Energean plc
("Energean" or the "Company")

Publication of 2020 Annual Report and Accounts and Notice of Annual General Meeting (AGM)

London, 28 April 2021 - Energean plc (LSE: ENOG, TASE: אנאג) is pleased to announce that it has today published its Annual Report and Accounts for the year ended 31 December 2020, which has also been distributed to shareholders with a Notice of AGM for the meeting being held on 24 May 2021 and associated Form of Proxy.

2020 Annual Report and Accounts

The full report is available for download on the Company's website at www.energean.com

A copy of the report has also been submitted to the FCA's National Storage Mechanism and will shortly be available for inspection at https://data.fca.org.uk/#/nsm/nationalstoragemechanism

In accordance with Disclosure and Transparency Rule 6.3.5(2)(b), the additional information set out in the following Appendix has been extracted (unedited) from the 2020 Annual Report and Accounts. This information consists of principle risks and uncertainties, related party transactions and the Directors' Responsibility Statement; and it should be read in conjunction with the Company's final results for the year ended 31 December 2020, which were announced on Monday 19 April 2021.

AGM Notice

The Company's 2021 AGM will be held at the registered office of the Company at Accurist House, London, W1U 7AL on Monday 24 May 2021 at 11:00 a.m. (BST).

Pursuant to Listing Rule 9.6.1, copies of the Notice of AGM and Form of Proxy have been submitted to the National Storage Mechanism and will shortly be available for inspection at https://data.fca.org.uk/#/nsm/nationalstoragemechanism. Electronic copies of the 2020 Annual Report and Accounts will be available to view and download from the Company's website: www.energean.com, together with the Notice of Annual General Meeting.

Defined terms used in this announcement shall, unless otherwise specifically defined herein, have the same meanings as in the Notice of AGM.

As a result of the ongoing COVID-19 global pandemic and the legal measures that the UK Government has put in place relating to the pandemic, there are significant restrictions on public gatherings and non-essential travel that are expected to affect the arrangements for, and attendance at, the AGM. In light of these restrictions and the uncertainty as to whether any additional and/or alternative restrictions or measures may be introduced by the UK Government, for the safety of our Shareholders, our employees, our advisers and the general public, attendance at the AGM in person will not be possible this year and Shareholders or their appointed proxies (other than the chair of the AGM and one other shareholder, to ensure a quorum) will not be permitted entry to the AGM. The Shareholders are encouraged to watch the Company's website (www.energean.com) and regulatory news services for any updates in relation to the AGM that may need to be provided.

This year, the AGM will be held purely to conduct the required formal business and will not include a presentation and questions to be put to the Board in person, as was the case in previous years, however, Shareholders are encouraged to send any questions which they would have, otherwise, raised at the AGM to IR@energean.com before the date of the AGM; and after the AGM has concluded the Company will publish responses to those questions on its website at http://www.energean.com.

The voting results on the resolutions put to the AGM shall be announced to the market and uploaded onto the Company's website following the closure of the AGM. The Company will continue to monitor the restrictions put in place in response to COVID-19 and, if circumstances change resulting in the lifting of measures preventing the movement of people ahead of the AGM, it will consider if it is appropriate to open up the AGM for attendance by Shareholders. If this is the case, an update will be given on the Company's website at www.energean.com and by way of announcement to the London Stock Exchange. Shareholders are strongly encouraged to ensure that their votes are counted at the AGM by appointing the chairman of the AGM as their proxy and submitting their completed proxy forms to the Company's registrars, Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible and, in any event, no later than 11:00 a.m. on Thursday 20 May 2021. Alternatively, shareholders can also appoint a proxy and indicate their voting instructions online at www.investorcentre.co.uk/eproxy or through CREST. Any shareholder holding shares through a nominee service, should contact the nominee service provider regarding the process for appointing a proxy.

