

ETHOS

Our World
Our Responsibility

Delivering a
sustainable future

Energean
Sustainability Report 2019



Ethos

Ethos (noun /'i:θɒs / i:θɑ:s /word of Greek origin)

- the set of beliefs, ideas, etc. about the social behavior and relationships of a person or group.

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Joint Address



Karen Simon
Non-Executive Chair



Mathios Rigas
Chief Executive Officer

Dear Shareholders,

We are delighted to share Energean's second annual Sustainable Development Report, demonstrating our unwavering commitment to sustainable development and our ESG principles. We are committed to delivering results, not just promises, and, during 2019, our dedicated teams have continued to deliver strong and tangible progress towards our social, environmental and governance targets in what is an evolving and challenging energy landscape. We are extremely proud to be part of an organisation that has fulfilled upon a wide range of ESG goals. Achievements that we are most proud of include our commitment to reducing greenhouse gas emissions to net zero, receiving an "A" rating from MSCI, and appointing the company's first female Chairman to the Board of Directors.

Overview

Energean continued its strong growth trajectory in 2019, developing from a newly listed independent E&P company in 2018 into a leading FTSE 250 player. We remain focused on our core geographical area, the Mediterranean, and gas as a transition fuel. Following close of the Edison E&P transaction, we expect to have close to 800 mmbob of 2P reserves and 2C resources, of which 80% is gas, and a clear path to more than 130 kboe/d of production in 2022, again of which 80% is gas. Our gas-focused strategy allows us to play our part in supporting the global fuel transition away from coal and oil, in the drive to reduce emissions of carbon dioxide and protect our environment for future generations.

ESG Stewardship

Stewardship of ESG is central to Energean's vision of creating the E&P company of the future; one that excels in all aspects of ESG. Our ESG goals are always at the forefront of our growth and operations and, to this end, we have formally linked Executive pay to ESG goals from 2020. Furthering our commitment to ESG, we are creating a new Sustainability and Climate Change Department that will focus on optimising our goals and performance in this key area that is changing quickly and ever growing in its importance to all of our stakeholders.

> Environmental

We are reducing our environmental footprint by setting science-based carbon intensity reduction targets. Not only were we the first E&P company in the world to commit to net zero by 2050, but we will also be setting near-term targets on a rolling three-year basis. We are targeting an initial 70% reduction over 2019 – 2022. Energean views continuous improvement based on near term goals to be essential to delivering upon the net zero target as quickly as possible and we envisage being able to accelerate the 2050 target in the coming years. Energean also continues to participate proudly to the United Nations Global Compact and is committed to continuously supporting the initiative and its principles. Finally, Energean, will conclude its first CDP submission to the Climate Change questionnaire by 2020.

> Social

Managing our social impacts is a core element of our ESG priorities and supporting local communities is one of the main pillars of our Corporate Social Responsibility policy. We support

both our local communities and vulnerable groups in the areas in which we operate. Initiatives of which we are particularly proud are the "We Can – We Care" programme, which saw executives of our company supporting and participating with our local citizens with disabilities in basketball games, and our Crowdfunding for a Special School in Kavala, for which we were presented with an award at the "Bravo" Sustainability Dialogues & Awards 2019. We continuously invest in, and engage with, our local communities, establishing mutually beneficial relationships that enhance our contribution to society.

Health and Safety management

During 2019, Energean continued to deliver upon its exemplary HSE record with one million hours free of Lost Time Incidents in Energean sites plus four million man-hours on the FPSO construction yard in China. We at Energean believe that protecting the environment and the health and safety of our staff and stakeholders is a key factor in the overall success of our business and we are committed to continually improving in all aspects of HSE.

In line with this commitment, we have established a comprehensive and integrated Health and Safety Management System that is aligned with the requirements of international standards and European safety directives. It is based on tried-and-tested, internationally recognized best practices in the E&P industry, structured around a classic "Plan-Do-Assess- Adjust" cycle.

> Governance

At Energean, we seek to fulfil our vision by adhering to a set of values that encompasses:

- **Responsibility in all of our actions and areas where we conduct our business**
- **Excellence in everything we do, deploying best practices to achieve profitable and sustainable growth**
- **Integrity, respecting our stakeholders, employees and business, promoting transparency and accountability, in all cultivating a unique corporate sustainability culture**
- **Commitment to a talented workforce, investing in our people's development**

The work of the Board and Management Team will continue, over the coming years, to ensure that Energean is well positioned to advance the energy transition, embrace technological innovation and meet society's changing expectations of energy companies. Our people are core to delivering upon this aim, and to ensuring that we maintain and advance our Corporate Governance standards. As a Board, we believe it is extremely important that we continue to develop our organisational capabilities, continue to develop a diverse and inclusive culture and enhance governance and compliance with the ongoing embedding of our values and code of conduct.

Operational Progress and Other Key Events

2019 marked another transformational year for Energean. In Israel, our flagship Karish development project continued to progress well. Physical completion was at 72% by year-end and the project on track to deliver first gas into the Israeli domestic market in 1H 2021. We completed the drilling of the three Karish Main development wells that will deliver the first gas sales and, post period end, demonstrated the ability of these three wells to produce at rates sufficient to fill our 8 Bcm/yr FPSO. We also made a >1.2 Tcf (>25 Bcm) discovery at Karish North, further demonstrating the attractiveness of our acreage, and increased firm Gas Sales and Purchase Agreements to 5.0 Bcm/yr, which is expected to increase to 5.6 Bcm/yr on receipt of the Karish North CPR.

In July 2019, we agreed to acquire Edison E&P for \$750 million, plus \$100 million of contingent consideration, a landmark achievement in advancing Energean as the leading gas-focused E&P player in the Mediterranean. We raised \$865m of funding for the acquisition, demonstrating that capital remains available for the right E&P companies, with the right assets and the right ESG credentials. Once the acquisition is complete, we will have acquired a high-quality portfolio of assets and a strong operating team that will support the day-to-day operations of the enlarged group going forwards.

More recently, the COVID-19 pandemic and OPEC+ price war have put us into uncertain times, but we are well-placed to weather the challenges and, through this period, our number one priority remains the health and safety of our colleagues and stakeholders. As such, we have taken swift and decisive actions to protect our people, whilst maintaining focus on our longer-term business objectives; once the Edison E&P transaction is completed, around 70% of our production will be sold under long-term gas sales agreements that insulate our future revenues against oil price volatility. Following completion of the Edison E&P transaction, we will continue to own and operate the majority of our asset base, and are well-funded for all of our projects. This will ensure that we can respond quickly and appropriately to the macro environment and take the right decisions to protect our business and our stakeholders.

In conclusion, and in recognition of the support and contribution of our employees to the success of the company, we would like to express our deep gratitude to all of you for your hard work and commitment to implementing our values in all aspects of your work. We look forward, alongside all of you, to further developing Energean into the E&P company of the future, focusing on sustainable development and creating shared value for all of our stakeholders.

Karen Simon
Non-Executive Chair

Mathios Rigas
Chief Executive Officer

A snapshot of 2019

Awards and Ratings



The MSCI ESG Rating places Energean above 63% of the industry's companies

MSCI
ESG RATINGS **A**

Energean was one of the top 20 companies out of a total of 212 industry peers

ISS ESG **C+**

Bravo! In category BRAVO Society - Human Rights
SUSTAINABILITY DIALOGUE & AWARDS

Environment

Net Zero

GHG emissions
by 2050

Zero Oil spills

or environmental damages

89%

of water withdrawn in production sites was recycled

ISO 14001

Certification of production and exploration activities

Health & Safety

10 MM man hours

without LTIs in the whole "Energean Power" FPSO development and construction project

1 MM man hours

without LTI in all Energean sites

People

Female chair

and increased female participation in the BoD (22%) and in the Senior Management (42%)

Employees and Contractors from

17 different countries

Partnerships

UNGC signatory

Israel Nature and Parks Authority

Teamed up with the Israeli Paralympic Committee and support 3 Paralympic swimmers

Teamed up with the Management Body of the Nestos River

Signed a "Protocol of Industrial Relations" with National and Local Italian Unions

Strategic Partnership with Chemecon

(Non-Profit Organization of Young Chemical Engineers)

Society

23 internships

to college students

6,377 portions

of surplus food from Energean's daily lunch was saved and offered as donation, through the collaboration with the NGO "Boroume"

6 Scholarships granted

for foreign Universities through our collaboration with the Bodossaki Foundation

World Environment Day 2019: Energean sponsors Sharks Live Viewing - Viewpoint of Hadera, Israel (June 2019)

Targets & Progress

Targets 2019

Progress

Occupational health & safety

Provision of innovating toxic hoods capable of protecting the persons visiting or working in our onshore installations without having direct access to breathing apparatus distributed to operations and maintenance departments.

100%

Replacement of the offshore breathing apparatus purchased during the beginning of the operations with new modern design apparatus suitable for providing the greatest possible protection against potential toxic environment, to all personnel working in our offshore installations.

80%

Community relations

Creation of collaborations and relationships with educational institutions, environmental organizations and NGOs.

100%

Enforcement of the cooperation with the Kavala Fire Service and the Kavala Airport Fire Service by organizing common drills to exchange knowledge and experience in the techniques that should be applied when dealing with fires caused by liquid fuels, in order to promote our social responsibility.

100%

Air quality and greenhouse gas emissions

De-rating of the steam boilers due to lower needs, in order to lower NOx emissions.

90%

Revamping of the Gas Turbine 1 exhaust system in order to reduce the NOx emissions.

66%

Accreditation for Environmental International Standard ISO 14001 for all Energean's exploration and production of hydrocarbons existing installations.

100%

Targets 2020

Occupational health & safety and wellbeing

- > Achieve an Energean employees Lost Time Injury Frequency (LTIF) less than 0.51 (peers average value, IOGP 2018).
- > Achieve a Contractors Lost Time Injury Frequency (LTIF) equal or less than 0.64 (peers average value, IOGP 2018).
- > Achieve an Energean employees Total Recordable Injury Rate (TRIR) less than 1.15 (peers average value, IOGP 2018).
- > Achieve a Contractors Total Recordable Injury Rate (TRIR) equal or less than 2.41 (peers average value, IOGP 2018).
- > Create and implement a common H&S management system throughout all group, including Crisis Management and Occupational H&S management.
- > Achieve certification of production sites' H&S systems to ISO 45001.

Community Relations

- > Energean plans to maintain its strong and long-standing relationships with the local communities it operates in.
- > The company will aim to extent its collaborations with organizations, institutions, and NGOs and will strive to create new ones, especially with those involved with environmental aspects and subjects. Energean realizes that collaboration and working with others is the only way things can move forward.

Air quality and greenhouse gas emissions

- > Participate in the Carbon Disclosure Project (CDP).
- > Implement the recommendations of the Task Force on Climate-Change Financial Disclosure (TCFD).
- > Reduce our Carbon Emissions Intensity in Scope 1 and Scope 2 by more than 50% following Edison's acquisition.
- > Quantify the medium and long-term plan activities in order to meet company's low carbon future commitment.

Supply Chain

- > The Supply Chain due diligence process will extend to include Human Rights assessments.
- > Energean is planning to implement a Code of Conduct for suppliers, underlining the importance of respecting the key principles of sustainability in the Supply Chain.

Governance

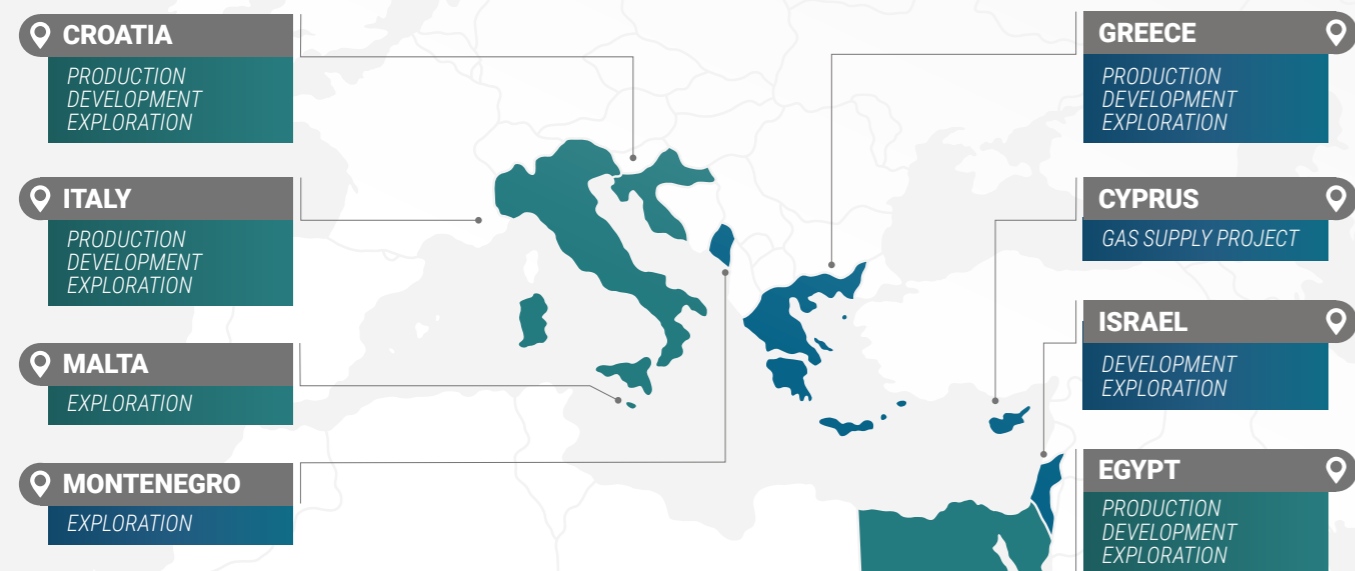
- > The Supply Chain due diligence process will extend to include Human Rights assessments.
- > Energean is planning to implement a Code of Conduct for suppliers, underlining the importance of respecting the key principles of sustainability in the Supply Chain.
- > Formally link Executive pay to ESG goals from 2020.
- > Creation of a new Sustainability and Climate Change Department.

1. Getting to know Energean

Energean Oil & Gas (LSE:ENOG, FTSE 250, TASE:אנרג, TA-35) is a London-based independent E&P company focused on developing resources in the Mediterranean. Energean is committed to sustainable development and to become a net zero emitter by 2050. The company also aims to contribute to the United Nations' 17 Sustainable Development Goals through its day-to-day operations and a wide range of sustainable development initiatives.

Including the recently acquired Edison E&P, Energean operates a mixture of production, development and exploration assets and runs projects in eight countries in the Med with an excellent HSE track record.

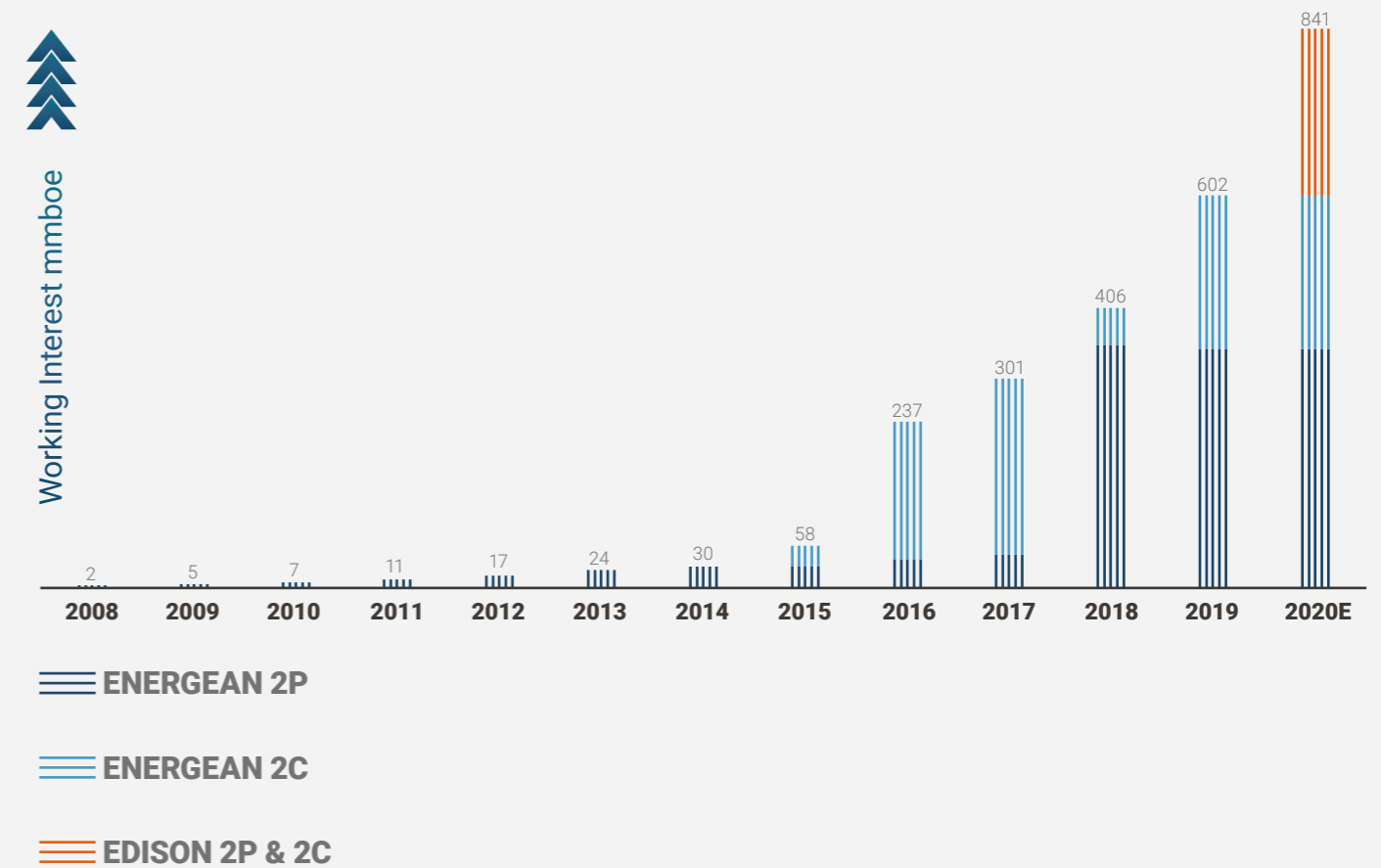
The company's portfolio is gas weighted (80%) and consists of 602 mmboe 2P reserves and 2C resources, exclusive of the Edison E&P assets. Our reserve and resource base has increased at a CAGR of 67% between 2008 and 2019.



📍 Energean assets
📍 Edison E&P assets*

*Subject to close Edison E&P acquisition.

ENERGEAN RESERVES AND RESOURCES GROWTH



Inclusive of Edison E&P (excludes Algeria and the North Sea assets), the Company produced around 60 kboe/d and had approximately 841 MMboe of 2P reserves and 2C resources in 2019.

The Company's flagship development assets are the multi-Tcf Karish and Tanin fields, offshore Israel. The Karish and Tanin leases are operated by Energean's subsidiary, Energean Israel, which has a 100% working interest. Energean Israel is owned by Energean (70%) and Kerogen Capital (30%). Energean Israel also holds a 100% working interest in nine highly prospective exploration licences offshore Israel.

