is an important part of this commitment, supported by tools such as supplier audits and the company's whistleblower function. Archer monitors its supply chain for cases of non-respect of human rights standards and reports transparently on identified breaches. To date, Archer has not identified cases of non-respect of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises. The company continues to assess suppliers to help ensure ongoing compliance and ethical practices.

Where Archer identifies that it has caused or contributed to adverse impacts on value chain workers, the company commits to enabling or providing remedy to affected parties. While this commitment is not explicitly included within the Human Rights Policy, it is integrated into Archer's operational processes and practices.

Archer's Standard Terms and Conditions for Purchase form part of the contractual framework governing suppliers' human rights obligations. These terms require suppliers to implement effective measures ensuring their operations are consistent with human rights

standards, ILO conventions and the UN Guiding Principles. Archer does not accept modifications to these human rights warranties. The terms are provided to potential suppliers and must be accepted upon contract signature.

The Human Rights Policy applies globally across all business activities and encompasses all workers in the value chain. The CEO, Dag Skindlo, is the most senior executive responsible for implementing the policy across the Archer Group. The policy is available to all employees via the intranet and is publicly accessible online.

Supplier requirements

Archer's commitment to upholding human rights, including labour rights, is reflected in the requirements set out in our Standard Terms and Conditions for the Purchase of Goods and Services. All new suppliers must sign the Supplier and Subcontractor Declaration (SSD) as a prerequisite for registration and approval within Archer's supplier network. The SSD outlines the minimum standards expected of suppliers regarding labour conditions, health and safety, human rights, environmental protection and business ethics.

The SSD contains a dedicated section on human rights, requiring suppliers to foster a culture that respects and promotes human rights. Suppliers must confirm that they do not engage in, or benefit from, forced or child labour as defined by international labour standards. The SSD references Archer's Code of Conduct and whistleblower channel and sets an expectation that suppliers promote the principles of the SSD within their own supply chains.

Suppliers must also commit to upholding the principles of the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights and the ILO Core Conventions on Labour Standards, as well as other relevant international norms and legislation where applicable.

Once the SSD is signed, suppliers receive the Supplier Evaluation Form and the Environmental, Social and Governance (ESG) Form through Cascade, Archer's supplier management system. The ESG form requires suppliers to provide detailed information on their human rights practices, including specific questions related to value chain workers and labour rights. This information supports a thorough assessment of supplier compliance with Archer's expectations. Inputs from the Supplier Evaluation Form and ESG Form are stored in Cascade and used to categorise suppliers according to risk and compliance criteria.

Responsibility for implementing the Code of Conduct and the Supplier and Subcontractor Declaration rests with the CEO and General Counsel. While Cascade is implemented across most of Archer's operations, some geographic areas have not yet adopted the system and continue to use manual processes. This primarily applies to Land Drilling operations in Iceland and South America. Archer intends to extend Cascade to these remaining entities within a reasonable timeframe that is yet to be finalised.



S2-2

Engaging with value chain workers

Archer's supplier engagement approach is based on the OECD Due Diligence Guidance and informed by an understanding of sustainability risks and impacts within our supply chain. We engage directly with suppliers and, where possible, with workers at supplier facilities to identify risk, assess working conditions and support responsible practices. Feedback and observations from value chain workers are used to inform our risk assessments and to refine our engagement methods over time.

Recognizing that potential negative impacts on workers may occur beyond tier 1 suppliers, Archer seeks to extend responsible practices deeper into the value chain through cascading requirements and collaborative initiatives. All suppliers are required to sign Archer's Supplier and Subcontractor Declaration, which mandates compliance with laws, human rights, health and safety, and environmental standards. The Declaration includes a commitment to promote these principles towards their own suppliers and subcontractors, ensuring that expectations are communicated and implemented beyond direct contractual relationships. Compliance with these requirements is monitored through audits and contractual obligations, and suppliers are required to report breaches through Archer's whistleblowing channel.

As part of our responsible sourcing activities, Archer reviews whether suppliers have processes in place to ensure safe and fair working conditions in line with local legislation and relevant international standards. Our primary mechanism for engaging with suppliers and workers is through supplier audits carried out according to an annual audit plan. The audit scope and criteria are defined by the audit team to ensure that relevant processes are assessed for each supplier. Where appropriate, audits cover topics such as the Code of Conduct, human rights, health and safety, and labour conditions.

During supplier audits, Archer seeks documented evidence that suppliers follow established procedures, provide appropriate training, and monitor and manage risks affecting workers. Onsite audits also include interviews with management, employee representatives, safety representatives and individual workers. These discussions offer insights into workplace conditions, the effectiveness of safety measures and workers' broader experiences. Working conditions are further assessed in operational workshop environments to verify that risks are controlled in accordance with ALARP principles. Any findings are communicated to the supplier and must be addressed through a corrective action plan before the audit can be closed.

Archer recognises that terminating a supplier relationship due to non-compliance may adversely affect workers in the value chain, particularly in high-risk regions. This is considered when determining appropriate follow-up actions and escalation measures.

Supplier audits are carried out by Archer's QHSE department, with senior oversight provided by the Director of Quality, Health, Safety and Environment. This ensures that engagement results feed into Archer's broader due diligence and risk-management processes.

Monitoring the Effectiveness of Engagement

Archer monitors the effectiveness of engagement with value chain workers by reviewing supplier audit outcomes, corrective action follow-ups and recurring findings to identify areas for improvement. Audits provide important insight into the conditions of vulnerable groups within the supply chain. In addition, Archer monitors global media and other external sources for developments that may signal emerging risks to workers in the value chain. Reports submitted through Archer's whistleblower channel are also reviewed to identify trends or concerns related to human rights or working conditions.

S2-3

Channels for value chain workers to raise concerns

Archer's approach to identifying, addressing and remedying concerns affecting workers in the value chain is based on transparency, trust and accessibility. We aim to support effective remediation where we identify that we have caused or contributed to adverse impacts on value chain workers.

Workers in the value chain and other external stakeholders have access to Archer's whistleblower hotline, which allows confidential reporting of misconduct or unlawful activities. The channel is publicly available on Archer's website and referenced in our Code of Conduct and in the standard terms and conditions provided to suppliers. Reports received through the hotline are reviewed and investigated by the Legal and Human Resources departments, with anonymisation applied where necessary to protect the individuals who raise concerns.

To ensure the integrity of the whistleblower system, Archer uses EthicsPoint, an independent third-party platform that maintains anonymity, confidentiality and a strict non-retaliation guarantee. During supplier due diligence, Archer also asks suppliers to confirm whether they have their own internal grievance or whistleblower channels available to their workers.

Archer engages with key suppliers on issues raised through grievances and follows up on actions taken to resolve them. While these processes contribute to monitoring the overall functioning of grievance mechanisms in the value chain, Archer does not yet have a formalised process to assess whether workers in the supply chain are aware of, trust or effectively use these mechanisms. There is currently no defined timeline for establishing a system dedicated to evaluating the effectiveness of grievance mechanisms specifically for value chain workers. Further information on Archer's whistleblower channel is provided in the G1 Business Conduct chapter.



Approach to Remedy

Archer is committed to preventing harm to workers in its value chain but recognizes that adverse impacts may still occur. If Archer identifies that it has caused or contributed to a negative impact on value chain workers, the company will take appropriate remediation steps. These may include stopping or adjusting activities that contribute to harm, engaging with the supplier to address underlying issues, and implementing targeted corrective action plans to prevent recurrence.

In 2025, Archer did not identify any cases in which it caused or contributed to material negative impacts on value chain workers. Should such cases arise, Archer will seek to assess the effectiveness of the remedy provided. This may involve determining whether the underlying issue has been resolved, whether similar issues reoccur, and whether affected stakeholders consider the remedy appropriate.





S2-4

Actions

At Archer, we are taking key actions to manage our impacts on value chain workers. Our strategic priorities aim to mitigate any negative impacts associated with our operations, supply chain, and industry partnerships, while promoting a culture of fair treatment, respect, and safety for all individuals. In the reporting year, key actions focused on laying the groundwork for achieving Archer's policy objectives. These actions, such as Due Diligence, supplier approval, or audits, are expected to support the longer-term implementation of the Company's commitments to responsible business conduct.

The key actions taken during the reporting year primarily focused on value chain workers, particularly those in high-risk sectors and geographies. Where relevant, actions also considered the potential impacts on other affected stakeholder groups, including local communities and vulnerable worker populations.

Supplier Approval and Due Diligence of Suppliers

Archer has implemented procedures for approving and evaluating suppliers throughout our operations. This includes a detailed approval process that encompasses due diligence and quality control checks for all suppliers worldwide. These actions focused on high-risk geographies, and primarily targeted first-tier suppliers where the risk of negative impacts on value chain workers was assessed to be most significant.

Our Supplier Approval Framework has strengthened our focus on addressing the most significant human rights risks within our supply chain. By clearly communicating our standards and expectations, monitoring supplier compliance, and providing support for improvement where necessary, we strive to uphold ethical and socially responsible business practices and minimize potential negative impacts across our supply network.

The effectiveness of the Supplier Approval Framework is tracked using reporting tools in the Cascade platform that assess performance against defined criteria. While Cascade does not currently cover Land Drilling operations in South America or Iceland, comparable systems are in place in both regions.

At the end of 2025, Archer had 861 suppliers which have completed the self-assessment ESG form, including questions on human rights and working conditions, amongst others. There are more than 1,605 suppliers that have signed the supplier declaration covering Archer requirements related to environmental impact, human rights and the availability of the whistleblower channel.

We encourage our suppliers to implement accessible grievance mechanisms for their workers. These should be culturally appropriate, confidential, and allow workers to raise

concerns without fear of retaliation. Our supplier contracts and codes of conduct require that remedy mechanisms be in place, including procedures for addressing labor rights violations, unsafe working conditions, and other material issues affecting workers.

Currently, 1,824 suppliers have been screened through the Cascade system. Of these, 1,141 have been approved, 469 are in progress and 214 were rejected. There is still a backload of existing suppliers that have not been registered in Cascade, this is an ongoing process to be completed within a reasonable timeline within the next few years.

When supplier responses indicate areas for improvement, Archer has followed up in written communication to address concerns and clarify expectations. These follow-ups are intended to enhance suppliers' focus on human rights compliance. Archer provides suppliers with opportunities to improve their practices before taking further actions. In 2025 there were no specific issues or incidents reported related to human rights, and as such has not had any cases where it has been necessary to enable and provide remedy.

Supplier Audits

Archer performs risk-based audits and, if required, monitoring its suppliers to ensure compliance with the Supplier Code of Conduct and Human Rights Policy. The Cascade system is used to track responses from suppliers, allowing Archer to monitor potential risks in real time. The audit program is global in scope, covering suppliers across all regions where the Company operates. The audit plan is reviewed and updated annually to incorporate new suppliers and ensure ongoing monitoring of practices responsible throughout the supply chain.

Archer conducts ongoing risk assessments and due diligence on suppliers with a focus on high-risk sectors. Enhanced due diligence questionnaires are sent to suppliers identified as having higher risk based on their industry, business structure, and jurisdiction, ensuring continuous monitoring of forced labor risks.

During 2025 Archer conducted several audits on critical vendors, either due to the fact that the vendor was new and had not been audited before, their performance the year prior was not as per expectation, or they had a critical delivery during the year. All audits identified nonconformance and areas for improvement. However, none of the findings were classified as high potential. The issues primarily related to training and compliance, vendor follow-up procedures, and documentation of completed work, among other areas.

Audit findings have been communicated to the vendor through a formal report or summary document, which outlines issues, discrepancies, or areas of non-compliance identified during the audit. After presenting the audit findings, Archer has requested the vendor to provide a corrective action plan that outlines how they will address the issues. The auditors and vendors will agree on a timeline and follow-up procedures.



In some cases, Archer has conducted follow-up reviews to ensure that corrective actions have been implemented effectively and that any issues have been resolved. What depends on the number of findings, the criticality of the findings and the vendor. All audits are planned and documented in Archer Synergi reporting tool.

In cases where termination is necessary due to non-compliance with our standards (e.g., human rights, labor conditions), we aim to support a responsible disengagement that minimizes harm to workers, such as collaborating with local stakeholders or NGOs when appropriate.

Current and future allocated resources

We did not incur significant additional operational (OpEx) or capital expenditures (CapEx) related to these actions in 2025. The key activities are integrated into our ordinary operations at both Group and market levels, utilising existing human and financial resources.

S2-5

Targets

Archer does not currently have a formal, time-bound target specifically for responsible sourcing. At this stage, our focus is on strengthening the foundations of our due diligence system through supplier requirements and risk-based processes. As these systems mature, we expect to define more structured targets in future reporting cycles.

Archer's current ambition is to achieve full compliance with the Supplier and Subcontractor Declaration (SSD) among all relevant suppliers. Compliance with the SSD, which covers human rights, labour conditions, environmental requirements and access to grievance mechanisms, is monitored on an ongoing basis through the supplier approval process and through audits conducted in line with our annual audit programme.



Governance





Business Conduct

Integrity is one of our core values, and conducting business honestly, lawfully, and ethically is fundamental to our continued success. Our commitment to responsible business conduct drives everything we do and is critical to upholding our reputation in the marketplace.

Related to business conduct, our material impacts, risks and opportunities are the following:

Where it originates	IRO	Origin of	How it affects people or planet	Time horizon
Unethical business conduct across global operations	Risk	Own Operations	There is an inherent risk of unethical business conduct within our operations. While safeguards are in place, such risks could, in certain cases, lead to financial or legal consequences, reputational challenges, or impacts on investor confidence over time.	Short-, medium- and long-term
Ethical business practices across international operations	Negative / Potential / Impact	Upstream value / chain	Our global supply chain carries a potential risk of exposure to corrupt practices at various stages. This can result in serious consequences, including worker exploitation, environmental degradation, and the erosion of legal and ethical standards.	Short-, medium- and long-term

SBM-3

Business conduct

There is potential exposure to unethical business practices at various stages in our upstream value chain which can lead to severe consequences such as exploitation of workers, degradation of local environments and the erosion of legal and ethical standards in the short, medium and long term. As part of our strategy and business model we are committed to maintain the highest ethical standards, and we have a zero tolerance for corruption and bribery across all operations and in our value chain

Unethical business practices not only harm affected communities but also pose operational and reputational risks for our company. If ethical breaches occur, they could result in regulatory penalties, loss of stakeholder trust, and reputational damage, materially affecting our financial performance and access to capital. Non-compliance with business conduct standards may also expose the company to enforcement actions under national and international regulations. There has been no current financial effects on our financial position, financial performance and cash flows of this risk during the reporting year.

Our procedures to prevent, detect, and address these issues are guided by international best practices, including the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises. We undertake integrity due diligence, set clear governance structures, and integrate responsible business conduct into supplier selection and contract management. Additionally, we have established whistle-blower protection mechanisms and supplier audits to improve risk detection and ensure accountability throughout our value chain. We regularly review our policies, practices, and stakeholder feedback to ensure that our strategy remains aligned with emerging challenges and regulatory developments. As such, we believe we have a resilient strategy and business model to address our material impact and risk in the short, medium and long term.

G1-1

Business Conduct Policies and Corporate culture

Archer is founded on a set of core values that guide decision-making and behavior across the organization. These values are formalized through key policies, which outline expected behaviors for employees, management, and partners. The policies undergo periodic review to ensure they remain fit for purpose and are updated as needed. This review also evaluates whether additional

training on the policies is necessary. As part of the process, we incorporate feedback from key stakeholders, addressing any challenges they identify to continuously improve the effectiveness of our policies.

All policies are accessible for employees and contractors. Policies are available on our intranet, on our external website, and as printed copies placed in common areas at our locations, such as coffee areas and meeting points. When policies are updated, we inform employees through email, intranet announcements, and manager briefings.

We evaluate our policies and corporate culture in part via our employee survey, which includes specific questions about company culture and the way we conduct our business. We also analyze reports on our whistle-blower system, our Code of Conduct training completion rates, repetitive control failures and turnover rates. All our business conduct policies are globally applicable and enforced across all companies within the Group. Our CEO holds overall responsibility for the implementation of the policies, ensuring alignment with our environmental objectives and organizational goals.

Code of Conduct

Archer does not have a stand-alone anti-bribery and anti-corruption policy. These topics are covered in our Code



of Conduct. Our Code of Conduct sets forth the expectations and requirements from Archer's management to all Archer employees and contractors. This policy includes amongst other policies related to Fair and honest business practices and other governance information. The [Archer Code of Conduct](#) is available for all internal and external stakeholders on Archer's webpage.

Archer provides training on the Company's Code of Conduct to all employees every two years. The code of conduct also includes details on reporting on possible violations, and protecting of whistle-blowers is included under G1-3 subsection "Reporting channels".

Archer has also created a Supplier Declaration Form, applicable to any company which provides services or goods to Archer. This reflects the principles in the Archer Code of Conduct, amended to apply to third parties. All suppliers who are reviewed through our supply chain platform must accept this document prior to approval. Archer's supply chain is responsible for the Supplier Declaration Form.

Human rights policy

Archer has committed to respecting human rights principles through our [Human rights policy](#). According to this policy, we should act according to laws in the jurisdictions we operate. Furthermore, we are committed to the prevention of child and forced labor wherever we do business. Archer's goal is to maintain a company culture that respects and promotes human rights. Archer publishes reports pursuant to the Norwegian Transparency Act and UK Modern Slavery Act 2015 on our external website. The policy aligns with the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, and the ILO Core Conventions on Labour Standards.

Behaviour and conduct policy

We expect all Archer employees and those we conduct business with to behave respectfully towards others and act in line with Archer values. Our [Behavior and conduct policy](#) states the importance of raising ethical awareness and behavior in daily activities. Any employee of Archer

should not become involved in relationships with Archer's clients, suppliers, or individuals, which could give rise to an actual or perceived conflict of interest.

Linked to this policy is our authority matrix. This overarching governance document sets forth the approval limits from the Board of Directors of Archer Limited to the management and employees of Archer, including assuming risk in relation to tendering and entering joint ventures, and third-party representation agreements.

Archer has also established procedures for retention of Third-Party Representatives. This procedure sets forth an approval and due diligence process before any third-party representative may act on behalf of Archer anywhere we do business (including diligence questionnaires, compliance declarations, and business case evaluation tools). Our sanctions' procedure ensures that we are aware of who we are doing business with and that these parties are not subject to international trade sanctions.

G1-3

Prevention and detection of corruption and bribery

Assessing and monitoring business processes, training and controls are fundamental tools in developing our corporate culture and implementing our business conduct policies. This includes fostering open communication through tools like our whistleblowing channel, regular employee feedback mechanisms, integrity due diligence, and training.

G1-1, G1-3

Our Mechanisms

Reporting channels

Archer is committed to building a culture of trust where employees are comfortable asking questions, seeking guidance, raising concerns, and reporting suspected violations of the Code of Conduct, applicable laws or regulations. To ensure concerns can be reported securely, Archer has implemented confidential reporting channels. These include a 24/7 independent whistleblower hotline that internal and external stakeholders can use to report concerns anonymously, directly management reporting and employee surveys.

The Whistleblower hotline is available on our external webpage. The online platform is accessible in multiple languages to accommodate our global operations. There is also a section in the Code of Conduct, and the Code of Conduct training module, on whistleblower hotline reporting.

Archer investigates all reports made to its whistleblower hotline and through line management. Reported concerns are evaluated by our General Counsel and Senior Legal Counsel, and investigated with support from resources from Archer's HR, QSHE, IT, and management as appropriate, depending on the subject of the report. Investigation reports and statistics are anonymized where appropriate to protect individuals that use the channel to raise their concerns. No employee will be negatively affected in their employment



with Archer because of reporting a possible violation of Archer policy or cooperating in an Archer investigation in good faith.

Employees and stakeholders who raise concerns through the whistleblower channel are kept informed of the status and outcome of their reports. Transparency in this process helps build trust and confidence in the system. The investigation reports are shared with the Audit Committee on a quarterly basis by the General Counsel.

We acknowledge the importance of maintaining a trusted and accessible whistleblower channel as part of our commitment to responsible business conduct. While we have not yet conducted formal assessments to determine whether workers in our value chain or consumers are aware of and trust the channel, we have observed a decline in the number of reports submitted.

This trend may indicate a need to strengthen awareness and confidence in the reporting process. In response, we have initiated a global awareness campaign aimed at increasing visibility and understanding of the whistleblower channel, encouraging all stakeholders to speak up when they observe potential misconduct or breaches of our ethical standards.

Internal Investigations

Any suspected deviation from our policies, Code of Conduct, or any applicable laws, rules, or regulations is to be reported in accordance with the Code of Conduct through line management or by submitting a report through our whistleblower hotline.

The internal investigations are a continuation ongoing process. There are no financial resources allocated to the action. The responsibility lies within the legal department to follow up and investigate any concerns raised. Internal investigations are carried out by our Legal Department, which acts independently of the line management involved in the matter being investigated. Managers who are directly or indirectly part of the case are not involved in the assessment, review, or decision-making process. This

separation ensures impartial handling of all concerns raised, and supports a fair and unbiased investigation process.

We have seen a decrease in the number of reports in 2024 and 2025 versus previous years. There were 3 reports categorized as corruption related in 2023 (in the subcategory of fraud / theft) resulting in terminations of employment in 2 cases. There have been no reports categorized as corruption related in 2024 or 2025.

Training

Archer performs global training on the Code of Conduct on a regular and rolling basis, in addition to in person training seminars carried out by Archer legal for select groups and non-majority owned investments.

The training includes sections on what constitutes bribery, corruption, insider trading, harassment and discrimination. It also includes directions and information on what should be reported on the whistleblower hotline, what should be reported through line management, and where to make such reports. The functions most exposed to potential corruption and bribery are our business development and supply chain functions.

The Code of Conduct e-learning module training is mandatory for all onshore employees on a global basis (including Archer's Board of Directors) and most offshore and field employees. This is provided to all new employees and must be refreshed every 2 years. As of March 2025, a total of 3,131 Archer employees worldwide had completed the Code of Conduct training module, covering the 2024 training cycle and completions up to March 2025 Archer employees Code of Conduct training is ongoing with all employees in scope required to refresh the course every 2 years on a rolling basis. Next training will be rolled out during 2026.

All functions (100%) primarily at risk of exposure to corruption and bribery are subject to the Code of Conduct training. This includes any office-based employee, any employee with client, supplier, or third-party interfaces, and all management and executives. The Code of Conduct training module covers all aspects of Archer's Code of

Conduct, including corruption and bribery, gifts and entertainment, insider trading, dealing with Archer property, third party representatives, intellectual property and confidentiality, harassment and discrimination, and reporting. The course is designed to be completed in 30-40 mins and has a mandatory 10 question test at the end which must be completed with a 90% score to pass.

Archer leadership development program

In 2025, Archer launched the *Archer Leadership Development Program* to foster a unified global leadership culture that promotes high performance, engagement, and innovation. A central element of the program is the establishment of common leadership principles, designed to define and reinforce what good and visible leadership looks like across Archer.