Appendix

Strategic risk

#1 Progress key development projects in Israel

Principal risk: Delay to first gas at Karish
Owner: Chief Executive Officer
Link to 2020 KPIs: Delivering our strategy, growing our business and tackling climate change

Risk appetite	**Low** – Successful delivery of the Karish project is crucial to achieving the Group's ambition of becoming the leading independent E&P company in the Mediterranean and securing the Group's future revenue stream and its ability to deliver material free cash flows, the latter of which underpins the Group's commitment to deliver material and sustainable returns to shareholders.
2020 movement	▲ This risk increased primarily due to COVID-19 related challenges at the Admiralty yard in Singapore, where the *Energean Power* FPSO is under construction. Energean continues to work towards first gas from Karish in 1Q 2022. The shipyard in Singapore remains under limitations imposed by COVID-related restrictions, including limited access to workers and yard productivity. Energean is working with its contractors to firm up this timetable and will update the market as the situation evolves
Impact	Delayed sailaway of the FPSO could result in a delay in delivering future cash flows, and delay Energean's ability to pay a meaningful and sustainable dividend to its shareholders. Delays could also result in increased capital expenditure and incremental G&A costs, which could result in a reduction to said cash flows. A failure to achieve certain milestones, such as targeted sailaway date and / or first gas delivery could result in reputational damage within the wider market, including with Energean's investors, banks, gas buyers and wider stakeholders. Under its gas sale agreements (GSPAs), the Group may be subject to various contractual consequences in case of a delayed start up in supplying gas in accordance with specific deadlines detailed in the relevant GSPAs. Such contractual consequences may include early termination rights that certain buyers potentially have after applicable long-stop dates, and in the majority of the GSPAs, monetary contractual payments or early shortfall after the long-stop dates.
Mitigation	Energean has actively engaged with its contractors early to ensure highly effective working relationships and to discuss incentivising contractors to accelerate completion of the works. Energean's contract with TechnipFMC is a lump-sum, turnkey EPCIC, which minimises development risk and the potential for significant cost overruns. Energean's 2021 budget has been updated to reflect increased cost of interest and potential liquidated damages

	arising from a delay to first gas. Energean benefits from strong support from Government and continued engagement with customers in Israel. Energean's GSPAs are priced amongst the lowest in Israel, suggesting that buyers (who have signed GSPAs that contain termination rights) will have limited incentive to terminate them due to delay in first gas. Ongoing monitoring of the exercise or threat of liquidated damages, which might at a certain point be diminished by Force Majeure relief due to COVID-19. Force Majeure notices have been served on all gas buyers. Access to funding: during the year, the Karish project finance facility was upsized from $1.275 billion to $1.45 billion. Post-period end, the maturity date was extended to September 2022 providing additional flexibility on refinancing timing, in the event of ongoing delays. In addition, the Company undertook a $2.5 billion Bond Issue to refinance the Karish project finance facility and raised a $700 million Term Loan. Ongoing monitoring of KPIs by Executive Management.
2021 Objectives	Deliver first gas at Karish in 1Q 2022. Continued quantitative assessment of the impact of delay to the Karish Project to the revenue stream secured by the GSPAs and of potential mitigating actions.

#2 Market risk in Israel

Principal risk: The potential for Israeli gas market oversupply may result in offtake being at the take-or-pay level of existing GSPAs and could result in the failure to secure new GSPAs
Owner: Commercial Director
Link to 2020 KPIs: Delivering our strategy, growing our business and tackling climate change

Risk appetite	**Low** – Strong commercial terms and contract security are a core component of Energean's business model and investment case. The Group utilises its strong regional ties and the experience of Energean's commercial teams to mitigate this risk.
2020 movement	▲ This risk increased in 2020 after the Leviathan field came onstream in December 2019, significantly increasing the supply of gas into Israel. COVID-19 also negatively impacted upon regional gas demand, further contributing to potential regional market oversupply.
Impact	Increased market competition may drive Israeli domestic gas prices down. Lower pricing may incentivise gas buyers to make nominations that are restricted to the take-or-pay levels within the GSPAs, rather than the full annual contracted quantities. This could reduce Energean's future net revenues and cash flows, potentially impacting upon its ambition to pay a meaningful and sustainable

	dividend. An oversupplied gas market may impact upon Energean's ability to commercialise future gas discoveries.
Mitigation	Energean's GSPAs contain provisions for floor pricing, take-or-pay and/or exclusivity. Energean is investigating all options for the commercialisation of future exploration success, including further domestic supply as well as supply to key regional gas markets. Ongoing monitoring of KPIs by Executive Management.
2021 Objectives	Energean will continue to maintain good relationships with its gas buyers, whilst also evaluating potential export routes and other options for monetisation.