According to the Netherland Sewell & Associates, Inc.'s (NSAI) Competent Persons Report (CPR) as of 30 June 2019, the Karish and Tanin fields contain 2P reserves of approximately 1.46 Tcf of gas and 29 MMbbls of light oil net to Energean (approximately 287 MMboe). In addition, the fields contain an estimated 26 MMboe of net 2C resources. The Company also announced a gas discovery in the Karish North structure in April 2019. The Karish North CPR confirmed 2C resources of 175 MMboe (84% gas) net to Energean, representing a 32% uplift on previous estimates.

Subject to finalisation of the NSAI CPR report, as per DeGolyer and MacNaughton CPR, Karish North contains 175 mmboe net to Energean 2C resources (84% gas).

Energean is on track to start producing from the Karish field in 1H 2021. Including Karish and the (to be) acquired Edison E&P portfolio, Energean's daily production will reach approximately 130,000 boepd by 2022 (approximately 80% gas).

In Greece, Energean had 54 mmboe 2P reserves and 59 mmboe 2C resources as of end-2019.

In addition, the Company has significant exploration potential in its licences held in Israel, the Adriatic, and Western Greece, which will provide the basis for future organic growth.

Our History

2007

- > Aegean Energy S.A. announced the purchase of 100% of Eurotech's shares, majority shareholder of Kavala Oil S.A.
- > Aegean Energy S.A. begins to provide internships to College students.

2008

- > Aegean Energy S.A. initiated a new development plan for Prinos North and Epsilon fields



2010

- > Aegean Energy S.A. changed its name to **Energean Oil & Gas**

2013

- > Multi-year offtake agreement signed between BP and Energean Oil & Gas for the entire oil production from Prinos
- > Energean Oil & Gas achieved extension of the concession licence for the Prinos Oil Field area
- > Third Point investment as equity supporter

2014

- > Purchased the Energean Force

2015

- > Completed a 3D seismic survey in the Prinos Oil Field



2016

- > Acquired 100% interest in Karish and Tanin fields, offshore Israel, from Delek Drilling and Avner
- > Secured USD75 MM EBRD RBL facility as well as agreed USD20 MM finance for exploration assets
- > Kerogen Capital 50% investment in Energean Israel.

2017

- > Awarded two offshore blocks in Montenegro
- > Repsol farms in to Energean's Ioannina and Aitolokarnania Blocks, onshore Western Greece
- > Awarded five new exploration blocks offshore Israel
- > Signed 12 GSPA agreements for the sale of 4.2bcm/year of gas

- > Creation of a Corporate Social Responsibility Team
- > Energean begins to support Cultural Events in Greece (Dodoni Festival, Ioannina)



2018

- > Signed extended and updated USD180 MM RBL Senior facility for the Greek assets
- > Delivered the largest oil and gas IPO in London for four years, raising USD460 MM, and started trading on the Tel Aviv Stock Exchange (TASE) through a secondary listing
- > Signed USD1.275bn of project financing to develop the Karish field
- > Took FID on the Karish and Tanin development

- > Increased shareholding in Energean Israel to 70% (Kerogen Capital hold the remaining 30%)
- > Achieved First Steel Cut on the Energean Power FPSO Hull
- > Energean Israel Limited (Energean plc 70%) signed an MoU with INGL for the transfer of near-shore and onshore infrastructure, resulting in cash inflow of approximately NIS369 million (US\$98 million)
- > 13th GSPA signed, increasing total gas sales contracted to 4.6bcm/year

- > Beginning of collaboration with "Boroume" ("We Can"), an NGO that fights food waste throughout Greece.
- > Energean's first environmental initiative: The cleaning of the Main Port seabed of Kavala, Greece
- > Energean's first voluntary beach clean-up in Greece (Rapsani Beach, Kavala)
- > Energean's first initiative to support people with disabilities: Organized a wheelchair basketball game in Kavala, Greece for the rights of people with disabilities



2019

- February:**
 - > Commenced our drilling programme offshore Israel
 - > Energean begins to collaborate with Environmental Government Bodies: i) Greece: Management Body of Delta Nestos, Lakes Vistonida – Ismarida and Thassos Island, ii) Israel: Israel's Nature and Parks Authority.
- March:**
 - > Beginning of collaboration with "Etgarim", an NGO for the rehabilitation of disabled adults and children in Israel

- April:**
 - > Gas discovery in Karish North
 - > First oil delivered from the Epsilon Extended Reach Well
- May:**
 - > Publication of Energean's first ever Sustainability Report
 - > Energean becomes a proud signatory of the United Nations Global Compact.
 - > Beginning of collaboration with the Israel Paralympic Committee.
 - > Joined Maala, a non-profit, CSR standards-setting organization in Israel

June:

- > Beginning of program that awards academic scholarships to college students for studying abroad
- > Energean's first voluntary beach clean-up in Montenegro (Bar Beach, Bar).

July:

- > Agreed to acquire Edison E&P for \$750 million plus \$100 million contingent consideration
- > \$265 million of new equity raised from shareholders on LSE and TASE
- > Beginning of collaboration with the Israel Paralympic Committee

October

- > Agreed to sell Edison E&P's Norwegian and UK subsidiaries to Neptune Energy for \$250 million plus up to \$30 million contingent consideration

November

- > Completed the successful appraisal of the Karish North discovery, confirming best estimate gross recoverable resources of 0.9 Tcf (25 BCM) plus 34 million barrels of light oil / condensate (combined c.190 mmmboe)
- > Energean appoints a woman as Chair for the first time in the company's history



- > Signed a GSPA with Israel's MRC Alon Tavor for the sale of approximately 0.5 Bcm/yr, or up to 8 Bcm over the term of the contract. Supply will commence at Karish first gas and the contract term is for a period of 15 years from the date of signature

December

- > Became the first E&P company globally to commit to net zero emissions by 2050
- > Announced that the Edison E&P transaction is expected to exclude the Algeria asset, with the total transaction consideration to be adjusted to account for this

2020

- > Energean formally linked Executive pay to ESG goals
- > Announcement of Energean's first Climate Ambition Strategy

- > Announced successful results from production measurement performed during clean-up of the Karish Main-02 development well. The well flowed at a maximum rate of 120 million standard cubic feet per day (Mmscf/d) of gas, limited only by the capacity of the surface equipment.
- > LOI signed with DEPA for the potential sale of 2BCMA in the context of the East Med Pipeline project

Our Climate Ambition

Energear pledges to **Net-Zero Emissions by 2050**

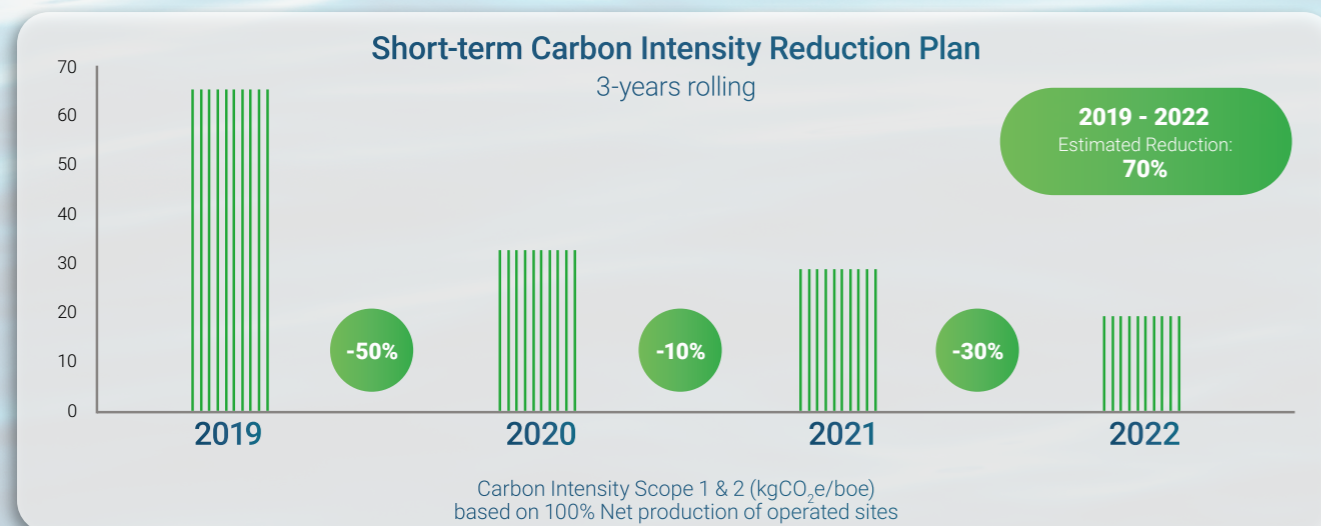
Our Personnel Engagement on Climate Change Ambitions

Remuneration of senior executives linked to specific carbon emissions targets and ESG rating.

Our Strategy to Net-Zero emissions by 2050

Short-term plan - next 5 years:

- > Get engaged in the Carbon Disclosure Project (CDP) in 2020
- > Disclosure of climate related information following the Task Force on Climate-related Financial Disclosures (TCFD) recommendations in 2020
- > Engage with organizations working on the transition to a low carbon future
- > Support and motivate costumers and contractors to a low carbon utilization future
Increase the efficiency of production installations by optimizing performance
- > Increase the use of low or zero carbon electricity
- > Strengthen our low carbon portfolio by increasing gas production to 80%, following close of the Edison E&P transaction
- > Reduce our carbon emissions intensity by 70% by 2022, following close of the Edison E&P transaction



Medium-term plan - by 2035:

- > Innovation projects for using industrial carbon emissions to produce goods
- > Further increase the use of low carbon energy



Zero carbon electricity



Hydrogen



Biofuels

Long-term plan - by 2050:










- > Carbon Capture Storage and Utilization
- > Reforestation, Afforestation and Forests Conservation
- > Negative Emissions Technologies

Commitment to net-zero emissions by 2050 Strategy for net-zero from own operations	Scope 1 Direct emissions	Fuel combustion on site
	Scope 2 Indirect emissions	Purchased electricity
Commitment to use our best endeavors to reach value-chain net-zero emissions by 2050 Strengthen transition to a low carbon future by producing mainly gas Minimize our indirect activities emissions Engage with our customers to support and motivate them to a low-carbon future	Scope 3 Indirect emissions	Not owned or controlled sources and sold products

2. Towards a Sustainable Business Model

Our Governance Structure


Board of Directors

 Karen Simon Non-Executive Chair	 Mathios Rigas Chief Executive Officer	 Panos Benos Chief Financial Officer
 Andrew Bartlett Senior Independent Director	 Stathis Topouzoglou Non-Executive Director	 David Bonanno Non-Executive Director
 Ohad Marani Independent Non-Executive Director	 Robert William Peck Independent Non-Executive Director	 Amy E. Lashinsky Independent Non-Executive Director

Senior Management

 Dr. Stephen Moore Chief Growth Officer	 Angelos Mastrantonis Group HR Manager, Greece Country Manager	 Nick Witney Commercial Director
 Russell Poynter General Counsel & Company Secretary	 Vincent Reboul-Salze EPCIC Project Director	 Kate Sloan Head of Investor Relations & Equity Capital Markets
 Maria Martin Head of Corporate Finance	 Stella Lena Group Financial Controller	 Vassilis Tsetoglou HSE Director
 Dennis Anestoudis Exploration Manager	 Ilia Rigas Head of Corporate Social Responsibility	

Regional Managers

 Shaul Zemach ISRAEL Country Manager	 Dr. Konstantinos Nikolaou GREECE Vice President	 Petar Djurovic MONTENEGRO General Manager
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Board Committees

The Board has established three committees made up principally of Independent Non-Executive Directors. All appointments to these committees are for an initial period of up to three years and may be extended by no more than two additional three-year periods. These committees are:

- Audit and Risk Committee
- Nomination & Environment, Social & Governance (ESG) Committee
- Remuneration Committee

The terms of reference of the committees have been drawn up in accordance with the provisions of the Code of Conduct. A copy of each committee's terms of reference is available from the Company Secretary and can also be found at our website: www.energean.com.

Business values and corporate principles

GRI 102-16, GRI 102-17 UNGC PRINCIPLE 10

Energiean, showcasing its commitment to operating at the highest standards of integrity and corporate governance, has established a framework to ensure compliance and evaluate the effectiveness of its systems. Energiean employs various methods in order to do so, such as maintaining an internal control system, and assessing risk related to governance, HSE and operational issues as well as data security. We ensure transparency through publicly reporting our performance and continuously trying to expand our reporting.

Our company's Core Operating Principles are outlined in Energiean's Code of Conduct (the "Code"). The Code outlines our company's guidelines for ethical behaviour and daily business conduct. It applies to the Board of Directors, all employees, Energiean's affiliated companies, controlled joint ventures as well as contractors, agencies or consultants who act as our agents or work on our behalf. Through the Code Energiean instils personal responsibility to all its people to act in accordance with its requirements and ethical values. Anyone that has a concern is encouraged to report it and seek help and guidance from their Managers and responsible Departments.

Whistleblowing

Energiean recognizes that a culture of openness and accountability is essential in preventing illegal or unethical actions from occurring. In this vein, Energiean has created a Whistle-Blowing policy, which takes into account the Whistleblowing Arrangements Code of Practice issued by the British Standards Institute and Public Concern at Work.

The Whistle-Blowing Policy applies to all individuals working at all levels of the organization, including senior managers, officers, directors, employees, consultants, contractors, trainees, homeworkers, part time and fixed term workers, casual and agency staff. It ensures that no person raising a concern in good faith will suffer any detrimental treatment. Our policy aims to ensure that staff will feel able to voice their concerns openly under the policy.

Our Corporate Principles

- > Being Ethical and Responsible
- > Being Transparent and Accountable
- > Creating an attractive Workplace and being an Employer of Choice
- > Mitigating Environmental Impacts and Minimizing our Footprint
- > Supporting Local Communities
- > Supporting the United Nations Global Compact Principles

Anti-corruption and bribery policy

At Energiean no form of bribery or corruption is tolerated and upholding the laws in all the areas where we operate is of very high importance for us. Our Anti-corruption and bribery policy outlines our responsibilities and the responsibilities of our partners and contractors in maintaining our position on bribery, and provides detailed guidance on the general prohibitions and requirements of our company. It sets out unacceptable behaviours, each person's responsibilities, the relevant complaint mechanism, reporting and monitoring processes, ensuring our framework is properly communicated and enforced.



Our Sustainable Business Model

Inputs >>>

Financial Capital

Manufactured Capital

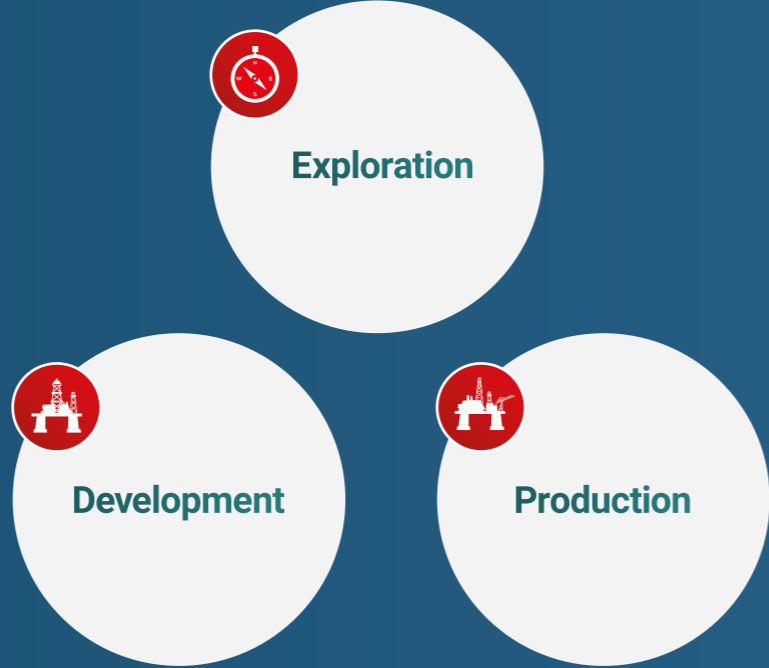
Intellectual Capital

Human Capital

Social and Relationship Capital

Natural Capital

Business Activities >>>



Business Support Services

- > Human resources management and administration
- > Health, Safety and Environmental management
- > Operations
- > Business development
- > Corporate finance and financial control
- > Research and development
- > Quality assurance
- > Legal department
- > Marketing
- > Procurement and supplier management
- > Corporate social responsibility management

Outputs >>>

Safeguarding occupational health & safety and wellbeing

Growing the share of natural gas in the product portfolio

Reducing greenhouse gases and other air emissions

Reducing (non-renewable) energy consumption

Generating economic value / economic performance of the company

Safeguarding human rights at work

Increasing the implementation of water efficiency innovations

Building and maintaining community relations

Ensuring emergency preparedness

Ensuring regulatory compliance

2019 Performance >>>

0
Employees Injured

80%
Gas-weighted

47.7k tCO₂e
Direct emissions

731 TJ
Total fuel consumption from non-renewable sources

\$76 million
Direct economic value generated

0
Incidents of discrimination

89%
of water withdrawn in production sites was recycled

0
Significant disputes with local communities and indigenous people

0
Spills

0
Incidents of corruption

Outcomes (Contribution to the SDGs)



Our Supply Chain

Energean collaborates directly with approximately 3,000 suppliers and contractors globally, plus thousands more in our wider supply chains, sourcing specialist oil & gas equipment, material and services, including vendors, service providers and contingent labour. We aim to promote a sustainable supply chain that meets Energean stakeholder expectations, responsible sourcing is a priority for our business and we strongly believe that our suppliers and contractors play a key role in the success of our business. In addition to efficiency and operational excellence, Energean focuses on creating prosperity and encouraging our suppliers to meet the highest standards of safety, social and environmental performance. Our supply chain is one of our most powerful tools for creating prosperity in the local communities and we aim to source non-specialist goods and services from local businesses and communities, in the countries we operate in. Energean operates to the highest standards of corporate governance and our suppliers and contractors are expected to act and operate in accordance with Energean HSE, ethical and corporate social responsibility standards.

In 2019, Energean developed a more systematic, risk based approach, to managing certain supply chain risks, by implementing a due diligence process that helps us identify risks across our supply chain. Specifically, a third party risk management process has been implemented, which aims to enable counterparty evaluation, with respect to:

- > **Integrity aspects** by examining the identity of the beneficial owner, employment and close family relationships with government officials and politically exposed persons as well as any legal enforcement proceedings.
- > **Financial aspects** by examining financial position and creditworthiness.
- > **Anti-corruption and bribery compliance** by performing an anti-corruption due diligence on counterparties at risk in order to assess their integrity, professional reliability and reputation.
- > **HSE credentials, standards and records.**

Furthermore, our standard procurement contracts include key contractual provisions that seek to ensure that our suppliers and contractors comply with the international laws on human rights, anti-slavery and compliance and preserve our auditing rights to these respects.

Whenever a risk assessment process is involved in order for this risk management model to be applied, Energean uses as risk indicators the geographic location, the scope of work, the compensation structure, or the value of the contract, to evaluate whether the third party and the business relationship under review present a high, medium, or low risk, which will trigger the level of due diligence to be applied.