These principles also serve as a foundation for ethical business conduct, helping leaders actively mitigate risks related to corruption, bribery, and other forms of misconduct. By aligning leadership behaviours with integrity and accountability, the program supports Archer's commitment to responsible and sustainable business practices.

A total of 242 leaders from 10 countries across Archer's global operations are scheduled to participate in the program, reflecting the company's dedication to cultivating strong, values-driven leadership at all levels.

Integrity Due Diligence

We perform regular risk-based diligence, analysis, and monitoring of our business activities to ensure compliance. This is performed through due diligence on potential and existing business relationships, including suppliers, business partners, and representatives present in our business on a global basis.

The findings from the Integrity Due Diligence are evaluated on a case-by-case basis using a risk-based approach. We evaluate the particular relationship, transaction, or counterparty with reference to its underlying purpose, roles of the parties involved, geography of the activity, criticality



of the activity, and any other sensitivity around the parties, client, or situation. The level of due diligence reflects the inherent risk, the probability of the risk occurring, and its potential severity. We use online screening databases, internal diligence questionnaires, and if appropriate to the risk level and target company, third party screening. The evaluation is completed by legal and business resources and monitored for changes to the risk level on a periodic basis.

Through our supply chain digitalization platform, Cascade, we have strengthened our ability to perform due diligence on our suppliers. On this platform, suppliers must provide a self-assessment prior to being approved in Archer. This includes key data points on the suppliers’ human rights record, practices, policy maturity, and activities which aim to ensure our suppliers are not infringing or complicit in infringement of the human rights of any persons. The self-assessment in Cascade is reviewed by legal and is followed up based on the reported findings using a risk-based approach which generally is determined by the supplier scope of work, geography, risk potential and severity, and answers to the self-assessment.

This control, in addition to our supplier code of conduct, standard terms and conditions, and regular supplier audits and checks, brings Archer into compliance with human rights legislation and our human rights policy.

G1-1, G1-3

Targets

As of 2025, Archer has not established formal targets related to Business Conduct. Target setting has been deferred due to ongoing changes in regulatory frameworks and the expected release of updated European Sustainability Reporting Standards (ESRS). Archer aims to ensure that any future targets are aligned with the latest regulatory requirements and reflect best practices once the new standards are finalised. The company will review and define appropriate Business Conduct targets when the regulatory landscape provides greater clarity.

Archer tracks the effectiveness of its Business Conduct policies and actions through several monitoring processes. These include annual Code of Conduct training completion rates, internal audit findings, whistle-blower reports, and follow-up of any confirmed policy breaches or control failures. The Legal Department and HR evaluate these indicators to assess whether the policies work as intended and to identify areas that require improvement.

Our current level of ambition is to maintain high compliance levels across the organisation and ensure timely and proper handling of all concerns raised. While no formal targets have yet been set, Archer applies 2024 as the base period for monitoring trends, including reporting volumes, substantiated cases, and training participation. These insights support continuous improvement and will guide the establishment of formal targets once the regulatory framework is clarified.

G1-4

Incidents of corruption and bribery

Convictions of violations of anti-corruption and anti-bribery laws

Incidents of corruption and bribery	Unit	Value
Number of convictions for violation of anti-corruption and anti-bribery laws	Number	0
Amount of fines for violation of anti-corruption and anti-bribery laws	USD	0

The metrics encompass instances where an Archer legal entity has been convicted of anti-bribery or corruption violations by a court of law, as well as any fines imposed in connection with enforcement actions brought against the company for such violations.

The measurement of the metric is not validated by an external body.



Board of Directors Report: Responsibility Statement





Responsibility Statement

Pursuant to the Norwegian Securities Trading Act section 5-5 with pertaining regulations, we hereby confirm that, to the best of our knowledge, the company's and the group's financial statements for 2025 have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU and requirements in accordance with the Norwegian Accounting Act. The information presented in the financial statements gives a true and fair view of the company's liabilities, financial position and results overall.

To the best of our knowledge, the board of directors' report gives a true and fair view of the development, performance and financial position of the company, and includes a description of the principal risks and uncertainty factors facing the company and the group. We further confirm, to the best of our knowledge, that the board of director's report has been prepared in accordance with sustainability reporting standards established pursuant to the Norwegian Accounting Act section 2-6, and in accordance with rules laid down pursuant to Article 8 of the Taxonomy Regulation.

The board of directors of Archer Limited

23 April, 2026

The Board of Archer Limited

Giovanni Dell' Orto
(Director)

Peter Sharpe
(Director)

James O'Shaughnessy
(Director)

Jan Erik Klepsland
(Director)

Richard Stables
(Director)

Derek Mathieson
(Director)



Consolidated Financial Statements



Consolidated Statement of Operations

<i>(In USD millions)</i>	Note	2025	2024
Revenues			
			Restated
Operating revenue	4	1,196.7	1,112.5
Other income	4	0.3	3.2
Total Revenue		1,197.0	1,115.6
Expenses			
Personnel expenses	6	569.4	537.5
Other operating expenses	7	462.1	424.5
Depreciation and amortisation	11,12,13	78.1	70.1
Impairment charges	15	33.1	2.7
Loss on sale of business	17	8.7	—
Total Expenses		1,151.4	1,034.8
Operating profit		45.6	80.9
Financial items			
Net interest expense	8	(81.3)	(62.0)
Share of results in associated companies	16	0.0	2.1
Other financial items	8	(12.5)	(27.8)
Total financial items		(93.8)	(87.7)
Profit (loss) before income taxes		(48.2)	(6.6)
Income tax benefit (expense)	10	(5.3)	(14.6)
Profit (loss)		(53.5)	(21.2)
- Attributable to non-controlling interests		5.2	0.4
- Attributable to controlling interests		(58.7)	(21.6)
Gain (loss) per share - basic and diluted		(0.63)	(0.31)
Weighted average number of shares outstanding (million)			
Basic		92.8	68.6
Diluted		93.1	68.8



Consolidated Statements of Comprehensive Income/(Loss)



Consolidated Statements of Comprehensive Income/(Loss)

	2025	2024
<i>(in USD millions)</i>		Restated
Profit (loss)	(53.5)	(21.2)
Other comprehensive (loss)/income		
Currency translation differences	23.5	(14.2)
Release AOCI relating to Comtrac investment	—	(0.6)
Income tax effect	—	—
Total other comprehensive income (loss)	23.5	(14.8)
Total comprehensive income (loss), net of tax	(30.0)	(36.0)
Attributable to:		
Non-controlling interest	5.2	0.3
Controlling interest	(35.2)	(36.3)

Accumulated Other Comprehensive Income/(Loss)

	Translation differences	Other comprehensive income	Total
<i>(in USD millions)</i>			
Balance at 1 January 2024 - Restated	—	0.6	0.6
Total other comprehensive income (loss) during 2024	(14.2)	(0.6)	(14.8)
Balance at 31 December 2024 - Restated	(14.2)	—	(14.2)
Total other comprehensive income (loss) during 2025	23.5	—	23.5
Balance at 31 December 2025	9.5	—	9.5

See accompanying notes that are an integral part of these Consolidated Financial Statements.



Consolidated Balance Sheet

	Note	31 Dec. 2025	31 Dec. 2024	1 Jan. 2024
<i>(In USD million)</i>				
ASSETS				
Property plant and equipment	11	324.9	342.6	313.1
Right of use assets	12	57.6	26.4	34.4
Goodwill	14	196.2	174.0	156.0
Intangible assets	13	32.5	23.3	2.8
Investment in associates and joint ventures	16	4.0	0.0	12.3
Deferred tax asset	10	34.9	24.2	20.8
Other non-current assets	22	25.3	13.1	11.6
Total non-current assets		675.5	603.6	550.9
Assets held for sale	18	28.9	—	—
Cash and cash equivalents	19	40.6	80.6	55.6
Trade receivables	20	187.8	187.8	183.8
Inventories	21	71.9	75.8	75.0
Other current assets	22	50.2	57.0	40.4
Total current assets		379.4	401.3	354.8
Total Assets		1,054.9	1,004.8	905.7

	Note	31 Dec. 2025	31 Dec. 2024	1 Jan. 2024
<i>(In USD million)</i>				
LIABILITIES AND SHAREHOLDERS' EQUITY				
Long-term interest-bearing debt	23	430.1	418.1	402.5
Lease liabilities (non-current)	25	48.9	15.6	22.9
Deferred tax	10	0.3	0.3	0.3
Other non-current liabilities		6.6	6.4	6.3
Total non-current liabilities		485.9	440.3	432.0
Liabilities directly associated with assets held for sale	18	28.4	—	—
Current portion of interest-bearing debt	23	37.8	23.2	17.6
Lease liabilities (current)	25	10.5	10.9	11.4
Trade payables		92.8	112.2	75.5
Income tax	10	7.6	9.5	1.8
Other current liabilities	27	192.3	181.8	171.2
Total current liabilities		369.3	337.7	277.5
Shareholders' equity		179.0	211.5	196.2
Non-controlling interest in consolidated subsidiary		20.7	15.4	—
Total equity		199.6	226.9	196.2
Total Liabilities and Shareholders' Equity		1,054.9	1,004.8	905.7



Consolidated Statements of Cash Flows

	Note	2025	2024
<i>(In USD millions)</i>			
			Restated
Profit (loss) before income taxes		(48.2)	(6.6)
Taxes paid		(7.5)	(8.7)
Depreciation and amortisation	11,12,13	78.1	69.6
Impairment of assets	15	7.8	2.7
Impairment of assets held for sale	18	25.3	—
Share-based compensation expenses		0.2	0.4
Loss/(gain) on asset disposals - net		0.6	(0.2)
Share of result from associated companies	16	0.0	(2.1)
Write-off of unamortised debt fees re previous financing		16.2	—
Effect of exchange rate movements borrowings		(20.0)	17.6
Interest expensed		82.9	66.1
Loss/(gain) on sale/purchase of business	17	8.7	(2.4)
Decrease/(increase) in trade receivable/other current assets		(8.3)	15.2
Decrease/(increase) in inventories		1.6	6.2
(Decrease)/increase in trade payable/other current liabilities		(18.3)	31.1
Change in other operating assets/liabilities net, inc. non-cash fx effects		(13.8)	(14.7)
Net cash flow from operating activities		105.4	174.3
Capital expenditures		(51.7)	(62.2)
Investment in development projects	13	(5.3)	(4.0)
Proceeds from sale of tangible fixed assets		4.1	0.7
Proceeds from sale of business	17	4.6	—
Investment in / loans to associated entities		(2.2)	(2.5)
Business acquisition and investment in subsidiaries net of cash acquired	17	(21.4)	(54.9)
Net cash flow from investing activities		(71.9)	(122.9)

	Note	2025	2024
<i>(In USD millions)</i>			
			Restated
New bond issue	23	427.8	—
Repayment of issues bonds	23	(218.1)	—
Net borrowing under RCF, and other long-term debt	23	68.0	17.4
Repayments under revolving facilities and other long-term debt	23	(266.3)	(18.9)
Debt fees paid		(8.9)	-
Interest paid		(77.3)	(58.2)
Repayment of lease obligations	24	(8.0)	(8.0)
Repayment of contributed surplus to shareholders		(17.3)	—
Net proceeds from equity issue		20.0	51.3
Cash settlement of RSUs		—	(0.3)
Net cash flow from financing activities		(80.2)	(16.7)
Effect of exchange rate changes on cash and cash equivalents		6.6	(9.7)
Net (decrease)/increase in cash and cash equivalents		(40.2)	25.0
Cash and cash equivalents, including restricted cash, at beginning of the period		80.6	55.6
Cash and cash equivalents, including restricted cash, at the end of the period		40.6	80.6



Consolidated Statement of Changes in Shareholders' Equity

	Common shares	Additional Paid In Capital	Accumulated Deficit	Accumulated Other Comprehensive Gain/(Loss)	Contributed Surplus	Non- controlling interests	Total Shareholders' Equity
<i>(In USD millions)</i>							
Balance at 1 January 2024 - Restated	16.2	1,052.1	(1,613.0)	0.6	740.1	—	196.2
Share based compensation	—	0.4	—	—	—	—	0.4
Cash paid for vested RSUs	—	(0.3)	—	—	—	—	(0.3)
Consolidation and reduction of share capital	(15.6)	15.6	—	—	—	—	0.0
Shares issued in private placement	0.2	48.6	—	—	—	—	48.8
Shares issued for purchase of Iceland Drilling	0.0	2.5	—	—	—	—	2.5
Non-controlling interests acquired	—	—	—	—	—	15.2	15.2
Net loss	—	—	(21.6)	—	—	—	(21.6)
Share of result attributed to non-controlling interest	0.1	—	—	—	—	0.4	0.4
Translation differences	—	—	—	(14.1)	—	—	(14.1)
Release of AOCI on equity investment	—	—	—	(0.6)	—	—	(0.6)
Balance at 31 December 2024 - Restated	0.9	1,119.0	(1,634.6)	(14.1)	740.1	15.4	226.9
Share based compensation	—	0.2	—	—	—	—	0.2
Reallocation of additional paid in capital to contributed surplus	—	(974.4)	—	—	974.4	—	—
Repayment of capital to shareholders	—	—	—	—	(17.3)	—	(17.3)
Net proceeds from equity issue	0.1	19.7	—	—	—	—	19.8
Net loss Attributed to controlling interests	—	—	(58.7)	—	—	—	(58.7)
Share of result attributed to non-controlling interest	—	—	—	—	—	5.2	5.2
Translation differences	—	—	—	23.5	—	0.0	23.5
Balance at 31 December 2025	1.0	164.5	(1,693.3)	9.5	1,697.2	20.7	199.6



Share Capital

	31 December 2025		31 December 2024		1 January 2024	
	Shares	USD Millions	Shares	USD Millions	Shares	USD Millions
Authorized share capital	150,000,000	1.5	150,000,000	1.5	2,000,000,000	20.0
Issued, outstanding and fully paid share capital	99,495,398	1.0	90,536,134	0.9	1,624,969,969	16.2

The Company has one class of share capital. All issued shares are ordinary shares with equal rights, preferences and restrictions, including equal rights to dividends and to the repayment of capital.





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Note 1 General Information

Description of business

Archer Limited is incorporated in Bermuda. The legal name of the Company is Archer Limited, which also is its commercial name. The Company's registered office is at Par-la-Ville Place, 14 Par-la-Ville Road, Hamilton HM 08, Bermuda. The head office is at Sandnesveien 358, 4312 Sandnes, Norway. The consolidated financial statements including notes for Archer Ltd for the year 2025 were approved by the Board on 23 April 2026.

Archer Limited, along with its subsidiaries, ("Archer" or the "Company") is a global energy services company with a heritage in drilling and well services that stretches back over 50 years. The Company is publicly traded on the Oslo Stock Exchange under the ticker ARCH.

Archer provides drilling and well services to the global energy industry, employing 4,476 globally at 31 December 2025. Archer operates in over 40 countries, providing sustainable high-quality services and innovative technology to optimize Archer's customer's energy solutions. Archer's main operations currently take place in the major basins within Europe, Asia Pacific, North and South America and Archer is expanding throughout the Middle East, and West Africa. Archer holds a leading and technologically advanced position within plug and abandonment (P&A), delivering integrated solutions that enable safe, efficient and permanent well decommissioning in mature basins globally. Leveraging decades of operational experience, proprietary technology and engineering expertise, Archer supports operators in meeting regulatory requirements while optimizing cost and reducing environmental footprint.

The Group's operations are managed through four segments: Platform Operations, Well Services, Land Drilling and Renewables.

Platform Operations

Platform Operations delivers drilling operations, maintenance and engineering services on offshore production platforms, primarily in the North Sea and other mature basins. The segment focuses on safe, efficient and cost-effective platform drilling, modification projects and integrated operations to maximize uptime and asset value for operators.

Well Services

Well Services provides a broad portfolio of well intervention, wireline and downhole services aimed at improving well performance and extending field life. The segment supports customers throughout the well lifecycle, from completion and stimulation to maintenance and plug and abandonment.

Land Drilling

Land Drilling comprises Archer's fleet of high-specification land drilling rigs, primarily deployed in the Vaca Muerta basin in Argentina. With a long operational heritage in the



region, the segment delivers efficient and reliable drilling services to leading operators, supported by strong local expertise, modern rig technology and a consistent focus on safety and performance in unconventional shale developments.

Renewables

Renewables leverages Archer's engineering competence, operational experience and technology to support energy transition activities. The segment provides services within areas such as offshore wind, carbon capture and storage (CCS) and geothermal low-carbon energy solutions.

As used herein, unless otherwise required by the context, the term "Archer" refers to Archer Limited and the terms "Company," "we," "Group," "our" and words of similar import refer to Archer and its consolidated subsidiaries. The use herein of such terms as "group", "organization", "we", "us", "our" and "its" or references to specific entities is not intended to be a precise description of corporate relationships.

Going Concern

The financial statements have been prepared on a going concern basis. This assumption is based on the liquidity position of the Group, forecasted operating results, and the market outlook for the oil service sector as at 31 December 2025.

Note 2 Summary of IFRS Accounting Policies

Basis of presentation

The financial statements of the Group for the year ended 31 December 2025 are presented in accordance with IFRS® Accounting Standards as adopted by the EU. The amounts are presented in United States Dollars, USD, or \$ rounded to the nearest a million, unless otherwise stated. We present our financial statements on a continuing business basis and separately present discontinued operations. The accounting policies set out below have been applied consistently to all periods in these consolidated financial statements.

Basis of consolidation

Investments in companies in which we directly or indirectly hold more than 50% of the voting control are generally consolidated in our financial statements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

Entities in which we do not have a controlling interest but over which we have significant influence are accounted for under the equity method of accounting. Our share of after-tax earnings of equity method investees is reported under Share of results of unconsolidated associates. A list of all significant consolidated subsidiaries is disclosed in the Note 37 Subsidiaries. Intercompany transactions and internal sales have been eliminated through consolidation.

Reclassifications

Certain amounts in the prior years consolidated financial statements may be reclassified when necessary to conform to the current year's presentation.

Use of estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Future events and their effects cannot be predicted with certainty. Accordingly, our accounting estimates require the exercise of judgement. While management believes the estimates and assumptions used in the preparation of the consolidated financial statements are appropriate, actual results could differ materially from those estimates. Estimates are used for, but are not limited to, determining the following: allowance for doubtful accounts, recoverability of long-lived assets, goodwill and intangibles, useful lives used in depreciation and amortization, income taxes and valuation allowances and purchase price allocations. The accounting estimates used in the preparation of the consolidated financial statements may change as new events occur, as more experience is acquired, as additional information is obtained and as our operating environment changes.



Foreign currencies

For subsidiaries that have functional currencies other than the USD, the statements of operations are translated using the average exchange rate for the month and the assets and liabilities are translated using the year-end exchange rate. Foreign currency translation gains or losses are recorded as a separate component of other comprehensive income in shareholders' equity. Transactions in foreign currencies during the year are translated into the functional currency of the respective entity at the rates of exchange in effect on the date of the transaction. Foreign currency assets and liabilities are translated using rates of exchange at the balance sheet date. Foreign currency transaction gains or losses are included in the consolidated statements of operations.

Current and noncurrent classification

Assets and liabilities are classified as current when they are expected to be realized or settled within the Group's normal operating cycle, or within twelve months after the reporting date, or when they are held primarily for trading, or are cash and cash equivalents (unless restricted). All other assets and liabilities are classified as non-current.

Inventories

Inventories are stated at the lowest of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method and includes all costs of purchase, conversion, and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price in the ordinary course of business, less estimated costs of completion and costs necessary to make the sale. Inventory balances are regularly reviewed for excess quantities and obsolescence by analysing demand, inventory levels, and sales trends. When necessary, inventories are written down to their net realisable value. If circumstances that previously caused inventories to be written down no longer exist, or if there is clear evidence of an increase in net realisable value, the write-down is reversed in the period of recovery.

Deferred charges

Loan-related transaction costs, including debt arrangement and structuring fees, incurred on the initial arrangement of borrowings are capitalised and amortised over the term of the related loan using the effective interest method. Amortisation of such costs is included in interest expense in the consolidated statement of operations.

Subsequent costs associated with existing borrowings, such as commitment fees on undrawn facilities, are recognised in interest expense in the period in which they are incurred.

Unamortised transaction costs are presented as a deduction from the carrying amount of the associated financial liability in the consolidated balance sheet.

Parties are considered to be related when one party has the ability, directly or indirectly, to control, jointly control, or exercise significant influence over the other party in making financial and operating decisions.

Parties are also related if they are subject to common control or common significant influence, or if they are members of the same group. Related parties include the parent company, subsidiaries, associates, joint ventures, key management personnel, and post-employment benefit plans for the benefit of employees of the Group or its related entities.

Transactions with related parties are carried out on an arm's-length basis and are disclosed in Note 33 Related Parties to the consolidated financial statements.

Accounting judgement and key sources of estimation uncertainty

Estimates and judgments are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are considered reasonable under the circumstances.

In preparing the consolidated financial statements, the Group is required to make estimates and assumptions concerning the future. These estimates reflect the Group's underlying business activities, its current and projected profitability, as well as expectations regarding external factors such as interest rates, foreign exchange rates, and other variables outside the Group's control. Because estimates and assumptions involve inherent uncertainty, actual results may differ from those estimates.

The estimates and assumptions that involve a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are presented below.