#3 Progress key development projects

Principal risk: Delayed delivery of future development projects (including NEA / NI in Egypt, Cassiopea in Italy and Karish North in Israel)
Owner: Chief Executive Officer

Link to 2020 KPIs: Delivering our strategy and growing our business

Risk appetite	**Low** – The three key new development projects are viewed as essential for the relevant country portfolios, substantially benefitting the long-term production profiles of the Company, whilst bringing cost and investment efficiencies and strategic benefits.
2020 movement	▲ This risk increased during 2020 as Energean's development portfolio increased with (i) the maturation of the Karish North development, which was sanctioned in early 2021; and (ii) the acquisition of Edison E&P resulting in the addition of the Cassiopea (Italy) and NEA/NI (Egypt) projects to the portfolio.
Impact	A delay to any of these projects could result in a delay to, or reduction of, future cash flows, which could impact upon Energean's goal of paying a meaningful and sustainable dividend to its shareholders.
Mitigation	Energean is actively engaged with its partners, contractors and all other relevant stakeholders on all development projects to ensure effective working relationships. Ongoing monitoring of KPIs by Executive Management.
2021 Objectives	Developments to progress in line with expectations, targeting first gas from NEA/NI in 2H 2022, Karish North in 2H 2023 and Cassiopea in 1H 2024. Continue to monitor project progress.

#4 Deliver exploration success and reserves addition

Principal risk: Lack of new commercial discoveries and reserves replacement
Owner: Chief Growth Officer
Link to 2020 KPIs: Delivering our strategy and growing our business

Risk appetite	**Medium** - Exposure to exploration and appraisal failure is inherent in accessing the significant upside potential of exploration projects, and this remains a core value driver for Energean. The Group invests in data and exploits the strong experience of Energean's technical teams to mitigate this risk.
2020 movement	▬ This risk remained static in 2020 following the decision of the Group to postpone its exploration plans offshore Israel due to the low commodity price environment. The Group is preparing for its next four-well exploration and appraisal campaign offshore Israel in 2022.
Impact	Failure to make new significant gas discoveries and replenish the exploration portfolio will reduce the Group's ability to grow the business and deliver its strategy.
Mitigation	Energean focuses on high-grading of its exploration and appraisal programme and maintains a focus on low-risk, high-reward prospects with clear and short-term routes to commercialisation. Planning for the Group's next major exploration and appraisal campaign, offshore Israel, are underway. Drilling is expected to commence in early 2022 for up to four exploration and appraisal wells. Ongoing monitoring of KPIs by Executive Management.
2021 Objectives	Maturation of planning for the four-well exploration and appraisal campaign offshore Israel.

#5 Portfolio Integration

Principal risk: Failure to successfully integrate Edison E&P into Energean's day-to-day business activities resulting in limited financial, social and environmental benefits
Owner: Chief Executive Officer
Link to 2020 KPIs: Growing our business

Risk appetite	**Low** – Edison E&P integration is a top priority for the Board and Executive Management. Successful integration of Edison E&P with Energean's existing business will depend on our ability to combine the two businesses, including bringing together the cultures and capabilities of both organisations in an effective manner, which will require the co-operation of Edison E&P's existing workforce.
2020 movement	▬ This risk remained static in 2020. The acquisition of Edison E&P closed successfully in December 2020 and constitutes the largest acquisition the Group has undertaken to date.
Impact	The potential impacts of inadequate portfolio integration are multi-fold and include:

	• Disruption to ongoing operations and development projects • Diversion of Executive Management's attention; and • A lack of ability to realise anticipated financial benefits and cost synergies. The challenges and/or costs associated with integration may be higher than expected and the benefits expected from the acquisition of Edison E&P may not be fully achieved.
Mitigation	Energean developed a detailed integration and strategic plan with activities and milestones, for example, providing strategic access to the Edison E&P SAP system from day one to provide immediate and full control over the acquired business. Ongoing monitoring of KPIs by Executive Management.
2021 Objectives	Continued implementation of the integration roadmap, including further definition of the one-year ahead plan and mapping of identified synergies, resulting in finalisation and implementation of the end-state operating model.