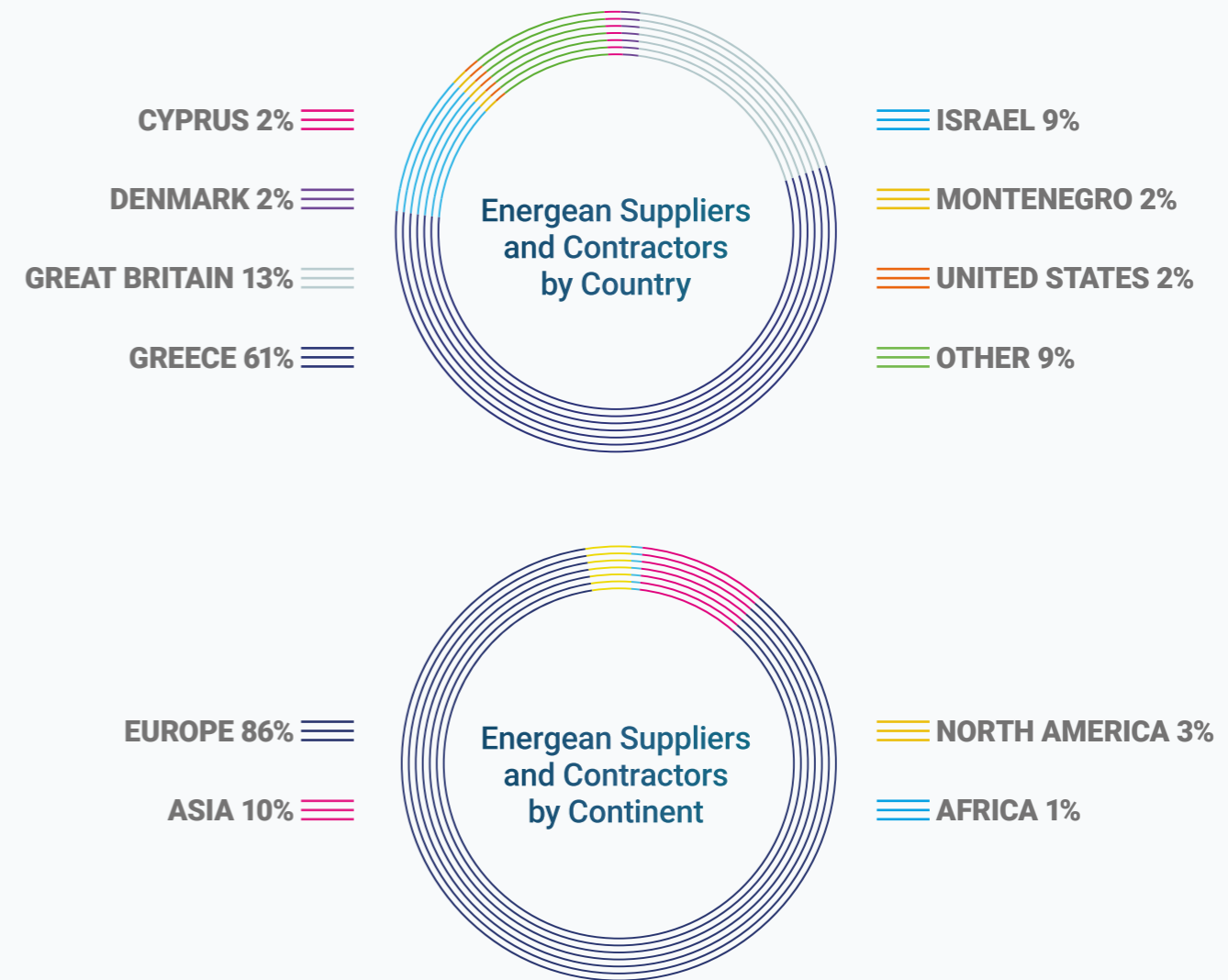
In 2020, the Supply Chain due diligence process will extend to include Human Rights assessments. Audits have been scheduled for 1H 2020 to monitor compliance with the respective contractual provisions related to modern slavery statements and implementation of due diligence procedures to include more in depth labour rights assessments is planned to be initiated.

Finally, Energean is planning to implement a code of conduct for suppliers, which among other objectives will seek to underline the importance of respecting the key principles of sustainability in the supply chain.



Targets in 2020

- > The Supply Chain due diligence process will extend to include Human Rights assessments.
- > Energean is planning to implement a Code of Conduct for suppliers and contractors, underlining the importance of respecting the key principles of sustainability in the Supply Chain



Memberships

Energean actively supports initiatives that aim to address the most significant issues of the Oil & Gas Industry. For this reason, Energean is a member of several industry associations and participates in forums where problems and challenges of the industry's future are discussed and analyzed, in an unbiased and credible way. In that way Energean contributes and shares its knowledge and best practices to the best interest of the industry and the wider economic growth.

- > Signatory of the United Nations Global Compact
- > Gas Industry Advisory Committee of the Eastern Mediterranean Gas Forum
- > Association of Public Companies in Israel
- > Manufacturers Association in Israel
- > Israel Greece Chamber of Commerce
- > Maala – Israel's CSR leading NGO and UNGC National Chapter
- > Union for Oil & Gas (under Manufacturers Assoc.) in Israel
- > Institute of Energy in Southeastern Europe (IENE)
- > Greek Energy Forum
- > British Hellenic Chamber of Commerce
- > American-Hellenic Chamber of Commerce
- > Institute of Environment & Energy (starting 2020)

Stakeholder Engagement

Energear's stakeholders are defined as entities or individuals that are reasonably expected to be substantively influenced by the organization's activities, or those reasonably expected to influence Energear's ability to implement its strategy or achieve its objectives.

Key topics and concerns that have a significant impact for our stakeholders, are analyzed throughout the current Sustainability Report, while specific information on each material topic is included in the following chapters.

Local Communities

Types of Communication & Engagement

E-mail / Weekly
Telephone Contact / Weekly
Announcements / 2-3 times per year
Personal Contact – Meetings / Every other month
Surveys / Annually

Topics of Concern

- > Creation of employment
- > Safeguarding occupational health & safety and wellbeing
- > Safeguarding human rights at work (e.g. equal opportunities, diversity, eliminating forced labor etc.)
- > Increasing the implementation of water efficiency innovations (e.g. reuse, recycling and discharged wastewater treatment)
- > Protecting and preserving biodiversity

Business Partners

Types of Communication & Engagement

E-mail / Daily
Telephone Contact / Monthly
Personal Contact – Meetings / Annually
Surveys / Annually
Reports / Quarterly

Topics of Concern

- > Safeguarding occupational health & safety and wellbeing
- > Provision of employee training, certifications and employee development
- > Minimizing waste and increasing the implementation of Circular Economy practices
- > Ensuring emergency preparedness
- > Ensuring regulatory compliance

Customers

Types of Communication & Engagement

E-mail / Monthly
Telephone Contact / Monthly
Personal Contact – Meetings / Annually
Surveys / Annually
Reports / Quarterly
Newsletters / Annually

Topics of Concern

- > Reducing greenhouse gases and other air emissions (e.g. NOx, SOx, VOCs)
- > Ensuring data security
- > Safeguarding occupational health & safety and wellbeing
- > Building and maintaining community relations

Industry Associations

Types of Communication & Engagement

E-mail / Monthly
Telephone Contact / Weekly
Announcements / Monthly
Personal Contact - Meetings / Monthly
Surveys / Once a year
Reports / 2-3 times a year

Topics of Concern

- > Safeguarding human rights at work (e.g. equal opportunities, diversity, eliminating forced labor etc.)
- > Generating economic value / economic performance of the company
- > Safeguarding occupational health & safety and wellbeing
- > Provision of employee training, certifications and employee development
- > Ensuring emergency preparedness

Employees

Types of Communication & Engagement

E-mail / Daily
Telephone Contact / Daily
Announcements / Monthly
Personal Contact - Meetings / Once or twice a year
Surveys / Once a year

Topics of Concern

- > Safeguarding occupational health & safety and wellbeing
- > Ensuring emergency preparedness
- > Ensuring data security
- > Generating economic value / economic performance of the company
- > Safeguarding human rights at work (e.g. equal opportunities, diversity, eliminating forced labor etc.)

Suppliers & Contractors

Types of Communication & Engagement

Telephone Contact / Daily
Announcements / Weekly
Personal Contact - Meetings / Weekly
Surveys / Once a year

Topics of Concern

- > Safeguarding business ethics and establishment of transparent relationships with host governments
- > Ensuring regulatory compliance
- > Safeguarding occupational health & safety and wellbeing
- > Generating economic value / economic performance of the company
- > Ensuring emergency preparedness

NGOs

Types of Communication & Engagement

E-mail / Weekly
Telephone Contact / Monthly
Announcements / 2-3 times per year
Personal Contact – Meetings / Annually
Surveys / Annually

Topics of Concern

- > Ensuring emergency preparedness
- > Generating economic value / economic performance of the company
- > Building and maintaining community relations
- > Ensuring regulatory compliance
- > Reducing greenhouse gases and other air emissions (e.g. NOx, SOx, VOCs)

Shareholders & Investors

Types of Communication & Engagement

E-mail / As necessary
Telephone contact / As necessary
Personal contact – Meetings / Quarterly
Conference calls / Semi-annually
RNS Announcements / As necessary
Media Announcements / As necessary
Annual Report / Annually
Indirectly via stockbrokers / As necessary

Topics of Concern

- > Generating economic value / economic performance of the company
- > Ensuring regulatory compliance
- > Safeguarding occupational health & safety and wellbeing
- > Safeguarding human rights at work (e.g. equal opportunities, diversity, eliminating forced labor etc.)
- > Safeguarding business ethics and establishment of transparent relationships with host governments

Media

Types of Communication & Engagement

E-mail / Monthly
Telephone Contact / Weekly
Announcements / Monthly
Personal Contact - Meetings / Monthly
Surveys / Once a year
Press Conferences / Once or twice a year

Topics of Concern

- > Building and maintaining community relations
- > Ensuring emergency preparedness
- > Ensuring data security
- > Ensuring regulatory compliance
- > Safeguarding occupational health & safety and wellbeing

Rating agencies, Banks & Financial institutions

Types of Communication & Engagement

E-mail / Monthly
Telephone Contact / Weekly
Personal Contact - Meetings / Monthly
Reports / Daily
Surveys / Once a year

Topics of Concern

- > Safeguarding business ethics and establishment of transparent relationships with host governments
- > Protecting and preserving biodiversity
- > Minimizing waste and increasing the implementation of Circular Economy practices
- > Ensuring emergency preparedness
- > Ensuring regulatory compliance

Governments & Regulatory Authorities

Types of Communication & Engagement

E-mail / Weekly
Telephone Contact / Weekly
Announcements / Monthly
Personal Contact - Meetings / Weekly
Surveys / Once a year
Reports / Daily

Topics of Concern

- > Safeguarding occupational health & safety and wellbeing
- > Ensuring regulatory compliance
- > Ensuring emergency preparedness
- > Ensuring data security
- > Safeguarding business ethics and establishment of transparent relationships with host governments

Thought Leaders & Academia

Types of Communication & Engagement

E-mail / Monthly
Telephone Contact / Every 3 months
Announcements / Monthly
Personal Contact - Meetings / Twice a year
Surveys / Once a year
Reports / Monthly

Topics of Concern

- > Reducing greenhouse gases and other air emissions (e.g. NOx, SOx, VOCs)
- > Safeguarding occupational health & safety and wellbeing
- > Creation of employment
- > Protecting and preserving biodiversity
- > Minimizing waste and increasing the implementation of Circular Economy practices

Materiality Analysis

As per the GRI Standards, the topics to be included in the sustainability report are those that can reasonably be considered important for reflecting the organization’s economic, environmental, and social impacts, or influencing the decisions of stakeholders.

In order to define these topics, we conducted a materiality analysis, with the involvement of both the upper management and the stakeholders of the company. The approach was based on the GRI Standards and is described below.

Phase A Identification of relevant topics

The first step of the process was to prepare a list of identified relevant topics for the company, relevant to our industry and business model and also of concern to our stakeholders. The following actions were performed to this end:

> An online media review for the reporting year on topics related to the company’s activities and the expectations of the company’s stakeholders, in order to identify significant changes, developments, issues that occurred during the reporting year.

> A review of the sustainable development topics that are sector specific, as well as international standards such as GRI, SASB, TCFD, UN SDGs, with the aim to identify topics that are material to our industry as well as to sustainable development in general.

> A review of the publicly available sustainability reports of peer companies, to identify topics that are commonly reported.

Phase B Prioritization of topics

The next step was to prioritize the identified relevant sustainability topics. The prioritization was performed against the significance of the environmental, social and economic impacts and according to the significance of these topics to our stakeholders.

For the prioritization against the significance of the environmental, social and economic impacts, Energean prioritized the United Nations Sustainable Development Goals (UN SDGs) to which its business model has the greatest impact. Following this prioritization, the topics linked to the UN SDGs that were prioritized were deemed as those having the most significant impacts. For the prioritization of the topics according to their significance to our stakeholders an e-survey was launched.

The new topics that were identified are “Growing the share of natural gas in the product portfolio”, “Reducing (non-renewable) energy consumption” and “Safeguarding human rights at work (e.g. equal opportunities, diversity, eliminating forced labor etc.)”

Phase C Validation of results

The results were reviewed and validated by the upper management and are presented in the materiality map which follows.

Materiality Map



- 1 Creation of employment
- 2 **Safeguarding occupational health & safety and wellbeing**
- 3 Provision of employee training, certifications and employee development
- 4 **Safeguarding human rights at work (e.g. equal opportunities, diversity, eliminating forced labor etc.)**
- 5 **Generating economic value / economic performance of the company**
- 6 **Growing the share of natural gas in the product portfolio**
- 7 Safeguarding business ethics and establishment of transparent relationships with host governments
- 8 **Reducing (non-renewable) energy consumption**
- 9 **Reducing greenhouse gases and other air emissions (e.g. NOx, SOx, VOCs)**
- 10 **Increasing the implementation of water efficiency innovations (e.g. reuse, recycling and discharged wastewater treatment)**
- 11 Protecting and preserving biodiversity
- 12 Minimizing waste and increasing the implementation of Circular Economy practices
- 13 **Building and maintaining community relations**
- 14 **Ensuring emergency preparedness**
- 15 **Ensuring regulatory compliance**
- 16 Ensuring data security
- 17 Improving supplier social and environmental performance

Material topics and their boundaries

The table below presents the material topics prioritized against both the significance of their economic, social and environmental impacts and the significance for stakeholders' assessments and decisions in ascending order. According to the GRI standards, it is not recommended to conclude on a combined assessment for both axes but rather define the material topics as the most significant either for the stakeholders or in terms of significance of impacts. This is the reason why the topic "Ensuring regulatory compliance" is included in the material topics as being the third most important topic for the stakeholders even though in the combined assessment its overall score is lower.

Material Topic	Link to Sustainable Development Goals	Topic Boundary <small>(Entities which may cause or be associated with the impacts)</small>
Safeguarding occupational health & safety and wellbeing	 	> Energean > Suppliers and Contractors
Growing the share of natural gas in the product portfolio	   	> Energean > Business Partners
Reducing greenhouse gases and other air emissions	 	> Energean > Suppliers and Contractors > Business Partners > Customers
Reducing (non-renewable) energy consumption	 	> Energean > Suppliers and Contractors
Generating economic value / economic performance of the company	  	> Energean > Rating Agencies > Banks & Financial Institutions > Suppliers and Contractors > Business Partners > Customers
Safeguarding human rights at work	  	> Energean > Suppliers and Contractors
Increasing the implementation of water efficiency innovations	   	> Energean > Suppliers and Contractors
Building and maintaining community relations	        	> Energean > NGOs > Local Communities > Media
Ensuring emergency preparedness	  	> Energean > Suppliers and Contractors
Ensuring regulatory compliance		> Energean > Governments & Regulatory Authorities

Why are these topics material?

Safeguarding Occupational Health & Safety and Wellbeing

It is Energean's utmost responsibility to provide a safe working environment for its employees and contractors. If health and safety incidents occur, our people as well as society in general may be significantly affected. Should health and safety incidents occur, our company could face regulatory and financial implications while our business continuity may be disrupted, causing delays and having a negative impact on our reputation and social license to operate. In recognition of our responsibility towards our employees, contractors and the wider local communities we operate in, our company maintains an integrated Health and Safety Management System, the basis of which is to ensure a safe working environment for our people and those affected by our Group activities.

Growing the share of natural gas in the product portfolio

Undeniably, oil and gas are critical in today's energy and economic systems. However, increasing societal demands on oil and gas companies are questioning their business models and asking them to contribute to tackling climate change. Energean is committed to contributing to the energy transition through its business model and primary output of extracting and producing fuels. We consider gas as a transition fuel, the way forward to the sustainable growth of both society and business. We have made it a strategic priority to delivering lower-carbon fuels and becoming a primarily gas-focused company. Inaction in this regard is not an option; it would be detrimental to our sustainable development and existence, as well as to our social license to operate. Over the coming years, pressures including regulatory ones, will only increase on all industry actors to contribute to the transformation of the energy sector, and thus Energean has commenced transitioning its business model and contributing to the global needs for clean energy access and cleaner air.

Reducing greenhouse gases and other air emissions

Energean is focused on reducing emissions generated regularly or potentially through our company's operations, such as combustion emissions (e.g. flared hydrocarbons, emissions from stationary devices and mobile sources), vented emissions (e.g. from floating roof tanks) and fugitive emissions (e.g. unintended equipment leaks). Such emissions may occur across the scope of our onshore and offshore facilities. Potential unintended impacts that could occur include a deterioration of the environment local to our operations as well as a negative impact on our relationships with local stakeholders. In addition, our company may face operational, reputational and regulatory issues related to the management of greenhouse gases and other air emissions such as NOx, Sox and VOCs. We have established various controls and monitoring systems in order to meet our objectives in terms of emissions reduction and to continuously improve our performance in alignment with the targets set by the international community.

Reducing (non-renewable) energy consumption

Responsible energy management is essential to Energean, as it is a top priority for our company to contribute to the sustainability agenda of our international community and to the Paris Agreement. Our energy management activities are part of our comprehensive Environmental Management System, which covers all our facilities and activities. Impacts may occur at any point throughout our value chain, as energy is consumed at our office buildings and onshore facilities, as well as at our offshore facilities and during the use of equipment. Through our efforts on efficient energy management we aim to reduce our carbon emissions, ensure efficient resource management and avoid placing further strain on the planet's fuel resources.

Generating economic value / economic performance of the company

We are a full-cycle E&P business focused on delivering on our economic commitments to our stakeholder groups. Our economic contribution not only focuses on our direct stakeholders such as our employees, contractors, and suppliers and partners, but extends to the communities in which we operate through our direct and indirect tax payments to governments and local social investments.

Safeguarding human rights at work

Energean, a global company with an international supply chain, is committed to safeguarding human rights throughout the full scope of its operations. Impacts on human rights may occur at any stage of our operations and at any part of our supply chain. If human rights are not respected, our people may be affected, and our reputation may be severely damaged leading to financial loss. Furthermore, we may face legal consequences as well as a lack of trust in our business relationships and in the communities within which we operate.