Revenue recognition - Note 4 Revenue

Recognition of deferred tax assets - Note 10 Income Tax

Evaluation of indicators of impairment Note 15 Impairment of Assets

Fair value of acquired assets - Note 17 Business Acquisitions and Disposals

Provisions and contingent liabilities - Note 28 Provisions and Contingent Liabilities



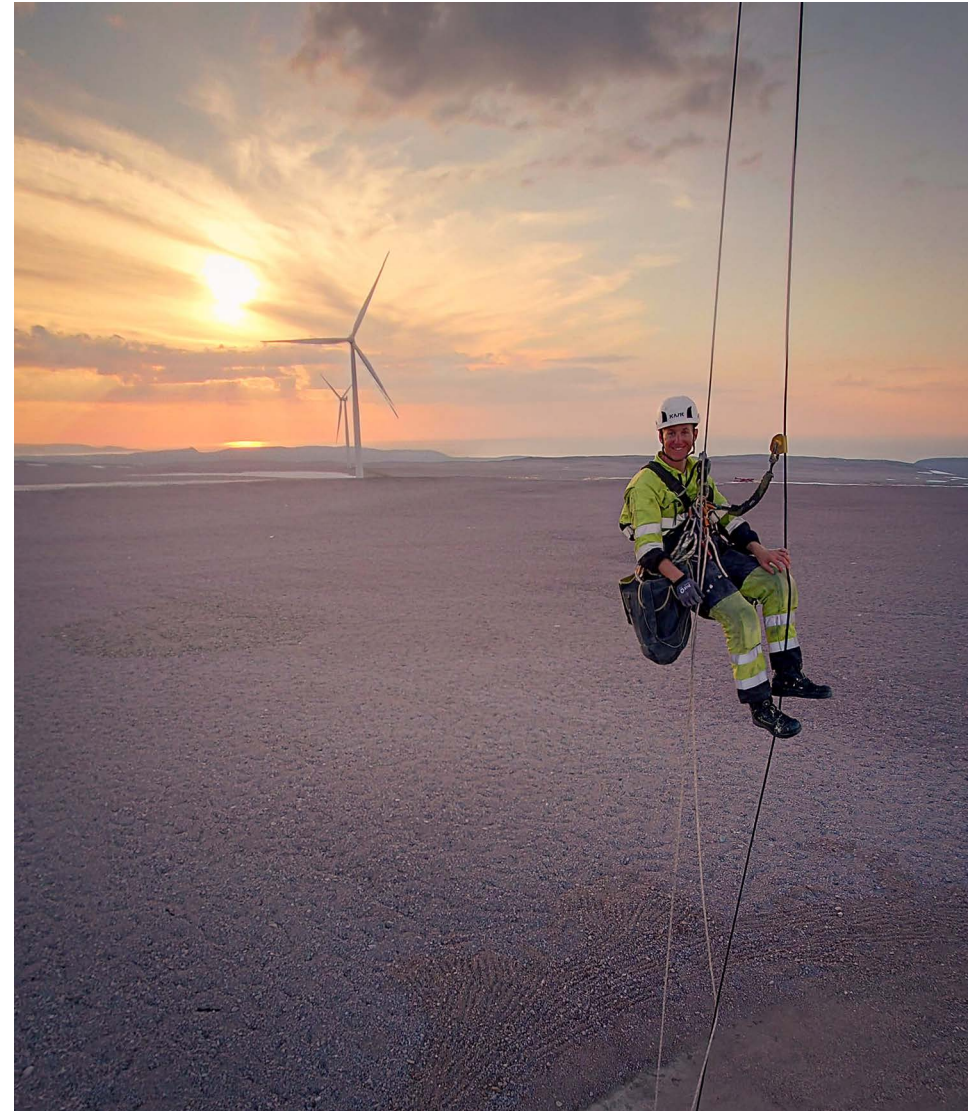
New and Amended Standards and Interpretations Not Yet Adopted

New or amended International Financial Reporting Standards (IFRS) and IFRIC Interpretations that became effective on 1 January 2025 did not have a material impact on the Group's consolidated financial statements.

Certain new standards and amendments have been issued but are not yet effective for the year ended 31 December 2025, and the Group has not early adopted them. These include, among others:

- Amendments to IFRS 10 and IAS 28 – *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- Amendments to IAS 1 – *Classification of Liabilities as Current or Non-current*
- IFRS 18 – *Presentation and Disclosure in Financial Statements*, issued in April 2024, which will replace IAS 1 and is effective for annual reporting periods beginning on or after 1 January 2027

The Group is currently evaluating the impact of these standards and amendments and does not expect them to have a material effect on its consolidated financial statements upon adoption.





Note 3 First time adoption of IFRS

First-time adoption of IFRS

These financial statements for the year ending 31 December 2025, represent the first annual financial statements that the Company has prepared in accordance with IFRS® Accounting Standards as adopted by the EU (IFRS). Accordingly, the Company has prepared financial statements that comply with IFRS applicable as of 31 December 2025, together with comparative information for the year ended 31 December 2024, as described in the basis of preparation (Note 2).

In preparing these financial statements, the Company prepared an opening statement of financial position as of 1 January 2024, which is the Company's date of transition to IFRS, in accordance with IFRS 1 *First-time Adoption of International Financial Reporting Standards*. This note explains the key adjustments made by the Company in converting from its former accounting framework, accounting principles generally accepted in the United States ("U.S. GAAP"), to IFRS as of 1 January 2024, and for the year ended 31 December 2024.

Exemptions applied

IFRS 1 permits certain optional exemptions from retrospective application of IFRS requirements. The Company has applied the following exemptions in its transition to IFRS:

- **Business combinations:** The Company has elected not to apply IFRS 3 *Business Combinations* retrospectively to business combinations that occurred prior to the transition date.
- **Cumulative translation differences:** The Company has elected to reset cumulative translation differences to zero at the date of transition to IFRS.
- **Borrowing costs:** The Company has elected not to restate borrowing costs capitalized under U.S. GAAP prior to the transition date.

Effect of transition to IFRS

The principal differences arising from the transition from U.S. GAAP to IFRS are summarized below:

- **Revenue recognition for reimbursable items**
Under U.S. GAAP, reimbursable revenue related to procurement activities was recognized on a gross basis, with Archer assessed as the principal in accordance with SEC guidance that supported gross presentation when reimbursable costs were integral to contract performance. IFRS 15 *Revenue from Contracts with Customers* requires the assessment to focus on whether the entity controls the specified goods or services before transferring them to the customer. For certain contracts, Archer has concluded

that it acts as an agent under IFRS 15, resulting in reimbursable revenue and associated costs being presented on a net basis.

- **Lease accounting**
Under U.S. GAAP, leases were classified as either operating leases or finance leases. Rent expense for operating leases was recognized on a straight-line basis and presented within a single expense line item. Under IFRS 16 *Leases*, the Company applies a single lessee accounting model. Right-of-use assets and lease liabilities are recognized for substantially all leases, with depreciation of right-of-use assets and interest expense on lease liabilities presented separately in the statement of profit or loss. This results in a different classification pattern and timing of expenses compared to U.S. GAAP.
- **Capitalization of development costs**
Under U.S. GAAP, both research and development expenditures are expensed as incurred, except for certain software development activities. Capitalization of development costs is generally not permitted. Under IFRS, IAS 38 *Intangible Assets* distinguishes between research and development phases. Research expenditures are expensed as incurred, while development expenditures are capitalized when specific criteria are met, including technical feasibility, intention and ability to complete the asset, and the ability to generate probable future economic benefits. During 2024 and 2025, Archer initiated several development projects, primarily within the Well Services division. As part of the IFRS transition, these projects were assessed in accordance with IAS 38. Based on this assessment, the Company identified development activities meeting the capitalization criteria, and the related expenditures have been capitalized as intangible assets under IFRS.

Reconciliation

The impact of the transition to IFRS on the Consolidated Statements of Financial Position as of 1 January 2024, and 31 December 2024, is presented below. In addition, reconciliation of the Consolidated Statement of Profit or Loss, Consolidated Statement of Comprehensive Income, and Consolidated Statement of Cash Flows for the year ended 31 December 2024, are provided in the sections that follow. U.S. GAAP figures presented in the reconciliation are derived from the Company's Annual Report for the year ended 31 December 2024.



Reconciliation of Consolidated Balance Sheet as at 1 January 2024

<i>(In USD million)</i>	IFRS adjustment	U.S. GAAP (Audited)	IFRS impact	IFRS
ASSETS				
Property plant and equipment		313.1	—	313.1
Right of use assets		34.4	—	34.4
Goodwill		156.0	—	156.0
Intangible assets		2.8	—	2.8
Deferred tax asset		20.8	—	20.8
Investment in associates		12.3	—	12.3
Other current assets		11.6	—	11.6
Total noncurrent assets		550.9	—	550.9
Cash and cash equivalents		52.1	—	52.1
Restricted cash		3.5	—	3.5
Trade receivables		183.8	—	183.8
Inventories		75.0	—	75.0
Other current assets		40.4	—	40.4
Total current assets		354.8	—	354.8
Total assets		905.7	—	905.7

Reconciliation of Consolidated Balance Sheet as at 1 January 2024

<i>(In USD million)</i>	IFRS adjustment	U.S. GAAP (Audited)	IFRS impact	IFRS
LIABILITIES AND SHAREHOLDERS' EQUITY				
Long-term interest-bearing debt		402.5	—	402.5
Lease liabilities (non-current)		22.9	—	22.9
Deferred tax		0.3	—	0.3
Other non-current liabilities		6.3	—	6.3
Total non-current liabilities		432.0	—	432.0
Current portion of interest-bearing debt		17.6	—	17.6
Lease liabilities (current)		11.4	—	11.4
Trade payables		75.5	—	75.5
Income tax	1	—	1.8	1.8
Other current liabilities	1	173.0	(1.8)	171.2
Total current liabilities		277.5	—	277.5
Shareholders' equity		196.2	—	196.2
Non-controlling interest in consolidated subsidiary		—	—	—
Total Equity		196.2	—	196.2
Total liabilities and shareholders' equity		905.7	—	905.7

IFRS adjustments of Consolidated Statement of Financial Position as at 1 January, 2024

- In accordance with IAS 1 *Presentation of Financial Statements* and IAS 12 *Income Taxes*, \$1.8 million in taxes payable has been reclassified from "Other current liabilities" and presented as a separate line item in the IFRS statement of financial position. IAS 12 requires current tax assets and liabilities to be presented separately from other items, resulting in taxes payable being shown as its own line item under IFRS.
- Some financial statements line items have been updated under IFRS to the standard terms.



Reconciliation of Consolidated Balance Sheet as at 31 December 2024

<i>(In USD million)</i>	IFRS adjustment	U.S. GAAP (Audited)	IFRS impact	IFRS
ASSETS				
Property plant and equipment, net		342.6	—	342.6
Right of use assets		26.4	—	26.4
Goodwill		174.0	—	174.0
Intangible assets	1	19.3	4.0	23.3
Deferred tax asset		24.2	—	24.2
Other current assets		13.1	—	13.1
Total noncurrent assets		599.6	4.0	603.6
Cash and cash equivalents		76.8	—	76.8
Restricted cash		3.8	—	3.8
Trade receivables		187.8	—	187.8
Inventories		75.8	—	75.8
Other current assets		57.0	—	57.0
Total current assets		401.3	—	401.3
Total assets		1,000.8	4.0	1,004.8

Reconciliation of Consolidated Balance Sheet as at 31 December 2024

<i>(In USD million)</i>	IFRS adjustment	U.S. GAAP (Audited)	IFRS impact	IFRS
LIABILITIES AND SHAREHOLDERS' EQUITY				
Long-term interest-bearing debt		418.1	—	418.1
Lease liabilities (non-current)		15.6	—	15.6
Deferred tax		0.3	—	0.3
Other non-current liabilities		6.4	—	6.4
Total non-current liabilities		440.3	—	440.3
Current portion of interest-bearing debt		23.2	—	23.2
Lease liabilities (current)		10.9	—	10.9
Trade payables		112.2	—	112.2
Income tax	2	—	9.5	9.5
Other current liabilities	2	191.3	(9.5)	181.8
Total current liabilities		337.7	—	337.7
Shareholders' equity	1	207.5	4.0	211.5
Non-controlling interest in consolidated subsidiary		15.4	—	15.4
Total Equity		222.9	4.0	226.9
Total liabilities and shareholders' equity		1,000.8	4.0	1,004.8

IFRS adjustments of Consolidated Statement of Financial Position as at 31 December, 2024

- Under U.S. GAAP, both research and development expenditures has been expensed as incurred. Under IFRS we have capitalized \$4.0 related to development activities that meet the recognition criteria for capitalization under IFRS. Equity has been increased accordantly.
- In accordance with IAS 1 *Presentation of Financial Statements* and IAS 12 *Income Taxes*, \$9.5 million in taxes payable has been reclassified from "Other current liabilities" and presented as a separate line item in the IFRS statement of financial position. IAS 12 requires current tax assets and liabilities to be presented separately from other items, resulting in taxes payable being shown as its own line item under IFRS.
- Some financial statements line items have been updated under IFRS to the standard terms.



Reconciliation of Consolidated Statements of Operations for the year ended 31 December 2024

<i>(In USD million)</i>		U.S. GAAP	IFRS impact	IFRS
	IFRS adjustment	(Audited)		
Revenues				
Operating revenues	1	1,096.9	(1,096.9)	—
Reimbursable revenues	1	203.7	(203.7)	—
Revenues	1,2	—	1,112.5	1,112.5
Other income	3,10	—	3.2	3.2
Total revenues and other income		1,300.7	(184.9)	1,115.6
Expenses				
Operating expenses	4	915.6	(915.6)	—
Reimbursable expenses	2,6	197.1	(197.1)	—
Operating lease costs	7	10.5	(10.5)	—
Depreciation and amortization	7	61.6	8.5	70.1
(Gain)/loss on sale of assets	3	(0.8)	0.8	—
Impairment charges		2.7	—	2.7
General and administrative expenses	8	42.6	(42.6)	—
Personnel expenses	4	—	537.5	537.5
Other operating expenses	4,5,6,7,8	—	424.4	424.5
Total expenses		1,229.4	(194.7)	1,034.8
Operating income		71.3	9.7	80.9
Gain on Bargain Purchase	10	0.1	(0.1)	—
Gain on equity method investment	10	2.3	(2.3)	—

Reconciliation of Consolidated Statements of Operations for the year ended 31 December 2024

<i>(In USD million)</i>		U.S. GAAP	IFRS impact	IFRS
	IFRS adjustment	(Audited)		
Financial items				
Interest income	9	4.1	(4.1)	—
Interest expenses	9	(62.7)	62.7	—
Net interest expense	6, 9	—	(62.0)	(62.0)
Share of results in associated companies		2.1	—	2.1
Other financial items		(27.8)	—	(27.8)
Total financial items		(84.2)	(3.4)	(87.7)
Profit (loss) from continuing operations before income taxes		(10.6)	4.0	(6.6)
Income tax benefit (expense)		(14.6)	—	(14.6)
Profit (loss) from continuing operations		(25.2)	4.0	(21.2)
- Attributable to non-controlling interests		0.4	—	0.4
- Attributable to controlling interest		(25.6)	4.0	(21.6)
Gain (loss) per share - basic		(0.37)	0.06	(0.31)
Gain (loss) per share - diluted		(0.37)	0.06	(0.31)
Weighted average number of shares outstanding (million)				
Basic		68.6	—	68.6
Diluted		68.6	—	68.6

**IFRS adjustments to the Consolidated Statement of Profit or Loss for the year ended 31 December 2024**

1. Under IFRS, the Company has updated its revenue presentation. The previous U.S. GAAP line items "Revenue" (\$1,096.9 million) and "Reimbursable revenue" (\$203.7 million) have been combined and renamed "Revenues" to align with IFRS terminology and presentation requirements.
2. Under U.S. GAAP, reimbursable procurement revenue and related costs were presented on a gross basis. Under, IFRS 15, Archer assessed that it acts as an agent for certain contracts, as it does not control the specified goods before they are transferred to the customer. As a result, these reimbursable items are presented net, reducing revenue and cost of sales by \$188.1 million.
3. Gains on disposal of property, plant and equipment amounting to \$0.8 million have been reclassified from "(Gain)/loss on sale of assets" under U.S. GAAP to "Other income" under IFRS. This reflects an IFRS presentation requirement and has no impact on total profit or equity.
4. Of the total \$915.6 million reported as operating expenses, \$537.5 million has been reclassified to "Personnel expenses", while the remaining \$392.3 million is presented as "Other operating expenses". This reclassification is made in accordance with IAS 1, which requires expenses to be presented by nature and aligned with their underlying characteristics.
5. Under U.S. GAAP, both research and development expenditures has been expensed as incurred. Under IFRS we have capitalized \$4.0 related to development activities that meet the recognition criteria for capitalization under IFRS. Operating expenses has been reduces accordingly.
6. An amount of \$9 million, previously presented as "Reimbursable expenses" under U.S. GAAP, is reclassified to "Other operating expenses" under IFRS.
7. Under U.S. GAAP, operating lease cost of \$10.5 million was recognized as a single operating expense. Under IFRS, this amount has been reclassified into "Depreciation and amortization" (\$8.5 million) and "Interest expense" (\$3.4 million) in accordance with the IFRS 16 lessee model.
8. Under U.S. GAAP, \$42.6 million presented as "General and administrative expenses" have been reclassified to "Other operating expenses" under IFRS to align with the Company's nature-based expense presentation.
9. Interest income and interest expenses are shown net.
10. In accordance with U.S. GAAP, "Gain on Bargain Purchase" and "Gain on Equity Method Investments" are presented as separate line items. Under IFRS, these amounts are classified and presented as part of "Other income".



Reconciliation of Other Comprehensive Loss 31 December 2024

		U.S. GAAP	IFRS impact	IFRS
<i>(In USD million)</i>	IFRS adjustment			
Profit (loss)	1	(25.2)	4.0	(21.2)
Other comprehensive (loss)/income				
Currency translation differences		(14.2)	—	(14.2)
Release AOCI relating to Comtrac investment		(0.6)	—	(0.6)
Total other comprehensive income (loss)		(14.8)	—	(14.8)
Total comprehensive income (loss)		(40.0)	4.0	(36.0)
Attributable to:				
Non-controlling interest		0.3	—	0.3
Controlling interest		(40.4)	4.0	(36.3)

1. Refer to the section above detailing the IFRS adjustments to the Consolidated Statement of Profit or Loss for the year ended December 31, 2024.

Reconciliation of Accumulated Other Comprehensive Loss 31 December 2024

		U.S. GAAP	IFRS impact	IFRS
<i>(In USD million)</i>	IFRS adjustment			
Accumulated Other Comprehensive Income (Loss)				
Currency translation differences	1	(5.6)	5.6	—
Other Comprehensive Income		0.6	—	0.6
Balance at 1 January, 2024		(5.0)	5.6	0.6
Currency translation differences	1	(19.8)	5.6	(14.2)
Other Comprehensive Income		—	—	—
Balance at 31 December, 2024		(19.8)	5.6	(14.2)

1. The Company has elected to reset cumulative translation differences to zero at the date of transition to IFRS. \$5.6 million has been reclassified from "Accumulated Other Comprehensive Loss" to "Accumulated Deficit".



Reconciliation of Consolidated Statement of Cash Flows for the year ended 31 December 2024

(In USD millions)

		U.S. GAAP	IFRS impact	IFRS
Cash Flows from Operating Activities	IFRS (Audited) adjustment			
Net (loss)/profit from continuing operations	1	(25.2)	25.2	—
Profit (loss) before income taxes	1,2	—	(6.6)	(6.6)
Taxes paid	1	—	(8.7)	(8.7)
Depreciation and amortisation	3	61.1	8.5	69.6
Impairment of fixed assets		2.7	—	2.7
Share-based compensation expenses		0.4	—	0.4
Loss/(gain) on asset disposals		(0.2)	—	(0.2)
Share of result from associated companies		(2.1)	—	(2.1)
Amortisation of loan fees	4	6.8	(6.8)	—
Change in deferred and accrued taxes	1	5.9	(5.9)	—
Effect of exchange rate movements borrowing	5	—	17.6	17.6
Interest expensed	4	—	66.1	66.1
Loss/(gain) on sale/purchase of business		(2.4)	—	(2.4)
Decrease/(increase) in accounts receivable and other current assets		15.2	—	15.2
Decrease/(increase) in inventories		6.2	—	6.2
(Decrease)/increase in accounts payable and other current liabilities	4	32.3	(1.2)	31.1
Change in other operating assets and liabilities net, inc non-cash fx effects	5	1.5	(16.2)	(14.7)
Net cash provided by operating activities		102.8	71.5	174.3
Cash Flows from Investing Activities				
Capital expenditures		(62.2)	—	(62.2)
Investment in development projects	2	—	(4.0)	(4.0)
Proceeds from sale of tangible fixed assets and marketable securities		0.7	—	0.7
Investment in / loans to associated entities		(2.5)	—	(2.5)
Business acquisition and investment in subsidiaries net of cash acquired		(54.9)	—	(54.9)
Net cash used by investing activities		(118.9)	(4.0)	(122.9)

(In USD millions)

	U.S. GAAP	IFRS impact	IFRS
Cash Flows from Financing Activities			
Borrowings under revolving facilities, other long-term debt and financial leases	17.4	—	17.4
Repayments under revolving facilities, other long-term debt and financial leases	(18.9)	—	(18.9)
Interest paid	3,4	—	(58.2)
Repayments of lease obligations	3	—	(8.0)
Net proceeds from equity issue	51.3	—	51.3
Cash settlement of restricted stock units	(0.3)	—	(0.3)
Net cash provided by financing activities	49.5	(66.2)	(16.7)
Effect of exchange rate changes on cash and cash equivalents	5	(8.4)	(1.3)
Net (decrease)/increase in cash and cash equivalents	25.1	—	25.1
Cash and cash equivalents, inc restricted cash, at beginning of the period	55.6	—	55.6
Cash and cash equivalents, inc restricted cash, at the end of the period	80.6	—	80.6



IFRS adjustments to the Consolidated Statement of Cash Flow for the year ended 31 December 2024

1. "Net (loss)/profit from continuing operations" is reclassified to "Profit before tax". Income tax is excluded, with corresponding change in tax paid (\$8.7 million) and change in deferred and accrued taxes (\$5.9 million).
2. Under U.S. GAAP, both research and development expenditures has been expensed as incurred. Under IFRS we have capitalized \$4.0 related to development activities that meet the recognition criteria for capitalization under IFRS. Profit before tax has been reduced accordingly.
3. Under U.S. GAAP operating lease cost is shown as an operating expense. Under IFRS \$8.5 million is added to depreciation cost and \$3.4 million is added at interest expense paid. \$8.0 million is moved to "Repayment of lease obligations"
4. Under IFRS, interest paid is reclassified from operating activities to financing activities. Repayment of contributed surplus to shareholders is shown separately.
5. Reclassification of foreign exchange on borrowings.

Reconciliation of Consolidated Statement of Changes in Shareholders' Equity 1 January 2024

<i>(In USD million)</i>	IFRS adjustment	U.S. GAAP (Audited)	IFRS impact	IFRS
Common shares		16.2	—	16.2
Additional Paid In Capital		1,052.1	—	1,052.1
Accumulated Deficit	1	(1,607.3)	(5.6)	(1,612.9)
Accumulated Other Comprehensive Loss	1	(5.0)	5.6	0.6
Contributed Surplus		740.1	—	740.1
Total Shareholders' Equity		196.2	—	196.2

IFRS adjustments to the Consolidated Statement of Equity for the year ended 1 January 2024

1. The Company has elected to reset cumulative translation differences to zero at the date of transition to IFRS.

Reconciliation of Consolidated Statement of Changes in Shareholders' Equity 31 December 2024

<i>(In USD million)</i>	IFRS adjustment	U.S. GAAP (Audited)	IFRS impact	IFRS
Common shares		0.9	—	0.9
Additional Paid In Capital		1,119.0	—	1,119.0
Accumulated Deficit	1,2	(1,632.9)	(1.6)	(1,634.5)
Accumulated Other Comprehensive Loss	1	(19.8)	5.6	(14.2)
Contributed Surplus		740.1	—	740.1
Total Shareholders' Equity		207.5	4.0	211.5

IFRS adjustments to the Consolidated Statement of Equity for the year ended 31 December 2024

1. The Company has elected to reset cumulative translation differences to zero at the date of transition to IFRS.
2. Refer to the section above detailing the IFRS adjustments to the Consolidated Statement of Profit or Loss for the year ended 31 December 2024.