Operational risk

#1 Production performance

Principal risk: Underperformance at core producing assets in Egypt and Italy
Owner: Chief Growth Officer
Link to 2020 KPIs: Growing our business

Risk appetite	**Low** – Delivering operational excellence in all of Energean's activities is a strategic objective and we work closely with all partners to mitigate the risk and impact of any operational delay or underperformance. As such, the Company has a low appetite for risks which may impact on operating cash flow.
2020 movement	▲ This risk increased during 2020 following the acquisition of Edison E&P, which has seen increased scrutiny on the performance of the acquired assets. Pro forma Working Interest production averaged 48.3 kboepd, around the mid-point of guidance of 44.5 - 51.5 kboepd. The risk around operational readiness e.g. the availability of highly trained technical staff to operate assets and man vessels, also increased in 2020 largely due to the COVID-19 pandemic.
Impact	Delay to, or reduction of, operating cash flows. Increased unit operating costs.
Mitigation	Executive Management works closely with technical leads, the HSE Director and Country Managers to deliver risk mitigation plans and project solutions. Positive regular engagement with the Technical team and partners to share knowledge, offer support and exert influence. Strong work ethic and culture, with good policies, procedures and

	practices in place. Ongoing monitoring of KPIs by Executive Management.
2021 Objectives	Ongoing management of risks surrounding production.

#2 JV Misalignment

Principal risk(s): Misalignment with JV operators
Owner: Chief Growth Officer
Link to 2020 KPIs: Growing our business

Risk appetite	**Medium** – The Group seeks to operate assets which align with the Group's core areas of expertise, but recognises that a balanced portfolio will also include non-operated ventures. The Group accepts that there are risks associated with a non-operator role and will seek to mitigate these risks by working with partners of high integrity and experience and maintaining close working relationships with all JV partners.
2020 movement	▲ - This is an increased risk in 2020 that follows the acquisition of Edison E&P. Commodity price volatility continues to have a financial impact across the sector and the risk remains that the Group's JV partners may not be able to fund work programme expenditures and/or reprioritise projects. A large component of the Italian portfolio and the entire UK portfolio are operated by joint venture partners.
Impact	Cost/schedule overruns. Poor operational performance of assets. Poor HSE performance. Delay in first production from new projects. Negative impact on asset value. Ability to effect change towards lowering carbon footprint.
Mitigation	Actively engage with all JV partners early to establish good working relationships. Actively participate in operational and technical meetings to challenge, apply influence and/or support partners to establish a cohesive JV view. Active engagement with supply chain providers to monitor performance and delivery. Application of the Group risk management processes and non-operated ventures procedure. Ongoing monitoring of KPIs by Executive Management.
2021 Objectives	Continue to engage with JV partners and monitor project progress.

Financial risk

#1 Maintaining liquidity and solvency

Principal risk: Insufficient liquidity and funding capacity
Owner: Chief Financial Officer
Link to 2020 KPIs: Growing our business

Risk appetite	**Low** – Energean seeks to maintain liquidity and to develop and implement a funding strategy that allows a value generative plan to be executed and ensures minimum headroom from existing sources of funding is maintained.
2020 movement	▬ This risk remained static in 2020.
Impact	The Company has secured loan agreements and is subject to restrictive debt covenants and security arrangements that may limit its ability to finance its future operations and capital needs and to pursue business opportunities and activities. Breach of financial covenants may lead to default and/or liquidity risk. The Company is exposed to commodity prices in relation to its sales and revenues under its crude oil and gas sales contracts, which are subject to variable market factors. The full impact of COVID-19 to a lower price environment could impact the Group's cash flows and results. Interest and foreign exchange rate movements could negatively affect profitability, cash flow and balance sheets (see Note ___ to the consolidated financial statements). Funding and liquidity risks could impact viability and ability to continue as a going concern, including a downturn in business operations for unexpected factors, e.g. COVID-19. Erosion of balance sheet through impairments of financial assets may further impact the Group's financial position.
Mitigation	Regular monitoring of financial covenants on an actual and forecast basis as part of the monthly reporting to management and the Board. The Karish project finance facility, Egypt RBL and Greek RBL have covenants and metrics to monitor the ability to refinance via capital markets or by conversion of existing commitments to a term loan. The Company ensures that these covenants are met on a quarterly basis. During the period, the Karish project finance facility was upsized from $1.275 billion to $1.45 billion and, post-period end, maturity was extended to September 2022. Post-period end, a new 18-month, $700 million term loan was arranged in January 2021, and both facilities will be refinanced under a $2.5 billion Bond Issue in March 2021. The Group's debt facilities have been sized and structured on conservative oil and gas price assumptions versus the prevailing market prices. The Group actively monitors oil price movements and may hedge

	part of its production to protect the downside while maintaining access to upside and to ensure availability of cashflows for re-investment and debt-service. All Karish gas contracts are based on pricing formulas which include floor prices; that ensures a minimum price for gas sales whatever the market conditions or pricing formulas outcome. Ongoing monitoring of KPIs by Executive Management.
2021 Objectives	Refinance the Israeli project finance facility and $700 million term loan. Continuous stress testing of short-term cash forecasts.