Increasing the implementation of water efficiency innovations

Water is essential to our operations, as significant water amounts are required during our production processes. Therefore, proper and responsible water management processes are highly important to Energean. Energean recognizes its responsibility to protect access to clean water, which is an established human right. In this context, Energean has established various controls in an effective and responsible water management approach, which aims to avoid potential impacts to the marine environment. In case water is not properly managed, we may face regulatory and financial implications, and our relationships with the local communities we operate in may be severely impacted.

Building and maintaining community relations

Establishing strong and mutually beneficial relationships with the communities we operate in, is something we highly value. We monitor the impact of our operations on the local and host communities and undertake initiatives in order to address any concerns. Energean takes further action, not simply to coexist in the local environment, but to actually contribute to an improved standard of living. As part of the Oil & Gas industry, which is part of debate on its impacts on the local communities and their ecosystems, we actively manage relevant risks and take advantage of opportunities in order to create shared value for all. We try to avoid potential disruption of our efforts, which would lead to a deterioration of the relationships that we have managed to establish with the local stakeholders, damage to our reputation and the ultimate loss of our social license to operate.

Ensuring emergency preparedness

For an oil and gas company like Energean, it is of critical importance to always be fully prepared for emergencies, in order to ensure the safety of our people, the safety of the local communities of our operations, and the protection of the environment. An oil spill, a release of hydrocarbons or other hazardous substances or any other potential critical incident can have serious implications on our people, on the environment, on our reputation and social license to operate. Energean has established a safety culture across our operations through the implementation and continuous improvement of safety management systems and policies, in order to prevent emergency incidents which could be caused within our supply chain. Through these policies and systems Energean ensures the effective response of its personnel and contractors in case of critical incidents.

Ensuring regulatory compliance

Energean operates in an inherently hazardous industry subject to substantial regulation. Compliance with the applicable laws and regulations is fundamental to our business. Energean implements various controls in order to ensure compliance to the rapidly changing regulatory environment it operates in. Potential impacts of non-compliance include safety impacts on our personnel, suppliers and contractors, severe impacts to the environment, as well as loss of our social license to operate in the countries of our operations, further to potential legal and financial liabilities.



3. Axioms and Ethical Synergies

Axiom

(noun /'æk.si.əm/ word of Greek origin)

- a statement or principle that is generally accepted to be true

Ethical

(adjective /'eθ.i.kəl/ /'eθ.i.kəl/ word of Greek origin)

- relating to beliefs about what is morally right and wrong

Synergy

(noun /'sɪ.nə.dʒi/ word of Greek origin)

- the combined power of a group of things when they are working together that is greater than the total power achieved by each working separately

GRI 103-2, GRI 419-1, GRI 205-3

SASB EM-EP 530a.1

UNGC PRINCIPLE 10

Ensuring regulatory compliance

Our Management Approach

Energean's core principle is compliance with the applicable laws and regulations in every country where we operate and constitutes a central pillar of our Corporate Culture and Business Ethics Policy. Regulatory compliance must be followed by all employees, contractors and business partners across our operations. We are unequivocally committed to laws, regulations, decrees and any other binding decisions and documents that have been signed by the States in which we operate. In addition, we abide by regulations and decisions set by the United Nations and the European Union, especially in terms of the environment, health and safety and employment rights. Our Legal Department is available for consultations and guidance on the correct actions to be taken. In collaboration with other functions, it continuously reviews our performance and monitors compliance with applicable laws and regulations as well as best practice in the industry.

We have established a risk management framework to evaluate regulation and compliance risk. More information on the framework and the principal risks and uncertainties we have identified can be found within Energean's Annual Report (pages 58 to 78). Our Audit and Risk Committee is responsible to review the Group's overall risk assessment processes and identify and manage new types of risk in collaboration with the company's Compliance function. In order to ensure compliance with financial reporting requirements, the Committee receives regular regulatory updates. Furthermore, the Committee maintains the oversight of the Group's system of internal controls and the work of the outsourced internal audit function. Specifically, the Committee approves the role and mandate of the internal audit function, including the approval of the annual internal audit plan and monitoring the effectiveness of the function.

Governance risks and compliance

Energean monitors and addresses human rights, health and safety, environmental risks, as well as risks related to corruption, bribery and fraud. In order to do so, it has established a range of policies including the Corporate Culture and Business Ethics Policy, the Anti-Corruption and Bribery or "ABC" Policy, and the Whistleblowing Policy. Energean's Board and Executive Management maintain oversight of the risks related to these areas, provide leadership and ensure ethical standards are maintained.

Energean complies with the UK Corporate Governance Code ("the Code"), issued by the Financial Reporting Council (FRC), which is available at www.frc.org.uk. The way Energean applies the principles of the Code and our corporate governance arrangements are outlined within our Annual Report 2019 (pages 86 to 114). The Board has once again reviewed its compliance with the Code and confirms that it continues to comply with all the provisions.

As part of the Company's ABC compliance program and within the context of the ABC Policy, the Company has recently introduced a third party risk management procedure to support the Company's relevant functions (i.e. contracts & procurement department, CSR, commercial team) in conducting third-party due diligence on potential associated parties with a view to mitigating the risk of becoming involved in corruption through Company's counterparties.

Health & Safety compliance

Compliance with all applicable health and safety legislation and regulations is a fundamental requirement for Energean. In order to protect the health and safety of our employees, contractors and the general public, we have established an integrated Health and Safety Management System (H&S MS), aligned with international standards, safety directives, and European regulations, which covers all our company offices and premises and all activities at project locations and operational sites. We aim to obtain accreditation of our production sites systems according to the international standard ISO 45001.

Our Health, Safety, Environmental & Social Responsibility Policy stipulates that Energean shall comply with all relevant laws, standards and best practices. It clearly states that the policy applies to all staff and contractors, who should be fully aware of and comply with this policy. Energean monitors compliance to the policy and takes corrective action as necessary. In addition, it places an emphasis on continuous

improvement, by setting and monitoring relevant performance objectives and targets.

Energean maintains a Corporate Major Accident Prevention policy (CMAPP), recognizing that the nature of Energean's offshore oil and gas operations may result in major accidents, outlines Energean's responsibility to comply with the Offshore Safety Directive and with the Seveso Directive, to control risks of major accidents and to continuously improve such controls. The policy includes Energean's commitment to achieve high standards of Health, Safety and Environment (HSE) performance and to make available all necessary resources to achieve these goals. More information on this policy, as well as on our "Stop Work" policy can be found in the section "Ensuring emergency preparedness".

We establish and continuously monitor procedures and instructions for safe operation in order to be able to adapt to changes in operations, regulations, industry standards and technology. Our procedures take into account all employees and contractors who are monitored to ensure compliance. Energean provides regular internal and external safety training so that all employees and contractors are informed and aware of their compliance expectations.

Environmental compliance

As mentioned in the Health & Safety compliance section, the Health, Safety, Environmental & Social Responsibility Policy provides details on Energean's compliance requirements and the relevant responsibilities. Our system includes monitoring key environmental parameters in order to ensure full compliance with environmental laws and regulations. This is done through systematic observation, verification and documentation, with the ultimate goal to identify and implement corrective and preventive actions. Thorough review and assessment of the applicable environmental regulatory framework is carried out prior to the initiation of any of our projects.

The main environmental legislative frameworks that we have adopted and comply with are the following:

- > **Directive 2011/92/EU on the assessment of the impacts of certain public and private projects on the environment (EIA Directive)**
- > **Water framework directive (WFD), 2000/60/EU**
- > **Marine strategy framework directive (MSFD), 2008/56/EC**
- > **Directive 2008/98/EC on waste (Waste Framework Directive)**

With regards to the prevention of marine pollution, the main legislative framework we adopt and comply with includes, but is not limited to, the following:

- > **International convention for the prevention of pollution from ships (MARPOL)**
- > **Regulation (EC) No 1907/2006 concerning the registration, evaluation, authorization and restriction of chemicals (REACH)**
- > **Treaty on oil pollution preparedness, response and cooperation (OPRC)**
- > **Directive for the safety of offshore oil and gas facilities (2013/30/EC)**
- > **Barcelona Convention**
- > **Agreement on the conservation of cetaceans in the Black Sea, Mediterranean Sea and contiguous Atlantic (ACCOBAMS)**
- > **UN convention on the law of the sea (UNCLOS)**
- > **Stockholm convention on persistent pollutants (POPs)**

On biodiversity protection, the main legislative frameworks that we adopt and comply with are the following:

- > **Convention on migratory species (CMS or Bonn convention)**
- > **Convention on biological diversity (CBD)**
- > **Birds directive (2009/409/EC)**
- > **Habitats directive (92/43/EEC)**
- > **Other conventions, such as the Bern and Ramsar conventions**

For more information on the environmental legislative framework, please visit www.energean.com

Financial compliance

The Directors of the company have the responsibility to ensure and confirm that Energean's financial statements comply with applicable law and legislations. The Group undergoes internal and external audits on its financial statements, during which compliance reviews against the International Financial Reporting Standards are carried out.

Legal and regulatory risks and opportunities

Energean is committed to full compliance with all relevant laws. Regarding the formation of new policy and laws, Energean responds to all consultations, as for example the UN climate change working group, to which our HSE Director is currently contributing.

As part of its risk assessment process, Energean has identified Health, Safety and Environmental Risks as principal risks. As the Group operates in an industry that is inherently hazardous and subject to comprehensive regulation, and even through the Group considers that it has adequate procedures in place, there can be no assurances that these will be indeed adequate. Failure to mitigate such risks may result in loss of life, injury, or adverse impacts on our people and the environment, and may give rise to significant liabilities.

Relevant risks include, among others, risk of increased compliance costs, risks associated with changes in policy, risk linked to the loss of financial incentives, reputation risks, risks of strategy misalignment to the legal and regulatory environment, and risks of not being aligned with the expectations of our stakeholders. In terms of opportunities, compliance with the legal and regulatory environment can lead improved community relations.

More specifically in Israel, due to the fact that the Karish FPSO will be located in a complex geopolitical location, enhanced security and defence measures as required by law and under the lease requirements will be taken to ensure its protection.

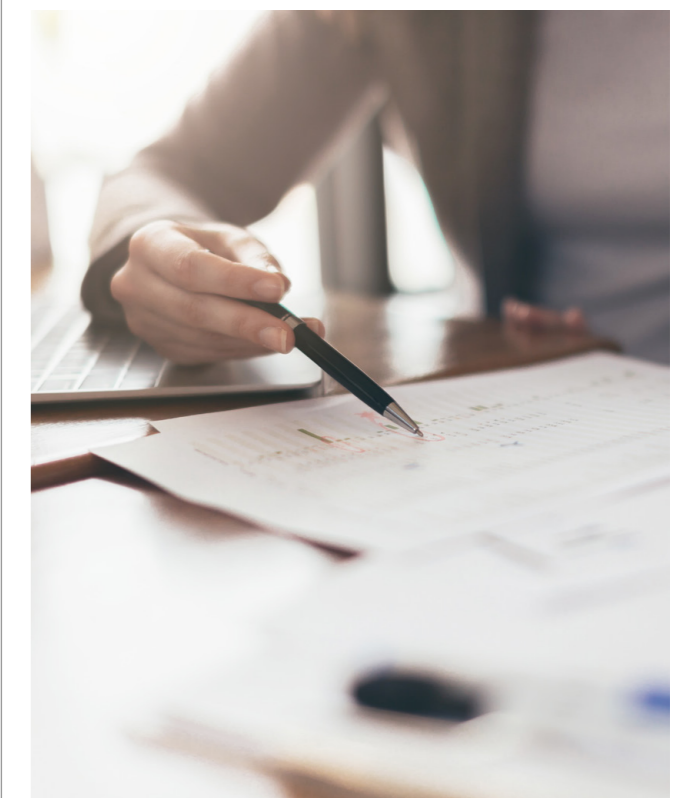
Energean will be responsible for general security measures, in accordance with Israeli Defence Force (IDF) guidelines, while regulatory authority for defence systems lies with the IDF and will, by law, be led by the Israeli Navy acting as the government regulatory defence entity.

Our Group carries out various actions in order to mitigate such risks. These include:

- > **Compliance with the HSE & SR policy**
- > **Monitoring of and adhering to changes in the regulatory environment**
- > **Active monitoring of the political, economic and social situation in historically sensitive geopolitical environment where Energean operates**
- > **Continuous improvement of the HSE Management System**
- > **ISO 14001 Accreditation for all production installations**
- > **Continuous monitoring of air quality**
- > **Competence assurance and assessment scheme**
- > **Internal and external annual training**
- > **Health monitoring and personal fitness programme**

Energean has not identified any incident regarding non-compliance with laws and/or regulations, in the social, environmental and economic area, during the reporting period.

Energean has not identified any confirmed incidents of corruption and thus no relevant actions needed to be taken during the reporting period.



For more information on our Management Approach, please refer to the chapter "Energean in Numbers", at the end of the report.



4. Symbiosis

Symbiosis
(noun /sɪm.bɪəʊ.sɪs/ word of Greek origin)
- interaction between two different organisms living in close physical association, typically to the advantage of both.
- a relationship between people or organizations that depend on each other equally.

GRI 103-2
SASB EM-EP-320a.2

Safeguarding Occupational Health & Safety and Wellbeing

Our Management Approach

Energean is committed to operating at the highest standards of HSE for its employees, partners, the general public, and the environment. As mentioned in our Code of Conduct, Energean's priority is to ensure that all our people return home safe and well at the end of every working day and that all accidents that potentially affect stakeholders and the company are prevented. In order to prevent potential health and safety incidents, we promote the establishment of a wider health and safety culture to all of our employees, contractors and suppliers, and carry out a vast array of actions including implementing H&S investment plans and providing regular training to our employees.

Our company continuously monitors key HSE performance indicators and we have continued to deliver upon our exemplary HSE track record, with one million hours free of Lost Time Incidents in Energean sites plus four million man-hours on the FPSO construction yard in China. In 2019, Energean drilled 4 Deepwater wells offshore Israel with a best in class HSE record. In our efforts to achieve and maintain high standards of HSE performance, we provide the necessary resources and equipment (e.g. Personal Protective Equipment) to our people for them to carry out their work safely, we implement an annual health programme and ensure the availability of medical fitness certificates for all our employees and contractors.

H&S Policy and Management System

Energean has established and maintains a comprehensive and integrated Health and Safety Management System (H&S MS) that is aligned with the requirements of international standards and European safety directives and is based on continuous improvement. Our system is governed by the Health, Safety, Environmental (HSE) & Social Responsibility (SR) policy, which sets out the corporate values, standards and expectations in terms of HSE & SR aspects related to the company's employees, partners, stakeholders, general public, environment and sustainable development. In addition, as per our Code of Conduct, the Management System demonstrates to all employees and contractors Energean's core business principles and philosophy. The system is based on international best practices for our industry and it is based on a 'Plan-Do-Assess-Adjust' cycle. Our system is complemented by specific procedures and guidelines, method statements and records of compliance. Energean aims to certify its H&S Management System against the international standard ISO 45001 in the future.

Leadership

Our CEO has the overall responsibility and accountability for health and safety (H&S) and takes all the necessary steps to ensure that our company operates to the highest level of H&S performance. In this effort, our CEO is supported by our HSE Committee which evaluates the effectiveness of the Group's policies and systems for identifying and managing environmental, health, safety and security risks as well as matters relating to equality, diversity, business ethics and corporate social responsibility. The establishment of the HSE Committee showcases Energean's top management commitment towards safeguarding health, safety and environmental aspects across our business operations.

The HSE Committee carries out two meetings per year. The Committee regularly collaborates with the HSE Director and the Head of CSR and reports proceedings to the Board of Directors.

Energean has established an internal process to assess the performance of the HSE Committee in 2019. The Committee will be subject to an external evaluation in 2020.

It is within the Committee's responsibility to review internal audit reports of the HSE department as well as the follow up of action points from the audit. In addition, the Committee reviews the external sustainability related reporting of the company and focuses on developing the external reporting related to sustainability further. The Committee conducts visits to our sites and operations in order to evaluate the management of HSE aspects in practice.

Supplier screening

Energean implements a systematic screening process of our contractors and suppliers, in terms of health and safety performance, to ensure the adoption of our H&S culture across all of our operations and supplies. We continuously monitor the HSE performance of our suppliers and contractors, including monitoring indicators such as Lost Time Injuries Frequency (LTIF) and Total Recordable Injuries Rates (TRIR). Indicatively we mention that our contractors' Lost Time Injuries Frequency (LTIF) and Total Recordable Injuries Rate (TRIR) during 2019 was 0.29 and 0.88 respectively, considering 1 million hours worked, while relevant peers' KPIs in 2018 were 0.64 and 2.41.

Compliance

It is of paramount importance for Energean to be compliant with all applicable H&S legislation. Energean ensures compliance with local laws and European legislations within all the company offices, premises, project locations and operational sites. Compliance is monitored through thorough internal audits and inspections as well as regular audits by third party organizations. Energean encourages its employees to raise issues in good faith if they become aware of breaches of the Company's policies and Code of Conduct and operates on a "No Retaliation Policy" which protects individuals who raise concerns.

Training

As regular training on occupational H&S-related topics is critical for the proper and safe execution of work carried out by our employees and our contractors, we ensure appropriate and regular training is provided to all employees. Energean has established a competence and assurance management scheme based on the company's ongoing needs. H&S training is provided to all employees and contractors either annually or bi annually and internal training sessions of at least eight hours are provided to our personnel every year.

Risk management

In order to identify and assess risks associated with H&S aspects within our operations, we employ a stringent process that includes consultations, on-site inspections, modelling procedures, literature review and other methods. In general, risks are managed so far as is reasonably practicable, ensuring that they are within the 'acceptable' or 'tolerable' level under ALARP (As Low As Reasonably Practicable). Energean has established a 'Stop Work' policy, according to which any person employed and/or contracted by Energean shall immediately stop work in case that any employee, a company asset or the local environment is at risk. No fault shall be placed on any employee that calls for a Stop Work order, even this order proves to be unnecessary upon further investigation, and work resumes only if approval is provided taking into account all the relevant safety aspects.

How do we evaluate our performance?

Internal and external audits, reviews, regular inspections and compliance checks are the activities carried out within Energean in order to ensure compliance with local laws and regulations, European directives and international standards. Key performance indicators are monitored continuously, and we focus on improving our performance constantly. The completion of risk assessments and the availability of Permits to Work are required prior to the initiation of tasks. Reporting accidents and incidents is carried out through a detailed process with ensures the thorough investigation and the timely implementation of the relevant Corrective And Preventive Actions (CAPAs).



Seminar on Basic Life Support and the use of an Automated External Defibrillator (BLS/AED Seminar)



Targets for 2020

- > Achieve an Energean employees Lost Time Injury Frequency (LTIF) less than 0.51 (peers average value, IOGP 2018).
- > Achieve a Contractors Lost Time Injury Frequency (LTIF) equal or less than 0.64 (peers average value, IOGP 2018).
- > Achieve an Energean employees Total Recordable Injury Rate (TRIR) less than 1.15 (peers average value, IOGP 2018).
- > Achieve a Contractors Total Recordable Injury Rate (TRIR) equal or less than 2.41 (peers average value, IOGP 2018).
- > Create and implement a common H&S management system throughout all group, including Crisis Management and Occupational H&S management.
- > Achieve certification of production sites' H&S systems to ISO 45001.

