ENERGEAN

2023

Annual Report

Energean plc

www.energean.com

Key Metrics and Report Highlights

	2023	2022	% change
Average working interest 2P reserves and 2C resources (MMboe)	1,337	1,378	(3%)
Average working interest production (Kboe/d)	123	41	200%
Sales revenues ($ million)	1,420	737	93%
Cost of production ($/boe)	11	19	(44%)
Adjusted EBITDAX ($ million)[1]	931	422	121%
Operating profit ($ million)	598	232	158%
Profit/(Loss) after tax ($ million)	185	17	988%
Cash flow from operating activities ($ million)	656	272	141%
Net debt/(cash) ($ million)	2,849	2,518	13%
Leverage (Net debt/Adjusted EBITDAX)[1]	3x	6x	(50%)

Operational highlights

First major step-up in production achieved

Production for 2023 was up by 200% versus 2022, aided by a full-year of contribution from Karish (Israel) and the start-up of NEA/NI (Egypt). Day-to-day production at Karish remains unimpacted despite the ongoing geopolitical situation in Israel. FPSO uptime (excluding planned shutdowns) was 99% in Q4 2023[2]. *(See pages 40–43 for further details).*

Focused on backfilling the Energean power FPSO and meeting growing gas demand the region

Karish North and the second gas export riser were completed in February 2024, which enables the utilisation of the FPSO's maximum gas capacity. The field development plan for Phase 1[3] of the Katlan development (Israel) was approved by the Israeli government in December 2023. The start of the Katlan (Israel) development will extend the gas production plateau and has potential for exports. *(See pages 40–43 for further details).*

New areas of development underway to grow the current business base

Energean has multiple new avenues of growth on the horizon, which includes amongst others: the Anchois appraisal drilling in Morocco (where farm-in completion, at the time of writing, is expected imminently), the unlocking of previously restricted acreage in Italy and the Prinos Carbon Storage ("CS") project in Greece. *(See pages 40–43 for further details).*

1 The Group uses certain measures of performance that are not specifically defined under IFRS or other generally accepted accounting principles. These non-IFRS measures include adjusted EBITDAX. More information can be found in the Financial Review section, under the heading "Non-IFRS measures".

2 Uptime is defined as the number of hours that the Energean Power FPSO was operating; the Q4 2023 figure excludes the scheduled 6-day shutdown that occurred in December.

3 Phase 1 includes the Athena, Zeus, Hera and Apollo accumulations.

Corporate and financial highlights

Strong financial performance

The Group saw record revenues ($1,420 million) and adjusted EBITDAX[1] results ($931 million) following the first full year of production contribution from Karish (Israel) (see page 73 for further details). Energean paid a total of $94.7 million (€87.0 million) of one-off windfall taxes in Italy in 2023.

Strong balance sheet maintained; ongoing deleveraging

Energean achieved a 50% reduction in its Group leverage (net debt/adjusted EBITDAX) to 3x. Following Energean Israel's bond refinancing in July 2023, Energean has no immediate debt maturities.

Delivery of dividend in line with policy

In total, Energean returned $1.20/share to shareholders ($214 million) in 2023, in line with Energean's dividend policy (see page 39 for further details).

Emissions intensity reduced

42% year-on-year reduction in emissions intensity to 9.3 kgCO2e/boe and a 86% reduction since our original baseline year[4], in line with our stated target (see pages 32 and 38 for further details). FY 2024 emissions intensity are expected between 8.5–9.0 kgCO2e/boe.

[4] Original baseline year was 2019. In 2023, this was changed to 2022.

Non-financial and Sustainability Information Statement

The following table constitutes our Group Non-Financial and Sustainability Information Statement in compliance with the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 amendment of and Sections 414C, 414CA and 414CB of the Companies Act 2006.

We consider the information in our Climate-related Financial Disclosures ("TCFD") disclosures on pages 18–33, taken together with our climate-related non-financial disclosures on pages 64–72 of this report to be compliant with the disclosure requirements of Section 414CB of the Companies Act, as amended by the UK CFD Regulations.

The information listed is incorporated by cross-reference. Additional Group Non-Financial Information is also available on our website www.energean.com.

Reporting requirement	Group approach and policies	Relevant information	Relevant pages
Environment (including climate-related disclosures)	Environmental Policy Climate Change Policy Zero-Routine-Flaring Policy Task Force on Climate Related Disclosure	Environmental policies	61–62
		Environmental targets	32–33
		Environmental data	64–72
		Environmental KPIs	38
		TCFD disclosure	18–33
Employees	CSR Policy Equal Opportunities Policy Diversity, Equity and Inclusion Policy Code Of Ethics Corporate Major Accident Prevention Policy Data Privacy Policy HSE Policy for Contractors	HSE policies	61–63
		HSE KPIs	39
		HSE data	60–64
		Excellence through our people	57–60
Human rights	Code of Ethics	CSR approach	46–48
		Excellence through our people	57–60
Social matters	CSR Policy Code of Ethics UN's 17 Sustainable Development Goals	CSR approach	46–57
Anti-corruption & anti-bribery	Code of Ethics UK Bribery Act Applicable Local Anti-Bribery Laws Anti-Corruption and Bribery Policy Whistleblowing Policy	CSR approach	46–48
		Corporate governance	105–112 117–124
Governance and Risk Management	Corporate Governance Code Principal Risks and Uncertainties Governance & Risk Management	Risk management	81–96
		Corporate governance	105–112
		Audit & Risk Committee	117–124
Business model	Our Business Model	N/A	13–14
Strategy	Our Strategy	N/A	15–16
Non-financial key performance indicators	Key Performance Indicators	N/A	38–39

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Strategic Review

About Us

Energean at a glance

The leading independent, gas and ESG-focused E&P company in the Mediterranean

Established in 2007, Energean is a London Premium Listed FTSE 250 and Tel Aviv Listed TA-35 E&P company with operations in eight countries[5] across the Mediterranean and UK North Sea. Since IPO in 2018, Energean has grown to become the leading independent, gas-producer in the Mediterranean with a material reserve base of 1,115 boe of 2P reserves (83% gas).

Energean's flagship Karish and Karish North projects were brought safely onstream in October 2022 and February 2024 respectively. Gas from these fields will be used to help Israel transition away from coal-powered electricity in line with the country's commitment to close all coal power stations by 2025.

Energean's near-term targets are to grow production to over 200 Kboe/d and achieve the Group's revenue and EBITDAX targets of $2.5 billion and $1.75 billion, respectively. Over 75% of the near-term production target is underpinned by long-term gas contracts with floor pricing, which ensures cash flow predictability. Energean is poised for further value-creation via the Katlan (Israel) development, Anchois appraisal drilling, where farm-in completion, at the time of writing, is expected imminently, (Morocco), and the Prinos Carbon Storage project (Greece), amongst others. We also remain alert to opportunities that fit our key business drivers (paying a reliable dividend, deleveraging, growth, and our commitment to Net Zero) and can move quickly to take advantage when they arise.

The Company has a disciplined capital allocation policy and is focused on shareholder returns. Since its maiden dividend in Q3 2022, Energean has returned $2.1/share to shareholders (approximately $370 million)[6], representing seven-quarters of continuous dividend payments. This was aligned with its commitment to return an initial $50 million to shareholders per quarter no later than the end of 2022. Energean's dividend policy has no impact on its targeted deleveraging after first gas to around 1.5x net debt/EBITDAX or on operational re-investment to continue its organic growth and opportunistic M&A strategy. Energean is well funded for all of its sanctioned projects, holding $607 million of liquidity as at 31 December 2023, and has minimal exposure to interest rate rises following its 2021 and 2023 refinancings.

ESG, health and safety is of central importance to Energean. It aims to run safe and reliable operations and is committed to achieving net-zero carbon emissions by 2050 and to reducing its methane emissions.

Where we operate

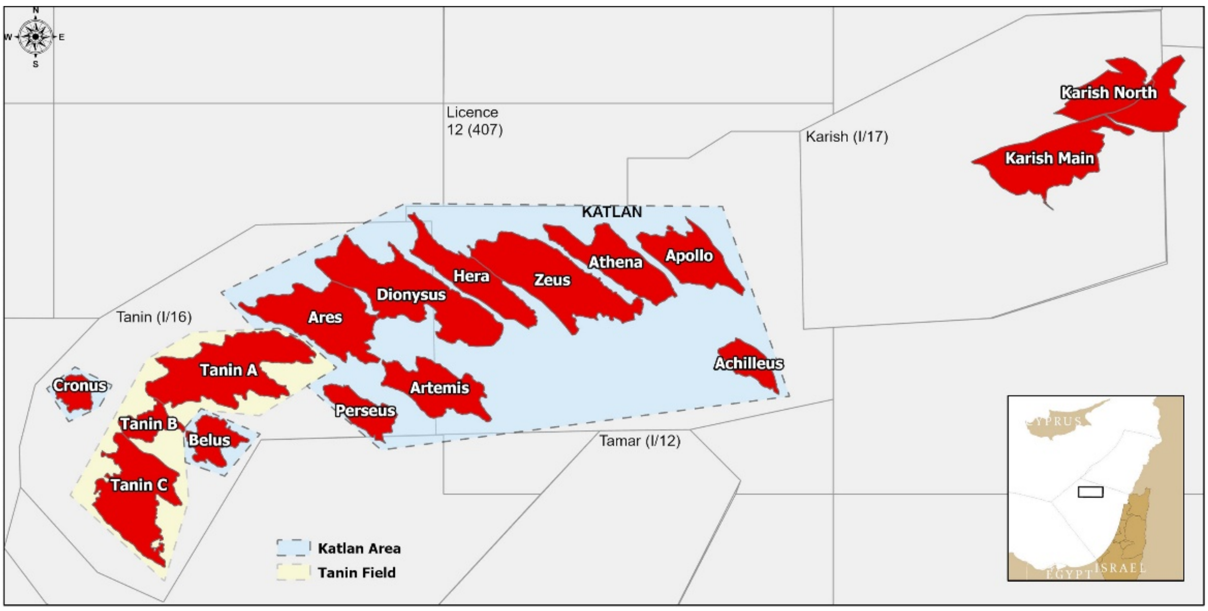
Energean holds a balanced portfolio of production, development and exploration assets, with operations in eight[5] countries across the Mediterranean and UK North Sea. The Group has interests in over 65 leases and licences, six of which are located offshore Israel.

Please see Note 31 in the Financial Statements for a full breakdown of all Energean licences.

5 Including Morocco, subject to, at the time of writing, farm-in completion occurring.
6 Amount includes the Q4 2023 dividend declared on 22 February and paid on 29 March 2024.

Figure 1. Map of Energean's operations

Figure 2. Energean Israel Ltd. ("EISL") leases and licenses



Performance in 2023

Energean continued to deliver strong performance against its strategic goals in 2023, producing record financial results and delivering shareholder returns in line with its policy.

Please see the Key Performance Indicators section on pages 36–39 for more detail.

Operational highlights		
Production	2P Reserves	2C Resources
123 (83% gas)	1,115 (83% gas)	222 (49% gas)
Kboe/d	MMboe	MMboe

- Working interest production of 123 Kboe/d (83% gas), (2022: 41 Kboe/d (75% gas)).
  - Production increased by 200% year-on-year, primarily as a result of the ramp-up of production from Karish (Israel). Day-to-day production in Israel continues to be unimpacted by the ongoing geopolitical developments.
- 2P + 2C reserves and resources of 1,337 MMboe (2022: 1,378 MMboe).
  - 2P+2C volumes increased year-on-year before produced 2023 volumes (47 mmboe).
  - Material reserves life of around 19 years[7].

Financial and corporate highlights		
Revenues	Adjusted EBITDAX	Dividend
1,420	931	$214 million
$ million	$ million	Distributed in 2023

- 2023 sales revenues of $1,420 million (2022: $737 million).
- Adjusted EBITDAX of $931 million (2022: $421.6 million).
- Profit/loss after tax of $185 million (2022: $17 million).
- Cash flow from operating activities of $656 million (2022: $272 million).
- $607 million liquidity at 31 December 2023.
- Returned a total of $1.20/share to shareholders ($214 million) in 2023, representing four quarters of dividend payments.
- Issued a $750 million bond that matures in 2033, the primary purpose of which was to repay Energean Israel's $625 million 2024 bond.

Health, safety and environmental highlights		
Serious injuries	Oil spills and environmental damage	Emissions intensity
Zero	Zero	9.3
in 2023	in 2023	kgCO2e/boe

- Safe and reliable operations, zero serious personnel injuries.
- Zero oil spills and zero environmental damage.
- 42% year-on-year reduction in emissions intensity to 9.3 kgCO2e/boe on an equity share basis.
- 86% reduction in emissions intensity since our original baseline year[8].
- Verified all scope 1, 2 and 3 emissions to ISO 14064-1 based on the operational accounting approach.
- Zero-routine flaring policy fully implemented across all operated and JV's sites.

7 Based upon mid-point of 2024 production guidance of 155–175 kboed.
8 Original baseline year was 2019. In 2023, this was changed to 2022.

- Successful purchase of renewable-sourced electricity ("green electricity") across all our operated sites.
- Performed three methane emissions detection campaigns at major process installations in Italy, four in Israel and one in Greece.
- Continued to implement climate-based scenario analysis and used internal carbon pricing to assist with investment-decision making.
- Maintained our score of A- in the Carbon Disclosure Project's ("CDP"'s) Climate Change disclosure and aligned with all recommended pillars of TCFD disclosure.
- ESG ratings in top quartile, awarded the "Platinum" index by MAALA for the second consecutive year, rated at "AAA" and positioned at the top 17% of our sector by MSCI and ranked at the top 18% of our sector by Sustainalytics.
- Selected as a "Proud Member of the Most Sustainable Companies in Greece" by the QualityNet Foundation.

Chair’s Statement

Karen Simon, Independent Chair

Dear Shareholders,

As we will all remember, the international gas market in 2022 was dominated by the effects of the Russia – Ukraine war. Whilst the removal of 150 bcm+ of export capacity continues to influence market dynamics, 2023 showed both the ability of the global market to recover from major shocks, primarily through enhanced global LNG volumes, and more positively, in a post COP 28 environment, to understand the long-term value of natural gas.

COP 28 in Dubai demonstrated that gas is not only a transition fuel, but will be a major part of the global energy supply mix up to and post 2050. Gas replaces more pollutive fuels, works flexibly with inherently intermittent renewable capacity and provides vital energy security.

This can be seen in practice in the Mediterranean, where Energean is now established as the leading gas and ESG-focused independent exploration and production company. In Israel, Egypt and now Morocco (where farm-in completion at the time of writing is expected imminently), our projects bring secure and affordable supply, which displaces coal and fuel oil.

I am very proud of and congratulate the entire team on Energean’s successful operational development of growing production to over 150 Kboe/d from a multi-asset portfolio.

Environmental, Social and Governance

The Board and I are keenly focused on ensuring that Energean is managed at the highest levels of environmental, social and governance (“ESG”) standards. ESG is at the heart of Energean’s operations. Strategic ESG consideration has three positive drivers: it underwrites our licence to operate with external stakeholders, it positively engages our colleagues around the world and finally, it is good for our collective societal wellbeing.

We have always been a leader in the field of ESG consideration. We are committed to outperforming our peer group in this category, not only because it is good for our business, but more importantly, for the communities that host our operations and the global environment. We are proud to have been the first independent E&P to make a Net Zero pledge.

I and the Board are very proud that we have significantly outperformed our peer group across all the major ESG ratings agencies. Sustainalytics ESG, Bloomberg and MSCI, & CDP have all maintained their highly positive assessment of our ESG impact. CDP has maintained Energean as at A-, keeping us in the highest “Leadership” band of our peer group – no other E&P rates above us. The same can be said for MSCI, who have rated Energean as AAA for the first time – one cannot be rated higher.

I am particularly proud of the efforts of the entire team to create a “no silos” company. Energean is committed to being a positive diversity, equity and inclusion employer and the entire Group works on a “one team” policy.

HSE

Over the past year, our unwavering dedication to Health, Safety, and Environment (“HSE”) has produced excellent outcomes. We again attained zero serious injuries, showcasing the effectiveness of our robust safety management system, work protocols, and committed workforce. Additionally, our environmental efforts have diminished our ecological impact, reaffirming our commitment to sustainability and responsible practices. In 2024, we will prioritise enhancing process safety awareness and advancing our journey towards achieving Net Zero emissions.

Board composition

During 2023, the Board was significantly enhanced by Martin Houston’s appointment. Martin needs no introduction to anyone involved in the global oil and gas industry; he has 44 years of experience across the entire oil and gas value chain. Martin was COO and Director of BG Group plc, where he was instrumental in the creation and development of a globally integrated natural gas, LNG and trading group. He has since co-founded Tellurian Inc. and is now the Chairman.

I would like to thank Andrew Bartlett for agreeing to become Energean's Senior Independent Non-Executive Director. Andrew has been with Energean since before the IPO, and his long experience in both energy and capital markets have been invaluable to Energean as we have developed from a small Greek oil company into the leading independent gas E&P in the Mediterranean.

Operational delivery

2023 was the year Energean truly became the leading gas and ESG focused E&P company in the Mediterranean. At maximum production, our multi-asset international portfolio produced over 150 Kboe/d.

This increase in production was of course primarily derived from the ramp up from Karish, offshore Israel, and our regionally unique FPSO, the Energean Power. Energean however is not a single asset company. 2023 was a positive year in Egypt, as we brought the twin licences of NEA/NI online by the end of 2023, significantly enhancing production into 2024.

We also diversified our geographical footprint, by farming into the Rissana & Lixus licences, offshore Morocco. The "Anchois" gas discovery has the potential to make a material impact on Moroccan energy production, displacing coal and rebalancing gas that is currently imported, and is located near to infrastructure for supply of gas to domestic and international markets.

Our strategic direction and 2024 outlook

Energean's purpose is to maintain its status as the leading, gas-focused E&P company in the Mediterranean, with the highest of ESG and HSE standards at the heart of our operations. Our aim is to grow the company to become a 200 Kboe/d producer and a $1.75 billion per year adjusted EBITDAX generator. 2023 took us a long way on this journey and 2024 will continue it, with 2024 production guidance at 155–175 Kboe/d.

Energean's production, which is approximately 80% gas, drives socioeconomic, industrial and sustainable development growth in the region through providing secure, reliable and affordable energy. As was agreed at COP, natural gas is not just a "transition fuel" but will be used beyond 2050 due to its unique combination that supports a broader just-transition across the globe.

In 2024, we will continue to develop our portfolio, increasing production and reserves. We have already brought Karish North online, we expect to bring Cassiopea onstream in the summer and we intend to install the second oil train on the Energean Power FPSO, which enables an increase in the liquids processing capacity, as soon as feasible. I am particularly excited about the diversification west into Morocco, where we will drill an appraisal well later this year. Whilst we remain committed to growth and diversification, we will also be a significant producer with which we will continue to share our success to our shareholders through our committed dividend policy.

Energean is not just about numbers and operations, it is about people. We will continue to invest in our people and the communities that host our operations.

I thank you, our shareholders, new and existing, for your continued support.

Karen Simon
Independent Chair

Chief Executive Officer's Review

Mathios Rigas, Chief Executive Officer

2023 – a year of growth for Energean, promise for global gas and tragic conflict in the East Mediterranean

The leading independent gas and ESG-focused E&P in the Mediterranean

2023 was another transformational year for Energean and the year we became the leading independent gas and ESG-focused E&P in the Mediterranean. We increased production at levels exceeding 150 Kboe/d from our >1 billion boe Mediterranean-focused asset base and, in line with our strategic commitment to transition into a natural gas producer, we increased our production to over 80% gas. Whilst we are and will remain gas focused, we should not ignore the value of hydrocarbon liquids, both to the global industrial economy, and as a driver of positive Group cashflow. Our next step in the transition strategy is to continue the focus on growth of our E&P portfolio in parallel with the development of carbon storage opportunities that will be the catalyst for decarbonisation of heavy industries in our countries of operation.

Although Karish of course was the major driver of production growth, we are proud of our successes across the portfolio. We have brought the twin licences of NEA/NI onstream in Egypt, which has already enhanced production and replaced reserves produced at Abu Qir. We have also had significant progress on our Prinos carbon storage project, the only project of its type in south-east Europe and the East Mediterranean. The project was awarded Project of Common Interest status by the European Commission, and has been allocated €150 million in funding by the EU and Greek Government.

Globally, we see a truly positive environment for natural gas, possibly the best since the IEA's "golden age" in 2011. COP 28 in the UAE brought the global energy community together for the first time. It was clear that gas is not only a "transition fuel" but, short of an unforeseen technological leap, will continue to play a critical role in providing the energy needs of the world for many decades. Natural gas provides energy security, reliable supply and is far more sustainable than coal or oil. It is also flexible enough to work with growing ratios of inherently intermittent and volatile renewable power generation sources. If it is produced locally or regionally, it is also cost effective and can drive sustainable development. The medium to long-term future for a regionally focused gas producer is therefore highly positive.

We cannot ignore the conflict in our region. As our operations are 90 kilometres offshore, our day-to-day production has been unimpacted, and industrially and corporately we are broadly unaffected by the conflict. At the same time, we are human beings; we all pray for a long-term and lasting peace.

Continued development in 2024 – focusing on longevity

2024 shows significant potential; we are well advanced with our core strategic projects across the portfolio. In Israel, we brought Karish North online in February 2024 and it is currently using the second gas export riser, which was installed in 2023. The second oil train will be installed as soon as feasible. Energean also intends to develop the Katlan/Tanin area in a phased development. Phase 1 includes the Athena, Zeus, Hera and Apollo accumulations, for which the field development plan was approved by the Israeli Government in December 2023. Energean expects to take FID upon finalisation of the EPC terms, which at the time of writing are currently under negotiation.

2024 is a major year for Energean in Italy. The Cassiopea project is expected to come onstream, providing reliable and secure domestic gas supply for Italian offtakers. We will also continue to investigate new opportunities, following the unlocking of previously restricted acreage.

Egypt will also see the full benefit of the NEA/NI project onstream as well as a number of infill drilling opportunities. We recognise the challenges of the socioeconomic situation in Egypt, which has been materially affected by the reduced traffic volumes through the Suez Canal, however, we remain fully committed to the country and its potential.

As we have diversified our portfolio in CCS in Greece, we have also extended our footprint across the Mediterranean, with a potential new gas development in Morocco. Energean was previously East Mediterranean focused. We believe a broader geographical scope creates enhanced longevity and returns to our shareholders.

ESG & CSR at the heart of Energean's operations

At the core of Energean's ESG strategy is an idea that was made very clear during COP 28 in the UAE. Natural gas is the foundation of and catalyst for a more sustainable energy dynamic and will be with us for many years to come – because domestically produced gas supports all of the pillars of the "energy trilemma". Energean seeks to produce affordable and reliable energy, as sustainably as possible, for our shareholders and societies in which we operate.

Gas is and will continue to be a driver for enhanced sustainable development in the Mediterranean, displacing more polluting fuels and underwriting energy and economic security. Morocco is an obvious example of this trend. If our appraisal well is successful, we will be a step closer to significantly reducing Morocco's coal usage, which will save on both carbon and air pollution.

We remain committed to reducing emissions from our operations. We were the first E&P to announce a Net Zero target and we remain on our clear roadmap for reaching our net-zero target in the short, medium and long-term. Our ESG ratings outperform our peer group and underline our leadership position. Our Sustainalytics, MSCI, FTSE4Good, CDP and Bloomberg ratings all independently verify not only our ambition, but our ongoing commitment.

Health and safety remains a top priority

During 2023 we continued our excellent safety record – at a group level, and alongside our contractors, we achieved an LTIF[9] of 0.47 per million hours. In addition, we continued to support the local communities in which we operate through donations, internship, sponsorship and funding opportunities.

For gas and CCS to play their post COP28 role, there must be policy support

The simple fact is that gas demand in the greater Mediterranean region outstrips supply. Without an unforeseen technological leap, natural gas is and will remain a major component of the regional energy dynamic – even with the growth of renewable energy.

There is however a major risk. The price hikes faced by European gas buyers following the cessation of Russian supply, or even worse those in southern Asia where deliveries were cancelled, shows what happens if there is not enough domestic supply.

We argue that for gas to play its vital stability creation and sustainability enabling role envisaged at COP, there has to be policy incentivisation to encourage enhanced exploration and production.

It goes without saying that the same argument can be made for CCS – at an even earlier stage than gas. We argue that sovereign states across the length of the Mediterranean should look to Greece for how to swiftly deign a policy system than encourages the development of carbon storage projects.

Outlook for 2024

2024 will reinforce our position as a regional gas and ESG leader, with major new projects coming onstream and further development and diversification of our portfolio. Our production will increase, but our emissions intensity per barrel will continue to decrease as we produce secure, sustainable, affordable energy.

Our regional leadership and reputation for swift and effective project management – or "getting things done" means that we are an attractive partner for governments and corporate partners that want to expedite development through to production.

Energean has always focused on stable, long-term value creation and delivery for all our stakeholders. With that in mind, we remain alert to opportunities that fit our key business drivers (paying a reliable dividend, deleveraging, growth, and our commitment to Net Zero) and can move quickly to take advantage when they arise. Our strong operational and financial performance underpins our stated dividend policy.

Finally, I wish to end with a "thank you". I want to thank each and every member of our staff and our contract partners, all of whom have worked exceptionally hard this year, many of whom have had to manage challenging situations. Your dedication and drive inspire me every day. Thank you to you all.

Mathios Rigas
Chief Executive Officer

[9] Lost Time Injuries Frequency: The number of Lost Time Injuries per million hours worked.

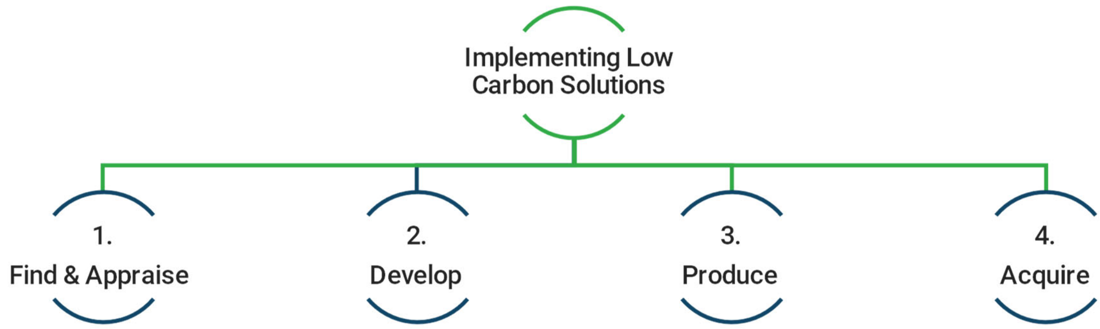
Our Business Model

Our purpose

Energean's aim is to lead the energy transition in the Mediterranean through a strategic focus on gas and achieve its net-zero[10] ambition by 2050, whilst delivering meaningful and sustainable returns to our shareholders.

Our business model

Across each part of the hydrocarbon lifecycle we work to create value for our investors, host countries and people.



Energean's business model is to find and monetise hydrocarbons from its portfolio of assets across the Mediterranean.

Our activities are focused on generating sustainable cashflow from production through selective development and appraisal of the highest return growth options with a focus on those opportunities with the lowest carbon intensities. We are focused on organic growth, but will continue to evaluate inorganic opportunities that complement and supplement our strategic targets and ambitions.

Underpinning our business model is a strategic focus on gas and a commitment to be a net-zero emitter[10] by 2050.

Our value life cycle

Find and appraise

Through targeted exploration and appraisal in the Mediterranean we aim to find hydrocarbons, to build reserves and resources, to monetise, or to selectively develop for future production. We have a ranked portfolio of prospects for drilling and remain agile to take advantage of opportunities that support our organic-focused growth strategy.

Develop

We focus on selective development of material hydrocarbon discoveries we have either found or acquired. We invest in low-cost, high-return drilling options that lie in close proximity to existing infrastructure and aim to deliver cost-effective, timely solutions to convert reserves into cash flows. In developing these solutions, minimising emissions is at the forefront of our minds, and we apply an internal carbon pricing system in assessing new projects and investment opportunities.

Produce

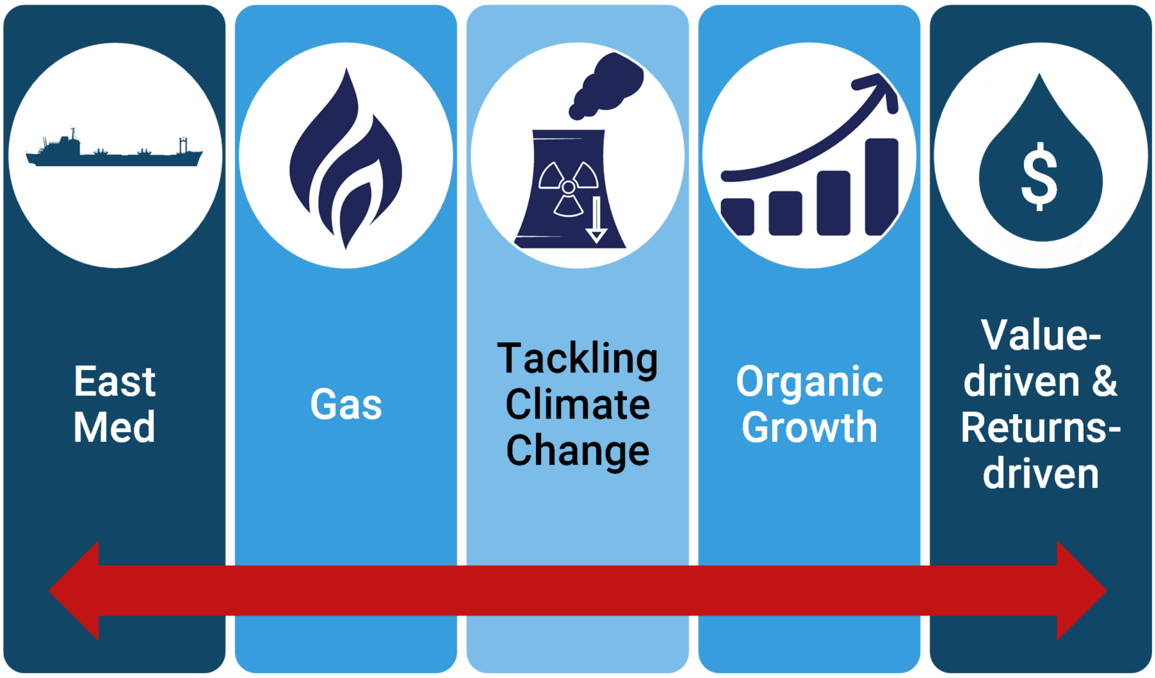
Production is the cash engine of our business and we are investing in options to maximise production across our producing assets in the Mediterranean, whilst also investing in opportunities to reduce the emissions footprint of these assets, such as the switch to sourcing electricity from 100% renewable sources through the national grid in Greece, Israel, Italy and Croatia, and via asset optimisation activities.

[10] Scope 1 and 2 emissions

Acquire

Energean also seeks to grow its portfolio through highly selective and value accretive M&A that are a natural strategic fit, such as the Edison acquisition in 2020, the consolidation of our Israel position through the Kerogen acquisition[11] in 2021 and the farm-in into Chariot Ltd.'s offshore Morocco acreage (which includes the Anchois development) in 2023.

Our strategic pillars



[11] Energean's acquisition of Kerogen's 30% stake in Energean Israel closed on 25 February 2021.

Our Strategy

1 Mediterranean

Energean has a long-standing history of operating in the Mediterranean, having originated in Greece in 2007 with the purchase of the Prinos assets for approximately $1.5 million. We have demonstrated our ability to deliver growth and value in the Mediterranean and expect to continue to maintain our strategic focus and investment in this area. We know the governments and we know the rocks in this geographical area, and will continue to leverage this understanding and knowledge to grow the business.

2 Gas

We are committed to focusing our production mix in a way that promotes the Mediterranean's energy transition and creates long-term value for all or our stakeholders. Natural gas emits only half as much CO2 as coal, yet a large percentage of electricity generated in the region comes from coal-fired power plants. Replacing these facilities with gas-fired units is one of the fastest, most efficient and cost-effective ways to reduce global CO2 emissions. Israel, our core market, has understood this, as the Israeli government's decision to convert all coal powered stations to gas by 2025 attests. The Ministry of Energy is also targeting a fuel mix of 70% gas and 30% renewable energy by 2030.

However, the natural gas of the Mediterranean is not just a near-term energy transition source, it is also an energy of the future. The region has sufficient large-scale natural gas resources to provide a sustainable supply to meet rising regional energy demand. Gas is also sustainable and efficient, and its flexibility as an energy source allows for agile production facilities. This makes gas a good partner for renewable energies, providing a useful backup source when there is no sunlight or wind.

3 Tackling climate change and the energy transition

Energean is fully committed to taking action on climate change, supporting the Paris Agreement, in particular Article 2.1(a) which states the goal of keeping the increase in global average temperatures to below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase even further to 1.5°C. To do this, as recognised in Article 4.1 of the Paris Agreement, we are committed to achieving net-zero emissions by 2050.

Energean was the first E&P company in the world to announce a net-zero by 2050 target in respect of absolute Scope 1 and Scope 2 GHG emissions. Energean's base line year for its targets was previously 2019. However, in light of Energean's rapid growth through the start-up of Karish and the acquisition of Edison, Energean has reset its base line year for its targets to 2022. This commitment will be delivered through the implementation of our Climate Change Strategy, published in 2021, which provides a blueprint for reducing our greenhouse gas ("GHG") emissions and strengthening our low carbon portfolio. This report contains our short (by 2025), medium (by 2035) and long-term (by 2050) plans to reach this, details of which can be found within this Annual Report between pages 30–33.

In regards to scope 3 emissions, Energean has not set a specific commitment on reducing emissions, but it is considering tangible actions to reduce scope 3 emissions. Energean's Group Procurement Policy and HSE Policy encourages preference given towards vendors and contractors who can demonstrate emissions reduction policies. In 2023, Energean has continued to publish its scope 3 emissions. This data can be found on page 70 in the CSR section.

4 Organic growth

At the core of this strategic pillar is our commitment to explore, develop and learn. We explore new ways to find, produce and develop hydrocarbons. We explore new technologies and low carbon solutions, such as carbon capture and storage and blue hydrogen. We at Energean believe that this mindset, combined with our strong subsurface and technical expertise, will enable us to deliver a growth strategy that is sustainable, successful and will lead to the achievement of our near-term financial and operational targets. It was this approach that bore fruit in 2019 with the discovery of Karish North and in 2022 with the Katlan Area discoveries. By actively pursuing new exploration and appraisal opportunities in core areas and maximising output from producing fields, we aim to ensure at least 100% reserves replacement on an annual basis.

Our exploration and appraisal portfolio is spread across the Mediterranean and represents a balanced mix of new frontier areas and lower risk mature basins.

5 Value- and returns-driven

Disciplined capital allocation that maximises total shareholder returns is a top priority for Energean.

In March 2022, we announced our dividend policy, wherein we committed to return at least $1 billion to shareholders by end-2025. In the policy, we also committed to an initial $50 million per quarter, starting no later than Q4 2022, ramping-up in line with Energean's near-term production and revenue targets to at least $100 million per quarter. Energean dividend policy has no impact on its targeted deleveraging to around 1.5x net debt/EBITDAX nor on operational re-investment to continue our organic growth and opportunistic M&A strategy.

In 2023, Energean returned a total of $1.20/share to shareholders (approximately $214 million), representing four quarters of dividend payments.

2023 dividend payments

Quarter	Cash dividend	Declaration date	Ex-dividend date	Record date	Payment date
Q4 2022	30 $ cents per share	9 February 2023	LSE – 9 Mar 23 TASE – 12 Mar 23	LSE – 10 Mar 23 TASE – 10 Mar 23	30 March 2023
Q1 2023	30 $ cents per share	18 May 2023	LSE – 8 Jun 23 TASE – 11 Jun 23	LSE – 9 Jun 23 TASE – 9 Jun 23	30 June 2023
Q2 2023	30 $ cents per share	7 September 2023	LSE – 14 Sep 23 TASE – 18 Sep 23	LSE – 15 Sep 23 TASE – 15 Sep 23	29 September 2023
Q3 2023	30 $ cents per share	16 November 2023	LSE – 7 Dec 23 TASE – 10 Dec 23	LSE – 8 Dec 23 TASE – 8 Dec 23	29 December 2023

In 2021, we optimised our capital structure via the raise of over $3 billion of bonds, with fixed interest rates. We remain focused on maintaining an optimal capital structure throughout the cycle. Our near-term target is to lower net debt/EBITDAX to around 1.5x, and to pay down debt according to a fixed repayment schedule with refinance options available, as demonstrated through the successful refinancing of the 2024 Energean Israel bond in July 2023 with a $750 million 10-year bond.

M&A will also play a role in growing the business; however, we will only do deals that are a strong strategic fit and value accretive. We continue to assess all available opportunities in the region. All M&A opportunities are also tested against our climate change plan to ensure they align with our ESG strategy.

Business model foundations

These are the building blocks that every E&P business need and are critical foundations for what we do and how we do it.

Safe, reliable and responsible operations

We value the safety of our workforce above all else and focus on maintaining a safe operating culture every day. This culture of safety also improves the integrity and reliability of our assets.

Partnerships and collaboration

We aim to build long-term relationships with our key stakeholders, and partner with leaders of industry to find innovations that can improve efficiency and deliver low carbon solutions.

Talented people

We work to attract, motivate and retain talented people and provide our employees with the right skills for the future. our performance and ability to grow depend on it.

Governance and oversight

Our Board has a diversity of knowledge, expertise, and ways of thinking that help us grow our business, manage risks and continue to deliver long-term value.

Technology and innovation

New technologies help us produce energy safely and more efficiently. We selectively invest in areas with the potential to add greatest value to our business, now and in the future, including lower carbon solutions.

Task Force on Climate-Related Disclosures

Energean is committed to tackling the environmental impacts of our operations.

In compliance with the FCA's listing rule 9.8.6(8), Energean has continued to support the recommendations of the Task Force on Climate-related Financial Disclosures. We set out below our climate-related financial disclosures consistent with all of the TCFD recommendations and recommended disclosures. By this we reference the 2021 Annex "Implementing the Recommendations of the Task Force on Climate-related Disclosures."

Governance: disclose the organisation's governance around climate related risks and opportunities

a. The Board's oversight of climate-related risks and opportunities

Energean recognises climate change as a significant global issue and a top priority for its business. This commitment is evident in our strategic approach, where we integrate climate change considerations into all governance processes. Oversight of climate change matters at Energean lies with the Board. To further emphasise the growing significance of climate-related risks and opportunities, the ESSR Committee has assumed responsibility for climate change issues on behalf of the Board. Additionally, the Board is tasked with assessing investments for climate-related risks, among other risks.

The ESSR Committee assesses Energean's policies and frameworks for recognising and addressing ESG (Environmental, Social, and Governance) risks. This involves identifying emerging risks, such as those related to climate change, and recommending mitigation strategies. Additionally, the Committee ensures Energean's adherence to pertinent regulatory mandates and/or internationally recognised standards and guidelines. It closely monitors political and regulatory dialogues and advancements at international, EU-wide, and national levels concerning various ESG matters, encompassing energy, climate, environment, industrial trends, and more.

The ESSR Committee met three times in 2023 and reviewed the Board papers on Energean's carbon emissions performance and KPIs.

In addition, the Audit & Risk Committee met five times in 2023 and looked at climate change-related issues, to ensure the identification of multi-disciplinary risks (including climate change-related risks), which may impact more than one part of the Company. This Committee is tasked with ensuring the effectiveness and implementation of measures aimed at mitigating and adapting to identified risks.

The Remuneration & Talent Committee met seven times in 2023 and has responsibility for the annual directors' bonus targets, long term incentive plans, and the overall Remuneration Policy. Both the annual directors' bonus targets and the long-term incentive plans link executive bonuses to the achievement of emission reduction targets.

For more information on how remuneration is linked to sustainability targets, please refer to pages 139 and 151–159 in the Corporate Governance section of this Annual Report.

b. Management's role in assessing and managing climate-related risks and opportunities

The Board establishes the values and standards of the Company, which encompass the long-term goals and commercial strategy of the Group. It also ensures that the Company fulfils its obligations to shareholders and other stakeholders. However, the CEO is primarily responsible for the day-to-day management and accountability regarding the Company's environmental and climate change policies, strategies, and targets across short, medium, and long-term plans following consultation with the COO.

The COO holds the responsibility of identifying and evaluating both business and climate-related risks, and in coordination with the CEO formulating strategies, and endorsing action plans aimed at managing and mitigating these risks effectively. Additionally, the CEO supervises the Company's overall environmental performance and establishes expectations and targets for climate performance. Discussions pertaining to climate change and the transition to sustainable energy with the Board are also conducted by the CEO. Regular dialogues between the COO, the CEO and the Board cover various climate change-related matters, including policies and investment decisions influenced significantly by climate change factors, and the potential impact of carbon credit prices on Energean's forthcoming financial performance.

The COO is responsible for managing operational aspects related to climate change, reporting directly to the CEO and providing regular updates to the Board. Development and implementation of Energean's Corporate HSE and Climate Change Policy, as well as designing training programs and drills across the organisation to enhance safety, environmental, and climate change awareness rests with the HSE Director. The HSE Director also keeps abreast of technological advancements and opportunities to support the achievement of defined climate change targets. Ensuring alignment with the Company's net-zero 2050 objective falls under the purview of the HSE Director. Monitoring Energean's carbon emissions across all assets and defining emission factors used by the financial team to gauge the financial implications of climate change on the Company's portfolio are additional responsibilities. Moreover, the HSE Director collaborates with Energean's financial, economic, and technical departments to assess climate-related risks and opportunities comprehensively.

Strategy: disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material

a. The climate-related risks and opportunities for the Group over the short, medium and long-term

Energean has identified climate-related risks and opportunities across short, medium, and long-term horizons. In the short term, up to 2025, regulatory changes, extreme weather events, and market volatility pose immediate risks. Medium-term risks, up to 2035, include transition risks associated with moving to a low-carbon economy, physical risks from climate-related events, and reputation and brand risks. Long-term risks, up to 2050, encompass stranded assets and supply chain disruptions. However, there are also opportunities, such as innovation in renewable energy technologies and alternative fuels, sustainable business practices, and addressing supply chain vulnerabilities. Embracing these opportunities could enhance resilience, reduce costs, and position the organisation favourably in a changing climate landscape. Effectively managing these risks and seizing opportunities is crucial for long-term sustainability and competitiveness while ensuring alignment with stakeholder expectations and regulatory requirements. Energean engages in comprehensive financial forecasting spanning a five-year timeframe, addressing short-term concerns entirely and partially addressing medium-term considerations outlined above.

b. The impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning

Inclusion of climate-related risks into decision making and business planning

The Board plays a crucial role in reviewing investments for climate-related risks, ensuring that these risks are effectively considered in decision-making processes. Regular discussions between the CEO and the Board encompass climate change-related issues, particularly investment decisions where climate considerations are significant drivers and the potential impacts of carbon credit prices on Energean's financial future.

Energean's business plan incorporates various assumptions, including but not limited to commodity prices, exchange rates, carbon prices, capital investment schedules, and associated risks and opportunities affecting revenue and free cash flow. As time horizons lengthen, the level of uncertainty surrounding these assumptions increases.

The outcomes of our scenario analysis exercise, detailed on pages 27–30, along with rigorous stress-tests for new investments, guide our corporate strategy and investment decision-making process. This ensures that climate change-related risks are adequately factored into managing our portfolio. We base capital allocations and business decisions on criteria as stringent as those posed by the carbon-constrained scenarios explored.

Our current portfolio remains resilient under the climate scenarios tested, and we expect to continue helping meet global energy demand over the coming decades. We will continue to make capital allocation decisions for our portfolio using rigorous planning assumptions flowing from the scenario analysis exercise.

Risks and opportunities

Climate change-related risks and opportunities have been meticulously identified, with comprehensive analysis of future scenarios guiding our integrated strategy approach. Our strategy aligns with efforts to mitigate global warming and is structured across short, medium, and long-term phases, as outlined in our Climate Change Policy. The table below provides detailed insights into the risks associated with climate change, building upon the Principal Risks outlined in the Risk Management section of the report (pages 81–96). This expanded overview aims to enhance understanding and proactive management of climate-related challenges and opportunities.

All risks and opportunities have been evaluated and scored based on the corporate risk matrix. For more information on this, please refer to the Group Risk Management Framework and the Country Risk Reviews section between pages 81–96 in the Risk Management section.

The process for identifying and assessing climate-related risks is set out under the climate-related Risk Management section below, on pages 81–96.

Physical risks		
Risk	Acute	Chronic
Description	Immediate and severe threats posed by climate-related events create risk to Energean's operations, assets, and infrastructure. These risks include extreme weather events such as storms, floods, and wildfires, which can result in disruptions to production, damage to facilities, and potential safety hazards for personnel. Additionally, acute physical risks may arise from sudden geological events like earthquakes or tsunamis, particularly in regions prone to such occurrences.	Chronic physical risks for Energean stem from long-term changes associated with climate change and environmental degradation. These risks include sea level rise, land subsidence, shoreline erosion, extreme temperatures, changes in precipitation patterns, and increased frequency and severity of storms. These gradual changes pose threats to Energean's coastal infrastructure, operations, and personnel safety.
Financial impact	Disruptions to production and supply chains caused by acute physical risks could result in revenue losses due to downtime and decreased output. It also could trigger secondary financial impacts, such as increased insurance premiums for property and business interruption coverage.	Chronic physical risks carry similar financial risks to acute physical risks, including: • Increased downtime and revenue loss • Higher insurance premiums Infrastructure located in areas vulnerable to chronic physical risks may also face diminished value or greater impairments over time.
Risk rating	Medium	Medium
Time-horizon	Short, medium and long-term	Long-term
Energean's response (mitigation)	Energean implements a comprehensive risk management strategy aimed at mitigating the potential impacts of such events on its operations, assets, and financial performance. This response typically includes several key components: 1. Risk Assessment and Monitoring: Energean reviews risk assessments performed by Climate Change Portals (e.g. the World Bank Climate Change Portal, Israel Climate Change Information Centre etc) to keep	Energean employs a range of responses to address chronic physical risks and mitigate their potential impacts on its operations, assets, and stakeholders: 1. Infrastructure resilience measures: Energean invests in structural enhancements and protective measures to increase the resilience of its infrastructure against chronic physical risks such as sea level rise, shoreline erosion, and land subsidence. This may include fortifying coastal infrastructure, raising new platform

	informed on acute physical risks, considering factors such as the likelihood of events occurring, their potential severity, and the vulnerability of assets and operations. Regular monitoring of relevant environmental conditions and early warning systems also helps to anticipate and prepare for potential risks. 2. Resilience and Preparedness Measures: Energean invests in resilience measures to enhance the robustness of its infrastructure and operations against acute physical risks. This involves structural reinforcements of offshore platforms, implementation of emergency response plans, and training of personnel to ensure readiness to respond effectively to emergencies. 3. Insurance and Financial Protection: Energean maintains appropriate insurance coverage to mitigate financial losses resulting from acute physical risks. This includes property insurance to cover damages to assets, business interruption insurance to compensate for revenue losses during downtime, and liability insurance to address potential third-party claims arising from incidents. 4. Contingency Planning and Business Continuity: Energean develops and regularly updates contingency plans and business continuity strategies to manage acute physical risks and minimise disruptions to operations. These plans outline procedures for emergency response, resource allocation, communication, and coordination with relevant stakeholders.	elevations, and implementing erosion control measures to reduce vulnerability to coastal hazards. 2. Monitoring and early warning systems: Energean implements monitoring systems and early warning mechanisms to detect changes in environmental conditions and anticipate potential hazards associated with chronic physical risks. Monitoring of sea level rise, coastal erosion, and other indicators enables proactive risk management and timely response to emerging threats.
Geographies impacted	Although all countries face the risk of acute and chronic risks, as per Energean's physical risk scenario analysis exercise (see pages 29–30), Energean views Israel and Egypt, where all production is located offshore and where around 80% of the Group's remaining NPV10 lies, as the countries at the most material risk.	
Metrics used to assess risk	Meteorological and oceanographic measurements are the primary data collated to monitor physical risks.	

Transition risks				
Risk	Policy/Legal	Technology	Market	Reputation
Description	a) As prices in the EU and UK Emissions Trading System ("ETS") increase, due to the decrease in the number of allowances available by tightening the cap on emissions, Energean's operations in Greece and the UK are expected to face higher operational costs as it needs to purchase more allowances to cover its carbon emissions. b) Carbon emissions taxes may be applied in the future in the Middle East and North Africa, which would increase the Group's operational costs. c) Changing government policy requirements may also lead to a reduction in demand for hydrocarbons	The development of new technologies and alternative energy sources may result in reduced demand for the company's products. Increased energy demand may also accelerate the development of renewable energy production and storage.	Changing customer behaviour may reduce demand for our oil and gas products. An excess of supply over demand may also lead to lower global commodity prices.	Negative perceptions of the hydrocarbon sector may lead to reputational damage from our stakeholders, including existing and potential employees, investors, local communities in which Energean operates, the wider public and governments.
Financial impact	a) Energean may face increased operating costs associated with purchasing additional carbon allowances in emissions trading systems like the EU ETS. b) Rising carbon costs may influence the company's investment decisions, particularly in long-term projects. Higher costs associated with carbon emissions could make certain projects less economically viable or delay investment decisions in carbon-intensive ventures.	a) If changing technology and market trends lead to a decrease in demand for oil and gas products, Energean may experience declining revenues and profitability. This could result in lower sales volumes and pricing pressure, impacting the company's top-line growth and margins. b) Rapid advancements in clean energy technologies may render certain Energean's assets obsolete or less valuable over time. This could lead to asset stranding, where investments in existing infrastructure become economically unviable due to shifts in market dynamics. The	a) As consumers increasingly favour sustainable energy sources, there may be a decline in demand for fossil fuels, including oil and gas produced by Energean. This shift in preference could lead to reduced revenue and profitability for the company if it does not adapt its product offerings or diversify into renewable energy sources. b) Excess supply over demand in the oil and gas market can lead to lower global commodity prices. This scenario can negatively affect Energean's revenue and profitability, as the company's financial	Poor reputation may adversely impact the company by decreasing the demand for its goods and services. It may also reduce the company's production capacity, due to delayed planning approvals and supply chain interruptions. A negative reputation may also block access to finance as investors move away from E&P companies and cause litigation damage from climate action.

Transition risks				
		company may incur impairment charges as it writes down the value of stranded assets on its balance sheet. c) Embracing new technologies and transitioning towards cleaner energy sources often requires significant investments in research, development, and infrastructure. Energean may incur higher operational costs as it invests in technology upgrades, emissions abatement equipment, and renewable energy projects to remain competitive and compliant with evolving regulations.	performance is partly tied to the market prices of oil and gas.	
Risk rating	Medium	Medium	Medium	Low
Time horizon	Medium to long-term	Medium to long-term	Long-term	Short, medium and long-term
Energean's response (mitigation)	a) Energean mitigates regulatory risk by diversifying its operations across multiple regions with varying carbon pricing mechanisms and emissions regulations. This strategy reduces the company's dependence on any single jurisdiction and spreads its exposure to carbon costs more evenly. b) Investing in low-carbon technologies and renewable energy sources can help Energean reduce its carbon emissions and mitigate the financial impact of increased carbon costs. This includes deploying energy-efficient equipment, implementing carbon capture and storage ("CCS") technologies (Prinos CCS is in progress), and expanding its renewable energy and alternative fuel portfolio (Eco-H2 pilot project is under evaluation).	Energean allocates resources towards R&D efforts focused on advancing CCS and alternative fuel technologies. This includes conducting feasibility studies, and collaborative research partnerships to enhance the understanding and scalability of these technologies. Energean also has strategic partnerships and collaborations with technology providers, research institutions, and government agencies to leverage expertise, share knowledge, and accelerate the development and deployment of CCS and alternative fuels projects.	Energean actively monitors and manages its exposure to commodity price fluctuations by employing hedging strategies and flexible pricing mechanisms. Fixed gas contracts with floor pricing in Israel, provide protection against fluctuations in international commodity prices. In Egypt gas revenues are protected with cap and collar and floor pricing. Energean conducts scenario analysis based on various IEA pathways, which outline potential future trajectories for the energy transition. By assessing multiple scenarios, including different levels of carbon pricing, renewable energy penetration, and energy	Energean invests in clean technologies and innovations to improve operational efficiency, reduce carbon emissions, and enhance environmental performance. By adopting advanced technologies such as carbon capture and storage ("CCS") and methane emission reduction techniques, the company minimises its environmental footprint and mitigates reputational risks associated with climate change. Energean also actively engages with stakeholders, including investors, regulators, communities, and non-governmental organisations ("NGOs"), to foster transparency, build trust, and address

Transition risks				
	c) Implementing measures to improve operational efficiency can help Energean reduce its carbon footprint and lower its exposure to carbon costs. This includes optimising production processes in all sites, reducing flaring and venting of methane emissions, and implementing energy management systems to minimise energy consumption. d) Energean explores opportunities to offset its carbon emissions through carbon offset projects or participation in carbon markets. This involves investing in Natural Based Solution projects that sequester or reduce carbon emissions, such as afforestation, reforestation, and renewable energy projects, to offset its own emissions and comply with regulatory requirements. e) Energean conducts scenario planning and risk assessments associated with increased carbon costs. By identifying potential risks and developing contingency plans taking into consideration the defined internal carbon prices, the company can mitigate the impact of these risks on its operations and financial performance.		demand projections, the company anticipates and prepares for a range of potential outcomes. Energean's portfolio continues to create value under all scenarios.	concerns related to climate change and sustainability. By communicating its sustainability initiatives, environmental performance, and progress towards carbon reduction goals, the company enhances its reputation and strengthens stakeholder relationships.
Geographies impacted	Greece and the UK, where Energean currently participates in the EU Emissions Trading System ("ETS") and UK ETS system. Although Italy is within the EU ETS, Energean's assets are lower than cap and as a result are not currently forecasted to pay carbon taxes.	All countries, but primarily in Europe and the UK.	Greece and Italy are considered to be the most vulnerable assets, as per the TCFD scenario analysis modelling (see pages 27–29).	All countries, but primarily in Europe and the UK.
Metrics used to evaluate risks	Emissions intensity (see page 32) Shadow carbon prices (see page 29) NPV10 impact of scenario analysis exercise (see pages 27–29) ESG ratings (see page 8)	Emissions intensity (see page 32) Shadow carbon prices (see page 29) NPV10 impact of scenario analysis exercise (see pages 27–29)	Commodity prices (see page 74) Shadow carbon prices (see page 29) NPV10 impact of scenario analysis exercise (see pages 27–29)	Emissions intensity (see page 32) Energy intensity (see page 65) Water usage (see page 65) ESG ratings (see page 8)

Opportunities					
Opportunities	Resource efficiency	Energy source	Products/services	Markets	Resilience
Description	Climate change mitigation efforts often necessitate more stringent regulations and standards regarding resource usage and emissions. Energean can leverage this by enhancing the resource efficiency of its operations.	The energy transition creates the opportunity for Energean to: • Reorient its portfolio towards gas as natural gas is considered a transition fuel due to its lower carbon emissions compared to coal and oil • Invest in renewable energy infrastructure and integrate these sources into its operations • Invest in alternative fuels, such as Energean's Eco-Hydrogen pilot project in Greece or biofuels.	Development and/or expansion of low emission goods and services. Energean is developing a CS site in Greece to capture and store carbon dioxide emissions from its own operations and other hard to abate industries. Energean is also evaluating similar initiatives in other areas where the company operates mature fields. Energean is evaluating a pilot blue-hydrogen project in Greece to produce low carbon hydrogen from natural gas together with CS.	Energean has the opportunity to capitalise on the growing demand for natural gas, particularly as a cleaner alternative to coal and oil in power generation, industrial processes, and heating.	The Company's resilience to commodity price fluctuations comes hand in hand with the new market opportunities.
Financial impact	Optimising production processes for resource efficiency may result in: • Increased production resulting in greater revenues • Premium pricing • Lower production costs • The avoidance of regulatory non-compliance fines • Greater access to a wider source of funding and capital • Greater resilience to the aforementioned risks	• Potential premium pricing due to a greater demand of low-carbon products • Potential lower operating costs • Lower sensitivity to carbon pricing costs • Greater access to a wider source of funding and capital	• Diversified sources of revenue via new low-carbon projects • Carbon tax cost savings • Reduced decommissioning liabilities • Enhanced reputational opportunities • Greater access to a wider source of funding and capital	• Revenue growth • Lower emissions intensity versus oil and coal projects leading to lower potential carbon taxes	• Protects the Company's revenue stream from commodity price fluctuations
Materiality level	Low	Medium	High	High	Medium

Opportunities					
Time horizon	Short, medium and long-term	Short, medium and long-term	Medium to long-term	Short to medium	Medium-term
Energean's response (strategy to realise opportunity)	Energean has established a specialised team within the company to manage climate change process optimisation projects. This dedicated team is tasked with conducting in-depth analyses of process systems, aiming to identify areas for improvement that can enhance energy efficiency and decrease carbon emissions. Their focus is on delving deep into various aspects of the company's operations, utilising their expertise to propose and implement measures that optimise resource usage, minimise waste, and ultimately contribute to Energean's sustainability objectives.	Energean has actively engaged all country teams to integrate renewable energy production into their respective sites, aiming to decrease reliance on grid energy and showcase responsible environmental stewardship. Currently, projects for installing solar systems have been identified in four sites across three countries: Egypt, Italy, and Greece. See 'products/service' for an overview of Energean's strategy to realise this opportunity for investing in alternative fuels and re-orienting to natural gas.	Energean conducts comprehensive feasibility studies and technology assessments to evaluate the viability and technical feasibility of implementing CCS and hydrogen projects. This involves assessing available technologies, identifying suitable sites, and analysing economic and environmental factors to inform decision-making. For the Prinos CS project, pre-FEED and subsurface assessment activities concluded in 2023 and FEED and ESIA work is ongoing. Energean also invests in research, development, and pilot projects to demonstrate the feasibility and scalability of CCS and hydrogen technologies.	Energean strategically invests in the exploration, development, and production of natural gas resources to expand its presence in target markets. This may include acquiring new exploration licenses, optimising production operations in existing assets, and pursuing opportunities for resource development and monetisation.	Over 58% of Energean's 2023 sales and revenues was from its Israel and Egypt gas sales, which contain long-term gas contracts underpinned by floor pricing. Energean will look to replicate this strategy in other future developments.
Geographies impacted	All countries, but primarily Greece, Egypt and Italy in the short to medium-term.	All countries, but primarily Greece, Egypt and Italy in the short to medium-term.	All countries, but primarily Greece in the near-term.	All countries	Israel and Egypt, but this strategy can be replicated in other countries.
Metrics used to evaluate opportunity	Energy consumption (see page 65) Waste reduction (see page 65) Carbon emissions (see pages 68–72)	Carbon emissions (see pages 68–72) % of natural gas production (see page 40)	CCS and hydrogen revenue streams (metric not currently disclosed as Energean currently has no revenue streams from these projects)	% of natural gas production (see page 40)	Sales and other revenue (see page 37)

c. *The resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario*

Energean has taken decisive steps in the previous decade to adjust its business strategy to not only mitigate climate change-related risks but also to capture opportunities. Over the past five years, Energean shifted its portfolio from 100% oil to more than 80% gas, recognising that gas plays an important role as a bridge fuel in the transition to a lower-carbon future. For example, in Israel, gas produced from our operations will be key in replacing high-carbon coal power plants and thus, will play a big role in lowering the country's absolute emissions by around 3 million tonnes.