#2 Egypt receivables

Principal risk: Recoverability of revenues and receivables in Egypt
Owner: Chief Financial Officer
Link to 2020 KPIs: Growing our business

Risk appetite	**Low** – Edison E&P has receivables due from its operations in Egypt which have historically been paid irregularly and after significant delay. Energean management believes that this risk is not specific to Edison E&P and affects all operators in the country. The Group utilises its strong regional ties and the experience of its commercial teams to mitigate this risk.
2020 movement	N – This is a new risk for 2020 that arises due to the acquisition of producing assets in Egypt through the acquisition of Edison E&P. At 31 December 2020, net receivables (after provision for bad and doubtful debts) in Egypt were $153.5 million.
Impact	Loss of value. Work programme restricted by reduced financial capability. Inability to fund key development projects, including NEA/NI. Reduced ability to meet debt covenants and service outstanding debt.
Mitigation	Energean has a number of contractual solutions with EGPC to ensure an effective collection policy, including condensate proceeds, lump-sum payments, Abu Qir payables offsetting and local currency collection. Continued engagement with the Egyptian government and Ministry of Petroleum. Ongoing monitoring of KPIs by Executive Management.
2021 Objectives	Improve receivables position and agreements in place to accelerate recovery of overdue receivables. Maintain an active investment programme.

#3 Decommissioning liability

Principal risk: Higher than expected decommissioning costs and acceleration of abandonment schedules
Owner: Chief Financial Officer
Link to 2020 KPIs: Growing our business

Risk appetite	**Low** – Energean is committed to optimising its decommissioning activities and spend.
2020 movement	**N** – This is a new, but material risk for 2020 onwards following the closing of the acquisition of Edison E&P. Decommissioning estimates and timing of abandonment schedules are subject to uncertainty but are expected to be material for the Group, particularly in the UK and Italy. The estimates for decommissioning obligations vary depending on the sources provided during the due diligence undertaken as part of the competitive sale process for Edison E&P but are estimated to be in excess of $500 million.
Impact	Reduction in cash flow. Work programme restricted by reduced financial capability. Negative impact on asset value.
Mitigation	Utilisation of the strong experience of Energean's technical teams and commercial partnerships Proactive interaction with local government and regulation bodies to jointly design/review decommissioning regulation. Scale achievement through grouping of assets in adjacent areas also promoting increased negotiation leverage in contracting activities. Potential creation of partnerships for decommissioning activities, further increasing scale potential and promoting transfer of decommissioning solutions. Adoption of new technologies promoting innovative solutions to further optimise costs and maximise operational excellence. Continued effort in identifying potential alternative uses for existing platforms prioritising assets with higher cost base. Ongoing monitoring of KPIs by Executive Management.
2021 Objectives	Continue to develop and refine strategy for optimising decommissioning spend.

Organisational, compliance and regulatory risk

#1 Cyber

Principal risk: Major cyber-attack or information security incident
Owner: Information Technology Manager
Link to 2020 KPIs: Growing our business and 'Best in Class' on safety

Risk appetite	**Low** – Energean is committed to maintaining the security and integrity of its data and IT systems.
2020 movement	▲ This risk increased in 2020. Energean continues to grow its operational presence in the Mediterranean and is in the process of integrating the recently acquired Edison E&P company into its day-to-day business activities, putting the Group at further risk of cyber-attacks or IT system failure.
Impact	Loss of value. Reputational damage. Loss of data and theft of confidential information, and personal data. Regulatory implications and financial penalties.
Mitigation	Digital transformation of email and collaboration services to the Cloud. Constant implementation and monitoring of the Company's IT Security Policy. Control of disclosures and protection of any disclosed confidential information in third party contracts. Advanced network security detection and data encryption. Vulnerability Assessment and Penetration Testing. Annual mandatory security and GDPR awareness training. Staff susceptibility to phishing regularly tested. Insurance policies in place. Ongoing monitoring of KPIs by Executive Management.
2021 Objectives	Complete digital transformation and integration project as part of Edison E&P acquisition.

#2 Ethics, culture and compliance

Principal risk: Major breach of values, business principles and 'Ethos'
Owner: Compliance Officer
Link to 2020 KPIs: Growing our business and 'Best in Class' on safety

Risk appetite	**Low** – Energean is committed to maintain integrity and high ethical standards in all of the Group's business dealings. The Group has a zero-tolerance approach to conduct that may compromise its reputation, safety procedures or integrity.
2020 movement	▬ This risk remained static in 2020. There were no reportable instances of fraud, bribery or corruption.
Impact	Reputational damage. Financial penalties or civil claim. Criminal prosecution.