Note 4 Revenue

Revenue from contracts with customers

The activities that primarily drive the revenue earned from our drilling contracts include:

- Providing specialist crew for the operation of, or repair, maintenance or modifications of Customer's platform rigs.
- Providing land drilling rigs and modular rigs, and the crew and supplies necessary to operate the rigs;
- Mobilizing and demobilizing land rigs between well sites;
- Wireline services; and
- Rental of equipment

Day rate Drilling Revenue - Our contracts generally provide payment on a day rate basis, with higher rates for periods when the drilling unit is operating and lower rates or zero rates for periods when drilling operations are interrupted or restricted. The day rate invoices billed to the customer are typically determined based on the varying rates applicable to the specific activities performed on an hourly basis. Such day rate consideration is allocated to the distinct hourly increment it relates to within the contract term, and therefore, recognized in line with the contractual rate billed for the services provided for any given hour.

Mobilization Revenue - We may receive fees (on either a fixed lump sum or variable day rate) for the mobilization of our rigs. These activities are not considered to be distinct within the context of the contract and therefore, the associated revenue is allocated to the overall performance obligation and recognized ratably over the expected term of the related drilling contract. We record a contract liability for mobilization fees received, which is amortized ratably to contract drilling revenue as services are rendered over the initial term of the related drilling contract. Contract mobilization costs include costs that are directly attributable to our future performance obligation under each respective drilling contract. Company defers mobilization costs and recognizes such costs on a straight-line basis over the same period as the corresponding mobilization revenue.

Demobilization Revenue - We may receive fees (on either a fixed lump-sum or variable day rate) for the demobilization of our rigs. Demobilization revenue expected to be received upon contract completion is estimated as part of the overall transaction price at contract inception and recognized over the term of the contract. In most of our contracts, there is uncertainty as to the likelihood and amount of expected demobilization revenue to be received. For example, the amount may vary depending upon whether the rig has additional contracted work following the initial contract. Therefore, the estimate for such revenue may be constrained, as described above, depending on the facts and circumstances pertaining to the specific contract. We assess the likelihood of receiving such revenue based on experience and knowledge of the market conditions. Demobilization costs are generally

expensed as incurred, as they do not give rise to future economic benefits. Where such costs are directly related to satisfying future performance obligations, they are deferred and amortized consistently with the related revenue.

Revenues Related to Reimbursable Expenses - We generally receive reimbursements from our customers for the purchase of supplies, equipment, personnel services and other services provided at their request in accordance with a drilling contract or other agreement. Such reimbursable revenue is variable and subject to uncertainty, as the amounts received and timing thereof is highly dependent on factors outside our influence. Accordingly, reimbursable revenue is not recorded and not included in the total transaction price until the uncertainty is resolved, which typically occurs when the related costs are incurred on behalf of a customer. We are generally considered an agent in such transactions. Accordingly, reimbursable revenue is presented net of the corresponding costs, representing the margin, if any, earned on such transactions.

Revenue from Long-Term Contracted Projects - The Company is party to long-term contractual arrangements that extend beyond the reporting period. The revenue recognized from these projects includes estimates of variable consideration such as change orders, claims, compensation for additional services performed, cost overruns and other contractual adjustments. These amounts are recognized only when it is highly probable that a significant reversal of cumulative revenue recognized will not occur. The assessment of such variable consideration involves significant judgement, including evaluation of contractual rights, the status of negotiations with customers, historical settlement experience on similar projects and other relevant facts and circumstances. In certain cases, revenue recognized may be subject to customer approval or ongoing discussions. Actual outcomes may differ from management's estimates as projects progress or are completed, and any resulting adjustments are recognized in the period in which they become known.



The following table provides information about receivables, contract assets and contract liabilities from our contracts with customers:

Revenue from contracts with customers	2025	2024
<i>(In USD millions)</i>		Restated
Revenue from contracts with customers	1,174.6	1,091.5
Reimbursable revenue / handling income	19.0	15.6
Revenue from leasing	3.1	5.4
Total Operating Revenue	1,196.7	1,112.5
Gain on equity method investment	—	2.3
Gain on bargain purchase	—	0.1
Gain on sale of equipment	0.3	0.8
Total Other Income	0.3	3.2
Total Revenue	1,197.0	1,115.6
Geographic split of operating revenue	2025	2024
<i>(In USD millions)</i>		
Norway	469.2	431.6
Europe, excluding Norway	224.5	143.5
North America	67.4	35.1
South America	350.1	420.9
Other geographical markets	85.5	81.5
Total operating revenue	1,196.7	1,112.5

The table below shows operating revenue from single external customers (> 10% of revenues)

Revenue from single external customer (>10%)	2025	2024
<i>(In USD millions)</i>		
Customer 1	366.9	354.6
Customer 2	189.1	248.7

Revenue generated from Customer 1 is attributable to the Platform Operations and Well Services segments, while revenue from Customer 2 is attributable to the Land Drilling segment.

We recognise contract assets and liabilities which relate to mobilisation and de-mobilisation fees our modular rigs. These fees are amortised over the relevant contract periods. The following table details movements in contract assets and liabilities.

Contact assets and liabilities

	Contact assets	Contract liabilities
<i>(In USD millions)</i>		
Balance 1 January 2024	11.0	4.7
Costs / revenue added to contract asset / liability	7.0	5.2
Costs / revenue recognised in the income statement	(6.0)	(4.0)
Balance 31 December 2024	12.0	5.9
Costs / revenue added to contract asset / liability	3.1	2.5
Costs transferred to fixed asset	(5.4)	-
Costs / revenue recognised in the income statement	(9.7)	(8.4)
Balance 31 December 2025	—	—



Note 5 Segments

Archer reports financial information to its Board of Directors, which acts as the Group's Chief Operating Decision Maker ("CODM"). The CODM reviews segment results to assess performance and to allocate resources. Operating segments are identified based on the nature of services provided, and the internal reports regularly reviewed by the CODM in accordance with IFRS 8 *Operating Segments*.

The Group presents its operations under the following reporting segments:

- **Platform Operations**
- **Well Services**
- **Renewables**
- **Land Drilling**

Corporate costs and corporate assets are reported separately and are not allocated to operating segments.

The accounting policies applied in determining segment information are consistent with the accounting principles used in the consolidated financial statements. The tables presented below and on the following page disclose revenues, depreciation and amortisation, operating income, capital expenditures, goodwill and total assets by segment.

Segment information 2025

	Platform Operations	Well Services	Renewables	Land Drilling	Corporate	Total
<i>(In USD millions)</i>						
Operating revenue	470.7	299.9	124.5	301.9	—	1,196.7
Personnel Expenses	(264.7)	(131.3)	(36.3)	(132.1)	(5.1)	(569.4)
Other Operating Expenses	(141.2)	(100.3)	(74.2)	(140.7)	(5.6)	(462.1)
Gain on sale of equipment	—	0.2	—	0.1	—	0.3
EBITDA	64.8	68.5	14.0	29.2	(10.7)	165.5

Segment information 2024

	Platform Operations	Well Services	Renewables	Land Drilling	Corporate	Total
<i>(In USD millions)</i>						
Operating revenue	447.8	274.8	16.5	376.6	—	1,112.5
Personnel Expenses	(254.6)	(110.8)	(7.7)	(132.1)	(5.2)	(537.5)
Other Operating Expenses	(131.3)	(100.8)	(7.6)	(180.1)	(5.0)	(424.5)
Gain on sale of equipment	—	—	—	0.8	—	0.8
EBITDA	60.9	62.1	1.2	37.4	(10.2)	151.3



Depreciation and amortisation	2025	2024
<i>(In USD millions)</i>		
Platform Operations	17.0	22.7
Well Services	32.2	19.0
Renewables	5.0	1.8
Land Drilling	23.9	26.6
Total depreciation and amortisation	78.1	70.1

* Assets shared by Platform Operations and Well Services segments include shared office and admin facilities, cash and tax assets and liabilities

Operating income/net income	2025	2024
<i>(In USD millions)</i>		
Platform Operations	42.3	38.6
Well Services	36.4	43.4
Renewables	7.6	(0.3)
Land Drilling	(36.4)	9.4
Corporate	(4.3)	(10.1)
Total operating income / (loss)	45.6	81.0
Total financial items	(93.8)	(87.7)
Income taxes	(5.3)	(14.6)
Income/(loss) from continuing operations	(53.5)	(21.2)

* Assets shared by Platform Operations and Well Services segments include shared office and admin facilities, cash and tax assets and liabilities

Goodwill	Land Drilling	Platform Operations	Well Services	Renewables	Total
<i>(In USD millions)</i>					
Balance at 31 December 2024	1.7	70.3	99.1	3.1	174.0
Acquisition of WellConnection Norway AS / WellMachining AS	-	-	2.5	-	2.5
Acquisition of Premium Oilfield Services	-	-	3.2	-	3.2
Translation adjustments	-	7.9	8.2	0.3	16.5
Balance at 31 December 2025	1.7	78.2	112.9	3.4	196.2

Capital Expenditures	2025	2024
<i>(In USD millions)</i>		
Platform Operations	18.4	15.4
Well Services	19.0	17.3
Renewables	9.7	1.9
Shared assets*	3.9	7.7
Total Excluding Land Drilling	51.1	42.2
Land Drilling	7.9	19.9
Total	59.0	62.2

Total assets	31 Dec. 2025	31 Dec. 2024
<i>(In USD millions)</i>		
Platform Operations	272.6	166.3
Well Services	358.6	331.8
Shared assets*	81.1	134.6
Renewables	77.9	64.6
Land Drilling	259.5	304.3
Corporate	5.1	3.1
Total	1,054.9	1,004.8

* Assets shared by Platform Operations and Well Services segments include shared office and admin facilities, cash and tax assets and liabilities

Non-current assets by country	31 Dec. 2025	31 Dec. 2024
<i>(In USD millions)</i>		
Norway	115.2	84.9
Europa, excluding Norway	55.8	48.0
North America	71.2	66.8
South America	86.9	132.2
Other geographical markets	53.7	47.0
Non-current assets	382.7	379.0

Non-current assets for this purpose consists of property, plant and equipment, intangible assets and other non-current assets.



Note 6 Personnel Expenses

	2025	2024
<i>(In USD millions)</i>		
Salaries and wages	404.0	408.6
Employer's national insurance contributions	58.8	62.5
Pension expenses	27.2	25.8
Cost of share-based option plan	0.2	0.4
Other benefits and personnel expenses	34.8	29.9
Hired personnel	44.5	10.3
Total Personnel Expenses	569.4	537.5
	2025	2024
Annual average number of employees	4,757	4,947
Number of employees at 31 December	4,476	5,037

Note 7 Other Operating Expenses

	2025	2024
<i>(In USD millions)</i>		
Tools and equipment	192.7	148.4
Reimbursable and subcontractor cost	47.9	51.6
Freight and transport	34.2	39.6
Rental of equipment	34.2	35.8
External consultants including audit fees	26.4	36.3
Travel and course expenses	25.5	19.5
Repair and maintenance	25.3	27.3
IT cost and equipment	22.7	20.1
Restructuring cost	19.8	7.0
Other operating expenses	33.4	38.4
Total Other operating expenses	462.1	424.5

Audit Fees

Total auditors' remuneration to PricewaterhouseCoopers was an audit fee of \$0.7 million (2024:0.7) for the year ended 31 December 2025 and \$0.3 million in attestation services (2024: \$0.1 million). Archer Ltd (\$0.5 million) received the main amount of cost, in addition to Archer (UK) Ltd (\$0.2 million) and Archer Norge AS (\$0.3 million). The compensation to the auditor is paid in GBP, NOK and USD.

	2025	2024
<i>(In USD millions)</i>		
Legally required audit	0.7	0.7
Attestation services	0.3	0.1
Other services	0.0	0.0
Total audit fee	1.0	0.8



Note 8 Financial Income and Expenses

Other Financial Items

	2025	2024
<i>(In USD millions)</i>		
Foreign exchange gains / (losses)	8.9	(20.9)
Extinguishment of accrued prepaid debt fees	(16.2)	—
Other items	(5.6)	(6.8)
Total other financial items	(12.5)	(27.8)

Prepaid debt fees that had been accrued and not amortized in relation to the First Lien Debt and Second Lien Bond, at the time of the early redemption, was expensed. This amounted to \$16.2 million.

Foreign exchange gains for the twelve months ended December 31, 2025, includes net gains of \$23.8 million in Archer Norge AS, a 100% owned subsidiary with NOK functional currency. The net gains reported by Archer Norge AS include a gain of around \$54.4 million on USD denominated external loan facilities and losses of around \$32.7 million in respect of internal receivable loan balances denominated in USD. The FX gains and losses in subsidiaries reporting in NOK are largely offset in equity by translation adjustments, recognised in accumulated other comprehensive income, which result from the translation of the NOK financial statements to USD prior to consolidation.

Net Interest Expense

	2025	2024
<i>(In USD millions)</i>		
Interest income from bank deposits	0.4	1.5
Other Interest Income	1.1	2.6
Total interest income	1.6	4.1
Interest expenses from bond loan	42.3	38.8
Make-whole premium on early debt repayment	21.4	—
Interest expenses on bank deposits	8.9	22.4
Interest expenses on lease liability	4.6	3.4
Other interest expenses	5.6	1.5
Total Interest expenses	82.9	66.1
Net Interest expenses	81.3	62.0

See Note 23 Interest-bearing debt for more information about interest bearing borrowings.

Note 9 Earnings per Share and Dividends

Basic earnings per share (EPS) is calculated as the ratio of profit for the year attributable to controlling interests to the weighted average number of shares outstanding during the period.

Diluted EPS includes the effect of the assumed conversion of potentially dilutive instruments. The calculation of the denominator used for the computation of basic and diluted earnings is shown in the table below. The calculation takes account of the weighted average number of un-vested restricted stock units during the period.

If applicable, profit attributable to ordinary shareholders is adjusted for any after-tax effects of preference dividends or other similar instruments classified as equity.

Weighted number of shares outstanding

	Three Months Ended 31 December		Twelve Months Ended 31 December	
<i>(In thousands)</i>	2025	2024	2025	2024
Denominator				
Weighted-average common shares outstanding	99,479	79,354	92,840	68,586
Effect of potentially dilutive common shares	223	142	231	192
Weighted-average common shares outstanding and assumed conversions	99,682	79,497	93,071	68,778



Note 10 Income Tax

Archer is a Bermuda company. In December 2023, Bermuda enacted a corporate income tax effective for fiscal years beginning on or after 1 January 2025. The Bermuda income tax rules are designed to align with the OECD's Global Anti-Base Erosion (GloBE) framework. The calculation of taxable income begins with financial accounting net income or loss determined in accordance with the acceptable financial accounting standards used in preparing the consolidated financial statements of the ultimate parent entity. The statutory income tax rate is 15%.

Certain subsidiaries operate in other jurisdictions where income taxes are imposed, including Norway, the United States, Argentina, Brazil and the United Kingdom. For legal entities operating in taxable jurisdictions, income tax is computed in accordance with the laws and regulations of the relevant taxing authority. The income tax rates imposed by these authorities vary. Taxable income may differ from accounting profit because of temporary differences and items that are taxable or deductible in different periods.

Current tax is the expected tax payable or receivable on the taxable profit or loss for the year, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which they can be utilised. Deferred tax assets and liabilities are measured at the tax rates expected to apply in the period when the asset is realised or the liability is settled, based on rates enacted or substantively enacted at the reporting date.

The effect of changes in tax rates or tax laws is recognised in the period in which the change is substantively enacted.

Uncertain tax positions are accounted for in accordance with *IFRIC 23 – Uncertainty over Income Tax Treatments*. The Group determines whether it is probable that a taxation authority will accept each uncertain tax treatment. If it is not probable, the Group measures the related tax liability or asset using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty.

Significant judgement is required in determining income tax provisions, deferred tax assets and liabilities, and uncertain tax positions. Tax filings are subject to routine audit by the authorities in most jurisdictions in which we operate. Any adjustments arising from these audits are recognised in the period in which they are resolved.

Income tax expense	2025	2024
<i>(In USD millions)</i>		
Current income tax		
Current year	10.7	12.8
Prior year adjustment	(0.2)	0.2
Withholding taxes	3.8	2.3
Total current income tax	14.2	15.3
Deferred income tax		
Change in deferred tax assets and liabilities	(8.7)	(0.7)
Total deferred income tax	(8.7)	(0.7)
Total income tax expense	5.3	14.6
Effective tax rate	11.4%	221.2%



	2025	2024
<i>(In USD millions)</i>		
Profit (loss) before income taxes	(48.2)	(6.6)
Tax calculated at domestic tax rates applicable to profits in respective countries	(7.2)	(0.2)
Effect of non-deductible expense	1.7	4.1
Effect of unrecognized tax losses	4.5	(0.7)
Effect of other unrecognized deferred tax assets	2.7	8.6
Effect of adjustments from prior years	(0.2)	0.4
Effect of state and withholding taxes	3.8	2.3
Actual tax expense recognized	5.3	14.6

Deferred Income Taxes

Deferred income taxes reflect the impact of temporary differences between the amount of assets and liabilities recognised for financial reporting purposes and such amounts recognised for tax purposes. The net deferred tax assets consist of the following:

	31 Dec. 2025	31 Dec. 2024
<i>(In USD millions)</i>		
Tax losses carry forward	866.9	908.7
Impairments of tangible and intangible assets	7.2	13.7
Property differences	(9.6)	34.0
Provisions	42.8	9.1
Intercompany cost not paid	48.4	38.7
Other	8.5	(7.3)
Gross deferred tax asset	964.5	996.9
Deferred tax asset not recognized	(822.3)	(869.6)
Net deferred tax asset basis	141.9	127.3
Net deferred tax asset - net	34.6	23.9



Tax losses

	Expiry within 5 years	Expiry 5-20 years	Indefinite expiration	Total	Of which is unrecognized	Of which is recognized	Other tax assets-unrecognized
<i>(In USD millions)</i>							
Norway	-	-	68.7	68.7	-	68.7	-
Europa, excluding Norway	-	-	16.7	16.7	-	16.7	-
North America	14.0	651.4	68.8	734.2	734.2	-	-
South America	26.4	-	21.0	47.4	42.7	4.7	45.4
Total tax losses	40.4	651.4	139.1	866.9	776.9	90.1	45.4

Other unrecognised tax assets primarily relate to deferred tax assets arising from intercompany costs that have not yet been paid and are therefore not recognized for tax purposes in Argentina.

Global minimum top-up tax (Pillar Two)

The OECD Pillar Two rules introduce a global minimum effective tax rate of 15% for multinational enterprise groups with consolidated annual revenues exceeding EUR 750 million. The rules have been enacted in several jurisdictions in which the Group operates.

The Group's ultimate parent entity is domiciled in Bermuda. In December 2023, Bermuda enacted corporate income tax legislation, effective for fiscal years beginning on or after 1 January 2025. The Bermuda corporate income tax regime is designed to align with the OECD Global Anti-Base Erosion (GloBE) framework. The statutory income tax rate is 15%, and taxable income is based on financial accounting profit, subject to limited adjustments.

As a result, the Group is within the scope of the Pillar Two legislation for the financial year 2025. The Group has applied the mandatory temporary exception under IAS 12 in relation to the recognition and disclosure of deferred tax assets and liabilities arising from Pillar Two income taxes.

The Group has performed a detailed assessment of its exposure to Pillar Two income taxes for the 2025 financial year. Based on this assessment, including updated jurisdictional analyses and the continued application of applicable Transitional Country-by-Country Reporting (CbCR) Safe Harbour provisions, the Group does not expect any material top-up tax to arise for the year ended 31 December 2025.

Consequently, no current tax expense related to Pillar Two income taxes has been recognised for the year (2024: nil).

Income tax consequences of dividend distribution

In accordance with IAS 12 *Income Taxes*, the Company has assessed the income tax consequences of the cash dividend of NOK 0.62 per share declared during the year. The distribution does not give rise to any current or deferred income tax consequences for the Company and therefore no income tax expense or liability has been recognised in relation to the distribution.



Note 11 Property, plant and equipment

Property, plant and equipment comprise mainly of Rigs deployed in our Land Drilling business in Latin America. In addition, we have two modular and various well services equipment and machinery. Property, plant and equipment is stated at historical cost less depreciation and impairments. Historical cost includes purchase price, any directly attributable costs of bringing the asset to working condition.

The cost of these assets, less estimated residual value, is depreciated on a straight-line basis over their estimated remaining economic useful lives. The estimated useful lives of our fixed assets are as follows:

- Buildings: 3 – 50 years
- Drilling and well service equipment: 2 – 30 years
- Office furniture and fixtures: 3 – 10 years
- Motor vehicles: 3 – 7 years

We evaluate the useful lives, residual values, and depreciation methods of our property, plant and equipment on a periodic basis to determine whether events or circumstances warrant a revision.

Expenditures for replacements or improvements are capitalized when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. Costs related to the reclassification of equipment that extend the asset's useful life or enhance its future economic benefits are capitalized as part of property, plant and equipment. The capitalized amounts are amortized on a straight-line basis over five years, reflecting the period over which the Group expects to benefit from the reclassified costs. Maintenance and repairs are charged to operating expenses as incurred.

Fully depreciated assets are retained in property, plant and equipment and accumulated depreciation until disposal. Upon sale or retirement, the cost of the asset and related accumulated depreciation are removed from the balance sheet, and any resulting gain or loss is recognized in the consolidated statement of operations.

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Value in use represents the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Non-financial assets, other than goodwill, that have suffered an impairment, are

reviewed for reversal of the impairment whenever events or changes in circumstances indicate that the impairment loss recognised in prior periods may no longer exist or may have decreased. For more information about Right-of-use assets, refer to Note 17 - Leases. Refer to Note 28 for information about capital commitments.

Assets under construction

The carrying value of assets under construction represents the accumulated costs incurred at the balance sheet date and is included in Property, Plant and Equipment in the consolidated balance sheet.

Cost components include progress payments, variation orders, construction supervision, equipment, spare parts, capitalised borrowing costs, costs related to first-time mobilisation, and commissioning costs. These costs comprise directly attributable expenditures necessary to bring the asset to the location and condition required for it to be capable of operating in the manner intended by management.

No charge for depreciation is made until commissioning of the new build has been completed, and the asset is available for use in its intended operational condition.