Transition risks resilience

Since 2021, in line with the TCFD's recommendations, we have tested the resilience of our portfolio against the scenarios from the International Energy Agency's ("IEA") annual World Energy Outlook ("WEO") report to address the risks and opportunities presented by a potential transition to a lower-carbon economy. Resilience is defined as the ability to generate value in a low-price environment.

We have chosen to use the IEA scenarios as it enables standardisation in approach and comparison between companies. The IEA's scenarios change slightly each year — in the 2023 WEO report, the three scenarios are:

IEA's 2023 WEO climate scenarios

	Stated Policies Scenario ("STEPS")	Announced Pledges Scenario ("APS")	Net-Zero Emissions by 2050 Scenario ("NZE")
Overview	Provides an outlook based on the latest policy settings, including energy, climate and related industrial policies.	Takes account of all climate commitments made by governments around the world and assumes they will be met in full and on time.	Sets out a pathway for the global energy sector to achieve net-zero CO2 emissions by 2050.
Temperature rise	2.4°C by 2100	1.7°C by 2100	1.4°C in 2100
2030 oil price	$85/bbl	$74/bbl	$42/bbl
2030 EU gas price	$6.9/MMBtu	$6.5/MMBtu	$4.3/MMBtu
2030 carbon price	$120/tonne	$135/tonne	$140/tonne

Methodology

We have applied the IEA's price forecasts for each scenario to our portfolio and have compared the impact on the net present value ("NPV") for all the Group's assets with 2P reserves within each country versus our base case budgetary assumptions. We have not included our exploration assets in this analysis.

The IEA provides 2030 and 2050 oil and gas prices for each scenario. It also provides 2030, 2040 and 2050 carbon prices for each scenario. We have assumed a straight-line increase between the price points and then assumed flat prices from 2050 onwards. Because the IEA provides general oil and European gas prices, we have taken the differential between their base case and their forecast and applied this to our 2022 base case for Brent and the various regional gas prices to generate comparable commodity price forecasts.

The impact to net present values described below are based on the development of our 2P reserves position "as is", and do not include any unsanctioned steps that we are taking to mitigate the impacts of climate change.

Results

Net present value of portfolio[12]

	STEPS	APS	NZE
Israel			
Egypt			
Italy			
Greece			
UK			
Croatia			

Impact on NPV
>0%
0 to -10%
-11 to -55%
>-56%

Our portfolio continues to create value under all scenarios and our gas-focused business positions us strongly to adapt to changing demand in a carbon-constrained world.

Under the NZE, the NPV is reduced by 11% overall compared to the base case, but remains positive. This is because the portfolio is predominately gas weighted and thus is largely protected against falls in oil prices.

In Israel, gas revenues are protected against fluctuations in international commodity prices as there are fixed gas contracts with floor pricing. Only under the NZE is there a minor impact on the NPV (-5%) due to the price realised for the liquids stream. Likewise in Egypt, gas revenues are protected with cap and collar and floor pricing, which results in a -4% decrease in NPV under the NZE scenario.

Our assets in Italy and Greece are more exposed to the effects of lower commodity prices under the scenarios considered, as the NZE's outlook for Brent is lower than our base case assumptions. We are already taking steps to mitigate this impact, and are looking at longer-term, climate friendly solutions, including carbon capture solutions. Energean is a nimble operator with the ability to deliver solutions that deliver maximum value for our shareholders, and we view scenario analysis as a key tool in continuing to deliver upon this as we move into a lower-carbon world.

For the UK and Croatia, the Group's base case assumptions for long-term gas prices are lower than the NZE equivalent, which is why there is an increase in the NPV under the NZE scenario.

Further information on the potential impact of commodity price assumptions and the risks associated with climate change can be found in the Group's impairment assessment within the Financial Statements of this Annual Report on page 210.

Carbon price forecast

Energean uses an internal price on carbon to stress-test new projects, acquisitions and investments. This allows us to measure the impact of any investment decision on the company's carbon footprint, and to determine whether any future investments would increase our carbon intensity. Furthermore, the internal price on carbon ensures that we include the possibility of additional carbon taxation schemes being introduced which would result in a reduction of our income and valuation on individual assets.

Our internal carbon prices for countries which do not currently have a regulated carbon tax market (e.g. outside of the EU and UK ETS regions) are:

[12] Relative to Energean's budget planning Brent oil price of $70/bbl.

Year	($/tCO2)
2024	55–60
2025	65–70
2035	160–165
2050	240–250

This carbon price is based upon an average of the IEA's NZE scenario in their 2023 WEO Report and the current carbon removal cost on the voluntary market, inflated at the same rate as the IEA's NZE scenario.

The internal carbon price helps mitigate future potential climate change impacts by helping us safeguard the value of future investments under different scenarios where the cost of emitting GHG increases as a result of more stringent regulated trading schemes. In our sensitivity analysis, we have seen that climate change constitutes a significant risk (albeit with a low probability) in this respect. Engineering solutions have been incorporated in the design of future projects and in operational performance improvements to emissions, in addition to considerations around carbon capture and offsetting projects in the medium term.

We have already pivoted our portfolio predominantly toward gas as part of an overall strategic decision to more strongly position the company to meet global energy needs in a carbon-constrained world.

We use carbon prices in our asset impairment tests and in the annual Competent Person's Report ("CPR") (an independent appraisal of our oil and gas assets). The lack of net-zero-aligned global and national policies and frameworks increases the uncertainty around how carbon pricing and other regulatory mechanisms will be implemented in the future. This makes it harder to determine the appropriate assumptions to be taken into account in our financial planning and investment decision processes.

Physical risks resilience

As discussed within the Risks section between pages 19–26 in the TCFD section and pages 81–96 in the Risk Management section of this Annual Report, management recognises that climate change is expected to lead to the increased frequency and severity of weather-related natural hazards, such as sea-level rise, storms, flooding and extreme temperatures.

IPCC's outlook (Sixth Assessment Report ("AR6") Chapter 11) for the Mediterranean for the direction of change for weather and climate extreme events under different climate scenarios

Temperature rise[13]	1.5°C	2.0°C	4.0°C
Hot temperature extremes	Very likely	Extremely likely	Virtually certain
Heavy precipitation	Medium	High	High

Methodology and results

Energean has conducted qualitative scenario analysis for Israel and Egypt, which are the two countries most material to the Group on a NPV10 basis. Around 80% of the Group's remaining NPV10 is in Israel and Egypt, where all production is located offshore. Both countries are located within the IPCC's 'Mediterranean' category. Energean has considered the IPCC's AR6 findings for the change in likelihood of extreme events for the Mediterranean region, under the IPCC's three temperature change outlooks.

As per the IPCC's analysis, hot temperature extremes under the three scenarios are, at a minimum, very likely. Extreme hot weather events could lead to increasing risks to employee health and safety in the work-place, decreasing productivity. Israel and Egypt both have historical datasets of high temperatures. To mitigate this, we ensure that all employees follow appropriate health and safety guidelines, provide air-conditioned break areas and supply heat-related illnesses awareness training. In view of future higher temperatures, the company considers flexible work schedules, allowing work during cooler times of the day. We foresee an increase in cooling water demand (sourced from seawater not freshwater) for equipment robustness and energy consumption, as higher ambient temperatures reduce heat exchange

13 Versus pre-industrial levels.

efficiency; this is not expected to affect or cause a disruption to production. Long-term fatigue of material exposed to higher temperatures is an area that requires further study, but has not been identified as a immediate risk.

Heavy precipitation ranges from medium to high under the three scenarios. However, due to the offshore nature of Energean's operations, the impact of this is not deemed as high versus extreme hot weather. Near-shore assets take precautionary measures related to extreme precipitation, such as having readily-cleaned rainwater sewers, drainage channels and equipment that is adequately elevated in order to avoid disruptions. No additional construction work or infrastructure are foreseen based on findings.

Energean has also identified severe storms as a risk to its Israel and Egypt operations, which may result in a temporary shut-down in production or the delay of hydrocarbon liquids offloading in Israel. However, the IPCC does not provide an outlook for extreme storms for the Mediterranean region because quantifying the effect of climate change on extreme storms is challenging, partly because extreme storms are rare, short-lived, and local, and individual events are largely influenced by stochastic variability.

Finally, Energean has evaluated the data around the sea-level rise following the IPCC's scenarios RPC2.6 and RCP8.5. Under the first, the global mean sea level rise is expected to be around 0.43 metres, while for the second, 0.84 metres by 2100. We have considered factors such as near-shore assets' elevation, proximity to coastlines and historical climate data, while in the future soil conditions may be studied. All assets vulnerable to sea-level rise are considered to be decommissioned by 2100 and currently they are found to be adequately far distanced from areas that may be affected by sea-level rise, but the necessity of further modelling tools to assess the potential impact of such extreme events will be evaluated in the future. The elevation of offshore platforms have been developed in a way that mitigates the risk of swells. The combination of swells and rising sea level rise is an area identified as requiring further investigation.

Energean will look to enhance its physical risk scenario analysis within next year's reporting period.

Risk management: disclose how the organisation identifies, assesses, and manages climate-related risks

As discussed above, Energean considers climate change and GHG emissions a material risk factor. Energean first recognised climate change as a rapidly emerging risk in 2019. Climate change related risks and opportunities are fully integrated with Energean's multi-disciplinary, Group-wide risk management process. The risk management framework ensures effective identification, assessment, control and monitoring of climate change-related risks against their potential financial, legal, physical, market and reputational impact, and further ensures that key strategic and commercial decisions are assessed by reference to their financial importance.

Energean monitors the risks associated with physical and transition-related risks to ensure these are being managed within our overall risk appetite over different time horizons.

Please refer to the Risk Management section between pages 81–96 of this Annual Report for further information.

Metrics and targets: disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material

a. The metrics used by the Group to assess climate-related risks and opportunities in line with its strategy and risk management process

The key metric we use to track our progress against our energy transition strategy to be Net Zero by 2050 is the emissions intensity of our portfolio across scope 1 and 2 emissions, on an equity-share basis.

Energean's base line year for its targets was previously 2019. However, in light of Energean's rapid growth through the start-up of Karish and the acquisition of Edison, Energean has reset its base line year for its targets to 2022. This historical and future targets can be found on page 32.

Executive remuneration is partly linked to sustainability metrics, which includes emission reductions, which is one of the Group's KPIs. *Please refer to pages 139 and 151–159 in the Corporate Governance section for further detail.*

Energean's Net Zero Strategy

Energean's Net Zero Strategy, unveiled in 2020, outlines a series of strategically defined initiatives aimed at successfully fulfilling the company's commitment to achieving Net Zero. This comprehensive strategy spans three distinct periods: short-term (up to 2025), medium-term (up to 2035), and long-term (up to 2050).

In the short-term period, Energean was focused on transitioning production from crude oil to natural gas, procuring electricity generated from renewable sources across all operational sites, optimising site performance, and embarking on broader decarbonisation projects. The company also aims to develop a dynamic roadmap for acquiring or generating carbon removals. In addition, this period was categorised by focusing on boosting transparency in climate change performance by actively participating in initiatives such as the CDP and the TCFD.

Building upon these short-term efforts, the medium-term period will see Energean advancing decarbonisation projects. This includes the operation of a Carbon Capture and Storage ("CCS") site to sequester emissions and an increased focus on the electrification of certain assets. Furthermore, the company will also look to start investing in Natural Based Solution projects.

Looking towards the long-term horizon, Energean plans to expand decarbonisation projects to additional countries where it operates. Natural Based Solution projects will also evolve to align with the overarching Net Zero target, showcasing the company's sustained commitment to environmental responsibility and sustainability.

Energean has set a series of milestones that underline the company's 2050 net-zero commitment. The key aspects of this pathway include:

1. Become net-zero across our entire operations on an equity share absolute basis by 2050. Our commitment includes Scope 1 GHG emissions from owned fuel burning sources and Scope 2 from purchased energy.
2. Continuously reduce our carbon emissions intensity from 16 kgCO2e/boe in 2022, to 4–6 kgCO2e/boe in 2035 and net-zero in 2050.
3. Include our net-zero criteria and relevant costs in new M&As to support Final Investment Decisions and be incorporated in Field Development Plans. All company's growth opportunities will be scrutinised and tested against our Net Zero pathway to assure full adaptiveness. Opportunities not meeting the criteria will not be eligible for investing.
4. Reduce absolute carbon emissions through decarbonisation strategies that include technical solutions such as fuel substitution and energy efficiency management, carbon capture and storage ("CCS"), and portfolio management including divestments.
5. Commit to methane emissions monitoring and reduction. Drive our JVs' engagement to this target.
6. Continue to implement zero routing flaring and reduce to minimum safety and non-routine flaring in operated sites and drive similar engagement of our JVs.
7. Invest in on-site renewable energy production to cover a part of the energy needs. Drive our JV's engagement to this target.
8. Invest in Natural Based Solution ("NBS") projects to generate or purchase from existing projects carbon removals from the atmosphere in a volume of less than 50% of the total projected carbon emissions of our new baseline year 2022 equity share production. Our carbon removals portfolio will be a mixture of NBS technologies, such as forestry, soil, blue carbon, biochar etc.

CCS progress

At Energean, we believe there is considerable opportunity to employ efficient CCS technologies in the regions we operate. Besides capacity from our own assets, we believe that there will also be external interest, e.g. from power plants and the cement sector, in providing their produced CO2 to be stored in our company's depleted reservoirs. Energean is a highly experienced offshore operator and developer, and thus is well placed to realise such projects.

During 2023 subsurface studies matured the project concluding to a maximum safe storage capacity of 60–70MT CO_2 with a 3MTPA injectivity potential. Also, subsurface studies were performed and continue in preparation of the storage permit application. The Prinos CS project has been included within the EU Commission’s Projects of Common Interest, and €150 million of grants have been committed.

In February 2023, Energean Egypt and Shell Egypt inked a memorandum of understanding (MoU), paving the way for a collaborative effort towards decarbonisation. This groundbreaking partnership aims to tackle a key challenge in carbon capture and storage (CCS): the integration of significant carbon emitters with suitable geological formations. Specifically, the focus lies on decarbonising the LNG terminal in Idku, operated by Shell, by capturing and storing carbon dioxide in a depleted reservoir within Energean's Abu Qir offshore concession. Moreover, plans for subsequent phases include extending this facility to accommodate emissions from other industrial sources such as fertilizers. Notably, the carbon storage facility's conceptual design has been finalised, while ongoing work on economic and sensitivity models is underway to delineate the operational framework. Furthermore, significant progress has been made with the signing of mutual agreements with potential customers, marking a significant step forward in advancing sustainable solutions.

Recognitions of our Climate Change Strategy

In 2023, Energean continued its active involvement in the Climate Disclosure Project, advocating for transparency in disclosure and advancing our efforts to combat climate change.

The climate change rating evaluates the thoroughness and comprehensiveness of our disclosures, as well as our company's understanding of climate change issues, management approaches, and progress towards addressing climate action. Meanwhile, the supplier engagement rating assesses our performance in governance, goal setting, scope 3 emissions, and engagement across the value chain.

We are delighted to announce that once again in 2023, we received an improved score of A- for climate change, maintaining our progress from 2022 and surpassing our ratings of B in 2021 and B- in 2020. This recognition is based on our strategic approach and established targets. Importantly, this rating positions us among the top 18% of all oil and gas producers engaged with CDP.

b. Scope 1, Scope 2, and, Scope 3 greenhouse gas (GHG) emissions, and the related risks

Emissions Intensity (Equity Share)[14]	2023	2022	2021	Target 2035	Target 2050
Scope 1 (kgCO_2e/boe)	9.3	15.9	18.3	Reduce scope 1 & 2 by 2035 to 4.0–6.0 kgCO_2e/boe	0
Scope 2 (kgCO_2e/boe) – market based[15]	0.0	0.1	0.1		0
Scope 1 and 2 (kgCO_2e/boe)	9.3	16.0	18.4		0
Scope 3 (MtCO_2e) – Category 10	0.7	0.5	0.5	No target	No target
Scope 3 (MtCO_2e) – Category 11	21.8	7.6	7.6		
Scope 3 (MtCO_2e) – Total	22.5	8.0	8.1		

14 Methodologies used to calculate scope 1 emissions include the standards and protocols of EU ETS, IPCC, Concawe and EPA. Scope 2 emissions were calculated using the GHG protocol standards. Scope 3 emissions were calculated using the GHG Protocol’s Scope 3 calculation guidance. Scope 1, 2 and 3 emissions have all been verified to ISO 14064-1 based on the operational accounting approach. Please refer to the Environmental section on pages 68–72 for a detailed description of what categories the Group deems irrelevant or insignificant and therefore has not been included in the Group’s Scope 3 emissions calculation.

15 Market-based method for scope 2 emissions, incorporating energy certificates such as Guarantees of Origin and International Renewable Energy Certificates (I-RECs).

For further detail on our GHG emissions, please refer to the KPIs section and the full emissions table in the 'Our mission: preserving our planet' section between pages 64–65 and 68–72 in this annual report.

c. The targets used by the Group to manage climate-related risks and opportunities and performance against targets

Energean is committed to be Net Zero by 2050 across its absolute scope 1 and scope 2 emissions on an equity share basis. To accomplish our commitment, we target to reduce our absolute emissions by 50% (from 2022–2050), whilst the remaining 50% or less will be covered by the production or acquirement of high quality emissions reduction credits through nature-based solution projects.

In 2019, we pledged to reduce the carbon intensity of our business by 85% by 2025 compared to 2019. As forecasted, we have met this expected target, with our emissions intensity decreasing from 66.8 kgCO2e/boe to 9.3 kgCO2e/boe, achieving an 86% reduction. This has primarily been driven by the switch from an oil to gas-weighted portfolio and via the start-up of Karish, which has comparatively low emissions intensity of 4–5 kgCO2e/boe.

Looking ahead, Energean's 2035 target is to reduce our emissions intensity to 4.0–6.0 kgCO2e/boe. These targets are continuously monitored by our HSE Director as well as the CEO and the Board.

Market Overview

Brent oil price

In the first half of 2023, oil prices fluctuated following the EU import ban on Russian crude, concerns about inflation and possible recessions, as well as interest rate rises from several central banks. In the second half of 2023, oil prices generally rose before falling as a result of geopolitical tensions in the Middle East and concerns around global oil demand.

Brent averaged $82.2/bbl in 2023, a 17% decrease from 2022 levels. Prices were less volatile than 2022, with an annual high of $96.7/bbl on 27 September 2023 and an annual low of $71.9/bbl on 5 May 2023.

Our liquids production in Israel, Italy, Egypt and the UK are Brent-linked.

Focus on gas

Over 80% of our production is from gas fields. Gas prices from production in Italy, the UK and Croatia are linked to the European gas market. Our contracts in Israel have fixed long-term floor prices. In Egypt, gas prices are linked to Brent but include cap and collar pricing, with fixed prices between $40 and $75/bbl.

European gas prices

European gas prices fell in 2023 after witnessing soaring prices in 2022. The average PSV price in 2023 was €42.8/MWh, a 66% decrease from 2022 levels. 2023 PSV prices saw an annual high of €78.0/MWh on 9 January 2023 and an annual low of €23.7/MWh on 1 June 2023. During the first half of 2023, Italian PSV prices generally fell as a result of warmer than average winter temperatures and strong wind energy generation through the spring. In the second half of the year, PSV prices reacted to a jittery European market regarding concerns about geopolitical tensions in the Middle East.

Israel

Gas

Israel's third gas field, Karish, commenced production in October 2022, following Leviathan (first gas in December 2019) and Tamar (2013). Between Q1–Q3 2023, 7.6 Bcm was produced by Tamar and 8.2 Bcm was produced by Leviathan. Of this, Tamar exported 2.0 Bcm and Leviathan exported 6.9 Bcm (4.8 Bcm to Egypt and 2.1 Bcm to Jordan)[16]. Due to the Tamar platform's proximity to the Gaza strip, the Israeli government enforced an approximate one month shut-down of production on 7 October over security concerns. Production was subsequently resumed around the 9 November.

Since 2018, the Ministry of Energy has focused its efforts on transitioning to greener sources of energy through the increased use of gas and renewables, while phasing out coal. The Israeli government aims to convert all coal powered stations in the country to gas by 2025 and is targeting a fuel mix of 70% gas and 30% renewable energy by 2030.

In 2023, demand for gas in Israel was approximately 13 Bcm. Israel's long-term gas demand outlook remains robust, with demand forecast to grow to 15 Bcm by 2025, 22 Bcm by 2035 and 26 Bcm by 2045[17]. Natural gas demand increase is driven by the enduring growth in electricity demand, as well as by a transition of fuel mix, from coal and oil to natural gas and renewables.

Liquids

Karish, Karish North, Katlan and Tanin contain total 2P liquids reserves of 926 Mmboe (as per the year-end 2023 CPR). The *Energean Power* FPSO has onboard storage facilities that can store up to 800,000 barrels of liquid. The hydrocarbon liquids are exported via tankers to international markets.

In 2023, Energean offloaded eight hydrocarbon liquid cargoes, totalling over three million barrels at an average realised discount of $6/bbl to Brent.

[16] Tamar data from Isramco Negev 2 LP's Q3 2023 report, Leviathan data from NewMed Energy's Q3 2023 presentation.
[17] BDO January 2024 report.

Egypt

Egypt's gas market has seen substantial change over the past two decades, owing to several large domestic discoveries, headlined by Eni's super-giant Zohr field in 2015. Zohr reached first gas in 2017, enabling the country to move from being a net importer to net exporter of gas. Egypt also started importing gas from Israel in January 2020, realising its ambitions to become a regional gas hub.

However, Egypt's production has fallen since 2021 due to decline from its mature gas fields and water breakthrough at the country's key producing field, Zohr, with 2023 country production at around 60 bcm (6 bcf/d). Egypt's gas demand now outstrips its domestic production and gas demand is forecasted to continue to rise (63.1 Bcm in 2020 rising to 71.5 Bcm in 2025 and 78.8 Bcm in 2030). In January 2023, Chevron and Eni announced that they had discovered 3.5 tcf (c. 100 bcm) with their Nargis-1 exploration well, located offshore Egypt. Even if this discovery is developed, Egypt still requires more discoveries to be made to meet both its domestic demand growth and its pledge to become a regional energy hub.

Our Key Performance Indicators

We measure performance over a range of key operational, commercial, financial and non-financial metrics to ensure the sustainable management of our long-term success. This keeps us focused on our strategic objectives, whilst allowing us to remain agile and responsive to external events.

Operational

We continued our strong track record of growing production with a 200% y-o-y increase vs 2022.

1 Working interest production

Working interest production	2023	2022	2021
Kboe/d	123	41	41

Objective: Energean is focused on maximising production from its existing asset base and delivering net production of 200 Kboe/d, in line with its near-term targets.

2023 progress:

- Average working interest production of 123 Kboe/d in 2023.
- 2023 production was greater than 2022 because of the ramp-up of production by Karish and the start-up of NEA/NI.

2 2P reserves and 2C resources

2P reserves	2023	2022	2021
MMboe	1,115	1,161	965

2C resources	2023	2022	2021
MMboe	222	217	188

Objective: Energean aims to replace the reserves it has produced and grow its reserve and resource base through a combination of successful exploration and appraisal and selective value accretive acquisitions.

2023 progress:

- 2P + 2C reserves and resources of 1,337 MMboe (2022: 1,378 MMboe).
  - 2P+2C volumes increased year-on-year before produced 2023 volumes (47 mmboe).
  - Material reserves life of around 19 years[18].

[18] Based upon mid-point of 2024 production guidance of 155–175 kboe/d.

Financial

Energean is focused on increasing production from its large-scale, gas-focused portfolio to deliver material free cash and maximise total shareholder return.

1 *Revenues*

Revenues	2023	2022	2021
$ million	1,420	737	497

Objective: Energean's near-term target is to generate revenues of $2.5 billion p.a. With approximately 1,115 million boe of 2P reserves to be monetised and a revenue growth profile underpinned by gas sold under largely fixed price contracts, we at Energean believe this target is both achievable and sustainable.

2022 progress:

- 2023 revenues of $1,420 million.
  - 2023 revenue was higher than 2022 as a result of a full year of contribution of production from Israel.

2 *Cost of production*[19]

Cost of production	2023	2022	2021
$/boe	11	19	16

Objective: The Group's near-term cost of production (operating costs plus all royalties) target is $9–11/boe.

2023 progress:

- The decrease in cash unit production costs was primarily driven by increased production, as applied to a primarily fixed cost base.

3 *Adjusted EBITDAX*[20]

Adjusted EBITDAX	2023	2022	2021
$ million	931	421	212

Objective: Energean aims to maximise adjusted EBITDAX to maintain the profitability of the business. The Group expects to grow adjusted EBITDAX to $1.75 billion p.a. in the near-term through the successful delivery of sanctioned key growth projects.

2023 progress:

- 2023 adjusted EBITDAX was higher than 2022 predominantly as a result of the higher revenue achieved due to a full year of contribution of production from Israel.

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[19] The Group uses certain measures of performance that are not specifically defined under IFRS or other generally accepted accounting principles. These non-IFRS measures include Cost of Production. More information can be found in the Financial Review section, under the heading "Non-IFRS measures".

[20] The Group uses certain measures of performance that are not specifically defined under IFRS or other generally accepted accounting principles. These non-IFRS measures include adjusted EBITDAX. More information can be found in the Financial Review section, under the heading "Non-IFRS measures".

4 Cash flow from operating activities

Cash flow from operating activities	2023	2022	2021
$ million	656	272	133

- The increase was primary driven by higher sales production in 2023 versus 2022.

5 Profit/(Loss) after tax

Profit after tax	2023	2022	2021
$ million	185	17	(96)

- The increase was primary driven by higher sales production in 2023 versus 2022, partially offset by the deferred tax charge (see Note 14 in the Financial Statements).

Net-zero emissions

Energean's aim is to lead the energy transition in the Mediterranean through a strategic focus on gas and achieve its net-zero ambition by 2050.

1 Emissions intensity reduction

Emissions intensity on an equity share basis[21]	2023	2022	2021
KgCO2e/boe (Scope 1 and 2)	9.3	16.0	18.3

Objective: In 2019, we were the first E&P company in the world to commit to net-zero emissions by 2050. As part of this commitment, we pledged to reduce by the emissions intensity of our business by 85% by 2025, versus our 2019 base year[22].

Energean uses internationally recognised standards and guidance to calculate its GHG emissions. We followed the recommendations of the Greenhouse Gas Protocol, as well as guidance from IPIECA, the UK's Department for Environment, Food and Rural Affairs ("DEFRA"), the International Energy Agency ("IEA"), the UN Intergovernmental Panel on Climate Change ("IPCC") and the EU Emission Trading System. Our scope 1 emissions under the EU ETS have been verified by TUV Austria Hellas, while all our operated assets' emissions (covering scope 1, 2 and 3) are verified based on the ISO 14064-1 guidance.

2023 progress:

- We delivered a 42% year-on-year reduction in the emissions intensity of our operations to 9.3 kgCO2e/boe on equity share basis.
  - The decrease was primarily driven by the contribution of production from Karish in Israel, which has a lower emissions intensity (4.7 kgCO2e/boe in 2023) versus the wider Group, and the decreasing rate of commissioning teething issues on the FPSO through the year.
  - Scope 2 emissions intensity was reduced to 0 kgCO2e/boe on an equity share basis due to the continued use of renewable purchased energy at Energean's operated sites.
- We achieved our emissions reduction target to reduce the emissions intensity of our business by 85% from 2019 (original baseline year) to 2025, by achieving an 86% reduction.

[21] Equity share is defined on page 65.
[22] Scope 1 and 2 emissions. Original baseline year was 2019. In 2023, this was changed to 2022.

HSE

Energean is fully committed to safety as it conducts its business with integrity, ensuring responsible behaviour at every step.

1 *Lost time injury frequency rate*

LTIFR	2023	2022	2021
No. per million hours worked[23]	0.47	0.47	0.33

Objective: Energean is committed to managing its operations in a safe and reliable manner to prevent major accidents and to provide a high level of protection to its employees and contractors. Our target is to keep the LTIF Rate below 0.60.

2023 progress:

- Safe and reliable operations, zero serious injuries.
- Zero environmental damage and zero oil spills.
- Zero health damage and occupational illnesses.
- Energean's 2023 LTIFR was flat at 0.47 versus 2022 due to the Group's continued adherence to its multi-healthy and safety polices.

Shareholder return

Energean is focused on returning value to shareholders through a reliable, sustainable and progressive dividend stream

1 *Dividends*

Dividends	2023	2022	2021
$ million	214	107	N/A

Objective: Energean is targeting to pay cumulative dividends of at least $1 billion by the end of 2025. This is underpinned by predictable cashflows, largely insulated from commodity price fluctuation, thanks to long-term gas contracts with floor-price protection and high take-or-pay provisions. Energean's policy is to pay a dividend of at least $50 million per quarter, ramping-up in line with Energean's near-term production and revenue targets to at least $100 million per quarter, as the Company's fully sanctioned and funded developments come onstream. Post 2025, Energean targets to sustain a reliable dividend stream.

2023 progress:

- In 2023, Energean returned a total of $1.20/share to shareholders ($214 million), representing four quarters of dividend payments. This equates to total returns of $1.80/share (approximately $320 million) since dividend payments began in Q3 2022.

In 2024, Energean intends to continue to pay quarterly dividends to its shareholders in line with its previously communicated dividend policy.

The Board and management will regularly review its capital allocation to ensure that sufficient liquidity remains within the Group, to continue Energean's organic growth strategy and consider the potential for opportunistic M&A and/or supplementary capital returns to shareholders.

[23] Refers to employees and contractors.

Review of Operations

Production

Group working interest production averaged 123 Kboe/d in 2023 (2022: 41 Kboe/d). 2023 production was higher than 2022 because of the ramp-up of production from Karish (Israel) and the start-up of production from NEA/NI (Egypt).

Working interest hydrocarbon production (Kboe/d)

	2023	2022
Israel	87 (89% gas)	5 (92% gas)
Egypt	25 (86% gas)	25 (87% gas)
Rest of portfolio	11 (34% gas)	11 (40% gas)
Total	123 (83% gas)	41 (75% gas)

Israel

Karish

Production commenced at Karish on 26 October 2022. All three wells (Karish Main-01, 02 and 03) had been opened before year-end 2022.

Sales gas in 2023 totalled 4.4 bcm, up from 0.3 bcm in 2022. Commercial sales under the GSAs began in April 2023. Slower than anticipated commissioning and ramp-up led to slightly lower than expected production from Karish in the first half of the year. Optimisation activities on the FPSO and subsea systems were successfully performed in the second half of the year, resulting in 99% FPSO uptime (excluding planned shutdowns) in Q4 2023[24].

Day-to-day production has not been impacted as a result of the security situation in Israel, but it has impacted the timing of the installation of the second oil train (see below "second oil train and second gas export riser" for further detail).

The history of Karish

In 2016, Energean acquired the Karish and Tanin licences from NewMed Energy (formerly Delek Drilling) and in March 2018, Energean took FID on Karish. An EPCIC contract was then signed with Technip to build the Energean Power FPSO. First steel was cut in China in November 2018 and in April 2020 the hull arrived in Singapore for the integration of the topsides. The Covid pandemic lead to shut-downs in the yard, which impacted the timely completion and sail-away of the FPSO, which occurred in April 2022. The FPSO then arrived in Israeli waters in June 2022, following which the hook-up of the wells and commissioning process occurred prior to first gas.

Karish North

The Karish North development well was successfully drilled as part of the 2022 growth drilling campaign. The Karish North manifold was installed in Q2 2023 and the umbilical and spool were installed in Q3 2023 ahead of opening of the well.

Karish North first gas was safely achieved on 22 February 2024. The Energean Power FPSO now has four production wells in operation, increasing well stock redundancy and flexibility to meet the demand requirements of Energean's gas buyers.

A second well is expected to be drilled in the late 2020s and, combined with later life workovers to both wells, is expected to be sufficient to fully develop the 278 MMboe of 2P reserves.

[24] Uptime is defined as the number of hours that the Energean Power FPSO was operating; the Q4 2023 figure excludes the scheduled 6-day shutdown that occurred in December.

Second oil train and second gas export riser

The second gas export riser and second oil train enables the gas production capacity to increase from 6.5 Bcm/yr to 8.0 Bcm/yr and the liquids production capacity to increase from 18 Kboe/d to 32 Kboe/d.

The second gas export riser was installed in March 2023, hooked-up to the FPSO in December 2023 and was brought online in February 2024.

Construction of the second oil train was completed in Q3 2023. However, because of the security situation in Israel, it has impacted the timing of the installation of the second oil train, which will be installed as soon as feasible.

Gas and liquids contracts

Gas – long-term gas sales agreements

Energean has signed 19 long-term gas sale and purchase agreements ("GSPAs") to customers in Israel, all of which include take-or-pay commitments and floor pricing or an exclusivity provision, providing a high level of certainty over revenues from the Karish, Karish North and Tanin projects over the next 20 years.

Commercial sales for the majority of Energean's GSPAs began in April 2023.

In February 2024, Energean signed a new GSPA with Eshkol Energies Generation Ltd., majority owned Dalia Energy Companies Ltd., for the supply of an initial 0.6 bcm/yr1, rising to 1 bcm/yr from 2032 onwards.

Energean supplies gas to all four IEC power stations that have been privatised: Ramat Hovav, Alon Tavor, East Hagit and now Eshkol. This new contract is in line with Energean's strategy to bring competition and security of supply to the Israeli market, and to secure long-term cash flows for its shareholders via its long-term gas contracts.

The GSPA is for a term of approximately 15 years, for a total contract quantity of up to approximately 12 bcm and represents circa $2 billion in revenues over the life of the contract. The contract contains provisions regarding floor and ceiling pricing, take or pay and price indexation (not Brent-price linked). The GSPA has been signed at levels that are in line with the other large, long-term contracts within Energean's portfolio.

Gas – spot sales agreements

Energean also has 9 spot sales agreements, which enhances the potential to increase offtake volumes to the extent of the maximum Energean Power FPSO capacity and provides the ability to sell gas at spot prices above contracted sales prices. The Group continues to explore alternative commercialisation options, including export at market opportunities.

Liquids

Energean has a sales and purchase agreement with Vitol SA for the marketing of its hydrocarbon liquids produced in Israel. This agreement was initially for six cargoes, but was extended in 2023.

In 2023, Energean offloaded eight hydrocarbon liquid cargoes, totalling over three million barrels.

Katlan

Energean discovered the Athena and Zeus fields as part of its 2022 drilling campaign. D&M has certified that these two fields, as well as proximate Hera accumulation, have total 2P reserves of 32 bcm. The wider Katlan area also contains 37 bcm of de-risked prospective resources.

Energean intends to develop the Katlan/Tanin area in a phased development. Phase 1 includes the Athena, Zeus, Hera and Apollo accumulations, for which the field development plan was approved by the Israeli Government in December 2023. Energean expects to take FID expected upon finalisation of EPC terms, which are currently under negotiation. Phase 1 is split into two parts: a, which includes Athena and Zeus and b, which includes Hera and Apollo.

Egypt

Abu Qir

The Abu Qir gas-condensate field delivered 22 Kboe/d of working interest production in the 12 months to 31 December 2023, approximately 87% of which was gas.

An infill well (NAQPII#2) on the Abu Qir field began drilling in December 2023 and was brought online in January 2024. Energean is evaluating other infill and step-out exploration opportunities around its Abu Qir hub.

NEA/NI

The NEA/NI project achieved first gas from the first well (NEA#6) in March 2023, followed by the second (NEA#5) in July 2023 and then the remaining two in December 2023 (PY#1 and NI#1). The latter three wells are performing in line with expectations at 72 mmscfd (15 Kboe/d). The NEA#6 well ceased production in November 2023 owing to higher than expected rates of decline. There is no read-across of this on the other wells.

Exploration

North East Hap'y offshore

The Orion X1 exploration well located on the North East Hap'y Concession, offshore Egypt, started drilling in October 2023. Energean signed farm-out agreements in 2023 to reduce its working interest in the licence to 19% (from 30%).

The exploration well reached the target reservoir in March 2024. Preliminary results indicate that well contains no commercial hydrocarbons. Further appraisal activity is contingent upon the completion of post-drilling well analysis.

Europe

Production

Working interest production from the Group's European portfolio averaged 11 Kboe/d (34% gas) in 2023.

Italy – Cassiopea development

The Cassiopea project (180 bcf 2P reserves), in which Energean has a 40% non-operated equity stake, remains on track for the summer of 2024. Drilling operations began in November 2023 and offshore and onshore works are progressing well.

The field will deliver plateau working interest production rates of approximately 10 Kboe/d (100% gas) from the middle of the decade, providing more than 30% of the region's gas consumption.

Greece – Prinos carbon storage project

Energean is committed to meeting its net-zero emissions target by 2050 and leading the Mediterranean region's energy transition. The Prinos CS (Greece) project proposal is to provide long-term storage for carbon dioxide emissions captured from both local and more remote emitters and is in line with Energean's efforts to help decarbonise heavy industries in Greece, in line with the Group's commitment during COP28. Energean estimates that the Prinos subsurface volumes are sufficient to sequester up to three million tonnes of CO2 p.a. (as confirmed by Halliburton) for up to around 30 years.

Energean's CS project in Greece has been included by the European Commission as a Project of Common Interest. Non-binding memorandum of understandings have been signed for c.5 million tonnes p.a. of storage and €150 million of grants have been committed. Energean is advancing the conversion of its exploration licence into a storage permit.

Morocco – country entry

In December 2023, Energean agreed to farm-in to Chariot Ltd.'s acreage offshore Morocco, which includes the 18 bcm (gross)[25] Anchois gas development and significant exploration prospectivity. This new country entry is well-aligned with Energean's strategy to become the pre-eminent independent producer in the Mediterranean, with a focus on high quality gas assets. At the time of writing, farm-in completion is expected imminently.

Energean ("Operator") and Chariot plan to drill an appraisal well on the Anchois field in 2024, with the following objectives:

- To undertake a drill stem test on the main gas-containing sands.
- To target an additional 5 Bcm of recoverable gas with a 61% geological chance of success through a sidetrack into the O sands in the Anchois Footwall prospect.
- To target an additional 6 Bcm of recoverable gas with a 49% geological chance of success through a deepening of the well into previously undrilled sands in the Anchois North Flank prospect.

Once drilled, the well is expected to be retained as a future producer for the Anchois development.

[25] As per Chariot's latest competent persons report covering the Anchois Field that has certified gross 2C contingent resources of 18 bcm in the discovered gas sands.

Reserves

Energean's year-end 2023 working interest 2P reserves[26] are 1,115 MMboe, a 4% decrease versus 2022 because of produced 2023 volumes.

			At 1 January 2022	Revisions	Discoveries	Acquisitions/ (disposals)	Transfers from/ (to) contingent	Production	At 31 December 2023
Israel	Oil	MMbbls	101	6	-	-	-	(4)	104
	Gas	Bcf	4,624	69	-	-	-	(165)	4,527
	Total	MMboe	940	19	-	-	-	(34)	926
Greece	Oil	MMbbls	38	(0)	-	-	(3)	(0)	35
	Gas	Bcf	5	(1)	-	-	-	-	5
	Total	MMboe	39	(0)	-	-	(3)	(0)	36
Egypt	Oil	MMbbls	13	(2)	-	-	(1)	(1)	8
	Gas	Bcf	490	(95)	-	-	(4)	(44)	348
	Total	MMboe	99	(19)	-	-	(1)	(9)	70
Italy	Oil	MMbbls	36	3	-	-	-	(2)	37
	Gas	Bcf	242	4	-	-	-	(7)	239
	Total	MMboe	78	4	-	-	-	(3)	78
United Kingdom	Oil	MMbbls	2	(0)	-	-	2	(0)	2
	Gas	Bcf	2	0	-	-	1	(0)	3
	Total	MMboe	2	(0)	-	-	2	(0)	3
Croatia	Oil	MMbbls	-	-	-	-	-	-	-
	Gas	Bcf	14	0	-	-	-	(0)	14
	Total	MMboe	2	0	-	-	-	(0)	2
Total[27]	Oil	MMbbls	189	7	-	-	(2)	(8)	186

[26] YE22 D&M and NSAI CPR.
[27] Numbers may not sum due to rounding.

			At 1 January 2022	Revisions	Discoveries	Acquisitions/ (disposals)	Transfers from/ (to) contingent	Production	At 31 December 2023
	Gas	Bcf	5,376	(22)	-	-	(2)	(217)	5,135
	Total	MMboe	1,161	3	-	-	(2)	(47)	1,115
Present Value of 2P Reserves[28] ($ million)					7,326				
Adjusted TopCo[29] Group Net Debt YE23 ($ million)					481				

28 YE23 NSAI and D&M CPR's High Case (based on forward curve), NPV10.
29 The Group excluding Israel and Greece.

Corporate Social Responsibility

Our approach

Energean seeks to maintain its position as the leading gas-focused independent E&P company in the Mediterranean, by leveraging the support of its financial and community stakeholders, guided firmly by its corporate values and principles.

Our primary objective is to create near-term and long-term value for all our stakeholders and drive sustainable economic growth in the areas where we operate through a dynamic and innovative approach. The Company's overall goal is to create stakeholder value through sustainable development, taking account of all the economic, social and environmental aspects of our business.

In the above context, Energean is committed to becoming a net-zero emissions company by 2050. The Company is also a proud active signatory of the United Nations Global Compact, a voluntary Corporate Responsibility initiative, and is committed to its Principles in the areas of human rights, labour, environment and anti-corruption.

Moreover, we have always put ourselves at the heart of the communities that host and staff our operations. It is through this symbiotic relationship that all parties can succeed on their respective and shared journeys. We are aware that there are some in our communities that need additional support and Energean is in the position to provide knowledgeable, sustainable and intelligent support that goes beyond simple charity donations.

Guided by our unique "Ethos" and international best practices, we implement a variety of Corporate Social Responsibility ("CSR") activities designed to both protect the living environment where we operate and enhance the lives of the communities that host our operations.

Below, we provide some important insights on the initiatives and measures we have taken:

- Our services and operations contribute to energy security during a volatile period of geopolitical tension and uncertainty.
- Our community involvement in the areas of our operation is ongoing and includes a series of initiatives aiming to improve the quality of life of local communities.
- As an E&P committed to achieving Net Zero emissions by 2050, we have developed a comprehensive Climate Change policy with medium and long-term plans launched for 2035 and 2050 respectively.
- We publish an annual Sustainability Report in accordance with the Global Reporting Initiative (GRI) Standards and the guidelines of the Sustainability Accounting Standards Board ("SASB") for the Oil and Gas E&P industry, which is externally assured by an accredited third party.
- We participate in the Carbon Disclosure Project ("CDP") in the categories of Climate Change and Supplier Engagement, achieving strong ratings and exceeding the industry average.
- We implement initiatives that contribute to the vast majority of the United Nations' Sustainable Development Goals ("UN SDGs").
- We align our disclosures with the reporting recommendations of the Task Force on Climate-Related Financial Disclosures ("TCFD") and present our approach and relevant results in our annual Sustainability Reports.

Our people are at the core of Energean's success. Operating in numerous countries, we acknowledge that it is essential to bring our people together and unite diverse cultures while promoting diversity and inclusion. To this end, we have developed initiatives to create an inclusive and attractive workplace for our employees, launching our inaugural DEI strategy, with multiple in person and electronic education sessions across the Group. We also started an inaugural "Karish Sailing Cup", which brought together an Energean team from all our offices to race against teams from across the Mediterranean. At the same time, occupational health and safety is a top priority considering the nature of our business and we take a proactive approach to ensure the health, safety and well-being of our employees.

We acknowledge the specific expectations our stakeholders hold for us. We embrace these expectations and consistently endeavour to integrate CSR considerations into our business planning procedures. Energean's CSR program is tailored to cater to the requirements of our stakeholders, foster enduring relationships, and deliver concrete advantages to the communities where we conduct our operations.

Community Involvement in the areas of our operation is manifested through several ongoing initiatives/activities. Our focus is on three pillars, “Community – Education – Environment”, which indicatively and non-exhaustively include:

- “Energy in Fermo – Together to fight energy poverty in Italy”. A multiple stakeholder partnership focused on the Marche region adjacent to Energean’s Italian production operations, focused on combating energy poverty by supporting approximately 100 families in the municipality of Fermo, Italy. This is achieved through: a) providing direct support for the payment of utilities, and b) launching a bespoke and focused education programme that will enable beneficiaries to reduce energy consumption, through the direct engagement of local operators (volunteers and public employees) that already work with local families and people.
- “On Duty and Socially Responsible”. Energean provides immediate support to local communities in emergency situations (i.e. safely transferring a patient from the island of Thasos to Kavala in extreme weather conditions).
- Our “Clean Energy Scholarships” initiative. Energean has granted four scholarships of excellence and academic achievements to MSc students in the fields of Energy Research at The Technion (Israel’s Institute of Technology) and Energy & the Maritime Domain at the University of Haifa.
- Athens Classic Marathon “The Authentic”. To raise awareness and promote the rights of people with disabilities for dignity, equality and inclusiveness, each year the Company supports, as “Grand Sponsors”, and runs alongside the Muscular Dystrophy Association of Greece (“MDA Hellas”). By participating with a company-wide running team of employees from Greece (Athens and Kavala) and three other countries, we run the 5km & 10km Road Races as well as “The Authentic” 42km Classic Marathon Race with MDA patients in wheelchairs.
- “Back to school with Energean”. The company buys and donates school supplies and equipment to local communities in Greece and Italy, in collaboration with charity organisations in those countries.

Our CSR policy

Energean’s CSR policy is built on our core principles and values, which serve as the foundation of our daily operations. We have incorporated our stakeholders’ expectations and priorities into this policy, enabling us to prioritise the most important sustainability aspects of our business: our people, health and safety, the environment, and community relations.

Our CEO, Board of Directors and senior management are entrusted with the responsibility for establishing, shaping, developing and monitoring our CSR and sustainability goals and objectives. As such, they are fully committed to our mission of leading the energy transition in the Mediterranean region through our strategic focus on natural gas.

In our efforts to continuously enhance our sustainability profile, we actively collaborate with governments, the private sector and society. Through these partnerships, we engage in the exchange of views and ideas, aiming to further improve our approach and contribute to a more sustainable future globally.

Corporate Governance is a top priority

Energean upholds the utmost ethical principles in line with globally acknowledged frameworks and best practices of the industry. Our robust corporate governance system enables us to achieve our CSR goals and fulfil our obligations towards our stakeholders while earning their trust. Meanwhile, we endeavour to increase our productivity and maintain a versatile operational framework, enabling us to promptly and efficiently adapt to changes in the macroeconomic landscape. We build on exemplary best practices and consistently enforce our governance and internal controls in order to enhance our efficiency and transparency.

Equality and transparency

Energean has adopted business practices that are characterised by professionalism, fairness and transparency. Our commitment to adhering to laws and regulations is clearly communicated to all our employees and stakeholders through our Code of Ethics.

The Code explicitly condemns any form of bribery, corruption and financial crime and this stance is strongly enforced by Energean’s management and Board. Furthermore, the Code of Ethics serves as the foundation of our positions on human rights, lobbying and advocacy, prevention of tax evasion, anti-slavery and compliance with the General Data Protection Regulation.

We ensure that all our business partners and representatives align with our Code of Ethics and comply with the ethics and compliance clauses in their contracts. Additionally, prior to entering into any partnerships, we conduct a thorough risk-based due diligence process to manage risks associated with ownership structure, anti-bribery and corruption, sanctions, trade restrictions, human rights and labour conditions.

Bribery and corruption

Acting and operating in an ethical and honest manner is a top priority for us. Energean complies with all laws and regulations pertaining to bribery and corruption that are applicable in all the countries where we operate, including the UK Bribery Act 2010.

We have a zero-tolerance policy to any incidents of bribery and corruption as outlined in our Anti-Corruption and Bribery Policy. We regularly engage with our employees and business partners to ensure that we maintain a high level of awareness and integrity. Additionally, we have implemented a comprehensive anti-bribery and anti-corruption compliance program, supervised by our Board of Directors. This program aims to identify and mitigate potential risks that may lead to unethical behaviour.

Our contribution to the 17 United Nations' Sustainable Development Goals

We recognise that as an energy company we have an obligation to contribute to the United Nations 17 Sustainable Development Goals ("SDGs"). For this reason, we link our actions and initiatives to these goals. The following table displays Energean's main CSR activities in 2023 and the respective SDGs they serve.

SDGs	Our commitments and actions

1 NO POVERTY	• "Back to School" with Energean.
	  • Greece – we donated monetary vouchers for necessary school supplies and stationery equipment to 3 social institutions, 2 community centres and 1 kindergarten, supporting over 500 students and their families in need – Kavala, Island of Thassos, Zitsa (Ioannina).
	  • Italy – in collaboration with "Caritas" (a charity with a nationwide presence through local support centres) and other local partners, such as stationery stores and bookstores in Vasto and Pozzallo, we were able to provide relief packages for 95 families in need and 110 children, while we also paid for 63 energy bills. The packages included both educational and energy vouchers, accompanied by engaging books for children, to foster an enhanced awareness of energy consumption and, consequently, savings –Vasto and Pozzallo.
	  • Egypt – we donated 300 school bags and stationary supplies to underprivileged students in Maadeyah village (our area of operation) with the support of "FLDO Foundation" (an NGO that empowers females to manufacture these school bags from recycled materials). Additionally, we donated the tuition fees to all primary school students in need of that same village – Village of Maadeyah.
	• Created a partnership with the Energy Bank Foundation to fight energy poverty in Italy and promote energy equity. Committed to raising awareness for the challenges of energy consumption, we have been able to develop a strong local network to support local communities. The primary objective is to provide direct utility payments for families and create educational programs on the reduction of energy consumption. The project "Energy in Fermo – Together to Fight Energy Poverty" is still ongoing: in 2023 we supported 50 families (151 individuals) and paid for 100 energy bills – Marche Region/Italy.
	• Supported local families in London through a collaboration with the "Baker Street Quarter Partnership", a non-profit company funded and directed by local businesses for the benefit of the broader community of the Baker Street and Marylebone area. Employees collected toys and food parcels to support the IMPS Pre-school, which students come from financially disadvantaged backgrounds – London/UK.

	• Donated Energean's used furniture from the old Haifa office and funds to families in need, youth clubs and more, through an ongoing collaboration with the NGO "Lev Hash" ("Feeling Heart") – Haifa/Israel.
2 ZERO HUNGER	• Donated to the Holy Metropolis of Philippi, Neapolis and Thasos, for the support of the Central Welfare Fund and the "Meal of Love" (the daily soup kitchen performed by the 95 parish churches of the Holy Metropolis). Energean colleagues cooked and prepared meals for citizens in need, during both the Orthodox Easter & the Christmas holiday season – Kavala/Greece. • In celebration of Passover, Energean donated 200 valuable food packages to families in need and holocaust survivors – Israel. • In celebration of the Israeli New Year, Energean delivered food packages to families in need as part of our ongoing partnership with "Lev Hash" ("Feeling Heart") – Haifa/Israel. • Energean donated supermarket vouchers to individuals and families in need, ahead of the Orthodox Easter, supporting the Social Market in the Municipality of Zitsa – Zitsa (Ioannina)/Greece. • Donated supermarket vouchers to parish members in need of "Saint Gregory, the Theologian" (Agios Grigorios Theologos), the Cathedral church of Nea Karvali, enabling families to buy the necessary goods to celebrate the Orthodox Easter Sunday table – Nea Karvali (Kavala)/Greece. • Several employees in Israel volunteered to pick fruit and sow seeds to support local farmers during the ongoing conflict – Israel.
3 GOOD HEALTH AND WELL-BEING	• Continued our excellent HSE performance with almost 2.1 million man-hours with no Lost Time Injuries regarding all Energean employees. • All our operated assets are now certified according to the ISO 45001 Health and Safety Management System. • Donated a Chest Compression System (a cardiopulmonary resuscitation machine) to the National Centre of Emergency Assistance of Kavala ("EKAB") – Kavala/Greece. • Donated five air conditioning systems to the Health Centre of Zitsa – Ioannina/Greece. • Colleagues in Egypt participated in Abu Qir Petroleum's (our joint venture) annual football tournament, a vital method of teamwork, morale building and friendly competition – Egypt. • For "World Blood Donor Day 2023", our colleagues in Kavala donated blood to the newly established "Energean Blood Bank", which is at the disposal of all Energean employees in Greece and their families – Kavala/Greece. • Supported a "Father & Son" football match, in partnership with the Athletic Club of Kavala, for Father's Day 2023 – Kavala/Greece. • Energean supported an experimental project in a local school focusing on the implementation of quality courses promoting sport, health and wellbeing – Abruzzo/Italy. • On the occasion of World Heart Day, an annual observance and celebration held annually on 29 September, Energean provided free First Aid and Cardiopulmonary Resuscitation ("CPR") training ("ΚΑΡΠΑ in Greek"), to the Community of Nea Karvali, as well as local NGOs and citizens of the area – Nea Karvali (Kavala)/Greece.
4 QUALITY EDUCATION	• Offered paid internships to 29 university students around the Group. • Hosted a company-wide interactive seminar with HE Dr Ron Adam, Ambassador of Israel in Kigali, Rwanda for Holocaust Remembrance Day. Educating all employees on the motivation behind the creation and ongoing observance of the day. • Awarded two full scholarships based on educational performance to Master's Degrees graduates in Oil & Gas Technology at The International Hellenic University – East Macedonia & Thrace, Kavala Campus/Greece.