For more information on our Management Approach, please refer to the chapter "Energean in Numbers", at the end of the report.

Increasing the implementation of water efficiency innovations

Our Management Approach

Effective water management is at the core of Energean's operations. Energean recognizes the importance of global water resources and aims to reduce the impact of its operations upon water resources, through adopting responsible practices and management systems. We continue to develop our ISO 14001 accredited Environmental Management System, in line with all applicable national laws and European directives. In order to ensure compliance, we monitor the applicable regulatory framework for water management, which includes:

- > The Water Framework Directive
- > The Marine Strategy Framework Directive
- > The Barcelona Convention
- > The International Convention for the Prevention of Pollution from Ships (MARPOL)

Energean continuously monitors its onshore and offshore water discharges in the company's production sites in Greece, in order to meet the requirements of the above mentioned frameworks and continue the company's excellent track record of operating in sensitive marine environments without causing environmental damage. Furthermore, we achieved having zero environmental impact of our operations offshore Israel and Montenegro in line with national and international environmental standards.

Our production activities in our onshore and offshore facilities result in water discharges which include:

- > **Produced water, which arises from oil extraction**
- > **Oily water (usually rainwater) which falls on surfaces and machinery and potentially acquires high concentrations of grease and oil**
- > **Utility water, including cooling water**

We recycle and reuse water withdrawals for production, cooling, firefighting and utilities. Furthermore, we ensure proper and responsible treatment of our discharged wastewaters. In order to do so, we monitor and measure all our discharges to the marine environment, with water use intensity being one of the Key Performance Indicators that we monitor. During our daily worksite checks we monitor water usage, water pollution incidents, washouts of stormwater and spills.

Energean is focused on investing in innovations in order to improve water efficiency. Our main priority is to ensure proper and sustainable use of water resources, preventing any form of pollution. We take action so that for all our projects we implement the most advanced innovations for the efficient use of water resources in line with best practices in our sector.

Energean carries out Environmental and Social Impact Assessments (ESIAs) prior to the initiation of each project covering both our onshore and offshore activities. Our ESIs analyse the management of water resources during all project phases, including construction, operations, and abandonment. These studies additionally outline our mitigation measures, such as for example avoiding accidents using good practice codes, collision avoidance and fuel handling and transfer procedures. They also stress Energean's requirement that all staff and contractors shall undertake training and maintain good housekeeping standards. Wastewater management, monitoring and reporting requirements are further analysed within our Pollution Prevention Plans and our Environmental and Social Management and Monitoring Plans.

Our facilities include open drains and closed drains systems. Open drains systems collect surface waste liquids and allow their intakes to be vented to the atmosphere. Closed drains systems are fully contained drains, hard piped, which ensure drainage through all the facilities necessary before reprocessing or safe disposal to the environment. Through these systems, we prevent unintentional discharges of untreated fluids to the marine environment. In line with the relevant environmental permits and set limits, we treat and clean produced water from our projects from oil, hydrogen sulphide and other pollutants prior to discharge.

Energean has established a grievance mechanism in order to handle complaints related to the environment, including water management issues. The responsible Environmental Officer, with the HSE Director who is involved as necessary, address such complaints raised by stakeholders and ensure that the necessary actions are put into place. Energean recognizes the social, economic and political implications of its operations and aims to protect water resources and minimize its impact on the environment that it operates in.

In terms of protecting marine and terrestrial biodiversity, Energean has established an Environmental Management & Monitoring Plan (ESMMP) which, among others, specifies our practices and processes to conserve or enhance biodiversity. In addition, we have developed a Biodiversity Wildlife Management Plan, which covers ecology and wildlife training, protocols to protect marine mammals, pre-construction ecological surveys and wildlife inspections, habitat and species protection during construction and the relevant monitoring and reporting. Throughout our operations, we take into account regulations and directives such as the Bonn Convention, the Ramsar Convention, the Convention on Biological Diversity, and the Birds and Habitats Directives. In the summer of 2019, in North-eastern Greece, Energean signed a Memorandum of Understanding with the Management Body of Nestos River Delta, Lakes Vistonida - Ismarida and Thassos Island for the maintenance of the Management Body's biodiversity monitoring telemetric stations.

For more information on our Management Approach, please refer to the chapter "Energean in Numbers", at the end of the report.

GRI 103-2, GRI 306-3
 SASB EM-EP-160a.2, SASB EM-EP-540a.2
 UNGC PRINCIPLE 7

Ensuring Emergency Preparedness

Our Management Approach

Energean is committed to providing safe and healthy working conditions for all workers in its business and avoiding health and safety risks to third parties. In order to deliver on this commitment, our company implements an operational framework including control mechanisms and detailed procedures and instructions which are continuously developed, monitored and reviewed. As per our Health, Safety, Environmental & Social Responsibility Policy, Energean maintains emergency procedures designed to enable the company to respond to and recover from any Health, Safety and Environment (HSE) emergency, crisis and associated business disruption, which are regularly tested for their effectiveness. Our employees should be aware of the procedures that apply to their area of work in case of an emergency, and should ensure that visitors are also familiar with them.

At Energean, we recognize that the nature of our business, offshore oil and gas operations, may give rise to major accidents that could potentially have significant adverse environmental impacts. It is our responsibility to control the risks of major accidents and to continuously improve our controls in line with advancements in technology and good oilfield practices. Therefore, we have developed and implement a Corporate Major Accident Prevention Policy (CMAPP), approved by the Board, which outlines our responsibilities and commitments.

Our CMAPP recognizes our responsibility to comply with the Offshore Safety Directive 2013/30/EU and the Seveso Directive 2012/18/EU. Furthermore, it outlines our responsibility to protect and preserve the health and safety of people and good environmental conditions. The policy highlights our commitment to achieving high standards of HSE performance and to ensuring the availability of all necessary resources to fulfil our commitment.

The policy outlines the responsibilities in order to create a safe working environment. Energean's Board of Directors (BoD) is responsible to ensure compliance of the CMAPP with the applicable legislation, our core values, our Code of Conduct and corporate strategy. The BoD of each of Energean's subsidiaries is responsible to ensure that their systems and activities comply with the CMAPP while, each Country Manager is responsible for country-wide implementation of the CMAPP as well as monitoring and reporting compliance to the policy.



Visit on the Stena DrillMAX of Israel's Minister of Energy, Mr. Yuval Steinitz, during the drilling of the Karish North exploration well (March 2019).

Our policy states that Energean shall control the risks of major accidents arising from our onshore and offshore oil & gas operations so far as reasonably practicable, ensuring that such risks are within the "acceptable" or "tolerable" ALARP (As Low As Reasonably Practical) levels. Energean has developed a systematic and structured approach to achieve this, through our HSE Management system, which governs the following aspects:

- > Organization, Personnel & Training, including evaluating the effectiveness of personnel and contractor competency programs;
- > Identification and Evaluation of Major Hazards, with the active involvement of all employees;
- > Operational Control, including key required measures to prevent hazards from arising, mitigating consequences and ensuring effective recovery;
- > Management of Change, covering both permanent and temporary changes;
- > Planning for Emergencies, such as on-site emergency plans, cooperation with local Fire Authorities, the implementation of scenario drills;
- > Monitoring Performance, through established Key Performance Indicators reported quarterly to Country Managers and the BoD;
- > Regular Audit and Review to assess the degree of implementation and the effectiveness of the CMAPP and the HSE Management system, including reviewing capabilities and goals in terms of major accident hazard management.

Energean has developed a detailed Contingency Plan for each of our projects which outlines a course of action for the mobilization of personnel and equipment that may be required to handle a serious emergency. We accept that our system may result in overreaction or unnecessary actions, as our main priority is to do everything possible to provide a safe working environment and to minimize the possibility of causing damage or injuries to third parties. The plan includes the oil spill response plan of each facility, procedures on training and safety drills, as well as managing Personal Protective Equipment for our employees and contractors. It includes procedures to be followed both for minor incidents, such as injuries, damages to facilities or pollution such as rubbish and solid debris, as well as major incidents such as fires.

We determine the level of risk associated with our facilities through performing Quantitative Risk Assessment (QRA) studies. The purpose of the QRA is to provide a numerical estimate of the level of risk to people, associated with identified and defined major accidents. The QRA provides a means to compare the derived risk levels against industry-accepted criteria and also provides a baseline against which potential risk reduction measures can be assessed. Our QRA enables us to demonstrate that individual and total facility risk levels have been managed to be ALARP and to define a number of oil spill scenarios, model them deterministically, and assess potential environmental impacts.

It is Energean's policy to maintain a safe and secure environment against risk or exposure to personal harm, property damage or adverse effects to the environment. In this context, we have established a "Stop Work" policy, according to which work should stop if any employee, company asset or the environment is at risk. This policy applies to all our personnel and contractors. More information on this policy is provided in the material topic "Safeguarding occupational health & safety and wellbeing".

Energean has also established a Marine contingency plan, which aims to set the necessary procedures in order to handle specific incidents, such as oil spills, pipeline and tanker leaks and non-controlled abnormalities of the production platforms and applies to all our onshore and offshore facilities. We ensure that all personnel including employees and contractors receive regular and comprehensive training on the use of oil spill-fighting equipment and that all our facilities are fully equipped with the necessary technology and tools to combat critical incidents. The Marine contingency plan takes into account all employees, partners, local communities, local authorities and other relevant stakeholders. Energean has never had to put its emergency response procedures into practice, but we remain ready to act in the potential event of an accident and/or any other emergency.

Energean's operations resulted in zero spills during the reporting period, continuing our track record of zero environmental incidents during the years of our operations.

For more information on our Management Approach, please refer to the chapter "Energean in Numbers", at the end of the report.

GRI 103-2
SASB EM-EP-110a.3
UNGC PRINCIPLE 8, 9

Reducing greenhouse gases and other air emissions (e.g. NO_x, SO_x, VOCs)

Our Management Approach

Energean is committed to reducing its greenhouse gas emissions and aims to minimize its impact on air quality across its operations. Our company has set ambitious targets and aims to become a leading E&P company not only in terms of reducing carbon emissions but in sustainability in general. Currently, around 80% of our portfolio is gas, in alignment with our goal to transition our portfolio to natural gas.

During the reporting period, Energean became the first E&P company in the world to commit to net zero carbon emissions by 2050. One way through which we aim to achieve this goal is to reduce absolute GHG emissions. We additionally aim to balance a measured amount of carbon releases with an equivalent amount sequestered or offset or buying enough carbon credits to account for the difference. We are also looking into Hydrogen production, Negative Emissions Technologies (NETs), Carbon Capture and Storage (CCS), reforestation and afforestation projects and are evaluating their feasibility and effectiveness in order to potentially incorporate them in our operations.

Energean also participates in the Oil & Gas Assessing Low-Carbon Transition Technical Working Group (ACT TWG) which, according to the Paris Agreement Goals, focuses on developing methodologies to determine the degree of alignment of a company with a world having a well-below 2°C rise scenario. This is performed through a holistic sectorial approach, considering both quantitative and qualitative indicators. The ultimate goal is to obtain insights on the company's current and future ability to reduce its climate impact.

We are aligned with the policy requirements set in the countries of our operations in terms of emissions reductions. In Israel, as per government policy published in 2018, emissions in energy production are to be reduced with reducing the use of polluting fuel products by 2030. According to the policy, a fuel mix of 80% natural gas and 20% or more from renewable energy sources in the electricity production sector should be targeted.

Energean has also set ambitious goals regarding carbon intensity reduction. According to our near-term carbon intensity reduction plan for Scope 1 and 2 emissions, we estimate a reduction of about 70% by 2022, following first gas from Karish and integration of the Edison E&P portfolio.

We calculate our Scope 1 emissions including the seven GHGs under the Kyoto Protocol for our production facilities using heat and fuel benchmarks and undergo a verification process of our calculations by an independent body. We take into account combustion of gas mixtures for the production of thermal energy for our processes and combustion of gas mixtures and fuels for mechanical purposes and utilities. In addition, we measure and take into account gas mixture net heating value, composition and volume. Regarding Scope 2 emissions, we apply the location-based method and consider the electrical energy purchased and consumed throughout all our company premises by using country level grid electricity factors provided by electrical power supply administrators.



In terms of reporting, Energean intends to report emissions through the Carbon Disclosure Project (CDP). Through this process, Energean aims to obtain a clear understanding of our company's emissions and enable our company to enhance its emission reduction efforts. We are already disclosing Scope 1 and 2 emissions and we are in the process of standardizing emissions calculations and reporting processes for Scope 3 emissions as per CDP requirements.

Energean has established a comprehensive set of plans which include management, monitoring and reporting processes related to greenhouse gas emissions and form the basis of our Environmental Management System, which is aligned to ISO 14001 across our operations. These are:

> **Health, Safety, Environmental & Social Responsibility Policy**, setting our commitment towards safeguarding the environment and reducing emissions.

> **Health, Safety and Environment (HSE) Plan**, which, as well as specific processes to be carried out including relevant training and awareness requirements.

> **Pollution Prevention Plans for our projects**, addressing emissions and dust management.

> **Environmental and Social Impact Assessments (ESIA)**, carried out prior to the initiation of each project, in which the key environmental issues and potential impacts are identified across all the project phases. Within the ESIA's, emissions to air during the construction, operation and abandonment phases of each project, are investigated, both for our onshore and offshore facilities.

> **Environmental Management Plans**, approved by the Greek government as part of our relevant Environmental Impact Assessment, which outlines processes to manage environmental impacts resulting from our operations.

Energean has implemented a Continuous Monitoring (CEM) System to monitor parameters such as temperature, pressure drop, H₂S and combustible gases within our existing plant locations. Our central environmental station in the wider area of Thasos and Kavala monitors atmospheric emission levels and various meteorological parameters alongside 12 stations monitoring the total sulphation of the atmosphere on a monthly basis. The station specifically monitors:

> **Concentration of hydrogen sulphide (H₂S)**

> **Concentration of sulphur dioxide (SO₂)**

> **Concentration of total hydrocarbons (HCT)**

> **Concentration of methane (CH₄)**

> **Concentration of non-methane hydrocarbons (NMHC)**

> **Measurements of meteorological parameters (wind direction and speed, ambient temperature, relative humidity)**

Energean is committed to complying with the relevant regulatory requirements in order to reduce greenhouse gases and other air emissions. In order to do so, we ensure that our HSE policy is aligned with the local and national, legal and regulatory requirements across the full scope of our operations. Energean addresses the applicable statutory limit values for pollutants according to the air quality limits established by the European Union and is compliant with the applicable European directives, such as the European Pollutant Release and Transfer Registry annual reporting on SO_x/SO₂ emissions. Regarding emissions from vessel operation, we ensure that all vessels utilized in our projects meet the International Convention for the Prevention of Pollution from Ships (MARPOL) requirements pertaining to emissions in the atmosphere. We have taken steps to eliminate the need for unintentional flaring, given that flares are sources of continuous emissions and may cause significant environmental impacts. Our compliance with internal and external requirements is challenged during frequent audits by local and state authorities.



Targets in 2020

- > Participate in Carbon Disclosure Project (CDP)
- > Implement the recommendations of the Task Force on Climate-Change Financial Disclosure (TCFD)
- > Reduce our Carbon Emissions Intensity in Scope 1 and Scope 2 by more than 50% following Edison's acquisition
- > Quantify the medium and long-term plan activities

For more information on the quantitative evaluation of our Management Approach, please refer to the chapter "Energean in Numbers", at the end of the report.

Reducing (non-renewable) Energy Consumption

Our Management Approach

It is one of our top priorities at Energean to protect the environment and minimize our impact on the planet. Our business model is based on contributing to meet the world's growing energy needs in ways that are economically, environmentally and socially responsible. Energean embraces the values of sustainable development and has integrated energy efficient practices within all its activities, in order to deliver on our commitments in this regard. As mentioned in our Health, Safety, Environmental & Social Responsibility Policy, we shall conduct business taking into consideration the efficient use and conservation of energy and resources.

In order to deliver on our commitment to address our environmental responsibilities throughout our value chain and be compliant with the applicable national and European legislation, Energean has established an ISO 14001 accredited Environmental Management System (EMS) which enables us to manage our responsibilities, enhance our energy efficiency and minimize our energy consumption. Within the scope of this system, Energean analyses and reviews energy use and energy consumption data from various sources. Energy use intensity, both electrical and thermal, is one of the Key Performance Indicators that we monitor on a continuous basis as part of our EMS.

Energean established within the reporting period Energy Management Teams in the production installations with the responsibility to conduct annual Energy Analysis & Reviews in order to identify energy issues and opportunities for performance optimization. These teams calculate the contribution of each specific energy consumption to the total energy consumed, in order to evaluate the significance of energy consumption.

Following this analysis, the most significant sources of energy consumption are identified, which are defined as those that exceed 2% of the total energy consumption. Energean is then able to focus its efforts on optimizing these significant sources through the implementation of a regression analysis which aims to identify differences between actual and expected consumption based on statistical data.

During 2019, we carried out several actions in order to lower our energy consumption and improve the energy efficiency of our operations. Firstly, we carried out a detailed inspection of our steam networks, which resulted in the elimination of steam losses. In addition, we downgraded our steam boilers and reduced our cooling water pumps consumption through cleaning the cooling water lines. Furthermore, we continued replacing conventional light lamps with LED lamps. During the reporting period, we also commenced the revamping and downgrading of a sour gas compressor medium voltage motor.

For more information on the quantitative evaluation of our Management Approach, please refer to the chapter "Energean in Numbers", at the end of the report.



Growing the share of natural gas in the product portfolio

Our Management Approach

Companies active in the oil and gas industry are facing increasing societal and environmental pressures and demands to contribute to the energy transition through their business models and operations and to take part in achieving the goals of the Paris Agreement. In this context, Energean considers sustainable development integral to our corporate philosophy and core to our organization. This is evident through our corporate purpose and vision. Our purpose is to create long-term value for all our stakeholders and help deliver the energy transition through a focus on gas, a lower-carbon fuel, which is considered the fuel of the future. Our vision entails becoming the leading sustainable, gas-focused and innovative independent E&P company in the Eastern Mediterranean.

Our purpose and vision have been integrated within our strategy, which entails developing a balanced portfolio of gas assets. Our strategic focus on gas has led us to place our oil field assets in the Prinos Area under strategic review. This means that production from Prinos will be maintained through rig-less activities and investment will remain limited as our company decides where to allocate capital throughout the wider portfolio in the best manner.

During 2019, Energean agreed to acquire Edison E&P for \$750 million plus \$100 million of contingent consideration. This acquisition enables us to scale up our operations, diversify our portfolio and acquire a material presence in eight countries across the Mediterranean. Gas accounts for 80% of Edison E&P's portfolio, further contributing to our strategic priority of having a gas-weighted portfolio.

Energean continues to see strong demand for its gas, and its flagship project is the 2.2 Tcf Karish and Tanin development offshore Israel. Our strategic investment in this project aims to transform our business and enable us to attain our leadership position in the Eastern Mediterranean as a sustainable and gas-focused company. It is envisaged that the Karish and Tanin project will produce first gas in 1H 2021.