Net book value	Operational equipment	Other fixed assets	Assets under construction	Total
<i>(In USD millions)</i>				
Net book value 31 Dec. 2025	292.7	22.1	10.2	324.9
Net book value 31 Dec. 2024	302.3	18.3	22.0	342.6



Cost	Operational equipment	Other fixed assets	Assets under construction	Total
<i>(In USD millions)</i>				
As of 1 January 2024	1,036.4	45.0	24.5	1,105.9
Net purchase additions	42.1	7.4	—	49.5
Reclassification	1.5	—	(1.5)	—
Recognised on business acquisitions	47.1	—	—	47.1
Costs eliminated on asset disposals	(4.1)	(0.0)	—	(4.1)
Translation adjustments	(27.4)	(4.4)	(1.0)	(32.8)
As of 31 December 2024	1,095.6	48.0	22.0	1,165.6
Net purchase additions	53.3	8.5	—	61.8
Reclassification	11.1	—	(11.1)	—
Recognised on business acquisitions	12.7	1.9	—	14.6
Costs eliminated on asset disposals	(58.7)	—	—	(58.7)
Asset held for sale	(261.0)	(2.1)	(0.7)	(263.8)
Translation adjustments	(11.2)	(0.1)	—	12.1
As of 31 December 2025	865.0	56.4	10.2	931.6

Accumulated depreciation and impairments	Operational equipment	Other fixed assets	Assets under construction	Total
<i>(In USD millions)</i>				
As of 1 January 2024	(762.3)	(30.5)	—	(792.8)
Depreciation	(59.2)	(2.4)	—	(61.6)
Impairments	(2.7)	—	—	(2.7)
Eliminations on assets disposals	5.1	0.0	—	5.1
Translation adjustments	25.8	3.2	—	29.0
As of 31 December 2024	(793.3)	(29.7)	—	(823.0)
Depreciation	(56.7)	(7.7)	—	(64.4)
Impairments	(7.8)	—	—	(7.8)
Eliminations on assets disposals	36.2	—	—	36.2
Asset held for sale	239.3	2.1	—	241.4
Translation adjustments	10.0	1.0	—	11.1
As of 31 December 2025	(572.3)	(34.3)	—	(606.6)
Useful lifetime	2 – 30 years	3 – 10 years	—	
Depreciation schedule	Straight line	Straight line	Not depreciated	



Note 12 Right of use assets

	Right of use assets recognised	Depreciation	NBV of right of use assets
<i>(In USD millions)</i>			
As of 1 January 2024	53.4	(19.0)	34.4
Additions	—	—	—
Recognised on business acquisitions	1.4	—	1.4
Depreciation	—	(8.5)	(8.5)
Translation adjustments	(0.9)	—	(0.9)
As of 31 December 2024	53.9	(27.5)	26.4
Additions	32.5	—	32.5
Recognised on business acquisitions	6.0	(2.3)	3.7
Disposals	(1.5)	0.9	(0.7)
Depreciation	—	(9.7)	(9.7)
Translation adjustments	5.3	—	5.3
As of 31 December 2025	96.2	(38.6)	57.6

Right-of-use assets are related to properties and two operating lease agreements.

Note 13 Intangible assets

Intangible assets are recorded at historical cost less accumulated amortisation and accumulated impairment losses.

The cost of intangible assets is generally amortised on a straight-line basis over their estimated remaining economic useful lives, which range from 2 to 20 years.

We evaluate the useful lives, residual values, and amortisation methods of our intangible assets at least annually to determine whether events and circumstances warrant a revision.

Amortisation begins when the asset is available for use, that is, when it is in the condition necessary for it to be capable of operating in the manner intended by management.

Once fully amortised, the intangible asset's cost and accumulated amortisation remain in the accounts until the asset is derecognised, either on disposal or when no future economic benefits are expected from its use.

Trade names under which we intend to trade for the foreseeable future are considered to have indefinite useful lives and are not amortised. Such assets are tested for impairment annually, or more frequently if events or changes in circumstances indicate that the asset may be impaired.

In circumstances where management decides to phase out the use of a trade name, the relevant cost is amortised to zero over its remaining estimated useful life.

Research expenditures are generally expensed as incurred. However, development expenditures are capitalised when all the following conditions are met:

1. The technical feasibility of completing the asset so that it will be available for use or sale can be demonstrated;
2. The Group intends to complete the asset and use or sell it;
3. The asset is expected to generate probable future economic benefits;
4. Adequate technical, financial, and other resources are available to complete the development; and
5. The expenditure attributable to the asset during its development can be measured reliably.

Capitalised development costs are amortised on a straight-line basis over the estimated useful life of the asset once it is available for use.



In accordance with IFRS 3 *Business Combinations*, acquired in-process research and development that meets the definition of an intangible asset is recognised at fair value at the acquisition date. After initial recognition, such assets are measured at cost less accumulated amortisation and impairment losses.

Trade names acquired through business combinations in 2024 and 2025 are recognised as intangible assets with indefinite useful lives. Management has assessed that the trade names have indefinite useful lives as they are well-established brands with strong market recognition, a history of sustained demand, and no foreseeable limit to the period over which the trade names are expected to generate net cash inflows. There are no legal, contractual, regulatory, or competitive factors that limit their useful lives. Accordingly, trade names are not amortised but are tested annually for impairment, or more frequently if indicators of impairment exist.

Acquired technology is not amortised until it is available for use or ready for marketing.

Cost	Customer relations	Trade name	Other intangible assets	Internal developed assets	Total
<i>(In USD millions)</i>					
As of 1 January 2024	—	—	6.5	—	6.5
Additions	—	—	0.7	4.0	4.7
Recognised on business acquisitions	12.3	1.1	4.2	—	17.5
As of 31 December 2024	12.3	1.0	11.4	4.0	28.7
Additions	-	-	5.1	5.3	10.4
Recognised on business acquisitions	2.2	1.0	1.1	—	3.3
As of 31 December 2025	14.5	2.1	17.6	9.3	43.4

Accumulated depreciation and impairments	Customer relations	Trade name	Other intangible assets	Internal developed assets	Total
<i>(In USD millions)</i>					
As of 1 January 2024	—	—	(3.7)	—	(3.7)
Depreciation	—	—	(1.7)	—	(1.7)
As of 31 December 2024	—	—	(5.4)	—	(5.4)
Depreciation	(1.4)	—	(3.9)	—	(5.3)
As of 31 December 2025	(1.4)	—	(9.3)	—	(10.7)
Useful lifetime	10 years	Indefinite	2-10 years	10 years	
Depreciation schedule	Straight line		Straight line	Straight line	
Net book value 31 December 2025	13.1	2.1	8.1	9.3	32.5
Net book value 31 December 2024	12.3	1.1	6.0	4.0	23.3

During the year, research and development expenditure of \$4.1 million was recognised as an expense (2024: \$0.0 million). Development costs of \$5.3 million were capitalised as intangible assets (2024: \$4.0 million).



Note 14 Goodwill

We allocate the cost of acquired businesses to the identifiable tangible and intangible assets and liabilities acquired, with any excess of the purchase consideration over the fair value of the identifiable net assets recognised as goodwill.

Goodwill is not amortised, but is tested for impairment at least annually, and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For the purpose of impairment testing, goodwill is allocated to the cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. Each CGU represents the lowest level within the Group at which goodwill is monitored for internal management purposes and is not larger than an operating segment.

Goodwill is tested for impairment by comparing the carrying amount of the CGU, including the allocated goodwill, to its recoverable amount, which is defined as the higher of fair value less costs of disposal and value in use.

If the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised immediately in the consolidated statement of operations. Impairment losses on goodwill are not reversed in subsequent periods.

The recoverable amount of each CGU is generally determined using the income approach, based on a discounted cash flow model that incorporates management's best estimates of future cash flows, terminal values, and discount rates.

Cash flow projections reflect management's expectations of economic and market conditions that influence key assumptions such as revenue growth rates, operating margins, and capital expenditures. The discount rate reflects current market assessments of the time value of money and the risks specific to the CGU.

There are inherent uncertainties involved in estimating recoverable amounts, including assumptions regarding future market conditions, growth rates, and discount rates.

Goodwill

(In USD millions)

Net book balance 1 January 2024	156.0
Goodwill acquired in relation to the Vertikal Services AS	3.1
Goodwill acquired in relation to the ADA Argentina SRL	1.7
Goodwill acquired in relation to Wellbore Rental and Fishing LLC	26.5
Translation adjustments	(13.3)
Net book balance at 31 December 2024	174.0
Goodwill acquired on purchase of WellConnection Norway AS	2.5
Goodwill acquired on purchase of Premium Oilfield Services LLC	3.2
Translation adjustments	16.5
Net book balance at 31 December 2025	196.2

The majority of our goodwill relates to our Platform Operation and Well Services reporting segment. These divisions have seen improved results in the last couple of years, and they have a solid contract backlog for the next 3-5 years. Based on the combined improved results, order backlog and forecasts, we identified no impairment indicators at 31 December 2025.

Summary of carrying amount of goodwill allocation for each operating segment

	31 Dec. 2025	31 Dec. 2024
<i>(In USD millions)</i>		
Platform Operations	78.2	70.3
Well Services	112.9	98.9
Land Drilling	1.7	1.7
Renewables	3.4	3.0
Total	196.2	174.0



Note 15 Impairment of Assets

Accounting policy

An impairment loss is recognised when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value in use. Value in use is calculated by discounting the estimated future cash flows expected to arise from the asset or CGU using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

When determining fair value less costs of disposal, the Group uses the best available market evidence, including recent transaction prices for similar assets, broker valuations, or discounted cash flow analyses where appropriate.

Impairment losses are recognised in the consolidated statement of operations. For assets other than goodwill, impairment losses are reversed if there has been a change in the estimates used to determine the recoverable amount, but only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised.

During 2025, the Group recognised total impairment losses of \$33.1 million (2024: \$2.7 million). Of this amount \$25.3 million relates to the impairment recognised in connection with the sale of the workover business in southern Argentina, as described in Note 18 Asset held for sale. The remaining \$7.8 million relates to impairment charges recognized on Property, plant and equipment.

In 2024 the impairments related to rigs and land drilling equipment in our South American business. All impairments were recognised as part of our annual detailed review of fixed assets and assessment of carrying values.

Significant judgement exercised

The determination of recoverable amounts involves significant judgement, particularly in assessing future cash flows, discount rates, market conditions, and the expected useful lives of assets. These judgements reflect both internal expectations and external factors such as drilling activity levels, commodity market trends, interest rates, and foreign exchange rates.

As recoverable amount estimates rely on assumptions about inherently uncertain future developments, actual outcomes may differ from those estimated. Reasonably possible changes in assumptions could lead to material adjustments to carrying amounts in the next financial year. The Group considers the most sensitive assumptions to be:

- forecast cash flows;

- discount rates;
- long-term growth rates;
- expected utilisation levels; and
- asset residual values.

In developing recoverable amounts, the Group uses independent external valuations where relevant, particularly for land rigs for which active secondary markets exist.

Impairment testing of Goodwill

Goodwill is tested for impairment annually during the fourth quarter, or more frequently if events or changes in circumstances indicate that its carrying amount may not be recoverable. Impairment testing requires significant judgement regarding the future performance of the applicable CGUs, including:

- projected cash flows for each CGU;
- discount rates applied to those cash flows;
- long-term growth rates; and
- market-based valuation benchmarks.

If market conditions deteriorate or performance expectations decline, the Group may be required to recognise an impairment of goodwill, and such impairment could be material.

Recoverable amounts for goodwill-containing CGUs for 2025 were determined using the value in use method.

Key assumptions included:

- Cash flow: Board-approved budgets and management forecasts
- Pre-tax discount rate: 11.25%
- Long-term growth rate: -1% - +5%
- Forecast period: 8 years

A sensitivity analysis indicated that a reasonably possible change in key assumptions (increase in discount rate by 2 bps, or decrease in cash flows by 5%) would not result in the carrying amount exceeding the recoverable amount.

Impairment testing of Intangible Assets

We test intangible assets for impairment in accordance with IAS 36 *Impairment of Assets*. Intangible assets with indefinite useful lives are tested for impairment annually during the



fourth quarter, and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets with finite useful lives are tested for impairment only when such indicators exist.

Impairment testing of Assets

Our long-lived assets predominantly consist of land drilling rigs and equipment utilised by our Land drilling division in South America and on Iceland, and our two modular rigs. The carrying values of these assets are reviewed for potential impairment whenever events or changes in circumstances indicate that the carrying amount of a particular asset, or group of assets, may not be fully recoverable, and at least once each year as part of our annual reporting routine.

During the fourth quarter of 2025, Archer recognised a total impairment charge of \$7.8 million related to fixed assets (2024: \$2.7 million). The impairments recorded in 2025 primarily related to two land rigs located in Iceland and Argentina, driven by updated assessments of expected utilisation levels, contract visibility, and revised forward cash flow estimates. In addition, the Group recorded minor impairment charges totalling \$1.6 million.

Geothermal Drilling Rig (Renewables Division)

The geothermal drilling rig ("Tyr") was tested for impairment as a standalone CGU. The recoverable amount was determined using a value in use model based on updated cash flow projections over the asset's remaining useful life of 20 years, including an estimated terminal value with a long-term growth rate of 2.5%.

Key value in use assumptions

- Cash flow: Board-approved budgets and management forecasts
- Pre-tax discount rate: 8.87%
- Long-term growth rate: 2.5%
- Remaining useful life: 20 years

The recoverable amount was calculated at \$7.1 million, resulting in an impairment charge of \$1.1 million, reducing the carrying amount to \$7.1 million. Future depreciation charges will reflect this revised amount.

Sensitivity analysis:

A reasonably possible change in key assumptions would further reduce recoverable amount:

- +0.5% increase in the discount rate → decrease in value in use by \$0.4 million
- -10% reduction in forecast cash flows → decrease in value in use by \$0.7 million

Land Drilling Rig (Land Drilling Division)

As part of the impairment review, the Group identified one land rig whose carrying amount exceeded its recoverable amount. Due to the absence of expected future cash inflows, Value in use was determined to be zero. An independent external valuation was obtained to determine fair value less costs of disposal.

The external valuation indicated a recoverable amount below the previous carrying amount, and an impairment charge of \$5.1 million has been recognised. The carrying amount of the land rig has therefore been reduced to \$11.2 million (fair value), and depreciation going forward will be calculated based on this revised amount.

Key unobservable inputs in the valuation included:

- benchmark pricing for comparable rig sales;
- estimated resale market discount rates;
- expected time to sale;
- costs of disposal.

Future fluctuations in demand and pricing for similar rigs may result in additional impairment charges or reversals in future periods.

Assets held for sale

In addition to the specific impairment charges calculated per rig, at 31 December 2025 we recognised a further impairment charge of \$25.3 million following negotiations during the fourth quarter of 2025 for the sale of part of our land drilling business. See Note 18 Asset held for sale for further information on assets held for sale.



Note 16 Investments in Associates and Joint Ventures

Investments in which we have the ability to exercise significant influence, but do not control or jointly control, are accounted for under the equity method of accounting and are reported under Investments in associates and joint ventures in the Consolidated Balance Sheet.

Significant influence is generally deemed to exist if the Company has an ownership interest in the voting stock of the investee between 20 percent and 50 percent, although other factors such as representation on the investee's Board of Directors and the nature of commercial arrangements are considered in determining whether the equity method of accounting is appropriate.

Investments in which the Company exercises joint control together with one or more parties, whereby decisions about the relevant activities require the unanimous consent of the parties sharing control, are also accounted for under the equity method of accounting.

Under this method of accounting, our share of the net earnings or losses of the investee, together with our share of other comprehensive income, impairment losses, and gains or losses on sale of such investments, is reported under *Share of gains/losses of associates and joint ventures* in the Consolidated Statement of Operations.

We evaluate our equity method investments whenever events or changes in circumstances indicate that the carrying amounts of such investments may be impaired. If the recoverable amount of an equity method investment (being the highest of its fair value less costs of disposal and its value in use) is less than its carrying amount, an impairment loss is recorded in earnings in the current period in accordance with IAS 36 – Impairment of Assets. If the recoverable amount subsequently increases, the impairment loss is reversed in the period of recovery.

There are no significant statutory, contractual or regulatory restrictions that limit the Group's ability to access or use the assets, or to settle the liabilities, of its associated companies.

We have the following participation in investments that are recorded using the equity method:

	31 Dec. 2025	31 Dec. 2024
DSolve AS	20%	—
Archer Elemental UK	60%	—
Archer Elemental Norway AS	60%	—

The carrying amounts of our investments in our equity method investment are as follows:

	31 Dec. 2025	31 Dec. 2024
<i>(In USD millions)</i>		
Initial investment in DSolve AS	3.6	—
Share of net results since acquisition	0.1	—
Translation adjustment	0.3	—
Reported investment in associates	4.0	—

DSolve

During the nine months of 2025, we paid \$2.15 million to acquire 20% of a dSolve AS (or "DSolve") an unrelated, startup-company based in Trondheim, Norway, with the vision to pioneer rigless subsea plugging & abandonment, using electrochemical steel removal technology. The share purchase agreement provides Archer with an option to purchase the remaining 80% of the company in the future, after twelve months and on the occurrence of certain conditions including the successful commercialisation of the DSolve technology. If the development of the technology is successful an additional contingent consideration is payable, and Archer will have exclusive rights to use the technology in the provision of services to our customers. We have accrued additional estimated contingent purchase consideration of \$1.5 million.

Archer Elemental UK Limited and Archer Elemental Norway AS

We have entered into a joint venture with Elemental Energies Group, a wells focused engineering and consultancy provider, focusing on the upstream decommissioning and low carbon energy sectors, with a view to providing more fully integrated services. We have agreed with the co-investor that Archer will contribute 60% of funding and will own 60% of the joint venture entities. Capitalisation of the joint venture companies shall be on a pro-rata basis based on the respective shareholding.

Significant judgements in determining control

Management has exercised judgement in determining that the Group does not control Archer Elemental UK Limited and Archer Elemental Norway AS, despite holding 60% of the ownership interests. While the Group is exposed to variable returns from its investment, the assessment of control under IFRS 10 requires an evaluation of power over the relevant activities.



Based on the shareholders' agreements, key decisions relating to strategic, operational and financial matters require the consent of both shareholders, and the co-investor holds substantive participating rights that prevent the Group from unilaterally directing the relevant activities of the entities. Accordingly, the Group does not control the Archer Elemental entities, but exercises significant influence, and the investments are therefore accounted for using the equity method.

Note 17 Business Acquisitions and Disposals

Acquisitions and sales in 2025

Premium Oilfield Services LLC

In September 2025 Archer Well Company Inc, a 100% owned Archer subsidiary, agreed to the purchase 100% of the members' interests in Premium Oilfield Services LLC, (or "Premium"), from Composite Intermediate Holdings LLC, an unrelated third party for \$20.7 million. Premium is engaged in the provision of wireline, thru-tubing fishing, and whipstocks services in the North American oilfield market. The fair value of assets acquired is summarised below:

Fair value of assets acquired

	<i>(In USD millions)</i>
Cash	1.1
Receivables	8.5
Inventories	1.3
Property plant and equipment	11.5
Intangible assets:Trade name and customer relations	3.2
Lease obligations	(4.5)
Payables and other liabilities	(3.6)
Net Assets	17.4

The estimated fair value of the receivables acquired is the gross contractual amounts receivable, and it is anticipated that the amounts will be collected within twelve months following the acquisition. The \$3.25 million excess of the purchase consideration over the fair value of the assets is recognized as goodwill, which represents the assembled workforce and experience and know-how acquired, and synergies within the Well services segment.



Wellconnection Norway AS and Well Machining AS

In June 2025 Archer AS agreed to the purchase of two subsidiaries, Well Machining AS and Wellconnection Norway AS from Wellconnection Group AS, an unrelated third party for NOK 30,200,000, or \$3.0 million. Wellconnection is a provider of well services and has historically provided services to our Well services division. The purchase will assist in continuity of supplies necessary of Archer's service offering. In addition to cash price of NOK 30.2 million, Archer has assumed NOK 27.2 million (or \$2.7 million) of shareholder loans payable to the acquired entities. The fair value of assets acquired is summarised below:

Fair value of assets acquired

	<i>(In USD millions)</i>
Cash	1.6
Receivables	3.1
Inventories	0.1
Property plant and equipment	2.1
Intangible assets: Research and development	0.2
Deferred tax	1.2
Payables and other liabilities	(7.8)
Net Assets	0.5

The estimated fair value of the receivables acquired is the gross contractual amounts receivable, and it is anticipated that the amounts will be collected within twelve months following the acquisition. The \$2.5 million excess of the purchase consideration over the fair value of the assets is recognized as goodwill, which represents the assembled workforce and experience and know-how acquired, and synergies within the Platform operations segment.

The table below shows the revenues and net results included in our consolidated 2025 financial statements relating to the acquisitions above, and corresponding pro forma figures which would have been included had the acquisitions occurred 1 January 2025.

Additional data in USD millions

Acquisition	Included in 2025 consolidated income statements		Pro-forma full year 2025	
	Revenue	Net Result	Revenue	Net Result
Wellconnection	1.9	(0.2)	3.2	2.8
Premium Oilfield Services LLC	6.9	0.5	29.2	2.1
Total	8.8	0.3	32.4	4.9



D&K Logistics Grandeur Pte Ltd.

On 15 May 2025 Archer Holdco LLC, a 100% owned Archer subsidiary, entered into an agreement to purchase D&K Logistics Grandeur Pte Ltd, a special purpose entity (or "SPV") based in Singapore from Luca Energy Private Limited, an unrelated third party. The SPV holds one asset, a modular unit, the Asian Pearl 101 drilling rig, which will be deployed by Archer's platform operations division. The purchase is accounted for as an asset acquisition. The SPV was purchased for \$4.7 million, being the fair value of its single asset.

Sale of part of Land Drilling operations

During the second quarter, we sold part of our land drilling operations, comprising two rigs and associated assets and liabilities to Pan American Energy, for \$4.6 million. The transaction resulted in the recognition of a loss on sale of \$8.7 million

Sale of workover business in the southern part of Argentina

During the fourth quarter 2025 we initiated the sale of our remaining workover and pulling unit business in the southern part of Argentina. The market for the workover business in the southern part of Argentina has been declining, as the market for conventional oil production in Argentina South is reducing. The sale is an overall reduction of our risk and exposure in a declining market. Archer focus going forward is to grow our drilling business in the growing unconventional market in Vaca Muerta.

We completed the sale of 12 workover and 12 pulling units on 30 January 2026. The transaction involved transferring all assets and liabilities related to the workover business, including 750 employees. Based on value of the transaction, a loss of \$25.3 million was recognised in 2025, attributable to the impairment of assets to be sold as part of the transaction.

Acquisitions in 2024

Wellbore Fishing and Rental Tools LLC

On 25 October 2024 we acquired Wellbore Fishing and Rental Tools LLC (or "WFR"). WFR is an unrelated US based technology player, focused on fishing operations in the oil and gas sector, whose operations expand and complement well services already provided by Archer. Purchase consideration comprised an initial payment of \$50.7 million, plus a deferred payment of \$1.5 million due in November 2025. The acquisition strengthens Archer's presence in the Gulf of America and will build on our relationships with global entities involved in the oil and gas industry in the region. Clear and tangible cost and revenue synergies are expected to result from the acquisition. Fair value of the assets acquired is detailed in the table below:

Fair value of assets acquired

	USD millions
Cash	1.4
Receivables	9.5
Inventories	3.1
Property plant and equipment	7.7
Intangible assets Customer relations	12.3
Trade name	1.0
Payables	(8.1)
External debt	(1.1)
Net Assets	25.7

The \$26.5 million excess of the purchase consideration over the fair value of the assets is recognized as goodwill, which represents the assembled workforce and experience and know how acquired, and synergies within Well services segment.