	• International Women's Day 2023 "Embrace Equity": launched Energean's inaugural Diversity, Equity and Inclusion policy. Raising awareness for the day with an internal campaign led by Karen Simon, Non-Executive Chair, asking employees "What does equity mean to you?".
	• On 5 June 2023 (World Environment Day), Energean focused on positive sustainability actions, and increased environmental awareness:
	  • Greece: Donated multiple recycling bins to the Municipality of Paggaio (Kavala), as well as ten composting bins to the School Committee of the Municipality of Zitsa (Ioannina) for the schools of the area.
	  • Italy: Hosted a country-wide webinar for our employees on environmental protection and safeguarding operations on-going in the country, with a strategic group overview.
	  • Egypt: Worked with the "Future Light for Development Organisation" (FLDO), an Egyptian Non-Governmental Foundation, to run awareness sessions for women in waste sorting and collection, as well as the dangers linked to plastic use and burning.
	  • We embraced recycling by distributing 300 reusable bags made from recycled fabric to households, offering a planet-friendly substitute to plastic bags.
	• In Italy, Energean launched an ongoing internal initiative embracing Diversity, Equity & Inclusion ("DEI") amongst colleagues to build up an internal network of ambassadors:
	  • Started with a workshop titled "Diversity is a fact; Inclusion is an act", encouraging employees to share experiences and compare visions.
	  • Followed by two workshops:
	    • In Milan, colleagues addressed "What does it mean to be blind?", by visiting "Dialogue in the Dark", an exhibition at the "Institute for the Blind".
	    • Colleagues in Pescara, in occasion of the European Diversity Month, worked on gender diversity with "Donn.è", a non-profit organisation based in Abruzzo, committed to raising awareness within schools and helping women against violence.
	  • To close the year 2023, two more DEI workshops were held in Pescara and Milan to educate employees by addressing the subject of cultural diversity, on how cultural differences manifest themselves, how to develop a global mindset and intercultural skills, how to recognise non-inclusive behaviours and how to implement inclusive behaviour instead.
	• Sponsored the production of a video on the Holocaust experienced by Jews in the wider Eastern Macedonia & Thrace region, broadcasted during the annual commemorative ceremony – Kavala/Greece.
	• Supported the Sustainable Future conference, educating the next generation of scientists. Organised by "Get Involved", a student NGO that aims at developing a culture of economic education within universities and other educational organisations – Athens/Greece.
	• Granted Master's degrees scholarships to students at the Technion (the Israel Institute of Technology), to reward excellence and promote academic research on clean energy – Haifa/Israel.
	• Energean partnered with Giovanni XXIII middle school in Pineto and local sports organisations in Abruzzo. The initiative offered interdisciplinary teaching, social skills and psychological well-being through sports in education. We brought together 35 students from five sports organisations, for more than 30 activities and three hours of sports per week, in addition to the standard two – Abruzzo/Italy.
	• Abu Qir Petroleum, Energean's joint venture, launched their 2023 summer internship and training program, offering 300 Egyptian students of diverse academic backgrounds the opportunity to gain experience in the Oil & Gas sector – Egypt.
	• Awarded scholarships to Master's degree students at the University of Haifa's "Maritime Policy and Strategy Research Center" – Haifa/Israel.

	• Collaborated with the San Benedetto del Tronto Harbour Master's Office and students from the Montani Nautical Institute of Fermo, for an annual marine safety and environmental protection exercise for the second consecutive year – Fermo/Italy. • Signed two "Memorandums of Agreement" with the International Hellenic University ("IHU"), both with the School of Chemistry and the postgraduate programme MSc in Oil & Gas Technology – IHU's Kavala Campus/Greece. • Ongoing collaboration with Local Higher Nautical Institute ("ITIS Montani", in Fermo) in terms of quality education – March Region/Italy. • The Energean IT department hosted a company-wide webinar titled "Modern AI: What is going on and how can we benefit from it?" presented by Professor Spinellis, a world-renowned expert and communicator on AI. • Energean donated 32 high quality monitors to a school in Vasto, ahead of their reopening after many years of closure. The school will offer various education courses and three-year professional qualifications – Vasto/Italy. • Participated in the 4th edition of the "Ragusa Environment Week", titled "Sustainability enlightens the future", held in front of our Vega platform. Energean employees presented our Vega platform anti-pollution systems to approximately 350 students from 15 schools – Ragusa/Italy.
5 GENDER EQUALITY	• In 2023, the overall percentage of women at Energean fell slightly to 23% (2022: 24%; 2021: 16%; 2020: 14%), but the number of women on the Board was maintained at 33%. We also maintained a healthy mix of employees from different generations. • Twelve women from local communities came together to learn a new skill and gain a sustainable outlook through an Energean project to make 300 reusable cloth bags for their wider community – Egypt. • Energean became sponsors of the "Panthires" (Panthers), a women's basketball team based in Kavala, that promotes good sportsmanship and encourages young girls to participate in sports. "Panthires" competes in the A2 Women's National Division of the Greek Championship – Kavala/Greece. • In collaboration with "Donn.è", a non-profit organisation that helps women and raises awareness of gender violence prevention within younger generations, Energean conducted awareness-raising activities for 500 students aged 12 to 18, promoting gender equality and combating stereotypes – Abruzzo/Italy.
6 CLEAN WATER AND SANITATION	• Energean recycled 99% of water withdrawals at its operated sites in 2023.

7 AFFORDABLE AND CLEAN ENERGY	• Energean is focused on providing cleaner and affordable energy. For example:
	  • In Israel, gas from the Karish field is sold into the market at lower prices than the existing producers and is helping Israel shut all its coal-powered power plants by 2025, which will remove around 3 million tonnes of CO2.
	  • In Egypt, Energean also plays a role in providing secure, reliable, affordable and cleaner energy through its 87% gas weighted production. In 2023, Egypt experienced rolling blackouts and increased fuel oil reliance due to declining indigenous production amidst rising gas demand.

8 DECENT WORK AND ECONOMIC GROWTH	• The number of employees aged 15–24 was increased in 2023 by 27% (from 11 in 2022 to 14 in 2023). • The number of nationalities was maintained year-on-year at 33. • Promoted cross-border economic and cultural links and opportunities through Greek Independence Day events in Italy, Montenegro and Israel.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• Energean led a conference in Tel Aviv, in collaboration with energy services giant Halliburton, bringing together the global energy industry and the Israeli start-ups community to form an Israeli technology ecosystem – Tel Aviv/Israel.
10 REDUCED INEQUALITIES	• Supported, as Grand Sponsors, the "Athletic Club of Kavala (AOK) – Department of Wheelchair Basketball", by covering the fixed needs and expenses of the Department for the entire Wheelchair Basketball Season 2023–24. The team competes in the A2 Men's National Division of the Greek Wheelchair Basketball Championship – Kavala/Greece. • Donated T-shirts and basketballs to the Special Olympics basketball teams of Abruzzo and promoted an educational "meet and greet" for employees based at the Operational District in Abruzzo with Francesca Elda: a Special Olympics Basketball Athlete of Roseto degli Abruzzi that Energean supported for the Special Olympics Mondial Games 2023 in Berlin – San Giovanni Teatino/Italy. • Energean employees walked and ran alongside multi-sport athletes in the Milan Marathon, supporting our partnership with "Special Olympics" – Milan/Italy. • Supported the Prefectural Association of People with Disabilities of Kavala, for the 2nd consecutive year, by financing the operation, service and maintenance of a special vehicle/van that transports their members daily – Kavala/Greece. • Supported, as "Grand Sponsors", and ran alongside the Muscular Dystrophy Association of Greece ("**MDA Hellas**") and patients in wheelchairs, by participating with a company-wide running team in the 40th Athens Classic Marathon running events for 2023 (5km & 10km Road Races), in the centre of Athens, for the 3rd consecutive year (November 2023). This year, Energean had 16 employees-runners participating also in "The Authentic" 42Km Classic Marathon Race (from Marathon to Athens) and supporting MDA Hellas, coming from Greece (Athens and Kavala) and 3 more countries. MDA Hellas is a non-profit organisation that supports people that suffer with neuromuscular diseases – Athens and Marathon/Greece. • Donated to MDA Hellas for the operation of the Neuromuscular Diseases Unit of the "AHEPA" University General Hospital ("**AHEPA**" Hospital) of Thessaloniki, which will serve about 350 people in the coming year, children and adults – the Unit covers the geographical area of all Northern Greece. • Donated, in collaboration with Dar Al Orman Association, necessary equipment (artificial/prosthetic limbs, wheelchairs, and hearing aids), covering the needs of all underprivileged people with disabilities in Maadeyah village – Maadeyah/Egypt. • Supported the Italian Paralympic Swimming Federation ("**F.I.N.P**") in Termoli (Molise Region). F.I.N.P promotes swimming by providing its members the opportunity to discover their aptitudes and talents, fostering self-confidence, and achieving complete satisfaction in the water and in social life – Termoli/Italy. • Sponsored the "All in One Boat" supporting inter-social co-operation in the Energean Karish Cup. The boat included people from across a wide range of different religions, communities, genders and socio-economic backgrounds – Israel. • Energean employees in Athens attended a concert in support of MDA Hellas featuring popular Greek artists. All proceeds of the concert were dedicated to improving the quality of life for MDA patients living with ALS – Athens/Greece. • Energean Italy held a series of Diversity, Equity & Inclusion ("**DEI**") workshops for employees to identify and learn about DEI in general, with issues relating to gender, disability, and cultural differences. This is a positive step towards the integration of a more effective and adaptive communication style – Milan, Pescara/Italy. • International Day for People with Disabilities (3 December 2023):

	• Provided essential equipment that helps the students' learning and development process to the Special Elementary School of Kavala/Greece. • Contributed necessary equipment to the Home of Autistic Persons "Eleni Gyra" in Zitsa (Ioannina)/Greece. • Renewed our financial support, for the Wheelchair Basketball Season 2023–24, to the AOK Wheelchair Basketball Team of Kavala/Greece.
11 SUSTAINABLE CITIES AND COMMUNITIES	• Remained the main sponsor of OKAK (Kavala's Track and Field Athletic Club), this time for the 2023–2024 season. OKAK is one of the biggest clubs in Track and Field in the East Macedonia & Thrace Region of Greece, that promotes teamwork, good sportsmanship and ethos to more than 200 young athletes in the city of Kavala, making OKAK a role model for the sporting community of the country – Kavala/Greece. • Continued our financial aid to support Rahaf Sailing and Surfing Club, supporting young sailors from low-income communities. Our donation helped the sailing club's team with their preparations for the 2024 Paris Olympics, supported over 120 sailors and surfers from Rahaf to participate in multiple competitions, as well as their community open day – Rahaf (Municipality of Hof Hacarmel)/Israel. • Energean donated a modern light tower to the community in collaboration with the Civil Protection of Porto San Giorgio, after a fire caused destruction of emergency equipment and materials – Porto San Giorgio/Italy. • Sponsored the 7th "Adontes ke Psalontes en ti kardia" festival ("Singing and Chanting in our hearts"), one of the most important music cultural events in Northern Greece. Hundreds of students from music schools from Greece and other European countries, participated in a 4-day music festival all over the city, playing and singing traditional melodies and Byzantine hymns, honouring legendary composers and celebrating historical persons – Kavala/Greece. • Grand Sponsor of the 7th Dodoni Festival – a remarkable summer open-air Cultural Festival in the area of Ancient Dodoni – Ioannina/Western Greece. • Sponsor of the 23rd "Trofeo Del Mare" ("The Sea Trophy"), the International Maritime Awards 2023, a cultural event dedicated to the sea that took place in Scoglitti. The awards highlight the excellent work of individuals, organisations, and institutions that promote environmental respect and who are committed to and passionate about the Mediterranean Sea – Sicily/Italy. • Sponsors of the 66th Philippi Festival, the second oldest summer festival in Greece, featuring a wide variety of ancient tragedy and comedy plays, as well as contemporary theatre – Kavala & Ancient Philippi/Greece. • Full sponsorship of the kayak and rowing teams of Maadeyah Sports Club (in our area of operation), to advance their skills and capabilities – Village of Maadeyah/Egypt. • Became sponsors of the "Panthires" (Panthers), a women's basketball team based in Kavala, that promotes good sportsmanship and encourages young girls to participate in sports. "Panthires" compete in the A2 Women's National Division of the Greek Championship – Kavala/Greece. • A team of employees from across the Energean Group participated in the Karish Cup, the first ever Israeli offshore yacht race from the Energean Power FPSO to Israel's coast, demonstrating unity and community engagement – Israel. • Energean donated wireless communication devices to the Fire Service of Kavala, enhancing and facilitating the coordination on the fields of action for the fire fighters – Kavala/Greece. • Energean, in collaboration with FLDO (an Egyptian NGO), held a meeting with representatives of the Fishermen's Association in the village of Al-Maadeyah. The primary goal was to assess the needs and challenges faced by the local fishing community, with the aim of enhancing the socio-economic activity in the area – Al-Maadeyah/Egypt. • For "The European Week for Waste Reduction" ("EWWR"), Energean donated three waste bins to the High School of Amygdaleona – Kavala/Greece.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• Energean recycled 99% of water withdrawals in its operated sites. • Recycled 81% of the waste generated during 2023 in production sites. • Maintained the ISO 14001 Environmental Management System certificates in all our operated sites. • Energean supported the National Observatory Sea Protection ("ONTM"), a non-profit organisation that is committed to increasing environmental culture, especially regarding the Sea – Italy. • Energean's Egyptian Abu Qir Petroleum ("AQP") joint venture ("JV") partners continued to entirely (100%) recycle its paper, cartons and plastic waste from all its offices and operational sites (onshore and offshore). Energean's Cairo branch has followed the same approach of waste segregation and paper recycling, by continuing the cooperating with "Go Clean", a recycling solutions company – Egypt. • Supported the "Followgreen" initiative, organised by the Municipality of Kavala, by acquiring and awarding the prizes to 8 schools in Kavala for their commitment to recycling. Challenged local schools to participate in the "Let's Recycle" marathon, that run all throughout Greece for the 2022–23 school year – Kavala/Greece.
13 CLIMATE ACTION	• Energean is fully committed to taking action on climate change, continuously pursuing its target to become a net-zero emitter by 2050. We remain dedicated to our Climate Change strategy, which provides the blueprint to eliminate our GHG emissions and to enhance our low carbon portfolio. • We have outlined a clear roadmap to achieve Net Zero with regards to our Scope 1 and Scope 2 greenhouse gas emissions. Energean's climate change strategy has been rolled out and is being implemented in the short, medium and long term. In 2023, we commenced the development of our long-term offsetting strategic roadmap. • Reduced our carbon emissions intensity by over 86% by 2023 versus our original baseline year[30]. • Verified our GHG emissions to ISO 14064-1 at operated sites level. • Accelerated our Carbon Capture Storage ("CCS") project of Prinos. • Continued the procurement of "green electricity" in all our operated assets. • Maintained our Carbon Disclosure Project ("CDP") score to an A-, regarding the Climate Change Questionnaire, and maintained an A-, regarding the Supplier Engagement Rating. • Awarded a "Platinum" rating in Israel's Maala ESG index, for the 2nd consecutive year, on account of our CSR practices. • Energean continues as a member and participant of the Terra Carta and Sustainable Markets Initiative, an initiative for Climate Action by His Majesty of England, King Charles.
14 LIFE BELOW WATER	• During 2023, we maintained our zero oil spills record, a record that we hold since the beginning of our operations in 2008. • Conducted various biodiversity surveys in order to identify sensitive habitats close to our operations and to assess our impact: • Post drilling survey – Israel. • Sediment, benthic, water column, and physicochemical analysis – Prinos/Greece. • Benthic and water column analysis – Vega field/Italy. • Prolonged our collaboration with prestigious academic institutions in Greece to advance the collective knowledge of the wider biodiversity research field. • Energean supported the National Observatory Sea Protection ("ONTM"), a non-profit organisation that is committed to increasing environmental culture, especially regarding the Sea – Italy. • Funded and invested in innovative deep-sea research, examining the presence of hydrates on the floor of the Mediterranean Sea and their impact on the marine environment and the climate change, while we also built a process for sharing

30 Original baseline year was 2019. In 2023, this was changed to 2022.

	information from research and surveys, in partnership with The University of Haifa – Israel. • Energean collaborated with the Zooprophylactic Institute of Teramo to monitor both the quality of the sea water through the biological early warning system (Mosselmonitor) and the equipment installed under the "Rospo Mare B" platform. The above were accomplished through the "Mussel-Watch" monitoring system, placed below the platform – Italy. • Sponsor of the 23rd "Trofeo Del Mare" ("The Sea Trophy"), the International Maritime Awards 2023, a cultural event dedicated to the sea that took place in Scoglitti. The awards highlight the excellent work of individuals, organisations, and institutions that promote environmental respect and who are committed to and passionate about the Mediterranean Sea – Sicily/Italy.
15 LIFE ON LAND	• Maintenance of Telemetric Stations in surface waters of Nestos River Delta, Lakes Vistonida-Ismarida and Thassos Island Management Body – Northeastern Greece. • On 5 June 2023 (World Environment Day), Energean: • Donated multiple recycling bins to the Municipality of Paggaio (Kavala), as well as ten composting bins to the School Committee of the Municipality of Zitsa (Ioannina) for the schools of the area – Greece. • Embraced recycling by distributing 300 reusable bags made from recycled fabric to households, offering a planet-friendly substitute to plastic bags – Egypt. • Continued the collaboration with "3Bee" for the adoption of a beehive and a beekeeper in Vasto, to monitor 300.000 bees that pollinate 300 million flowers. For Christmas 2023, Energean gave vouchers to employees enabling them to adopt 26,650 additional bees/hives throughout the country, to 328,650 in total. "3Bee" is an agri-tech start up with the aim of protecting the bees, in the province of Vasto, just opposite Energean's Rospo Mare offshore platform – Abruzzo/Italy.
17 PARTNERSHIPS FOR THE GOALS	In 2023, Energean collaborated with: • UN Global Compact. • UN Global Working Group participation. • Maala, a non-profit, CSR standards-setting organisation in Israel, which has set a dedicated CSR index on Tel Aviv Stock Exchange. Maala's CSR Index is an ESG rating system used as an assessment tool, benchmarking Israeli companies on their CSR performance. Energean was rated at Platinum Level at the 2023 Maala ESG Index – Israel. • Management body of the Nestos River Delta, Lakes Vistonida-Ismarida and Thassos Island – Northeastern Greece. • The Greek Embassy – Podgorica, Montenegro. • Member of Sodalitas, a business leadership for sustainable development. The organisation promotes the development of CSR initiatives between companies – Italy. • "Panthires" (Panthers), a women's basketball team based in Kavala, that promotes good sportsmanship and encourages young girls to participate in sports – Kavala, Greece. • "Caritas Diocesana", an organisation for charity – Fermo, Vasto, and Pozzallo (Marche, Abruzzo, and Sicily), Italy. • "Go Clean", a recycling solutions company – Egypt. • The Regional Unit of Kavala – Greece. • Energy Bank Foundation, a national organisation that provides economic support to families and individuals suffering from economic and social vulnerability and provides education on local communities about energy consumption – Italy. • Special Elementary School of Kavala – Greece. • National Center of Emergency Assistance of Kavala ("EKAB") – Kavala, Greece.

	• The University of Haifa's "Maritime Policy and Strategy Research Center" – Haifa, Israel. • The Egyptian Petroleum Sector – Egypt. • "Baker Street Quarter Partnership", a not-for-profit company funded and directed by local businesses for the benefit of the broader community of the Baker Street and Marylebone area – London, England. • The Health Center of Zitsa – Ioannina, Greece. • "Special Olympics Italia", an organisation that promotes sport as a means of inclusion for children and adults with intellectual disabilities – Italy. • The International Hellenic University ("IHU") in Thessaloniki – Kavala Campus, Greece. • "Saint Gregory, the Theologian" (Agios Grigorios Theologos), the Cathedral church of Nea Karvali – Kavala, Greece. • "Future Light for Development Organisation" ("FLDO"), a Non-Governmental Foundation, with a focus on women's empowerment, education, and environmental preservation – Egypt. • "Get Involved", a student NGO that aims at developing a culture of economic education within universities and other educational organisations – Greece. • "Donn.è", a non-profit organisation, committed to gender education and gender violence prevention, by raising awareness within schools and helping women against violence – Abruzzo, Italy. • The Municipality of Kavala – Greece. • National Observatory Sea Protection ("ONTM") – Italy. • The University of Haifa – Israel. • Italian Paralympic Swimming Federation ("F.I.N.P") – Termoli, Italy. • Civil Protection of Porto San Giorgio – Italy. • The Fire Service of Kavala – Greece. • The American University of Cairo – Egypt. • "Athletic Club of Kavala – Department of Wheelchair Basketball" – Kavala, Greece. • Energean's Joint Venture, Abu Qir Petroleum ("AQP") – Egypt. • The Municipality of Paggaio – Kavala, Greece. • "Giovanni XXIII Institute" in Pineto – Abruzzo, Italy. • "Lev Hash" ("Feeling Heart"), a local NGO for charities – Haifa, Israel. • "Eleni Gyra", Home of Autistic Persons – Zitsa (Ioannina), Greece. • Association "Trofeo Del Mare ("The Sea Trophy") – Men and stories" – Sicily, Italy. • Rahaf Sailing and Surfing Club, a Club that supports young sailors from low-income communities – Rahaf, Israel. • "Aretusa" Handball Team – Siracusa, Italy. • The Nature and Parks Authority – Israel. • The Holy Diocese of Philippi, Neapolis and Thassos – Northeastern Greece. • Montani Technical Technological Institute in Fermo – Marche, Italy. • Democritus University of Thrace (DUTH), Department of Environmental Engineering – Xanthi, Greece. • Dar Al Orman Association, an NGO that performs charity work – Egypt. • The Technion (the Israel Institute of Technology) – Haifa, Israel. • MDA Hellas (the Muscular Dystrophy Association of Greece), a non-profit organisation that supports people that suffer with neuromuscular diseases – Greece. • The High School of Amygdaleona – Kavala, Greece. • "3Bee", an agri-tech company committed to halt the loss of biodiversity and prevent the extinction of threatened species, such as bees – Italy. • OKAK (Kavala's Track and Field Athletic Club) – Kavala, Greece. • The Prefectural Association of People with Disabilities of Kavala – Greece. • Assorisorse – Natural Resources and Sustainable Energy, a Confindustria Association made up of about 100 companies committed to enhancing natural resources and intellectual skills through technological innovation and the

	circular economy, with the aim of decarbonising industrial processes and achieving environmental, economic and social sustainability – Italy. • The Health Center of Prinos – Island of Thassos, Greece. • Montani Technical Institute – Fermo, Italy. • The Municipality of Zitsa – Ioannina, Greece. • Association CNOS-FAP in Vasto – Abruzzo, Italy.

Excellence through our people

At Energean we aim to offer fulfilling careers and be the employer of choice in all the countries that we operate by attracting, nurturing, and retaining a range of diverse talent reflective of the communities in which we live. Driven by our core values, we focus on creating an environment where people feel welcome and part of a great place to work, inspired to deliver at their best.

In 2023 we actively listened to our people to understand their views on areas that are most important to them. We conducted a group wide engagement survey to understand the employee's perception about the company as well as a culture audit on diversity, equity, and inclusion ("DEI"), gaining great insight on what is working well and where we need to focus our efforts for the future. The findings of the survey and focus groups helped to shape our first DEI mission, vision, and strategy.

In addition, we launched the Energean global learning platform which gives our employees centralised access to a range of learning content.

Learning and development

Through increased education and training opportunities, we continue to build our people's skills. E-Guru, Energean's global learning platform, launched within 2023 offering our people a centralised point of access for training. The platform covers a wide range of learning including the Udemy e-learning business library and covers topics relevant to our employees such as leadership, safety, sustainability, diversity, and inclusion, as well as courses related to soft and technical skills. For the second year in a row, we saw an increase in the overall training hours recorded; up 8.3% in 2023 versus 2022 and with an average of 22 hours of learning per employee during the year.

We also give our colleagues opportunities to develop and contribute, allowing us to strengthen the talent pipeline which will ensure Energean's long-term success. This year, 19 colleagues were offered the opportunity to make an internal move, either via promotions or via a lateral transfer to other roles that better meet their career aspirations and the company needs.

Employee engagement

It is crucial to listen to our colleagues, understand their views while, showing them that their contribution is valued and appreciated. In September 2023, The Great Place to Work survey was conducted (with 76% participation) to measure employee perception of their working environment and the level of trust in the company. As a result of this survey, the focus for 2024 is on career development opportunities, internal communication, amongst other areas.

We are proud to be certified as a Great Place to Work in Greece, Israel, and Egypt.

Diversity, Equity and Inclusion (DEI)

We are committed to diversity, equity and inclusion and are proud of our progress so far in raising awareness of DEI across the business and in celebrating what is important to our people.

2023 has been transformational for Energean in respect to progress towards our DEI initiatives. For the first time, we developed the Energean DEI mission, vision and strategy following the culture audit conducted by Inclusive Employers, a UK organisation expert in the workplace inclusion, after analysis of the engagement survey and focus groups results.

Approximately 150 employees participated in the focus groups around the group. Consideration was taken to ensure that we heard from a wide range of people from all areas of the organisation, across the global locations, as well as individuals with varying identities.

The DEI strategy aims to demonstrate the process by which our DEI goals enable and support the wider business priorities, in a clear, objective yet ambitious way which aligns with Energean's overall strategy and values. This strategy is focusing on four pillars:

- Development of the DEI structure and leadership.
- Attraction and retention of people.
- Listening and serving the society.
- Bridging our DEI practices with learning and development and sustainability drives.

In parallel our recruitment, onboarding and offboarding practices were reviewed and we engaged with Diversity Jobs Group to attract talent from underrepresented communities.

Additionally, we formalised and launched Energean's hybrid work policy that offers increased flexibility to employees for working remotely.

We continue for another year our participation in the UN Compact Global and in 2023 we became members of the Inclusive Employers network.

Focusing on gender equality, the overall percentage of women at Energean remained relatively stable at 23%. Our gender pay gap for 2023 is -6% at median hourly wage rates, meaning that for every dollar earned, women earn six cents more.

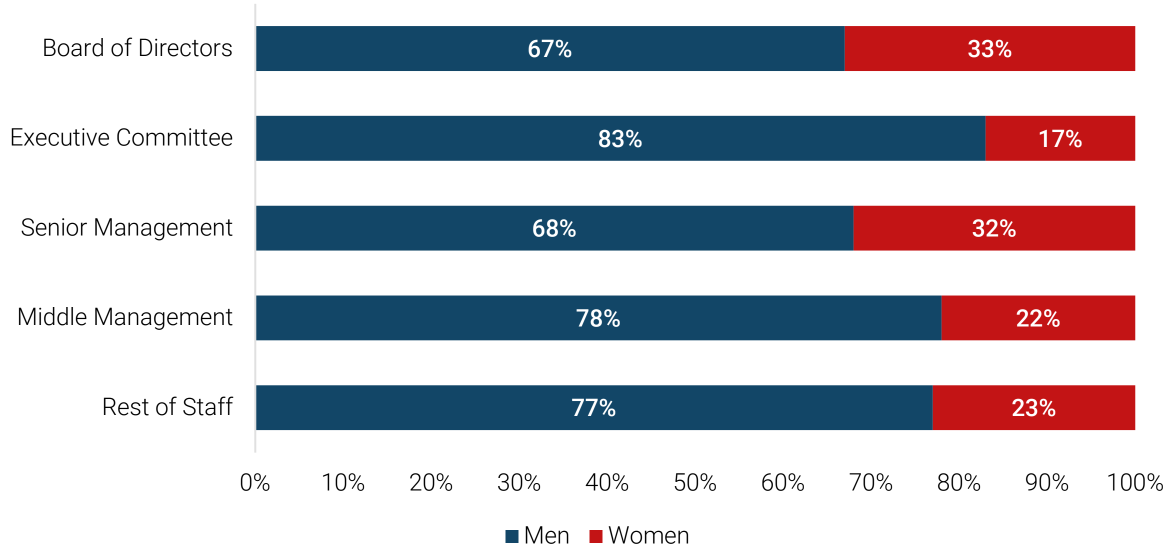
We are also proud to have increased our overall under 30s population at Energean from 10% to 14%, ensuring that we provide career opportunities to the younger generation and develop the next generation of Energean leaders.

In 2023, our employee retention rate has increased compared to 2022 to 90%, while our turnover rate that measures employee resignations fell to 7.4%.

Headcount by seniority and gender

Gender balance by seniority	Men		Women		Total	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Board	6	6	3	3	9	9
Executive Committee	5	7	1	2	6	9
Senior management	19	18	9	8	28	26
Middle management	36	35	10	11	46	46
Rest of staff	388	343	113	103	501	446
Total	454	409	136	127	590	536

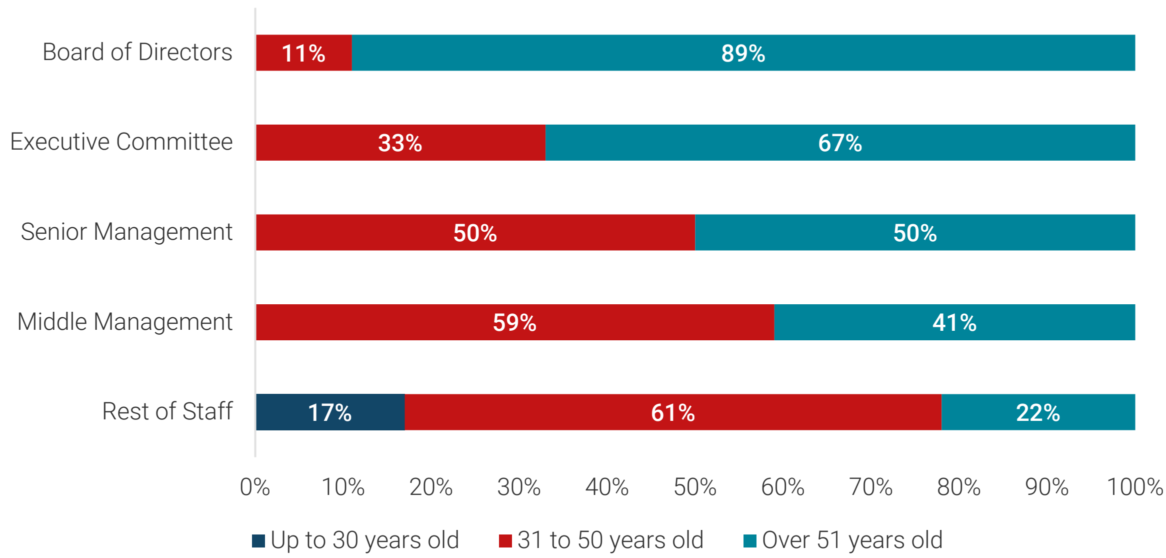
Gender balance by seniority



Headcount by age

Category	Number		% vs. total no. of employees	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Up to 30 years old	84	56	14%	10%
31 to 50 years old	351	327	60%	61%
Over 51 years old	155	153	26%	29%

Headcount by seniority and age range



Headcount by country

At the end of 2023 our workforce increased from 536 to 590, representing 33 different nationalities.

Country	No of employees[31]	
	31 December 2023	31 December 2022
Greece	216	185
UK	38	36
Montenegro	0	2
Cyprus	5	5
Israel	102	84
Egypt	41	39
Italy	188	184
Croatia	0	1
Total	590	536

Ensuring a secure workplace

Our foremost commitment is safeguarding the well-being and safety of all individuals impacted by our corporate endeavours. In 2023, we upheld our outstanding safety record, aligning with the previous year, by fully leveraging the implementation of our HSE management system across our digital platforms. This has allowed us to achieve faster response times and implement corrective actions promptly, thereby expediting the return to normal operations.

In 2023 we achieved a Lost Time Injury Frequency ("LTIF") of 0.46 in all Energean sites and 0.47 in all sites working for Energean (including contractors' sites) and a Total Recordable Injury Rate ("TRIR") of 0.92 in all Energean sites and 1.1 in all sites working for Energean (including contractors' sites). This mirrors the exemplary performance of the preceding year, showcasing a strong level of consistency.

Key HSE metrics

Lost Time Injuries Frequency ("LTIF")[32]	2023	2022	2021
Employees	0.00	0.00	0.98
Contractors	0.54	0.52	0.25
Personnel total	0.47	0.47	0.33

Total Recordable Injuries Rate ("TRIR")[33]	2023	2022	2021
Employees	0.00	1.29	1.97
Contractors	1.26	1.17	0.62
Personnel total	1.09	1.18	0.77

31 Excludes JV partners and contractors; seconded employees have been calculated in their home country.
32 LTI Frequency: The number of Lost Time Injuries (fatalities +LTIs) per million hours worked.
33 TRIR: The number of Total Recordable Injuries (fatalities + LTIs+ restricted work cases + medical treatment cases).

Fatal Accidental Rate ("FAR")[34]	2023	2022	2021
Employees	0	0	0
Contractors	0	0	0
Personnel total	0	0	0

Enhancing HSE management systems: the intersection of humanisation and digitalisation

Incorporating our safety and environmental digital platform into Energean's HSE management systems, which are certified to ISO 45001 and ISO 14001 standards, ensures a holistic approach to risk management. Accessibility is democratised across all organisational levels, empowering personnel with real-time data, incident reporting capabilities, and proactive risk mitigation tools. Following the classic Plan-do-assess-adjust cycle, this humanised approach to digitalisation transforms our HSE management system from a set of protocols into a dynamic framework that fosters engagement, ownership, and accountability at every step.

The implementation of our HSE digital platform catalyses a culture of safety and environmental stewardship, driving top-tier performance results. With seamless integration and user-friendly interfaces, personnel can make informed decisions promptly, enhancing response times and minimising potential risks. Furthermore, the platform facilitates comprehensive data analysis, enabling continuous improvement initiatives and strategic decision-making processes.

By intertwining humanisation with digitalisation through this platform, our HSE management system transcends traditional boundaries, evolving into a robust, adaptive framework that ensures the well-being of employees and the sustainability of the environment while optimising organisational performance.

During 2023, more than 5,770 cases were recorded in our digital platform, including more than 3,900 observations, near misses and incidents, more than 360 audits, more than 775 HSE inspections and more than 200 environmental and 480 H&S performance records.

Key policies of our HSE management system

Health Safety Environmental and Social Responsibility Policy: Our Health, Safety, and Social Responsibility Policy encapsulates our commitment to compliance with all relevant laws and standards while fostering healthy workplaces and advancing our net-zero commitment. We prioritise cultivating a robust safety culture and implementing rigorous risk management practices, including emergency preparedness and waste management protocols. Furthermore, we recognise the importance of maintaining a social license to operate by engaging with stakeholders transparently and aligning our efforts with the United Nations Sustainable Development Goals ("UN SDGs"). Through these integrated initiatives, we aim to achieve sustainable business practices while positively impacting society and the environment.

Corporate Major Accident Prevention Policy: Our Corporate Major Accident Prevention Policy prioritises the identification and management of major hazards to achieve As Low As Reasonably Practicable ("ALARP") risk levels. Through rigorous operational control measures and robust management of change protocols, we mitigate risks effectively. Planning for emergencies is integral, ensuring swift and coordinated responses. Continuous monitoring of performance, supplemented by regular audits and reviews, ensures policy effectiveness. We invest in comprehensive organisation and personnel training to bolster competence and awareness. By adhering to these principles, we strive to prevent major accidents, safeguarding our people, assets, and the environment. Throughout 2023, there were no major accidents reported.

Contractors HSE Policy: Our HSE Policy for contractors mandates strict adherence to company policies, emphasising their role in managing HSE risks. Compliance with laws and international standards is imperative, alongside maintaining a robust HSE management system. Contractors must ensure safe working conditions for their personnel, prioritising environmental preservation and fostering a high safety culture. Additionally, they are required to provide the necessary staffing levels to meet safety requirements. By upholding these standards, contractors contribute to a safe and healthy work environment while aligning with our commitment to HSE excellence.

[34] FAR: The number of fatalities per 100 million hours worked.

Climate change policy: Our climate change policy is intricately woven into our commitment to align with the goals of the Paris Agreement, guiding us towards achieving Net Zero emissions. Through continuous assessment of transitional and physical risks, we prioritise the active reduction of carbon emissions, focusing particularly on scopes 1 and 2. Moreover, we aim to invest in Natural Based Solution projects, harnessing nature's processes such as afforestation, reforestation, and soil carbon sequestration to generate carbon removals. Our adherence to TCFD recommendations and active participation in the CDP underscores our dedication. Additionally, we maintain internal carbon prices to stress-test resilience and educate personnel, ensuring alignment with company objectives. These holistic initiatives do not only aim to reduce emissions but also advance biodiversity conservation and community resilience, reflecting our unwavering commitment to sustainability and transparency. During 2023 we have reduced our carbon emission intensity on an equity share accounting approach by 86%, from 68 kgCO2e/boe in 2019 to 9.3 kgCO2e/boe in 2023.

Stop work policy: Our stop work policy prioritises a safe and secure environment, safeguarding against risks and potential harm to personnel, property, and the environment. Every individual working with us holds the responsibility to halt work immediately upon identifying any risks, with no repercussions if proven unnecessary. Work resumes only after all safety concerns are thoroughly addressed and cleared. This proactive approach ensures that the well-being of our workforce and the protection of our assets and surroundings remain paramount, fostering a culture of safety and accountability throughout our operations. In 2023, a total of 141 stop-work cases were reported across all sites operated by the company, which constitutes 3.8% of all safety observations.

Main pillars of our HSE management system

The integration of the following topics constitutes a holistic strategy for effectively managing health, safety, and environmental risks within Energean. By addressing these areas comprehensively, we can safeguard the well-being of our employees, mitigate environmental impact, and foster sustainable business practices. Key components include implementing robust safety protocols, promoting occupational health initiatives, adhering to environmental regulations, minimising carbon footprint, managing waste responsibly, fostering a culture of safety and environmental stewardship, engaging stakeholders transparently, and continually improving processes through feedback and innovation. This multifaceted approach not only enhances workplace safety but also contributes to long-term sustainability and resilience in the face of evolving challenges.

Risk management: This involves identifying, assessing, and controlling risks associated with health, safety, and environmental hazards. It encompasses methods for analysing risks, implementing controls, and monitoring their effectiveness. More than 29,000 risk assessments and Toolbox talks were conducted in 2023 in all our operated sites.

Compliance and regulatory requirements: Ensuring compliance with relevant laws, regulations, and standards pertaining to health, safety, and environmental protection is crucial. Discussions focus on staying up-to-date with changing regulations, maintaining records, and conducting audits to ensure compliance. During 2023, more than more than 140 HSE audits were performed in Energean operated sites and zero permits and licences violations were recorded.

Safety culture and behaviour-based safety: Building a strong safety culture within an organisation involves fostering attitudes, beliefs, and values that prioritise safety. Behaviour-Based Safety (BBS) focuses on understanding and modifying individual and group behaviours to improve safety outcomes. In 2023, more than 3,700 safety observations were documented at Energean-operated sites, all successfully managed.

Leadership and accountability: At the helm of HSE leadership and accountability stands the CEO, orchestrating efforts to attain peak HSE performance company-wide. From proposing essential HSE measures to the Board of Directors, to cultivating transparent communication across management tiers and staff, the CEO champions a culture of safety and environmental stewardship. This commitment cascades through all levels of management within the organisation. During 2023, more than 200 leadership visits and managerial walk-arounds were performed in Energean's operated sites.

Training and competency development: Providing comprehensive training programs and ensuring employees have the necessary skills and knowledge to perform their jobs safely is essential. Discussions involve assessing training needs, developing training materials, and evaluating the effectiveness of training programs. During 2023, more than 7,250 hours of certified training and more than 900 hours of internal training were provided to Energean personnel.

Incident management and investigation: All incidents occurred in 2023 were managed in our dedicated digital platform. Developing protocols for responding to incidents, investigating their root causes, and implementing corrective actions to prevent recurrence is critical. Discussions cover incident reporting mechanisms, investigation methodologies, and lessons learned. In 2023, a total of 102 actions were initiated in the system, with 82 having been successfully closed, while the remaining 20 are currently in progress of being resolved.

Emergency preparedness and response: Planning for emergencies such as fires, natural disasters, or chemical spills is essential for protecting personnel, the environment, and assets. Energean's Crisis Management Plan ("CMP") and Emergency Response Plans ("ERP") encompass all assets and operations, undergoing formal testing to ensure compliance with strategic, incident management, and response protocols. During 2023, more than 190 drills and exercises were performed at Energean operated sites.

Environmental management and sustainability: Managing environmental impacts, conserving resources, and promoting sustainability are increasingly important aspects of HSE management. Discussions focus on reducing carbon footprint, waste minimisation, and implementing renewable energy initiatives. Our performance in 2023 is explicitly discussed in the climate change and the environmental section.

Health and wellness programmes: Promoting employee health and well-being contributes to overall safety and productivity. In 2023, all employees are offered an annual health program to uphold optimal levels of health and well-being. Additionally, both employees and contractors are required to possess medical fitness certificates tailored to the demands of their respective roles, ensuring health standards are consistently met. During 2023, zero work-related illnesses occurred.

Continuous improvement and performance monitoring: Establishing mechanisms for continuous improvement involves regularly evaluating HSE performance, identifying areas for improvement, and implementing corrective actions. Discussions involve setting performance metrics, conducting reviews, and benchmarking against industry standards. During 2023, we organised a comprehensive HSE management review meeting in every country where our operations are active.

Contractors' management: Contractors are chosen based on their capacity to deliver services in alignment with project specifications, contractual obligations, HSE and climate change policies, and localised regulations. Clear criteria for pre-qualification, selection, evaluation, and ongoing assessment are established to ensure suitability and effective monitoring of contractor performance. During 2023, more than 60 contractors were evaluated against Energean's HSE criteria.

Stakeholder engagement and communication: Engaging with internal and external stakeholders, including employees, contractors, regulators, and the community, is essential for maintaining transparency and trust. Discussions focus on communication strategies, stakeholder feedback mechanisms, and addressing concerns. During 2023, stakeholder engagement meetings were conducted in conjunction with the environmental licensing processes.

Our Health and Safety performance in numbers

Occupational safety	2023	2022	2021
Employees man hours worked	888,360	772,865	1,015,866
Contractors man hours worked	5,553,675	7,724,105	8,118,433
Total man hours worked	6,442,035	8,496,970	9,134,309
Number of employees fatalities	0	0	0
Number of contractors fatalities	0	0	0
Employees Fatal Accident Rate ("FAR")[35]	0	0	0
Contractors Fatal Accident Rate ("FAR")	0	0	0
Total Fatal Accident Rate ("FAR")	0	0	0
Employees Lost Time Injuries ("LTIs")	0	0	1
Contractors Lost Time Injuries ("LTIs")	3	4	2

35 Per 100 million hours worked.

Occupational safety	2023	2022	2021
Total Lost Time Injuries ("LTIs")	3	4	3
Employees LTI Frequency ("LTIF")[36]	0.00	0.00	0.98
Contractors LTI Frequency ("LTIF")	0.54	0.52	0.25
Total LTI Frequency ("LTIF")	0.47	0.47	0.33
Employees Total Recordable Injuries ("TRIs")	0	1	2
Contractors Total Recordable Injuries ("TRIs")	7	9	5
Employees and Contr. Total Recordable Injuries ("TRIs")	7	10	7
Employees TRI Rate ("TRIR")[37]	0.00	1.29	1.97
Contractors TRI Rate ("TRIR")	1.26	1.17	0.62
Employees and Contractors TRI Rate ("TRIR")	1.09	1.18	0.77

Process safety	2023	2022	2021
Process safety incidents	0	1	0
Loss of containment incidents	21[38]	10[39]	0

Safety training	2023	2022	2021
Internal training (hours)	2,394	457	950
Certified training (hours)	5,900	7,295	1,401
Total training (hours)	8,294	7,752	2,351

Our missions: preserving our planet

Recognising our duty to preserve our natural environment, we are compelled to take swift and decisive action to protect it for the benefit of future generations. Energean stands at the forefront of this endeavour, exemplifying leadership through a comprehensive sustainability strategy woven into the fabric of our operations.

From championing conservation initiatives to seamlessly integrating renewable energy, reducing waste, and managing resources responsibly, our commitment to effecting tangible change knows no bounds.

Our unwavering dedication to safeguarding biodiversity emphasises our solemn pledge to safeguard vital ecosystems essential for the sustenance of life on our planet. By seamlessly incorporating renewable energy sources into our energy portfolio, we actively combat the climate crisis, steadfastly working to reduce harmful carbon emissions.

Furthermore, our concerted efforts to minimise waste, including robust recycling programs and the reduction of single-use plastics, aim to mitigate the pollution besieging our oceans and landfills.

Education and advocacy serve as linchpins in our mission to preserve our planet. Through continuous training and advocacy initiatives, we empower our team members to become champions of environmental conservation and advocates for sustainable practices in all spheres of our operations.

[36] Per 1 million hours worked.
[37] Per 1 million hours worked.
[38] Loss of containment incidents increased in 2023 due to the FPSO start up in Israel with zero effect on people and the environment. There were no required fines or penalties.
[39] Loss of containment incidents increased in 2022 due to the FPSO commissioning phase in Israel with zero effect on people and the environment. There were no required fines or penalties.

Together, with unwavering resolve and collective action, we aim to drive positive change on a global scale, ensuring a healthier and more sustainable future for all.

We uphold environmental excellence that adheres to both national and international benchmarks. Every aspect of our operations aligns with the highest standards, as evidenced by our assets' environmental management systems certified to ISO 14001.

Our commitment extends to meticulous monitoring, recording, and assessment of air emissions, ensuring compliance with stringent regulations. We employ robust measures to prevent and mitigate oil spills and chemical leaks, safeguarding ecosystems and communities.

Water resource management receives diligent attention, with practices aimed at ensuring sustainability and responsible usage. Our waste management protocols prioritise sustainability, minimising environmental impact through efficient disposal and recycling.

Furthermore, we are dedicated to monitoring and preserving ecosystems and biodiversity, recognising their intrinsic value to our planet's health and resilience. Through proactive measures and continuous improvement, we strive to uphold environmental stewardship in every facet of our operations.

In addition to our rigorous environmental management practices, we also ensure comprehensive verification of carbon emissions accounting for Scope 1, 2, and 3, meticulously adhering to the specifications outlined in ISO 14064-1.

Key metrics monitored

Equity share versus operational accounting approach

We report GHG-related emissions both on an equity share accounting approach and also on the operational accounting approach. All other environmental data is reported based on the operational accounting approach.

The definition of equity share is Energean’s working interest across both operated and non-operated sites. For example, this accounting measure would include 10.47% of the total gross emissions from Scott, UK, which we hold a 10.47% non-operated working interest in.

In comparison, the operational approach does not take into account Energean’s working interest — it includes the gross (i.e. 100%) project emissions only for assets that Energean operates. For example, this approach does not include any emissions from the UK, as we currently hold no operated positions, and includes 100% of emissions from Accettura, Italy, even though our working interest in the field is 50.33%.

Environmental KPIs	2023	2022	2021
Environmental expenditure \$ million[40]	1.5	3.3	1.1
Energy consumption intensity (MJ/boe)[41],[42] – operated share	76.5	174.9	370.3
Scope 1&2 carbon emissions intensity ($kgCO_2e$/boe)[43] – net equity share	9.3	16.0	18.3
Water use intensity (m^3/boe)[44] – operated share	0.003	0.01	0.2
Water volume recycled (%)[45] – operated share	99	99	95
Non- hazardous waste intensity (kg/boe)[46] – operated share	0.01	0.8	0.2

40 Capital expenditures related to environmental protection activities.
41 Ratio of energy (thermal & electrical) consumption over gross hydrocarbons production.
42 2021 figure is re-reported due to updated alignment with GRI standards which state that, to avoid double counting, self-produced electricity should not be counted, as thermal energy already includes fuel consumption sourced from production
43 Ratio of direct and indirect (consumed electricity) carbon emissions over gross hydrocarbons production.
44 Ratio of total fresh and seawater used for processes over gross hydrocarbons production.
45 Proportion of water used in the process that is returned to the same catchment area or the sea, from where it was initially drawn.
46 Ratio of municipal and industrial waste, that according to regulation do not pose a severe threat to human health or the environment over gross hydrocarbons production.

Environmental KPIs	2023	2022	2021
Hazardous waste intensity (kg/boe)[47] – operated share	0.01	0.1	0.1
Waste recycled (%)[48] – operated share	81.0	95.2	90.5
Waste energy recovery (%)[49] – operated share	0.0	0.0	0.0

Air quality

Energean places a strong emphasis on prioritising the maintenance of high air quality through responsible and sustainable operations. We consistently monitor all atmospheric emissions to uphold this commitment. During 2023, the total amount of nitrous emissions ("NOx") generated across the Group increased by 18% versus 2022 due to the FPSO full operations in Israel. The amount of sulphurous emissions increased due to the restart and stabilisation of production in our H2S-reach asset from Prinos, Greece.

During 2023, we focused on the methane emissions mitigation by conducting a number of LDAR campaigns in various operated assets to monitor and reduce fugitive emissions (particularly methane). We carried out campaigns at Prinos, Greece, the FPSO in Israel, S. Giorgio and Maria a Mare, Rospo and Larino in Italy. The findings are followed by mitigation actions that, depending on the situation, are scheduled to be fixed. Our next step is to extend fugitive emissions monitoring and mitigation, including among others incomplete combustion from stationary equipment and flaring systems.

Biodiversity

Maintaining biodiversity is a priority for Energean. We are focused on closely observing pre-, during and post our operations to quantify and mitigate potential consequences

In 2023, we conducted several biodiversity surveys and undertook initiatives to identify and protect vulnerable habitats and evaluate the influence of our operations, including:

Israel

- An invasive species survey and treatment at the onshore valve station area, Israel. Invasive species were found in the carob trees restored area. Treatment to remove invasive species commenced and is still in progress.
- A post-drilling survey that aimed to provide information regarding the environment in the drilled areas at sea. It provided data related to the marine environment, tracking physical, chemical and biological parameters in the water column and in the sediment. This study constitutes a basis for assessing the state of natural and ecological values in the relevant areas, and possible deviations from accepted country and foreign standards, including changes with respect to the natural background.

47 Ratio of municipal and industrial waste, that according to regulation pose a severe threat to human health or the environment over gross hydrocarbons production.
48 Proportion of waste that are reprocessed into other products, materials or substances whether for the original use or for other purposes.
49 Proportion of non-recyclable waste materials that are converted into usable heat, electricity or fuel through a variety of processes.

Italy

- Continued monitoring of the "Tecnoreef" structure, that was installed to promote the development of biodiversity in the Marine Protected Area "Isola dei Ciclopi" in Italy. Results have shown a high amount of biodiversity in the area.
- Initiated the "Acquisition and data analysis using marine bioreceptors" project in collaboration with the Zooprophylactic Institute of Teramo in Rospo Mare, Italy to investigate biodiversity in beneath platforms. The ultimate goal is to establish a biological pre-alarm system in a crucial area of the central southern Adriatic basin. By utilising this system on different platforms in the Adriatic, it may be possible to create databanks that could be helpful in managing coastal areas more effectively.
- Energean is maintaining the partnership with 3BEE, an agri-tech start up with the aim of protecting the bees, in the province of Vasto, just opposite our Rospo Mare offshore platform in Italy.
- At the Vega platform, benthic and microbenthic fauna samples were taken for analysis, and water quality analysis was also carried out. The analysis was performed by the University of Catania's Department of biological, geological and environmental sciences.

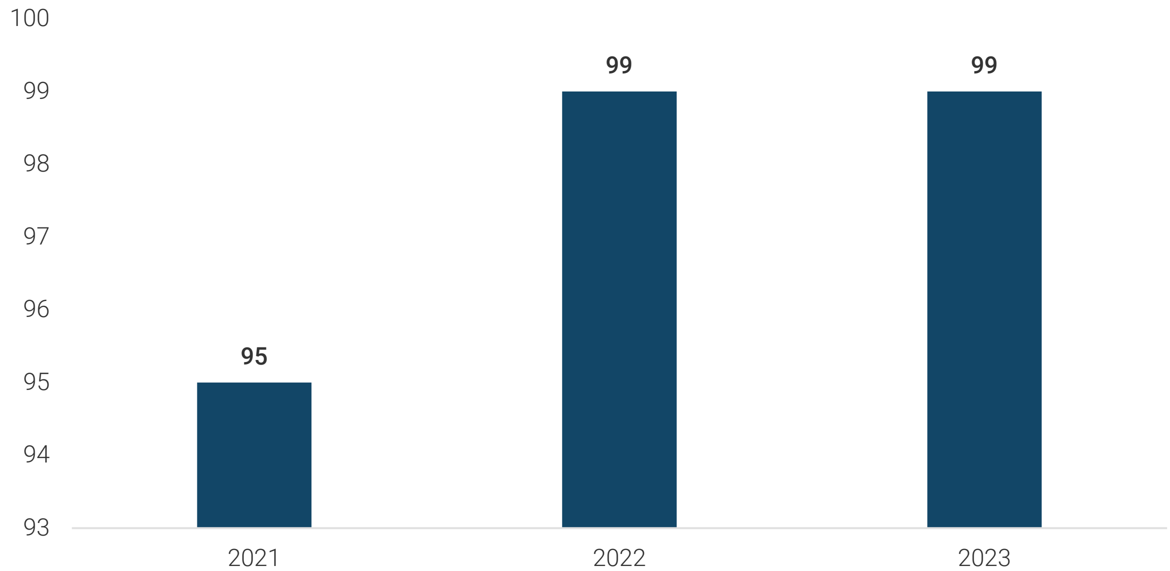
Greece:

- Providing ongoing assistance to the management team responsible for the Nestos River Delta, Lakes Vistonida-Ismarida, and Thassos in maintaining the telemetric stations used for monitoring biodiversity in the northeastern region of Greece.
- An offshore sampling analysis was performed at Prinos in Greece. The results of the independent laboratory showed near-zero aromatic hydrocarbon and heavy metal concentrations in the water column, sediment and animal tissue samples, while the benthic communities have not been affected by our operations in the Gulf of Kavala.

Water resources

Energean places a strong emphasis on the management of freshwater resources. We acknowledge the significance of ensuring freshwater availability, meeting the rising global demands in the future, adhering to high-quality standards, and meeting the expectations of stakeholders. In 2023, 99% of water withdrawals were recycled. Our onshore and offshore water discharges are continuously monitored by both automatic and manual analytical means to meet all relevant regulatory limits.

Total recycled water %



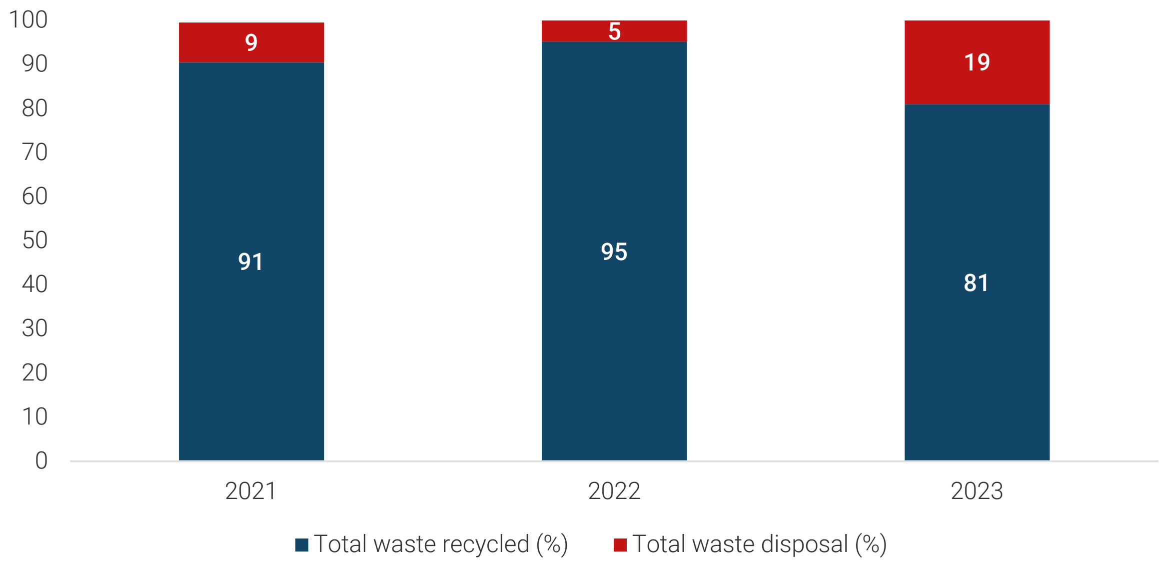
Oil spills prevention

Energean has implemented a robust and thoroughly tested system for preventing oil spills. Our preventative measures encompass strategies to minimise the likelihood of spills, leaks, and uncontrolled discharges. These measures include adhering to regulatory discharge limits based on operational locations, utilising online sensors to promptly detect and address potential incidents, employing secondary containment systems, such as barrels, drums and even vessels and implementing comprehensive plans for the regular inspection and maintenance of equipment posing significant oil spill risks. The outcome of these efforts is evident in our achievement of yet another consecutive year with zero oil spills in 2023. We prioritise maintaining a high level of preparedness through annual oil spill emergency response drills and training sessions. Additionally, our commitment to staying well-prepared is demonstrated by our membership in Oil Spill Response Ltd., a leading industry consortium renowned for its expertise in oil spill response services on a global scale.

Waste management

At Energean, we try to enforce the resources and waste hierarchy pyramid, maintaining a strong code of ethics regarding discharges and waste, by enforcing waste recycling and energy recovery activities. As part of the Environmental Social Impact Assessment of each asset we design an action plan to facilitate waste management.

In 2023, 81% of total waste was recycled, while 19% was managed through local landfill facilities (95.2% and 4.8% in 2022 respectively).