	Breach of safety procedures resulting in a HSE incident.
Mitigation	Business Code of Ethics and bribery and corruption policies and procedures. Audit reviews, use of data analytics and continuous monitoring of policies. Financial procedures in place to mitigate fraud. Annual training programme in place for all employees. Enhanced due diligence of business partners and suppliers and compliance auditing of contractors. Enhancement of our whistleblowing process through creation of a confidential reporting channel. Ongoing monitoring of KPIs by Executive Management.
2021 Objectives	Continued focus on enhanced due diligence and monitoring, as well as the review of higher risk areas. Implementing compliance programmes and employee awareness communication and training to all different countries of operations, translated to local languages where appropriate, to enhance corporate compliance and governance and ensure the organisational culture is 'fit for purpose' everywhere that the Company operates.

#3 HSE

Principal risk: Lack of adherence to health, safety, environment and security policies
Owner: HSE Director
Link to 2020 KPIs: 'Best in Class' on safety

Risk appetite	**Low** – Energean continuously strives to reduce risks that could lead to an HSE incident to as low as reasonably practicable
2020 movement	▬ This risk remained static in 2020. The Group's pro forma LTIF[1] for operated activity in 2020 was 0.63 per million hours worked. Our *pro forma* TRIR[2] for 2020 was 1.05 per million hours worked. There were no spills to the environment.
Impact	Serious injury or death. Negative environmental impacts. Reputational damage. Regulatory penalties and clean-up costs. Physical impact of climate change. Loss or damage to Company's assets and potential business

[1] Lost Time Injury Frequency
[2] Total Recordable Incident Rate

	interruption. Loss or damage to third parties and potential claims.
Mitigation	Effectively managing health, safety, security and environmental risk exposure is the first priority for the Board, Senior Leadership Team and Management Team Training for all employees and creation of a strong HSE culture. Additional HSE training is included as part of all staff and contractor inductions. Crisis and emergency response procedures and equipment are maintained and regularly tested to ensure the Group is able to respond to an emergency quickly, safely and effectively. Process in place for assessing an operator's overall operating and HSE capabilities, including undertaking audits to determine the level of oversight required. Comprehensive insurance policies in place. Ongoing monitoring of KPIs by Executive Management.
2021 Objectives	Achieve a number of specified indicators in relation to governance, people and society.

Climate change risk

#1 Failure to manage the risk of climate change and to adapt to the energy transition

Principal risk: Climate change policy, technological development, changing consumer behaviour and reputational damage
Owner: Chief Executive Officer
Link to 2020 KPIs: Delivering our strategy, growing our business and tackling climate change

Risk appetite	**Low** – The Group is committed to achieving its net zero emissions[3] target by 2050 and reducing the near-term carbon intensity of its operations by over 70% through the implementation of low carbon solutions and the acquisition of low carbon intensity hydrocarbons. Energean is focused on taking near-term investment decisions that ensure its assets remain competitive in an environment where demand for oil and gas may be lower than today and will continue to stress test its portfolio against a range of climate change scenarios, in line with the recommendations of the TCFD.
2020 movement	▲ This risk increased in 2020. There was continued and increased attention to climate change from a range of stakeholders in 2020. This attention has led, and we expect it to continue to lead, to acceleration of the energy transition, as well as additional regulations designed to reduce greenhouse gas (GHG) emissions.
Impact	Providers of capital limit exposure to oil and gas projects (short-