Iceland Drilling Company Ltd.

In 2022, as part of Archer's energy transition strategy, we invested in a 50% share of Iceland Drilling, an international geothermal drilling and integrated service company headquartered in Iceland. The investment has been classified as an investment in associated companies and consolidated using the equity method.

During the fourth quarter of 2024 we have acquired an additional 10% of the company which, along with some changes to the shareholders' agreement between Archer and the other shareholders of Iceland Drilling, resulted in the acquisition of a controlling interest in Iceland Drilling. Purchase consideration for the additional shares took the form of newly issued shares in Archer Ltd. with a value of \$2.5 million. In addition, we have recognised additional purchase consideration of \$1.4 million, which may also be settled by the issue of Archer Ltd shares under a Purchase adjustment clause in the purchase agreement. The purchase price adjustment is contingent on various metrics, including future earnings and market value of Iceland Drilling and Archer. The contingent consideration is recognised as a liability since there is a possibility that it may be settled in cash.

On the attainment of controlling financial interest we have reclassified our investment as an investment in a consolidated subsidiary, recognised a non-controlling interest at fair value and adjusted the carrying value of our investment to fair value, which resulted in the recognition of a gain of \$0.1 million. No goodwill has been recognised in respect of this acquisition.

The functional currency of Iceland Drilling is the Icelandic Krona (ISK). The USD equivalent of the fair value of Iceland Drilling assets consolidated on acquisition of control are as follows;

Fair value of assets acquired

	ISK millions	USD millions equivalent
Cash	320.8	2.3
Receivables	1,491.6	10.9
Inventories	885.1	6.4
Property plant and equipment	4,739.4	34.7
Deferred tax	182.0	1.3
Contract assets (Mobilisation costs)	501.4	3.7
Payables	(775.3)	(5.7)
Prepaid revenue	(13.8)	(0.1)
Contract liabilities (Mobilisation revenues)	(797.9)	(5.8)
External debt	2,382.6	(17.4)
Net Assets	4,160.8	30.4

Comtrac AS

Since 2020 Archer's fully owned Norwegian subsidiary Archer Norge AS has owned 50% of Comtrac AS, an entity set up for the development and ownership of well intervention technology. Since its inception, the investment in Comtrac AS has been accounted for using the equity method of consolidation. On 4 September 2024 Archer Norge AS purchased the other 50% of the company from the only other shareholder, IKM Gruppen AS. Following the attainment of 100% ownership of Comtrac AS Archer is able to directly commission the building of rods (which are the ComTrac technology) which are utilised in the provision of well services to our customers.

The carrying value of Archer's 50% investment in Comtrac AS prior to the additional investment was \$0.5 million. This was increased by the purchase consideration of \$0.4 million which was paid to IKM for its 50% shareholding in Comtrac AS, bringing total carrying value of the investment to \$0.9 million. In addition, we have a long-term loan receivable from Comtrac, at acquisition date, of \$2.6 million, bringing total carrying value of the investment to \$3.5 million.

The fair value of the assets acquired at the acquisition date of 4 September 2024, were as follows:

Fair value of assets acquired

	NOK millions	USD millions equivalent
Cash	0.4	0.04
Receivables	0.7	0.1
Intangible assets	48.7	4.5
Deferred tax assets	19.0	1.8
Accounts payable and accrued expenses	(5.4)	(0.5)
Balance due to lease finance	(2.7)	(0.3)
Total fair value of assets acquired	60.7	5.6

The intangible assets reflect the value of the ComTrac technology including the patents for the technology and the use of the ComTrac brand name.

Upon acquisition of a controlling financial interest we have revalued our investment in Comtrac AS to reflect its fair value at acquisition. The excess of the fair value over our carrying was \$2.3 million. This is reflected as an increase in the carrying value of our investment in the equity of Comtrac AS and a gain on bargain purchase in the third quarter 2024 income statement. The gain relates mainly to deferred tax assets acquired.



ADA Argentina SRL

On 31 July 2024, Archer's fully owned Argentine subsidiaries completed the purchase ADA Argentina SRL, (or ADA), from an unrelated third party, Air Drilling Associated. ADA performs drilling services in Argentina through the operation of managed pressure drilling (or MPD) equipment. Archer's customers in Argentina are increasingly requiring the suites of services provided by ADA to be provided by alongside land drilling services already provided, so the ADA business compliments Archer's operations and facilitates the offering of integrated services by Archer.

Purchase consideration of \$5.6 million consisted of an upfront payment of \$0.3 million, a payment for working capital of \$0.5 million (this figure is subject to review and possible revision) and a balance payment of \$4.8 million payable by agreed monthly installments over the 27-month period ending 31 October 2026.

The fair value of the assets acquired at the acquisition date of 31 July 2024, were as follows:

Fair value of assets acquired

	<i>In USD millions</i>
Cash	0.2
Receivables	2.5
Inventory	0.4
Deferred tax assets	0.2
Tangible fixed assets	1.9
Payables	(1.4)
Total fair value of assets acquired	3.9

The \$1.7 million excess of the purchase consideration over the fair value of the assets is recognized as goodwill, which represents the assembled workforce and experience and know how acquired, and synergies within Land Drilling segment.

Moreld Ocean Wind AS

On July 1, 2024 Archer completed the acquisition of Moreld Ocean Wind AS, subsequently re-named Archer Wind AS (or Archer Wind), from an unrelated company. Archer Wind is developing an offshore floating wind foundation, and is currently managing the development of a prototype installation under a contract with Total Energies using unique technology provided under a collaboration agreement with Ocergy Inc., a US technology and solutions provider. The purchase is part of Archer's diversification into renewable energy. The acquired workforce with experience and know-how in this sector is augmented by Archer's engineering skills and industry knowledge.

The sale and purchase agreement provided that Archer purchased 100% of the issued and fully paid-up shares for a consideration of \$1.8 million payable in two equal installments due 31 December 2024 and 30 November 2025.

The fair value of the assets acquired at the acquisition date of 1 July 2024 were as follows:

Fair value of assets acquired

	NOK millions	USD millions equivalent
Receivables	47.2	4.4
Tangible fixed assets	0.1	0.0
Licences	8.2	0.8
Shares in Ocergy	21.1	2.0
Deferred taxes	25.0	2.3
Accounts payable	(7.5)	(0.7)
Accruals, deferred income and other payables	(71.8)	(6.7)
Total fair value of assets acquired	22.4	2.1

The difference of \$0.3 million between the purchase consideration and the fair value of the net assets acquired is recognised as a gain on bargain purchase in the third quarter 2024 income statement.



Vertikal Services AS

On 6 May 2024 we completed the acquisition of 65% of the shares in Vertikal Service AS. (or "Vertikal"), an unrelated company who offers inspection, installation, and maintenance services to energy customers using advanced industrial rope access techniques on complex structures such as offshore and onshore wind turbines, hydropower stations, and offshore oil and gas installations. The purchase is part of Archer's diversification into the renewable energy sector, by the acquisition of projects in the wind and hydro generated power segment and a workforce with experience and know-how in this sector, which is augmented by Archer's engineering skills and industry knowledge.

The sale and purchase agreement provided that Archer purchased 1000 of the 2000 issued and fully paid up shares for a consideration of NOK 25 million (or \$2.3 million). In addition, as part of the agreement, Archer made a capital contribution in kind to Vertikal, consisting of a transfer of Archer business, by the transfer of the relevant employees, the customer contract which is currently serviced by the individuals transferred, and associated resources, to Vertikal. In return for the capital contribution, Archer received 858 newly issues shares which brought Archer's total shareholding in Vertikal to 65%.

Deferred consideration up to NOK 10 million is payable no later than 31 March 2027 and is based on achieving various levels of EBITDA. We have estimated the fair value of the deferred consideration to be \$0.1 million. Total purchase consideration recognised by Archer as investment in subsidiary total NOK 25,500,000 (or \$2.4 million) comprising \$2.3 million for the purchase of 1000 shares from the existing shareholders and \$0.1 million for the deferred consideration.

The fair value of the assets acquired at the acquisition date of 6 May 2024 were as follows:

Fair value of assets acquired

	NOK millions	USD millions equivalent
Cash	9.2	0.8
Receivables	36.2	3.3
Tangible fixed assets	4.6	0.4
Loan finance	(4.4)	(0.4)
Accounts payable	(22.1)	(2.0)
Accruals and other payables	(27.6)	(2.5)
Total fair value of assets acquired	(3.9)	(0.3)

The business contributed as capital has been valued at NOK 21.45 million (or \$1.9 million), and the fair value resulting non-controlling interest of 35% of Vertikal is estimated to be

NOK 4 million (or \$0.4 million). On consolidation of Vertikal into the Group financial statements we have recognised goodwill of \$3.1 million which represents the assembled workforce and experience, and know-how acquired.

Goodwill was calculated as follows:

	USD millions equivalent
Purchase consideration	2.4
Negative net assets acquired	0.3
Recognition of non-controlling interest	0.4
Total Goodwill	3.1

The table below shows the revenues and net results included in our consolidated 2024 financial statements relating to the acquisitions above, and corresponding pro forma figures which would have been included had the acquisitions occurred 1 January 2024.

Additional data in USD millions

Acquisition	Included in 2024 consolidated income statements		Pro-forma full year 2024	
	Revenue	Net Result	Revenue	Net Result
Vertikal Services AS	9.8	(0.9)	19.2	(0.8)
Archer Wind AS	9.7	0.4	12.1	(2.2)
ADA Argentina SRL	4.0	0.5	9.8	0.3
WFR	4.8	0.0	39.7	7.3
Iceland Drilling Company Ltd.	9.0	0.6	63.7	2.9
Total	37.3	0.6	144.5	7.4



Note 18 Asset held for sale

On 30 January 2026, Archer announced the closing of the transaction to sell the workover business in the south of Argentina, in the Provinces of Chubut and Santa Cruz. The sale includes 12 workover rigs, 12 pulling units and approximately 750 employees. Archer will retain ownership of 4 drilling rigs, 5 workover units and 4 pulling units from the workover business. The divestment enables Archer's Land Drilling division to focus on the provision of drilling and workover services in the unconventional Vaca Muerta field.

Following the closure of the transaction all assets and liabilities held by the Argentinian branch of the DLS Group were reclassified as held for sale, and an impairment charge of \$25.3 million was recorded based on our estimate of the loss which will be incurred on the sale of these assets when the figures are finalised in 2026.

Note 19 Cash and Cash Equivalents

Cash and cash equivalents

Cash and cash equivalents consist of cash, demand deposits and highly liquid financial instruments purchased with original maturity of three months or less and exclude restricted cash.

Restricted cash

Restricted cash consists mainly of bank deposits arising from advance employee tax withholdings.

<i>(In USD millions)</i>	31 Dec. 2025	31 Dec. 2024
Cash in bank	38.7	76.8
Restricted cash	1.8	3.8
Total Cash and Cash Equivalents	40.6	80.6

Reference is made to Note 23 Interest-bearing debt for available liquidity under the Revolving Credit Facility.



Note 20 Trade and other receivables

Trade and other receivables are recorded in the balance sheet at their full amount, less a loss allowance for expected credit losses. The Group has applied the practical expedient permitted by IFRS 9 and initially measures trade receivables at the transaction price determined in accordance with IFRS 15.

	31 Dec. 2025	31 Dec. 2024
<i>(In USD millions)</i>		
Trade receivables	120.5	133.3
Earned, not invoiced revenue	70.8	57.1
Less bad debt provision	(3.5)	(2.6)
Trade receivables, net	187.8	187.8

As the receivables are due in the short-term, the fair value is approximately equal to the carrying amount, and the future cash flows are not discounted.

The ageing of the trade receivables

	31 Dec. 2025	31 Dec. 2024
<i>(In USD millions)</i>		
Not due	158.0	158.1
Past due 0-30 days	19.5	19.0
Past due 31-60 days	3.0	3.9
Past due 61+ days	10.7	9.0
Total	191.3	189.9

Judgments and Estimates

Judgment is involved when determining the impairment losses on receivables and customer contract assets. Loss allowances are established based on expected credit losses for individual receivables as well as on collective assessments where appropriate. In assessing expected credit losses, the Group considers the financial condition of the customer, historical payment behaviour, current and forward-looking information, including relevant market conditions and macro-economic factors.

Uncollectible receivables are written off when they are considered irrecoverable, including situations where a settlement is reached for an amount less than the outstanding balance, or when all reasonable collection efforts have been exhausted. Amounts previously written off that are subsequently recovered are recorded as a reversal of impairment in profit or loss.

Bad debt provision

	2025	2024
<i>(In USD millions)</i>		
Balance at 1 January	(2.7)	(0.2)
Provisions made during the year	-	(0.3)
Provisions used during the year	0.2	(0.1)
Recognised on business acquisitions	(0.6)	(2.7)
Closing balance 31 December	(3.5)	(2.7)



Note 21 Inventory

Inventories

	31 Dec. 2025	31 Dec. 2024
<i>(In USD millions)</i>		
Manufactured		
Raw materials	0.0	0.6
Finished goods	35.4	21.2
Work in progress	2.6	1.2
Total manufactured	38.0	23.0
Drilling supplies	18.0	14.4
Other items and spares	16.0	38.4
Total inventories	71.9	75.8

"Other items and spares" primarily relate to parts and spares for the land rigs used in our Latin America operation and spares and parts used in the Oiltools operations.

Provisions for obsolescence amounting to \$3.6 million (2024: \$7.1 million) are included under Other items and spares.

Note 22 Other assets

Our other current assets are composed of the following:

Other current assets	31 Dec. 2025	31 Dec. 2024
<i>(In USD millions)</i>		
Deposits	13.1	11.1
Prepaid expenses	12.2	23.5
VAT and other taxes receivable	8.3	10.5
Reimbursable costs incurred	8.5	3.0
Other receivables	8.1	8.9
Other current assets	50.2	57.0

Our other noncurrent assets are composed of the following:

Other Non-current assets	Note	31 Dec. 2025	31 Dec. 2024
<i>(In USD millions)</i>			
Pre-paid long-term expenses		16.7	2.6
Receivable related party	28	3.5	0.0
Investments in unconsolidated entities		2.1	4.4
Deposits		0.7	0.0
Deferred mobilisation cost		0.7	0.7
Other long term receivables		1.6	2.3
Other non-current assets		25.3	13.1



Note 23 Interest-bearing debt

<i>(In USD millions)</i>	31 Dec. 2025			31 Dec. 2024 (Restated)		
	Loan balance	Unamortised debt issuance costs	Loan balance less unamortised debt issuance costs	Loan balance	Unamortised debt issuance costs	Loan balance less unamortised debt issuance costs
First Lien Facility	—	—	—	207.5	(2.3)	205.2
Second Lien Bond	—	—	—	215.4	(15.0)	200.4
Senior Secured Bonds	425.0	(6.5)	418.5	—	—	—
Overdraft facilities (RCF)	16.5	(1.0)	15.5	—	—	—
Other loans	33.9	—	33.9	35.8	—	35.8
Total interest-bearing debt	475.4	(7.5)	467.9	458.7	(17.4)	441.3
Less: current portion	(39.7)	1.9	(37.8)	(29.7)	6.4	(23.2)
Long-term portion	435.7	(5.6)	430.1	429.0	(10.9)	418.1

In February 2025, we completed a refinancing of our debt, replacing the first and second lien facilities with a new 5 year \$425 million senior secured bond.

Senior Secured Bonds

In February 2025, Archer's indirectly wholly owned subsidiary, Archer Norge AS, issued 5 year \$425 million senior secured bonds, carrying a coupon of 9.5% (the "Senior Secured Bonds"). The proceeds from the bonds' issuance were applied towards the full repayment of the First Lien Facility and the Second Lien Bond.

From 2026, the Company will redeem \$15 million of the bonds annually. The Company has an option to redeem the bonds at (i) the make-whole price for the first 3.0 years, (ii) at 104.75% of the nominal amount after 3.0 years until 3.5 years, (iii) at 103.8% of the nominal amount after 3.5 years until 4.0 years, (iv) at 102.85% of the nominal amount after 4.0 years until 4.5 years, and (v) at 100.5% after 4.5 years. The Senior Secured Bonds shares the same security as the Revolving Credit Facility, subject to the senior status of the Revolving Credit Facility.

The Senior Secured Bonds contains certain financial covenants, including, among others:

- The Company shall ensure that the free liquidity of the Group is at all times the higher of \$30 million and 5.00 percent of gross interest-bearing debt.
- The Company shall ensure that the interest coverage ratio is minimum 2.00:1.

The Senior Secured Bonds contains events of default which include payment defaults, breach of financial covenants, breach of other obligations, breach of representations and warranties, insolvency, illegality, unenforceability, curtailment of business, claims against an obligor's assets, appropriation of an obligor's assets, failure to maintain exchange listing, material adverse effect, repudiation and material litigation. In addition, there are cross default clauses in the event of the obligor defaulting on other issued debt.

As of 31 December 2025, the Company is compliant with all covenants under the Senior Secured Bonds.

Revolving Credit Facility

In connection with the Senior Secured Bonds issuance, Archer established a \$75 million revolving credit facility, ranking super senior to the Senior Secured Bonds, with a tenor of 4.5 years (the "RCF"). The interest on the loan is Secured Overnight Financing Rate, or "SOFR" + a margin of 300 basis points. In addition, Archer established a guarantee facility of \$5 million. The total \$75.0 million of the RCF is carved out into two overdraft facility of \$35.0 million and \$40.0 million respectively. The RCF is secured by pledges over shares in material subsidiaries, assignment over intercompany debt and guarantees issued by the material subsidiaries.

The RCF contains certain financial covenants, including, among others:



- The Company shall ensure that the free liquidity of the Group is at all times the higher of \$30 million and 5.00 percent of gross interest-bearing debt.
- The Company shall ensure that the interest coverage ratio is minimum 2.50:1.

The RCF contains events of default which include payment defaults, breach of financial covenants, breach of other obligations, breach of representations and warranties, insolvency, illegality, unenforceability, curtailment of business, claims against an obligor's assets, appropriation of an obligor's assets, failure to maintain exchange listing, material adverse effect, repudiation and material litigation. In addition, there are cross default clauses in the event of the obligor defaulting on other issued debt.

As of 31 December 2025, the Company is compliant with all covenants under this RCF.

Other loans

As described above, a total of \$75.0 million of the Revolving Credit Facility is carved out into overdraft facilities. A total of \$16.5 million was drawn under the overdraft facilities at 31 December 2025.

During 2024, we acquired external financing as part of our business acquisition discussed in Note 17 Business Acquisitions and Disposals above. At 31 December 2025 the balance of finance relating to these acquisitions was \$5.5 million, the majority of which was added on the consolidation of Iceland Drilling.

We have finance arrangements relating to equipment in our Well Services and Platform Operation division. On 31 December 2025, the balance included in Other debt relating to these arrangements was \$28.4 million.

Movements in interest-bearing borrowings

The table below provides a reconciliation of the Group's interest-bearing debt from the beginning to the end of the reporting period, distinguishing between current and non-current portions. It includes both cash flows, such as new borrowings and repayments, and non-cash movements, including changes in transaction costs and currency revaluation.

Movements in interest-bearing borrowings (In USD millions)	2024		Total
	Non current	Current	
Carrying amount as at 1 January	403.1	17.0	420.1
Cash flows:			
New bond issue	—	—	—
Repayment of bonds	—	—	—
Net borrowing under RCF, and other long-term debt	17.1	—	17.1
Repayment under RCF, and other long-term debt	(18.9)	—	(18.9)
Transaction fees in relation to refinancing	—	—	—
Non-cash flows			
Acquired debt	11.9	6.2	18.1
Change in prepaid debt fees	7.0	—	7.0
Change due to currency revaluation	(2.1)	—	(2.1)
Carrying amount as at 31 December	418.1	23.2	441.3

Movements in interest-bearing borrowings (In USD millions)	2025		Total
	Non current	Current	
Carrying amount as at 1 January	418.1	23.2	441.3
Cash flows:			
New bond issue	412.8	15.0	427.8
Repayment of bonds	(218.1)	—	(218.1)
Net borrowing under RCF, and other long-term debt	51.5	16.5	68.0
Repayment under RCF, and other long-term debt	(242.9)	(23.4)	(266.3)
Transaction fees in relation to refinancing	(8.9)	—	(8.9)
Non-cash flows			
Acquired debt	2.1	—	2.1
Change in prepaid debt fees	12.4	6.4	18.8
Change due to currency revaluation	3.3	—	3.3
Carrying amount as at 31 December	430.1	37.8	467.9



We used a variety of methods and assumptions, which are based on market conditions and risks existing at the time, to estimate the fair value of our financial instruments. For certain instruments, including cash and cash equivalents, it is assumed that the carrying amount approximated fair value due to the short-term maturity of those instruments.

The fair value of Bonds is based on the last reported trading price of the Bonds prior to the close of the year.

The fair value of the current portion of long-term debt is estimated to be equal to the carrying value, since it is repayable within twelve months. The fair value of the long-term portion of floating rate debt is estimated to be equal to the carrying value adjusted for the prepaid debt fees (outstanding balance), since it bears variable interest rates, which are reset on a quarterly basis. This debt is not freely tradable, and we cannot purchase them at prices other than the outstanding balance plus accrued interest.

Restricted cash consists mainly of bank deposits arising from advance employee tax withholdings.

Note 25 Leasing

The Group leases office space, equipment, and operating assets at various locations. At the commencement date of a lease, we recognise a right-of-use (ROU) asset and a corresponding lease liability for all leases, except for those with a lease term of twelve months or less or for low-value assets, which are expensed on a straight-line basis over the lease term. The leases have remaining lease terms of 1 to 13 years at 31 December 2025. Some operating leases include options to extend the leases for up to 20 years.

The lease liability is initially measured at the present value of lease payments that are not paid at that date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate. Each lease payment is allocated between a reduction of the lease liability and a finance cost, using the effective interest method to produce a constant periodic rate of interest on the remaining balance of the liability.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, any lease payments made at or before the commencement date, and any initial direct costs, less lease incentives received. The ROU asset is subsequently depreciated on a straight-line basis over the shortest of the asset's estimated useful life and the lease term. Depreciation of right-of-use assets is presented within Depreciation and amortisation expense in the Consolidated Statement of Operations. Interest expense on the lease liability is recognised in the Consolidated Statement of Operations over the lease term.

Details of leased assets are reported in note 9.

For the capitalisation of right of use assets, we have calculated an incremental borrowing rate, or IBR, for discounting each lease's cash-flows to arrive at an initial value for the lease liability and right of use asset. The IBR is calculated as a function of the following elements/considerations;

- Base rate – generally the inter-bank lending rate in the relevant jurisdictions,
- Credit spread – we estimate the effect of the lessee credit worthiness
- Country risk premium
- Inflation differential
- Contract term
- Security or collateral provided in the lease contract.