Our environmental performance in numbers

For information on the definition of operated versus equity-share, please refer to page 65.

Methodologies used to calculate scope 1 emissions include the standards and protocols of EU ETS, IPCC, Concawe and EPA. Scope 2 emissions were calculated using the GHG protocol standards. Scope 3 emissions were calculated using the GHG Protocol's Scope 3 calculation guidance. Scope 1, 2 and 3 emissions have all been verified to ISO 14064-1 based on the operational accounting approach.

Environmental records	2023	2022	2021
Production – equity share			
Oil (Kboe)	7,379	3,720	4,141
Raw Gas (Kboe)	38,845	11,954	11,489
Total oil and raw gas (Kboe)	46,224	15,674	15,629
Ratio oil/total (%)	16.0	23.7	26.5
Ratio gas/total (%)	84.0	76.3	73.5
Production – operated sites			
Oil (Kboe)	5,785	2,131	2,506

Environmental records	2023	2022	2021
Raw Gas (Kboe)	29,439	2,222	449.0
Total oil and raw gas (Kboe)	35,225	4,353	2,955
Ratio oil/total (%)	16.4	48.9	84.8
Ratio gas/total (%)	84.6	51.1	15.2
GHG emissions – equity share			
Total GHG emissions (tCO2e)	443,632	254,704	306,930
Scope 1 emissions (tCO2e)	428,252	249,622	285,362
Scope 2 emissions (tCO2e) – location based[50]	15,379	5,082	21,568
Guarantees of Origin (tCO2e)	(14,403)	(4,168)	(20,725)
I-REC (tCO2e)	(151.5)	(175.0)	(58.0)
Scope 2 emissions (tCO2e) – market based[51]	824.5	739.0	785.0
Scope 3 emissions (MtCO2e) – Category 10	0.7	0.5	0.5
Scope 3 emissions (MtCO2e) – Category 11	21.8	7.6	7.6
Scope 3 emissions (MtCO2e) – Total[52]	22.5	8.0	8.1
Scope 1 emissions intensity (kgCO2e/boe)	9.3	15.9	18.3
Scope 2 emissions intensity (kgCO2e/boe) – market based	0.0	0.1	0.1
Total emissions intensity (kgCO2e/boe)	9.3	16.0	18.3
GHG emissions – operated sites			
Total GHG emissions (tCO2e)	235,134	75,354	73,042
Scope 1 emissions (tCO2e)	220,579	71,011	52,259
Scope 2 emissions (tCO2e) – location based[53]	14,555	4,343	20,783
Guarantees of Origin (tCO2e)	(14,403)	(4,168)	(20,725)
I-REC (tCO2e)	(151.5)	(175.0)	(58.0)
Scope 2 emissions (tCO2e) – market based[54]	0.0	0.0	0.0

50 Location based is defined as the emissions generated from the purchase and consumption of electricity throughout our premises, shown *before* offsets from renewable-energy certificates.

51 Market-based method for scope 2 emissions, incorporating energy certificates such as Guarantees of Origin (GO) and International Renewable Energy Certificates (I-RECs).

52 For the Scope 3 emissions on an equity share basis, Energean only considers Category 10 and 11 as material and relevant

53 Location based is defined as the emissions generated from the purchase and consumption of electricity throughout our premises, shown *before* offsets from renewable-energy certificates.

54 Market-based method for scope 2 emissions, incorporating energy certificates such as Guarantees of Origin (GO) and International Renewable Energy Certificates (I-RECs).

Environmental records	2023	2022	2021
Scope 3 emissions (MtCO2e)[55] – Category 1	0.0	0.2	0.1
Scope 3 emissions (MtCO2e)[55]– Category 2	0.0	0.0	0.1
Scope 3 emissions (MtCO2e)[55] – Category 3	0.0	0.0	0.0
Scope 3 emissions (MtCO2e)[55] – Category 4	0.0	0.0	0.0
Scope 3 emissions (MtCO2e)[55] – Category 5	0.0	0.0	0.0
Scope 3 emissions (MtCO2e)[55] – Category 6	0.0	0.0	0.0
Scope 3 emissions (MtCO2e)[55] – Category 7	0.0	0.0	0.0
Scope 3 emissions (MtCO2e)[55] – Category 8	N/A	N/A	N/A
Scope 3 emissions (ktCO2e)[55] – Category 9	0.0	0.0	0.0
Scope 3 emissions (MtCO2e)[55] – Category 10	0.5	0.3	0.3
Scope 3 emissions (MtCO2e)[55] – Category 11	16.8	1.9	1.4
Scope 3 emissions (MtCO2e)[55] – Category 12	N/A	N/A	N/A
Scope 3 emissions (MtCO2e)[55] – Category 13	N/A	N/A	N/A
Scope 3 emissions (MtCO2e)[55] – Category 14	N/A	N/A	N/A
Scope 3 emissions (MtCO2e)[55] – Category 15	N/A	N/A	N/A
Scope 3 emissions (MtCO2e)[55] – Total	17.4	2.4	1.9
Scope 1 emissions intensity (kgCO2e/boe)	6.3	16.3	17.7
Scope 2 emissions intensity (kgCO2e/boe) – market based	0.0	0.0	0.0
Total emissions intensity (kgCO2e/boe)	6.3	16.3	17.7
UK Only – equity share			
Total GHG emissions (tCO2e)	20,905	16,507	23,707
Scope 1 emissions (tCO2e)	20,905	16,507	23,707

55 For the Scope 3 emissions on an operational share basis, Energean considers Category 11 as the most material and relevant, but for transparency, has calculated scope 3 emissions for the several other categories. Categories that are not relevant have been marked as N/A.

Environmental records	2023	2022	2021
Scope 2 emissions (tCO_2e)[56]	-	-	-
Total emissions intensity ($kgCO_2e$/boe)	74.9	38.5	83.4
Energy consumption used to calculate above emissions (kWh)	74,700	59,000	77,000
Other air emissions – operated sites			
NOx (tonnes)	431.4	365.1	233.8
SO_2 (tonnes)	1214.5	111.4	711.8
VOC (tonnes)	174.5	14.0	9.0
Water usage – operated sites			
Fresh water (m3)	119,089	47,649	103,784
Seawater (m3)	42,588,365	19,418,432	17,413,502
Total water usage (m3)	42,712,921	19,467,393	17,517,286
Recycled water (m3)	42,588,365	19,418,432	16,944,782
Recycled water (%)	99.7	99.0	95.2
Dispersed oil concentration in discharged water (mg/L)	0.4	0.4	0.4
Water quantities disposal – operated sites			
Non-hazardous waste (tonnes)	394	3,420	675.9
Non-hazardous waste intensity (kg/boe)	0.01	0.8	0.2
Hazardous waste (tonnes)	410	651.3	341.7
Hazardous waste intensity (kg/boe)	0.01	0.1	0.1
Total waste recycled (%)	81	95.2	90.5
Total waste energy recovery (%)	0.0	0.0	0.0
Spills – operated sites			
Hydrocarbon spills	0.0	0.0	0.0
Flaring – operated sites			
Total hydrocarbons flared (tonnes)	25,804.0	13,775.0	412.8
Flaring intensity (kg/boe)	2.3	6.4	0.1
Energy consumption – operated sites			
Total energy consumption (kWh)	748,723,706	211,511,613	303,972,222
Electrical energy consumption (TJ)	122.7	55.1	162.3

[56] Electricity is purchased by the building owner and thus taken into scope 3 emissions consideration.

Environmental records	2023	2022	2021
Electrical energy consumption intensity (MJ/boe)	3.48	12.7	54.9
Thermal energy consumption (TJ)	2572.6	706.3	932.0
Thermal energy consumption intensity (MJ/boe)	73.0	162.3	315.4
Total energy consumption intensity (MJ/boe)	76.5	174.9	383.2

Financial Review

Panos Benos, CFO

Dear Shareholder,

I'm pleased to share an update on our Group's financial performance over the past year, ending on 31 December 2023.

In 2023, Energean reached a significant milestone by becoming the leading independent gas producer in the Mediterranean, thanks to the successful ramp-up of production from the Karish gas field in Israel. This achievement not only increased our production but also aligned with our latest guidance for the year.

Furthermore, we've upheld our commitment to delivering value to our shareholders by continuing our dividend payments. In 2023 alone, Energean returned $1.20 per share, totalling $214 million, in line with our target to distribute cumulative dividends of at least $1 billion by the end of 2025.

Despite facing challenges such as lower average commodity prices in the first half of 2023, we achieved record revenues ($1,420 million), adjusted EBITDAX results ($931 million), and operating profit ($598 million).

Looking ahead to 2024, we see significant potential as we advance our core strategic projects across Israel, Egypt, Italy, and Greece. Our recent partnership with Chariot Ltd. in offshore Morocco, alongside our successful gas deliveries in Egypt and progress in the Prinos carbon storage project in Greece, all contribute to our vision of becoming the foremost independent producer in the Mediterranean. These initiatives not only support our growth but also underline our commitment to a sustainable energy transition.

Financial results summary

	2023	2022	*Change from 2022*
Average working interest production (Kboe/d)	123	41	200%
Revenue ($m)	1,420	737	93%
Cash cost of production ($m)	475	284	67%
Cost of production ($/boe)	11	19	(42%)
Administrative & selling expenses ($m)	43	46	(7%)
Operating profit ($m)	598	232	158%
Adjusted EBITDAX ($m)	931	422	121%
Profit after tax ($m)	185	17	988%
Cash flow from operating activities ($m)	656	272	141%
Capital expenditure ($m)	544	870	(37%)
Cash capital expenditure ($m)	541	460	18%
Net debt ($m)	2,849	2,518	13%
Leverage Ratio (Net debt/Adjusted EBITDAX)	3	6	N/A

Revenue, production, and commodity prices

Revenue increased by $683 million to $1,420 million (2022: $737 million) primarily as a result of the successful ramp-up of production from our flagship Karish gas field, located offshore Northern Israel, to its initial capacity. The Group's realised weighted average oil and gas price for the year was $72/bbl (2022: $81/bbl) and $5/mcf (2022: $11/mcf), respectively.

Working interest production averaged 123 Kboe/d in 2023 (2022: 41 Kboe/d), with the Karish gas field accounting for over 70% of total output.

Adjusted EBITDAX amounted to $931 million (2022: $422 million). The increase from 2022 was due to higher revenue complimented by slightly lower operating costs.

Cash cost of production

During the period, our cash unit production costs decreased to $11 per barrel of oil equivalent (boe), compared to $19/boe in 2022. This reduction was primarily due to the increased production for the year coming from the successful ramp-up of production from the Karish gas field in Israel. In addition, the Egyptian currency, has fallen sharply against the US dollar, also leading to a reduction of the cost per bbl in Egypt. Excluding royalties of $186 million (2022: $46 million), our cash production costs amounted to $289 million in 2023 (2022: $238 million including only 2 months of production in Israel). Consequently, the related cost per boe excluding royalties decreased to $6.4 in 2023, down from $15.9 in 2022.

Depreciation, impairments and write-offs

Depreciation charges before impairment on production and development assets increased to $306 million (2022: $83 million) with the related increase in the depreciation unit expense to $6.8/boe (2022: $5.5/boe).

The Group's impairment assessment did not identify any cash generating units for which a reasonably possible change in a key assumption would result in impairment or impairment reversal.

Management has considered how the Group's identified climate risks and opportunities (as discussed in the Strategic Report) may impact the estimation of the recoverable amount of cash-generating units in the impairment assessments. The anticipated extent and nature of the future impact of climate on the Group's operations and future investment, and therefore estimation of recoverable value, is not uniform across all cash-generating units. There is a range of inherent uncertainties in the extent that responses to climate change may impact the recoverable value of the Group's cash-generating units. These include the impact of future changes in government policies, legislation and regulation, societal responses to climate change, the future availability of new technologies and changes in supply and demand dynamics.

The Group has incorporated carbon pricing when preparing discounted cash flow valuations. Carbon prices are incorporated based on currently enacted legislation (where relevant). Carbon costs are based on the forecast carbon price per tonne/CO2e, multiplied by estimated Scope 1 and 2 emissions for the relevant operation(s).

As part of the impairment assessment the Group has run sensitivity scenarios based on the International Energey Agency's (IEA) 2023 World Energy Outlook climate projections including Stated Policies Scenario (STEPS), Announced Pledges Scenario (APS) and Net-Zero Emissions by 2050 Scenario (NZE). These specific scenarios were not directly applied in the assets valuation for financial reporting purposes. This is because no single scenario fully aligns with the management consensus on the assumptions market participants may use in appraising the Group's assets. The assessment revealed that the Group's CGUs in Italy and Greece, particularly the Vega field, are significantly affected by these scenarios due to their sensitivity to fluctuations in Brent oil prices. Conversely, the Group's assets in Israel and Egypt are less influenced by these scenarios, attributed to the localised approach to price definition.

Exploration and evaluation expenditure and new ventures

During the period the Group expensed $34 million (2022: $71 million) for exploration and new ventures evaluation activities. This includes impairment costs of $29 million (2022: $66 million) for projects that will not progress to development, primarily Isabella in the UK.

In addition, new ventures evaluation expenditure amounted to $5 million (2022: $5 million), mainly related to pre-licence assessment costs.

General and administrative (G&A) expenses

Energean incurred G&A costs of approximately $43 million in 2023 (2022: $46 million). Cash G&A was $31 million (2022: $36 million).

Cash G&A excludes certain non-cash accounting items from the Group's reported G&A. Management uses this alternative performance measure to monitor the Group's performance, as it assists in making informed decisions about capital allocation. Cash G&A is calculated as follows: administrative and selling and distribution expenses, excluding depletion and amortisation of assets and share-based payment charge that are included in G&A.

($m)	2023	2022
Administrative expenses	43	46
Less:		
Depreciation	5	4
Share-based payment charge included in G&A	7	6
Cash G&A	31	36

Net other expenses

Net other expenses of $2 million in 2023 (2022: $1 million income) include reversal of provision for legal claims of $3 million, expected credit loss provisions of $4 million and other non-recurring items.

Unrealised loss on derivatives

The Group has recognised unrealised loss on derivative instruments of $7 million (2022: $5 million) related to the Cassiopea contingent consideration. A contingent consideration of up to $100 million is payable and determined based on future Italian gas prices recorded at the time of the commissioning of the field, which is expected in the summer of 2024.

As at 31 December 2023, the two-year Italian gas (PSV) futures curve indicated higher pricing than that at the date of acquisition, with a forward price in excess of €20/Mwh. As a result, the fair value of the contingent consideration as at 31 December 2023 was estimated to be $91 million based on a Monte Carlo simulation (2022: $86 million).

Net financing costs

Financing costs before capitalisation for the period were $268 million (2022: $237 million). Finance costs include: $193 million of interest expenses incurred on Senior Secured notes (2022: $167 million); $6 million on debt facilities (2022: $2 million); $7 million of interest expenses relating to long-term payables (2022: $15 million); $51 million unwinding of discount on deferred consideration, contingent consideration, long-term payables, convertible loan notes and decommissioning provisions (2022: $37 million); and $11 million commissions for guarantees and other bank charges of (2022: $16 million).

Net finance costs include foreign exchange losses of $17 million (2022: $22 million) and finance income of $19 million (2022: $10 million), including interest income from time deposits.

Taxation

In 2023, Energean recorded tax charges totalling $159 million, compared to $90 million in 2022. This comprised a current year tax expense of $59 million (down from $200 million in 2022) and a deferred tax expense of $100 million (compared to a credit of $110 million in 2022), resulting in an effective tax rate of 46% (down from 84% in 2022).

The decrease in current tax from 2022 was primarily due to a one-off windfall tax of $119 million charged in Italy in 2022. Additionally, the current tax expense for Italy and Egypt decreased by $13 million and $10 million respectively compared to the previous year.

Regarding deferred tax movement, both Italy and Israel realised previously recognised deferred tax assets due to the utilisation of tax losses, amounting to $15 million and $47 million respectively. Furthermore, Italy reassessed its deferred tax asset recognised on decommissioning provision, resulting in a reduction of $20 million.

Operating cash flow

Cash from operations before tax and movements in working capital was $874 million (2022: $373 million). After adjusting for tax and working capital movements, cash from operations was $656 million (2022: $272 million).

Capital expenditure

During the year, the Group incurred capital expenditure of $544 million (2022: $870 million). Capital expenditure mainly comprise development expenditure in relation to the Karish Main and Karish North Fields in Israel ($148 million), NEA/NI project in Egypt ($123 million), Cassiopea field in Italy ($161 million), and exploration expenditures in Katlan, Athena, Zeus, Hermes and Hercules in Israel ($25 million) and in North East Hap'y and East Bir El Nus in Egypt ($26 million).

Net debt

As at 31 December 2023, net debt of $2,849 million (2022: $2,518 million) consisted of $2,500 million Israeli senior secured notes, $450 million of corporate senior secured notes and $64 million draw down of the Greek loans, less deferred amortised fees and cash, bank deposits and restricted cash balances of $372 million. On 11 July 2023 Energean priced the offering of $750 million aggregate principal amount of senior secured notes. Net debt excluding Israel was $569 million (2022: $144 million).

In accessing the debt capital markets, Energean is only exposed to floating interest rates for the Greek loan. Refer to note 26.3 in the financial statements for the interest risk sensitivity.

Credit ratings

Energean maintains corporate credit ratings with S&P Global Ratings ("S&P") and Fitch Ratings ("Fitch"). In November 2023:

- S&P affirmed 'B+' ratings on Energean and its senior secured notes maturing in 2027 however the Outlook was revised to Negative from Stable. The negative outlook reflects the escalated geopolitical and security risk in Israel. The ratings were affirmed at B+ as Energean's assets remain fully operational, cash flows have not been affected and the conflict is expected to have limited impact on Energean's operations in Israel.
- Fitch upgraded Energean plc's corporate credit rating to 'BB-' from 'B+' with Stable Outlook. Energean's senior secured notes maturing in 2027 were also upgraded to 'BB' from 'B+'. Key drivers for the upgrade were: production performance, driven by the successful ramp-up of the Karish field, Energean's clear path to deleveraging, defined Dividend Policy, low re-contracting risk and improving cost of production.

Risk management

Principal risks

As disclosed in Energean's 2023 Interim Results, Energean has long identified geopolitical risks as one of the principal risks facing the Group. Considering the events since October 2023, the Group has split out Israel into a new principal risk relating to the increased regional and domestic geopolitical and security risks. Day-to-day production has been unimpacted by the geopolitical developments, nor have any payments from domestic offtakers. Energean has a comprehensive private insurance package in place for risks of direct (physical) damage to assets as a result of war or terrorism actions and indirect damage (loss of production) as a result of physical damage due to terrorism actions. There is also a potential compensation mechanism by the Israeli government under the Property Tax and Compensation Fund Law. Energean continues to monitor the situation and in the event of further escalation of the situation in the region, the security of our people and contract personnel alongside the physical integrity of assets would be our primary focus.

The remainder of the principal risks are unchanged from those disclosed in the 2023 Interim Results. A full description of Energean's principal risks is disclosed in the strategic review of the 2023 Annual Report.

Liquidity risk management and going concern

The Group carefully manages the risk of a shortage of funds by closely monitoring its funding position and its liquidity risk. The going concern assessment covers the period from the date of approval of the group financial statements on 21 March 2024 to 30 June 2025 "the Assessment Period".

As of 31 December 2023, the Group's available liquidity was approximately $607 million. This available liquidity figure includes: (i) c. $115 million available under the $300 million Revolving Credit Facility ("RCF") signed by the Group in September 2022 and as amended in May 2023 (with the remainder being utilised to issue Letters of Credit for the Group's operations) and (ii) c. $120 million under the $120 million Revolving Credit Facility signed up by the Group in October 2023.

The going concern assessment is founded on a cashflow forecast prepared by management, which is based on a number of assumptions, most notably the Group's latest life of field production forecasts, budgeted expenditure forecasts, estimated of future commodity prices (based on recent published forward curves) and available headroom under the Group's debt facilities. The going concern assessment contains a "Base Case" and a "Reasonable Worst Case" ("RWC") scenario.

The Base Case scenario assumes Brent at $80/bbl in 2024 and $75/bbl in 2025 and PSV (Italian gas price) at €30/MWH in 2024 and 2025. A reasonable ramp-up of production from the Karish Field is assumed throughout the going concern assessment period, with prices for gas sold assumed at contractually agreed prices. Under the Base Case, sufficient liquidity is maintained throughout the going concern period.

The Group also routinely performs sensitivity tests of its liquidity position to evaluate adverse impacts that may result from changes to the macro-economic environment, such as a reduction in commodity prices. These downsides are considered in the RWC going concern assessment scenario. The Group is not materially exposed to floating interest rate risk since the majority of its borrowings are fixed-rate. The Group also looks at the impact of changes or deferral of key projects and downside scenarios to budgeted production forecasts in the RWC.

The two primary downside sensitivities considered in the RWC are: (i) reduced commodity prices; (ii) reduced production – these downsides are applied to assess the robustness of the Group's liquidity position over the Assessment Period. In a RWC downside case, there are appropriate and timely mitigation strategies, within the Group's control, to manage the risk of funding shortfalls and to ensure the Group's ability to continue as a going concern. Mitigation strategies, within management's control, modelled in the RWC include deferral of capital expenditure on operated assets and/or management of operating expenses to improve the liquidity.

Under the RWC scenario, after considering mitigation strategies, liquidity is maintained throughout the going concern period.

Reverse stress testing was also performed to determine what commodity price or production shortfall would need to occur for liquidity headroom to be eliminated. The conditions necessary for liquidity headroom to be eliminated are judged to have a remote possibility of occurring, given the diversified nature of the Group's portfolio and the "natural hedge" provided by virtue of the Group's fixed-price gas contracts in Israel and Egypt. In the event a remote downside scenario occurred, prudent mitigating strategies, consistent with those described above, could also be executed in the necessary timeframe to preserve liquidity. There is no material impact of climate change within the Assessment Period and therefore it does not form part of the reverse stress testing performed by management.

In forming its assessment of the Group's ability to continue as a going concern, including its review of the forecasted cashflow of the Group over the Forecast Period, the Board has made judgements about:

- Reasonable sensitivities appropriate for the current status of the business and the wider macro environment; and
- the Group's ability to implement the mitigating actions within the Group's control, in the event these actions were required.

After careful consideration, the Directors are satisfied that the Group has sufficient financial resources to continue in operation for the foreseeable future, for the Assessment Period from the date of approval of the group financial statements on 21 March 2024 to 30 June 2025. For this reason, they continue to adopt the going concern basis in preparing the group financial statements.

Non-IFRS measures

The Group uses certain measures of performance that are not specifically defined under IFRS or other generally accepted accounting principles. These non-IFRS measures include Adjusted EBITDAX, cost of production, capital expenditure, cash capital expenditure, net debt and leverage ratio and are explained below.

Cash cost of production

Cash cost of production is a non-IFRS measure that is used by the Group as a useful indicator of the Group's underlying cash costs to produce hydrocarbons. The Group uses the measure to compare operational performance period to period, to monitor costs and to assess operational efficiency. Cash cost of production is calculated as cost of sales, adjusted for depreciation and hydrocarbon inventory movements.

($m)	2023	2022
Cost of sales	760	359
Less:		
Depreciation	301	79
Change in inventory	(16)	(4)
Cost of production	475	284
Total production for the period (kboe)	44,731	15,038
Cash cost of production per boe ($/boe)	11	19

Adjusted EBITDAX

Adjusted EBITDAX is a non-IFRS measure used by the Group to measure business performance. It is calculated as profit or loss for the period, adjusted for discontinued operations, taxation, depreciation and amortisation, other income and expenses (including the impact of derivative financial instruments and foreign exchange), net finance costs and exploration costs. The Group presents Adjusted EBITDAX as it is used in assessing the Group's growth and operational efficiencies, because it illustrates the underlying performance of the Group's business by excluding items not considered by management to reflect the underlying operations of the Group.

($m)	2023	2022
Adjusted EBITDAX	931	422
Reconciliation to profit/(loss):		
Depreciation and amortisation	(306)	(83)
Share-based payment	(7)	(6)
Exploration and evaluation expense	(34)	(71)
Change in decommissioning cost	17	(28)
Other expense	(10)	(4)
Other income	8	3
Finance expenses	(250)	(107)
Finance income	19	10
Unrealised loss on derivatives	(7)	(5)
Net foreign exchange	(17)	(22)
Taxation income/(expense)	(159)	(90)
Profit/(Loss) for the year	185	17

Capital expenditure

Capital expenditure is a useful indicator of the Group's organic expenditure on oil and gas assets and exploration and appraisal assets incurred during a period. Capital expenditure is defined as additions to property, plant and equipment and intangible exploration and evaluation assets less decommissioning asset additions, right-of-use asset additions, capitalised share-based payment charge and capitalised borrowing costs:

($m)	2023	2022
Additions to property, plant and equipment	533	878
Additions to intangible exploration and evaluation assets	57	141
Less:		
Capitalised borrowing cost	18	109
Impairment of property, plant and equipment	-	28
Leased assets additions and modifications	47	2
Lease payments related to capital activities	(16)	(13)
Capitalised depreciation	-	1
Change in decommissioning provision	(3)	22
Total capital expenditure	544	870
Movement in working capital	(3)	(410)
Cash capital expenditure per the cash flow statement	541	460

Cash capital expenditure

($m)	2023	2022
Payment for purchase of property, plant and equipment	436	396
Payment for exploration and evaluation, and other intangible assets	105	64
Total cash capital expenditure	541	460

Net debt/(cash) and leverage ratio

Net debt is defined as the Group's total borrowings less cash and cash equivalents. Management believes that net debt serves as a valuable indicator of the Group's indebtedness, financial flexibility, and capital structure because it reflects the level of borrowings after accounting for any cash and cash equivalents that could be utilised to reduce borrowings.

The management closely monitors the leverage ratio, as it provides a comprehensive picture of the Group's financial leverage by comparing net debt to EBITDAX. This monitoring is crucial for making informed decisions regarding dividend distributions, ensuring that such payments are made from a position of financial strength. It maintains the balance between rewarding shareholders and sustaining the Group's long-term financial stability.

($m)	2023	2022
Current borrowings	80	46
Non-current borrowings	3,141	2,975
Total borrowings	3,221	3,021
Less:		
Cash and cash equivalents and bank deposits	(347)	(428)
Restricted cash	(25)	(75)
Net Debt	2,849	2,518
Adjusted EBITDAX	931	422
Leverage Ratio (Net debt/Adjusted EBITDAX)	3	6

Risk Management

Successful and sustainable implementation of our strategy requires strong corporate governance and effective risk management. This is delivered through a comprehensive framework of business policies, systems and procedures that enable us to assess and manage risk effectively.

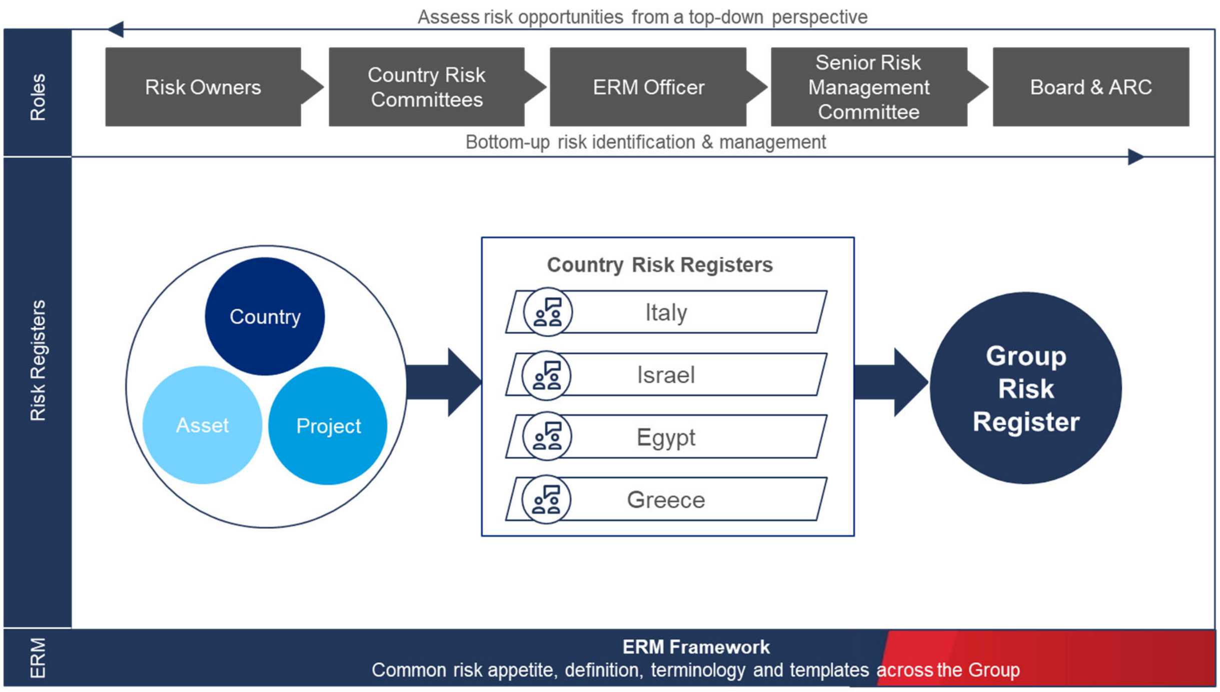
Managing risks and opportunities is essential to Energean's long-term success and growth. All operating assets and investment opportunities may expose Energean to increased risks, particularly in the current risk environment, including climate change related risks and opportunities. These risks may have a financial, operational and reputational impact.

The Board is accountable for effective risk management and internal control systems, including agreeing the principal and emerging risks facing the Company and its subsidiaries (together the "Group") and ensuring these are successfully managed. The Board undertakes an annual assessment of the principal risks that pose a threat to the business model, future performance, solvency and liquidity. The Board also monitors the Group's progress against key performance indicators at each quarterly scheduled Board meeting, and receives in-depth analysis on identified risks undertaken by the Audit and Risk Committee ("ARC"), providing the Board with an opportunity to discuss risk mitigation actions with the senior leadership team.

Energean has made strides in embedding the Enterprise Risk Management ("ERM") framework across the Group since its inception in 2022. The ERM framework and its application in the Group's operating countries empowers the countries to identify, evaluate and manage the risks they face, on a timely basis, to ensure each country's compliance with relevant domestic and international legislation, the Group's strategy and policies. Details of the ERM framework are provided in the remainder of this Section.

Group risk management framework

Energean's ERM framework combines a top-down strategic assessment of risk and risk appetite, which takes into consideration the external business environment and any changes to the business model, along with a bottom-up identification and reporting process arising from a review and assessment of the Country risk registers. Energean has adopted a risk management framework based on the principles of the "three lines of defence", supported by various Board-delegated committees and functions. For example, the Environment, Safety and Social Responsibility ("ESSR") Committee monitors the management of health and safety related risks, as well as risks related to any matter relating to corporate social responsibility, each in connection with the Group's operations. The key elements of the framework and roles and responsibilities across the three lines of defence are specified as follows.



Oversight	
Board of Directors	The Board is ultimately responsible for risk management and internal controls across the Group and for ensuring that an effective system of risk management and internal controls is maintained. The Board sets the Group's risk appetite and ensures risks are managed within this risk appetite. • Approves the Group's strategy based on an understanding of the risks and opportunities facing the Group. • Receives high-level risk reports and a summary of principal Group risks on a quarterly basis following ARC meetings. • Discusses and provides challenge to end of year reporting on principal risks and decides the Group's appetite for the next financial year. • Approves the Group's risk appetite, policy, and framework.
ARC	As delegated by the Board, the ARC is responsible for continuously evaluating the effectiveness of the Group's system of internal control and risk management framework. • Assesses the Group's risk management framework. • Ensures risks present an accurate reflection of the risk landscape. • Reviews and monitors principal risks and the mitigations in place. • Approves the Internal Audit plan. • Reviews, discusses, and challenges internal audit reports.
Senior management risk committee	Responsible for setting risk strategy, identification, and evaluation of significant risks across the Group. • Drives culture of risk management. • Develops and implements the Group risk framework that is appropriate to Energean and its business environment. • Ensures that the necessary resources are allocated to managing risk. • Aligns risk management with the Group's objectives, strategy and culture. • Responsible and accountable for overseeing and monitoring significant risks that fall under their identified remit.
First line of defence	
Group and country functions	Responsible for identifying and managing Country and Functional risks, ensuring risk management frameworks are operating effectively and capturing upside of risk, where possible. • Identifies and evaluates significant risks applicable to the Country and Function. • Implements suitable internal controls and KPIs. • Ensures employees are aware of the risk management policy and fosters a culture where risks can be identified and escalated for mitigation.
Second line of defence	
ERM officer	Leads risk management activities across the Group and responsible for coordinating risk reporting. • Continuously improves risk management policy, strategy and supporting framework. • Chairs the Senior Management Risk Committee and Country Risk Management Committees. • Escalates risks from the Countries/Assets/Projects to Senior Risk Management Committee, ARC/Board. • Updates the Group risk register. • Facilitates annual review of categorisation and assessment criteria.

Country risk management committees	• Ensures identified country risks present an accurate reflection of Energean's risk landscape. • Ensures risks are consistently categorised, assessed, and managed across the Group. • Identifies and shares best practices for managing risk.
Third line of defence	
Internal audit	Responsible for objectively and independently evaluating controls, governance, and risk management processes. The internal audit is performed by the Group Internal Audit department engaging as appropriate subject matter experts and on specific cases PWC Greece. • Reviews the risk management and internal control processes. • Develops risk based internal audit plans which are approved by the ARC. • Provides independent and objective assurance on risk matters to the ARC. • Conducts an annual control effectiveness assessment, identify controls and any further actions proposed to mitigate the risk.

Group risk management activities

Risk management is a continuous process. Due to the constantly changing external and internal requirements and environment, our risk management and internal control system are being continuously developed. Notable risk management activities that took place in 2023 include:

Risk workshops

Building on the work carried out in 2022 to implement a new ERM framework, in 2023, Energean engaged further with Marsh UK to carry out a series of Risk Workshops for a number of Group functions: Legal, Operation, and Finance.

The Legal Risk Workshop took place in Athens, Greece in September 2023, attended by legal colleagues across the Group as well as key stakeholders on ESG topics including the HSE Director, Head of Contracts and Procurement, Head of Insurances & Claims. The Workshop covered Legal risk identification, qualitative assessment, prioritisation, risk mitigations, and emerging risks. It provided an opportunity for legal colleagues to reflect on the legal, regulatory and compliance risks facing the Group. Meaningful discussions were held on how existing and emerging legal, regulatory and compliance risks impact the Group, what processes and owners are in place to mitigate these risks, and how colleagues can work better together across different geographies.

Based on the discussions held at the Legal Risk Workshop, Energean will continue to prioritise compliance with domestic and international laws and regulations. Among other priorities for 2024, local legal teams will work to enhance communication channels with commercial and project teams to ensure contractual and litigation risks are identified and appropriately managed.

Due to the conflict in Israel from October 2023, travel restrictions to and from Israel were imposed. As a result, in-person workshops for the Operation and Finance functions have been postponed. The Group intends to revisit this in 2024.

Financial control

An integral part of the Energean internal control system is the internal control system for financial reporting, which is responsible for the financial reports preparation process in compliance with generally accepted international accounting standards. Energean's CFO and the Head of Financial Control, in her capacity as officer in charge of preparing financial reports, are responsible for planning, establishing and maintaining the internal control system for financial reporting.

In 2023, Energean engaged Marsh Italy to carry out a Fraud Risk Assessment review as a supplementary risk management and internal audit activity, focusing on the Group's Procure-to-Pay process in order protect the Group against any areas that may expose the Group to fraud risks related to this process.

The project identified a number of gaps and therefore included a series of actions to improve the control environment. The ERM Officer and the Head of Internal Audit will work with relevant process owners in 2024 to implement the recommended actions.

Country risk reviews

As agreed in the ERM policy, to facilitate the assessment of the main risks facing the business, Energean undertakes a bottom-up review of the key risks faced by the business on a country level. This is achieved through the execution of two subprocesses (Inherent Risk Assessment and Residual Risk Assessment) to identify the country key risks; the risks that have the potential to impact a specific operating area, including mitigating actions and any controls in place.

In 2023, the ERM Officer/Group Compliance Officer facilitated two bi-annual country risk reviews at each Country Risk Management Committee to discuss any changes to the country risk profile and capture any new risks. The country key risks were then verified by the respective Country Risk Committee, comprising the Country Manager, Asset/Project Execution Manager, Head of Finance, Head of Legal and Head of HSE who, acting collectively with the ERM Officer, signed off on the country risk registers.

From this, the Senior Risk Management Committee reviewed all Country Risk Registers and discussed and presented common themes, interconnected risks and key trends. The risks that were identified and rearticulated as principal risks were then consolidated upwards into the Group risk register and were then assessed according to their likelihood of occurring, as well as the potential consequences to Energean in terms of health or safety, reputational, financial, operational or environmental impact.

On a quarterly basis, the enterprise principal risks are discussed by the Board on a "Risk Heat Map" to provide "top down" challenge and support. The outcome of this review and the corresponding key messages are communicated back down to the business units and functions to facilitate risk awareness and effective decision making throughout the Group.

Responding to the changing risk environment in 2023

Although production at Karish and Energean's day-to-day operations in Israel continue to be largely unaffected by the ongoing conflict in the region, the security risk on the onshore and offshore production and infrastructure systems in the area has increased. During this period, Energean's immediate focus was on the safety of its workforce, both within the Company and contract personnel. Following the events on 7 October 2023 and throughout this challenging period, Energean has ensured that all measures are in place to continue business operations, maintain the mobility of our people and make certain that the security of information is unaffected. In response, our people's commitment and engagement exemplifies the Company's spirit to be agile, dynamic and quickly address challenges as they arise.

Climate change related risks and opportunities

Since 2019, when Energean recognised climate change as a rapidly emerging risk, climate change related risks and opportunities are fully integrated with Energean's multi-disciplinary, Group-wide risk management process, as per the recommendations of the TCFD.

Climate change related risks and opportunities have been identified, and future scenarios that facilitated in developing an integrated strategy approach have been analysed[57]. Our strategy and business plan to limit global warming has been structured, and is currently being implemented, in three different phases; short, medium, and long-term, as per our Climate Change Policy published in 2021.

The risk management framework ensures effective identification, assessment, control and monitoring of climate change-related risks against their potential financial, legal, physical, market and reputational impact, and further ensures that key strategic and commercial decisions are assessed by reference to their financial importance.

Risk appetite

The Board sets Energean's risk appetite and acceptable risk tolerance levels for each of the six key risk categories; and has reviewed the strategies devised by the executive management team to mitigate them. In considering Energean's risk appetite, the Board has reviewed the risk process, the assessment of risks and the existing controls and mitigating actions that reduce overall risk. During this process, the Board articulated which risks Energean should not tolerate, which should be managed to an acceptable level and which should be accepted in order to deliver our business strategy.

[57] Please refer to "Our Strategy- Tackling Climate Change- Our Climate Change Strategy".

Principal risks and uncertainties

Symbols used in the following pages

Trend versus prior year indicates our perception of pre-mitigation (inherent) risk	Link to Business Model	Link to Strategy/Strategic Pillars
▲ The risk increased in 2023	A – Find and appraise	① – Eastern Mediterranean
▼ The risk decreased in 2023	B – Develop	② – Gas
▬ The risk remained static in 2023	C – Produce	③ – Tackling climate change
N New Risk	D – Acquire	④ – Organic growth
Z No longer a risk	E – Implementing low carbon solutions	⑤ – Value-driven and return driven

Internally, the Group monitors and mitigates a more substantive list of principal risks, but those listed in the following pages are the risks considered to be the most important at the time of publishing our 2023 Annual Report that could threaten, or, are linked to, our business strategy and business model. For each principal risk, outlined below is an analysis of the potential impacts, the corresponding mitigation measures, the risk appetite and the strategic objectives or KPIs each of these risks may impact in 2024.

#1 Strategic risk: Regional and domestic geopolitical and security risks in Israel Owner: CEO Link to strategy: ① ② ④ ⑤ Link to business model: B C Link to 2023 KPIs: Production, Growth	
Risk appetite	Medium. The areas in which Energean operates continue to be subject to a high degree of geopolitical risk. However, as Karish is an asset of national strategic importance for Israel, Energean expects that production will continue as usual, absent any direct security threats.
Pre-mitigated 2023 movement	N New Risk. Since 7 October 2023 and as this conflict has continued into 2024, there is a greater geopolitical and security risk. Essential infrastructure systems may be targets for missile fire and sabotage operations, and any potential damage thereto may cause significant damage and disrupt or disable the production and operations for a period and to an extent that may be significant. In such cases, it is possible that the war risk insurance coverage may be cancelled or be negotiated in non-reasonable commercial terms and conditions.
Impact	1. Potential short-term material disruptions or a shut-down in production. 2. Continuity of operations. 3. Other limitations on the Company's project development expansion works, including the installation of the second oil train. 4. Adverse impact on contractual obligations. 5. Upward trend of exchange rates or inflation. 6. Repercussions for exports and domestic sales resulting in loss of revenue. 7. Loss (increase in prices) of insurance. 8. Difficulties in accessing capital markets, hindering the Company's ability to refinance debt.
Mitigation	The FPSO is installed 90 km offshore and since the start of the military conflict, the Karish field has continued to produce in line with guidance with no disruption to its operations.

	Payments from domestic offtakers have not been interrupted or delayed. Cash flows have not been affected at this stage. Energean has insurance packages in place for certain risks as a result of damage to the assets. There is also a potential compensation mechanism by the Israeli government under the Property Tax and Compensation Fund Law. Energean co-operates with the Government (Ministry of Defence) to ensure the safety of Energean's assets. Energean has security measures to ensure the safety of its personnel, assets, and interests. Energean also maintains knowledge of regional and local issues and has proactive engagement with Government.
2024 objectives	We continue to monitor the risk of any damage to the Company's assets or any other limitations on its operations and expansion works, as well as repercussions for domestic sales. In case of further escalation of the geopolitical situation in the region, the security of our people and contract personnel alongside the physical integrity of assets would be our primary focus.

#2 Operational risk: Delayed delivery of further growth projects (considering mainly Karish North in Israel (including the second oil train and gas riser) and Cassiopea in Italy) Owner: Chief Operating Officer Link to strategy: ① ② ④ ⑤ Link to business model: B C Link to 2023 KPIs: Production, Growth	
Risk appetite	Low –All these development projects are viewed as essential for the relevant country portfolios, substantially benefitting the long-term production profiles of the Company, whilst bringing cost and investment efficiencies and strategic benefits.
Pre-mitigated 2023 movement	▼ The risk decreased in 2023. Despite the ongoing geopolitical developments, all projects have been progressing during the reporting period. Energean's NEA/NI project in Egypt was completed, with the final two wells brought onstream on 30 December 2023, as well as Karish North.
Impact	A delay to these projects could result in a delay to, or reduction of, future cash flows, which would impact the ability of the company to reach its strategic objectives.
Mitigation	All projects have been progressing during the reporting period. • First gas from Karish North was achieved in February 2024. • Construction of the second oil train was completed in Q3 2023. However, the security situation in Israel has impacted the timing of the installation of the second oil train, which will be installed as soon as feasible. • Cassiopea first gas remains on track for the summer of 2024. The first production well was completed in January 2024 and offshore and onshore works are progressing well.
2024 objectives	Progress remaining development projects and achieve the Group's 2024 production guidance.

#3 Strategic risk: Lack of new commercial discoveries and reserves replacement Owner: Chief Operating Officer Link to strategy: ② ④ ⑤ Link to business model: A B C D Link to 2023 KPIs: Growth	
Risk appetite	Medium – Energean aims to replace the reserves it has produced and grow its reserve and resource base through a combination of successful exploration and appraisal and selective value accretive acquisitions. Exposure to exploration and appraisal failure is inherent in accessing the significant upside potential of exploration projects, and this remains a core value driver for Energean. The Group invests in data and exploits the strong experience of Energean's technical teams to mitigate this risk.
Pre-mitigated 2023 movement	▼ The risk decreased in 2023; YE23 2P reserves were 1,115 mmboe, stable year-on-year before produced 2023 volumes (47 mmboe).
Impact	Failure to move 2C resources into 2P and/or make new significant gas discoveries and replenish the exploration portfolio will reduce the Group's ability to grow the business and deliver its strategy.
Mitigation	The Group has a reserve life of around 19 years[58] on a 2P basis and in 2023 has taken significant steps to further expand and diversify: • In Israel: Katlan Phase 1 FDP approved; FID expected upon finalisation of EPC terms. • Morocco farm-in signed in 2023 and expected, at the time of writing, to complete imminently. Energean plans to drill the Anchois East appraisal well in 2024, which objectives are to de-risk the 2C volumes and target additional upside (11 Bcm). • In Italy there are new areas of growth via concessions previously frozen during the PITESAI review. Energean is subsequently focused on progressing certain non-operated concessions in the Upper Adriatic and Sicilian Channel, with the expectation to unlock additional reserves.
2024 objectives	To progress existing and identify new organic and inorganic projects to replace reserves.

#4 Operational risk: Production uptime reliability and operating efficiency (including reliability of the production systems, i.e. FPSO and subsea)) Owner: Chief Operating Officer Link to strategy: ① ②-④ ⑤ Link to business model: C Link to 2023 KPIs: Production	
Risk appetite	Low – in delivering both operational excellence and growth.
Pre-mitigated 2023 movement	▼ The risk decreased in 2023. Although ramp-up and commissioning was slower than originally expected, the Company managed to substantially overcome start-up issues by implementing optimisation activities on the FPSO and subsea systems which have progressed well. Uptime on the FPSO in Q4 2023 was 99%[59]. FY 2023 production was in line with revised guidance. • FY23 production of 123 Kboe/d, a 200% increase versus FY22. • Day-to-day production in Israel continues to be unimpacted by the ongoing geopolitical developments.

58 Based upon the mid-point of the 155–175 kboed 2024 production guidance.
59 Uptime is defined as the number of hours that the Energean Power FPSO was operating. The Q4 2023 figure excludes the scheduled 6-day shutdown that occurred in December.

Impact	Production uptime and reliability uptime are key drivers of upstream "value-add," as the value of production lost to downtime exceeds that of operating expenses. Production downtime and unreliability, and the resultant failure to meet contracted quantities, would reduce Energean's future net revenues and cash flows.
Mitigation	• Implement a comprehensive maintenance program, including regular inspections and preventive maintenance tasks. • Conduct training programs for operational staff to ensure they have the necessary skills, knowledge, and competency. • Establish robust supply chain for spare parts and equipment. • Monitor and analyse performance data to identify potential issues or deviations. • Implement an effective risk-based inspection program for critical integrity systems. • Perform root-cause analysis for all major defects and prepare and implement a corrective works plan. • Maintain effective communication channels with stakeholders, including buyers, regulators, and contractors. • Establish backup systems or redundant components to minimise downtime in case of failures. • Continuously monitor and evaluate the performance of the production systems to identify areas for improvement. • Conduct audit of the procedures and processes in place to ensure compliance with all regulations. • Contingency planning.
2024 objectives	Achieve the Group's 2024 production guidance.

#5 Financial risk: Maintaining liquidity and solvency Owner: Chief Financial Officer Link to strategy: 5 Link to business model: A B C D Link to 2023 KPIs: Refinancing of 2024 Bond, Net Debt to EBITDA below 3x	
Risk appetite	Low – Through a disciplined approach to capital allocation, effective execution, and oversight, we accept a very small amount of potential downside financial risk for targeted upside return.
Pre-mitigated 2023 movement	▼ The risk decreased in 2023.
Impact	Funding and liquidity risks could impact the Group's viability. Erosion of balance sheet through impairments of financial assets may further impact the Group's financial position[60].
Mitigation	In 2023, Energean (i) increased its three-year $275 million Revolving Credit Facility ("RCF") by $25 million to $300 million (ii) refinanced its 2024 EISL Bond with a $750 million 10 year Bond and entered into a two-year $120 million unsecured RCF providing additional financial flexibility. The refinance of the 2024 EISL Bond was a stated objective for 2023 and enabled the Group to extend the weighted average maturity of its outstanding debt to over 6 years while maintaining a healthy weighted average cost of debt of c. 6%. The next material bond maturity is not until 2026. The Group ended the year with $607 million of liquidity, including undrawn amounts of $235 million under both RCF facilities, ensuring that the Company is

[60] For further information, please refer to Going Concern disclosure on pages 77–78 and Viability Statement disclosure on pages 97–99).

	well-funded for its remaining projects-under-development and reducing the Net Debt to adjusted EBITDAX leverage ratio to 3x. The Group actively monitors oil and gas price movements and may hedge part of its production to protect the downside while maintaining access to upside and to ensure availability of cashflows for re-investment and debt-service. Ongoing monitoring of financial KPIs by executive management.
2024 objectives	Evolve the capital allocation strategy from capital investment to sustainable cash-flow generation.

#6 Macro-economic risk (including inflation, interest rates and commodity price fluctuations) Owner: Chief Financial Officer Link to strategy: ④ ⑤ Link to business model: A B C D E Link to 2022 KPIs: Revenues, Adjusted EBITDAX, Cost of Production, Cash Flow From Operating Activities, Loss/Profit after tax	
Risk appetite	Low – Through a disciplined approach to capital allocation, effective execution and oversight, we accept a very small amount of potential downside financial risk for targeted upside return.
Pre-mitigated 2023 movement	▲ The risk increased in 2023. The assessment was made taking into consideration geopolitical developments, downgraded Israel's credit rating due to the impact of its ongoing conflict with Hamas in Gaza, as well as the ongoing war in Ukraine. The above, combined with rising global demand for products and materials following the recovery from the global pandemic, has led to rising inflation around the world. To combat rising inflation, governments around the world have increased interest rates.
Impact	Macro-economic headwinds including inflation, interest rates, commodity price fluctuations, like any other external/political risk, represent an uncertainty factor in view of achieving the Company's financial targets.
Mitigation	Largely protected against commodity price fluctuations: • Over 75% of Energean's near-term production target of 200 Kboe/d is protected under long-term gas contracts with floor prices. • Energean routinely evaluates hedging contracts for other areas of its portfolio, for example PSV for its Italian gas production or Brent for its liquids production in Israel. Interest rates fixed as part of 2021 refinancing: • Energean undertook a series of refinancings in 2021, which substantially fixed all the Company's exposure to floating rates; its average cost of debt in 2023 was 6.13% and substantially unimpacted by the global rise in interest rates. The only facilities within Energean's capital structure that are impacted by global interest rate rises is the c.€90.5 million Greek facility, the three-year $300 million RCF and the two-year $120 million unsecured RCF. The $300 million RCF is drawn predominantly by way of LCs not linked to floating rates and the $120 million unsecured RCF is undrawn (and expected to remain undrawn); therefore the impact of the rate rises on overall cost of debt has been minimal. Inflation: • The majority of Energean's costs are fixed. The development projects in Israel, Egypt and Italy are wrapped under EPCIC and EPIC contracts and we will continue to adopt this strategy for new projects, e.g. Katlan. There have been some impacts of inflation on salary costs, but this contributes a small component of the overall Cost of Operations base.

	Ongoing monitoring of financial KPIs is undertaken by executive management team.
2024 objectives	Focused on value and disciplined cost management, 2024 objectives include close monitoring of all operating costs including contract negotiation where possible and entering into fixed contracts for any new projects for example the Katlan development

#7 Organisational & HR risk: Failure to attract, retain and develop staff Owner: HR Director Link to strategy: ⑤ Link to business model: A B C D E Link to 2023 KPIs: Culture & DEI KPIs	
Risk appetite	Medium – Our strategy relies on attracting, motivating and retaining key talented people and their knowledge and expertise. Our performance and ability to grow depends on it.
Pre-mitigated 2023 movement	▬ The risk remained stable in 2023. Talent shortages due to an aging workforce, limited new/young talent entering the industry and growing competition for talent with the technology industry creates a risk of attracting and retaining staff. Following the pandemic, priorities have shifted and workforce expectations have, and continue to change, in terms of flexible and remote working combined with the challenge of current and future wage inflation.
Impact	The failure to attract, retain and develop staff would have an impact on the business to operate efficiently and appropriately.
Mitigation	• Active employee's incentives plans (LTIP, DBP and MBO awards) as well as an internal career development process. • Effective benchmarking to ensure pay is in line with competitors. • Employee incentives and welfare discretionary plans. • Succession planning paths for key positions of personnel. • Clearly defined recruitment drive to increase the headcount for Group level roles. • Performance management process, alongside organisational changes to strengthen accountability and responsibility. Ongoing monitoring of KPIs by executive management.
2024 OBJECTIVES	Key development projects to facilitate the path to become a great place to work in every country we operate include: • Carrer Development Framework. • Implementation of Diversity Equity & Inclusion Strategy. • Culture improvement by engaging in internal communication tactics.

#8 Deterioration or misalignment of JV relationships risk Owner: Country Managers Link to strategy: ⑤ Link to business model: A B C D E Link to 2023 KPIs: Commercial	
Risk appetite	Medium – The Group seeks to operate assets which align with the Group's core areas of expertise but recognises that a balanced portfolio will also include non-operated ventures. The Group accepts that there are risks associated with a non-operator role and will seek to mitigate these risks by working with partners of high integrity and experience and maintaining close working relationships with all JV partners.

Pre-mitigated 2023 movement	▲ – The risk increased in 2023 Energean holds non-operated positions in one of its key growth projects, Cassiopea, as well as in several unfrozen concessions in the Sicilian Channel and Upper Adriatic.
Impact	• Cost/schedule overruns. • Poor operational performance of assets. • Delay in first production from new projects. • Negative impact on asset value. In addition, in case the Company is unable to develop and deliver major projects as planned, particularly if the Company fails to accomplish budgeted costs and time schedules, it could incur significant impairment charges associated with reduced future cash flows of those projects on capitalised costs.
Mitigation	Actively engage with all JV partners early to establish good working relationships. Actively participate in operational and technical meetings to challenge, apply influence and/or support partners to establish a cohesive JV view. Active engagement with supply chain providers to monitor performance and delivery. Application of the Group risk management processes and non-operated ventures procedure. Ongoing monitoring of KPIs by executive management.
2024 objectives	Continue to proactively engage with JV partners and monitor JOA procedures.

#9 Recoverability of production cost and receivables in Egypt risk Owner: Country Manager Egypt Link to strategy: ① ② ⑤ Link to business model: B C Link to 2023 KPIs: Cash Flow From Operating Activities, Profit/Loss After Tax	
Risk appetite	Low –The Group utilises its strong regional ties and the experience of its commercial teams to mitigate this risk.
Pre-mitigated 2023 movement	▲ The risk increased in 2023. At end-December 2023, net receivables (after provision for bad and doubtful debts) in Egypt were \$146.5 million, of which \$116.3 million were classified as overdue.
Impact	Loss of value. Work programme restricted by reduced financial capability.
Mitigation	Energean has a number of solutions in place to manage its collection policy, including condensate proceeds, lump-sum payments, Abu Qir payables offsetting and local currency collection. Continued engagement with the Egyptian government and Ministry of Petroleum. Proposals for structuring and planning of overdue repayment, on a regular basis.
2024 objectives	Improve receivables position as the currency stabilises. Put agreements in place to accelerate recovery of overdue receivables. Maintain an active investment programme.

#10 Significant IT and OT cyber risk, including a security breach of internal systems or a cyber attack Owner: Group Information Technology Manager/Isarel Security Manager Link to strategy: ⑤ Link to business model: A B C D E Link to 2023 KPIs: Production	
Risk appetite	Low – Energean is committed to maintaining the security and integrity of its data and IT and OT systems.
Pre-mitigated 2023 movement	▲ The risk increased in 2023. As Energean grows into a >200 Kboe/d producer, the risk of a significant cyber-attack increases and therefore requires constant monitoring and management.
Impact	• Potential operational disruption or shut down. • Potential exposure to high ransomware demands. • Reputational damage/adverse impact on external relationships (customers, suppliers, government agencies). • Loss of shareholder confidence (shareholders, lenders, etc.). • High involvement of regulators. • Loss of data and theft of confidential information. • Regulatory implications and financial penalties.
Mitigation	• System authorisation and systems training to enable good practise. • Security monitoring systems and services (including SOC). • Security plan and cyber policies and procedures to follow. • Insurance to cover potential losses. • Firewalls to prevent unauthorised access. • Intrusion detection to prevent further breaches or loss of data. • Physical access authentication, whitening and net-segregation. • Operational procedures in case of an incident. • Software back ups (including by design) (in place for ICSS). • Cooperation and relationships with governments re cyber protection.
2024 objectives	Technological and procedural measures are continuously evolving to manage changing cyber security threats.