Energean's portfolio is currently 80% gas-weighted (excluding Algeria and UK). Our near-term primary objective is to deliver the Karish project, integrate Edison and discover more gas through further exploration drilling in the region of the Mediterranean. According to our estimations, we expect a reduction of approximately 70% by 2023 on our scope 1 and scope 2 emissions, following first gas from Karish and the integration of the Edison E&P portfolio.

For more information on the quantitative evaluation of our Management Approach, please refer to the chapter "Energean in Numbers", at the end of the report.



Energean's FPSO "Energean Power"



5. Metamorphosis

Metamorphosis
(noun /ˌmet.əˈmɔː.fə.sɪs/ word of Greek origin)
- a complete change
- the process of transformation and development from an immature/young form to an adult form in two or more distinct stages

GRI 103-2
G4 - OG10
SASB EM-EP-210b.1, SASB EM-EP-210b.2

Building and maintaining Community Relations

Our Management Approach

Energean aims to have a positive impact on the communities it operates in. Teamwork and collaboration are at the forefront of Energean's company values. Therefore, we believe that building trust and relationships within communities is integral to our progression as a Company. We monitor how our operations influence the well-being of our host communities, in order to focus our activities on improving local quality of life, and maintaining our social license to operate.

By investing in communities, we seek the establishment of mutually beneficial relationships between our Company and the local communities in which we operate. We consider the provision of solutions to the social issues that our communities are facing to be a joint effort, in which trust is key. In the long run, it is Energean's goal to make these solutions as sustainable as possible.

As a whole, the energy industry's impact on natural resources as well as local communities and their ecosystems is subject to scrutiny and debate. Energean believes in creating shared value among its stakeholders as well as implementing responsible practices, controlling the management of risk while still maintaining the ability to seize business opportunities in a changing environment.

Our CSR policy, which is embedded in our company values and guided by international standards and best practices, is fundamental in how our business functions. Energean is always seeking to improve its sustainable development agenda by collaborating with governments, the private sector and the civil society in order to progress on a global, regional, national and local level.



No poverty

In partnership with NGOs, Energean strongly values the support of less fortunate and vulnerable people. We strive to combat poverty and are always seeking new ways to give back to society. In 2019, Energean:

> Supported the NGO in Greece "Together for Children" through the CSR initiative "I give because I care". Energean donated children's items, food, personal hygiene products, cleaning and school supplies, as well as clothes.



Zero hunger

Energean has established long-lasting support networks with NGOs in their fight to prevent hunger by supporting poor and vulnerable people who have limited access to good food and proper nutrition.

Specifically, our company:

> Continued the donation of surplus lunch food from the Athens office to "Boroume" ("We Can" - a non-profit organisation that fights food waste by organizing the distribution of surplus food for charity throughout Greece).

> Under Energean's initiative, Oilfield Hospitality Services (OHS), the food supplier of our drilling rig in the Gulf of Kavala, offers meal portions daily to the Non-Profit Organization "Likno Agapis" ("Cradle of Love"). The food is distributed to families of the local community of Kavala in need.

> Donated supermarket gift vouchers for the Easter table to families in Kavala.



Good health and well-being

Energean cares about the good health and wellbeing of all people, from its employees to the citizens of local communities. By providing premium health insurance packages to its employees, and by promoting health initiatives in the local communities, Energean seeks to offer a helping hand to people in need. In this context, Energean responded to local needs through:

> Continuing our excellent HSE performance with more than 4 million man-hours with no Lost Time Injuries (LTI) in the Zhoushan shipyard in China, where we are building the hull of the "Energean Power" FPSO. Furthermore, we celebrated more than 1 million man-hours without LTI in all Energean sites.

SDG 3 Continued on next page

- > Ensuring zero spillage incidents.
- > Sponsoring the 2019 Finswimming European Senior Championship in Ioannina, Greece.
- > Supporting the 2019 Panhellenic High School Basketball Championship of Greece & Cyprus, in Kavala, Greece.
- > Being the Gold Sponsor of the 2nd "Apostolos Pavlos" International Swimming Meet in Kavala, Greece.



Quality education

Energean believes that inclusive education is vital in order to develop innovative solutions to the world's problems. With sustainable development at the forefront of our company's values, Energean aims to provide a high level of educational opportunities to support future generations. Oil and Gas is an ever-evolving market and we believe investing in the education of the youth of today will enhance their outcomes tomorrow. Over the course of the last year, Energean initiated the following actions:

- > Became a strategic partner with Chemecon (a non-profit association of Young Chemical Engineers).
- > Offered paid internships to 23 college students.
- > Provided scholarships and academic financial aid to 7 college students.
- > Awarded 5 academic scholarships in collaboration with the Bodossaki Foundation.
- > Provided guided tours to college professors and students of our onshore facilities ("Sigma Plant") at Nea Karvali, Kavala, Greece.
- > Supported the "Protecting the sea" educational program on marine life and environment in Fordis Village, Israel.



Gender equality

Energean believes in progress towards gender equality and women's empowerment and their equal opportunities for leadership. This is supported in Energean's Corporate Governance structure:

- > Proud to announce Karen Simon as the Company's new Chairman who is an advocate for creating leadership opportunities for women.
- > Welcomed Amy Lashinsky to Energean's Board of Directors as an Independent Non-Executive Director.
- > Percentage of female representation in Energeans work force: BOD 22.2% , Senior Management 41.7% ,Middle Management 24% , other Employees 12%.



Reduced inequalities

Energean's slogan "We all can, we all care" reflects our aim to empower people with special needs and disabilities, to promote inclusion and to encourage everyone to work towards a world of reduced inequalities. Over the reporting period, Energean has implemented the following actions to convey the message that living with a disability should not hold anyone back from living a full life:

- > Proudly opening the crowdfunding project for the creation of a multi-sensory room in a Special School, the School of Special Vocational Education and Training of Kavala, Greece. The room was presented on December 3rd 2019, which marks the International Day of Persons with Disabilities.
- > Energean was recognised and received an award at the "Bravo! Sustainability Dialogue & Awards 2019" for the CSR activity "We can – We care". We organized a basketball game/event with and for our fellow citizens with disabilities alongside a crowdfunding initiative for a Special School in Kavala, Greece.
- > Energean supported the 2nd International Wheelchair Basketball Tournament "Rebound of Friendship" in Kavala, Greece.
- > Continued the support of the Association of Paraplegics and Disabled People in the Prefecture of Ileia, Greece.
- > Teamed up with the Israeli Paralympic Committee in Support of the 2019 Basketball Cup Final for the disabled by raising public awareness through social media and by sharing companywide invites.
- > Supported 3 Paralympic swimmers in Israel in their journey to qualify for the Tokyo 2020 Paralympic Games via monthly scholarships and social media awareness.
- > Energean offered a grant to the two Paralympic swimmers who qualified for the 2020 Tokyo Games at the London World Championships.
- > Our Company had representation and showed support to both local and international events hosted by the European Paralympic Committee.
- > Continued offering support to "Etgarim" (Hebrew for "Challenges"), an NGO in Israel for the rehabilitation, empowerment and social integration of children and adults with disabilities, through outdoor sports. Energean was one of two supporters of the "Start Fresh" Haifa Sailing Club. Fifteen students at risk were granted the opportunity to participate in educational and challenging sailing activities.
- > Energean donated concert tickets to parents and caregivers of children with cancer, in collaboration with Rachashei Lev (Whispers of the Heart), an NGO support centre for cancer-stricken children and their families in Israel.
- > Energean purchased wine from the Tulip Winery (an open community and home for adults with cognitive, developmental and emotional disabilities). The income from the purchased branded bottles serves towards the benefit of the village residents.
- > Energean supported "Access Israel", a non-profit organisation that promotes accessibility and inclusion in order to improve the lives of people with disabilities and the elderly. On December 3rd (the International Day for People with Disabilities), at an Elementary School near Haifa, North Israel, Energean engaged in an event held by "Access Israel", which demonstrated the challenges people living with disabilities experience on a daily basis.

"Building and maintaining community relations" continued on next page



Sustainable cities and communities

Energean has always focused on supporting the sustainable development of the local communities in which it operates. Our activities work towards safeguarding and protecting the heritage of these sites. During the reporting period, Energean initiated and supported the following actions:

- > Donated all necessary firefighting equipment for a large-scale Fire Service response training drill at Energean's onshore facilities in Kavala, Northeastern Greece.
- > Support of the 3rd Dodoni Festival (a Cultural Summer Festival in Ioannina, Greece).
- > For the sixth consecutive year, the Great Sponsors of "Kalpakia 2019" (a Cultural Event of Historical Remembrance for the WWII Battle in Kalpaki, Ioannina, Greece).
- > Collaboration with the Hof HaCarmel Regional Council promoting community and environmental projects, such as, "Blue Flag Beach" and Marine Sports to connect the community to the marine environment and sports.
- > Proudly advocating for the Carmel Sailing Community by hosting races and lectures throughout the year.
- > Energean is supporting the Israel Nature and Parks Authority in protecting and conserving Israel's nature, landscapes and heritage sites.



Climate action

Energean is committed to taking action against the threat of climate change. With weather events becoming more extreme and the impact of global warming, Energean is implementing climate change policies. In the reporting period, Energean has:

- > Joined the "Business Ambition for 1.5 Degrees Centigrade: Our Only Future" ahead of the 25th annual UN Climate Change Conference, in Madrid, Spain.
- > Committed to becoming a net-zero emitter by 2050.
- > Committed to reporting to Carbon Disclosure Project (CDP) and to Task Force on Climate-related Financial Disclosures (TCFD).



Life below water

Energean aims to increase awareness that careful management of our ecosystems and marine coast is key feature to a sustainable future. We encourage our staff not only to practice the prevention of pollution, but also act towards the remediation and the restoration of the existing pollution beyond Energean's operational boundaries. Our staff took part in the following actions throughout the reporting period:

- > On June 5th, the World Environment Day, we sponsored and engaged in a beach and seabed clean-up accompanied by an educational environmental lecture to elementary school students in Montenegro's Zukotrlica Beach and the Marina of Bar.
- > Sponsored live drones to capture footage of sharks near Israel's Hadera ECI power plant during the weekends and other events to ensure visitors are aware of the flourishing marine environment around the plant.



Life on land

Energean believes successful sustainable development is grounded upon shared values and principles. Inclusive partnerships provide inspiration, information and guidance towards contributing to a better and more sustainable future for all. To date, Energean has:

- > Organised and performed a beach clean-up at the Delta of the Nestos River, in North-eastern Greece. The event took place on June 5th, World Environment Day, and on the same day Energean signed an MoU in collaboration with the management body of Delta Nestos, Lakes Vistonida – Ismarida and Thassos Island, for the maintenance of Biodiversity Telemetric Stations of the area.
- > "Saving Olly", the rescue, adoption and care of an injured owl found by the team on the Stena DrillMAX drill rig above the Karish Field, in collaboration with Israel's Nature and Parks Authority.



Partnerships for the goals

Energean believes successful sustainable development is grounded upon shared values and principles. Inclusive partnerships provide inspiration, information and guidance towards contributing to a better and more sustainable future for all. To date, Energean has:

- > Joined Maala, a non-profit, CSR standards-setting organisation in Israel. Maala's CSR Index is an ESG rating system used as an assessment tool, benchmarking Israeli companies on their CSR performance. Energean is persistently strengthening its position as a member of the CSR community in Israel, and since 2019 the company grew as an active and engaged member of the organization and within the CSR community alongside Israel's leading companies. In 2020, Energean will be ranked among the 25% of the largest companies in Israel.
- > Announced becoming a signatory of the United Nations Global Compact (UNGC). Energean is committed to abiding by the UNGC's principles in the areas of human rights, labour, environment and anti-corruption.

Our Performance

It is of significant importance to us that we constantly try to address the needs of the local communities through our social contributions. Therefore, we value feedback on all our initiatives and activities. Our CSR department works hard on building upon day-to-day interactions with the communities and our staff strives to provide greater support as well as works towards improved methods of assessing needs. One of our main goals is to inspire the local community and raise awareness for our actions among our employees. Therefore, we urge our employees to engage with our upcoming activities.

During the 2019 period there were no recorded disagreements with the communities in which we operate or their local people, concerning the use of land, marine or other cultural heritage areas. We believe trust is key to us retaining our social licence in the future, thus we are always striving to improve our relationship with the local communities.

No significant actual negative impacts of Energean's operations have been reported and there have been zero significant disputes with local communities during the reporting period.

Process to manage risks and opportunities associated with community rights and interests

Energean's business model and operations are based on creating shared value for all its stakeholders, whilst looking to maximize the impact on the community / local partners. Implementing responsible practices, managing risks and grasping opportunities related to community needs and expectations are fundamental to Energean. In this effort, Energean maintains an ongoing open and active dialogue with all its stakeholders, including members of the communities it operates in.

Upon understanding the needs and expectations of its stakeholders, Energean implements actions in order to contribute to their satisfaction. Energean takes care to identify and implement relevant actions throughout the life cycle stages of its operations, from exploration, through to production and decommissioning. Energean's specific activities in supporting the communities it operates in are thoroughly analyzed within the scope of the material topic "Building and maintaining community relations". These include activities that contribute to the following:

- > Economic aspects, such as combating poverty
- > Environmental aspects, through its environmental commitments and initiatives and protection of the marine and terrestrial life in its areas of operation, including activities to raise awareness within the local community on environmental issues.
- > Social aspects, such as providing access to food and proper nutrition, protecting the health and safety of our host communities, promoting the rights of people with special needs disabilities, offering educational opportunities.
- > Cultural aspects, such as through supporting cultural festivals and protecting cultural heritage areas, or cultural events initiated by our company's partners.

Energean has established numerous partnerships in order to further support the communities it operates in. We collaborate on a regular basis with governments, the private sector and the civil society in order to identify their views and needs on specific topics. We investigate a vast array of topics which include, but are not limited to, non-technical delays, availability of adequate infrastructure and access to clean water and land.

Within its projects, Energean is in line with "Good International Industry Practice", exercising professional skill, diligence, prudence and foresight. Energean reports the extent to which it operates in alignment with the International Finance Corporation's (IFC) Performance Standards on Environmental and Social Sustainability:

- > **Performance Standard 4** – Community Health, Safety, and Security: Energean evaluates the risks and impacts to the health and safety of impacted communities during the life-cycle of its projects and establishes

both preventive and mitigation measures. In designing, constructing, operating and decommissioning structural elements or components, Energean takes into consideration safety risks to third parties. During any of the stages of its projects, Energean avoids impacts on ecosystem services and implements mitigation measures where necessary. Our company takes all necessary measures to prevent community exposure to disease and implements emergency preparedness and response procedures. We ensure adequate security is provided to our personnel and our property and take all necessary measures so that the provision of security services is in alignment with the applicable laws and regulations. On a high level, Energean is compliant with the IFC's Performance Standard 4.

- > **Performance Standard 5 – Land Acquisition and Involuntary Resettlement:** Energean takes care to avoid or minimize physical and/or economic displacement resulting from its operations. We liaise with involved communities as part of our stakeholder engagement processes and we are reachable via points of contact and the company's website for specific concerns. To this extent, Energean is in alignment with the IFC's Performance Standard 5.

- > **Performance Standard 8 – Cultural Heritage:** Energean complies with applicable law on the protection of cultural heritage and has established a chance finds procedure for cultural heritage. Energean maintains constant dialogue with the communities it operates in which includes concerns on cultural heritage. In this vein, Energean is aligned with the IFC's Performance Standard 8.



Targets in 2020

- > Energean plans to maintain its strong and long-standing relationships with the local communities it operates in.
- > The company will aim to extent its collaborations with organizations, institutions, and NGOs and will strive to create new ones, especially with those involved with environmental aspects and subjects. Energean realizes that collaboration and working with others is the only way things can move forward.

Greece

Although in a recession for almost 10 years, the country has upgraded the E&P activity by proceeding with international tenders and awards of new licenses to companies and JVs offshore in Western Greece, as well as in the Ionian Sea and Crete. The main risk for the E&P activity occurs from the volatility in the markets, that usually affect more projects that are dealing with tough bureaucratic environments and delays, as well as the wider discussion regarding climate change. Although no E&P projects have been postponed or delayed in Greece due to environmental/climate change issues, it is possible that this situation will have an impact on the implementation of such projects in several aspects (bureaucratic procedures to worsen, pressure from the public opinion for more strict regulation and legislation etc.)

In its areas of operations, Energean has been trying to mitigate risks by implementing a strategy based on the following:

> **Adoption of the latest EU directions and legislation related to the E&P activity.**

> **Implementation of carbon emissions reduction plans.**

> **Continuous training of its staff and implementation of response drills to make sure that all its facilities and operations are working properly and in accordance with our core principle "SAFETY FIRST".**

> **Work closely with its shareholders to make them realise the benefits the activity has to the local communities as well as to mitigate any potential impact on their daily life.**

> **Being always open to participate in public discussions with focus on E&P projects in order to present and explain all the aspects of its operations and establish a continuous dialogue with the local and scientific communities.**

Montenegro

In March 2017, Energean signed a Concession Agreement (hereinafter: PCC) with the State of Montenegro regarding hydrocarbons exploration and exploitation in offshore blocks 4219-26 and 4218-30. In order to fulfil the mandatory work programme as defined by the PCC, in February 2019 Energean carried out a 3D geophysical (seismic) survey in the said two offshore blocks located in the Adriatic Sea.

Based on the analysis of the existing relationships between the project activities, environment, local communities and Energean's stakeholders, the relevant Environmental Impact Assessment (EIA) has provided an evaluation of the potential impacts resulting from the project.

Due to the location of two offshore blocks, it was ascertained that the conduct of the 3D geophysical survey may cause certain temporary interferences to the fisheries activities within the area of the 3D geophysical survey. As a result, the relevant EIA has defined mitigation measures identified to manage interaction with fisheries activities, including the negotiation of the disturbance allowance to the Montenegrin professional fishermen for the loss of access to fishing grounds and disturbance or displacement of fishing activities potentially resulting from the project implementation.

Prior to commencement of the project, several meetings were held with local Fishermen Associations and the competent Ministry of Rural Development and Agriculture. The whole affair was well organized and civilized and the local fishermen representatives understood and accepted the concepts and the proposed procedure as well as the amount of compensation stating that they recognize Energean's efforts to engage with the community & to minimize the impact of the project to the fullest extent possible.

Non- technical delays

Prinos, Greece

Energean's development plan continued with no issues related to the local community.

Katakolo, Greece

In April 2019, the Greek State via the Pyrgos Forrestral Authority rejected an objection that was submitted by a land owner in June 2017 against the ownership of the land selected for the Katakolo development ERD. The submission of the objection prevented any substantial progress in the project and the procedures were stalled.

In May 2019, new regional government and local authorities were elected in Western Greece and the Municipality of Pyrgos respectively. The new authorities requested an extension in the duration of the public consultation that was in progress in respect with the ESIA. Finally, in December 2019, Western Greece's Regional Council expressed positive sentiment to the company's ESIA for the Katakolo FDP (the first regional positive sentiment ever for a drilling of a well in Western Greece) and so the public consultation concluded successfully. Energean now waits for the final approval to be granted by the Ministry of Environment and Energy.