Significant judgment is required in estimating some of these elements. We apply a consistent methodology in estimating IBR for each lease.



We have elected not to recognise the right of use of assets and lease liability for short term leases.

The Company's leasing activities for the year ended 31 December 2025 is analysed in the table below;

Lease obligations

<i>(In USD million)</i>	
Lease obligations at 1 January 2024	34.4
Effect of transition to IFRS	—
New leases	—
Acquired on business acquisition	—
Repayments	(8.0)
Translation adjustments	—
Lease obligations at 31 December 2024	26.4
New lease capitalisations	32.5
Acquired on business acquisition	3.8
Repayments	(8.0)
Capitalised leases terminated	(0.6)
Translation adjustments	5.3
Lease obligations at 31 December 2025	59.4

Corresponding right of use assets are included in Note 12 Right of use assets

Amortization schedule for Leasing obligations

	Lease obligations
<i>(In USD million)</i>	
YEAR	
2026	10.5
2027	11.5
2028	4.9
2029	5.2
Thereafter	27.3
Total	59.4

Gross cash-flow commitments re leases are shown in Note 30 Liquidity risk

Supplemental information 31 December 2025

	Short term and low value leases	Capitalised leases
<i>(In USD millions)</i>		
Interest on lease liabilities	—	4.4
Total cash outflow for leases	40.6	12.5
Income from subleasing of right of use assets	—	—
Weighted average remaining lease term in years	—	8.7
Weighted average discount rate	—	9.5%

Supplemental information 31 December 2024

	Short term and low value leases	Capitalised leases
<i>(In USD millions)</i>		
Interest on lease liabilities	—	3.4
Total cash outflow for leases	38.4	10.5
Income from subleasing of right of use assets	—	0.1
Weighted average remaining lease term in years	—	5.7
Weighted average discount rate	—	9.2%



Note 26 Post-employment benefits

We contribute to several defined contribution pension plans for our employees in several countries.

The pension plans are measured and presented according to IAS 19.

Accounting policy defined contribution plans For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

In 2025 we made contributions to defined benefit pension plans equivalent to \$18.5 million (2024: \$16.4 million).

Note 27 Other current liabilities

<i>(In USD million)</i>	31 Dec. 2025	31 Dec. 2024
Accrued expenses	146.9	126.1
VAT, employee and other taxes	29.0	29.5
Prepaid income	12.3	10.4
Accrued restructuring cost	-	4.9
Other current liabilities	4.3	10.3
Total	192.3	181.8

Note 28 Provisions and Contingent Liabilities

Purchase commitments

As of 31 December 2025, we have committed to purchase obligations including capital expenditures amounting to \$44.3 million, (2024: \$30.4 million).

Contingencies

Contingent consideration in respect of our business acquisitions is discussed in Note 17 Business Acquisitions and Disposals.

Legal Proceedings

From time to time, we are involved in litigation, disputes and other legal proceedings arising in the normal course of our business. We insure against the risks arising from these legal proceedings to the extent deemed prudent by our management and to the extent insurance is available, but no assurance can be given that the nature and amount of that insurance will be sufficient to fully indemnify us against liabilities arising out of pending and future legal proceedings. Many of these insurance policies contain deductibles or self-insured retentions in amounts we deem prudent and for which we are responsible for payment. If there is a claim, dispute or pending litigation in which we believe a negative outcome is probable and a loss by the Company can be reasonably estimated, we record a liability for the expected loss. As of 31 December 2025, we are not aware of any such expected loss which would be material to our financial position and results of operations. Nor are we involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) which may have, or have had in the recent past, significant effects on our financial position or profitability.

Note 29 Financial risk management

Overview and governance

The Group is exposed to a variety of financial risks such as credit risk, liquidity risk and market risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and the cyclical nature of the offshore energy services industry, and seeks to minimise potential adverse effects on the Group's financial performance.

The Group operates in the offshore energy services industry and is exposed to cyclical demand driven by oil and gas exploration, development and production activity. Variations in oil and gas prices, operator spending, contract awards and utilisation levels may significantly impact revenues, margins and cash flows. These factors are described in further detail in the Risk factors section of the annual report and are integral to the Group's financial risk profile.

Capital management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, to provide returns to shareholders and to maintain an optimal capital structure that reduces the cost of capital.

The Group monitors capital on the basis of leverage ratios, liquidity headroom and compliance with financial covenants in its borrowing agreements. The Group's capital structure consists of interest-bearing debt, lease liabilities recognised under IFRS 16, cash and cash equivalents, and equity attributable to shareholders.

The Group may adjust its capital structure by issuing new shares, returning capital to shareholders, refinancing debt or adjusting investment levels depending on market conditions and strategic priorities.





Note 30 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. This risk may arise from operational volatility, contract delays or cancellations, cost overruns, or restricted access to capital markets.

The Group manages liquidity risk by:

- Maintaining sufficient cash and cash equivalents
- Securing committed credit facilities
- Monitoring rolling cash flow forecasts
- Maintaining appropriate headroom under financial covenants

Cash flow forecasting takes into account the Group's contract backlog, expected project execution, capital expenditure requirements and debt service obligations.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed are contractual undiscounted cash flows.

Interest-bearing debt maturity analysis

The table below presents the Group's contractual cash outflows relating to interest-bearing debt at the reporting date. The amounts do not include interest payments and are allocated to maturity buckets based on the earliest date on which the Group can be required to settle the liability.

Maturity of Interest bearing debt as at 31 December 2025

<i>(In USD millions)</i>	Bonds	Overdraft facilities	Other debt	Total
Year ending 31 December				
2026	15.0	16.5	8.2	39.7
2027	15.0	—	8.0	23.0
2028	15.0	—	5.9	20.9
2029 and thereafter	380.0	—	11.8	391.8
Total debt	425.0	16.5	33.9	475.4

Please see Note 23 Interest-bearing debt for further details.

Interest-bearing debt maturity analysis of non-discounted cash flows

The amounts disclosed in the table below are the contractual non-discounted cash flows. The table includes estimated interest payments for drawn facilities at the balance sheet date, based on the remaining period at the end of the reporting period to the contractual maturity date



Maturity of financial liabilities - 31 December 2025

USD million	Less than twelve months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Interest-bearing debt	83.6	63.7	504.6	-	651.9	467.9
Lease liabilities	11.3	10.9	23.2	25.9	71.3	59.4
Trade payables	92.8	-	-	-	92.8	92.8
Other current liabilities	192.3	-	-	-	192.3	192.3

Maturity of financial liabilities - 31 December 2024

USD million	Less than twelve months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Interest-bearing debt	65.9	67.3	451.3	-	584.5	441.3
Lease liabilities	10.5	4.9	6.4	8.2	30.0	26.4
Trade payables	112.2	-	-	-	112.2	112.2
Other current liabilities	181.8	-	-	-	181.8	181.8

Financial instruments and risk management

The Group uses financial instruments primarily to manage liquidity and funding requirements from time to time. Derivative financial instruments may be used selectively to hedge exposures to foreign exchange and interest rate risks. The Group does not enter into derivative transactions for speculative purposes.



Note 31 Credit risk

Overview

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and contract assets.

The Group's exposure to credit risk is influenced by the characteristics of the offshore energy market, where customers are typically large international oil companies, national oil companies and other energy operators.

Credit risk management

The Group manages credit risk through:

- Evaluation of customer creditworthiness prior to contract award
- Ongoing monitoring of outstanding receivables
- Use of payment terms aligned with industry standards
- Diversification of customer base where possible

Due to the nature of the industry, collateral or guarantees are not commonly obtained. However, the Group seeks to mitigate risk through contractual protections and close customer relationships.

While the Group's counterparties are generally considered to have strong credit quality, the Group remains exposed to:

- Delayed payments
- Counterparty financial deterioration
- Concentration risk towards key customers

Expected credit losses (ECL)

The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for trade receivables and contract assets.

The expected credit loss is based on historical default experience, adjusted for forward-looking factors including macroeconomic conditions and developments in the energy markets.

Trade receivables ageing and impairment

The table below provides an ageing analysis of trade receivables at the reporting date, including the associated expected credit loss (ECL) allowance. The ageing is based on the number of days past due, and the ECL reflects management's estimate of lifetime expected credit losses in accordance with IFRS 9.

The ageing of the trade receivables 31 Dec. 2025

	Gross amount	ECL allowance	Net
<i>(In USD millions)</i>			
Not due	158.0	–	158.0
Past due 0-30 days	19.5	–	19.5
Past due 31-60 days	3.0	–	3.0
Past due 61+ days	10.7	(3.5)	7.2
Total	191.3	(3.5)	187.8

The ageing of the trade receivables 31 Dec. 2024

	Gross amount	ECL allowance	Net
<i>(In USD millions)</i>			
Not due	158.1	–	159.4
Past due 0-30 days	19.0	–	19.0
Past due 31-60 days	3.9	–	3.9
Past due 61+ days	9.0	(3.1)	6.4
Total	189.9	(3.1)	187.3

Credit risk

Archer's customer base primarily consists of large, blue-chip oil and gas operators, resulting in a concentration of revenues and receivables among a limited number of key customers. Historically, the Group has experienced very limited credit losses.

The Group maintains credit management practices, including assessing customer creditworthiness prior to contract award and regularly monitoring outstanding receivables. Notwithstanding these measures, a significant deterioration in the financial position of one or more key customers could adversely affect the Group's financial results and position.



Note 32 Market risk

Overview

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and macroeconomic conditions, will affect the Group's income or the value of its financial instruments.

The Group's market risk is closely linked to developments in the global energy market, including oil and gas prices, operator spending levels and the broader energy transition. These factors influence activity levels, pricing and investment decisions, and are described further in the Risk factors section of the annual report.

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD, NOK, GBP and ARS.

Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Group seeks to reduce foreign exchange risk by:

- Matching revenues and costs in the same currency where possible
- Holding cash balances in relevant currencies
- Using foreign exchange contracts where appropriate

The Group's material exposure to foreign currency risk at the end of the reporting period, expressed in NOK, was as follows:

Foreign exchange risk - Exposure - 31 December 2025

<i>(In USD millions)</i>	USD	NOK	GBP	Effect on
Goodwill	31.8	133.3	25.8	Equity
Net USD borrowing in Norway	—	54.7	—	Income statement

Foreign exchange risk - Exposure - 31 December 2024

<i>(In USD millions)</i>	USD	NOK	GBP	Effect on
Goodwill	28.6	116.0	24.0	Equity
Net USD borrowing in Norway	—	175.2	—	Income statement

Sensitivity to changes in USD/NOK exchange rates

The Group's profit or loss and translation adjustments recognised in equity are primarily exposed to movements in the USD/NOK exchange rate.

Goodwill: The sensitivity presented in the table below is based on goodwill balances in entities with NOK as their functional currency.

Net USD borrowing in Norway: The sensitivity presented in the table below is based on net USD loan balances in entities with NOK as their functional currency. Changes in the USD/NOK exchange rate affect the income statement when USD-denominated loans are remeasured into local currency (NOK).



<i>(In USD millions)</i>	USD is strengthened by 20 % against NOK		USD is weakened by 20 % against NOK		USD is strengthened by 10 % against NOK		USD is weakened by 10 % against NOK	
	2025	2024	2025	2024	2025	2024	2025	2024
Goodwill	(26.7)	(23.2)	26.7	23.2	(13.3)	11.6	13.3	11.6
Net USD borrowing in Norway	(10.9)	(35.0)	10.9	35.0	(5.5)	(17.5)	5.5	17.5
Net equity effect through translation adjustments	(26.7)	(23.2)	26.7	23.2	(13.3)	11.6	13.3	11.6
Net effect on Income Statement	(10.9)	(35.0)	10.9	35.0	(5.5)	(17.5)	5.5	17.5

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will affect the Group's financial results and cash flows. The Group's exposure arises primarily from variable rate borrowings and lease liabilities under IFRS 16.

The Group manages interest rate risk through a combination of:

- Fixed and floating rate debt
- Potential use of interest rate derivatives

Interest rate profile

The table below presents the Group's interest-bearing debt and lease liabilities by type of interest rate, distinguishing between fixed and floating rate exposures at the reporting date.

<i>(In USD millions)</i>	Fixed rate	Floating rate	Total
Interest-bearing debt	425.0	50.4	475.4
Lease liabilities	59.4	-	59.4
Total	484.4	50.4	534.8

Sensitivity analysis – interest rates

The table below shows the estimated impact on profit before tax and equity from a 100 basis points increase or decrease in interest rates at the reporting date. The analysis is based on the Group's exposure to floating rate debt, assumes all other variables remain constant, and reflects the effect on borrowing costs over a 12-month period.

Change in interest rate	Net effect on Income Statement
+100 basis points	(0.5)
-100 basis points	0.5

The impact on equity corresponds to the effect on profit before tax, as there are no items recognised directly in equity.

Commodity and industry exposure

Although the Group is not directly exposed to commodity price risk through financial instruments, its financial performance is significantly influenced by oil and gas prices and the resulting level of activity in the offshore energy sector.

A sustained decline in commodity prices may lead to reduced exploration and production activity, lower demand for the Group's services, reduced utilisation and downward pressure on pricing. Conversely, higher commodity prices typically support increased activity and improved financial performance.



Climate and energy transition risk

The Group is exposed to risks associated with the global energy transition, including changes in regulation, customer investment patterns and access to capital. These factors may impact long-term demand for the Group's services and are considered in the Group's overall risk management framework.





Note 33 Related Parties

In the normal course of business, we transact business with related parties conducted at arm's length.

The Group had the following material transactions and balances with related parties:

Relation		2025	2024
<i>(In USD millions)</i>			
Transactions			
dSolve AS	Associated Company Revenue	0.2	—
Archer Elemental UK	Associated Company Revenue	0.3	—
Archer Elemental Norway AS	Associated Company Other operating expenses	1.6	—
Seatankers Management Company Limited ("Seatankers")	Related to main shareholder Other operating expenses	0.6	0.3
Balances			
Archer Elemental UK	Associated Company Other Non-current assets	3.5	—

dSolve AS, Archer Elemental UK Limited and Archer Elemental Norway AS

dSolve AS, Archer Elemental UK Limited and Archer Elemental Norway AS are associated companies of the group. Reference is made to Note 16 Investments in Associates and Joint Ventures

Seatankers Management Company Limited ("Seatankers")

Seatankers is a related party, being a company in which Archer's second-largest shareholder Hemen Holding Ltd has significant direct and indirect interests. Seatankers provides support and administrative services to us, and we have recorded fees of \$0.6 million for these services during 2025. These expenses are included in other operating expenses in the Consolidated statement of operations.

Note 34 Share-based payments

Restricted Stock units

The Board has from time to time granted restricted stock units, or RSUs, to members of Archer's management team. The RSUs typically vest over three to four years after the grant date. RSU awards do not receive dividends or carry voting rights during the performance period. The fair value of the restricted stock award is the quoted market price of Archer's stock on the date of grant.

Employer social security contributions or similar taxes that arise from these share-based payment programs are accrued over the vesting periods of the related instruments and are recognised as a liability when the obligation arises. The fair value of the share options and RSUs granted is recognised as personnel expenses. During 2025, \$0.2 million has been expensed in our Statement of Operations (\$0.4 million in 2024).

As of 31 December 2025, total unrecognised compensation costs related to all unvested share-based awards totalled NOK 1.0 million (\$0.2 million).

The following table summarises information about all restricted stock transactions:

	2025		2024	
	RSUs	Avg. fair value*	RSUs	Avg. fair value*
Unvested at beginning of year	272,928	25.98	10,264,800	1.07
Granted	28,925	23.64	—	—
Modification of RSUs	—	—	(9,854,208)	—
Vested/released	(109,264)	—	(124,064)	—
Forfeited	(54,400)	—	(13,600)	—
Unvested at end of year	138,189	25.48	272,928	25.98

*Weighted average grant date fair value in NOK



Note 35 Remuneration to the Board of Directors and executive management

Remuneration to executive management

Executive management consists of the Chief Executive Officer, Chief Financial Officer, General Counsel and the four segment presidents. The compensation to executive management is paid in NOK, GBP, USD and ARS and the USD figure is not fully comparable year-on-year. The company discloses remuneration to management on aggregated levels. Total compensation and benefits of the executive management were as follows:

Compensation to executive management

<i>(In USD thousands)</i>	2025	2024
Salary	2,167.8	1,985.6
Bonus	1,375.1	970.9
Other remuneration	93.0	85.1
Total compensation costs	3,635.8	3,041.6

Remuneration to the Board of Directors

The Directors of the Board received a yearly remuneration of between \$70 thousand and \$80 thousand for the years ended 31 December 2025 and 31 December 2024, paid proportionately for the time spent on the Board. We do not recognise a permanent Chairman of the Board, a Chairman of the Board is elected for each meeting. Total Board fees for the years ended 31 December 2025 and 2024 were \$380 thousand and \$367.5 thousand respectively.

Name	Position and role	Fees (USD 1,000)
James O'Shaughnessy	Director and chairman of the audit committee	80
Richard Stables	Director and member of the audit committee	80
Peter J. Sharpe	Director and chairman of the compensation committee	75
Jan Erik Klepsland	Director and member of the compensation committee	75
Giovanni Dell'Orto	Director	70

Share-ownership and LTIP participation by the Board of Directors and executive management

The table below shows the total number of shares owned directly or indirectly by Directors and key management as of 31 December 2025.

Shares and RSUs held by directors and key management

Name	Position Held	RSUs	Shares
Dag Skindlo	Chief Executive Officer	—	134,922
Espen Joranger	Chief Financial Officer	—	18,292
Adam Todd	General Counsel	6,800	10,144
Gerardo Molinaro	Vice President Land Drilling	—	—
Alexander Olsson	Executive Vice President Platform Operations	9,664	—
Nicholas Pantin	Executive Vice President Well Services	7,800	7,800
Charlotte Berge	Executive Vice President Renewables	20,000	—
Jan Erik Klepsland	Director	—	20,000
Richard Stables	Director	—	100,000
Giovanni Dell'Orto	Director	—	57



Note 36 Subsequent events

On 7 January 2026, Archer announced the award of an integrated plug and abandonment (“P&A”) contract with Equinor for 30 subsea wells. The firm contract term is 3 years, and includes 2 options of 2 years each, with an estimated total contract value of up to USD 140 million. Approximately 50% of the contract value relates to services delivered by Archer’s alliance partners.

On 14 January 2026, Archer announced the award of an integrated plug and abandonment (“P&A”) contract in the deepwater Gulf of America, in collaboration with SLB. The scope covers P&A of three wells, and the service offerings includes project management, well engineering, provision of a compact workover rig, coiled tubing, wireline services and a suite of downhole P&A technologies.

On 15 January 2026, Archer announced the agreement with Patterson-UTI for the lease of two high spec drilling rigs. The rigs are set to be deployed in Vaca Muerta, Argentina, as part of Archer’s announced seven-rig drilling contract with YPF.

On 30 January 2026, Archer announced the closing of the transaction to sell the workover business in the south of Argentina, in the Provinces of Chubut and Santa Cruz. The sale includes 12 workover rigs, 12 pulling units and approximately 750 employees. Archer will retain ownership of 4 drilling rigs, 5 workover units and 4 pulling units from the workover business. Following the divestment, Archer’s Land Drilling division will primarily operate drilling and workover services in the unconventional Vaca Muerta field.

On 2 February 2026, the Board of Directors approved a cash distribution of 0.62 NOK per share, equal to about \$6.4 million, paid in Q1 2026 in the form of return of capital.

On 10 March 2026, Archer announced a 3-year extension of its long-term wireline services contract with a major operator on the Norwegian continental shelf.



Note 37 Subsidiaries

Archer group companies and ownership interests

Company	Country	Ownership
DLS Ada S.A.	Argentina	100%
DLS-Archer Ltd. S.A.	Argentina	100%
DLS Argentina Ltd. (Argentina Branch)	Argentina	100%
DLS Argentina Fluidos S.A.	Argentina	100%
Archer Well Company (Australia) Pty Ltd	Australia	100%
Archer Well Company International (Azerbaijan Branch)	Azerbaijan	100%
Archer (UK) Ltd (Azerbaijan Branch)	Azerbaijan	100%
Archer Emerald (Bermuda) Limited	Bermuda	100%
Archer Topaz Limited	Bermuda	100%
Archer DLS Corporation (Bolivia Branch)	Bolivia	100%
Archer do Brasil Ltda	Brazil	100%
Archer DLS Corporation	BVI	100%
DLS Argentina Limited	BVI	100%
DLS Argentina Holding Ltd	BVI	100%
Archer BCH (Canada) Ltd	Canada	100%
Archer BCH (Canada) Ltd (Guyana Branch)	Guyana	100%
Archer Oil Tools AS (Congo Branch)	Congo	100%
Archer Offshore Denmark AS	Denmark	100%
Archer (UK) Limited (France Branch)	France	100%
Archer Services Limited	Hong Kong	100%
Jarðboranir hf. ("Iceland Drilling")*	Iceland	60%
PT Archer	Indonesia	95%
Archer Well Company (M) SDN BHD	Malaysia	100%
Archer Well Solutions Sdn Bhd	Malaysia	49%
Archer Well Company International Ltd (Mozambique Branch)	Mozambique	100%
Archer Oil Tools AS (Netherlands Branch)	Netherlands	100%
Archer Well Services Nigeria Limited	Nigeria	100%
Archer AS	Norway	100%
Archer Consulting AS	Norway	100%
Archer Elemental Norway AS	Norway	60%
Archer Norge AS	Norway	100%
Archer Oiltools AS	Norway	100%

Archer Wind AS	Norway	100%
DSolve AS	Norway	20%
Vertikal Service AS	Norway	65%
Archer Wellconnection AS	Norway	65%
Archer Well Machining AS	Norway	65%
Archer Poland Sp. zo.o.	Poland	100%
Rawabi Archer Company	Saudi Arabia	10%
D&K Logistics Grandeur Pte Ltd.	Singapore	100%
Archer (UK) Limited (Abu Dhabi Branch)	UAE	100%
Archer (UK) Limited (Jebel Ali Free Zone Branch)	UAE	100%
Archer Well Oil and Gas Services LLC	UAE	100%
Archer (UK) Limited	UK	100%
Archer Assets UK Limited	UK	100%
Archer Elemental UK Ltd.	UK	60%
Archer Consulting Resources Limited	UK	100%
Archer Well Company International Ltd	UK	100%
Archer Well Services (Saudi Arabia) Ltd	UK	100%
Romar International Ltd.	UK	100%
Romar Topco Ltd.	UK	100%
Archer Holdco LLC	USA	100%
Archer Oiltools LLC	USA	100%
Archer Well Company Inc	USA	100%
Premium Oilfield Services LLC	USA	100%
Wellbore Fishing & Rental Tools LLC	USA	100%
Ziebel US Inc.	USA	100%

*subsidiaries of Iceland Drilling has not been included in this overview



Note 38 The 20 largest shareholders

The overview is based on the Norwegian Central Securities Depository's share register as of 31 December 2025 and shows the 20 largest shareholders of Archer Limited.