#11 Ethics and Business Conduct. Fraud, Bribery and corruption risk Principal risk: Owner: Chief Executive Officer Link to strategy: ⑤ Link to business model: A B C D E Link to 2023 KPIs: Financial , Risk , Commercial	
Risk appetite	Low – Energean is committed in maintaining integrity and high ethical standards in all of the Group's business dealings. The Group has a zero-tolerance approach to conduct that may compromise its reputation or integrity.
Pre-mitigated 2023 movement	▲ The risk increased in 2023, in light of the geopolitical developments and new country entry
Impact	Reputational damage. Financial penalties or civil claim. Criminal prosecution.
Mitigation	Strong governance and anti-corruption policies and procedures. Audit reviews, use of data analytics and continuous monitoring of bribery and corruption controls across the Group to assess compliance. Robust financial procedures in place to mitigate fraud. Annual training programme in place for all employees, available also in local languages. To ensure effectiveness of our detective and responsive controls, Group's whistleblowing arrangements include, multiple whistleblowing channels,

	anonymity, safe communication, multi-language, confidentiality and a case management system that may safeguard support and protection for the reporter. Enhanced due diligence of business partners and customers and compliance auditing on major contractors. In 2023 we have further enhanced our detecting but also preventive controls. Company has engaged Marsh to conduct a fraud risk assessment in the procure to pay area, to identify any gaps and mitigate any associated risks. As part of the Company's ABC programme, Transparency International UK's Corporate Anti-Corruption Benchmark programme was run with valuable recommendations received. We continuously measure the effectiveness but also improve and strengthen our controls as we grow, considering mainly the new country (Morocco) entry.
2024 objectives	Continue to provide regular training, awareness and communication. Alignment of the Company's controls with its JV partners, involving JV governance and transparency in high-risk areas (Egypt) or activities.

#12 Health Safety and Environment (HSE) risk Owner: HSE Director Link to strategy: 5 Link to business model: A B C D E Link to 2023 KPIs: LTIF rate	
Risk appetite	Low – The well-being and safety of our employees is a top priority at Energean. We are committed to ensuring that none of our operational activities pose any risk of harm or distress to our workforce. While we recognise that certain operational tasks carry inherent risks, we mitigate these risks through thorough risk assessments, adherence to operational protocols, and diligent oversight. Our risk management process is dynamic, and we actively encourage all employees to report near misses and suggest improvements to our control measures. Additionally, external parties conduct audits of our operations, and we incorporate their findings into our ongoing efforts for continuous improvement.
Pre-mitigated 2023 movement	▬ This risk remained static in 2023. The Group's pro forma LTIF[61] for operated activity in 2023 was 0.47 per million hours worked (flat on 0.47 in 2022). Our TRIR[62] for 2022 was 1.09 per million hours worked (down from 1.18 in 2022). There were no spills to the environment.
Impact	Serious injury or death. Negative environmental impacts. Reputational damage. Regulatory penalties and clean-up costs. Loss or damage to Company's assets and potential business interruption. Loss or damage to third parties and potential claims.
Mitigation	Effective management of health, safety, security and environmental risk exposure is a top priority for the Board, Senior Leadership Team and Management Team. Ongoing monitoring of KPIs by executive management, including LTIF <0.60 and TRIR <1.15 for 2024. Consistent maintenance and full implementation of the Health Safety Environmental ("HSE") & Social Responsibility ("SR") policy, delineating corporate values, standards and expectations concerning all matters related to HSE & SR for the company's employees, partners, stakeholders, the public, environment and sustainable development initiatives.

61 Lost Time Injury Frequency.
62 Total Recordable Incident Rate.

	Thorough implementation and ongoing maintenance of an HSE Management System, along with an effective H&S framework, aligned with Energean's standards and in accordance with international protocols. Consistent implementation and continuous maintenance of suitable and effective Crisis Management and Emergency Response Plans, aligned with Energean's expectations and standards.
2024 objectives	Zero serious incidents and LTIF target of less than 0.60 and a TRIR target of less than 1.15 across all Energean operated sites. Develop the Energean Process Framework and Manual to monitor and enhance performance and offer Process Safety training to all personnel with pertinent responsibilities. Maintain the Occupational Health and Safety ISO 45001 and the Environmental Management ISO 14001 certifications across all certified assets and obtain certification for the FPSO in Israel.

#13 Failure to manage the risk of climate change and to adapt to the energy transition Owner: Chief Executive Officer and – HSE Director Link to strategy: ② ③ ④ ⑤ Link to business model: A B C D E Link to 2023 KPIs: Progress of Transition plan to Net Zero and Sustainability Rating vs Peer Group	
Risk appetite	Medium – The Group is committed to reaching its net-zero emissions[63] goal by 2050 and reducing the near-term emissions intensity of its operations by adopting low carbon solutions and acquiring hydrocarbons with low emissions intensities. Energean is prioritising near-term investment decisions to maintain the competitiveness of its assets considering a future where demand for oil and gas may decline. The Group will also continue to evaluate its portfolio against various climate change scenarios, aligning with the recommendations of the TCFD.
Pre-mitigated 2023 movement	▬ This risk remained static in 2023
Impact	Reputational damage and loss of investors and providers of capital. Liability exposure due to enhanced disclosures and reporting requirements not met. Criminal or civil sanctions for allegedly false or misleading or deceptive representations. Increased cost of financial services or inability to raise financing if company cannot demonstrate clear ESG commitment. Proxy voting against the Company on a range of topics due to growing investor interest in ESG issues.
Mitigation	Increased natural gas production to 83% of the Group's production as part of our strategy, as we view natural gas as a transitional medium towards a low carbon future. Developed a Net Zero pathway including a plan to generate or acquire carbon removals and defined the required absolute emissions reduction. Continued purchasing green electricity across all our operated sites. Prinos Carbon and Storage project progressed and included in the List of Projects of Common Interest by the European Committee. In February 2023, Energean and Shell Egypt signed a memorandum of understanding ("MoU"), paving the way for a collaborative effort towards decarbonisation.

[63] Scope 1 & 2 emissions.

	Aligned with the TCFD recommendations across all TCFD pillars in our year-end reporting. Carbon shadow prices taken into consideration in the evaluation of projects and investments viability. Reduced our GHG emissions intensity by 42% versus 2022 by strengthening our low carbon portfolio and by shifting production from oil to gas. Verified carbon emissions scopes 1, 2 and 3 according to ISO 14064-1. Active commitment to ESG goals and targets. Best in class ESG ratings: • CDP rating maintained to A-. • Constituent of FTSE4Good Index Series. • Maala Index rating maintained to platinum. • Rated AAA by MSCI.
2024 objectives	Advance FEED and ESIA activities at the Prinos Carbon Storage project in Greece and submit the necessary documentation to obtain the storage license. Continue advancing Energean's pathway to achieving net-zero emissions. Reduce 2024 emissions intensity to 8.5–9 kgCO2e/boe3.

#14 Climate Change risk: Physical risks Owner: HSE Director Link to strategy: 3 Link to business model: A B C D E Link to 2023 KPIs: Progress of Transition plan to Net Zero and Sustainability Rating vs Peer Group	
Risk appetite	**Medium** – Management recognises that climate change is expected to lead to rising temperatures and changes to rainfall patterns in all the countries where it operates. Extreme flooding combined with rising sea level may cause issues to the steady state of Energean's assets. Energean is evaluating measures to reduce the exposure and vulnerability of both its assets and its people to weather and climate events.
Pre-mitigated 2023 movement	▬ The risk remained static in 2023.
Impact	Unexpected asset costs arising from operational incidents or inadequate water supply due to changes in precipitation patterns. Reduced revenue due to extreme weather events and reduced production. Transportation difficulties and supply chain interruptions. Increased insurance premiums for insuring assets in high-risk locations. Negative market reaction. Loss of investor confidence. Serious injury or death. Environmental impacts due to spills. Reputational damage. Loss or damage to assets or early retirement and business interruption.
Mitigation	Energean continues to monitor the weather conditions near its assets and has built protective barriers to combat potential flooding. Invest in resilience measures to enhance the robustness of our infrastructure and operations against physical risks. Develop and regularly update contingency plans and business continuity strategies to manage physical risks and minimise disruption to operations. Comprehensive insurance policies in place for key assets and infrastructure.

2024 objectives	Continue monitoring of environmental conditions and reporting at both an asset and corporate level. Continue to expand on the assessment of physical risks posed to our infrastructure and operations.

#15 Strategic risk: Geopolitical conflicts outside of Israel in areas of operation affecting production and distribution (including fiscal uncertainties) Owner: Chief Executive Officer Link to strategy: ① ⑤ Link to business model: A Link to 2023 KPIs: Relevant for all KPIs	
Risk appetite	**Medium** – The sectors in which Energean operates continue to be subject to a high degree of geopolitical, regulatory and fiscal risk. However, true to Energean's entrepreneurial spirit, we accept risks in order to achieve higher business rewards where they are consistent with our core purpose, strategy and values, and can be effectively managed.
Pre-mitigated 2023 movement	▲ **The risk increased in 2023.** The movement reflects the risk that the conflict between Israel and Hamas could spread more widely and affect the regions where the Company operates other than Israel.
Impact	Loss of value; increasing costs (including taxes); uncertain financial outcomes.
Mitigation	• Cooperation and relationships with governments to ensure the safety of Energean's interests. • Security measures to ensure the safety of Energean's assets and interests. • Scenario planning strategy. • Knowledge of regional and local issues and proactive engagement with Government and NGOs – Strong CSR strategy. • Sustained and positive relationships with Governments and key stakeholders through robust investment plans and engagement in local projects.
2024 objectives	Continued monitoring of geopolitical events and regulatory/fiscal changes. Undertake risk assessment activities in relation to new projects and areas.

Emerging risks

The main emerging risk areas are related to the ongoing military conflict between the state of Israel with Hamas, its aftermath, and potential wider consequences for Israel's fiscal strength and potential unexpected legislation, including those related to increased tax, climate change, and government actions that could impact the Company. Management will closely monitor any relevant trends around potential new windfall and carbon taxes implementation in countries where this has yet to occur, but also on regulations governing price determinations in order to properly adjust planning and budgeting activities.

The Group has identified all these emerging risks and is actively assessing and monitoring these.

Viability Statement

The Directors have assessed the prospects and viability of the Group in accordance with the Provision 31 of the UK Corporate Governance Code. The long-term viability assessment has been based on a five-year timeframe, covering the period to 31 December 2028, and is based on the Group Working Capital Model. By their nature, forecasts inherently become less accurate and more uncertain as the planning horizon extends.

The Board undertook a review spanning a five-year period for several key reasons:

- Energean routinely assesses its medium-term forecasts and guidance on a rolling five-year basis.
- Energean's production target of 200 Kboe/d by 2025 is anticipated to be met through the deployment of the Group's strategic assets—Karish, Karish North, NEA/NI, and Cassiopea.
- This timeframe encompasses the remaining capital investment phase up to the first production and ramp-up from this stage of strategic projects, e.g., Cassiopea (Italy), the next phase of development expenditure for Energean including the first phase of the Katlan development and the appraisal drilling on the Anchois Field offshore Morocco.
- Energean's $450 million Corporate Bond expires in Q4 2027, therefore this repayment is captured in the viability assessment period.
- Energean's Dividend Policy, announced in March 2022, outlines the aim to distribute at least $0.30 per share in quarterly dividends, which is also captured within the assessment period.

Based on these factors, the Board considers that an assessment period up to 31 December 2028 appropriately reflects the underlying potential and viability of the Group and is the period over which principal risks are reviewed.

In order to make an assessment of the Group's viability, the Board has carried out a detailed assessment of the Group's principal risks, and the potential implications these risks could have on the Group's liquidity and its business model over the assessment period.

The Company's prospects have been assessed mainly with reference to the Company's strategic planning and associated medium term financial forecast. This incorporates a detailed bottom-up budget for each country where it operates. The budgeting and planning process is thorough and includes input from most operating line managers, as well as senior management, and forms the basis for most variable compensation targets. The Board participates in strategic planning and reviews and approves the Group five-year budget ("mid-term plan or MTP"). The outputs from this process include full financial forecasts of revenue, Adjusted EBITDAX, cost of production, operating cash flow, working capital and net debt. The Directors consider that the planning process and monthly cash flow updates provide a sound underpinning to management's expectations of the Group's prospects.

The Viability assessment encompasses a range of sensitivity scenarios, including a reasonable worst-case scenario that combines various sensitivities. The latter account for potential downsides in commodity prices, lower production outcomes, delays in certain strategic projects where we do not operate, and the risk associated with increasing interest rates. A summary of the key assumptions, aligned to the Group's principal risks, and the sensitivity scenarios considered can be found below.

<table>
<tr><th>Principal risks</th><th>Base case assumptions</th><th>Sensitivity scenarios</th></tr>
<tr><td>1. Operational Risk: (i) Delay to key projects (including second oil train and riser, Cassiopea in Italy) including operational readiness failures (ii) Production uptime and operational efficiency (risk #2)

2. Deterioration or misalignment of JV relationships (risk #8)

3. Recoverability of receivables in Egypt (risk #9)</td><td>During the assessment period, the following assumptions are made regarding the timeline for various projects coming onstream:
Karish North is presumed to begin operations in February 2024.
We assume Cassiopea online September 2024 (vs. Operator view of first half of the year).
For the Katlan Area Development, it is assumed that Athena & Zeus will commence production in the first half of 2027, with Hera & Apollo following in the first half of 2029 (outside of the MTP period).</td><td>The sensitivity scenarios include a variety of changes to key financial and operational assumptions:
A 5% decrease in production across all mature assets compared to the base case and additional reduction to gas production In Israel to the lower end of guidance.
An additional delay of 3 months for first gas from Cassiopeia, accounting for the uncertainties inherent in non-operated projects.
A 15% reduction in receivables from EGPC.
Minor delays in projects under our control, such as the Katlan development, seismic activities in Morocco, and asset integrity initiatives in Italy and Egypt.
Continuation of stable dividend distributions at levels comparable to those in 2023.</td></tr>
<tr><td>4. Macro-Economic Risk including inflation, interest rates and commodity price fluctuations (risk #6)

5. Financial Risk: inability to maintain liquidity and solvency (risk #5)</td><td>The financial assumptions for the assessment period are based on recent market data and forward curves:
Oil price assumptions are set at $80/bbl in 2024, reducing to $75/bbl in 2025, and further to $70/bbl in 2026 onwards.
The PSV gas price is based on the recent forward curve, maintaining a stable price of €30/MWh through 2024 to 2027, and €25/MWh in 2028.
Regarding the company's financial instruments and exposure to interest rate risks:
The $2.65 billion of bonds at Energean Israel level and $450 million of Bonds at Energean plc carry a fixed coupon, indicating no exposure to interest rate fluctuations. However, the €100 million Greek State-backed loan is subject to variations in EURIBOR rates. Additionally, any utilisation of the Revolving Credit Facility (“RCF”) will be</td><td>The outlined sensitivity scenarios include adjustments to financial and operational parameters to assess the resilience of the working capital model under varying conditions:
A 10% decrease in future oil prices and a 30% reduction in PSV to test the impact of adverse market conditions on revenue.
An increase in interest rates by +50 basis points to evaluate the effect of rising borrowing costs on financial expenses.</td></tr>
</table>

	exposed to shifts in the Secured Overnight Financing Rate ("SOFR"). • A projected SOFR rate of 5.2% is assumed for 2024, decreasing to 4.3% in 2025, and settling at 4% from 2026 onwards. • A refinance plan is in place for the second tranche of bonds due in March 2026. There are no plans to refinance the other bonds maturing within the assessment period. • A bridge loan of $250 million is anticipated to be utilised for 6 months in 2027. It is expected to be fully repaid in the same year.	
6. Failure to manage the risk of climate change and to adapt to the energy transition (risk #13)	• Carbon charges, such as the European carbon emissions tax, have been applied across our portfolio where relevant, notably in locations like Greece and UK. • Additionally, the budget for our base case encompasses expenditures for green projects and investments aimed at environmental sustainability. This includes (i) on-site initiatives for direct emissions reduction, (ii) investments in projects designed to remove carbon from the atmosphere, and (iii) funding for research on Carbon Capture and Storage (CCS) technologies throughout the Group.	Free allowances are used up until 2027. The risk of further measure being introduced and enacted by governments in our areas of operations in the medium term is low. Therefore, there is no sensitivity included in the downside scenario.

Within these individual and combined sensitivity scenarios, the Group is projected to maintain adequate cash reserves throughout the viability period. Moreover, the Board has explored the potential and likelihood of various mitigating strategies. These include the capability to hedge against risks, available headroom under existing debt facilities, additional funding avenues such as refinancing, and further optimisation of the cost and asset base. This optimisation could involve reductions in discretionary capital expenditures, such as exploration, or adjustments to expenditures within our control.

Based on this assessment of prospects and stress-test scenarios, together with its review of principal risks and the effectiveness of risk management procedures, the Directors confirm that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period to 31 December 2028.

Corporate Governance

Board of Directors

Karen Simon

Non-Executive Chair

Ms Simon was appointed as an Independent Non-Executive Director in September 2017 and became Non-Executive Chair in November 2019. Ms Simon was formally with J.P. Morgan for over 35 years and retired in December 2019 as Vice Chair in the Investment Bank. During her banking career, Ms Simon held a number of executive positions in corporate finance including Global Co-Head of Financial Sponsor Coverage working with the firm's private equity clients advising on leveraged buy-outs, M&A and IPO's; Co-Head of European Middle East and Africa ("EMEA") Debt Capital Markets; and Head of EMEA Oil & Gas Coverage. Ms Simon spent 20 years of her career in London where she was a member of J.P. Morgan's EMEA Management, Debt Underwriting, and the Reputational Risk Committees. She is a US/UK dual citizen. Ms Simon currently sits on the Boards of Aker ASA listed on the Oslo stock exchange and Crescent Energy listed on the New York stock exchange as well as on the Board of Trustees for the Institute of Shipboard Education, a non-profit which runs the Semester at Sea study abroad program for university students. Ms Simon graduated from the University of Colorado with a degree in Economics and has a Masters of Business Administration degree from Southern Methodist University and a Masters of International Management degree from the Thunderbird School of Global Management where she also co-chairs the Thunderbird Global Alumni Council.

Independent:

- Upon appointment as Chair

Committee membership:

- Nomination & Governance – Chair
- Remuneration & Talent – Member

Current external appointments:

- Aker ASA – Independent Non-Executive Director
- Crescent Energy – Independent Non-Executive Director, Member of the Audit Committee

Matthaios (Mathios) Rigas

Chief Executive Officer

Mr Rigas (Mathios) is the founding shareholder and has served as the CEO of the Energean Group since its inception in 2007. He is a Petroleum Engineer with senior investment banking experience. Under his leadership, Energean has developed into the leading independent gas focused E&P in the East Mediterranean. Mathios led the international expansion of Energean, through the acquisitions of Prinos, Karish and Edison's E&P business, as well as the Initial Public Offering in London and secondary listing in Tel Aviv. Today, Energean is active in eight[64] countries, with reserves of over 1.1 bn boe and production targeting 200,000 boe/d.

Under Mathios' leadership, Energean's ESG strategy has been recognised by numerous awards across Europe. Mathios was the first E&P CEO to commit to a net-zero strategy in 2019. He was voted CEO of the year in 2018 in London when Energean was also voted Independent of the Year and the Company's IPO received the award for Deal of the Year by World Energy Council.

[64] Including Morocco, subject to, at the time of writing, farm-in completion occurring.

Prior to setting up Energean, Mathios had over 20 years of investment banking and private equity experience. He worked in London for JP Morgan Chase and subsequently set up Capital Connect, a Greek private equity fund investing in recycling, IT, healthcare and energy. Mathios holds a degree in Mining and Metallurgical Engineering from the National Technical University of Athens and an MSc/DIC degree in Petroleum Engineering from Imperial College.

Independent:

- N/A

Committee membership:

- N/A

Current external appointments:

- None

Panagiotis (Panos) Benos

Chief Financial Officer

Mr Benos has 23 years' international experience in the oil and gas sector, both in banking and industry, with a long track record of upstream financing in emerging markets. Mr Benos joined the Energean Group in 2011 from Standard Chartered Bank, where he was a director in the Oil and Gas team in London delivering a number of award-winning projects and acquisition finance deals in Africa, Asia and the Middle East. Before that he worked for ConocoPhillips from 2002 to 2006, where he held positions in European Treasury, North Sea Economics and International Downstream with a focus on the North Sea, Central Europe and the Middle East. He commenced his career at Royal Bank of Scotland. He is also a Chartered Accountant (ICAS) and holds an MSc in Shipping, Trade and Finance from Cass Business School.

Independent:

- N/A

Committee membership:

- N/A

Current external appointments:

- N/A

Andrew Bartlett

Senior Independent Non-Executive Director

Mr Bartlett was appointed as an Independent Non-Executive Director in August 2017 and was appointed Senior Independent Non-Executive Director in November 2023. Mr Bartlett has over 40 years' experience in the upstream oil and gas industry and currently serves as a Non-Executive Director for Africa Oil Corporation and Prime Oil & Gas B.V. Before his current directorships, Mr Bartlett served as Energy Adviser to Helios Investment Partners LLP (a private equity partnership focused on Africa), was the chair and Non-Executive Director of Azonto Energy from 2013 to 2015 and NED of Eland Oil & Gas plc from 2012 to 2013. He was also previously the Global Head of Oil & Gas M&A and Project Finance for Standard Chartered Bank between 2004 and 2011. Prior to this, he worked on the Trading and Derivatives desk of Standard Bank in South Africa. Before joining the investment banking industry, Mr Bartlett worked for Shell plc between 1981 and 2001, as a petroleum engineer and development manager, where he gained extensive experience in the upstream operations of oil and gas fields and latterly as a founding VP of Shell Capital. He holds an MSc in Petroleum Engineering from Imperial College London.

Independent:

- Yes

Committee membership:

- Audit & Risk– Chair
- Nomination & Governance – Member

Current external appointments:

- Africa Oil Corporation – Non-Executive Director, Head of Audit Committee
- Prime Oil and Gas B.V. – Non-Executive Director, Head of Audit Committee

Efstathios (Stathis) Topouzoglou

Non-Executive Director

Mr Topouzoglou was appointed as a Non-Executive Director in May 2017. Mr Topouzoglou is a founding shareholder of the Energean Group and co-founder of Prime Marine Corporation ("Prime"), serving as Prime's Chief Executive Officer and Managing Director. Prime, a leading worldwide product tanker company, is a major global provider of seaborne transportation for refined petroleum products, LPG and ammonia. Mr Topouzoglou has more than 40 years of experience in founding and growing companies in the energy transportation sector and holds a B.A. in Business Administration and Economics from the University of Athens, Greece.

Independent:

- No

Committee membership:

- Nomination & Governance – Member
- Environment, Safety & Social Responsibility – Member

Current external appointments:

- Chief Executive Officer and Managing Director of Prime Marine Corporation

Amy Lashinsky

Independent Non-Executive Director

Ms Lashinsky was appointed as an Independent Non-Executive Director in November 2019. Ms Lashinsky is the Co-Founder and Chief Executive of Alaco, an international risk management and business intelligence consultancy. Most active in the emerging and frontier markets, she has over three decades' experience advising multinationals, financial institutions and investors on matters such as reputational risk and ESG criteria, delivering intelligence reports to support transactions around the world. She also works with global law firms and their clients on various contentious matters, from strategic litigation support to asset tracing and judgement enforcement brought about through arbitration or litigation. Ms Lashinsky trained as a securities analyst on Wall Street before joining Kroll in New York in 1985. She moved to London in 1988 to help establish Kroll's first overseas office, where she became Managing Director of its business intelligence unit. In 1995, Ms Lashinsky set up Asmara Ltd., which was sold to NYSE-listed Armor Holdings in 1998. In 2002, she co-founded Alaco, which was sold in 2022 to Sigma7, a portfolio company of the private-equity firm Growth Catalyst Partners. Ms Lashinsky graduated from the University of Michigan with a B.A. in Political Science. In addition to her duties at Energean, she is a Trustee of the Writers' Prize, the flagship award of the Literature Prize Foundation.

Independent:

- Yes

Committee membership:

- Audit & Risk– Member
- Environment, Safety & Social Responsibility – Member
- Remuneration & Talent – Member

Current external appointments:

- Alaco Ltd. – Chief Executive Officer

Kimberley Wood

Independent Non-Executive Director

Ms Wood was appointed as an Independent Non-Executive Director of Energean plc in July 2020. She is an energy lawyer based in London with over 20 years' experience and is General Counsel & Company Secretary at Storegga Ltd., a private developer of carbon capture, storage and hydrogen projects. Ms Wood is a former partner of Vinson and Elkins LLP (2011–2015) and Norton Rose Fulbright LLP (2015–2018). She has extensive experience in the energy sector, as well as in the boardroom. Throughout her career, she has advised a wide range of companies in the sector, from small independents through to super-majors. Ms Wood is included in Who's Who Legal Energy 2023. She holds an LLB from the University of Edinburgh and an LLM in Public International Law from University College London; and she is admitted as a solicitor in England & Wales.

Ms Wood is a Non-Executive Director of Africa Oil Corp, a company listed on the Toronto Stock Exchange and the NASDAQ Nordic Exchange, chairing the Corporate Governance and Nomination Committee. She is also a Non-Executive Director of Gulf Keystone Petroleum, a company listed on the main market of the London Stock Exchange, where she is their Senior Independent Director, Deputy Chair and Chair of the Remuneration Committee[65].

Independent:

- Yes

Committee membership:

- Remuneration & Talent – Chair
- Nomination & Governance – Member

Current external appointments:

- General Counsel & Company Secretary of Storegga Ltd.
- Africa Oil Corp – Independent Non-Executive Director, Chair of the Corporate Governance and Nomination Committee
- Gulf Keystone Petroleum Ltd. – Independent Non-Executive Director, Senior Independent Director, Deputy Chair, and Chair of the Remuneration Committee

Andreas Persianis

Independent Non-Executive Director

Mr Persianis was appointed as an Independent Non-Executive Director in July 2020. Mr Persianis is an experienced Non-Executive Director with over 30 years' international financial markets experience in central banking, asset management and Corporate Strategy. He is currently the Managing Director of Fiduserve Asset Management in Cyprus, a regulated Alternative Investment Fund Management company that sets up and manages private funds for a diverse range of private and institutional clients. Before that he was Founder and Managing Director of Centaur Financial Services, a discretionary portfolio management company with presence in the UK and Cyprus. He has served as a Non-Executive Director at Central Bank of Cyprus (2014–2019) and on the Bank of Cyprus Board in 2013. He is currently serving as an Independent Non-Executive Director on the Board of Hellenic Bank. He has also worked as a Senior Manager at Bain & Company (London), one of the world's largest strategy consulting firm. He holds an Electrical Engineering undergraduate degree from the University of Cambridge and a Master's in Business Administration (MBA, Major in Finance & Investment Banking) from the Wharton Business School.

Independent:

- Yes

[65] Ms. Wood has announced her resignation from the board of directors of Gulf Keystone Petroleum Ltd., to take effect upon the earlier of: (i) the appointment of a replacement Senior Independent Director; or (ii) the upcoming Annual General Meeting, which is scheduled to take place on 21 June 2024

Committee membership:

- Audit & Risk – Member
- Remuneration & Talent – Member

Current external appointments:

- Hellenic Bank plc– Independent Non-Executive Director

Martin Houston

Independent Non-Executive Director

Mr Houston was appointed as an Independent Non-Executive Director in November 2023. Mr Houston began his career as a petroleum geologist in 1979 and since then has worked worldwide for nearly 45 years, managing all forms of enterprise in the energy industry. He earned a BSc in geology from Newcastle University and an MSc in petroleum geology from Imperial College, London.

He has established a strong external reputation in the international gas business and is largely credited with being the key architect of BG Group's world class LNG business. He retired from BG in 2014 as Chief Operating Officer and Executive Director after 32 years.

Mr Houston has been member of many Boards over the past three decades. He is currently the Chair of Tellurian Inc, a US based LNG export company he co-founded in 2016. He is a Non-Executive Director of BUPA Arabia, a healthcare company based in Jeddah, Saudi Arabia and of CC Energy, a private oil and gas company with producing assets in Oman and the USA.

Mr Houston is a Senior Advisory Partner and Chair of the Energy Group at Moelis and Company, a boutique investment bank and is on the Advisory Board of Radia Inc, the mega-wind company. He is also an advisor to Detect Technologies, an AI-based industrial safety company based in Chennai, India and Energy North, a green ammonia start-up based in Perth, Australia.

Martin is a Merryck mentor and a Fellow of the Geological Society of London. He's on the Advisory Board of the Global Energy Policy unit at Columbia University's School of International and Public Affairs in New York and the International Advisory Board of Newcastle University. He is an invited member of the National Petroleum Council of the United States.

Independent:

- Yes

Committee membership:

- Audit & Risk – Member
- Environment, Safety & Social Responsibility – Chair
- Nomination & Governance – Member

Current external appointments:

- Tellurian Inc – Non-Executive Chair
- BUPA Arabia – Non-Executive Director
- CC Energy – Non-Executive Director
- Energy Group at Moelis and Company – Senior Advisory Partner and Chair

Corporate Governance Statement

Good corporate governance is essential to creating trust and engagement between us and our stakeholders, as well as contributing to the long-term success of our strategy. The Board is committed to the highest standards of corporate governance in accordance with the 2018 Corporate Governance Code ("Code"), which the Company is pleased to confirm it has complied with. The Code is available at www.frc.org.uk. In this report, we describe our corporate governance arrangements and explain how the Group applies the principles of the Code.

- Board Leadership and Company Purpose is set out on pages 107–108.
- Division of responsibilities is set out on pages 108–109.
- Composition, Succession and Evaluation is set out on pages 109–110.
- Audit, Risk & Internal Control is set out on page 110.
- Remuneration is set out on pages 110–111.

We also set out our governance structures to consider the impact our business has on climate change in line with the recommendations of the Task Force on Climate-related Financial Disclosures ("TFCD").

Company purpose, vision and values

The Company's purpose, vision and values are communicated to employees through regular engagement such as team and townhall meetings, messages from the CEO, and through our intranet where group policies and resources can be accessed. Further details on how the Company engages with both its workforce and with the communities in which it operates are set out on in the s172 Statement on pages 113–116.

Purpose

Energean's aim is to lead the energy transition in the Mediterranean through a strategic focus on gas and achieve its net-zero ambition in by 2050, whilst delivering meaningful and sustainable returns to our shareholders.

Our vision

To be the leading independent gas and ESG focused exploration & production company in the Mediterranean.

Our values

Energean seeks to fulfil its vision by adhering to the following values:

- Responsibility in all 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 shareholders, employees and business; promoting transparency and accountability; cultivating a unique corporate sustainability culture;
- Commitment to a talented workforce; investing in our people's development;
- Caring for the environment; reducing our environmental footprint; and
- Engagement with local communities; meeting their expectations and needs.

Our principles

Our values are underscored by our Corporate Principles, which are as follows:

- Being ethical and responsible;
- Being transparent and accountable;
- Creating an attractive workplace and being an employer of choice;
- Mitigating environmental impacts and minimising our footprint; and
- Supporting local communities.

We believe that putting our values into practice and abiding by our principles will help us create long-term benefits for shareholders, customers, employees, suppliers, and the communities we serve.

Board and committee attendance

Type and number of meetings held during the year:

Director	Board (9)	Audit & Risk (5)	Remuneration & Talent (7)	Nomination & Governance (3)	Environment, Safety & Social Responsibility (3)
Karen Simon	9	–	7	3	3
Mathios Rigas	9	–	–	–	–
Panos Benos	9	–	–	–	–
Andrew Bartlett[66]	7	5	–	3	–
Efstathios Topouzoglou	9	–	–	3	3
Amy Lashinsky[67]	9	5	7	–	–
Kimberley Wood[68]	9	5	7	3	–
Andreas Persianis[69]	9	5	–	–	3
Martin Houston[70]	–	–	1	–	–
Roy Franklin[71]	7	–	5	2	2

The Board has a formal schedule of matters that can only be decided by the Board, as updated by the Board in 2022. In 2023, the Board considered whether any changes to the current schedule of reserved matters were required and concluded that, following the revisions made in 2022, the current schedule remained appropriate and relevant.

The key matters considered by the Board in 2023 were:

Strategic focus on stable, long-term value creation and delivery for stakeholders	Approving the Group 2024 budget
The issuance of $750 million senior secured notes through Energean Israel Finance Ltd.	The Morocco country entry
First gas from NEA/NI	Conversion of the Kerogen convertible loan notes
Payment of the Company's interim dividends	Group strategy in light of the increased focus on ESG matters and proposed new reporting standards
Strategic decisions on capital expenditure	The impact of the security situation in Israel

66 Andrew Bartlett was appointed as the Senior Independent Non-Executive Director on 16 November 2023.

67 Amy Lashinsky was appointed to the Environment, Safety & Social Responsibility Committee with effect from 16 November 2023. The number of possible Environment, Safety & Social Responsibility Committee meetings Amy Lashinsky could have attended was 0.

68 Kimberley Wood stood down from the Audit & Risk Committee with effect from 16 November 2023. The number of possible Audit & Risk Committee meetings Kimberley Wood could have attended was 5.

69 Andreas Persianis was appointed as Chair to the Environment, Safety & Social Responsibility Committee with effect from 16 November 2023. The number of possible Environment, Safety & Social Responsibility Committee meetings Andreas Persianis could have attended was 3. Post year-end, Andreas Persianis stood down from the Environment, Safety & Social Responsibility Committee and was appointed to the Remuneration & Talent Committee with effect from 1 February 2024.

70 Martin Houston was appointed as an Independent Non-Executive Director of the Company on 16 November 2023 and was appointed to the Audit & Risk Committee and the Remuneration & Talent Committee with effect from 16 November 2023. The number of possible Audit & Risk Committee meetings Martin Houston could have attended was 0 and the number of possible Remuneration & Talent Committee meetings was 1. Post year-end, Martin Houston stood down from the Remuneration & Talent Committee, was appointed as Chair to the Environment, Safety & Social Responsibility Committee, and was appointed to the Nomination & Governance Committee with effect from 1 February 2024.

71 Roy Franklin resigned as a Non-Executive Director of the Company on 13 November 2023 and therefore left the Environment, Safety & Social Responsibility Committee, the Nomination & Governance Committee and the Remuneration & Talent Committee with effect from 13 November 2023. The number of possible Board meetings Roy Franklin could have attended was 8, the number of possible Environment, Safety & Social Responsibility Committee meetings was 2, the number of possible Nomination & Governance Committee meetings was 2, and the number of possible Remuneration & Talent Committee meetings was 5.

Commissioning of the FPSO and increase of the FPSO to its initial capacity	Board composition and succession planning
HSE performance	The composition of committees and the appointment of new Senior Independent Non-Executive Director
Material contracts	Reviewing and approving the financial statements for the 2022 year-end and 2023 half year
Financial reporting and controls	Compliance with statutory and regulatory obligations
Material litigation	Significant transactions
Executive remuneration	Growth projects including Karish North and Katlan
Receiving updates and monitoring progress on the Group's activities in carbon storage	Monitoring of progress against environmental and sustainability commitments
The continued integration of the Group Enterprise Risk Management ("ERM") system	

Board leadership and company's purpose

The Board's primary role is to promote the long-term sustainable success of the Company and to ensure that value is being generated for shareholders as well as contributing to wider society. This is carried out through detailed reviews by the Board of the Company's investment plans, funding plans, and corporate social responsibility strategy. Details of the Company's Corporate Social Responsibility commitments and actions are found on pages 46–57. Details of the Company's engagement with stakeholders is detailed in the section 172 (1) statement on pages 113–116. As required by the Code, the Board is required to consider and assess the risks the business faces, and is assisted in this process by the Audit & Risk Committee. The Group's principal risks and uncertainties, which provide a framework for the Audit & Risk Committee's focus, are discussed on pages 81–96. The Environmental, Safety & Social Responsibility ("ESSR") Committee ensures that a key pillar of the Company's strategy (sustainability and the commitment to net-zero by 2050) is monitored and assessed in a single forum that then reports on its activities to the Board. For details on the ESSR Committee's activities see pages 125–127. The sustainability of the Company's business is considered further on pages 13–17 of the Strategic Report.

As part of the Company's contribution to wider society, the Board was again pleased to see the progress that the Company has made during 2023 in furtherance of its commitment to the UN's Global Compact campaign and pledge to net-zero emissions by 2050. 2023 saw the MSCI award the Company an AAA ESG rating putting it in the top 17% of listed Oil & Gas Exploration and Production companies. This prestigious rating classifies the Company in the "Leader" category, amongst 108 Oil & Gas Exploration and Production companies. 2023 also saw the Company maintain its Carbon Disclosure Project ("CDP") rating at A- outperforming the global average for E&Ps of C.

Furthermore, the Remuneration & Talent Committee again included targets to reduce emissions in the short-term and long-term bonus plans. This now means that the majority of the incentive plans in the Company have targets relating to reducing emissions which demonstrates the Company's commitment to creating value through sustainable development, taking into account the environmental aspects of its business. Further details of activity in relation to protecting and minimising impact on the environment can be found on pages 15–17.

Energean has grown from a company that was producing 3 kboe/d in 2019 to a company that produces now an average working interest production of approximately 123 Kboe/d in 2023. The Company operates in eight[72] countries in the East Med and North Sea and has made significant progress in reducing the carbon intensity of its operations (when measured against the Kilograms of CO2 produced per boe). The Company is also proud of its health and safety record, further details of which can be found at page 63.

[72] Including Morocco, subject to, at the time of writing, farm-in completion occurring.

Following her appointment in 2022, Amy Lashinsky is the workforce Board representative. Employees can confidentially email Amy Lashinsky to raise any issues, to the extent appropriate. In addition, the Group has a whistleblowing policy in place for which the Audit & Risk Committee has overall responsibility. Further details on the Group whistleblowing policy are contained within the Audit & Risk Committee report which can be found at page 122.

The Board receives monthly updates from the Group HR Director on staff-related matters and has a direct line of communication if required. The Company is committed to investing in its workforce and employees are able to submit requests for training to enable them to pursue professional training in their respective areas which is funded by the Company. Employees are also able to benefit from study leave to give them adequate time to study for these qualifications. The Company has also rolled out e-learning modules for employees to further develop their knowledge in key corporate matters such as anti-bribery and corruption and continued to build our people skills by launching E-Guru, Energean's global learning platform, which offers a centralised point of access for training covering a wide range of learning including the Udemy e-learning business library and topics relevant to our employees such as leadership, safety, sustainability, diversity, and inclusion, as well as courses related to soft and technical skills. Eligible employees also benefit from pensions contributions at rates that, under the remuneration policy, are used as the basis to align Executive Directors pension contribution rates to the wider workforce. Eligible employees are also able to benefit from two share plans: the Deferred Bonus Plan and the Long-Term Incentive Plan. Further details on employee related matters are found on pages 57–60.

The Board also monitors the Company culture and includes culture related metrics in the Company's annual bonus plan. During 2023 these metrics included the benchmarking of Diversity, Equity and Inclusion performance against the Centre of Global Inclusion benchmark tool. Goals relating to culture are also included in the 2024 bonus scorecard and the Board and the Remuneration & Talent Committee will continue to monitor and track progress against these objectives.

Each year the Company welcomes shareholders to its Annual General Meeting ("AGM"), which provides a unique opportunity to ask questions to the Board. The results of the voting on each resolution proposed to the meeting are published via the Regulatory News Service and through the Tel Aviv Stock Exchange news service.

The Board and Remuneration & Talent Committee continue to engage with shareholders on issues related to remuneration most recently by way of a letter to shareholders sent in February 2024. More information on this matter is set out on page 137.

Division of responsibilities

The Board currently comprises:

- The Chair (who was independent upon her appointment).
- Two Executive Directors (Chief Executive Officer and Chief Financial Officer).
- One Non-Executive Director (Efstathios Topouzoglou).
- Five Independent Non-Executive Directors.

The independence of Mr Topouzoglou was tested against the criteria set out in Provision 10 of the Code. Whilst he is considered to be independent in character and judgement, he is not deemed to be independent by reference to the criteria set out in the Code, as a result of being a significant shareholder, owning approximately 8.926% of the shares of the Company (through his indirect holdings in both Oilco Investments Ltd. (through Trustena GmbH as trustee to the family trust "The Energy Trust") and HIL Hydrocarbon Investments Ltd.).

There is a clear division of responsibilities of the Chair, the Executive Directors and the Non-Executive Directors. The roles of Chair and Chief Executive Officer are separate, and the responsibilities clearly defined. It is the Chair's responsibility to provide leadership of the Board and set the Board agenda as well as to ensure that the Board is provided with accurate, timely and clear information in relation to the Group and its business. The Chief Executive Officer is responsible for setting the overall objectives and strategic direction of the Group as well as having day-to-day executive responsibility for the running of the Company's business. The Chief Executive Officer is supported by the Executive Committee which meets weekly and comprises of business and functional heads, further details of which can be found in the Nomination & Governance Committee report which can be found at page 128. The Chair and Chief Executive Officer share responsibility for the representation of the Company to third parties.

As detailed on page 106, the Board met nine times throughout the year, which is deemed to be sufficient, given the size and complexity of the Company's operations.

The Chair leads the Board and is responsible for its overall effectiveness in directing the Company. The Chair is committed to promoting a culture of openness and debate. The Board provides rigorous challenge to management and such challenge is supported and facilitated by the Chair. The Directors have strong experience in the sector in which the Company operates (and seeks to operate) and have a broad range of business, commercial and governmental experience. The Board is supported by the Company Secretary who is also Secretary to all the Board Committees. This ensures effective information flow between the Board and its Committees. Each Committee reports to the Board at the next Board meeting following its own meeting, so that the Board is kept up to date on key matters being dealt with. The Board benefits from the use of an electronic Board portal system to assist with the timely production of Board papers and reviewing key Company policies throughout the year. The Board has unfettered access to Senior Executives at the Company and is fully supported by the Company Secretarial team.

Every month, whether or not a Board meeting is scheduled, the Board receives a comprehensive report from management on the business's performance, which keeps the Non-Executive Directors up-to-date on all the key issues; and Board members are able to ask management questions on any matter.

Each Board appointment is for an unlimited term, subject to being re-elected as a Director at each AGM. A Non-Executive Director or the Company may terminate the appointment at any time upon three months' written notice. These appointments are subject to the provisions of the Articles of Association, the Code, the Companies Act and related legislations. The role of the Senior Independent Non-Executive Director, Andrew Bartlett, is to provide a sounding board for the Chair and to serve as an intermediary for the other Directors when necessary. The Senior Independent Non-Executive Director is available to shareholders if they have concerns which contact through the normal channels of Chair, Chief Executive Officer or Chief Financial Officer has failed to resolve, or for which such contact is inappropriate.

Composition, succession and evaluation

During the year, the Nomination & Governance Committee oversaw the resignation of Roy Franklin from the Board and the appointment of Martin Houston, as an Independent Non-Executive Director, to the Board. Following Roy Franklin's resignation, the Nomination & Governance Committee also oversaw the appointment of Andrew Bartlett as the Senior Independent Non-Executive Director.

The Nomination & Governance Committee keeps the succession plans for Directors and senior management continuously under review, including by reference to the present composition of the Board and each member's skills and individual performance. More information on this matter is set out on pages 128–135.

Following Roy Franklin's resignation, the Nomination & Governance Committee reviewed the composition of the Board committees and recommended the following changes to the Board which were approved with effect from 16 November 2023:

- Martin Houston was appointed to the Audit & Risk Committee and the Remuneration & Talent Committee;
- Amy Lashinsky was appointed to the Environment, Safety & Social Responsibility Committee;
- Andreas Persianis was appointed as Chair to the Environment, Safety & Social Responsibility Committee; and
- Kimberley Wood stood down from the Audit & Risk Committee.

In January 2024, the Nomination & Governance Committee recommended further Committee changes to the Board and Martin Houston was appointed to the ESSR Committee as Chair on 1 February 2024 with Andreas Persianis stepping down due to his appointment to the Remuneration & Talent Committee effective the same date.

Details of these Board and Committee changes can be found in the Nomination & Governance Committee report on page 131.

In the second half of the year, as required by the Code, the Chair, the Board, its committees and the individual directors were subject to an externally facilitated triennial review of their performance, further details of which are contained in the Nomination & Governance Committee report on pages 133–135. The results were reviewed by the Nomination & Governance Committee and discussed with the Board.

Both the Nomination & Governance Committee and the Board were satisfied that each Director continues to contribute effectively.

The Board is satisfied that the Directors have the right combination of skills, experience and knowledge to assist the Company in achieving its long-term goals.

As the Board was formally constituted just prior to the Company's listing on the London Stock Exchange in March 2018, no Independent Non-Executive Director had served more than six years by the end of 2023.

During 2024, the Chair, the Board, its committees and individual directors will be subject to an internally facilitated review and progress against the recommendations of the 2023 externally facilitated review will be reported on in the 2024 Annual Report.

Audit, risk and internal control

The Board established the Audit & Risk Committee upon admission to the London Stock Exchange, which, during 2023, comprised Andrew Bartlett, Amy Lashinsky, Andreas Persianis and Kimberley Wood, until she stood down with effect from 16 November 2023. Martin Houston was appointed to the Committee on 16 November 2023 but was not entitled to attend any meetings in 2023 as no further meetings were held. All committee members who served during 2023 are Independent Non-Executive Directors. The Board is satisfied that Andrew Bartlett has recent and relevant experience and that the Committee as a whole has competence relevant to the sector in which the Company operates. The main roles and responsibilities of the Committee are set out in its terms of reference, which are available to download at www.energean.com or available upon request from the Company Secretary.

As part of its responsibilities, the Committee has formal and transparent policies in place to ensure the independence and effectiveness of the internal and external audit functions and satisfy itself on the integrity of the Company's financial and narrative statements. The Audit & Risk Committee reviews and monitors the internal control framework and ensures that a robust assessment of the Group's principal risks has been undertaken. In 2023 this saw the Enterprise Risk Management ("ERM") framework embedded further across the Group, as further described on page 81. Further information about the Committee's roles, responsibilities and activity is detailed on pages 117–124 and further details on the Risk Management process is found on pages 81–96.

This Annual Report includes a number of disclosures that set out the Company's position and prospects. The Statement of Directors' Responsibilities confirms that the Directors believe those disclosures and the Annual Report and Accounts, taken as a whole to be fair, balanced and understandable and the auditor, Ernst & Young LLP, has given its opinion that the financial statements give a true and fair view of the Group's affairs.

Remuneration

The Board established the Remuneration & Talent Committee as part of the admission process in March 2018. During 2023 the Committee members were Kimberley Wood, Karen Simon, Amy Lashinsky and Roy Franklin until his resignation on 13 November 2023. Martin Houston was appointed to the Remuneration & Talent Committee on 16 November 2023 and was entitled to attend one meeting in 2023.

Kimberley Wood, Amy Lashinsky and Martin Houston are Independent Non-Executive Directors and Karen was considered independent upon her appointment as the Company's Chair. Amy Lashinsky is also the Board's workforce representative and ensures that the views of the workforce are taken into consideration in Board decision making.

The Committee has delegated responsibility for determining policy for Executive Director remuneration and setting the remuneration for the Chair, Executive Directors and senior management. In addition, it reviews workforce remuneration and related policies and the alignment of incentives and rewards with culture, taking these into account when setting the policy for Executive Director remuneration. The Company has in place a long-term incentive plan ("LTIP") for the Executive Directors and senior management, which is designed to promote the long-term success of the Company by assessing performance over three years and is linked to absolute and relative share price performance against a peer group of other companies, as well as emission reductions.

Furthermore, the Company has in place an annual bonus scheme which incentivises management to progress with measures related to operations, balance sheet strength, growth and sustainability. This further aligns the Executive Directors with the long-term interests of the shareholders.

The members of the Remuneration & Talent Committee are required to exercise independent judgement and discretion when authorising remuneration outcomes, with regard to Company and individual performance and wider circumstances. No Director is involved in deciding their own outcome; and when discussing fees for the Chair, Karen Simon recuses herself from these discussions.

In 2023, in advance of the renewal of the Director's Remuneration Policy at the 2024 AGM (which is to be renewed in line with the usual three-year cycle required under UK regulation), the Remuneration & Talent Committee undertook an in-depth review of the current Remuneration Policy and conducted a shareholder consultation exercise with respect to the limited changes that were being considered. Further details of the role and activities of the Remuneration & Talent Committee and the proposed 2024 Directors' Remuneration Policy, which will be subject to a binding shareholder vote at the 2024 AGM, are found on pages 136–165 of this report.

Environment and sustainability

Board oversight

Energean sees the environment and sustainability, including climate change, as a top priority for our business. This is reflected in our strategy, and we apply all our governance processes to environment and sustainability issues. Responsibility for the governance of environment and sustainability issues within Energean ultimately rests with the Board. To reflect the increasing importance of climate change-related risks and opportunities, the Environment, Safety & Social Responsibility Committee (the "ESSR Committee") has taken over responsibility for environment and sustainability matters on behalf of the Board. The Board is also charged with reviewing investments for climate-related risks (among other risks).

The ESSR Committee evaluates Energean's policies and systems for identifying and managing environmental and sustainability related risks, which includes identification of emerging risks, such as climate change risks, and proposes mitigation measures. The ESSR Committee further ensures Energean's compliance with relevant regulatory requirements and/or applicable international standards and guidelines. The Committee follows political and regulatory discussions and developments on an international, EU-wide and national level on a variety of environmental and sustainability issues, including energy, climate and environment, and industrial trends, etc.

The ESSR Committee convenes a minimum of three times a year and, when the Committee meets before a Board meeting, reviews the Board papers on Energean's carbon emissions performance and KPIs where possible.

In addition, the Audit & Risk Committee looks at climate change-related issues, to ensure the identification of multi-disciplinary risks (including climate change-related risks), which may impact more than one part of the Company. This committee is responsible for ensuring that measures to mitigate and adapt to the risks identified are effective and implemented as necessary.

The Remuneration & Talent Committee has responsibility for the annual directors' bonus targets, long-term incentive plans, and the overall Remuneration Policy. Both the annual directors' bonus targets and the long-term incentive plans link executive bonuses to the achievement of emission reduction targets.

Management oversight

The Board sets the Company’s values and standards, including the Group’s long-term objectives and commercial strategy, and ensures that its obligations to its shareholders and others are understood and met. Day-to-day responsibility and accountability for the Company’s climate change policy, environmental and sustainability strategy, and targets related to short, medium and long-term plans ultimately lie with the CEO.

The COO holds the responsibility of identifying and evaluating both business and climate-related risks, and in coordination with the CEO formulating strategies, and endorsing action plans aimed at managing and mitigating these risks effectively. Additionally, the CEO supervises the Company's overall environmental performance and establishes expectations and targets for climate performance. Discussions pertaining to climate change and the transition to sustainable energy with the Board are also conducted by the CEO. Regular dialogues between the COO, the CEO and the Board cover various climate change-related matters, including policies, investment decisions influenced significantly by climate change factors, and the potential impact of carbon credit prices on Energean's forthcoming financial performance.

The COO is responsible for managing operational aspects related to climate change, reporting directly to the CEO and providing regular updates to the Board. Development and implementation of Energean’s Corporate HSE and Climate Change Policy, as well as designing training programs and drills across the organisation to enhance safety, environmental, and climate change awareness rests with the HSE Director. The HSE Director also keeps abreast of technological advancements and opportunities to support the achievement of defined climate change targets. Ensuring alignment with the Company's net-zero 2050 objective falls under the purview of the HSE Director. Monitoring Energean's carbon emissions across all assets and defining emission factors used by the financial team to gauge the financial implications of climate change on the Company's portfolio are additional responsibilities. Moreover, the HSE Director collaborates with Energean's financial, economic, and technical departments to assess climate-related risks and opportunities comprehensively.

Executive Committee – Chaired by CEO. Meets weekly, attended by the Company’s Corporate Communications Director, whose responsibility includes ESG and CSR. The HSE Director can request to attend and update the Executive Committee on climate change issues.	Environment, Safety & Social Responsibility (“ESSR”) Committee chaired by Martin Houston (as of 1 February 2024), attended by Chair of the Board (also a Committee member), CEO, HSE Director and the Company’s Corporate Communications Director whose responsibility includes ESG and CSR. The Committee meets three times a year and receives reports from the HSE Director on climate issues.	The Board meets at least every 2 months with ad-hoc meetings as required and holds monthly calls in months where no meeting is scheduled. The Board receives regular reports from the HSE Director who attends Board meetings when requested. The ESSR Committee Chair provides updates on ESSR Committee activities.

Board expertise

To ensure Energean’s Board remain up to date on the most pertinent environmental and sustainability developments and to further enhance their knowledge and skills in relation to those issues, Energean invites leading industry and environment and sustainability experts to Board and Committee meetings on a regular basis. Both the HSE Director and the Corporate Communications Director proactively interact with Board members to provide necessary information and further insights on specific climate change-related issues affecting the Company.

Section 172 (1) Companies Act 2006 Statement

The Directors confirm that, throughout the year, they have acted in a way they consider, in good faith, would be most likely to promote the success of the Company, as required by section 172 of the Companies Act 2006.

This section further requires the Directors to have regard to a range of factors when making decisions, including the likely long-term consequences of any decision, the interests of the Company's employees, the need to foster the Company's business relationships with suppliers and others, the impact of the Company's operations on the environment, maintaining a reputation for high standards of business conduct, and the need to act fairly between members of the Company. The Company's key stakeholders are its employees, local communities, governments in the countries in which the Company operates, customers, and shareholders. The specific engagement with stakeholders on a day-to-day level is delegated to the executive management team with the Board being kept up to date with the results of this engagement and future plans. The Executive Directors routinely meet with shareholders to discuss the strategic direction of the Company and the feedback from these meetings is shared with the other Directors. Details of the Board's engagement with the workforce are found on page 113 of this report and details of the Board's and Company's engagement with local communities are found on pages 114–115 of this report.

Throughout the year the Board placed a high importance on stakeholder considerations and considered these at the centre of its decision-making process.

Long term impact of decisions

Energean has a clear ambition to be the leading Mediterranean focused gas producer and is committed to sustainability and being a net-zero emitter by 2050. Strategic decisions are taken by the Board with this ambition at the forefront and as such requiring the Board to consider the long-term impact of any decisions, especially in relation to reviewing the investment decisions in the Group's portfolio of assets. Examples of this decision making in action include the farm-in to the Rissana and Lixus licenses offshore Morocco, where farm-in completion is expected shortly. If developed, the Anchois project has the potential to contribute to the reduction of coal-fired power usage in Morocco. Another example of decision making is the proposed development of a carbon capture and storage project at the Prinos acreage in Greece which has now been adopted by the European Commission as a Project of Common Interest, and has had €150 million of grants committed from the Greek Government to support its development. For the Israel growth projects the Directors considered the Company's wider growth plans and future ability to pay a dividend as well as enabling Israel to use gas as a transition fuel to move away from coal. For the carbon capture and storage project, the Board considered the vital role that carbon capture and storage could play in the Company's sustainability plans and vital role the facility could play in the region.

Engagement with:

Workforce

As required by the UK Corporate Governance Code, Amy Lashinsky, an Independent Non-Executive Director, has been appointed by the Board to be the "employee voice" in the boardroom and, in her role as workforce representative, Amy Lashinsky attended the first HSE Corporate Conference which took place in Athens and was attended by employees from Greece, Italy, Egypt, Israel, Croatia and the UK representing various technical and business functions. Amy Lashinsky is also a member of the Remuneration & Talent Committee where she participates in discussions related to the Company's work force.

As part of the 2023 bonus KPIs, the Executive Directors were set objectives relating to culture and Diversity, Equity and Inclusion ("DEI"). The Executive Directors were awarded a 96% pay-out on this metric following the successful completion of the DEI policy revision, the employee focus groups and internal surveys, and the DEI training.

Local communities

Energean is very active in the communities in which it operates (further information on this can be found on pages 48–57), and the Directors are cognisant of their responsibilities to "give something back" by means that are appropriate to the particular communities. The Board receives information on such activities being carried out by the Company in monthly reports and at Board meetings. The activities are tied to the Company's commitment to the fulfilment of the 17 UN Sustainable Development Goals, of which, more details and examples can be found on pages 48–57.