Ioannina, Greece

Energean holds a 40% Working Interest in the Ioannina licence, operated by Repsol which holds the remaining 60%. During 2019, a 2D onshore seismic survey has been successfully completed with no delays related to the local community or any bureaucratic issues.

Montenegro

In Montenegro, there were no project delays or shutdowns during the reporting period.

Israel

In Israel, there were no project delays or shutdowns during the reporting period. Energean's development plan continued with no issues related to the local community.

For more information on our Management Approach, please refer to the chapter "Energean in Numbers", at the end of the report.



World Environment Day: Nestos River Delta - Beach Clean Up (June 2019)



Energean sponsors the 2nd International Wheelchair Basketball Tournament "Rebound of Friendship" in Kavala, Greece (September 2019)



Energean sponsors the 2019 Israeli Offshore Regatta by Carmel Sailing Community - NGO that develops the sailing community in the northern district of Israel (October 2019)



8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

17 PARTNERSHIPS FOR THE GOALS

6. Economic Acme

Economy
(noun /i'kɒn.ə.mi/ word of Greek origin)
- the system of trade and industry by which the wealth of a country or region is made and used

Acme
(noun /'æk.mi/ word of Greek origin)
- the highest point of achievement

Generating economic value / economic performance of the company

Our Management Approach

Energean's focus is on discovering, developing and monetising gas in the Eastern Mediterranean to deliver value to all of our stakeholders and, to this end, we are currently at another transition point in our history, in which we are converting our historic success in growing reserves and resources, into growth in production and cash flows. Sustainability and ESG are at the core of this focus and, aligned with this, we distribute value both directly to the areas in which we operate as well as indirectly throughout our supply chain.

Energean's balanced portfolio of exploration, development and production assets, consists of operations in Israel, Greece and Montenegro. Once the Edison E&P transaction, and associated onward sale of the UK and Norwegian subsidiaries, is complete, we will add Egypt, Italy, Croatia and Malta to our Mediterranean, gas-focused portfolio. Our flagship project is the Karish and Tanin development, which will monetise more than 2.3 Tcf of gas resources with first production commencing in 1H 2021.

Our vision is to be the leading, sustainable, gas-focused and innovative E&P player in the Eastern Mediterranean. We will deliver value to our stakeholders through our core strategic goals of optimising production, developing reserves, adding more hydrocarbons and portfolio integration, and by applying our strategic pillars of risk mitigation, operational excellence, effective project execution, disciplined capital allocation and ESG stewardship.

Core components of our investment case are:

- > **Low cost production, underpinning stable, long term cash flows**
- > **Proven and experienced position as an offshore operator**
- > **Strategic positioning in an industry hotspot, including the only FPSO in the Eastern Mediterranean**
- > **A leading position in ESG and HSE, and transition fuel-focused portfolio**
- > **Experienced management team and independent Board with a successful track record of value creation**
- > **World-class technical partners and strong financial backing**



The hearty handshake and the CEOs' smiles: it's the dawn of a new era! Mathios Rigas, Energean, and Nicola Monti, Edison E&P, at the event hosted by Energean on July 10th 2019, for the acquisition of Edison E&P.

1. Optimising Production

We aim to optimise production from our existing low-cost production base, reducing per unit costs to grow operating and free cash flow. In 2019, and subject to the completion of the Edison E&P transaction, we delivered working interest production of 59.7 kboepd, of which 3.3 kboepd was produced by Energean.



2. Developing Reserves

We are focused on developing Israel's offshore gas resources and, during 2019, we drilled four deepwater wells with a best-in-class HSE record. Our flagship Karish project is at an advanced stage and, at year-end 2019, physical completion stood at 72%. The proposed acquisition of Edison E&P will add 239 mmbobe of 2P reserves and, following completion of the transaction, we will be allocating capital to the most value accretive assets across the portfolio.



3. Adding More Hydrocarbons

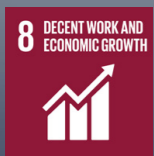
We are highly selective in our approach to adding hydrocarbons, either through organic or inorganic means. The proposed acquisition of Edison E&P will increase 2P reserves to 580 MMboe, and in 2019 we discovered 25 bcm of gas and 34 MMbbl of liquids in Karish North. We were awarded four new licences offshore Israel and saw an uplift in 2P reserves and 2C resources in Greece, following upward revisions at Katakolo and Epsilon.



4. Portfolio integration

We successfully raised \$865 MM in financing for the proposed acquisition of Edison E&P and agreed to sell Edison E&P's North Sea assets for \$250 million of firm consideration plus up to \$30 million of contingent consideration. Once the acquisition is complete, we will be focused on integrating the two businesses, Energean and Edison E&P, to create the leading independent E&P company in the Eastern Mediterranean. In 2019, we placed our Prinos assets in Greece under strategic review in order to better understand where to allocate capital and generate the best returns across our enlarged portfolio.

For more information on the quantitative evaluation of our Management Approach, please refer to the chapter "Energean in Numbers", at the end of the report.



7. Anthropocentric

Anthropocentric

(adjective / ,æn.θɹə.pə'sen.trɪk / word of Greek origin)

- considering humans and their existence as the most important and central fact in the universe

GRI 103-2, GRI 406-1, GRI 408-1, GRI 409-1, GRI 412-2, GRI 414-1
SASB EM-EP-210a.1., SASB EM-EP-210a.3, SASB EM-EP-510a.1, SASB EM-EP-210a.2
UNGC PRINCIPLES 1, 2, 4, 5, 6

Safeguarding human rights at work

Our Management Approach

Upholding and promoting human rights within Energean's sphere of influence is one of our core commitments. We protect and advance human rights as they are defined in the Universal Declaration of Human Rights (UNDHR) and the core conventions of the International Labour Organization's conventions on labour. Energean's Corporate Principles, our Code of Conduct and other relevant Group policies outline our commitments towards safeguarding human rights across our operations.

As per our Code of Conduct, our aim is to:

- > promote respect for human rights, including compliance with applicable laws and regulations;
- > adhere to corporate policies;
- > value diversity with equal opportunities for all;
- > eliminate any kind of discrimination in investment decisions;
- > contribute, directly or indirectly, to the general wellbeing of the communities within which we work.

UNGC Signatory

To demonstrate our commitment towards safeguarding human rights within our operations, we became within 2019 a signatory of the United Nations Global Compact (UNGC). Though becoming a UNGC signatory, Energean shows its commitment to abiding by the UNGC's principles in the areas of human rights, labour, environment and anti-corruption.

Diversity and equal opportunities

We are committed to offering equal opportunities to our workforce and have established a merit-based recruitment and evaluation system. Energean supports diversity and continuously tries to create an inclusive working environment, in which all people feel valued and are not subject to unlawful and unfair discrimination. We have created a highly diverse workforce in terms of gender and we employ people from various countries.

At Energean, we carry out multiple activities each year which aim to support persons with disabilities. Our constant efforts to safeguard human rights and promote a culture of inclusiveness have been recognized, as illustrated from the "BRAVO Society - Human Rights" award Energean was presented in 2019. Specifically, the award concerned the activities "We Can - We Care": Playing Basketball with and for our fellow citizens with disabilities, along with "Crowdfunding for a Special School in Kavala". We are very proud for this recognition and focus on further contributing to the Sustainable Development Goals through additional activities in the future.

Anti-Corruption and Bribery Policy

Energean upholds all laws relevant to countering bribery and corruption and comply with the UK Bribery Act 2010. We have established an Anti-Corruption and Bribery Policy outlining our zero-tolerance approach to bribery and corruption. According to this policy, the prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for us or under our control, including our suppliers and

business partners. Anti-bribery clauses are included in contractual agreements with our suppliers and partners.

Our policy sets out our due diligence procedure prior to the appointment of intermediaries and business partners. According to this policy, such appointments are subject to the approval of the Compliance Officer, who reviews the required documentation and conducts further due diligence as necessary. The extent of any further due diligence required and the ultimate decision as to whether to approve an appointment, an engagement in a joint venture or any other business combination with any business partner is informed by the existence of any of the following "red flags":

- > location risk such as where the intermediary has no physical presence in the relevant country or where business is to be transacted in a country with a poor corruption record;
- > transactional risk such as transactions or proposed appointments which do not make economic sense or which are opaque and difficult to understand;
- > financial risk such as where the intermediary requires the payment of cash or offshore or unusually high payments; and
- > general risk such as suspiciously close ties to government officials, previous allegations of corruption or unethical behaviour or a lack of proportionality between the proposed work and fees.

Energean has established a structured system on raising concerns, which is set out in our Company's Whistleblowing policy, which takes into account the Whistle blowing Arrangements Code of Practice issued by the British Standards Institute and Public Concern at Work. It outlines that any concerns related to bribery, corruption, or other topics should be raised with the Compliance Officer.



Corporate Culture and Business Ethics Policy

Energean's Corporate Culture and Business Ethics Policy ("Ethics Policy") which applies to all employees and each of the company's subsidiaries and joint ventures. This policy provides a framework for our employees to help them and guide them in making responsible choices and act using their best judgement. The policy stipulates the basic principles of operation and states that all employees shall abide by the law and act in a highly principled and socially responsible manner in all areas of Energean's business.

The core values outlined in our Ethics Policy remain the same as last year. These values are:

- 1. Integrity:** to act honestly and consistently in interactions with others, and to act ethically and with consideration for others;
- 2. Collaboration:** to collaborate and support one another and to share knowledge to ensure the success of all;
- 3. Communication:** to promote open, honest and proactive communication within Energean;
- 4. Contribution:** to contribute actively towards the improvement of results, performance and efficiency;
- 5. Responsibility and Respect:** to take responsibility for one's own work and give credit to others for their help;
- 6. Challenge:** in the framework of continuous improvement, to set aggressive goals, and take a challenge on a daily basis;
- 7. Question Authority:** to acknowledge the right, and exercise the obligation, to ask questions, including questions of management;
- 8. Performance:** to focus on delivering superior performance, by being proactive, maintaining the tempo of decision making and always thinking about improving the results of work activities;
- 9. Reward:** to exercise continuous thinking and good judgement, to be invaluable to Energean.

Our Ethics Policy outlines what is expected from every Energean employee in terms of business ethics. These requirements include, but are not limited to, the below:

- > **Regulatory compliance:** obeying the law both in letter and in spirit is core to Energean.
- > **Conflicts of Interest:** these are prohibited, except as approved by the board of directors.
- > **Insider Trading and Share Code Dealing:** Energean has a strictly enforced Share Dealing Code and the Inside Information Disclosure Policy.

> **Competition and Fair Dealing:** taking advantage of opportunities discovered through the use of corporate property for personal gain is also strictly prohibited.

> **Corporate Opportunities:** these are protected.

> **Competition and Fair Dealing:** fair dealing is encouraged and non-competitive behaviour is not permitted.

> **Discrimination and Harassment:** Energean is firmly committed to providing equal opportunity and will not tolerate any illegal discrimination or harassment based on race, colour, religion, sex, national origin or any other protected class.

> **HSE:** Energean is committed to ensuring the health and safety of all our employees and the people who could be impacted by our activities, as well as the protection of the environment in which we work and respect for the interests of the communities in which we work, and we have HSE policies in place to enable this.

There have been no incidents of discrimination during the reporting period.

Energean makes an annual commitment to antislavery in its business. Specific clauses on compliance with the modern slavery legislation were introduced in 2019 to be included in its supplier contracts. Suppliers are also requested to make a formal commitment in accordance with the following principles: compliance with laws, anti-corruption, health and safety and environmental protection. Energean also carries out pre-selection screening of suppliers on a risk basis. Starting from 2019 this pre-qualification due diligence procedure applies to prospective vendors and allows evaluation of the vendor integrity, financial information, HSE, disclosures of any relations to public officials and the existence of any compliance policies and procedures. Energean has designed a process to conduct post-award audits of suppliers on a risk basis. Based on the above mentioned policies and procedures, Energean has not identified any significant risk of incidents of child labor and forced or compulsory labor within its operations. Regarding HSE performance, Energean applies a systematic process for the selection and management of suppliers and contractors, from the pre-qualification stage at the outset of this process to the monitoring and audit of HSE performance during the provision of supplies, work and/or services. The exact percentage of new suppliers screened using social criteria is not currently available. We will consider disclosing this information in future reports.

Energean has a collective 39-year history of operating onshore and offshore facilities with a stellar record in upholding human rights in the workplace. Safe and healthy working conditions, the freedom of association and collective bargaining and non-discrimination and equal treatment on the basis of religion, ethnicity and gender are fundamental for Energean to build mutually satisfactory and lasting relationships with its human capital. Proud signatory of the UN Global Compact a principle-based framework for businesses, stating ten

"Safeguarding human rights at work" continues on the next page

principles in the areas of human rights, labour, the environment and anti-corruption.

Energean is committed to upholding the ILO conventions freedom of association (No. 87), collective bargaining (No. 98), forced labor (No. 29, No. 105), child labor (No. 138, No. 182), fair wages (No. 100), and discrimination (No. 111)

Energean also delivers training initiatives and refresher courses for Energean onshore and offshore personnel. Thanks to these courses, the percentage of the staff working in the onshore and offshore facilities trained in Health and Safety in the workplace reached over 99%. The total number of employees, contractors and partners trained in our production facilities reached 700 persons while the 1% not trained represents 5 office personnel and 1 office contractor. The total number of training hours provided to all Energean employees in all premises were 4,114.

Energean is an independent oil and gas exploration and production ("E&P") company focused on the exploration, development and production of oil and gas assets in the Eastern Mediterranean, including Greece, Israel and the Adriatic. The Energean Group's most significant development assets are located outside Israel's territorial waters, in the Israeli Exclusive Economic Zone (EEZ), where both the Karish and Tanin offshore gas fields are located.

The Tanin Lease area contains a sequence of undeveloped gas fields and exploration prospects in the Levantine Basin and is located north of Israel's EEZ approximately 110km offshore Israel while the Karish Lease area is located approximately 75km offshore Israel.

In recent years, the Israeli government has been working on legislation to eradicate the uncertainty surrounding application of local laws outside Israel's territorial waters, in the Israeli EEZ, where both the Karish and Tanin Leases are located.

Although the State of Israel, since its creation in 1948, has experienced different kind of organised violence, including non-state and one-sided as such categories are defined according to the Uppsala University Department of Peace and Conflict Research (UCDP), there is no active conflict contained to a region or designated area that is proximate to the Company's reserves.

Energean has no proven or probable reserves that are located in or near areas that are considered to be indigenous peoples' land.

Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict is not applicable to the Company.

The percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index is zero.



Targets in 2020

- > **SUPPLY CHAIN:** In 2020 the Supply Chain due diligence process will extend to include Human Rights assessments. Audits have been scheduled to be conducted to four (4) major contractors to monitor compliance with the respective contractual provisions related to modern slavery statement. Energean is planning to implement a code of conduct for suppliers, which among other objectives will seek to underline the importance of respecting the key principles of sustainability in the Supply Chain.
- > **TRAINING:** Energean will also continue with training Energean staff and contractors in order to implement our zero-tolerance approach towards modern slavery.

For more information on the quantitative evaluation of our Management Approach, please refer to the chapter "Energean in Numbers", at the end of the report.

Modern Slavery statement

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 and has been approved by the Board of Energean Oil & Gas plc ("Energean" or the "Company").

Introduction

Energean has a zero-tolerance approach to slavery, servitude, forced or compulsory labour and human trafficking. We understand that our business, including our supply chain, may be exposed to the potential risk of occurrences of modern slavery. We are committed to acting ethically and to putting in place effective policies, processes, training and controls to safeguard against any form of modern slavery taking place within our business or supply chain.

About Energean

Energean has recently grown in a significant manner. On 21 March 2018, the Company was admitted to the main market of the London Stock Exchange and secured a US\$1.6 billion financing for the Karish development, offshore Israel. Energean operates a significant portfolio of production, development and exploration assets in the Eastern Mediterranean region. Along with its predecessors in its producing assets in Greece, Energean has a collective 36-year history of operating onshore and offshore assets with a stellar record in relation to respecting and upholding human rights in the workplace.

Governance, Policy and Standards

Energean has in place a corporate culture and business ethics policy, a whistleblowing policy and an anti-bribery and corruption policy, which form an integral part of its corporate governance. These policies set out how Energean expects its employees to conduct themselves in the course of doing business, with appropriate procedures in place for when an employee wishes to report any incidents that contravene the Energean ethos.

Approvals

This statement has been approved by the Board of Energean Oil & Gas PLC.



Energean supports the 2019 Panhellenic High School Basketball Championship of Greece & Cyprus Kavala, Greece (April 2019)



World Environment Day 2019: Beach and Seabed Clean Up, City and Marina of Bar - Montenegro (June 2019)



Energean supports 3 Paralympic swimmers in Israel



Energean supports "Etarim" (Israel), an NGO for rehabilitation of disabled adults and children through outdoor sports (February - June 2019)

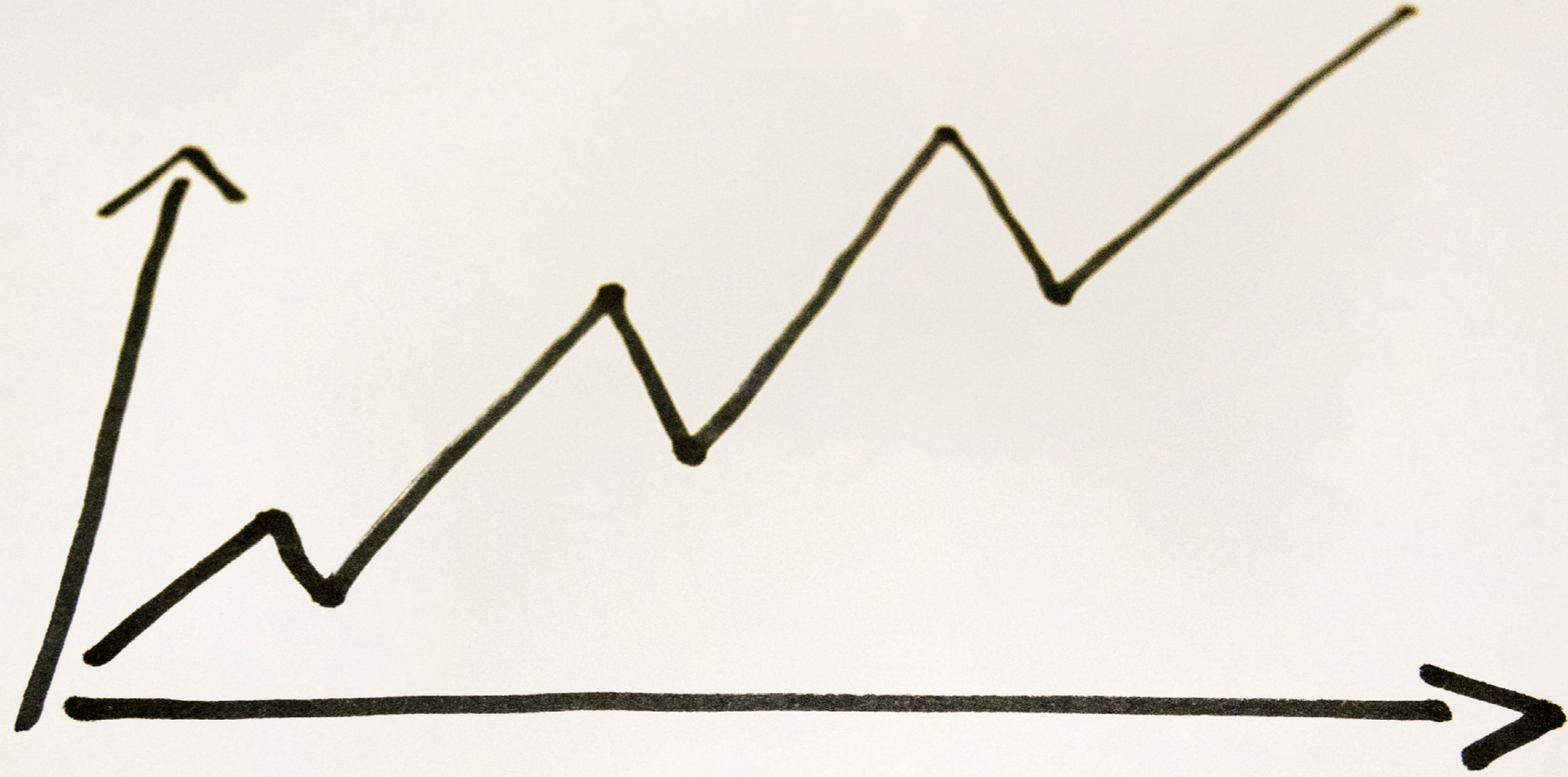


Energean was the grand sponsor of the 3rd Dodoni Festival - a summer Cultural Festival - Ioannina, Western Greece (July - September 2019)



Energean donated firefighting equipment for a large-scale Fire Service response training drill at Energean's "Sigma" onshore facilities in Kavala, Greece (January 2019)

8. Energean in numbers



Ensuring regulatory Compliance



GRI 419-1: Energean has not identified any incident regarding non-compliance with laws and/or regulations, in the social and economic area, during the reporting period.