[3] Scope 1 & 2 emissions

	term). Increasing costs e.g. higher compliance costs and increased insurance premiums (short to medium-term). Early asset retirement (medium to long-term) Limited access to R&D opportunities (medium to long-term). Climate-related policy changes (short to medium-term). Reputational damage (medium to long-term). Retaining and attracting talent (short to medium-term). Ability to effect change towards lowering carbon footprint (medium to long-term).
Mitigation	Aligned with the TCFD recommendations across all TCFD pillars in our year-end reporting. Established a new climate change and sustainable development department to manage climate change projects. Implemented climate-based scenario analysis and internal carbon pricing to assist with investment-decision making. Enhanced climate disclosure in our Annual Report and Sustainability Report. Achieved a B- score on climate change and B score on supplier engagement in our first CDP. ESG ratings in top quartile, awarded 'A' rating by MSCI, 'Gold' by Maala and ranked 16 out of 114 peer companies by Sustainalytics. Executive compensation tied to ESG performance targets from 2020. Fully committed to transparency and adherence to the 17 UN SDGs. First E&P company globally to commit to net zero emissions by 2050. Ongoing monitoring of KPIs by Executive Management. Established a dedicated Environment, Safety and Social Responsibility committee chaired by Non-Executive Director Robert Peck to review climate change related risks and projects.
2021 Objectives	Evaluation of Carbon Capture and Storage (CCS) projects underway, including the maturation of the conversion of Prinos into the first CCS project in the East Med. Small-scale blue hydrogen production facility at the Sigma plant in Kavala, Greece, also under evaluation. Evaluation of use of captured CO2 at Prinos for enhanced oil recovery (EOR), to unlock additional upstream value. Explore the roll out of 'Green Electricity' across all operated assets.

#2 Physical risks related to climate change

Principal risk: Disruption to operations and/or development projects due to severe weather (both acute and chronic)
Owner: Chief Executive Officer
Link to 2020 KPIs: Delivering our strategy, growing our business and tackling climate change

Risk appetite	**Low** – Management recognises that Climate change is expected to lead to rising temperatures and changes to rainfall patterns in all the countries where it operates. Energean is reviewing its response to the increased risk that changing weather events presents to both its assets and its people.
2020 movement	▬ This risk remained static in 2020. Rising sea levels coupled with extreme flooding could cause disruptions to the operational performance of Energean's assets, especially those located in higher risk areas, in the medium-term. This could also result in damage to infrastructure and an increase in associated asset integrity and insurance costs. Longer term atmospheric or sea temperature rises could result in faster degradation of infrastructure and necessitate operational changes to the running of the Group's facilities.
Impact	Unexpected asset costs arising from operational incidents (medium to long-term). Early asset retirement e.g. due to damage or property being situated in high risk locations (long-term) Negative market reaction (medium to long-term). Loss of investor confidence (medium to long-term). Serious injury or death (medium to long-term). Environmental impacts due to spills (medium to long-term). Reputational damage (medium to long-term). Loss or damage to assets and business interruption (medium to long-term).
Mitigation	Monitoring of weather conditions and sea conditions. Use of protective barriers to combat flooding. Comprehensive insurance policies in place for key assets and infrastructure. Established a dedicated Environment, Safety and Social Responsibility committee chaired by Non-Executive Director Robert Peck to review climate change related risks and projects.
2021 Objectives	Continue monitoring of environmental conditions and reporting at both an asset and corporate level. Evaluation of climate change projects and data by Energean Egypt Energy Services (EES).

<u>External risk</u>

#1 Geopolitical events

Principal risk: Political and fiscal uncertainties in the Eastern Mediterranean
Owner: Chief Executive Officer
Link to 2020 KPIs: Delivering our strategy and growing our business

Risk appetite	**Medium** - Energean faces an uncertain economic and regulatory environment in some countries of operation. The Company is willing to invest in countries where political and/or fiscal risks may occur provided such risks can be adequately managed to minimise the impact where possible.
2020 movement	▲ This risk increased in 2020. Energean continues to source new opportunities in the Eastern Mediterranean and this can be in jurisdictions deemed at higher risk of political or fiscal uncertainty. In addition, Energean entered into new countries, through the acquisition of Edison E&P, with an increased risk profile. The Group will strive for full compliance with regards to fiscal requirements across all assets.
Impact	Loss of value; increasing costs; uncertain financial outcomes; HSE incidents; loss of production.
Mitigation	Operate to the highest industry standards with regulators and monitor compliance with the Group's licence, Production Sharing Contracts and taxation requirements. Maintain positive relationships with governments and key stakeholders through robust investment plans and engagement in local projects. Continuous monitoring of the political and regulatory environments in which we operate.
2021 Objectives	Maintain balance sheet strength, continued monitoring of geopolitical events and regulatory changes. Undertake risk assessment and internal audit activities in relation to the Karish project (development project-to-operations transition). Integration of targets and sustainability projects (i.e. community investment) within the strategic plan and management incentive program.