During 2023, Energean collaborated with:

Globally:
United Nations Global Compact & United National Global Working Group Participation
In Greece:
Management body of the Nestos River Delta, Lakes Vistonida-Ismarida and Thassos Island
The Regional Unit of Kavala
The Holy Diocese of Philippi, Neapolis and Thassos – Northeastern Greece
Democritus University of Thrace ("DUTH"), Department of Environmental Engineering
Athletic Club of Kavala – Department of Wheelchair Basketball
The Health Center of Prinos
The Prefectural Association of People with Disabilities of Kavala
OKAK (Kavala's Track and Field Athletic Club)
MDA Hellas (the Muscular Dystrophy Association of Greece), a non-profit organisation that supports people that suffer with neuromuscular diseases
"Panthires" (Panthers), a women's basketball team based in Kavala, that promotes good sportsmanship and encourages young girls to participate in sports
Special Elementary School of Kavala
National Center of Emergency Assistance of Kavala
The Health Center of Zitsa – Ioannina
The International Hellenic University ("IHU") in Thessaloniki – Kavala Campus
"Saint Gregory, the Theologian" (Agios Grigorios Theologos), the Cathedral church of Nea Karvali, Kavala
"Get Involved", a student NGO that aims at developing a culture of economic education within universities and other educational organisations
The Municipality of Kavala
The Fire Service of Kavala
The Municipality of Paggaio
"Eleni Gyra", Home of Autistic Persons, Zitsa (Ioannina)
The High School of Amygdaleona, Kavala
The Municipality of Zitsa, Ioannina
In Israel:
Maala, a non-profit, CSR standards-setting organisation in Israel, which has set a dedicated CSR index on Tel Aviv Stock Exchange. Maala's CSR Index is an ESG rating system used as an assessment tool, benchmarking Israeli companies on their CSR performance. Energean was rated at Platinum Level at the 2023 Maala ESG Index

Rahaf Sailing and Surfing Club, a Club that supports young sailors from low-income communities
The Nature and Parks Authority
The University of Haifa's "Maritime Policy and Strategy Research Center"
"Lev Hash" ("Feeling Heart"), a local NGO for charities, Haifa
The Technion (the Israel Institute of Technology), Haifa
In Montenegro:
The Greek Embassy – Podgorica, Montenegro
In Italy:
"Caritas Diocesana", an organisation for charity – Fermo, Vasto, and Pozzallo (Marche, Abruzzo, and Sicily)
"Aretusa" Handball Team
Assorisorse – Natural Resources and Sustainable Energy, a Confindustria Association made up of about 100 companies committed to enhancing natural resources and intellectual skills through technological innovation and the circular economy, with the aim of decarbonising industrial processes and achieving environmental, economic and social sustainability
Member of Sodalitas, a business leadership for sustainable development
Energy Bank Foundation, a national organisation that provides economic support to families and individuals suffering from economic and social vulnerability and provides education on local communities about energy consumption
"Special Olympics Italia", an organisation that promotes sport as a means of inclusion for children and adults with intellectual disabilities
"Donn.è", a non-profit organisation, committed to gender education and gender violence prevention, by raising awareness within schools and helping women against violence, Abruzzo
National Observatory Sea Protection
Italian Paralympic Swimming Federation, Termoli
Civil Protection of Porto San Giorgio
"Giovanni XXIII Institute" in Pineto, Abruzzo
Association "Trofeo Del Mare ("The Sea Trophy") – Men and stories", Sicily
Montani Technical Technological Institute in Fermo, Marche
"3Bee", an agri-tech company committed to halt the loss of biodiversity and prevent the extinction of threatened species, such as bees
Association CNOS-FAP in Vasto, Abruzzo
In Egypt:
"Go Clean", a recycling solutions company
Dar Al Orman Association, an NGO that performs charity work
Egyptian Petroleum Sector
"Future Light for Development Organisation" ("FLDO"), a Non-Governmental Foundation, with a focus on women's empowerment, education, and environmental preservation
The American University of Cairo
In UK:
"Baker Street Quarter Partnership", a not-for-profit company funded and directed by local businesses for the benefit of the broader community of the Baker Street and Marylebone area, London

Governments

The Company has a transparent dialogue with all host governments in countries where it operates and seeks to operate. All these discussions are led by the Chief Executive Officer. The Company regularly engages in industry forums in these countries to further demonstrate its commitment to working closely with their governments.

Shareholders

Energean is committed to transparency and engaging with its shareholders, including providing all appropriate information to the investment community. The annual report and accounts are available from www.energean.com/investors/reports-presentations and, where elected or on request, will be mailed to shareholders and to stakeholders who have an interest in the Company's performance. The Company responds to all requests for information from shareholders and maintains a separate Investor Relations section within the existing www.energean.com website, as a focal point for all investor relations matters. Moreover, there is regular dialogue with institutional shareholders via face-to-face meetings, investor roadshows, RNS announcements, regular trading updates and conferences, as well as general presentations that are published on the Company's website. Furthermore, the Board is advised of any material comments from institutional investors, to enable it to develop an in-depth understanding of the views of major shareholders. All shareholders have the opportunity to put forward questions at the Company's AGM.

Maintaining a reputation for high standards of business conduct

It is our policy to conduct all our business in an honest and ethical manner, and comply with all applicable anti-bribery laws, including, but not limited to all applicable local laws where Energean operates and the UK Bribery Act 2010, and to accurately reflect all transactions on Energean's books and records.

We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate. We actively monitor and manage risks from bribery or ethical misconduct, and we run an anti-corruption and anti-bribery compliance program, actively overseen by the Board.

During the year, the Company engaged with Transparency International UK ("TI-UK") in order to benchmark the Company's anti-corruption programme against the requirements of the 2010 UK Bribery Act Adequate Procedures Guidance, the US Department of Justice's Sentencing Guidelines, and the ISO 370001 anti-bribery standards. Using the TI-UK assessment tool, we undertook a gap analysis on the Company's anti-corruption programme, identified areas of improvement and actively engaged in deep dive meetings and collaborations with peers to improve and build more robust programmes. The Board has endorsed continuous improvement of its anti-corruption programme supplemented by in-depth guidance and support to enable internal monitoring and improvements.

Audit & Risk Committee Report

Andrew Bartlett – Chair of the Audit & Risk Committee

I am pleased to present this Audit & Risk Committee Report for the year ended 31 December 2023, which sets out the role and work of the Committee during the year and key areas of focus for 2024. This report outlines how the Committee has continued to support the Board in fulfilling its oversight responsibilities, including those in the key areas of financial reporting, external audit, internal audit, effectiveness of the risk management framework and internal controls, as well as consideration of ethics and compliance matters. I would like to thank my fellow committee members for their strong commitment and dedication throughout the year.

During the year, the Committee continued to review the development of the Enterprise Risk Management framework ("ERM") as detailed in the Internal Controls and Risk Management section below and as outlined within the Risk Management section on pages 81–96 of the Strategic Review.

Membership of the Committee

The members of the Audit & Risk Committee during the year were myself, Andreas Persianis, Amy Lashinsky, and Kimberley Wood until she stood down with effect from 16 November 2023. Martin Houston was appointed to the Committee on 16 November 2023 but did not attend any meetings in 2023. At year-end on 31 December 2023, the Committee comprised Andrew Bartlett, Amy Lashinsky, Andreas Persianis and Martin Houston.

The Board remains satisfied that the Committee has recent and relevant financial experience, affirming that the Committee collectively bring a wide knowledge and sufficient experience of the oil and gas sector, aligning with the Code's standards.

Furthermore, all members of the Committee hold positions as Independent Non-Executive Directors, ensuring compliance with the Code. Detailed profiles outlining the skills and experiences of the Committee members can be found on pages 100–104.

Any member of the Committee, the Company's external auditor, or the Head of Internal Audit or the Head of Compliance may request a meeting if he/she considers that one is necessary or expedient. No meetings of this nature were requested during the financial year. The Committee met with the external auditor on several occasions without management presence. The Chair of the Board, the CFO, the external audit partner and Head of Internal Audit attend meetings by standing invitation; the Company Secretary acts as Secretary to the Committee.

Attendance at meetings

The Committee met five times during the year, and attendance at these meetings is set out below:

Director	Number of meetings entitled to attend	Number of meetings attended
Andrew Bartlett	5	5
Kimberley Wood[73]	5	5
Amy Lashinsky	5	5
Andreas Persianis	5	5
Martin Houston[74]	0	0

73 Stood down from the Committee on 16 November 2023.
74 Appointed to the Committee on 16 November 2023.

The Audit & Risk Committee's role

Following the annual review of the Audit & Risk Committee's Terms of Reference, updates were made to ensure alignment with the Code and best practice guidance.

To view the Audit & Risk Committee's terms of reference, please visit the Company's website www.energean.com.

The role of the Committee is to assist the Board with discharging its responsibilities in relation to:

Financial reporting, including:

- monitoring the integrity of the Group's annual and half year financial statements and any other formal announcements relating to the Group's financial performance;
- advising the Board whether, in the Committee's view, the Annual Report taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy; and
- reviewing and discussing with management the appropriateness of judgements involving the application of accounting principles and disclosure rules.

Risk management and internal control, including evaluating the effectiveness of the system of risk management and internal financial controls.

External audit, including assessing the performance and effectiveness of the external auditor, review of their independence and objectivity, advising the Board on the appointment, re-appointment or removal of the external auditor and reviewing reports from the reserves auditors.

Internal audit, including approving the Internal Audit Function's remit and annual internal audit plan to ensure alignment with the key risks of the business and reviewing the effectiveness and follow-up of internal audit, whistleblowing and fraud systems within the Group. Annually, the Audit & Risk Committee evaluates how the Group's internal audit requirements shall be satisfied and provides recommendations to the Board accordingly, addressing any areas requiring improvement or action. The Head of Internal Audit and the Head of Compliance are extended standing invitations to all committee meetings.

Compliance and governance, including assessing the effectiveness of the Group's risk management and internal assurance processes. The Audit & Risk Committee evaluates the Group's capability to identify and manage emerging risks and regularly monitors the Group's overall risk assessment processes that inform the Board's decision making. To facilitate this, the Committee maintains regular communication with the Company's compliance function.

The Audit & Risk Committee stays informed about regulatory developments in financial reporting through regular updates provided by the Committee's advisors.

Key matters considered in relation to the consolidated financial statements

The Audit & Risk Committee dedicated attention to several key financial judgements and reporting matters during the preparation of the full-year results and the Annual Report. Following its review, the Committee was satisfied with how each of the areas below was addressed. As part of this assessment, the Committee received reports, requested and received clarifications from management, and sought assurance and received input from the external auditor.

Specifically, the Committee deliberated on the following areas:

- The Committee scrutinised technical reports from management and insights from external specialists, ensuring the completeness of information and consistency of reserves volumes across accounting processes.
- The Committee assessed the Company's approach to impairment indicators and the calculation of value-in-use for producing oil and gas assets. This involved reviewing and challenging management's key assumptions regarding reserves estimates, future oil and gas prices, and discount rates. Furthermore, the Committee supported the view that there were no indicators of impairment at the year-end for cash-generating units, and found the financial statement disclosures to effectively convey judgments and estimates.
- Exploration and evaluation assets under IFRS 6 were reviewed, and the rationale for impairment was discussed with management, considering the intent to develop or extract value from discoveries.

- The Committee examined the Company's approach to accounting for decommissioning provisions, conducting a thorough assessment encompassing technical and financial perspectives. This included a review of the decommissioning process, regulatory framework, energy transition impacts, and related accounting treatment and assumptions. Additionally, the Committee concurred with the disclosures on decommissioning provisions in the financial statements.
- Revenue recognition practices were reviewed to ensure compliance with IFRS 15, with the Committee affirming satisfaction with the financial statement disclosures.
- The Committee endorsed the recoverability assessment of trade receivables balances and concurred with the expected credit loss provision booked in accordance with IFRS 9.
- Quarterly dividends declared in 2023 were assessed in line with the established dividend policy, with the Committee supporting the decision based on reports from management regarding distributable reserves.
- The Committee scrutinised the viability statement in the 2023 Annual Report and the going concern basis of accounting, including an assessment of the Group's capital, liquidity, and funding position. Additionally, the Committee evaluated principal and emerging risks, assessed the Group's prospects in light of its current position, and reviewed disclosures on behalf of the Board. Ultimately, the Committee supported the viability statement and management's going concern conclusion.
- The Committee also considered the impact of the situation in Israel on all of the above items and throughout the Annual Report and Accounts

External auditor

Ernst & Young LLP ("EY" or the "External Auditor") were appointed as auditor in 2018 and conducted their initial audit for the year ended 31 December 2017. Energean plc became a Public Interest Entity in 2018 upon admission to trading on the London Stock Exchange. Consequently, the Company must comply with section 494ZA of the Companies Act 2006 and will be required to put the external audit contract out to tender by 2028. The current lead audit partner is Paul Wallek. The fees paid to EY for their services in 2023 are detailed in note 7g on page 218 to the financial statements.

The External Auditor attends each meeting of the Audit & Risk Committee and presents reports on their audit procedures and findings, including the assessments of the appropriateness of management's judgements and estimates made by management and their compliance with UK-adopted International Accounting Standards. The Audit & Risk Committee is responsible for overseeing the external audit plan. This includes monitoring the independence and objectivity of EY, the quality of the audit services and their effectiveness, the level of fees paid, approval of non-audit services provided by EY and re-appointment. The Committee holds sessions with the External Auditor in the absence of management.

The Committee concluded that EY are independent and objective, operate at a high standard and have recommended to the Board that the External Auditor be re-appointed at this year's AGM for the financial year ending 31 December 2024. The Committee regularly reviews the performance of the auditor and the Chair of the Audit & Risk Committee regularly engages with the Audit Partner to relay any feedback.

Non-audit services

In order to safeguard the External Auditor's independence and objectivity, the Group has in place a policy setting out the circumstances in which the External Auditor may be engaged to provide services other than those covered by the Group audit. The policy complies with the FRC's Revised Ethical Standard for auditors, published in December 2019. The Policy sets out those types of services that are strictly prohibited and those that are allowable in principle (permissible services). Any service types are considered by the Audit & Risk Committee Chair on a case-by-case basis, supported by a risk assessment prepared by management. This is reported by management to the Audit & Risk Committee who consider the services provided as part of concluding on the auditors' independence.

The types of non-audit services provided by the auditor during 2023 were as follows:

- Climate change and sustainability assurance services provided by EY Greece;
- Agreed upon procedures provided by EY Greece for a Greek Government loan;
- Tax and levy return certification services in Greece and Israel;
- Reporting Accountant services related to the 2023 bond offering; and
- Interim review of consolidated financial statements for six months ended 30 June 2023.

In all these cases, safeguards were adopted and reasons given as to why these safeguards were considered to be effective. The Committee was satisfied that the independence of the External Auditor was not affected by the performance of any of these services. The non-audit services provided were required by law and/or are typically performed by the auditor. Furthermore, in each case there were business justifications for using the External Auditor for non-audit services. The Chair of the Audit & Risk Committee agreed with each justification before the service was carried out.

Further details on non-audit services are outlined in note 7g to the financial statements on page 218.

Internal controls and risk management

The Audit & Risk Committee is responsible for the oversight of the Group's system of internal controls, including the risk management framework and the work of the Internal Audit Function. Details of the risk management framework are provided within the risk management section on pages 81–84. The Group's principal risks and uncertainties, which provide a framework for the Audit & Risk Committee's focus, are discussed on pages 85–96. Management has identified the key operational and financial processes that exist within the business and has developed an internal control framework. This is structured around a number of Group policies and processes and includes a delegated authority framework. During, the year the Audit & Risk Committee assessed the key findings raised from internal audits conducted throughout the year.

Throughout 2023, the Company diligently pursued the implementation of the ERM framework with the guidance and support of its risk advisor, Marsh. Such framework has been extended to cover all operations within the group. Additionally, Marsh facilitated several working sessions aimed at assisting management in adapting to the new framework. This proactive approach was acknowledged by the Audit & Risk Committee as a significant advancement.

The Group has made strides in embedding the ERM framework across the Group since its inception in 2022. The ERM framework and its application in the Group's operating countries empowers the countries to identify, evaluate and manage the risks they face, on a timely basis, to ensure each country's compliance with relevant domestic and international legislation, the Group's strategy and policies. Details of the ERM framework are provided in the Risk Management Section (pages 81–96).

Energean's ERM framework combines a top-down strategic assessment of risk and risk appetite, which takes into consideration the external business environment and any changes to the business model, along with a bottom-up identification and reporting process arising from a review and assessment of the Country risk registers. Energean has adopted a risk management framework based on the principles of the "three lines of defence", supported by Board-delegated committees and functions. The Audit & Risk Committee, as delegated by the Board, is primarily responsible for continuously evaluating the effectiveness of the Group's system of internal control and risk management framework. The key elements of the Audit & Risk Committee's roles and responsibilities are specified as follows:

- Assessing the Group's risk management framework.
- Ensuring risks present an accurate reflection of risk landscape.
- Reviewing and monitoring principal risks and mitigations in place.
- Approving the Internal Audit plan.
- Reviewing, discussing, and challenging internal audit reports.

Risk workshop

Building on the progress made in 2022 to implement a new ERM framework, in 2023, Energean engaged further with Marsh UK to carry out a series of Risk Workshops for a number of Group functions: Legal, Operations, and Finance.

The Legal Risk Workshop took place in Athens, Greece in September 2023, attended by legal colleagues across the Group. The workshop covered legal risk identification, qualitative assessment, prioritisation, risk mitigations, and emerging risks. It provided an opportunity for legal colleagues to reflect on the legal, regulatory and compliance risks facing the Group. Meaningful discussions were held on how existing and emerging legal, regulatory and compliance risks impact the Group, what processes are in place to mitigate these risks, and how colleagues can work better together across different geographies.

Based on the discussions held at the Legal Risk Workshop, Energean will continue to prioritise compliance with domestic and international laws and regulations. Among other priority areas for 2024, local legal teams will continue to enhance communication channels with commercial and project teams to ensure contractual and litigation risks are identified in a timely manner and appropriately managed.

As part of the Group's regular reporting, the highlights of this workshop have been reported to the Audit & Risk Committee by the Group Compliance Officer.

The Company includes risk in its training and competency development and during 2023, employees and Non-Executive Directors were required to complete certified training in bribery prevention, cyber and information security, and fraud prevention.

Internal auditor

The primary objective of the Internal Audit Function is to provide independent and objective assurance on risks and controls to the Board, the Audit & Risk Committee and senior management. Additionally, it assists the Board in meeting its corporate governance responsibilities.

The Internal Audit Function plays a central role in the Group's risk management and internal control system by objectively and independently evaluating controls, governance, and risk management processes. Under the coordination of the Head of Internal Audit, in collaboration with PricewaterhouseCoopers Business Solutions S.A. ("PwC"), the function is responsible for facilitating relevant assurance and consulting engagements. This includes proposing the involvement of external providers (subject matter experts) for specific audit activities and presenting a risk-based annual audit plan to the Audit & Risk Committee for approval.

The Head of Internal Audit is responsible for prioritising and co-ordinating internal audit projects, facilitating the communication between the Internal Audit Function, the Audit & Risk Committee, senior management and process owners. Furthermore, the Head of Internal Audit comments on controls design and operating efficiency, and escalates relevant issues when necessary. The Internal Audit Function also undertakes engagements on an ad-hoc basis at the request of senior management and the Audit & Risk Committee. In 2023 there were two such ad-hoc engagements internally conducted, examining certain aspects of our operations in the Vega field in Italy and the Egyptian Abu Qir Petroleum joint venture fields.

PwC serves as the Group's internal adviser and, in 2023, the following activities were jointly undertaken with the Energean Internal Audit Function:

- Execution of internal audit engagements;
- Periodic follow-up activities to assess the implementation of agreed – upon management actions;
- Preparation of the risk-based annual Internal Audit Plan; and
- Commentary on issues related to internal audit methodology, quality assessment of the Internal Audit Function, and design and planning aspects of internal engagements.

In 2023, PwC conducted three (2022: three) internal audits at a cost of $79,863 (2022: $115,124). The Audit & Risk Committee's members regularly meet with members of the Internal Audit Function to approve areas to be assessed through internal audits or deep dives throughout the year.

Deep dives involve direct meetings between the Audit & Risk Committee and the process owner(s) to discuss key risks, business needs, and critical gaps in examined area. The deep dive sessions conducted throughout the year on the following topics proved to be an effective means of making progress and resolving matters efficiently:

- Israeli commercial function;
- Karish post-project implementation review;
- Cost controlling processes for non-operated assets;
- Israeli insurance covers; and
- Cybersecurity and IT.

The Audit & Risk Committee is responsible for reviewing and approving the role and mandate of the Internal Audit Function, as reflected in the Internal Audit Charter. This includes approving annual and ad-hoc internal audit plans and monitoring the budget and effectiveness of the Internal Audit Function. Each internal audit report is presented in dedicated meetings with the Audit & Risk Committee, and the status of follow-up action points is reviewed against agreed deadlines.

In its annual assessment of the effectiveness of the Internal Audit Function, the Audit & Risk Committee:

- Met with the Head of the Internal Audit without management present to discuss the function's effectiveness;
- In cooperation with the Head of Internal Audit, examined the sufficiency of internal audit resources and the involvement of subject matter experts in specific audit engagements;
- Reviewed and re-assessed the annual Internal Audit Plan; and
- Monitored and assessed the role and effectiveness of the Internal Audit Function in the overall context of the Group's risk management policy.

Following the internal audit review of the Company's internal control systems, the Audit & Risk Committee considered whether any matter required disclosure as a significant failing or weakness in internal controls during the year. No such matters were identified.

Reserves Committee

During the year the Reserves Committee met twice to discuss the Group's reserves auditing process and support the Audit & Risk Committee in this domain. No issues were identified, and the reserves assessment process, with the assistance of the reserves auditors, was deemed effective. In 2024, the Audit & Risk Committee will receive reserve reports from each country of operation and meet online and partly in-camera with their respective reserves auditors to assist with the year-end reporting process.

Fair, balanced and understandable assessment

The Audit & Risk Committee has advised the Board that in its view the 2023 Annual Report including the financial statements for the year ended 31 December 2023, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess Energean's position and performance, business model and strategy. In making this assessment the members of the Audit & Risk Committee critically assessed drafts of this Annual Report including the financial statements and engaged in discussions with management to ensure compliance with these requirements. The Committee also assessed the principal and emerging risks, the business model, financial review and KPIs to ensure these were representative and consistent throughout the Report.

Key aspects of the assessment included:

- Confirming that the contents of the annual report were consistent with information shared with the Board during 2023 to support the assessment of Energean's position and performance;
- Ensuring that consistent materiality thresholds are applied for favourable and unfavourable items;
- Receiving reports from management at Board and Board Committee meetings that the information contained within the Annual Report was considered to be fair, balanced and understandable;
- Taking into account comments from the external auditor; and
- Ensuring balanced prominence is given to non-GAAP measures relative to IFRS measures. Non-GAAP measures are clearly defined, their inclusion justified, and a reconciliation to IFRS measures provided, starting with the most directly comparable IFRS measure.

Other activities

Whistleblowing policy

The Group has a whistleblowing policy in place and the Committee is responsible for overseeing the arrangements and the effectiveness of the processes for this. The policy exists to enable employees to raise any concerns in confidence about wrongdoing or impropriety within the Group. During the year, no significant concerns or reports were raised to the Committee. As part of its oversight role, the Audit & Risk Committee received in 2023 a report on the main elements of the new Internal Whistleblowing System (the "Energean IWS") and its status of implementation across the Group. The Energean IWS was developed in 2023 in compliance with the EU Directive on Whistleblower Protection and the ISO Guidelines for Whistleblowing Management Systems and was designed to apply to all Energean legal entities (and branches) and all Energean personnel and other relevant stakeholders. Key elements include multiple whistleblowing channels, anonymity, safe communication, multi-language, confidentiality and a case management system that may safeguard support and protection for the reporter.

Being cognisant of their responsibilities under Provision 6 of the Code, the Audit & Risk Committee and other Non-Executive Directors were invited to attend a training session facilitated by Protect, a UK whistleblowing charity with over 30 years' experience working with organisations and whistleblowers.

The training session, which was developed specifically for Non-Executive Directors, Trustees and Governors, had an emphasis on the role of the Non-Executive Director and their whistleblowing responsibilities and obligations.

In 2024, the Company's annual training programme shall include similar training to be extended to the Board, alongside other activities to promote a culture where staff feel able to raise concerns.

Regulatory developments

The Committee was briefed on regulatory developments in areas including sustainable finance, non-financial reporting, accounting and reporting, environmental liabilities and treasury activities.

In January 2024, the Financial Reporting Council (the "FRC") released the updated version of its UK Corporate Governance Code (referred to as the "2024 Code"). This version focuses primarily on a limited number of changes, with a key emphasis on revisions related to internal controls. The most significant amendment entails the requirement for the Board to include a declaration in the annual report regarding the effectiveness of the company's material controls, spanning financial, operational, reporting, and compliance controls. The 2024 Code is set to be applicable to financial years commencing on or after 1 January 2025, except for Provision 29 (pertaining to the Board's declaration on the effectiveness of material controls), which will come into effect for financial years beginning on or after 1 January 2026.

To ensure alignment with the 2024 Code, the Committee intends to participate in a series of workshops conducted by external advisors. These workshops will provide clarity on how the changes affect the Committee's work and the extent of its responsibilities. Consequently, a series of working sessions with the Board and management will be initiated to delineate the actions required for the Company to achieve compliance with the 2024 Code by the specified effective date(s).

The Committee will carefully review the updates to the Ethical Standard for auditors, published by the FRC in January 2024, which are set to become effective from 15 December 2024. This review is part of our ongoing commitment to fulfilling our responsibilities concerning the work conducted by the Group's auditor.

Performance of the Committee

The performance of the Committee was reviewed as part of the external performance review of the Board's performance. The review found that the Committee was working more effectively than in 2020, the date of the previous external review, and it was noted that the Committee is thorough, meetings are engaged, and that the Committee provides effective and robust challenge to the CFO and Finance team.

In the previous annual report the Committee set out its targets for 2023, namely to:

- Further expand and use the Company's recently introduced ERM framework;
- Continue to conduct internal audits and deep dives with a specific focus on cyber security, joint venture audit capabilities and commercial functions; and
- Conduct post project implementation reviews in Israel following first gas from Karish.

I am delighted to announce significant progress against our 2023 priorities, particularly in the utilisation of deep dive sessions on key topics such as cybersecurity and IT, as elaborated in the Internal Audit section. The Company took proactive steps to bolster its IT environment by engaging external resources, exemplified by the hiring of a cyber risk expert and the introduction of new controls for bank accounts. These audits have been instrumental in identifying areas for improvement to achieve a security-designed architecture, with ongoing enhancement slated to continue into 2024.

Throughout 2023, risk management remained a focal point for both the Committee and the Board, with the implementation of the new ERM framework across the Group and staff training.. The Audit & Risk Committee worked to expand the reach, capabilities and reporting of internal audits, with a specific emphasis on cost controls for non-operated assets. This initiative aimed to cover several assets across multiple geographies, including the core development project in Italy. Given that Cassiopea first gas remains on track for the summer of 2024, it is imperative to maintain a clear and accurate view of the development costs.

To this end, with assistance of the JV audit services firm, the Internal audit team commenced the work in the fourth quarter of 2023 and will continue these efforts into the first half of 2024.

The year 2023 marked a significant milestone for our business in Israel following the achievement of first gas in Karish in 2022. Internal audit completed its post-project implementation reviews and identified lessons learned during the year.

Moving forward, the Audit & Risk Committee remains committed to monitoring progress in these areas and providing guidance on any further enhancements that may be necessary.

Our priorities for 2024

In preparing its plan for 2024, the Committee has agreed to the following focus areas in addition to the standing items and will include site visits where appropriate:

- Heightened attention to emerging risks associated with Middle East operations and their management;
- Close monitoring of the insurance situation in Israel;
- Enhanced focus on cybersecurity measures to safeguard installations;
- Application of lessons learned from the Karish project; and
- Review of decommissioning activities and their valuation.

Attendance at AGM

As Chair of the Audit & Risk Committee, I will be in attendance at this year's AGM due to be held in May in order to answer any shareholder questions pertaining to the financial statements, the auditor's report or any part of this report.

Approval

This report in its entirety has been approved by the Audit & Risk Committee, and signed on its behalf by:

Andrew Bartlett

Audit & Risk Committee Chair

20 March 2024

Environment, Safety & Social Responsibility Committee

Martin Houston, Chair of Environment, Safety & Social Responsibility ("ESSR") Committee

It is my pleasure to introduce the ESSR Committee Report for 2023, which sets out its composition, role and activities during the year.

In this report we will also set out the areas of focus for the ESSR Committee for 2024.

Membership

The members of the ESSR Committee throughout 2023 were Roy Franklin (as Chair until his resignation on 13 November 2023), Andreas Persianis (appointed as Chair on 16 November 2023), Efstathios Topouzoglou, Karen Simon, and Amy Lashinsky (appointed to the Committee on 16 November 2023).

Following Roy Franklin's resignation from the Board on 13 November 2023, a number of Committee changes were implemented, with the appointment of Andreas Persianis as Chair, and Amy Lashinsky as a member, as noted above. As at 31 December 2023, the Committee composition was Andreas Persianis (as Chair), Efstathios Topouzoglou, Karen Simon and Amy Lashinsky.

In January 2024 the Nomination & Governance Committee recommended further Committee changes to the Board and I was appointed to the Committee as Chair on 1 February 2024 with Andreas Persianis stepping down due to his appointment to the Remuneration & Talent Committee.

Neither Amy Lashinsky nor myself were entitled to attend any meetings in 2023.

The Company Secretary acts as secretary to the Committee.

Meetings

The ESSR Committee met on 3 occasions during 2023 with attendance details set out below:

Director	Number of meetings entitled to attend	Number of meetings attended
Roy Franklin[75]	2	2
Andreas Persianis[76]	3	3
Efstathios Topouzoglou	3	3
Karen Simon	3	3
Amy Lashinsky[77]	0	0
Martin Houston[78]	0	0

[75] Resigned his position as Non-Executive Director on 13 November 2023.
[76] Appointed as Chair on 16 November 2023 and subsequently stood down from the Committee on 1 February 2024.
[77] Appointed to the Committee on 16 November 2023.
[78] Appointed to the Committee as Chair on 1 February 2024.

Role of the Committee

The ESSR Committee plays a fundamental role in assisting the Board in reviewing the effectiveness of the Group's policies and systems for managing health and safety risks, assessing the policies and systems within the Group for ensuring compliance with regulatory requirements and reviewing the Company's environmental strategy including associated KPIs. The Committee also reviews the Company's annual sustainability report and receives updates on the Company's performance with key rating agencies. Furthermore, the Committee receives updates from the Group's HSE Director on Health, Safety & Environmental matters and the Company's Corporate Communications Director, whose responsibility includes ESG and CSR, for updates on the Company's performance against its sustainability and CSR goals. The Committee also advises the Board on safety, the environment including climate change, and Energean's overall sustainability performance.

To view the ESSR Committee's terms of reference, please visit the Company's website www.energean.com.

Activities during 2023

HSE performance

The Committee received regular updates from the HSE Director on Group level HSE performance and is pleased to report that in 2023, the Group had an outstanding safety record, aligning with the previous year achieving a Lost Time Injury Frequency ("LTIF") of 0.46 in all Energean sites and 0.47 in all sites working for Energean (including contractors' sites) and a Total Recordable Injury Rate ("TRIR") of 0.92 in all Energean sites and 1.1 in all sites working for Energean (including contractors' sites). This mirrors the exemplary performance of the preceding year, showcasing a strong level of consistency. HSE performance is set out on pages 60–64.

The Committee also received updates on the Synergi software, whose purpose was to enable the Company to better record and monitor safety performance, and heard that such system had been fully implemented in all Group sites.

The Committee received deep dive reviews of Italian and Greek HSE performance from the HSE Director supported by the Heads of HSE in Italy and Greece respectively. The Committee heard that, in Italy, effective HSE policies and procedures were in place to meet Italian legal requirements which were subject to regular audits and inspections from independent Italian bodies and that an emergency management plan was in place with appropriate levels of escalation. For Greece, the Committee heard about the HSE management system, that Greek sites are certified to ISO 45001 and ISO 14001 standards, and that there is a good level of engagement led by the management.

ESG rating

The Committee was delighted to hear that MSCI had awarded the Company an AAA ESG rating, putting it in the top 17% of listed oil & gas exploration companies. This prestigious rating classifies the Company in the "Leader" category, amongst 108 Oil & Gas Exploration and Production companies.

The company also maintained its Carbon Disclosure Project rating of A- which was awarded in 2022.

Sustainability reporting

The Committee reviewed the progress being made on the publication of the Company's annual sustainability report covering 2022. The Committee received updates from the Corporate Communications Director and reviewed drafts of the report before publication. The Committee Chair signed off on the publication of the report on behalf of the Board noting that the report reflected an impressive number of measurable achievements related to the UN Sustainable Development Goals.

The Committee received updates on changes to the reporting landscape including a presentation on the new European Corporate Sustainability Reporting Directive ("CSRD") which the Committee monitors, along with other ESG standards such as GRI, SASB, TCFD, the UN Global Compact and the UN Sustainable Development Goals, with respect to the Company's reporting requirements.

CSR programme

The Committee received updates from the Corporate Communications Director on the planned activities for 2024, which had been subject to review in order for them to be more impactful with the potential for enhanced measurability and positive impact. The review was a Committee priority for 2023.

The Committee heard about planned initiatives connected to the core CSR pillars of education, community and environment with activities planned in Israel, Egypt, Italy and Greece that would benefit the environment, the community and provide opportunities for education in order to create meaningful impact for those who would benefit.

Priorities for 2024

During 2024, the Committee's priorities will be:

- To monitor and review performance and HSE systems to safeguard the health and wellbeing of our employees and contractors;
- To review the path to Net Zero strategy;
- To review sustainability reporting for 2023 and the plan for future reporting including the new CSRD/CSDDD standards to eventually form the core of the Group's Sustainability Report; and
- To monitor and review the role of the Committee with a continuing emphasis on high standards of governance and compliance.

Martin Houston

ESSR Committee Chair

20 March 2024

Nomination & Governance Committee

Karen Simon, Chair of Nomination & Governance Committee

It is my pleasure to introduce the Nomination & Governance Committee Report for 2023, which sets out its composition, role and activities during the year.

In this report we will also set out the areas of focus for the Nomination & Governance Committee for 2024.

Membership

The members of the Nomination & Governance Committee throughout 2023 were myself (as Chair), Andrew Bartlett, Kimberley Wood, Efstathios Topouzoglou and Roy Franklin until his resignation on 13 November 2023. In January 2024, the Nomination & Governance Committee recommended further Committee changes to the Board and Martin Houston was appointed to the Committee on 1 February 2024.

The UK Corporate Governance Code ("Code") recommends that a majority of Nomination Committee members be Independent Non-Executive Directors and that the Chair of the Board (other than where the Committee is dealing with the appointment of a successor to the chair) or an Independent Non-Executive Director should chair the Committee. This requirement is satisfied as I was considered to be independent upon appointment as Chair, and Andrew Bartlett, Kimberley Wood and Martin Houston are considered to be Independent Non-Executive Directors.

The Company Secretary acts as secretary to the Committee.

Meetings

The Nomination & Governance Committee met on 3 occasions during 2023 with attendance details set out below:

Director	Number of meetings entitled to attend	Number of meetings attended
Karen Simon	3	3
Andrew Bartlett	3	3
Roy Franklin[79]	2	2
Efstathios Topouzoglou	3	3
Kimberley Wood	3	3

Role of the Committee

The Nomination & Governance Committee plays a fundamental role in assisting the Board in reviewing the structure, size and composition of the Board, including providing advice to the Board on the retirement and appointment of additional and/or replacement Directors. It is also responsible for reviewing succession plans for the Directors, including the Chair and Chief Executive and other Senior Executives.

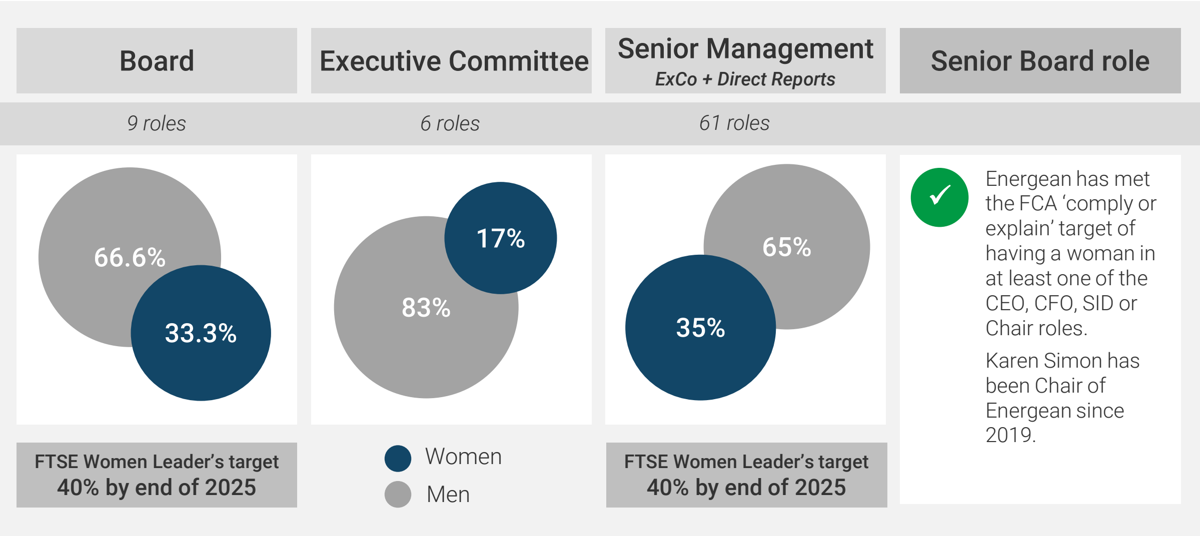
To view the Nomination & Governance Committee's terms of reference, please visit the Company's website www.energean.com.

[79] Resigned his position as Non-Executive Director on 13 November 2023.

Diversity, equity and inclusion

The Nomination & Governance Committee's key area of responsibility is to ensure the composition of the Board is appropriate for oversight of the strategic direction of the Group and this includes reviewing the balance of skills and knowledge. The Nomination & Governance Committee recognises the benefits of diversity in the boardroom and believes that a wide range of experience, backgrounds, perspectives, and skills generate effective decision-making.

Gender diversity



Gender data for the Board, executive management and their direct reports has been collected from the Company's HR records. As at 31 December 2023, the Board included three women, representing one-third (33.33%) of the Board. This currently remains below the FCA Listing Rules "comply or explain" target that 40% of the Board should be women. The FTSE Women Leader's Review recommends that this 40% target should be achieved by the end of 2025. Energean aspires to meet this target but recognises that gender diversity in the broader sector partly factors into our Board gender balance currently falling below the FCA's target level.

The Company is one of the few FTSE 350 listed businesses to have a female Chair. Karen Simon was appointed to the role in 2019. As such, Energean has met the FCA target to have at least one of the Senior Board positions (Chair, CEO, Senior Independent Director or CFO) held by a woman.

The Executive Committee is composed of 6 additional individuals to the CEO and CFO. The gender balance of this group (excl. the CEO and CFO) is currently 5 men and 1 woman. The diversity of senior leadership, which combines the Executive Committee and their direct reports, was 35% women vs 65% men at the year-end. The FTSE Women Leader's review targets a 40% diversity level for this combined Executive Committee and direct reports group by the end of 2025.

The Board is supportive of the FCA proposals, noting the comply or explain principle. Consideration is given to the diversity of the Board and the appointment of women directors as part of succession planning.

Disclosure under the FCA Listing Rules

The tabular below provides gender diversity data at Board and Executive Committee levels.

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management[80]	Percentage of executive management
Men	6	66.67%	3	5	83.33%
Women	3	33.33%	1	1	16.67%

Ethnicity diversity

In 2023, Energean undertook a data collection exercise to understand the ethnic diversity of its senior leadership team. This involved surveying our Board, executive management and their direct reports to better understand individuals' ethnic identity. We are pleased to report that we had a 100% response rate on our survey, with all 70 of our employees at this level providing relevant data. Respondents self-reported their ethnicity using the Office of National Statistics ("ONS") definitions. The Committee recognised that the ONS definitions were developed in a UK context, and that they may not fully capture the nuances and specificities of ethnic identity across the culturally diverse countries in which Energean's employees are based, which includes Israel, North Africa and Europe.

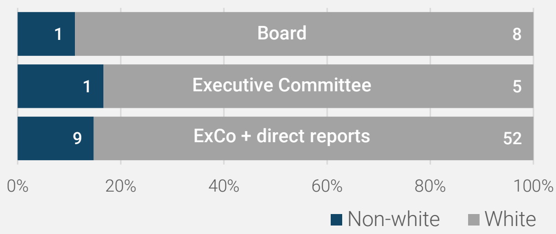
This data collected allowed the business to set targets for ethnic diversity for our senior management population in line with the recommendations of the Parker Review, as well as to report the requisite data under the FCA Listing Rules.

FCA Listing Rules and Parker Review targets

Board level

Energean has met the Parker Review and FCA target of having one board director from a minority ethnic background.

Current ethnic diversity across Energean



2027 target
For senior management diversity

15% → 20%

Energean has set a target of 20% minority ethnic diversity by 2027 at senior management level, up from the current 15% level.

As at 31 December 2023, Energean has met the FCA Listing Rules target to have at least one director from a minority ethnic background on the Board. The definition for a minority ethnic background is defined by reference to categories recommended by the ONS excluding those listed, by the ONS, as coming from a White ethnic background.

Additionally, the Parker Review recommends that companies should set a minority ethnic percentage target for the senior management team, to work towards achievement by the end of 2027. Our current ethnicity diversity at senior management level is 15% (based on the Executive Committee and direct reports). Energean has set a target of 20% minority ethnic diversity by the end of 2027 for senior management.

Disclosure under the FCA Listing Rules

During 2023, the Company made changes to its executive management and the number of Executive Committee members was reduced from 11 (10 at year-end 2022) to 8 (including the CEO and CFO). The diversity data below in relation to the executive management does not include the CEO and CFO who are part of the Executive Committee but whose diversity data is included within the Board figure.

80 The diversity data in relation to the executive management does not include the CEO and CFO who are included in the Board Members' report.

	Number of Board Members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management[81]	Percentage of executive management
White British or other White (including minority white groups)	8	88.89%	4	5	83.33%
Mixed/ Multiple Ethnic Groups	0	0%	0	0	0%
Asian/Asian British	0	0%	0	0	0%
Black/African Caribbean/ Black British	0	0%	0	0	0%
Other ethnic group, including Arab	1	11.11%	0	1	16.67%
Not specified/ prefer not to say	0	0%	0	0	0%

There have not been any changes to the Board between 31 December 2023 and the date that the Annual Report was approved that have affected the Company's ability to meet one or more of the targets disclosed above.

During 2022, upon the Nomination & Governance Committee's recommendation, the Board approved a Diversity, Equity and Inclusion policy for the Group (the "**DEI Policy**") which was subsequently revised during 2023. The DEI policy recognises that a truly diverse, equitable and inclusive culture is crucial to attracting, developing and retaining talent. The responsibility for the enforcement and monitoring of compliance of the DEI Policy lies with the Board (acting through the Nomination & Governance Committee) and the CEO carries overall responsibility to ensure the Company adopts a corporate culture where individual differences are respected. The Group HR Director continues to act as the Group's DEI Leader.

Time commitment of the Chair

Karen Simon is also a Non-Executive Director of Aker ASA, an Oslo Stock Exchange-listed company and Crescent Energy, a New York Stock Exchange-listed company. The Board believes that Karen has adequate time available to devote to the Company. Karen was deemed to be independent on appointment and was first appointed to the Board as an Independent Non-Executive Director in November 2017. She has, therefore, only served six years out of a possible nine years.

Board and Committee composition

Under the Terms of Reference for the Nomination & Governance Committee, the Committee is required to regularly review the structure, size and composition (including the skills, knowledge and experience) of the Board (with particular regard to the balance of Executive and Non-Executive Directors, including

81 The diversity data in relation to the executive management does not include the CEO and CFO who are included in the Board Members' report.

Independent Non-Executives) compared to its current position, and to make any resulting recommendations to the Board with regard to any required changes.

In 2023, Roy Franklin resigned from the Board with effect from 13 November 2023. As a result, two of his Board roles, namely the Chair of the Environment, Safety & Social Responsibility ("ESSR") Committee and the Senior Independent Non-Executive Director role, were required to be filled by existing Independent Non-Executive Directors. Following careful consideration, the Committee concluded that, given their respective backgrounds and skillsets, as well as their existing Committee roles and responsibilities, Andreas Persianis be appointed as the Chair of the ESSR Committee and Andrew Bartlett be appointed as the Board's Senior Independent Non-Executive Director by virtue of his extensive governance, industry and listed company experience.

The Nomination & Governance Committee keeps the succession plans for Directors continuously under review and subsequently recommended the appointment of Martin Houston as an Independent Non-Executive Director which the Board approved with effect from 16 November 2023. The Nomination & Governance Committee did not engage an external search firm for the appointment of Martin Houston, being satisfied that this was not required, due to him having been identified as a suitable candidate for appointment during previous searches. Martin Houston has 44 years of experience across the entire oil and gas value chain and was COO and Director of BG Group plc, where he was instrumental in the creation and development of a globally integrated natural gas, LNG and trading group. He has since co-founded Tellurian Inc. and is now the Chair.

Following Roy Franklin's resignation and Martin Houston's appointment, the Nomination & Governance Committee further reviewed the composition of the Board committees and recommended the following changes to the Board which were approved with effect from 16 November 2023:

- Martin Houston was appointed to the Audit & Risk Committee and the Remuneration & Talent Committee;
- Amy Lashinsky was appointed to the ESSR Committee; and
- Kimberley Wood stood down from the Audit & Risk Committee.

At year-end, the membership of the Company's Board committees was as follows:

Audit & Risk Committee	Nomination & Governance Committee	Remuneration & Talent Committee	ESSR Committee
Andrew Bartlett (Chair) Martin Houston Amy Lashinsky Andreas Persianis	Karen Simon (Chair) Andrew Bartlett Stathis Topouzoglou Kimberley Wood	Kimberley Wood (Chair) Martin Houston Amy Lashinsky Karen Simon	Andreas Persianis (Chair) Amy Lashinsky Karen Simon Stathis Topouzoglou

In January 2024, the Nomination & Governance Committee recommended further Committee changes to the Board and Martin Houston was appointed to the ESSR Committee as Chair on 1 February 2024 with Andreas Persianis stepping down due to his appointment to the Remuneration & Talent Committee effective the same date.

As at the date of approval of this report, the membership of the Company's Board committees is as follows:

Audit & Risk Committee	Nomination & Governance Committee	Remuneration & Talent Committee	ESSR Committee
Andrew Bartlett (Chair) Martin Houston Amy Lashinsky Andreas Persianis	Karen Simon (Chair) Andrew Bartlett Martin Houston Stathis Topouzoglou Kimberley Wood	Kimberley Wood (Chair) Amy Lashinsky Andreas Persianis Karen Simon	Martin Houston (Chair) Amy Lashinsky Karen Simon Stathis Topouzoglou

Nomination & Governance Committee

Under Provision 17 of the Code, the Nomination & Governance Committee should have a majority of Independent Non-Executive Directors. This requirement is met following the appointment of Martin Houston, an Independent Non-Executive Director, as a member of the Nomination & Governance Committee with effect from 1 February 2024.

Remuneration & Talent Committee

Under Provision 32 of the Code, the Remuneration & Talent Committee should consist exclusively of, and not less than three, Independent Non-Executive Directors. This requirement is met as all four members of the Remuneration & Talent Committee are considered independent.

ESSR Committee

Andreas Persianis was appointed as Chair of the ESSR Committee effective 16 November 2023 but following his appointment to the Remuneration & Talent Committee with effect from 1 February 2024, he stepped down from the ESSR Committee, and was replaced by Martin Houston as member and Chair of the Committee effective the same date.

Succession planning

The Nomination & Governance Committee keeps the succession plans for Directors and executive management continuously under review, including by reference to the present composition of the Board and each member's skills and individual performance; the qualities and skills needed from executive management to deliver the Group's strategic plan; and contingency planning for executive management in the event of any sudden or unforeseen circumstances. The succession planning process supports the development of a diverse and inclusive pipeline.

Induction

The Nomination & Governance Committee ensures that its members are provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

External Board performance review

In 2023, the Nomination & Governance Committee, at the request of the Board and as required by the Code, initiated an external performance review by Independent Board Evaluation ("IBE") with Lisa Thomas facilitating. This was the second external performance review since the Company's IPO in 2018.

IBE was chosen to conduct the review following a selection process which adhered to the Corporate Governance Institute's "Principles of Good Practice for Listed Companies Using External Evaluators". IBE also conducted the previous review in 2020 and following the recommendation of the Nomination & Governance Committee, it was considered by the Board that re-appointing IBE would better allow progress to be tracked against previous performance. Other than the previous review, there is no connection between IBE and the Company, or with the Company Directors, and therefore IBE were considered to be independent.

IBE have been given the opportunity to comment on the findings contained below.

External Board performance review process

IBE were requested to conduct a comprehensive performance review according to the provisions of the Code and elements of best practice.

The review commenced in June 2023 when IBE conducted an orientation process by reviewing key documents and receiving briefings from the CEO, the Company Secretary and myself, as both Chair of the Board and the Nomination & Governance Committee. Following this orientation, a comprehensive brief and an agenda for the review was agreed.

In September and October 2023 the observation phase was implemented, IBE were able to observe meetings of the committees and a meeting of the full Board, before detailed interviews were held with each Board member, a number of senior management and the Board's external advisors Ernst and Young LLP, the Company's external auditor, and Deloitte LLP, who are advisers to the Remuneration & Talent and Nomination & Governance Committees.

Following the observation phase, draft reports were compiled and discussed with myself, the CEO and Company Secretary, and committee reports were shared with the respective Chairs. The findings of the review were presented at a meeting of the full Board in November.

External Board performance review results

The findings were that the Board was operating with more maturity since the last review in 2020 and that key recommendations from the previous review had been successfully implemented. Board members shared their views on the areas for improvement which are included in the outcomes detailed below.

The Board's areas of strength were identified as including their cohesion when evaluating opportunities, a strengthened Board composition since the last review with greater technical and industry knowledge, and providing effective challenge on financial and accounting matters. Committees were noted to be functioning better since the last review with improved and more efficient support from the Company Secretariat.

Recommendations were made with the aim of helping the Board achieve optimal effectiveness. The Board agreed to implement actions across the following areas:

Outcome/review	Proposed actions
Strategy – Agree parameters for a strategic framework encompassing the corporate and financial strategy, ESG, risk appetite and people strategy.	Board to convene a dedicated session to define the parameters for a strategic discussion.
Board composition – Review Directors' skills and Board composition on an ongoing basis to match strategy.	It is the view of the Nomination & Governance Committee that the current Board has the appropriate mix of skills, experience, independence and knowledge necessary to discharge their duties but does continually look to complement skill sets given the geographic footprint and dynamic business model, therefore, a skills matrix is to be maintained by the Company Secretariat for use by the Nomination & Governance Committee when considering Board and Committee composition and succession planning.
Planning & agendas – Redesign the Board planner and agendas to be more thematic and mapped to include areas such as strategy, risk, culture and talent/succession planning.	This recommendation will be implemented in 2024 (to the extent possible) and when planning the 2025 forward agenda. A programme will be initiated to include increased interaction with employees including town halls and site visits, and with shareholders including Israeli shareholders invested in the Company via TASE.
Risk – Conduct deep dives into top risks, and regular reviews of collective risk appetite, to ensure alignment with strategy.	Programme to be designed with the Compliance Officer and Head of Internal Audit and added to the agenda of the Audit & Risk Committee and considered at future meetings.
Board papers – Reduce operational and technical information to allow for a more strategic focus.	The Board will have a greater focus on strategic items and allow operational and technical matters to be reviewed at Committee level.

In addition to the results of the external performance review, the Nomination & Governance Committee continued to implement recommendations from the 2022 internal evaluation with a focus on continued improvements in:

- The preparation, delivery and management of meetings;
- The responsibilities, roles and relationships between the Chair, Board and Directors;
- Corporate governance, culture and ethics including Company policies and practices; and
- Performance of the Board and the Committees.

In 2024, the Board will be subject to an internally facilitated performance review which will focus on performance against the recommendations made in the 2023 external review. The Nomination & Governance Committee will report on its findings in the next Annual Report.

Committee evaluation

The Committees were also subject to reviews of their performance and effectiveness by IBE. The Committee reviews looked at ways in which Committees could improve their overall effectiveness, their performance, and areas that they needed to address in 2024. All Committees were considered by Directors to be working well and members were deemed to have the appropriate mix of skills, experience, independence and knowledge of the Company necessary to discharge their duties.

Individual evaluation

As part of the external Board performance review, a feedback report on the Chair was presented to the Senior Independent Non-Executive Director, which concluded that the Chair had led the Board effectively throughout the year. Additionally, a feedback report on each individual Director was discussed with the Chair who was satisfied that each Director continues to contribute effectively.

Re-election of Directors

In light of the assessment that all Directors continue to perform and provide a valuable contribution to the Board and its Committees, all Directors will be eligible to submit themselves for re-election at the 2024 AGM. An annual review is conducted to assess the continuing independence of Non-Executive Directors, with attention to ensuring that they remain independent in character and judgement, and continue to present an objective and constructive challenge to the assumptions and viewpoints presented by management.

Performance of the Committee

The performance of the Nomination & Governance Committee was assessed as part of the externally facilitated Board performance review as mentioned earlier in this report and the Committee was advised to take the lead in a number of recommendations made by IBE as part of the external review.

In the previous Annual Report, the Committee also set out its targets for 2023, namely to:

- Focus on strategy for the next chapter post the start-up of Karish;
- Review Board skill sets given new phase of operations with continued focus on diversity; and
- Increase Board exposure to areas of operation and personnel with more in person interactions in country.

I am pleased to report that good progress was made against the 2023 priorities and the Nomination & Governance Committee has continued to oversee changes to the composition of the Board, Committees and the appointment of a new Senior Independent Non-Executive Director.

The Nomination & Governance Committee will continue to monitor progress in these areas and advise on whether any further enhancements should be made.

Our priorities for 2024

- To monitor performance against the agreed actions from the 2023 Board performance review;
- To continue the focus on Board composition, diversity and skill sets;
- To continue to monitor and review succession planning with a focus on Committee Chairs given tenure of current Board members; and
- Review the requirements of regulatory changes, including the 2024 revisions to the Code, and oversee adjustments to the extent necessary.

Karen Simon

Nomination & Governance Committee Chair

20 March 2024

Remuneration Report

Energean plc – Chair letter

Dear Shareholder,

As the Chair of the Remuneration & Talent Committee, I am pleased to present our report on Executive Director's remuneration for the year. This year, in line with the usual three-year cycle required under UK regulation, we are submitting a new Remuneration Policy for shareholder approval. This will be subject to a binding vote at the 2024 AGM. Details on this Policy are set out in the letter below, alongside the relevant rationale and context that influenced the Committee's thinking, as well as detail on the remuneration decisions taken in the year.

Performance context

2023 was a milestone year for Energean, with the company becoming the major independent gas producer in the Mediterranean following the first full year of production from Karish (Israel). Despite challenging regional geopolitical developments, the production of the Energean Power FPSO at Karish was stabilised, operating at 99% uptime during Q4 2023. Given the operational context this is a remarkable achievement. Energean FY23 production was 123 Kboe/d (83% gas), making good progress towards the Group's near-term target of 200 Kboe/d. The Group also has a stated near-term $1.75 billion adjusted EBITDAX target, with $931 million achieved in FY23, an increase of 121% (FY22: $422 million). The company achieved revenues of $1,420 million, a 93% increase on prior year (FY22: $737 million). The company continued to focus on deleveraging the balance sheet, with a 50% reduction in Group leverage to 3x (FY22: 6x). Our strong operational and financial performance underpins our stated dividend policy, with the Group returning $214 million to shareholders in 2023. In 2024, it is expected that the company will pay a quarterly dividend in line with the previously communicated policy.

Energean believes gas is the foundation of and catalyst for a more sustainable energy system and a just transition. Looking ahead to 2024, we are making significant progress on strategic projects across multiple jurisdictions, including Italy, Israel, Egypt, Morocco and Greece, which will further diversify and strengthen the business. At the same time, the company continues to retain its leading focus on sustainability, with the company's Scope 1 and 2 emissions intensity of approximately 9.3 kgCO2e/boe marking a 42% reduction on 2022. In the year, the company made a major step forward at the Prinos carbon storage project in Greece, which was adopted by the European Commission as a Project of Common Interest, aligned with our commitment to a broader energy transition strategy.

Outcomes for 2023

Energean's consistent outperformance relies on our world-class executive team. Energean is led by our CEO, Mathios Rigas, and our CFO, Panos Benos, who have built the company from an effective "start-up" into the major independent gas producer in the Mediterranean.

Incentive pay outcomes for the Executive Directors reflect the strong performance of the business. The Committee approved an annual bonus outcome of 78.4% for both directors. This reflects the robust financial and operational performance of the company, as well as clear progress on our sustainability goals. Challenging production targets were set at the start of the year and these were not met at maximum, although full year production is in line with our latest guidance communicated to the market. The Committee considered the overall outcome appropriate, reflecting strong performance from our Executive Directors in delivering on the financial and strategic objectives of the company against a particularly challenging geopolitical backdrop given the security situation in Israel. The bonus scorecard outcome cascades through the company, with senior employees who participate in the annual bonus receiving an outturn aligned with the Executive Directors. The Committee believe this bonus level, which represents a limited increase on last year, recognises the significant commitment, resilience and effort evidenced by all colleagues over the last year. Disclosure on achievement against the 2023 bonus scorecard is set out on pages 155–157.