GRI 205-3: Energean has not identified any confirmed incidents of corruption and thus no relevant actions needed to be taken during the reporting period.

Safeguarding occupational health & safety and Wellbeing

GRI 403-2

	2019			2018			2017		
	Employees								
	Males	Females	Total	Males	Females	Total	Males	Females	Total
Occupational Disease Rate (ODR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lost Day Rate (LDR)	0.00	0.00	0.00	52.83	0.00	47.97	16.76	0.00	15.68
Absentee Rate (AR)*	0.13	0.12	0.13	0.14	0.13	0.14	0.14	0.18	0.14

The countries for which the values of the indicator GRI 403-2 are applicable are: Greece, Israel, Montenegro, Egypt, UK, Cyprus, China, Indonesia, Singapore, Romania.

	2019					
	Employees			Workers		
	Male	Female	Total	Male	Female	Total
Injury Rate (IR)	0.00	0.00	0.00	0.01	0.00	0.01
Total number of work related fatalities	0	0	0	0	0	0

	2018					
	Employees			Workers		
	Male	Female	Total	Male	Female	Total
Injury Rate (IR)	0.62	0.00	0.56	0.00	0.00	0.00
Total number of work related fatalities	0	0	0	0	0	0

	2017					
	Employees			Workers		
	Male	Female	Total	Male	Female	Total
Injury Rate (IR)	0.82	0.00	0.77	0.00	0.00	0.00
Total number of work related fatalities	0	0	0	0	0	0

*Restatement for 2018 and 2017: The Absentee Rate has been recalculated. All employees are included in calculations. Absences include sickness as well as permitted leave absences such as holidays, study, maternity or paternity leave, compassionate and any other leave. In the Injury Rate minor (first-aid level) injuries are not included. Only work-related injuries are included. In the calculation of lost days, we calculate calendar days. Lost day counts as the day after the accident.

"Safeguarding occupational health & safety and wellbeing" continued

SASB EM-EP-320a.1

	2019	
	Direct, full-time employees	Contract employees
Total Recordable Injury Rate (TRIR)	0	0.88
Fatality Rate	0	0
Near Miss Frequency Rate (NMFR)	1.98	0.54
Average number of health, safety and emergency response training hours per person	10.5	3.3

Short service employees are included. Total Recordable Injury Rate (TRIR): The number of recordable injuries (fatalities + lost workday cases + restricted workday cases + medical treatment cases) per 1,000,000 hours worked. Injury Rate (IR, GRI 403-2): The number of fatalities and lost workday cases per 200,000 hours worked.

Increasing the implementation of water efficiency innovations (e.g. reuse, recycling and discharged wastewater treatment)

GRI 303-3

Recycled and reused water: **a.** Steam condensed at the end of its expansion cycle, and returned to the boiler for re-use, **b.** the cooling water pumped from the sea and returned to sea. Total withdrawal water: all above plus the injection water, e.g. the water injected to the wells, the water used for steam production and the cooling water.

	2019	2018	2017
a. Total volume of water recycled and reused by the organization (m3)	8,363,527	8,333,968	8,369,082
b. Total volume of water recycled and reused, as a percentage of the total water withdrawal (%)	89	90	90

SASB EM-EP-140a.1

	2019	
	Quantity in cubic meters	Percentage in regions with High or Extremely High Baseline Water Stress
Total fresh water withdrawn	112,045	100
Total fresh water consumed	112,045	100

SASB EM-EP-140a.2

	2019
	Quantity in cubic meters
Volume of produced water and flowback generated	554,420

Water use intensity			
	2017	2018	2019
Seawater and potable water (m3/boe)	1.02	0.65	0.87
Volume recycled (%)	90	90	89

"Increasing the implementation of water efficiency innovations" continued

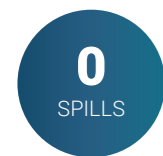
SASB EM-EP-140a.2

2019		2019	
Percentage discharged	6%	Average concentration	
Percentage injected	5%	Hydrocarbon content in discharged water	6.7(mg/l)
Percentage recycled	89%		

SASB EM-EP-140a.3, SASB EM-EP-140a.4

2019	
Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	0%
Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	0%

Ensuring emergency preparedness



GRI 306-3, SASB EM-EP-160a.2: Energean's operations resulted in zero spills during the reporting period, continuing our track record of zero environmental incidents during the years of our operations.

SASB EM-EP-160a.3

	2019	
	Energean without Edison	Energean with Edison
Percentage of proved (1P) reserves in or near sites with protected conservation status of endangered species habitat	16.4%	13%
Percentage of probable reserves in or near sites with protected conservation status of endangered species habitat	14.5%	7%
Percentage of 2P (proved and probable) reserves in or near sites with protected conservation status of endangered species habitat	15.8%	10.7%

SASB EM-EP-540a.1

2019	
Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	0

Reducing greenhouse gases and other emissions

GRI 305-1:

Direct (Scope 1) GHG emissions			
Gas	Quantity in tons (2019)	Quantity in tons (2018)	Quantity in tons (2017)
CO ₂ *	47,692	45,404	37,434

*This is CO₂e including fugitive methane emissions. The consolidation approach used is the financial control.

"Reducing greenhouse gases and other emissions" continued

GRI 305-2:

Indirect (Scope 2) GHG emissions			
Gas	Quantity in tons (2019)	Quantity in tons (2018)	Quantity in tons (2017)
CO ₂	36,568	48,354	48,810

GRI 305-4:

Emissions intensity			
	2019	2018	2017
Direct (kg CO ₂ /boe)	37.8	29.3	34.9
Indirect (kg CO ₂ /boe)	29.0	31.2	45.5

GRI 305-7, SASB EM-EP-120a.1:

Gases	Quantity in tons 2019	Quantity in tons 2018	Quantity in tons 2017
NO _x	31	30	28
SO _x	1,437	2,257	2,092
Volatile organic compounds (VOC)	17	19	9
PM (soot)	0	0	0
Total	1,484	2,305	2,130

Reported emissions have been calculated including all the operating plants of Energean. Direct emissions are based on Prinos onshore and offshore installations, while indirect emissions are based on the purchased electricity from the electricity provider.

SASB EM-EP-110a.1

2019	
Gross global Scope 1 emissions - percentage methane	0.25%
Gross global Scope 1 emissions - percentage covered under emissions-limiting regulations	91.44%

SASB EM-EP-110a.2

2019	
Amount of gross global Scope 1 emissions from:	Direct GHG emissions in CO ₂ -e
(1) flared hydrocarbons	329
(2) other combustion	3,633.6
(3) process emissions	43,609
(4) other vented emissions	other vented emissions have not been estimated
(5) fugitive emissions	120.4

Reducing (non-renewable) energy consumption

GRI 302-1

2019		
Total fuel consumption within the organization from non-renewable sources, (in joules or multiples)		
Source	Consumption	Unit
FUEL GAS (MIXTURE NATIONAL GRID AND PRODUCED)*	731	TJ

*The emissions reported in Scope 1 include only operations and do not include fuels consumed for company owned cars.

2019		
Total fuel consumption within the organization from renewable sources, (in joules or multiples)		
Source	Consumption	Unit
SOLAR CELLS	0.2	TJ

2019		
Consumption in joules, watt-hours or multiples		
Source	Consumption	Unit
Electricity	208	TJ

Energy use intensity			
	2017	2018	2019
Electrical (MJ/boe)*	186	129	165
Thermal (MJ/boe)*	578	484	579

Growing the share of natural gas in the product portfolio

2019	
Share of natural gas in product portfolio	4.76%
Target of natural gas share in product portfolio for 2020 following Edison E&P acquisition	80%

Building and maintaining community relations



GRI 4-G10: No significant actual negative impacts of Energean's operations have been reported and there have been zero significant disputes with local communities during the reporting period.

Generating economic value / economic performance of the company

GRI 201-1

Direct economic value generated	2019 (\$'000)	2018 (\$'000)	2017 (\$'000)
Revenues	75,749	90,329	57,752
Total	75,749	90,329	57,752
Economic value distributed	2019 (\$'000)	2018 (\$'000)	2017 (\$'000)
Operating costs	39,747	19,820	25,736
Employee wages and benefits	36,495	35,583	25,053
Payments to providers of capital	48,532	10,919	4,019
Payments to government by country			
United Kingdom	3,108	2,244	899
Greece	14,726	14,122	11,770
Israel	2,737	2,205	535
Montenegro	338	334	216
Cyprus	263	612	227
Egypt	77	77	118
Community Investments	392	182	175
Total economic value distributed	146,416	86,098	68,748
Economic value retained	2019 (\$'000)	2018 (\$'000)	2017 (\$'000)
Total	-70,667	4,231	-10,996

Safeguarding human rights at work

GRI 405-1

Diversity of governance bodies and employees										
	2019					2018				
	Male	Female	<30 years old	30-50 years old	>51 years old	Male	Female	<30 years old	30-50 years old	>51 years old
BoD										
Percentage of individuals within the BoD	77.8%	22.2%	0.0%	22.2%	77.8%	88.9%	11.1%	0.0%	22.2%	77.8%
Employees										
Percentage of employees in "Senior Management" level	58.3%	41.7%	0.0%	50.0%	50.0%	62.5%	37.5%	0.0%	12.5%	87.5%
Percentage of employees in "Middle Management" level*	76.0%	24.0%	0.0%	64.0%	36.0%	70.0%	30.0%	0.0%	60.0%	40.0%
Percentage of employees in "Other Employees" level	88.0%	12.0%	11.0%	67.0%	22.0%	90.9%	9.1%	11.6%	67.4%	21.0%

TOTAL NUMBER OF EMPLOYEES = 393, including 2 Executive BoD Members. The 2 Executive BoD Members are not included in the Employees calculations above, but in the BoD calculations only.

0

INCIDENTS

GRI 406-1:

There have been no incidents of discrimination during the reporting period.

GRI 412-2:

The percentage of the staff working in the onshore and offshore facilities trained in Health and Safety in the workplace reached over 99%. The total number of employees, contractors and partners trained in our production facilities reached 700 persons while the 1% not trained represents 5 office personnel and 1 office contractor. The total number of training hours provided to all Energean employees in all premises were 4,114.

0

INCIDENTS

SASB EM-EP-210a.1: There is no active conflict contained to a region or designated area that is proximate to the Company's reserves.

SASB EM-EP-210a.2: Energean has no proven or probable reserves that are located in or near areas that are considered to be indigenous peoples' land.

SASB EM-EP-510a.1: The percentage of the company's (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index is zero.

Our People

GRI 102-8

Total number of employees by employment contract

		2019			2018			2017		
		Males	Females	Total	Males	Females	Total	Males	Females	Total
Greece	Permanent	302	24	326	345	25	370	341	24	365
	Temporary	5	3	8	0	0	0	0	0	0
	Total	307	27	334	345	25	370	341	24	365
United Kingdom	Permanent	14	7	21	14	5	19	9	2	11
	Temporary	0	0	0	0	0	0	0	0	0
	Total	14	7	21	14	5	19	9	2	11
Israel	Permanent	11	13	24	6	7	13	3	1	4
	Temporary	0	0	0	0	0	0	0	0	0
	Total	11	13	24	6	7	13	3	1	4
Montenegro	Permanent	2	1	3	2	1	3	1	0	1
	Temporary	0	0	0	0	0	0	0	0	0
	Total	2	1	3	2	1	3	1	0	1
Cyprus	Permanent	4	2	6	4	2	6	3	1	4
	Temporary	0	0	0	0	0	0	0	0	0
	Total	4	2	6	4	2	6	3	1	4
Egypt	Permanent	1	4	5	2	3	5	4	4	8
	Temporary	0	0	0	0	0	0	0	0	0
	Total	1	4	5	2	3	5	4	4	8
TOTAL	Permanent	334	51	385	373	43	416	361	32	393
	Temporary	5	3	8	0	0	0	0	0	0
	Total	339	54	393	373	43	416	361	32	393

*In 2019, there were around 36 contractors working for Energean, for Kavala Operations (18) and for the FPSO design/construction (13). The rest were on a project basis (5).

The data included in this table corresponds to head count.

Total number of employees by employment type

	2019			2018			2017		
	Males	Females	Total	Males	Females	Total	Males	Females	Total
Permanent	338	54	392	372	43	415	360	32	392
Temporary	1	0	1	1	0	1	1	0	1
Total	339	54	393	373	43	416	361	32	393

*Reporting Disclosure includes data from the following countries: Greece, United Kingdom, Israel, Montenegro, Cyprus and Egypt.

GRI 102-41

Collective bargaining agreements

	2019			2018			2017		
	Males	Females	Total	Males	Females	Total	Males	Females	Total
Percentage of total employees covered by collective bargaining agreements	85,0%	46,3%	79,6%	87,7%	60,5%	84,9%	89,8%	75,0%	88,5%

Employee Turnover Rate

	2018	2019
Management level	0%	0%
Employees (includes all those that are not defined as management level)	2.9%	3.3%

The Turnover Rate refers to the % of employees that left from Energean voluntarily, within the certain calendar year.

Activity Metrics

SASB EM-EP-000.A

Production of:	Quantity in Thousand barrels per day (Mbbbl/day) or Million standard cubic feet per day (MMscf/day)
(1) oil	3.3 kboepd
(2) natural gas	n/a
(3) synthetic oil	n/a
(4) synthetic gas	n/a

Note: Excludes the to be acquired Edison E&P assets

SASB EM-EP-000.B, SASB EM-EP-000.C

Number of offshore sites	11
Number of terrestrial sites	7

Note: Excludes the to be acquired Edison E&P assets

About this Report

This is the second annual Sustainability Report of Energean providing an overview of our performance in the three pillars of sustainability: environmental, social and economic.

This Report, available also on Energean's website (www.energean.com), has been prepared in accordance to the core option of the Global Reporting Initiative (GRI) Standards and it refers to the 2019 reporting period (January 1st, 2019 to December 31st, 2019).

The Report has been prepared by Energean, and reviewed internally, under the coordination of our Corporate Social Responsibility Team, namely Iliia Rigas and Evangelos Leovaris, with the support of the Climate Change and Sustainability Services (CCaSS) practice of EY (Ernst & Young) Greece. The graphic design of the report has been delivered by our Creative Assistant, Alexandra Iosif. We will consider including external assurance in upcoming editions. Any restatements of information included in previous reports have been indicated within this report in the respective sections.

Your opinion is valuable to us and therefore we encourage any feedback or comment that can contribute to our effort for improvement. For more information about the Report and possible questions about its contents please contact:



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Head of CSR
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SASB

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	EM-EP-140a.2	Volume of produced water and flowback generated; percentage (1) discharged, (2) injected, (3) recycled; hydrocarbon content in discharged water	p. 65
	EM-EP-140a.3	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	p. 66
	EM-EP-140a.4	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	p. 66
Biodiversity Impacts	EM-EP-160a.2	Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume impacting shorelines with ESI rankings 8-10, and volume recovered	p. 37, 66
	EM-EP-160a.3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	p. 66
Security, Human Rights & Rights of Indigenous Peoples	EM-EP-210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	p. 70
	EM-EP-210a.2	Percentage of (1) proved and (2) probable reserves in or near indigenous land	p. 70
	EM-EP-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	p. 56-59
Community Relations	EM-EP-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	p. 44-49
	EM-EP-210b.2	Number and duration of non-technical delays	p. 48

Topic	Code	Accounting metric	Reference
Workforce Health & Safety	EM-EP-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), and (4) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	p. 65
	EM-EP-320a.2	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	p. 32-33
Business Ethics & Transparency	EM-EP-510a.1	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	p. 70
	EM-EP-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	p. 15, 28-29, 64
Management of the Legal & Regulatory Environment	EM-EP-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	p. 28-29
Critical Incident Risk Management	EM-EP-540a.1	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	p. 66
	EM-EP-540a.2	Description of management systems used to identify and mitigate catastrophic and tail-end risks	p. 36-37
Activity metrics	EM-EP-000.A	Production of: (1) oil, (2) natural gas, (3) synthetic oil, and (4) synthetic gas	p. 71
	EM-EP-000.B	Number of offshore sites	p. 71
	EM-EP-000.C	Number of terrestrial sites	p. 71

United Nations Global Compact

In 2019 Energean became a signatory of the United Nations Global Compact (UNGC), the world's largest voluntary Corporate Responsibility initiative with over 10.000 companies participating from more than 160 countries. With this commitment, Energean aims to integrate the principles of the UNGC within its operations. From 2019 onwards, Energean will start reporting on its continuous progress against the below principles on an annual basis. An overview of how Energean aligns its business model with each of the UNGC's principles is provided below.

Area	UNGC Principles	Reference
Human rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;	p. 32-33, 56-59, 64, 69-70
	Principle 2: make sure that they are not complicit in human rights abuses.	p.32-33, 56-59, 64, 69-70
Labor	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	p. 56-59
	Principle 4: the elimination of all forms of forced and compulsory labor;	p. 57
	Principle 5: the effective abolition of child labor;	p. 57
Environment	Principle 6: the elimination of discrimination in respect of employment and occupation.	p. 56-59, 69-70
	Principle 7: Businesses should support a precautionary approach to environmental challenges;	p. 34-41, 61-68
	Principle 8: undertake initiatives to promote greater environmental responsibility;	
Principle 9: encourage the development and diffusion of environmentally friendly technologies.		
Anti - corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	p. 15, 28-29, 64

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