Name	Holding	Stake
HEMEN HOLDING LIMITED	30,452,153	30.6%
Morgan Stanley & Co. Int. Plc.	5,027,189	5.1%
Euroclear Bank S.A./N.V.	4,587,879	4.6%
DNB Markets Aksjehandel/-analyse	3,864,141	3.9%
UBS AG	2,871,551	2.9%
SONGA CAPITAL AS	2,838,473	2.9%
CLEARSTREAM BANKING S.A.	2,533,186	2.5%
Goldman Sachs International	2,394,706	2.4%
SEB CMU/SECFIN POOLED ACCOUNT	2,125,587	2.1%
CODEE HOLDING AS	2,000,000	2.0%
FOLKETRYGDFONDET	1,836,015	1.8%
Aconcagua management Ltd	1,800,000	1.8%
VERDIPAPIRFONDET HEIMDAL HØYRENTE	1,800,000	1.8%
Danske Bank A/S	1,429,772	1.4%
BAROKK INVEST AS	1,300,000	1.3%
NORDNET LIVSFORSIKRING AS	1,233,232	1.2%
TYRANNUS AS	1,155,555	1.2%
TOLUMA NORDEN AS	949,939	1.0%
STAVANGER FORVALTNING AS	900,517	0.9%
STIFTELSEN KISTEFOS-MUSEETS DRIFTS	900,000	0.9%
Other shareholders	27,495,503	27.6%
Total	99,495,398	100%



Auditor report



To the General Meeting of Archer Limited

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Archer Limited and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2025, the statement of operations, statement of comprehensive income/(loss), statement of changes in shareholders' equity and statements of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion the consolidated financial statements comply with applicable statutory requirements, and the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of Archer Limited for 6 years from the election by the general meeting of the shareholders on 26 May 2021 for the accounting year 2020.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. 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.

The Group's business activities are largely unchanged compared to last year. We have not identified regulatory changes, transactions or other events that qualified as new key audit matters. *Valuation of modular and land-based drilling rigs* and *Valuation of goodwill* continue to present similar characteristics and risks as in the previous year, making them focal points for the 2025 audit as well. *Accounting for Business Combinations* was a key audit matter last year, but carried less risks this year, and was consequently not considered a key audit matter in our 2025 audit.

Key Audit Matters

How our audit addressed the Key Audit Matter

Valuation av certain modular and land-based drilling rigs

The value of the Group's land-based and modular drilling rigs is material to the financial statements and constitutes a major part of the carrying values of property, plant and equipment of USD 324.9 million as at 31 December 2025.

Management identified indicators of impairment and consequently assessed the carrying values of the drilling rigs for impairment. Management assessed and compared the recoverable amount to the carrying values. The recoverable amount is the higher of an asset's fair value, less costs to sell and value in use, where value in use is estimated by the discounted cash flows that the assets are expected to generate. Where recoverable amount for a rig was less than its carrying value, management adjusted the carrying value, by recording an impairment to its estimated recoverable value.

Based on management's impairment assessment, an impairment of USD 33.1 million was recorded in 2025 related to land-based drilling rigs.

We focused on this area due to the significant carrying value of the rigs and the judgment inherent in the impairment assessment. Management explains their impairment process and assumptions in notes 11 and 15 to the financial statements.

Valuation of goodwill

The value of the Group's goodwill is material to the financial statements and constitute approximately 1/5 of the total assets recognized in the balance sheet.

Goodwill is subject to annual impairment testing, which requires management to apply significant judgment. The impairment assessment is primarily performed on an operating segment level. Management assesses and compares the discounted cash flows that the reporting units are expected to generate, to the carrying values of goodwill for the respective operating segment. Management concluded that goodwill was not impaired at the balance sheet date.

We focused on this area due to the significant carrying value of goodwill and the judgment inherent in the impairment review.

Management explains their impairment process and assumptions in note 14 to the financial statements.

We evaluated and challenged management's assessment of indicators of impairment and the process by which this was performed.

We assessed management's accounting policy for IFRS compliance and obtained explanations from management as to how the specific requirements of the standards were met.

Management considered each rig to be a cash generating unit («CGU») in their assessment of impairment indicators. We found the level of CGU appropriate and consequently assessed impairment indicators on the same basis.

We tested significant assumptions used by management in their forecast for future cash flows. In particular, we traced input data to actual contracts and considered whether key assumptions, such as estimated utilization rates and day rates, were consistent with historical performance, expected market rates and our knowledge of the industry. In addition, we performed sensitivity analyses on the assumptions made by management.

To evaluate management's estimate of the fair value of the land-based rigs, we assessed evidence obtained from an external valuation firm.

We read the information provided in the notes and found it to be in accordance with the financial reporting requirements.

We obtained and considered management's written assessment supporting the carrying value of goodwill on 31 December 2025. We evaluated management's impairment assessment and the process by which this was performed. We assessed management's accounting policy against IFRS requirements and obtained explanations from management as to how the specific requirements of the standards were met.

We tested significant assumptions used by management in their forecast. This included challenging management assumptions and considering if they were consistent with historical performance and our knowledge of the industry.

We also performed a sensitivity analysis on the assumptions made by management. From the evidence obtained we found the assumptions and methodology used to be appropriate. We also calculated the market capitalization based on the quoted share price and considered data on market control premium. Our testing of the discount rate applied by management included benchmarking of inflation and discount rates applied against external market data.

We read the information provided in the notes and assessed this to be in accordance with the financial reporting requirements.



Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Directors' report applies correspondingly to the statement on Corporate Governance.

Our opinion on whether the Board of Directors' report contains the information required by applicable statutory requirements, does not cover the Sustainability Statement, on which a separate assurance report is issued.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines 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, management is responsible for assessing the Company's and 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 management either intends to liquidate the Group or to cease operations, or has 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in

the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Archer Limited, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name archerlimited-2025-12-31-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: <https://revisorforeningen.no/revisionsberetninger>

Stavanger, 23 April 2026
PricewaterhouseCoopers AS


Gunnar Slettebø
State Authorised Public Accountant



To the General Meeting of Archer Limited

Independent Sustainability Auditor's Limited Assurance Report

Limited Assurance Conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of Archer Limited (the «Company») included in the «Sustainability Statement» of the Board of Directors' report (the «Sustainability Statement»), as at 31 December 2025 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify the information reported in the Sustainability Statement (the «Process») is in accordance with the description set out in sections «IRO-1», «IRO-1 E1», «IRO-1 E2», «IRO-1 E3», «IRO-1 E4», «IRO-1 E5» and «IRO-1 G1» within the General chapter; and
- compliance of the disclosures in section «Taxonomy» of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the «Taxonomy Regulation»).

Basis for Conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information («ISAE 3000 (Revised)»), issued by the International Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the *Sustainability Auditor's Responsibilities* section of our report.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements as required by relevant laws and regulations in Norway and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities for the Sustainability Statement

The Board of Directors and the Managing Director (Management) are responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this Process in sections «IRO-1», «IRO-1 E1», «IRO-1 E2», «IRO-1 E3», «IRO-1 E4», «IRO-1 E5» and «IRO-1 G1» within the General chapter of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;

- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statement, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the ESRS;
- preparing the disclosures in section «Taxonomy» of the Sustainability Statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that Management determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the Sustainability Statement

In reporting forward-looking information in accordance with ESRS, Management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Sustainability Auditor's Responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Company's description of its Process set out in sections «IRO-1», «IRO-1 E1», «IRO-1 E2», «IRO-1 E3», «IRO-1 E4», «IRO-1 E5» and «IRO-1 G1» within the General chapter.

Our other responsibilities in respect of the Sustainability Statement include:

- Identifying where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

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The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
 - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
 - reviewing the Company's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Company was consistent with the description of the Process set out in sections "IRO-1", "IRO-1 E1", "IRO-1 E2", "IRO-1 E3", "IRO-1 E4", "IRO-1 E5" and "IRO-1 G1" within the General chapter.

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement by:
 - Obtaining an understanding of the Group's control environment, processes and information system relevant to the preparation of the Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control; and
 - Obtaining an understanding of the Group's risk assessment process;
- Evaluated whether the information identified by the Process is included in the Sustainability Statement;
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- Performed inquiries of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- Performed substantive assurance procedures on selected information in the Sustainability Statement;
- Where applicable, compared disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and other sections of the Board of Directors' report;
- Evaluated the methods, assumptions and data for developing estimates and forward-looking information;
- Obtained an understanding of the Company's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- Evaluated whether information about the identified taxonomy-eligible and taxonomy-aligned economic activities is included in the Sustainability Statement; and
- Performed inquiries of relevant personnel and substantive procedures on selected taxonomy disclosures included in the Sustainability Statement.

Stavanger, 23 April 2026

PricewaterhouseCoopers AS

Gunnar Slettebø
State Authorised Public Accountant – Sustainability Auditor



Appendix 1 – Corporate Governance

As used herein, unless otherwise required by the context, the terms “Archer”, “Company”, “we”, “our” and “us” refer to Archer Limited and its consolidated subsidiaries. The Norwegian Code of Practice for Corporate Governance, as in force 1 October 2021 (the “Code”) applies to us to the extent that the provisions of this Code do not conflict with the legislation of our national jurisdiction. The Code is a “comply or explain” guideline, and we generally aim at complying with the recommendations of the Code. However, we will, to some extent, deviate from certain recommendations of the Code, partly due to different practice and principles under which Bermuda companies operate. The status of noncompliance and the explanations therefore is set out below.

The Code is available in its entirety at the Oslo Stock Exchange website (www.euronext.com/nb/markets/oslo) and the website of The Norwegian Corporate Governance Board (www.nues.no).

Section 1 Implementation and reporting on corporate governance

Archer Limited is a limited liability company registered in Bermuda and listed on the Oslo Stock Exchange (Oslo Børs). The foundation for Archer’s governance structure is Bermuda law as well as regulations for foreign companies listed on the Oslo Stock Exchange. In line with the directions given by the Board of Directors of Archer Limited, (the “Board”), Archer conducts its business on the basis of three fundamental values:

Safety: We are committed individually and as a team, to protect the health and safety of its employees, customers, and communities.

Integrity: We are committed to maintaining an environment of trust, built upon honesty, ethical behaviour, respect, and candour.

Performance: We are committed to efficiently and effectively perform to all Archer standards and those of our customers.

The Board reviews Archer’s performance for all the values mentioned above and where applicable compares the key performance indicators against the plan regularly. With regard to integrity, Archer has implemented a Code of Conduct, which is available on our website (www.archerwell.com). It is Archer’s policy that employees who become aware of a possible violation of the Company’s policies must report the violation. This includes the Code of Conduct, or other policies, manuals, or guides distributed by the Company in addition to all applicable laws. On a quarterly basis the Audit Committee reviews reported potential violations of the Company’s Code of Conduct and discusses required actions, if any.

The Board has defined clear objectives, strategies, and risk profiles for our business activities and integrates considerations related to our stakeholders to create value and deliver results. The Board evaluates these objectives, strategies, and risk profiles at regular intervals.

The Board has reviewed the overall performance of the Company compared to its values and its corporate governance for the financial year 2025 in line with the Code and confirms it is in compliance with the Code, except where highlighted and described below:

Section 2 Business

In accordance with normal practice for Bermuda companies, our by-laws do not include a specific description of our business. According to Archer’s memorandum of association, no restrictions apply as to the purpose of the Company and the reasons for its incorporation. As a Bermuda incorporated company, we have chosen to establish the constitutional framework in compliance with the normal practice of Bermuda and accordingly deviate from section 2 of the Code.

The Company sustainability statement is prepared in accordance with the EU’s Corporate sustainability, Reporting Directive (CSRD) and is included as part of the annual report. Our annual sustainability statement outlines our activities, performance, and strategy in relation to the environment, social issues, working environment, equality and non-discrimination, human rights, and anti-corruption.

Section 3 Equity and dividends

In accordance with Bermuda law, the Board is authorised to repurchase treasury shares, and to issue any unissued shares within the limits of the authorised share capital. These authorities are neither limited to specific purposes nor to a specific period as recommended in section 3 of the Code. While we aim at providing competitive long-term return on the investments of our shareholders, we do not currently have a formal dividend policy.

The Board ensures that the Company has a capital structure that is appropriate to the Company’s objective, strategy, and risk profile.

Section 4 Equal treatment of shareholders

In accordance with the company laws of Bermuda, the shareholders can resolve an amount of authorised capital within which the Board may decide to increase the issued capital at



its discretion without further shareholder approval. There is no legal framework providing for specific time-limited or purpose-limited authorizations to increase the share capital. The Board will propose to the shareholders that they consider and, if necessary, resolve to increase the authorised capital of the Company that will allow the Board some flexibility to increase the number of issued shares without further shareholder approval. As such, we may deviate from the Code's recommendation in section 4. Any increase of the authorised capital is, however, subject to approval by the shareholders by 2/3 majority of the votes cast. Neither our by-laws nor Bermuda company laws include regulation of pre-emptive rights for shareholders in connection with share capital increases. Our by-laws provide for the Board in its sole discretion to direct a share issue to existing shareholders at par value or at a premium price. We are subject to the general principle of equal treatment of shareholders under the Norwegian Securities Trading Act section 5-14. The Board will, in connection with any future share issues, on a case-by-case basis, evaluate whether a deviation from the principle of equal treatment is justified.

Section 5 Shares and negotiability

We do not limit any party's ability to own, trade or vote for shares in the Company. As such, we are in compliance with Section 5 of the Code.

Section 6 General meetings

As a Bermuda registered company, the general meetings of the Company can be conducted through proxy voting. The VPS registered shareholders are holders of interests in the shares and thus represented by the VPS Registrar in the general meetings and not through their own physical presence. This is in line with the general practice of other non-Norwegian companies listed on Oslo Børs. We believe we comply in all other respects with the recommendations for general meetings as set out in the Code.

Section 7 Nomination committee

We have not established a nomination committee as recommended by the Code section 7 and our bye-laws do not include the requirement for one. In lieu of a nomination committee comprised of independent directors, the Board is responsible for identifying and recommending potential candidates to become Board members and recommending directors for appointment to board committees.

Section 8 Board of directors: composition and independence

The Chairman of our Board is elected by the Board and not by the shareholders as recommended in the Code. We are not in compliance with the requirement to have female directors on our Board.

Section 9 The work of the board of directors

The Board sets an annual plan for the upcoming year in December which includes a review of strategy, objectives and their implementation, the review and approval of the annual budget and review and monitoring of our current year financial performance. The Board meets at least four times a year, with further meetings held as required to react to operational or strategic changes in the market and Company circumstances. The Board receives frequent and relevant information to carry out its duties. It has delegated authority to the Company's executive management by the means of a delegation of authority matrix.

The Board has established an Audit Committee, which has a formal charter and terms of reference approved by the Board. The Audit Committee is responsible for ensuring Archer has an independent and effective external audit system. The Audit Committee supports the Board in the administration and exercise of its responsibility for supervisory oversight of financial reporting, sustainability-related matters in external reporting, including discussions on Archer's CSRD double materiality assessment and internal control matters and to maintain appropriate relationships with our auditors. Appointment of the auditor for audit services is approved at our annual general meeting and the Board is given authority to approve the fees to be paid to the auditor. Our auditor meets with the Audit Committee annually regarding the preparation of the annual financial statements and also to present their report on the internal control procedures. The Audit Committee holds separate discussions with our external auditor on a quarterly basis without the presence of executive management. The scope, resources, and the level of fees proposed by the external auditor in relation to our audit are approved by the Audit Committee.

The Board ensures through an internal check that members of the Board and executive personnel advise the Company of any material interests that they may have in items to be considered by the Board.

The Board and executive management will consider and determine on a case-by-case basis whether independent third-party evaluations are required if entering into agreements with related parties in accordance with the Code section 9. The Board may decide, however, due to the specific agreement or transaction, to deviate from this recommendation if the interests of the shareholders in general are believed to be maintained in a satisfactory manner through other measures.

Other than related party transactions disclosed in note 33, the Company did not enter into any transactions with its shareholders or closely associated entities.

Section 10 Risk management and internal control

The Board ensures that Archer follows guidelines to minimise the overall risk to the Company and its shareholders and implements and complies with an adequate internal control framework. Archer's system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss.



We have implemented clear lines of responsibility and limits of delegated authority. Comprehensive procedures provide for the appraisal, approval, control and review of expenditures. The senior management team meets with its geographic and divisional leadership on a regular basis to discuss particular issues affecting each region and business unit, including their key risks, health and safety statistics and legal and financial matters. We have also implemented a process to assess the Company's projected financing needs and compliance with covenants under its financing arrangements. The results are presented to and discussed with the Board on a regular basis, so adequate corrective measures can be taken if and when necessary.

Integrity is a core value and high ethical standards are paramount to achieve our business objectives. Our Code of Conduct describes Archer's commitment to ethics for both personal and business matters. We comply with applicable laws and regulations and act in an ethical and socially responsible manner. Our Code of Conduct applies to everyone working for Archer, including the members of the Board. The Code of Conduct is available at www.archerwell.com. Archer has implemented a dedicated ethics helpline that can be used by any person who wishes to express concerns or seek advice regarding the legal and ethical conduct of our business.

We comply with the Code related to this section.

Section 11 Remuneration of the board of directors

There is no obligation to present the guidelines for remuneration of the Board of Directors to the shareholders of a Bermuda incorporated company. We will provide information to our shareholders regarding remuneration of the Board in compliance with the IFRS® Accounting Standards but will not implement procedures that are not generally applied under Bermuda law. We therefore deviate from this part of section 11 of the Code. There are no service contracts between the Company and any of our directors providing for benefits upon termination of their service.

Section 12 Salary and other remuneration for executive personnel

There is no obligation to present the guidelines for remuneration of the executive management to the shareholders of a Bermuda incorporated company. We provide information to our shareholders regarding remuneration of the executive management in compliance with IFRS® Accounting Standards, but will not implement procedures that are not generally applied under Bermuda law. In the view of the Company there is sufficient transparency and simplicity in the remuneration structure, and information provided through the annual report and financial statements are sufficient to keep shareholders adequately informed. We therefore deviate from this part of section 12 of the Code.

Section 13 Information and communications

The Board has established guidelines requiring interim financial reporting on a quarterly basis according to a financial calendar that is publicly available. We hold a quarterly financial results conference call, which is accessible to all participants in the securities market. Timing and venue for such events are announced through public press releases. For specific events the Board requests that the Company hold investor meetings allowing for more detailed information. The information shared in such meetings is published on our website.

Section 14 Take-overs

The Board of Directors has adopted all recommendations in the Code related to takeovers, which requires that all shareholders are given sufficient information and time to form an independent view of a potential takeover offer.

We comply with the Code related to this section.

Section 15 Auditor

The Board's Audit Committee is responsible for ensuring that the Group is subject to an independent and effective audit. Our independent registered public accounting firm (independent auditor) is independent in relation to Archer and is appointed by the general meeting of shareholders. The independent auditor's fee must be approved by the general meeting of shareholders.

The Audit Committee is approved by the Board and is responsible for ensuring that the Company is subject to an independent and effective external audit. On an annual basis the independent auditor presents a plan to the Audit Committee for the execution of the independent auditor's work.

The independent auditor participates in all meetings of the Audit Committee which concern financial statement filings, and participates in reviewing the Company's internal control procedures, including identified weaknesses and proposals for improvement.

When evaluating the independent auditor, emphasis is placed on the firm's competence, capacity, local and international availability, and the size of its fee. The Audit Committee evaluates and makes a recommendation to the Board, the corporate assembly, and the general meeting of shareholders regarding the choice of independent auditor, and it is responsible for ensuring that the independent auditor meets the requirements in Norway.

The Audit Committee considers all reports from the independent auditor before they are considered by the Board. The Audit Committee holds regular meetings with the independent auditor without the Company's management being present.

We comply with the Code related to this section.



Norwegian Accounting Act Section 3-3 b

In addition to the Norwegian Code of Practice for Corporate Governance, the Norwegian Accounting Act has set out additional requirements for corporate governance. We have established a set of guidelines related to internal control and corporate governance.

Risk Oversight

It is management's responsibility to manage risk and bring our most material risks to the attention of the Board. The Board has delegated to the Audit Committee the responsibility to discuss with management our major financial risk exposures and the steps management has taken to monitor and control those exposures, including our risk assessment and risk management. The Audit Committee reports as appropriate to the full Board. Each operational division head is responsible to report risks related to each segment to the Chief Executive Officer, who in turn reports to the Board.

Internal control

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of our financial statements for external purposes in accordance with US GAAP. Our control environment is the foundation for our system of internal control over financial reporting and is an integral part of our Code of Conduct and Business Ethics for the Chief Executive Officer, Chief Financial Officer, and Chief Accounting Officer, which sets the tone of our Company. Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect our transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of our financial statements in accordance with US GAAP, and that receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Audit committee

The Audit Committee currently consists of Directors James O'Shaughnessy and Richard Stables. The Audit Committee assists our Board in fulfilling its oversight responsibility by overseeing and evaluating (i) the conduct of our accounting and financial reporting process and the integrity of our financial statements, sustainability-related matters in external reporting, including discussions on Archer's CSRD double materiality assessment; (ii) the

functioning of our systems of internal accounting and financial controls; (iii) the performance of our internal audit function and (iv) the engagement, compensation, performance, qualifications and independence of our independent auditors.

The independent auditors have unrestricted access and report directly to the Audit Committee. The Audit Committee meets privately with, and has unrestricted access to, the independent auditors and all of our personnel.

Compensation committee

The Compensation Committee currently consists of the Directors Peter J. Sharpe, and Jan Erik Klepsland. The Compensation Committee formulates and oversees the execution of our compensation strategies, including making recommendations with respect to compensation arrangements for senior management, directors and other key employees. The Compensation Committee also administers our stock compensation plans.

Communications with the Board

Shareholders and other interested parties wishing to communicate with the Board or any individual director, including the Chairman, should send any communication to the Corporate Secretary, Archer Limited, Par-la-Ville Place 14 Par-la-Ville Road, Hamilton HM 08, Bermuda. Any such communication must state the number of shares beneficially owned by the shareholder making the communication. The Corporate Secretary will forward such communication to the director or directors to whom the communication is directed, unless the Corporate Secretary determines that the communication does not relate to the business or affairs of the Company or the functioning or constitution of the Board or any of its committees, or it relates to routine or insignificant matters that do not warrant the attention of the Board, or is an advertisement or other commercial solicitation or communication, or is frivolous or offensive, or is otherwise not appropriate for delivery to directors.

Communication from the Company

Information of relevance to our share price is communicated through our website and includes information relating to results and economic development. Our policy is to comply with all applicable standards aimed at securing a good information flow.

We publish annual and quarterly reports on our website. We acknowledge the importance of providing shareholders, and the equity market in general, with correct and relevant information about us and our activities.

Other than the items mentioned above, we have not established any further guidelines regulating the work of the Board and its committees.



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