The 2021 LTIP award was based on relative TSR measured against a peer group of similar E&P companies (50% of award), stretching absolute TSR targets (30%) and average Scope 1 and 2 emissions (20% of award). Strong TSR performance on an absolute basis meant that this portion of the award will vest in full. Despite significant growth over the performance period, Energean ranked below the median of the relative TSR peer group and, as such, the relative TSR portion of the award lapsed. The Committee recognise that the mechanics of relative TSR can reward share price volatility, and this three year period saw some peer companies experiencing a more exaggerated share price recovery from COVID-19. In contrast, Energean's price movements are somewhat stabilised by its fixed price contracting model. The geopolitical context also impacted the share price in the final quarter of the year, which forms the basis of the TSR growth calculation. Positive progress on the Scope 1 and 2 emissions performance targets meant that this portion of the award will vest between threshold and maximum. The formulaic outcome of the award was 41.9% of maximum. Further details can be found on page 157.

2024 Remuneration Policy changes

In line with the usual three-year cycle required under UK regulation, Energean is due to renew its Remuneration Policy at the 2024 AGM. The Committee undertook an in-depth review of the current Remuneration Policy to ensure that it continues to be fit-for-purpose, reflective of Energean's international footprint and calibrated to incentivise outperformance. The Committee concluded that the Policy continues to be appropriate and therefore is proposing only limited changes to the existing Policy. In particular, incentive levels available under the Policy will remain unchanged.

The primary change the Committee proposes for 2024 is to remove the requirement to defer one-third of the annual bonus award into shares where the shareholding guideline has been met. The CEO and CFO respectively hold c.8% and c.2% of Energean's shares. This level of director shareholding is considerably above the listed market average and significantly higher than Energean's shareholding guideline (200% of salary). As such, both directors are strongly aligned with our shareholders. In the context of these high shareholdings, bonus deferral makes limited incremental impact on shareholder alignment. This change will simplify the annual bonus structure and better align Energean with international market practice. The disapplication of deferral would not apply to any Executive Director who has not met the shareholding guideline. This would include any new Executive Director appointed during the life of the Policy. The Remuneration Policy will continue to include best practice features as required under the UK Corporate Governance Code.

As part of the review, we also took the opportunity to consider the terms in the Policy to ensure that the Policy operates as intended and provides market-aligned provisions. In this context, we are proposing to remove the cap on the Executive Director's benefits allowance to better align with market practice in this area. However in terms of implementation, there will be no changes to the benefits allowance currently in operation.

No other material changes are proposed to the Policy. Since Energean listed in 2018, we have had a strong growth trajectory, a distinctive strategy, and have out-paced almost all of our peers in terms of delivering returns to our shareholders. Though the Committee believes the proposed Policy continues to be right for Energean at this point in its strategic cycle, it will keep the pay model under review going forward and will explore alternative approaches as appropriate. Taking into account our strategy and our growth trajectory, this might include making a change to the pay framework before the expiry of the proposed Policy in 2027. The Committee would of course consult with shareholders on any proposed future changes to the Policy.

Shareholder consultation

As part of the Policy renewal, we engaged with a number of our key shareholders on the proposed limited changes and were pleased with the positive feedback received. Shareholders commented on, and welcomed, management's very significant shareholding in the Company, and understood the logic of the disapplication of bonus deferral where shareholdings are high. The feedback received during the consultation round contributed to the Committee's decision to go forward with the change.

I also consulted with shareholders more broadly, with the Committee recognising that not all shareholders felt able to support the remuneration resolution at the last AGM. A significant proportion of the votes against the Remuneration Report originated from our Israeli shareholders, and the Committee is aware that some of the dissent that impacted the remuneration resolution appears to have arisen due to differing corporate governance policies across different geographies, including in relation to Board composition. During Autumn 2023, the Committee sought to engage with our Israeli shareholders to understand their views on both remuneration and wider governance matters as part of the wider consultation process. While some engagement has been undertaken, some communication has been delayed given the security situation. The Committee will therefore look to complete this consultation when circumstances allow.

Implementation of the policy for Executive Directors in 2024

For 2024, no salary increases will be applied for either Executive Director. This means that both directors will have had no increase to their salary since 2022 despite the high inflationary environment, aligned to Energean's responsible approach to executive pay.

There will also be no change to the annual bonus opportunity or the LTIP opportunity for either Executive Director for 2024. Details of the bonus scorecard targets for 2024 will be included in next year's report when targets are no longer commercially sensitive. The 2024 LTIP will continue to be based on the same measures as applied in 2023. The average emissions targets have been evolved for 2024 to ensure they remain stretching.

Non-Executive Director fee increases for 2024

Following a benchmarking exercise and the review of our peers, the Committee has made an upwards adjustment to the Chair's fee to £250k for 2024. The Chair's fee was last increased in 2022, with Energean undergoing significant evolution in its' scope, size and complexity in the intervening period, including Energean becoming the major independent gas producer in the Mediterranean by achieving stable production from Karish. This uplift will mean the fee is competitively positioned against similarly sized businesses and will better reflect the Chair's extensive market and role experience. Energean remains one of the few FTSE-listed businesses with a female Chair, and the Committee recognises its responsibility to ensure the Chair's fee is competitively and fairly positioned.

Changes have also been made to some of the Non-Executive Director fees for 2024. There has been no increase to the base fee since 2020, and the adjustment to the base fee is to recognise the significant expansion in Energean's operational footprint and geographic complexity, as well as the increased time commitments and strategic input of the Non-Executive Director role at Energean.

Wider workforce

Given the geopolitical context, this has been a year where the Committee has been particularly mindful of the need to support colleagues across Energean. The Committee welcomed management actions on pay in response to the security situation. This included a salary uplift to all operations personnel on the Energean Power FPSO in Israel and additional support to employees and their families that were immediately affected. In finalising the approach to the Policy and approving pay outcomes for the year, the Committee has been particularly mindful of the experience of the wider workforce. The Committee continues to consider reward and conditions across the wider company when making decisions on executive pay.

Concluding remarks

We believe that the proposed changes to the Director's Remuneration Policy, while limited, are important in ensuring that our executive remuneration remains competitive, aligned with market practice, and reflective of our strategic goals. We are committed to maintaining a transparent and consultative approach to executive remuneration and will continue to engage with our shareholders on this important matter. I look forward to your support on both remuneration resolutions at the forthcoming AGM.

Sincerely,

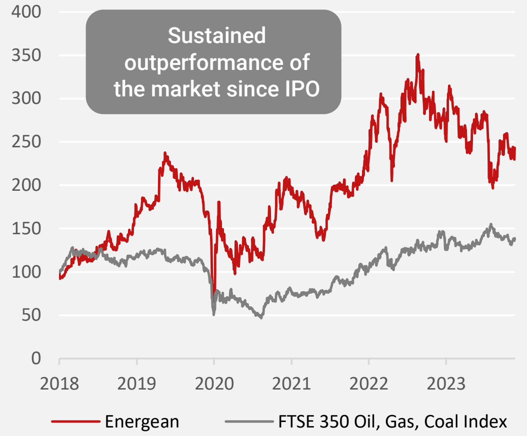
Kimberley Wood

Remuneration & Talent Committee Chair

20 March 2024

Remuneration for 2023 – Rewarding exceptional performance

A year of continued strong performance….

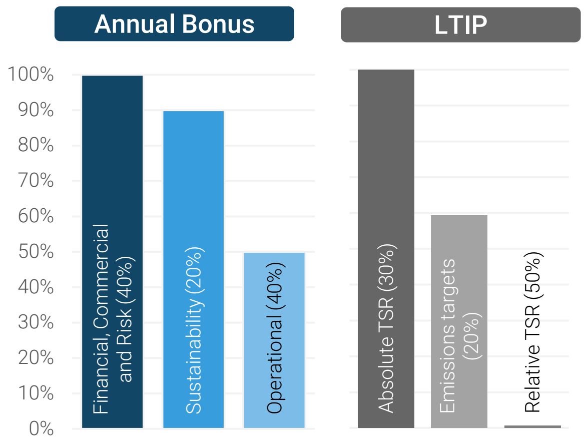


First year of full production from Karish, with 99% uptime in Q4 2023

+ 93% increase in revenue (2023: $1,420m)

+ 121% increase in EBITDAX (2023: $931m)

… reflected in performance-aligned incentive outturns



The 2023 bonus was awarded at 78.4% of max. The weighting and performance of each element is shown above.

The 2021 LTIP award vested at 41.9% of max. The weighting and vesting of each element is shown above.

See page 151 for further details on pay in the year

Total single figure pay
Subject to relevant deferral and holding periods

CEO: £2,747k *(2022: £5,278k)*

CFO: £2,167k *(2022: £3,757k)*

Implementation of our Remuneration Policy in 2024 – driving Energean's future success

Energean is submitting a new Policy for shareholder approval at the 2024 AGM, with only limited changes proposed.

Salary

CEO: £750k | CFO: £600k

No increase for FY24. Salaries have not been increased since 2022

Pension

4%

Pension remains in line with wider workforce

Benefits

No change to benefits allowance paid for FY24

CEO: £48k | CFO: £25k

Executive shareholdings

Both directors are significant shareholders in Energean

CFO 2%

CEO 8.3%

In-post shareholding guideline: 200% of salary Applies for two-years following departure

Annual Bonus

2024 award: 200% of salary
Policy max: unchanged (200%)

1 Year performance period

1/3 of bonus deferred into shares for 2 years
Deferral disapplied under new Policy where an executive meets the shareholding guideline

Operational goals – Including targets and focus relating to Group production, operating expenses and capital expenditure.	40%
Balance sheet strength– including targets around liquidity and debt	20%
Growth– Including targets around exploration and carbon storage	20%
Sustainability – including targets relating to emissions, net zero transition, health and safety and D&I	20%

Maximum award size for executive directors unchanged from 2023. Disapplication of deferral subject to approval of new Policy. Bonus targets for FY24 will be disclosed in next year's Annual Report.

Long Term Incentive

2024 award: 200% of salary
Policy max: unchanged (200%)

3 Year performance period

2 year Holding Period

Relative Total Shareholder Return – measured against select peers and indices over three years to reward market outperformance	50%
Absolute Total Shareholder Return – rewards growth in underlying share value over three years	30%
Average Scope 1 and 2 CO2 emissions ($kgCO_2/boe$) – ensures continued focus on our Net Zero ambitions	20%

Maximum award size for executive directors unchanged from 2023. Awards will continue to be usually settled in shares, released after 5 years in total. Awards will be subject to malus and clawback

Remuneration Policy

This part of the report sets out our Directors' Remuneration Policy (the "Remuneration Policy"). This Policy will be subject to a binding shareholder vote at the 2024 AGM and will apply to payments made from the date of approval. The information provided in this section of the Remuneration Report is not subject to audit.

In determining the new Remuneration Policy, the Remuneration & Talent Committee (the "Committee") followed a robust process. The Committee discussed the Policy over a series of meetings throughout 2023 and in early 2024. The management team provided input, while ensuring that conflicts of interests were mitigated. Shareholders were consulted on the changes, with a series of meetings held with key shareholders throughout Autumn 2023, and follow up consultation in early 2024. External perspective was provided by our independent advisors. The Committee assessed the Policy against the principles of clarity, simplicity, risk-management, predictability, proportionality and alignment to culture.

The Committee reviewed the current Policy and considered that it continues to be fit for purpose in incentivising and rewarding executive outperformance. It is therefore proposing only limited changes, intended to improve the flexibility of the Policy and to more closely align with international practice in recognition of the Company's diverse geographical footprint. The proposed changes to the Policy are:

- Bonus deferral will be able to be disapplied where an Executive Director has met their shareholding guideline. For clarity, bonus deferral will normally continue to be a requirement where they are below the shareholding guideline. Both Executive Directors are significant shareholders. This better aligns the Policy with international practice where bonus deferral is atypical.
- To simplify the benefits allowance by removing the applicable cap. However, for FY24, there will be no increase in the benefits allowance payable to either the CEO or the CFO. The allowances payable to the CEO and CFO have not increased since 2021.

Other minor changes have also been made to improve the operation and effectiveness of the Policy.

Policy table

Our Group-wide remuneration strategy is to provide remuneration packages that will:

- Motivate and retain our industry-leading employees.
- Attract high quality individuals to join the Group.
- Encourage and support a high-performance culture.
- Reward delivery of the Group's business plan and our key strategic and operational goals.
- Align our employees with the interests of shareholders and other external stakeholders.
- Consistent with this remuneration strategy, the Remuneration & Talent Committee has agreed a Remuneration Policy for Executive Directors whereby:
  - Salaries will be set at competitive, but not excessive, levels compared to peers and other companies of an equivalent size and complexity.
  - Performance-related pay, based on stretching targets, will form a significant part of remuneration packages.
  - There will be an appropriate balance between rewards for delivery of short-term and longer-term performance targets.
  - Development and long-term retention of a significant holding of Company shares will be encouraged.

The remuneration framework intended to deliver this Policy will be a combination of base salary, benefits, annual bonus and awards under the Long-Term Incentive Plan ("LTIP"). The following table sets out details of each of these remuneration components.

Base salary	
Purpose and link to strategy	To appropriately recognise skills, experience and responsibilities and attract and retain talent by ensuring salaries are market competitive.
Operation	Generally reviewed annually with any increase normally taking effect from 1 January although the Remuneration & Talent Committee may award increases at other times of the year if it considers it appropriate. The review takes into consideration a number of factors, including (but not limited to): The individual Director's role, experience and performance. Business performance, including growth in size and scale of the business. Market data for comparable roles in appropriate comparator businesses. Pay and conditions elsewhere in the Group.
Maximum opportunity	No absolute maximum has been set for Executive Director base salaries. Any annual increase in salaries is at the discretion of the Remuneration & Talent Committee taking into account the factors stated in this table and the following principles: Salaries would typically be increased at a rate no greater than the average salary increase for other Group employees. Larger increases may be considered appropriate in certain circumstances (including, but not limited to, a change in an individual's responsibilities or in the scale of their role or in the size, internationality, and complexity of the Group). Larger increases may also be considered appropriate if a Director has been initially appointed to the Board at a lower than typical salary.
Performance conditions	No performance conditions

Pension	
Purpose and link to strategy	To provide competitive post-retirement benefits or cash allowance as a framework to save for retirement. This is to support the recruitment and retention of talent.
Operation	Typically, payable as a cash allowance, however executives can also choose to participate in a company pension scheme or receive payments into a personal pension or a combination thereof. Contributions are set as a percentage of base salary. Post-retirement benefits do not form part of the base salary for the purposes of determining incentives.
Maximum opportunity	Pension contributions will be set in line with the average workforce pension contribution (in percentage of salary terms). For 2024, this rate will continue to be 4% of salary. This is the rate that is currently available to the wider workforce (based on the rate applicable to the workforce in Greece).
Performance conditions	No performance conditions.

Benefits	
Purpose and link to strategy	To provide market competitive benefits.
Operation	Benefits are currently provided as a single benefits allowance (in lieu of separate payments for relevant benefits). The Remuneration & Talent Committee has discretion to replace the benefits allowance by separate payments for relevant benefits or to provide additional benefits (for example relocation or tax equalisation). Executive Directors are entitled to reimbursement of reasonable expenses (including any tax thereon). Executive Directors also have the benefit of a qualifying third-party indemnity from the Company and directors' and officers' liability insurance.
Maximum opportunity	No maximum allowance is prescribed under the Policy. The value of the allowance will be set at a level which the Committee considers to be appropriately positioned taking into account typical market levels for comparable roles, individual circumstances and the overall cost. For FY24, the allowance will be £48,000 for the CEO and £25,000 for the CFO, in line with the allowances payable under the previous Policy. The allowance excludes any expenses treated as taxable benefits by tax authorities or tax equalisation benefits, should these be provided in certain circumstances, or any one-off costs relating to recruitment, loss of office or relocation.
Performance conditions	No performance conditions.

Annual bonus	
Purpose and link to strategy	To link reward to key financial and operational targets for the forthcoming year. Additional alignment with shareholders' interests through the operation of bonus deferral where shareholding is below the guideline.
Operation	The Executive Directors are participants in the annual bonus plan which is reviewed annually to ensure bonus opportunity, performance measures and targets are appropriate and supportive of the business plan. Where the Executive Director's share ownership guideline is not met, typically, no more than two-thirds of an Executive Director's annual bonus is delivered in cash following the release of audited results and the remaining amount is deferred into an award over Company shares under the Deferred Bonus Plan ("DBP"). Deferred awards are usually granted in the form of conditional share awards or nil-cost options (or, exceptionally, as cash-settled equivalents). Deferred awards usually vest two years after award although may vest early on leaving employment or on a change of control (see later sections). An additional payment or award may be made in respect of shares which vest under deferred awards to reflect the value of dividends (including special dividends) which would have been paid on those shares during the vesting period (this payment may assume that dividends had been reinvested in Company shares on a cumulative basis). For bonus awards made in respect of 2024 onwards, where an Executive Director's share ownership is met, no deferral will apply and the bonus will be delivered in cash following the release of the audited results.
Maximum opportunity	The maximum award that can be made to an Executive Director under the annual bonus plan is 200% of salary. For 2024, both Executive Directors will receive a maximum opportunity of 200% of salary.

Performance conditions	The bonus is based on performance against financial, strategic, operational, ESG or personal measures appropriate to the individual Executive Director, typically assessed over one year. The precise measures and weighting of the measures are determined by the Remuneration & Talent Committee ahead of each award to ensure they are aligned with strategic priorities. Where appropriate, a sliding scale of targets will be applied to a measure. The payment schedule for each metric will normally be scaled based on the stretch of the underlying target. Normally, up to 20% of the maximum opportunity will be received for threshold performance. For 2024, threshold performance will equate to a 0% payout level on most metrics. In relation to operational, milestone or qualitative targets, the structure of the target may vary based on the nature of the target set and may be based on the Remuneration & Talent Committee's judgement in assessing the performance outturn. Any bonus pay-out is ultimately at the discretion of the Remuneration & Talent Committee. The Committee will consider the use of discretion when determining the actual overall level of individual bonus payments and it may adjust the formulaic bonus pay-out upwards or downwards if it considers it appropriate to do so.

Long Term Incentive Plan (LTIP)	
Purpose and link to strategy	To link reward to key strategic and business targets for the longer term and to align executives with shareholders' interests.
Operation	Awards are usually granted annually under the LTIP to selected senior executives. Individual award levels and performance conditions on which vesting will be dependent are reviewed annually by the Remuneration & Talent Committee. LTIP awards are usually granted as conditional awards of shares or nil-cost options (or, exceptionally, as cash-settled equivalents). Awards granted to Executive Directors normally vest or become exercisable at the end of a period of at least three years following grant and normally have a holding period taking the time horizon to no earlier than five years following grant. Awards may vest early on leaving employment or on a change of control (see later sections). An additional payment or award may be made in respect of shares which vest under LTIP awards to reflect the value of dividends (including special dividends) which would have been paid on those shares during the vesting and, if relevant, holding period (this payment may assume that dividends had been reinvested in Company shares on a cumulative basis).
Maximum opportunity	The maximum award permitted to be granted to an Executive Director in respect of any one year under the LTIP is shares with a market value (as determined by the Remuneration & Talent Committee) of 200% of salary.
Performance conditions	All LTIP awards granted to Executive Directors must be subject to a performance condition. The precise measures and weighting of the measures are determined by the Remuneration & Talent Committee ahead of each award to ensure they are aligned with strategic priorities. Performance will usually be measured over a performance period of at least three years. For achieving a "threshold" level of performance against a performance measure, no more than 25% of the portion of the LTIP award determined by that measure

	will vest. Vesting then increases on a sliding scale to 100% for achieving a maximum performance target. Any LTIP vesting is ultimately at the discretion of the Remuneration & Talent Committee.

Share ownership guidelines	
Purpose and link to strategy	To create alignment between the long-term interests of Executive Directors and shareholders.
Operation	Executive Directors are required to build and maintain a holding of 200% of salary in Company shares. Until or unless an Executive Director is compliant with this guideline, they are normally required to retain at least 50% of vested post-tax shares. Unless the Remuneration & Talent Committee determines otherwise, this guideline will continue to apply for two years after an Executive Director ceases employment with the Group.

Notes to table

1. The LTIP and bonus deferral will be operated in accordance with the relevant plan rules including any discretions therein.
2. The Committee retains the ability to adjust the targets and/or set different measures and alter weightings for any performance condition(s) if one or more events occur which cause it to determine that an amended, adjusted or substituted performance condition(s) would be more appropriate so that the conditions achieve their original purpose (e.g. in the event of a material divestment of a business, capital transactions, changes to accounting standards and other events not foreseen at the time the targets were set). In the event that the Remuneration & Talent Committee were to make an adjustment of this sort, a full explanation would be provided in the next Remuneration Report.
3. Performance measures – annual bonus. The annual bonus measures are reviewed annually and chosen to focus executive rewards on delivery of key financial targets for the forthcoming year as well as key strategic, operational, ESG or personal goals relevant to an individual. Specific targets for bonus measures are set at the start of each year by the Remuneration & Talent Committee and are based on a range of relevant reference points, including, for example, Group financial targets and the Company's business plan, and are designed to be appropriately stretching. Targets and underpins may be set which provide the Committee judgement in assessing the extent to which they have been met. Prior to the determination of final outcomes, the Committee will consider the use of discretion to enhance the rigour and consistency of any payments and to ensure they align to overall performance and the wider stakeholder experience. While the Committee anticipates that any such discretion would normally result in a reduction, the Committee reserves the right to make an upwards adjustment if considered appropriate.
4. The Remuneration & Talent Committee may: (a) in the event of a variation of the Company's share capital, demerger, special dividend or dividend in specie or any other corporate event which it reasonably determines justifies such an adjustment, adjust; and (b) amend the terms of awards granted under the share schemes referred to above in accordance with the rules of the relevant plans. Share awards may be settled by the issue of new shares or by the transfer of existing shares.
5. The cash bonus will be subject to recovery and/or deferred shares will be subject to withholding at the Remuneration & Talent Committee's discretion where within three years of the bonus determination a material misstatement or miscalculation comes to light which resulted in an overpayment under the annual bonus plan or if evidence comes to light of serious misconduct by an individual, serious reputational damage to the Group or a material failure of risk management or following a corporate failure. LTIP awards will be subject to withholding or recovery at the Remuneration & Talent Committee's discretion where before the fifth anniversary of grant a material misstatement or miscalculation comes to light which resulted in an overpayment under the LTIP or if evidence comes to light of serious misconduct by an individual, serious reputational damage to the Group or a material failure of risk management or following a corporate failure.
6. Performance measures – LTIP. The LTIP performance measures will be chosen to provide alignment with our longer-term strategy of growing the business in a sustainable manner that will be in the best interests of shareholders and other key stakeholders in the Company. Targets are considered ahead of each grant of LTIP awards by the Remuneration & Talent Committee taking into account relevant external and internal reference points and are designed to be appropriately stretching.
7. If a one-off share award is granted on recruitment to buy out compensation arrangements forfeited on leaving a previous employer, it may be granted either in the form of a LTIP award or alternatively in the form of an award under a separate arrangement as permitted by Listing Rule 9.4.2. If such an award were to be granted in the form of a LTIP award, then it would not be subject to (or form part of the calculation of) the maximum award limit outlined in the Policy Table above. If awarded as compensation for a forfeited share award which is not subject to performance conditions, it would also not be subject to the requirement for the LTIP award to be subject to a performance condition. Full requirements that would apply to any buy-out award granted under the LTIP are set out in the Recruitment Remuneration Policy section of this report.
8. The Remuneration & Talent Committee reserves the right to make any remuneration payments and/or payments for loss of office (including exercising any discretions available to it in connection with such payments) notwithstanding that they are not in line with the Policy set out above, where the terms of the payment were agreed either: (i) before the 2019 AGM (the date the Company’s first shareholder- approved Director’s Remuneration Policy came into effect; (ii) during the term of, and were consistent with, any previous policy; or (iii) at a time when the relevant individual was not a director of the Company and, in the opinion of the Remuneration & Talent Committee, the payment was not in consideration for the individual becoming a director of the Company. For these purposes “payments” includes the Remuneration & Talent Committee satisfying awards

of variable remuneration and, in relation to an award over shares, the terms of the payment are "agreed" at the time the award is granted.

9. The Remuneration & Talent Committee retains the discretion to determine the methodology and basis used in calculating the pension rate available to the wider workforce, including the jurisdictions deemed as relevant for comparison. The definition of the wider workforce will be as determined by the Remuneration & Talent Committee. For example, colleagues employed in the same country as the Director in question.
10. The Remuneration & Talent Committee may make minor amendments to the Remuneration Policy for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation, without obtaining shareholder approval for that amendment.

Non-Executive Director fees	
Purpose and link to strategy	To appropriately recognise responsibilities, skills and experience by ensuring fees are market competitive.
Operation	NED fees comprise payment of an annual basic fee and additional fees for further Board responsibilities including but not limited to: Senior Independent Director Audit & Risk Committee Chair Remuneration & Talent Committee Chair Environment, Safety & Social Responsibility Committee Chair The Chair of the Board receives an all-inclusive fee. No NED participates in the Group's incentive arrangements or pension plan. Non-Executive Directors may be provided with role-appropriate benefits. Where travel to the Company's registered office is recognised as a taxable benefit, a NED may receive the grossed-up costs of travel as a benefit. Non-Executive Directors are entitled to reimbursement of reasonable expenses (including any tax thereon). Fees are reviewed annually and are paid in cash or shares. Non-Executive Directors also have the benefit of a qualifying third-party indemnity from the Company and directors' and officers' liability insurance.
Maximum opportunity	Fees are set at an appropriate level that is market competitive and reflective of the responsibilities and time commitment associated with specific roles. No absolute maximum has been set for individual NED fees. The total aggregate fees paid to the Chair and NEDs will be in line with the limit set out in the Company's Articles of Association.

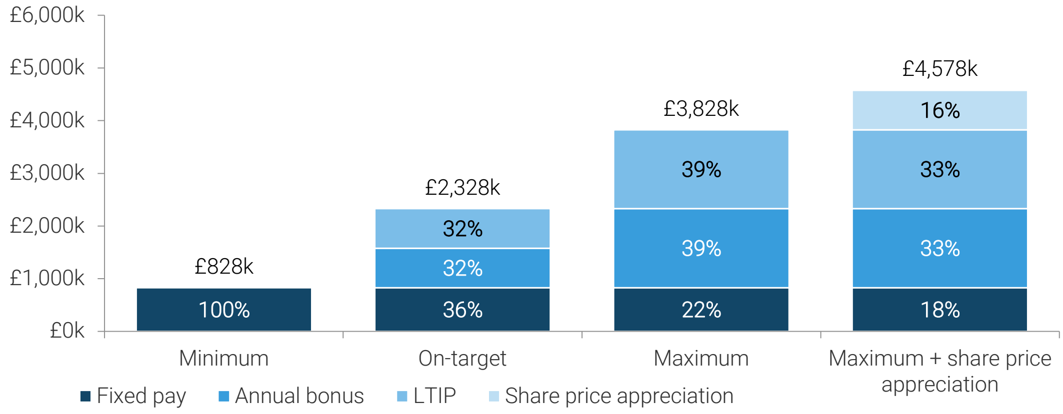
Illustrations of application of the Remuneration Policy

The "Implementation of remuneration policy in 2024" section of the Annual Report on Remuneration details how the Remuneration & Talent Committee intends to implement the Remuneration Policy during 2024.

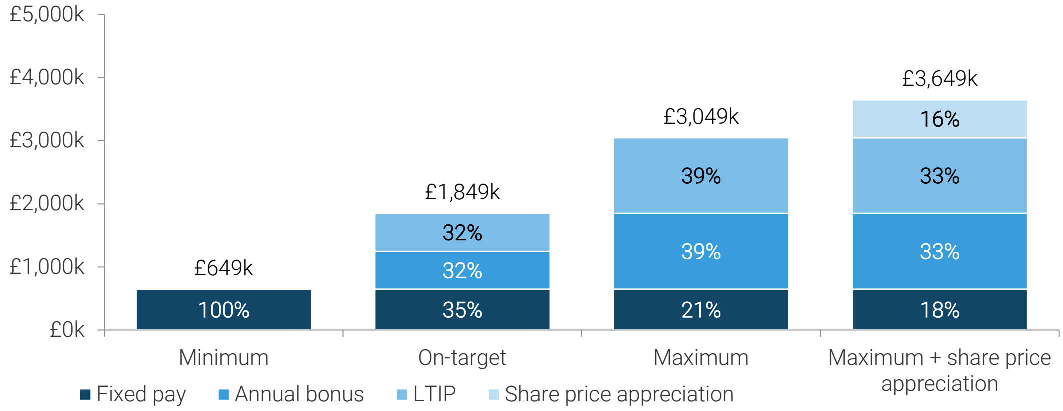
The charts below illustrate, in four assumed performance scenarios, the total value of the remuneration package potentially receivable by Mathios Rigas and Panos Benos in relation to 2024. This comprises salary, pension and benefits for 2024 (Mathios Rigas: £750,000, 4% pension and £48,000; Panos Benos £600,000, 4% pension and £25,000). Annual bonus opportunities are shown as 200% of salary for both Directors. Both Directors also receive an LTIP award of 200% of salary.

The charts are for illustrative purposes only and actual outcomes may differ from those shown.

CEO:



CFO:



Assumed performance	
Minimum performance	No pay-out under the annual bonus No vesting under the LTIP
Performance in line with expectations	50% of the maximum pay-out under the annual bonus 50% vesting under the LTIP
Maximum performance	100% of the maximum pay-out under the annual bonus 100% vesting under the LTIP
Maximum performance plus share price growth	As above, with 50% increase in the share price attributable to the LTIP.

Recruitment remuneration policy

Principles

In determining remuneration arrangements for new appointments to the Board (including internal promotions), the Remuneration & Talent Committee will apply the following principles:

- The Remuneration & Talent Committee will take into consideration all relevant factors, including the experience of the individual, market data (for the UK, local or international market as appropriate) and existing arrangements for other Executive Directors, with a view that any arrangements should be in the best interests of both the Company and our shareholders, without paying more than is necessary
- Typically, the new appointment will have (or be transitioned onto) the same package structure as the other Executive Directors, in line with the Remuneration Policy
- Upon appointment, the Remuneration & Talent Committee may consider it appropriate to offer additional remuneration arrangements in order to secure the appointment. In particular, the Remuneration & Talent Committee may consider it appropriate to "buy out" terms or remuneration arrangements forfeited on leaving a previous employer (discussed below)
- The Remuneration & Talent Committee may provide costs and support if the recruitment requires relocation of the individual
- Where an Executive Director is an internal promotion, the normal policy of the Company is that any legacy arrangements would be honoured in line with the original terms and conditions. Similarly, if an Executive Director is appointed following the Company's acquisition of or merger with another company, legacy terms and conditions would be honoured.

Maximum level of variable remuneration

The maximum level of variable remuneration which may be granted to new Executive Directors in respect of recruitment shall be limited to the maximum permitted under the Remuneration Policy, namely 400% of their annual salary. This limit excludes any payments or awards that may be made to buy out the Director for terms, awards or other compensation forfeited from their previous employer (discussed below).

Buyouts

To facilitate recruitment, the Remuneration & Talent Committee may make a one-off award to buy out compensation arrangements forfeited on leaving a previous employer. In doing so, the Remuneration & Talent Committee will take account of all relevant factors, including any performance conditions attached to incentive awards, the likelihood of those conditions being met, the proportion of the vesting/performance period remaining and the form of the award (e.g. cash or shares). The overriding principle will be that any replacement buyout award should be of comparable commercial value to the compensation which has been forfeited. However, such buyout awards would only be considered where there is a strong commercial rationale to do so.

Components and approach

The remuneration package offered to new appointments may include any element within the Remuneration Policy. In considering which elements to include, and in determining the approach for all relevant elements, the Remuneration & Talent Committee will take into account a number of different factors, including (but not limited to) market practice, existing arrangements for other Executive Directors and internal relativities. If appropriate, different measures and targets may be applied to a new appointment's annual bonus or LTIP award in their year of joining.

The Remuneration & Talent Committee would seek to structure buyout and variable remuneration awards on recruitment to be in line with the Company's remuneration framework so far as practical but, if necessary, the Remuneration & Talent Committee may also grant such awards outside of that framework as permitted under Listing Rule 9.4.2 subject to the limits on variable remuneration set out above. The exact terms of any such awards (e.g. the form of the award, time frame, performance conditions, and leaver provisions) would vary depending upon the specific commercial circumstances.

Recruitment of Non-Executive Directors

In the event of the appointment of a new Non-Executive Director, remuneration arrangements will normally be in line with the Remuneration Policy for Non-Executive Directors. However, the Remuneration & Talent Committee (or the Board as appropriate) may include any element within the Policy Table which the Remuneration & Talent Committee considers is appropriate given the particular circumstances, with due regard to the best interests of shareholders. In particular, if the Chair or a Non-Executive Director takes on an executive function on a short-term basis, they would be able to receive any of the standard elements of Executive Director pay.

Service contracts

Key terms of the current Executive Directors' service agreements and Non-Executive Directors' letters of appointment are summarised in the table below. It is envisaged that any future appointments would have equivalent contractual arrangements unless otherwise stated in this Report.

Provision	Policy
Notice period	Executive Directors – termination of the current Executive Directors' service agreements would require six months' notice by either the Company or the Executive Director. The Remuneration & Talent Committee retains discretion to include a notice period of up to 12 months in an Executive Director's service agreement. Non-Executive Directors – at the Company's discretion, Non-Executive Directors may have a notice period of up to three months. All current Non-Executive Directors have a three-month notice period.
Termination payment	Following the serving of notice by either party, the Company may terminate employment of an Executive Director with immediate effect by paying a sum equal to salary and benefits in respect of their notice period. Non-Executive Directors are only entitled to receive any fee accruing in respect of their period up to termination.
Expiry date	Executive Directors have rolling six months' notice periods so have no fixed expiry date. Non-Executive Directors' letters of appointment have no fixed expiry date.

In accordance with the Code, each Director will retire annually and put themselves forward for re- election at each AGM of the Company.

All Executive Directors' service agreements and Non-Executive Directors' letters of appointment are available for inspection at the Company's registered office.

Policy on payment of variable remuneration following loss of office

Annual bonus plan

If the Executive Director's employment terminates (or notice is served to terminate their employment) prior to the payment of an annual bonus, the Director has no contractual entitlement to that bonus. At its discretion, the Remuneration & Talent Committee may determine that the Executive Director is eligible to receive a bonus in respect of the financial year in which they cease employment (and/or the financial year in which notice is served to terminate their employment). This bonus would usually be time apportioned and may, at the Remuneration & Talent Committee's discretion, be settled wholly in cash. In determining the level of bonus to be paid, the Remuneration & Talent Committee may, at its discretion, take into account performance up to the date of cessation or over the financial year as a whole based on appropriate performance measures as determined by the Remuneration & Talent Committee.

The treatment of outstanding share awards held by an Executive Director upon cessation of employment is governed by the relevant share plan rules as summarised below.

Deferred Bonus Plan ("DBP") – share awards

- If an individual ceases to hold employment as a result of death, ill-health, injury, disability, redundancy, transfer of a business out of the Group or any other reason at the Remuneration & Talent Committee's discretion (except where an individual is dismissed for gross misconduct), their unvested DBP share awards will be permitted to vest. The vesting date will be accelerated to cessation of employment following an individual's death. Otherwise, unvested shares will vest at the normal vesting date unless the Remuneration & Talent Committee, in its discretion, elects to vest the shares following cessation of employment.
- In all other circumstances, unvested DBP shares will lapse upon cessation of employment.
- On a change of control, unvested DBP shares will immediately vest in full unless they are exchanged for new awards.
- If other corporate events occur such as a demerger, delisting, special dividend, voluntary winding-up or other event which in the opinion of the Remuneration & Talent Committee may affect the current or future value of shares, the Remuneration & Talent Committee will determine whether unvested DBP shares should vest.

LTIP awards

- If an individual ceases to hold employment as a result of death, ill-health, injury, disability, redundancy, transfer of a business out of the Group or any other reason at the Remuneration & Talent Committee's discretion (except where an individual is dismissed for gross misconduct), their unvested LTIP awards will be permitted to vest on a time pro-rated basis (unless the Remuneration & Talent Committee determines otherwise) and subject to performance assessed over the original performance period (or a shortened performance period where appropriate, for example following an individual's death). The release date for vested LTIP awards will remain the original release date unless the Remuneration & Talent Committee in its discretion elects to accelerate the release date to cessation of employment or such other intermediate date as is deemed appropriate.
- In all other circumstances, unvested LTIP shares will lapse upon cessation of employment.
- LTIP shares that have vested but remain subject to a holding period at the time that an individual ceases employment will lapse in the event that cessation of employment is as a result of gross misconduct. Otherwise, these shares will normally be released on the original release date unless the Remuneration & Talent Committee in its discretion elects to accelerate the release date to cessation of employment or such other intermediate date as is deemed appropriate.
- On a change of control, unless they are exchanged for new awards, unvested LTIP awards will vest immediately to an extent that takes into account the performance condition assessed at the change of control and, unless the Remuneration & Talent Committee determines otherwise, on a time pro-rated basis. LTIP shares that have vested but remain subject to a holding period at the time of the change of control will be released immediately unless they are exchanged for new awards.
- If other corporate events occur such as a demerger, delisting, special dividend, voluntary winding-up or other event which in the opinion of the Remuneration & Talent Committee may affect the current or future value of shares, the Remuneration & Talent Committee will determine whether outstanding LTIP awards should be treated on the same basis as following a change of control.

The Remuneration & Talent Committee reserves the right to make any other payments in connection with a Director's cessation of office or employment where the payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation) or by way of a compromise or settlement of any claim arising in connection with the cessation of a Director's office or employment. Any such payments may include but are not limited to payments in relation to accrued but untaken holiday, paying any fees for outplacement assistance and/or the Director's legal and/or professional advice fees in connection with his or her cessation of office or employment.

Consideration of employment conditions elsewhere in the Group

The Board has appointed a workforce Board representative, a designated NED, who is responsible for ensuring the “employee voice” is provided at Board-level. The Workforce Representative attends Remuneration & Talent Committees’ meetings to provide this context. The Remuneration & Talent Committee is kept informed of general management decisions made in relation to employee remuneration and, in the development of this Policy, has been conscious of the importance of ensuring that its remuneration decisions for Executive Directors are regarded as fair and reasonable within the business. Pay and conditions in the Group are one of the specific considerations taken into account when the Remuneration & Talent Committee is considering changes in remuneration for the Executive Directors.

Differences in policy from broader employee population

A greater proportion of Executive Directors' potential wealth is “at risk”, either through their existing shareholding or through LTIP awards than for our employees generally and a greater proportion determined by performance than for our employees generally. However, common principles underlie the Remuneration Policy through the Company including for the Executive Directors. In particular, we place great emphasis throughout the Company on reward being linked to performance and on encouraging share ownership.

Consideration of shareholders' views

The Committee engaged with key shareholders in the development and finalisation of this Remuneration Policy. A consultation on the proposed changes was held during Autumn 2023, with follow up consultation in early 2024. We consulted on the changes with a number of our shareholders and were pleased with the positive feedback. The shareholders we engaged with recognised the strong performance of both the Company and Executive Directors since IPO, as well as the distinctive position that Energean is in, given that both Executive Directors are significant shareholders. A further round of consultation was undertaken at the beginning of 2024. The feedback provided contributed to the Committee’s decisions for the final policy put to shareholders for approval.

Annual Report on Remuneration

Unaudited information

Implementation of Remuneration Policy in 2024

This section provides an overview of how the Remuneration & Talent Committee is proposing to implement our Remuneration Policy in 2024 for the Executive Directors.

Base salary

The Remuneration & Talent Committee is proposing no salary increase for either the CEO or the CFO for 2024. This is to reflect the wider macroeconomic and geopolitical context and demonstrates Energean's responsible approach to pay. No salary increase has been applied since 2022 for either Executive Director despite the high inflationary environment in our markets in the last two years and the continued growth of the Group. We will be considering targeted increases for other members of the Executive Committee and making targeted increases for the broader workforce, being particularly mindful of inflation and the cost of living in relation to the need to protect lower earners within the workforce.

	2024	2023	% increase
Mathios Rigas (CEO)	£750,000	£750,000	No increase
Panos Benos (CFO)	£600,000	£600,000	No increase

Pension

Both Executive Directors are entitled to receive a pension equivalent to 4% of their base salary. This rate aligns to the rate offered to the wider workforce (based on the contribution available to the Greek workforce).

Benefits

Mathios Rigas and Panos Benos receive a contractual benefits allowance worth £48,000 p.a. and £25,000 p.a. respectively. They may also receive reimbursement of business-related expenses should these arise in the year.

Annual bonus

The annual bonus plan opportunity for 2024 will be unchanged from 2023, with a maximum bonus opportunity of 200% of annual salary for both of the Executive Directors. The annual bonus for 2024 will be determined by a bonus scorecard that is aligned with the Company's strategic priorities for the year ahead.

The areas of focus for the 2024 annual bonus are set out below:

Area of focus	Weighting
Operational – including targets and focus relating to Group production, operating expenses and capital expenditure.	40%
Balance sheet strength – including targets around liquidity and debt.	20%
Growth – including targets around exploration and carbon storage.	20%
Sustainability – including targets around emissions, net-zero transition, health and safety and diversity and inclusion.	20%

The approach to performance determination and the guiding target ranges for the financial year 2024 are deemed commercially sensitive. However, retrospective disclosure of the guiding targets and performance against these will be provided in next year's Remuneration Report to the extent that they do not remain commercially sensitive at that time. The scorecard includes both quantitative targets as well as milestone objectives and evidence/judgement-based assessments in order to reflect the forward strategy.

In the event of unforeseen acquisitions, divestments or investments during the year, the Remuneration & Talent Committee would consider how relevant targets should be adjusted to ensure that they remain appropriately challenging and would explain any such adjustments in next year's Remuneration Report. The Remuneration & Talent Committee has discretion, where it believes it to be appropriate, to override any formulaic outcome arising from the bonus plan.

For 2024, it is proposed to remove the requirement to defer one-third of the annual bonus award into shares where an Executive Director has met the shareholding guideline. This change is subject to approval of the Remuneration Policy at the AGM in 2024. The CEO and CFO respectively hold c.8% and c.2% of Energean's shares, which is significantly higher than Energean's shareholding guideline (200% of salary). This change will simplify the annual bonus structure and better align Energean with international market practice (where bonus deferral into shares is uncommon).

Long-term incentive plan

The Executive Directors will receive an award under the LTIP during 2024 of shares worth 200% of annual salary at grant. Awards will vest three years after grant and be subject to an additional two-year holding period. The proposed performance measures for the 2024 award are consistent with the measures for the 2023 award and are set out below.

Performance measure	% of award based on measure	Threshold	Max
Relative Total Shareholder Return[82] *Measured over 3 financial years*	50%	Median ranking *12.5% of award*	Upper quartile ranking *50% of award*
Absolute Total Shareholder Return *Measured over 3 financial years*	30%	8% p.a. *7.5% of award*	12% p.a. *30% of award*
Average Scope 1 and 2 CO2 emissions (kgCO2/boe) *Measured over 3 financial years*	20%	10 kgCO2/boe *5% of award*	5 kgCO2/boe *20% of award*

The Committee believes these targets are stretching in the context of the Group's evolving production profile and the ongoing geopolitical context impacting the Group.

Vesting will be calculated on a straight-line basis for performance between the threshold and maximum performance targets. The Remuneration & Talent Committee has discretion, where it believes it to be appropriate, to override any formulaic outcome arising from the LTIP. Typically, this will only be exercised in a negative direction.

Non-Executive Director remuneration

Non-Executive Director fees are determined by the full Board except for the fee for the Chair of the Board, which is determined by the Remuneration & Talent Committee.

The Committee has approved an uplift in the Chair's fee to apply from 1 January 2024. The Chair's fee was last increased in 2022. In the interim, there has been significant evolution in Energean's scope, size and complexity, including Energean becoming the major independent gas producer in the Mediterranean by achieving stable production from Karish. This uplift will mean the fee is competitively positioned against similarly sized businesses and will better reflect the Chair's extensive market and role experience. Energean remains one of the few FTSE-listed businesses with a female Chair, and the Committee recognises its responsibility to ensure the Chair's fee is competitively and fairly positioned.

[82] Total Shareholder Return performance for the 2024 LTIP award will be measured against the following peer group: Africa Oil, Aker BP, Harbour Energy, Isramco Negev 2, Ithaca Energy, Kosmos Energy, NewMed Energy, Ratio Energies, Seplat Energy, Serica Energy, Talos Energy, Tamar Petroleum, Tullow Oil, Var Energi, the FTSE 250 index and the FTSE 350 Oil, Gas, Coal Index. This group has been updated from the TSR group that was used for the 2023 award.

Changes have also been made to the Non-Executive Director base fee and some of the Committee fees. There has been no increase to the base fee since 2020, and no significant increase since Energean listed in 2018. Following a review against peer companies, and with a particular focus on our international sector peers, an adjustment to the fee level has been applied to recognise the significant expansion in Energean's operational footprint and geographic complexity, as well as the increased time commitments and strategic input of the Non-Executive Director role. The changes are summarised in the table below.

	2024 fees	2023 fees
Chair of the Board all-inclusive fee	£250,000	£220,000
Base Non-Executive Director fee	£80,000	£55,000
Senior Independent Director additional fee	£12,500	£10,000
Audit & Risk Committee Chair additional fee	£25,000	£25,000
Environment, Safety & Social Responsibility Chair additional fee	£15,000	£15,000
Remuneration & Talent Committee Chair additional fee	£17,500	£15,000

Audited information

The information provided in this section of the Remuneration Report up until the "Unaudited information" heading on page 160 is subject to audit.

Single total figure of remuneration

The following table sets out the total remuneration for Executive Directors and Non-Executive Directors for 2023, along with the comparative figures for 2022.

	2023 (£'000)								2022 (£'000)							
	Salary and fees	Pensions[83]	Benefits	Annual bonus[84]	LTIP[85]	Total Fixed	Total Variable	Total[86]	Salary and fees	Pensions	Benefits	Annual bonus	LTIP[87]	Total Fixed	Total Variable	Total
Executive Directors																
Mathios Rigas	750	30	48	1,176	743	828	1,919	2,747	750	30	48	1,059	3,391	828	4,450	5,278
Panos Benos	600	24	25	941	578	649	1,518	2,167	600	24	25	847	2,261	649	3,108	3,757
Non-Executive Directors[88]																
Karen Simon	220	-	-	-	-	220	-	220	220	-	-	-	-	220	-	220
Andrew Bartlett	81	-	-	-	-	81	-	81	82	-	-	-	-	82	-	82
Stathis Topouzoglou	55	-	-	-	-	55	-	55	55	-	-	-	-	55	-	55
Amy Lashinsky	55	-	-	-	-	55	-	55	55	-	-	-	-	55	-	55
Kimberley Wood	70	-	-	-	-	70	-	70	70	-	-	-	-	70	-	70
Andreas Persianis	57	-	-	-	-	57	-	57	55	-	-	-	-	55	-	55
Roy Franklin	70	-	-	-	-	70	-	70	72	-	-	-	-	72	-	72
Martin Houston	7	-	-	-	-	7	-	7	-	-	-	-	-	-	-	-

83 *Pension/Benefits* – In 2023, Mathios Rigas and Panos Benos received a pension allowance worth 4% of salary (equivalent to the Greek wider workforce) and a separate benefits allowance worth £48,000 and £25,000 respectively.

84 *Annual bonus* – bonus payments 2023 are paid two-thirds in cash and one-third in deferred shares. Deferred shares vest after two years. Details of the performance measures and targets are set out in the following section.

85 *2021 LTIP* –The 2021 LTIP awards were subject to performance conditions measured to 31 December 2023. The awards vested on 1 February 2024 at 41.9% of maximum. The amount shown is calculated using the closing share price on the vesting date of 1 February 2024 (£9.37). The vested awards have a two-year holding period and will be released in 2026. For this award, an estimated £91k and £71k is related to share price appreciation between the grant date and vesting date for the CEO and CFO respectively. The award value includes 9,160 and 7,123 dividend equivalents for the CEO and CFO respectively, valued at the closing share price on 1 February 2024.

86 *Total remuneration* paid to directors in respect of 2023 is £3,503k (2022: £3,386k).

87 *2020 LTIP* – In the 2022 Annual Remuneration Report, the amount shown for share awards in 2022 included the indicative vesting value of the 2020 LTIP award that was subject to performance conditions measured to 31 December 2022. The figure shown in the table above represents the subsequent value received on the vesting date of 24 March 2023 using the share price on that date £11.81. These awards are subject to a two-year holding period.

88 *Non-Executive Directors* – Martin Houston joined the Board on 16 November 2023. Roy Franklin stepped down from the Board on 13 November 2023. There were no other changes to the Board in 2023.

2023 annual bonus outturn

The maximum annual bonus opportunity for the Executive Directors in 2023 was 200% of salary for both Executive Directors. Two-thirds of any bonus will be paid in cash with the remaining one-third of the earned bonus deferred into share under the DBP. These shares will vest two years after the grant date. Performance measures and targets applying to the 2023 annual bonus, along with performance achieved, are set out below. Further detail on the respective areas of performance follows the summary table. As in previous years, where threshold – max target ranges have been set for a measure, threshold vesting accrues from 0% (this is below the level available under the Policy of 20%, demonstrating Energean's commitment in practice to ensuring incentive payouts align with outperformance). Based on the performance against the pre-set and stretching targets, the Committee approved an outturn of 78.4% for both Directors.

Performance measure	Weighting	% vesting
Operational goals	40%	20.0%
Financial, commercial and risk goals	40%	40.0%
Sustainability goals	20%	18.4%
Total	100%	78.4%

Operational goals (40%)

Operational goals were based on delivery of projects, production, cost of production and reserves targets. Distinct targets were set for each element, with vesting ranges applicable to the production and cost of production targets, and the operational progress in relation to NEA/NI and Katlan assessed by the Committee.

Performance measure	Proportion	Threshold 0% vesting	Target 50% vesting	Performance measure	Proportion	Threshold 0% vesting
Average production	20%	131 Kboe/d	140 Kboe/d	158 Kboe/d	123 Kboe/d	0.0%
Group cost of production	10%	$16/boe	$15/boe	$14/boe	$10.6 boe	10.0%
First gas NEA/NI	5%	Target was to achieve first gas at NEA/NI in 2023. Target was met with all wells on production in December 2023. Committee therefore determined this element should vest in full.				5.0%
Katlan FID	5%	Target was to achieve Final Investment Decision (FID) on Katlan. By year end, Field Development Plan (FDP) had been approved. Committee therefore determined this element should vest in full.				5.0%

Financial, commercial and risk (40%)

Key financial, commercial and risk objectives for 2023 were set at the start of the year, with progress against these assessed by the Committee guided by reference to the pre-set objective. The stretching targets were all deemed to have been met, with progress described below.

Measure	Proportion		% vesting
Refinancing of 2024 bond	15%	Target was to achieve a re-financing of the 2024 bond to replace Energean Israel's March 2024 bond maturity. The re-financing was completed with a raise of $750 million. The newly issued bond has a maturity date of 2033, which has extended Energean's weighted average debt maturity. The Committee determined this element should vest in full.	15.0%
New gas contracts linked to Katlan	10%	Target was in relation to the signing of new gas contracts linked to Katlan development (including both export and Israel). The Committee determined that this element had been met in full.	10.0%
Net Debt to EBITDAX at or below 3x	15%	Overriding target was to keep Net Debt to EBITDAX at or below 3x. The Committee assessed this target to have been met at year end based on a review of financial data and assessment of relevant context. This element was therefore deemed to have been met in full.	15.0%

Sustainability (20%)

Reflecting Energean's commitment to sustainability goals, the scorecard included a range of sustainability objectives, including those focused on reducing carbon intensity and remaining within critical safety parameters. The Committee assessed each category and determined an appropriate outcome based on progress and delivery in the year.

<table>
<tr><th>Performance measure</th><th>Proportion</th><th>Threshold 0% vesting</th><th>Target 50% vesting</th><th>Maximum 100% vesting</th><th>Achieved</th><th>Threshold 0% vesting</th></tr>
<tr><td>Reduce carbon emissions intensity
(16kg CO2e/boe baseline)</td><td>4%</td><td>-10%</td><td>-20%</td><td>-30%</td><td>-42%</td><td>4.0%</td></tr>
<tr><td rowspan="2">Sustainability rating vs peer group
(and progress of Transition plan to Net Zero)</td><td rowspan="2">3.5%</td><td>Top 20%</td><td>Top 15%</td><td>Top 10%</td><td>18th percentile</td><td rowspan="2">2.7%</td></tr>
<tr><td colspan="4">The Committee considered the completion of the Net Zero pathway, the purchase of Green Electricity for all sites balanced with the limited progress of identified climate projects in Italy and Egypt in approving the final vesting level.</td></tr>
<tr><td>Recordable incidents</td><td>4%</td><td>LTIF:0.60
TRIR: 1.25</td><td>LTIF:0.55
TRIR: 1.20</td><td>LTIF:0.50
TRIR: 1.10</td><td>LTIF:0.47
TRIR: 1.09</td><td>4.0%</td></tr>
<tr><td>HSE performance against annual targets</td><td>3.5%</td><td colspan="4">The Committee considered rollout of risk management software and that all countries' Emergency Management Plans have been aligned with at least one drill performed in each country. Leadership visits</td><td>2.9%</td></tr>
</table>

		performed in all sites and countries (84 sites in total). Internal HSE audits target fully achieved (357 in total).	
Culture and D&I	5%	The Committee considered the successful appointment of a DEI leader in 2023, and continued actions in progressing the wider DEI strategy, including review of Policies and rollout of DEI training. Level 3 reached in most categories identified in GDEIB model. The Committee determined that objectives substantively met in this category.	4.8%

The overall outcome for the 2023 annual bonus was therefore:

	Total bonus payable *% of maximum*	Total bonus payable *£'000 and % of annual salary*
Mathios Rigas (CEO)	78.4%	£1,176k *(157% of salary)*
Panos Benos (CFO)	78.4%	£941k *(157% of salary)*

The Remuneration & Talent Committee considered this bonus outcome in light of the Group's overall financial and operational performance during 2023 and was satisfied that it was appropriate and that no discretionary adjustment to the outcome was required. The Committee also noted that the annual bonus outcome cascades down the organisation and believed that the assessed outturn was reflective of the Company's strategic delivery in the year, and the broader efforts of Energean colleagues, particularly given the ongoing geopolitical context and the operational challenges impacting our workforce.

LTIP awards vesting during the financial year

The share award granted at the start of the 2021 financial year was subject to performance conditions measured between 1 January 2021 and 31 December 2023. The performance conditions that applied to this award are set out below:

Performance measure	Proportion	Threshold *25% vesting*	Maximum *100% vesting*	Achieved	% of element vesting	% of award vesting
Relative TSR[89]	50%	Median	Upper Quartile	Ranked below median	0.0%	0%
Absolute TSR	30%	8% p.a.	12% p.a.	18.1% p.a.	100.0%	30%
Average Scope 1 and 2 CO2 emissions *(kgCO2/boe) over 3 Financial years*	20%	18 kgCO2/boe	6 kgCO2/boe	12.5 kgCO2/boe	59.4%	11.9%
Total award vesting					41.9%	

89 Total Shareholder Return performance was measured against the following peer group: AkerBP, Lundin, Delek Drilling, Isramco, Tamar, Ratio, Kosmos, Harbour Energy, Capricorn Energy PLC (formerly Cairn Energy), Tullow Oil plc, Diversified Oil & Gas plc, Jadestone, Serica, Seplat, Genel and the FTSE 350 Oil and Gas and Coal index.

Strong TSR performance on an absolute basis meant that this portion of the award will vest in full. Despite significant growth over the performance period, Energean ranked below the median of the peer group on a relative TSR basis and, as such, this portion of the award lapsed in full. Partially this reflects market distortions, with peer group companies impacted more significantly by COVID-19, and therefore benefitting from a more pronounced market recovery across the performance period. By contrast, Energean's fixed price contract model somewhat mitigates the effects of large gas price movements, and therefore the Company did not experience the exaggerated dip and recovery felt by others in the sector. The impact of the security situation in Israel also negatively impacted the share price in Q4 2023, which is the period used for the TSR growth calculation. Positive progress on the Scope 1 and 2 emissions performance targets meant that this portion of the award will vest between threshold and maximum. The formulaic outcome of the award is 41.9% of maximum.

The Committee considered the holistic performance of the business and decided that the formulaic outcome was appropriate, albeit recognising the extraneous factors above.

LTIP awards granted during the financial year

An award was granted under the LTIP to selected Senior Executives, including the Executive Directors, in March 2023. This award is subject to the performance conditions described below and will vest in March 2026 with a subsequent two-year holding period for any vested shares to March 2028.