#2 Global pandemic

Principal risk: Operational uncertainties and HSE incidents due to COVID-19 pandemic
Owner: Executive Management and HSE Director
Link to 2020 KPIs: Delivering our strategy, growing our business and 'Best in Class' on Safety

Risk appetite	**Low** – COVID-19 and its impact on Energean's development projects and operations was identified as an emerging risk to its business in 2019. Energean has been tracking the spread of COVID-19 and its impact over the past year, recognising it as a principal risk to the business for the first time in 2020; and is continuing to actively monitor developments and take precautions to ensure the health and

	safety of employees, partners and contractors.
2020 movement	▲ This risk increased in 2020. COVID-19 spread across the globe in 2020 and government responses to limit transmission of the virus significantly weakened global energy demand, putting huge pressure on the E&P sector. As a business, and at individual levels, conditions were extremely challenging.
Impact	Project delays; delay in revenue income, termination of GSPAs, penalties under GSPAs, supply chain interruption; HSE risk / risk to employee wellbeing; operational restrictions e.g. ability to mobilise workforce.
Mitigation	Energean is constantly re-assessing our contingency planning, our emergency/incident response plan and our business continuity management plan. Effective communication plans are in place to respond to the changing demands of the crisis. As part of the HSE policies, various measures have been introduced to protect the health and safety of employees and contract personnel. Working from home, revamping office space and a COVID-19 business continuity plan is in place for all the company's offices and plant.
2021 Objectives	Continued modelling of COVID-19 scenarios to identify and evaluate financial impacts, with an assessment of potential mitigating options. Continued quantitative assessment of the impact of delay to the Karish Project to the revenue stream secured by the Israel GSPAs and of potential mitigating actions. Conduct risk assessments for each country where operations exist to identify potential strategic, operational, regulatory and people related-exposures.

Statement of Directors' Responsibilities

The directors are responsible for preparing the annual report and the group financial statements in accordance with applicable United Kingdom law and regulations. Company law requires the directors to prepare financial statements for each financial year.

Under that law the directors have elected to prepare the group financial statements in accordance with International Financial Reporting Standards (IFRSs) in conformity with the Companies Act 2006 and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

Under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules, group financial statements are required to be prepared in accordance with IFRSs adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. Under company law the directors must not approve the group financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group and the company for that period.

In preparing these financial statements the directors are required to:

- Select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information
- Provide additional disclosures when compliance with the specific requirements in IFRSs (or in respect of the parent company financial statements, FRS 101)is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the group's financial position and financial performance
- In respect of the group financial statements, state whether IFRSs in conformity with the Companies Act 2006 and IFRSs adopted pursuant to Regulation(EC) No 1606/2002 as it applies in the European Union have been followed, subject to any material departures disclosed and explained in the financial statements
- In respect of the parent company financial statements, state whether applicable UK Accounting standards including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the company and the group will not continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the company and the group financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report, directors' report, directors' remuneration report and corporate governance statement that complies with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement of the directors in respect of the annual financial report:

The directors confirm, to the best of their knowledge:

- That the consolidated financial statements, prepared in accordance with IFRSs in conformity with the Companies Act 2006 and IFRSs adopted pursuant to Regulation(EC) No 1606/2002 as it applies in the

European Union, give a true and fair view of the assets, liabilities, financial position and profit of the parent company and undertakings included in the consolidation taken as a whole

- That the annual report, including the strategic report, includes a fair review of the development and performance of the business and the position of the company and undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face
- That they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the group's position and performance, business model and strategy.

Mathios Rigas	Panos Benos
Director	**Director**
18 April 2021	18 April 2021

Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Purchases of goods and services

		2020 $'000	2019 $'000
	Nature of transactions		
Other related party "Seven marine"	Vessel leasing and services	1,473	4,066
Other related party "Prime Marine Energy Inc"	Construction of field support vessel	19,950	-
Other related party "Capital Earth Ltd"	Consulting services	129	129
		21,552	**4,195**

Following a competitive tender process, the Group has entered into an agreement to purchase a Field Support Vessel ("FSV") from Prime Marine Energy Inc., a company controlled by director and shareholder at Energean plc, for US$33.3 million. The FSV is being constructed to meet the Group's specifications and will provide significant in-country capability to support the Karish project, including FPSO re-supply, crew changes, holdback operations for tanker offloading, emergency subsea intervention, drilling support and emergency response. The purchase of this multi-purpose vessel will enhance operational efficiencies and economics when compared to the leasing of multiple different vessels for the various activities.

Payables

		2020 $'000	2019 $'000
	Nature of balance		
Seven marine	Vessel leasing and services	407	6,105
		407	**6,105**