Type of award	Date of grant	Maximum number of shares[90]	Face value (£)	Face value *(% of salary)*	Threshold vesting	End of performance period
Mathios Rigas Conditional share award	23 March 2023	136,562	£1,500,000	200%	25% of award	31 December 2025
Panos Benos Conditional share award	23 March 2023	109,249	£1,200,000	200%	25% of award	31 December 2025

Vesting of the 2023 LTIP awards is subject to satisfaction of the following performance conditions. Vesting is calculated on a straight-line basis for performance between the threshold and maximum performance targets. Any LTIP vesting is at the discretion of the Remuneration & Talent Committee. They will consider the vesting level at the end of the performance period to ensure the final outcome is appropriate and reasonable. The targets that apply to this award were disclosed in the 2022 Director's Remuneration Report and are set out again below.

90 The maximum number of shares that could be awarded has been calculated using the share price of £10.98 (average closing share price for the five dealing days prior to grant) and excludes any additional shares that may be awarded in relation to dividends accruing during the vesting and holding periods.

Performance measure	Proportion of award determined by measure	Threshold performance *25% vesting*	Maximum performance *100% vesting*
Relative Total Shareholder Return *Measured over three-year performance period*[91]	50%	Median ranking *12.5% of award*	Upper quartile ranking *50% of award*
Absolute Total Shareholder Return *Measured over three-year performance period*	30%	8% p.a. *7.5% of award*	12% p.a. *30% of award*
Average Scope 1 and 2 CO2 emissions *(kgCO2/boe) over three-year performance period*	20%	18 kgCO2/boe *5% of award*	6 kgCO2/boe *20% of award*

Loss of office payments/payments to former directors

There have been no payments to former Directors or payments to Directors for loss of office during 2023.

Statement of Directors' shareholding and share interests

Executive Directors are expected to achieve a holding of shares worth 200% of salary. The Remuneration & Talent Committee reviews ongoing individual performance against this shareholding requirement at the end of each financial year. Both Executive Directors currently significantly exceed their minimum guideline, with the CEO (Mathios Rigas) holding c.8% of the Company's share capital, and the CFO (Panos Benos) holding c.2% of the share capital. As such, both directors are significantly aligned with the broader shareholder base. Detail on the number of shares held by Directors as at 31 December 2023 is set out below:

Number of shares held as at 31 December 2023[92]					
	Shares owned outright	Interests in share incentive schemes, subject to performance conditions	Interests in share incentive schemes, subject to employment	Percentage of Issue Share Capital (minus LTIP and DBP shares)	Share ownership guidelines met?
Director		LTIP	DBP		
Mathios Rigas	15,141,376	479,445	69,344	8.25%	Yes
Panos Benos	3,588,475	380,586	51,293	1.96%	Yes
Karen Simon	282,072			0.15%	N/A
Andrew Bartlett	5,554			0.00%	N/A
Stathis Topouzoglou	16,377,249			8.93%	N/A
Amy Lashinsky	1,507			0.00%	N/A

91 Peer group for the 2023 LTIP: Aker BP, NewMed Energy, Isramco Negev 2, Tamar Petroleum, Ratio Energies, Kosmos Energy, Harbour Energy, Capricorn Energy, Tullow Oil, Diversified Energy Company, Serica Energy, Seplat Energy, Var Energi, Ithaca Energy, the FTSE 250 index and the FTSE 350 Oil, Gas, Coal Index.

92 For the purposes of determining the value of Executive Director shareholdings, the individual's current annual salary and the share price as at 31 December 2023 has been used (£10.44 per share).

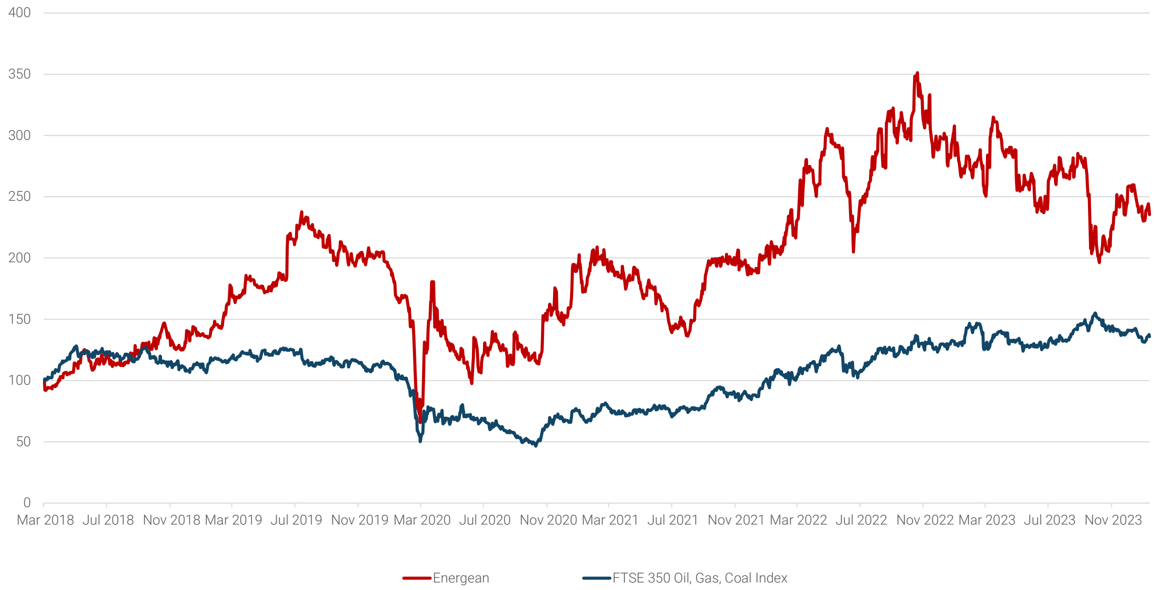
Kimberley Wood	-			0.00%	N/A
Andreas Persianis	-			0.00%	N/A
Roy Franklin[93]	-			0.00%	N/A
Martin Houston[94]	8,500			0.00%	N/A

Unaudited information

The information provided in this section of the Remuneration Report is not subject to audit.

Performance graph and CEO remuneration table.

The chart below compares the Total Shareholder Return performance of the Company over the period from Admission to 31 December 2023 to the performance of the FTSE 350 Oil, Gas and Goal Index. This index has been chosen because it is a recognised equity market index of which the Company is a member. The base point in the chart for the Company equates to the Offer Price of £4.55 per share.



93 Roy Franklin stepped down from the Board on 13 November 2023.
94 Martin Houston joined the Board on 16 November 2023.

The table below summarises the CEO single figure for total remuneration, annual bonus pay-outs and long-term incentive vesting levels as a percentage of maximum opportunity over this period.

	2023	2022	2021[95]	2020	2019	2018
CEO single figure of remuneration £'000	£2,747k	£5,278k	£4,799k	£1,608k	£1,134k	£1,581k
Annual bonus pay-out (as a % of maximum opportunity)	78.4%	70.6%	80.0%	84.8%	37.9%	82.1%
LTIP vesting out-turn (as a % of maximum opportunity)	41.9%	85.0%	75.4%	N/A (no award vested in 2020)	N/A (no award vested in 2019)	N/A (no award vested in 2018)

Percentage change in remuneration of the Board of Directors

The chart below shows the percentage change in annual salary, benefits and bonus for each Executive and Non-Executive Director compared with the average for all Company employees between 2020 and 2023.

95 The 2021 LTIP value is an average based on two awards that completed in 2021. The 2018 LTIP award that completed in June 2021 vested at 77.9% of maximum. The 2019 LTIP award that completed in December 2021 vested at 72.8% of maximum.

Annual percentage change table

	All employee average	Mathios Rigas	Panos Benos	Karen Simon	Andrew Bartlett	Stathis Topouzoglou	Amy Lashinsky	Kimberley Wood	Andreas Persianis	Roy Franklin	Martin Houston
2022–2023											
Salary change	6.0%	0%	0%	0%	-1.6%	0%	0%	0%	3.6%	N/A	N/A
Benefits change	0.6%	0%	0%	-	-	-	-	-	-	-	-
Annual Bonus change	33.7%	11.0%	11.0%	-	-	-	-	-	-	-	-
2021–2022											
Salary change	21.5%	11.1%	14.3%	50.0%	20.8%	2.3%	2.3%	16.7%	-	-	-
Benefits change	32.0%	4.0%	6.5%	-	-	-	-	-	-	-	-
Annual Bonus change	33.9%	-1.9%	15.3%	-	-	-	-	-	-	-	-
2020–2021											
Salary change	8.88%	0.0%	16.7%	0%	0%	0%	0%	0%	0%	0%	0%
Benefits change	16.13%	-36.0%	-50.0%	0%	0%	0%	0%	0%	0%	0%	0%
Annual Bonus change	40.6%	25.9%	28.5%	0%	0%	0%	0%	0%	0%	0%	0%
2019–2020											
Salary change	6.2%	0%	0%	0%	0%	0%	0%	0%	0%	0%	-
Benefits change	-8.7%	0%	0%	0%	0%	0%	0%	0%	0%	0%	-
Annual Bonus change	12.49%	+124%	+124%	0%	0%	0%	0%	0%	0%	0%	-

Since Energean plc only has 38 UK employees, it is exempt from the legislative requirement to disclose a ratio between the remuneration of the CEO and UK employees. However, the Committee continues to monitor the approach to remuneration that applies to the wider workforce. This includes reviewing CEO pay ratio data on an annual basis as part of an annual HR update. Further detail on the Committee's approach to the wider workforce is set out in the wider workforce section on page 164.

Relative importance of the spend on pay

The table below illustrates the total expenditure on remuneration in 2022 and 2023 for all of the Company's employees compared to dividends payable to shareholders.

($m)	2023 ($m)	2022 ($m)	Change
Total expenditure on remuneration	82.9	85.1	-2.5%
Dividends payable to shareholders/ share buybacks	213.7	106.5	100.7%

Consideration by the Directors of matters relating to Directors' remuneration

The Remuneration & Talent Committee is chaired by Kimberley Wood, and comprises Karen Simon, Amy Lashinsky and Andreas Persianis. During the year, the Remuneration & Talent Committee also included Roy Franklin before he stepped down from the Energean Board, and Martin Houston for a brief period from appointment. Details of their attendance is set out on page 106.

The Remuneration & Talent Committee met 7 times during 2023. Other attendees present at these meetings by invitation were the CEO, the CFO, the Group HR Director and the Company Secretary. No individual took part in decision-making when their own remuneration was being determined. The Committee is mindful of the UK Corporate Governance Code and considers that it appropriately addresses the following principles set out in the Code:

Clarity	This Remuneration Report provides open and transparent disclosure of our executive remuneration arrangements for our internal and external stakeholders. In terms of engagement with the wider workforce, Amy Lashinsky is the employee representative on the Board. As part of this role, Amy ensures that the "employee voice" is heard at the Board and engages with employees to obtain their views on decisions to be taken by the Board.
Simplicity and alignment to culture	Variable remuneration arrangements for our executives are straightforward with individuals eligible for an annual bonus and, at more senior levels, a single long-term incentive plan. Performance measures used in these plans are aligned with delivery of Group KPIs, key strategic Group objectives and long term sustainable value creation. They are also aligned with our commitment to adopt a responsible, sustainable business model.
Predictability	Our executive remuneration arrangements contain maximum opportunity levels for each component of remuneration with variable incentive outcomes varying depending on the level of performance achieved against specific measures. The charts within our Remuneration Policy provide estimates of the potential total reward opportunity for the Executive Directors under our current Remuneration Policy.
Proportionality and risk	Our variable remuneration arrangements are designed to provide a fair and proportionate link between Group performance and reward. In particular, partial deferral of the annual bonus into shares, five-year release periods for LTIP awards and stretching shareholding requirements that apply during and post-employment provide a clear link to the ongoing performance of the Group and therefore long-term alignment with stakeholders. We are also satisfied that the variable pay structures do not encourage inappropriate risk-taking. Notwithstanding this, the Remuneration & Talent Committee retains an overriding discretion that allows it to adjust formulaic annual bonus and/or LTIP outcomes so as to guard against disproportionate outturns. Malus and clawback provisions also apply to both the annual bonus and LTIP and can be triggered in circumstances outlined in the Remuneration Policy.

The Remuneration & Talent Committee is responsible for determining the Company Chair's fee and all aspects of Executive Director remuneration as well as the determination of other senior management's remuneration. The Remuneration & Talent Committee also oversees the operation of all share plans. Full terms of reference of the Remuneration & Talent Committee are available on our website at www.energean.com.

During the year, the Remuneration & Talent Committee received independent and objective advice from Deloitte LLP principally on market practice and pay governance for which Deloitte LLP was paid £116,750 fees (charged on a time plus expenses basis). Deloitte LLP is a founding member of the Remuneration Consultants Group and as such, voluntarily operates under the code of conduct in relation to executive remuneration consulting in the UK. Deloitte LLP has also provided advice to the Company in relation to technology consulting, tax, direct and indirect tax compliance services, and payroll services.

Workforce remuneration and engagement

The Remuneration & Talent Committee is committed to ensuring that the wider workforce pay and talent context factors into the approach to executive remuneration at Energean. The designated NED responsible for ensuring the "employee voice" is heard at the Board is Amy Lashinsky, who is also a member of the Remuneration & Talent Committee. In addition, Board members regularly attend Company events, including town hall meetings and social events, where they meet with the workforce, and hear views on wider Company matters.

The Board regularly receives analysis around the wider workforce. For example, in their September meeting, they received an HR Update including a pay and benefits analysis broken down by jurisdiction, and analysis of the gender pay gap and CEO pay ratio. This data allows the Committee to make decisions around executive pay while being aware of the approach being taken to pay across the wider Company. Pay at Energean is designed to align outcomes between the wider workforce and the senior leadership team. The bonus scorecard outcome cascades through the Company, with senior employees who participate in the annual bonus receiving an outturn aligned with the Executive Directors. There is broad participation in the Long Term Incentive Plan, with all participants' awards based on the same performance measures as the Executive Directors.

Shareholder voting on remuneration resolutions

	Votes for	Votes against	Votes withheld
Approval of the Directors' Remuneration Policy 2021 AGM	103,849,415 (75.3%)	34,092,723 (24.7%)	–
Approval of the Annual Report on Remuneration 2023 AGM	104,573,566 (77.2%)	30,948,614 (22.8%)	996

At the Annual General Meeting held on 18 May 2023, all resolutions passed with high levels of support. However, the Committee was disappointed that a significant minority of shareholders felt unable to support the Director's Remuneration Report resolution. In line with requirements under the Corporate Governance Code, the Committee undertook a significant shareholder consultation exercise to better understand the factors behind this voting.

The Committee is aware that some of the dissent that impacted the remuneration resolution appears to have arisen due to differing corporate governance policies across different geographies, including in relation to Board composition. A significant proportion of the votes against the Remuneration Report originated from our Israeli shareholders. As part of this consultation exercise, the Committee therefore sought particularly to engage with our Israeli shareholders to understand their views on both remuneration and wider governance matters.

The Committee's discussions with other shareholders who felt unable to support the remuneration resolution indicated that this largely reflected the level of vesting in relation to the 2020 LTIP and potential windfall benefit. While the Committee acknowledges these concerns, it believes the decision not to apply discretion to reduce the vesting of the 2020 LTIP is well-supported by the robust analysis undertaken by the Committee, which was set out in significant detail in the 2022 Director's Remuneration Report. The consultation also included shareholders who re-affirmed their support of this decision. In discussions, shareholders generally recognised management's performance and the way that the Company's performance was reflected in pay decisions. Some shareholders commented on, and welcomed, management's very significant shareholding in the Company.

External Board appointments

Executive Directors are not normally entitled to accept a Non-Executive Director appointment outside the Company without the prior approval of the Board. Neither of the current Executive Directors currently holds any such appointment.

By order of the Board.

Kimberley Wood

Chair of the Remuneration & Talent Committee

20 March 2024

Group Directors' Report

The Directors are pleased to present their report on the affairs of the Group, together with the financial statements for the year ended 31 December 2023. The Corporate Governance Statement set out on pages 105–112 forms part of this report.

Details of significant events since the balance sheet date are contained in note 29 to the financial statements on page 249. Details of financial instruments and financial risks are set out in note 26 to the financial statements on pages 241–246. An indication of likely future developments in the business of the Company and its subsidiaries are included in the strategic report.

Details of the Company's engagement with employees, suppliers, customers and other key stakeholders is covered in the section 172 (1) statement on pages 113–116.

In 2023, the Company introduced a new Enterprise Risk Management system and this was further strengthened in 2023 as detailed on page 81. The Group's principal risks and uncertainties, are detailed on pages 85–96.

The Company recognises the benefits of diversity in the boardroom and believes that a wide range of experience, backgrounds, perspectives, and skills generates effective decision-making. We are committed to diversity, equity and inclusion ("DEI") and have made good progress raising awareness of DEI across the business including the development of the Energean DEI mission, vision and strategy following the culture audit conducted by Inclusive Employers, a UK organisation expert in the workplace inclusion.

The Group's financial results for the year ended 31 December 2023 are set out in the consolidated financial statements.

During 2023, the Directors approved the payment of the Company's interim dividends in line with the previously announced dividend policy:

Relevant operating period	Payment per ordinary share	Payment date[96]
Q4 2022	$0.30	30 March 2023
Q1 2023	$0.30	30 June 2023
Q2 2023	$0.30	29 September 2023
Q3 2023	$0.30	29 December 2023

On 22 February 2024, the Company announced that for the Q4 2023 operating period related to the three months ended 31 December 2023, the Directors had declared an interim dividend of $0.30 per ordinary share to be paid on 29 March 2024.

Capital structure

Details of the issued share capital are shown in note 19 to the financial statements. As at 31 December 2023, the Company's issued share capital consisted of 183,480,959 ordinary shares of £0.01 each. The Company has only one class of share, which carries no right to fixed income. Each share carries the right to one vote at General Meetings of the Company. No person has any special rights of control over the Company's share capital and all issued shares are fully paid. There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Company's Articles of Association (the "Articles") and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights. Details of employee share plans are outlined in note 3.13 to the financial statements on page 205.

Directors' appointments and powers

With regard to the appointment and replacement of Directors, the Company is governed by the Articles, the UK Corporate Governance Code, the Companies Act and related legislation. The powers of Directors

96 Payment date is stated as the date upon which payment is initiated by Energean.

are described in the Articles and the Schedule of Matters Reserved for the Board, copies of which are available on request.

Directors' authority over shares

The authority to issue shares in the Company may only be granted by the Company's shareholders and, once granted, such authority can be exercised by the Directors. At the 2023 AGM, shareholders approved a resolution for the Company to make purchases of its own shares to a maximum of 10% of its issued ordinary shares. This resolution remains in force until the conclusion of the AGM in 2024. As at 20 March 2024, the Directors had not exercised this authority. The Directors are proposing to renew this authority at the 2024 AGM.

There are a number of agreements entered into by members of the Group that take effect, alter or terminate upon a change of control of the Company, such as commercial contracts and bank loans and other financing agreements. The following significant agreements will, in the event of a change of control of the Company, be affected as follows:

- Under the 6.5% Senior Secured notes due 2027 ($450 million), upon a change of control (save for certain exceptions) of the Company, each noteholder has the right to require the Company to repurchase all or any part of that holder's notes at a premium plus accrued and unpaid interest.
- Under the Group's $2.625 billion Senior Secured Notes, upon a change of control (save for certain exceptions) of the Sponsor (Energean Israel Ltd.), or the Issuer (Energean Israel Finance Ltd.), each noteholder has the right to require the Sponsor to repurchase all or any part of that holder's notes at a premium plus accrued and unpaid interest.
- Under the 3 year $300 million Revolving Credit Facility and the 2 year $120 million unsecured Revolving Credit Facility (which remains undrawn), upon a change of control, within a short notice period, the Facility Agent is entitled to cancel the available commitments of each lender and declare all amounts outstanding due and payable.

Furthermore, the Directors are not aware of any agreements between the Company and its Directors or employees that provide for compensation for loss of office or employment that arises in relation to a takeover.

Directors' details

The biographical details and appointments of the Directors are set out on pages 100–104. All of the Directors will offer themselves for re-election at the AGM in May 2024.

The Directors during the year were:

- Karen Simon (Non-Executive Chair).
- Mathios Rigas (Chief Executive Officer).
- Panos Benos (Chief Financial Officer).
- Roy Franklin (Senior Independent Non-Executive Director) – Resigned from the Board of Directors on 13 November 2023.
- Andrew Bartlett (Senior Independent Non-Executive Director) – Appointed as Senior Independent Non-Executive Director with effect from 16 November 2023.
- Martin Houston (Independent Non-Executive Director) – Appointed to the Board of Directors on 16 November 2023.
- Efstathios Topouzoglou (Non-Executive Director).
- Andreas Persianis (Independent Non-Executive Director).
- Kimberley Wood (Independent Non-Executive Director).
- Amy Lashinsky (Independent Non-Executive Director).

Articles of Association

The Company's Articles may only be changed by special resolution at a General Meeting of shareholders. The Articles contain provisions regarding the appointment, retirement and removal of Directors. A Director may be appointed by an ordinary resolution of shareholders in a General Meeting following nomination by the Board (or member(s) entitled to vote at such a meeting). The Directors may appoint a Director during any year; however, the individual must stand for re-election by shareholders at the next AGM.

Directors' indemnities

During the financial year, the Company had in place a qualifying third party indemnity provision (as defined in section 234 of the Companies Act 2006) for the benefit of each of its Directors and the Company Secretary, pursuant to which the Company will, to the fullest extent permitted by law and to the extent provided by the Articles of Association, indemnify them against all costs, charges, losses and liabilities incurred by them in the execution of their duties. These indemnity provisions were updated during the course of the year. The Company also has Directors' and Officers' liability insurance in place.

Political contributions

No political donations were made during the year (2022: nil).

Significant events since 31 December 2023

Details of significant events since the balance sheet date are contained in note 29 to the financial statements on page 249.

Substantial shareholdings

As at 31 December 2023, the Company had received notifications in accordance with the FCA's Disclosure and Transparency Rule 5.1.2 of the following interests of 3% or more in the voting rights of the Company. The Company has also received one notification subsequent to the end of the reporting period which is included in the following. The %. of Issued Share Capital was calculated as at the date of the relevant disclosures:

Shareholder[97]	Number of shares	Number of voting rights	% of issued share capital	Date of notification
Efstathios Topouzoglou	16,377,249	16,377,249 (indirect)	8.926%	7 Feb 2024
Trustena GmbH	16,228,599	16,228,599 (indirect)	9.060%	19 May 2023
Oilco Investments Ltd.	16,016,734	16,016,734 (direct)	9.040%	7 Feb 2020
Growthy Holdings Co. Ltd.[98]	13,948,260	13,948,260 (direct)	7.830%	12 Sep 2022
Clal Insurance Company Ltd.	13,599,003	283,577 (direct) 13,315,426 (indirect)	7.680%	19 Mar 2021
Harel Insurance Investments & Financial Services Ltd.	9,317,983	9,317,983 (indirect)	5.260%	23 Nov 2023
The Phoenix Holdings Ltd.	8,968,710	8,968,710 (indirect)	5.060%	7 Mar 2022
Aggregate of abrdn plc affiliated investment management entities with delegated voting rights on behalf of multiple managed portfolios[99]	6,640,126	6,640,126 (indirect)	3.730%	8 Nov 2022

[97] A notification received from The Capital Group Companies, Inc. on 26 November 2019 disclosed a position of 8,214,141 shares. Company analysis based on the Register of Members would indicate this shareholding is no longer greater than 3% despite no further TR1 having been received.
A notification received from Pelham Capital Ltd. on 10 September 2019 disclosed a position of 7,353,314 shares. Company analysis based on the Register of Members would indicate this shareholding is no longer greater than 3% despite no further TR1 having been received.

[98] A notification received from Growthy Holdings Co. Ltd. on 12 September 2022 disclosed a position of 7.83%. Company analysis indicates this holding was 13,948,260 as at 12 September 2022.

[99] A notification received from abrdn plc on 8 November 2022 disclosed a position of "Below 5%". Company analysis based on the Register of Members dated 30 November 2022 indicates this shareholding was 6,640,126 as at 30 November 2022.

Annual General Meeting ("AGM")

The Company's AGM will be held in London in May 2024. Formal notice of the AGM will be issued separately from this Annual Report and Accounts.

Registrars

The Company's share registrar in respect of its ordinary shares traded on the London Stock Exchange is Computershare Investor Services plc, full details of which can be found in the Company Information section on page 273.

Greenhouse gas ("GHG") emissions reporting

Details of the Group's emissions are contained in the Corporate Social Responsibility report on pages 69–70.

Directors' statement of disclosure of information to auditor

Each of the Directors in office at the date of the approval of this annual report and accounts has confirmed that, so far as such Director is aware, there is no relevant audit information (as defined in Section 418 of the Companies Act 2006) of which the Company's auditor is unaware; and such Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Going concern

The Group carefully manages the risk of a shortage of funds by closely monitoring its funding position and its liquidity risk. The going concern assessment covers the period from the date of approval of the Group Financial Statements on 20 March 2024 to 30 June 2025 (the "Assessment Period").

In forming its assessment of the Group's ability to continue as a going concern, including its review of the forecasted cashflow of the Group over the Forecast Period, the Board has made judgements about:

- Reasonable sensitivities appropriate for the current status of the business and the wider macro environment; and
- the Group's ability to implement the mitigating actions within the Group's control, in the event these actions were required.

After careful consideration, the Directors are satisfied that the Group has sufficient financial resources to continue in operation for the foreseeable future, for the Assessment Period from the date of approval of the Group Financial Statements on 20 March 2024 to 30 June 2025. For this reason, they continue to adopt the going concern basis in preparing the group financial statements.

Overseas branches and subsidiaries

Details of subsidiaries of the Group are set out in note 30 on pages 250–251 to the Financial Statements.

Hedging

Details of hedging are set out in note 26 on pages 241–246 to the Financial Statements.

Independent auditor

Having reviewed the independence and effectiveness of the auditor, the Audit & Risk Committee has recommended to the Board that the existing auditor, Ernst & Young LLP ("EY"), be reappointed. EY has expressed its willingness to continue in office as auditor. An ordinary resolution to reappoint EY as auditor of the Company will be proposed at the forthcoming AGM.

Requirements of the Listing Rules

The following table provides references to where the information required by Listing Rule 9.8.4R is disclosed.

Listing Rule requirement	Listing Rule reference	Section
Capitalisation of interest	LR 9.8.4R (1)	Note 9/page 220
Publication of unaudited financial information	LR 9.8.4R (2)	Not applicable
Long-term incentive schemes	LR 9.8.4R (4)	Director remuneration report/ pages 136–165 and note 25, page 240 of the financial statements
Director emoluments	LR 9.8.4R (5), (6)	No such waivers.
Allotment of equity securities	LR 9.8.4R (7), (8)	No such share allotments
Listed shares of a subsidiary	LR 9.8.4R (9)	Not applicable
Significant contracts with Directors and controlling shareholders	LR 9.8.4R (10), (11)	Directors' report/pages 166–170
Dividend waiver	LR 9.8.4R (12), (13)	Not applicable
Board statement in respect of relationship agreement with the controlling shareholder	LR 9.8.4R (14)	Not applicable

This Directors' Report was approved by the Board and signed on its behalf by the Company Secretary on 20 March 2024.

By order of the Board

Eleftheria Kotsana

Company Secretary

20 March 2024

Company number: 10758801, 44 Baker Street, London W1U 7AL

Statement of Directors' Responsibilities

The Directors are responsible for preparing the annual report, including the Group and the Company financial statements, in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year.

Under the UK Companies Act 2006 the Directors are required to prepare the Group financial statements in accordance with UK-adopted International Accounting Standards ("UK-adopted IAS") and have elected to prepare the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group and the Company for that period.

In preparing the Group and the Company financial statements the Directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in UK-adopted IAS (and in respect of the Company financial statements, FRS 101) is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's and the Company's financial position and financial performance;
- in respect of the Group financial statements, state whether UK-adopted IAS have been followed, subject to any material departures disclosed and explained in the financial statements;
- in respect of the Company financial statements, state whether applicable UK Accounting standards including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the Company and/or the Group will not continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the Group and the Company financial statements comply with the UK Companies Act 2006. They are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

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

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

Directors' responsibility statement:

The Directors confirm, to the best of their knowledge:

- that the Group financial statements, prepared in accordance with the UK Companies Act 2006 and UK-adopted IAS, give a true and fair view of the assets, liabilities, financial position and profit of the parent company and the undertakings included in the consolidation taken as a whole;
- that the annual report, including the strategic report, includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- that they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and the Company's position and performance, business model and strategy.

This responsibility statement was approved by the Board of Directors on 20 March 2024 and is signed on its behalf by:

Matthaios Rigas

Director

20 March 2024

Panagiotis Benos

Director

20 March 2024

Financial Statements

Independent Auditor's Report to the Members of Energean plc

Opinion

In our opinion:

- Energean plc's group financial statements and parent company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2023 and of the group's profit for the year then ended;
- The group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- The parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- The financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Energean plc (the "parent company") and its subsidiaries (the "group") for the year ended 31 December 2023 which comprise:

Group	Parent company
Group statement of financial position as at 31 December 2023	Company statement of financial position as at 31 December 2023
Group income statement for the year then ended	Company statement of changes in equity for the year then ended
Group statement of comprehensive income for the year then ended	Related notes 1 to 15 to the financial statements including material accounting policy information
Group statement of changes in equity for the year then ended	
Group statement of cash flows for the year then ended	
Related notes 1 to 31 to the financial statements, including material accounting policy information	

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the group and parent in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting the audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group and parent company's ability to continue to adopt the going concern basis of accounting included the following procedures:

- In conjunction with our walkthrough of the Group's financial close process, we confirmed our understanding of management's going concern assessment process which included the preparation of a base case cash flow model covering the period 21 March 2024 to 30 June 2025, a reasonable worst-case scenario and two reverse stress test scenarios.
- We assessed the appropriateness of the duration of the going concern assessment period to 30 June 2025 and considered whether there are any known events or conditions that will occur beyond the period.
- We tested the integrity of the models used to calculate the forecast cash flows underlying the going concern assessment and, where applicable, assessed consistency with information relevant to other areas of our audit, including impairment assessments, recent third-party reserves and resources reports and deferred tax asset recoverability assessments.
- We assessed the reasonableness of the key assumptions included in the base case and reasonable worst case cash flow models. Our evaluation of the key assumptions within the models included comparing oil and gas price forecasts to external data, comparing forecast gas prices in Israel to agreed sales contracts, verifying reserves and production estimates to the reserves report prepared by management's external specialist and ensuring consistency of forecast operating costs and capital expenditure against approved budgets. We also searched for potentially contradictory evidence that could indicate that management's assumptions were inappropriate included assessing the potential impact of the conflict in Israel.
- We challenged the amount and timing of mitigating actions available to respond to the reasonable worst case, including accelerating sales from the Karish field, deferring capital expenditure and reducing operational expenditure, and assessing whether those actions were feasible and within the Group's control.
- We verified the starting cash position and the available financing facilities, including the receipt of the $750 million of senior secured loan notes and the $120 million revolving credit facility signed during the year, including gaining an understanding of the key terms and financial covenants associated with the facilities.
- We reviewed Energean's commitment to climate change initiatives and ensured that the corresponding cashflows have been considered in the going concern forecast, which include the expected capex outflow and receipt of grants.
- We verified any material, non-recurring cash outflows or inflows to and from third parties were reasonable and supported by relevant contractual terms or legal advice.
- We evaluated the appropriateness of management's two reverse stress test scenarios and assessed the likelihood of such conditions arising during the going concern assessment period to be remote.
- We also performed our own further downside stress testing, concluding the likelihood of liquidity being extinguished during the going concern assessment period under this adverse scenario to be remote.
- We reviewed the Group's going concern disclosures included in the financial statements in order to assess whether the disclosures were appropriate and accurately reflected the outcome of the directors' assessment process.

Our key observations:

- The directors' assessment forecasts that the Group will retain sufficient liquidity throughout the going concern assessment period in both the base case and reasonable worst-case scenario.
- The Group are forecasting compliance with financial covenant ratios across over the going concern assessment period.
- The directors consider the reverse stress test scenarios to be remote based on forecast commodity prices and production performance to date, forecasts for the period and the additional liquidity provided by the available and undrawn facilities across the assessment period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period through to 30 June 2025.

In relation to the group and parent company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Overview of our audit approach

Audit scope	• We performed an audit of the complete financial information of five components and audit procedures on specific balances for a further four components. • The components where we performed full or specific audit procedures accounted for 100% of EBITDAX[100], 99% of Revenue and 96% of Total assets.
Key audit matters	• Risk of inappropriate estimation of oil and gas reserves. • Recoverability of oil and gas assets.
Materiality	• Overall Group materiality of $23.2 million which represents 2.5% of EBITDAX.

An overview of the scope of the parent company and group audits

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each company within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. We take into account size, risk profile, the organisation of the group and effectiveness of group-wide controls, changes in the business environment, the potential impact of climate change and other factors such as recent Internal audit results when assessing the level of work to be performed at each company.

In assessing the risk of material misstatement to the Group financial statements, and to ensure we had adequate quantitative coverage of significant accounts in the financial statements, of the fifteen reporting components of the Group, we selected nine components covering entities within Israel, Italy, Egypt, Greece, Cyprus and the United Kingdom, which represent the principal business units within the Group.

Of the nine components selected, we performed an audit of the complete financial information of five components ("full scope components") which were selected based on their size or risk characteristics. For the remaining four components ("specific scope components"), we performed audit procedures on specific accounts within that component that we considered had the potential for the greatest impact on the significant accounts in the financial statements either because of the size of these accounts or their risk profile.

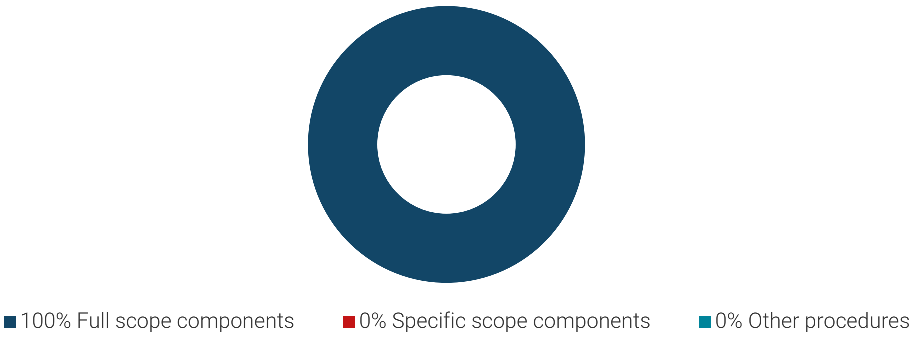
[100] Earnings Before Interest, Tax, Depreciation, Amortisation and Exploration expenses.

The reporting components where we performed audit procedures accounted for 100% of the Groups' EBITDAX, 99% (2022: 99%) of the Group's Revenue and 96% (2022: 99%) of the Group's Total assets. For the current year, the full scope components contributed 100% of the Group's EBITDAX, 97% (2022: 91%) of the Group's Revenue and 65% (2022: 86%) of the Group's Total assets. The specific scope component contributed 0% of the Group's EBITDAX, 2% (2022: 8%) of the Group's Revenue and 31% (2022: 13%) of the Group's Total assets. The audit scope of these components may not have included testing of all significant accounts of the component but will have contributed to the coverage of significant accounts tested for the Group.

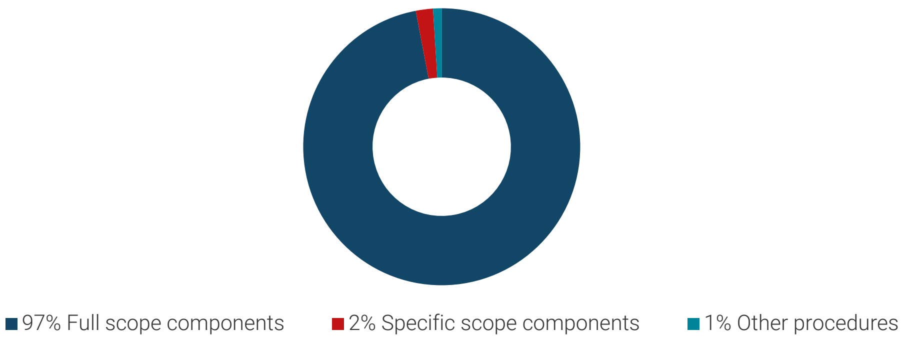
Of the remaining six components that together represent 0% of the Group's EBITDAX, none are individually greater than 1% of the Group's EBITDAX. For these components, we performed other procedures to respond to any potential risks of material misstatement to the Group financial statements, including the following analytical review procedures on an individual component basis, testing of consolidation journals, intercompany eliminations and foreign currency translation calculations, making enquiries of management about unusual transactions in these components and reviewing minutes of Board meetings held throughout the period.

The charts below illustrate the coverage obtained from the work performed by our audit teams.

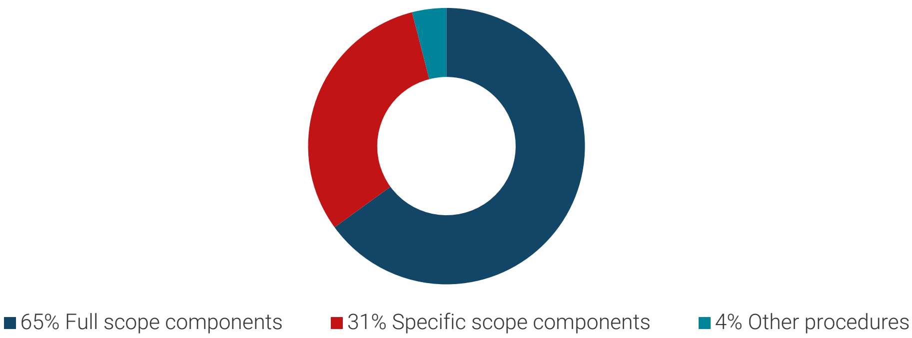
EBITDAX



Revenue



Total assets



Changes from the prior year

One component previously designated as specific scope has been reclassified as full scope for 2023 and one component previously designated as a specific scope has been reclassified as review scope for 2023. These changes were as a result of our current year assessment of the risks of material misstatement in the Group's significant accounts.

Involvement with component teams

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the primary audit engagement team, or by component auditors from other EY global network firms operating under our instruction. Of the five full scope components, audit procedures were performed on one of these directly by the primary audit team and four by the component teams. Of the four specific scope components, audit procedures were performed on two of these directly by the primary audit team and two by the component teams. For the in-scope components, where the work was performed by component auditors, we determined the appropriate level of involvement to enable us to determine that sufficient audit evidence had been obtained as a basis for our opinion on the Group as a whole.

The Group audit team continued to follow a programme of planned visits that has been designed to ensure that the Senior Statutory Auditor visits principal business locations of the Group on a rotating basis. During the current year's audit cycle, visits were undertaken by the primary audit team to the component teams in Italy, Egypt and Greece. The primary audit team also met with the Israel component team in Greece. These visits involved discussing the audit approach with component teams including any issues arising from their work, meeting with local management, attending closing meetings and reviewing relevant audit working papers on higher risk areas. The primary team interacted regularly with the component teams where appropriate during various stages of the audit, reviewed relevant working papers and were responsible for the scope and direction of the audit process. This, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Group financial statements.

Climate change

Stakeholders are increasingly interested in how climate change will impact Energean plc. The Group has determined that the most significant future impacts from climate change on its operations will be from limited access to capital, increasing costs, reputational damage, and the potential for earlier asset retirement, amongst others. These are explained on pages 18 to 33 in the required Task Force On Climate Related Financial Disclosures and on pages 85 to 96 in the principal risks and uncertainties. They have also explained their climate commitments on pages 18 to 33. All of these disclosures form part of the "Other information," rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information".

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements.

The group has explained in note 4.2 of the consolidated financial statements how they have reflected the impact of climate change in their financial statements including how this aligns with their commitment to the aspirations of the Paris Agreement to achieve net zero emissions by 2050. Significant judgements and estimates relating to climate change are included in note 4. These disclosures also explain where governmental and societal responses to climate change risks are still developing, and where the degree of certainty of these changes means that they cannot be taken into account when determining the recoverable amount of the group's cash-generating units in accordance with UK adopted international accounting standards.

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating management's assessment of the impact of climate risk, physical and transition, their climate commitments, the effects of material climate risks and the significant judgements and estimates disclosed in Note 4 and whether these have been appropriately reflected in management's assessment of impairment indicators, including the estimation of oil and gas reserves, and timing of planned decommissioning activities in accordance with UK adopted international accounting standards. As part of this evaluation, we performed our own risk assessment, supported by our climate change internal specialists, to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the directors' considerations of climate change risks in their assessment of going concern and viability and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work, whilst we have not identified the impact of climate change on the financial statements to be a standalone key audit matter, we have considered the impact on the following key audit matters: (i) Risk of inappropriate estimation of oil and gas reserves; and (ii) Recoverability of oil and gas assets. Details of the impact, our procedures and findings are included in our explanation of key audit matters below.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Risk of inappropriate estimation of oil and gas reserves *Refer to the Audit & Risk Committee Report (pages 117–124); Accounting policies (pages 196–209); and Notes 3, 4 and 12 of the Consolidated Financial Statements.* Energean's reserves portfolio as at 31 December 2023 included proven and probable (2P) reserves of 1,115 Mmboe (2022: 1,161 Mmboe) and contingent (2C) resources of 222 Mmboe (2022: 217 Mmboe). The estimation and measurement of oil and gas reserves is considered to be a significant risk as it impacts a number of material elements of the financial statements including impairment, decommissioning, deferred tax asset recoverability and depreciation, depletion and amortisation (DD&A). Reserve estimation is complex, requiring technical input based on geological and engineering data. Management's reserves estimates are provided by external specialists DeGolyer	We performed the following procedures to address the risk of inappropriate estimation of oil and gas reserves: • We confirmed our understanding of Energean's oil and gas reserve estimation process and the control environment implemented by management including both the transfer of source data to management's reserves specialists and subsequently the input of reserves information from the specialists' reports into the accounting system; • We obtained and reviewed the most recent third-party reserves and resources reports prepared by the specialists and compared these for consistency with other areas of the audit including Energean's reserves models, the calculation of DD&A, the calculation of the decommissioning provision, the assessment of deferred tax asset recoverability and the	We reported to the Audit & Risk Committee that: • Based on our procedures we deem the process of estimating reserves to be appropriate, and no issues were noted when assessing the competency, objectivity and independence of management's internal and external specialists; • We did not identify any errors or factual inconsistencies with reference to Energean's oil and gas reserves estimates that would materially impact the financial statements and, as a result, we consider the reserve estimates to be reasonable; and • We are satisfied that the reserves disclosed in the Annual Report & Accounts are consistent with those we have audited.

and MacNaughton (“D&M”) and Netherland, Sewell & Associates, Inc (“NSAI”).	directors’ assessment of going concern; • We assessed the qualifications of management’s specialists; We investigated all material volume movements from management’s prior period estimates and where there was lack of movement where changes were expected based on our understanding of the Group’s operations and findings from other areas of our audit; • We ensured that information gained as part of our other audit procedures, such as the performance of the NEA-6 well in Egypt, was included in the assessment of the external specialists; • We held discussions with the specialists to understand their process and any key judgements applied in reaching their conclusions. We established whether they had been placed under any undue pressure by management to achieve certain outcomes; • We considered the impact of climate change and the energy transition on the calculation of reserves, including the impact on commodity price assumption forecasts and how this affects the economic limit of the reserves over the forecasted production period. • In light of Energean’s pledge to reach net zero emissions by 2050, we considered the extent of reserves recognised that are due to be produced beyond 2050 in assessing the potential impact of a risk of stranded assets. The audit procedures to address this risk were either performed directly by the primary team or performed by	

	our component teams with oversight from the primary team.	
Recoverability of oil and gas assets *Refer to the Audit & Risk Committee Report (pages 117–124); Accounting policies (pages 196–209); and Notes 3, 4 and 12 of the Consolidated Financial Statements.* Energean's oil and gas assets balance as at 31 December 2023 amounted to \$4,303 million (2022: \$4,197 million). There is a risk that capitalised costs associated with oil and gas assets in the development or production stage may be carried at a value that exceeds their future recoverable value. In accordance with IAS 36 Impairment of Assets, at the end of each reporting period an entity should assess whether there is any indication that an asset may be impaired or there might be a reversal of a prior impairment. This includes any potential impairment which could arise as a result of energy transition away from fossil based energy sources to renewable alternatives. Where indicators of impairment exist, management determines the recoverable amount of the asset or cash generating unit ('CGU') by preparing discounted cash flow models and comparing this to the carrying value of the asset. In the current period, management identified impairment indicators on the Egypt and Greece CGUs. Full impairment tests were performed and \$NIL impairment charges were recognised (2022: \$NIL). The carrying values of the Egypt and Greece CGUs at 31 December 2023 were \$487 million and \$307 million respectively. We have identified this as an area of significant risk, due to	We performed the following procedures to address the risk of recoverability of oil and gas assets: • Assessed the appropriateness and completeness of management's impairment indicator assessment in the context of IAS 36; • Performed a walk-through to confirm our understanding of Energean' s impairment indicator assessment process, as well as the controls implemented by management; • Ensured management considered any possible impacts from the conflict in Israel in their impairment indicator assessment with regards to Karish in Israel; and • Ensured the implications of climate change are considered by Management, including any climate-related commitments, in their impairment indicator assessment. As at 31 December 2023, indicators of impairment were identified by management on two CGUs in Greece and Egypt, and full impairment tests were subsequently performed. Accordingly, our audit response included the following procedures: • Confirmed our understanding of Energean's impairment assessment process, as well as the controls implemented by management; • We benchmarked the Group's commodity price assumptions to those of industry peers, banks and brokers;	We reported to the Audit & Risk Committee that: • Management's impairment indicator assessment is reasonable and appropriate, taking into account all relevant internal and external factors; • The assumptions used in the cash flow models for the purpose of performing the full impairment tests are reasonable and supportable. The results of the impairment tests yielded headroom of \$93 million in Greece and \$17 million in Egypt respectively. Therefore, we are satisfied that no Impairment charge should be recognised at 31 December 2023; and • The disclosures included in the financial statement and reasonable and appropriate.

the degree of judgement and estimation involved. The risk has increased in the current year due to the existence of impairment indicators.	• We further performed benchmarking on cost estimate profiles, the inflation rate and FX rates based on comparison with recent actuals and our understanding obtained from other areas of the audit; • We reconciled production profiles to the work performed over reserves; • We engaged our valuation specialists to assist us in determining the reasonableness of the discount rate applied by management to the cash flow models; • We evaluated the appropriateness of other assumptions used in the cash flow models, including inflation and assumed foreign exchange rates, and ensuring assumptions have been applied consistently across other accounting areas; • We performed specific stress tests to determine the sensitivity of the impairment assessment to changes in key assumptions; • We tested the integrity of the underlying cashflow model; • We sensitised the cash flow models using oil and gas prices in line with those under a "Net Zero Emissions by 2050 Scenario" published by the International Energy Agency to determine whether any additional disclosures may be required; • We ensured management considered any possible impacts from the conflict in Israel; • We ensured management considered the implications of climate change, which included benchmarking the Group's carbon price assumptions to those of	

	industry peers and considered any climate-related commitments, in its impairment assessment; and • We ensured that sufficient and appropriate disclosures are included in the consolidated financial statements in respect of any impairment assessment conducted.	

In the prior year, our auditor's report included a key audit matter in relation to "Accounting for first production in Israel" due to the Karish Main Field achieving first gas in October 2022. The resulting accounting implications required significant auditor attention proportionally to our Group audit procedures. Since the asset is now in production, this risk no longer applies, and therefore we did not consider this to be a significant risk or a key audit matter for the year ended 31 December 2023.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be $23.2 million (2022: $28.2 million), which is 2.5% (2022: 0.5%) of EBITDAX ("Earnings Before Interest, Tax, Depreciation, Amortisation and Exploration expenses") (2022: Group assets, adjusted to remove the amount of goodwill recognised at the time of the Group's initial investments in Energean Israel Limited and Edison E&P). We believe that EBITDAX provides us with a suitable basis for calculating materiality, since this provides an indication of the Group's ability to generate cash, which helps investors to evaluate the Group's ability to service its debt and to pay dividends, thereby assessing their return on investment. Prior to 2023 we determined materiality for the Group with reference to consolidated total assets, because we determined that the Group's main focus (and the focus of the users of the financial statements) was on identifying, acquiring and developing oil and gas assets. However, from 2023 onwards, we have determined that the focus of the Group (and the users of the financial statements) has shifted from the development of assets towards production, profitability, cash flow and the payment of dividends.

We determined materiality for the Parent Company to be $11.2 million (2022: $7.9 million), which is 0.75% (2022: 0.75%) of total assets.

During the course of our audit, we reassessed initial materiality and found no reason to change from our original assessment at planning.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 50% (2022: 50%) of our planning materiality, namely $11.6 million (2022: $13.6 million). We have set performance materiality at this percentage due to quantitative and qualitative assessment of prior year misstatements, our assessment of the Group's overall control environment, and consideration of relevant changes in market conditions during the year.

Audit work at component locations for the purpose of obtaining audit coverage over significant financial statement accounts is undertaken based on a percentage of total performance materiality. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was $2.3 million to $8.7 million (2022: $2.7 million to $8.2 million).

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of $1.2 million (2022: $1.4 million), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report set out on pages 1 to 172 and 266 to 273, including the Strategic Report and the Directors' Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Corporate Governance Statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the group and company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements, or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 169;
- Directors' explanation as to its assessment of the company's prospects, the period this assessment covers and why the period is appropriate set out on pages 97 to 99;
- Director's statement on whether it has a reasonable expectation that the group will be able to continue in operation and meets its liabilities set out on pages 97 to 99;
- Directors' statement on fair, balanced and understandable set out on pages 171 to 172;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 85 to 96;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 120; and
- The section describing the work of the audit committee set out on pages 117–124.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on pages 171 to 172, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant are those that relate to the reporting framework (UK adopted international accounting standards, Companies Act 2006, the UK Corporate Governance Code and Listing Rules of the UK Listing Authority) and the relevant tax compliance regulations in the jurisdictions in which the group operates. In addition, we concluded that there are certain laws and regulations relating to health and safety, employee matters, environmental and bribery and corruption practices that may impact upon the financial statements.
- We understood how Energean plc is complying with those frameworks by making enquiries of management and with those responsible for legal and compliance procedures. We corroborated our enquiries through inspection of board minutes, papers provided to the Audit & Risk Committee and correspondence received from regulatory bodies and there was no contradictory evidence.
- We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur, by considering the degree of incentive, opportunity and rationalisation that may exist to undertake fraud, and focussed on opportunities for management to reflect bias in key accounting estimates. We also considered performance targets and their influence on efforts made by management to manage earnings or influence the perceptions of analysts. We determined there to be a risk of fraud associated with management override of the revenue process, specifically from the posting of manual topside journal entries. Our procedures incorporated data analytics and manual journal entry testing into our audit approach.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations; this included the provision of specific instructions to component teams. Our procedures involved journal entry testing, with a focus on manual consolidation journals and journals indicating large or unusual transactions based on our understanding of the business, enquiries of group management and a review of Board minutes, Audit & Risk Committee papers, Internal Audit reports and correspondence received from regulatory bodies.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the Audit & Risk Committee we were appointed by the company on 21 February 2018 to audit the financial statements for the year ending 31 December 2017 and subsequent financial periods.
- The period of total uninterrupted engagement including previous renewals and reappointments is seven years, covering the years ending 31 December 2017 to 31 December 2023 inclusive.
- The audit opinion is consistent with the additional report to the Audit & Risk Committee.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Wallek (Senior Statutory Auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor, London

20 March 2024

Group Income Statement

Year ended 31 December 2023

($'000)	Notes	2023	2022
Revenue	6	1,419,633	737,081
Cost of sales	7a	(759,546)	(358,930)
Gross profit		**660,087**	**378,151**
Administrative expenses	7b	(43,073)	(45,942)
Exploration and evaluation expenses	7c	(34,088)	(71,395)
Change in decommissioning provision	23	16,996	(27,628)
Expected credit (loss)/reversal	7d, 26	(4,375)	7,927
Other expenses	7e	(5,274)	(12,118)
Other income	7f	7,980	3,163
Operating profit		**598,253**	**232,158**
Finance income	9	19,501	9,572
Finance costs	9	(250,395)	(107,315)
Unrealised loss on derivatives	26	(6,610)	(5,203)
Net foreign exchange losses	9	(16,584)	(22,207)
Profit before tax		**344,165**	**107,005**
Taxation expense	10	(159,230)	(89,734)
Profit for the year		**184,935**	**17,271**

Basic and diluted earnings per share (cents per share)		2023	2022
Basic	11	$1.04	$0.10
Diluted	11	$1.05	$0.12

Group Statement of Comprehensive Income

Year ended 31 December 2023

($'000)	2023	2022
Profit for the year	184,935	17,271
Other comprehensive profit/(loss):		
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges		
Gain/(loss) arising in the period	-	11,665
Income tax relating to items that may be reclassified to profit or loss	-	(2,799)
Exchange difference on the translation of foreign operations	7,463	6,996
	7,463	15,862
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit pension plan	(161)	267
Income taxes on items that will not be reclassified to profit or loss	38	(64)
	(123)	203
Other comprehensive profit after tax	7,340	16,065
Total comprehensive profit for the year	192,275	33,336

Group Statement of Financial Position

As at 31 December 2023

($'000)	Notes	2023	2022
Assets			
Non-current assets			
Property, plant and equipment	12	4,371,325	4,231,904
Intangible assets	13	325,389	296,378
Equity-accounted investments		4	4
Other receivables	18	33,682	26,940
Deferred tax asset	14	217,504	242,226
Restricted cash	16	3,124	2,998
		4,951,028	4,800,450
Current assets			
Inventories	17	110,126	93,347
Trade and other receivables	18	353,257	337,964
Restricted cash	16	22,482	71,778
Cash and cash equivalents	15	346,772	427,888
		832,637	930,977
Total assets		5,783,665	5,731,427
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital	19	2,449	2,380
Share premium	19	465,331	415,388
Merger reserve	19	139,903	139,903
Other reserves		5,975	16,557
Foreign currency translation reserve		1,636	(5,827)
Share-based payment reserve		32,917	25,589
Retained earnings		37,904	56,208
Total equity		686,115	650,198
Non-current liabilities			
Borrowings	21	3,141,197	2,975,346
Deferred tax liabilities	14	122,785	56,114
Retirement benefit liability	22	1,595	1,675
Provisions	23	786,362	809,727
Trade and other payables	24	166,923	318,058
		4,218,862	4,160,920

($'000)	Notes	2023	2022
Current liabilities			
Trade and other payables	24	737,603	756,874
Current portion of borrowings	21	80,000	45,550
Current tax liability		9,261	109,509
Provisions	23	51,824	8,376
		878,688	920,309
Total liabilities		5,097,550	5,081,229
Total equity and liabilities		5,783,665	5,731,427

Approved by the Board on the 20 March 2024

Matthaios Rigas

Chief Executive Officer

Panagiotis Benos

Chief Financial Officer

Group Statement of Changes in Equity

Year ended 31 December 2023

($'000)	Share capital	Share premium	Hedges and defined benefit plans reserve[101]	Equity component of convertible bonds[102]	Share based payment reserve[103]	Translation reserve[104]	Retained earnings	Merger reserves	Total
At 1 January 2022	2,374	915,388	(2,971)	10,459	19,352	(12,823)	(354,559)	139,903	717,123
Profit for the period	-	-	-	-	-	-	17,271	-	17,271
Remeasurement of defined benefit pension plan, net of tax	-	-	203	-	-	-	-	-	203
Hedges, net of tax	-	-	8,866	-	-	-	-	-	8,866
Exchange difference on the translation of foreign operations	-	-	-	-	-	6,996	-	-	6,996
Total comprehensive income	-	-	9,069	-	-	6,996	17,271	-	33,336
Transactions with owners of the company									
Share based payment charges (note 25)	-	-	-	-	6,243	-	-	-	6,243
Exercise of Employee Share Options (note 19)	6	-	-	-	(6)	-	-	-	-
Share premium reduction (note 19)	-	(500,000)	-	-	-	-	500,000	-	-
Dividends (note 20)	-	-	-	-	-	-	(106,504)	-	(106,504)

101 Reserve is used to recognise remeasurement gain or loss on cash flow hedges and actuarial gain or loss from the defined benefit pension plan. In 2022 in the Statement of Financial Position this reserve was combined with the “Equity component of convertible bonds” reserve.

102 Refers to the Equity component of $50 million of convertible loan notes, which were issued in February 2021 and converted into equity at maturity in December 2023.

103 Share-based payment reserve is used to recognise the value of equity-settled share-based payments granted to parties including employees and key management personnel, as part of their remuneration.

104 Translation reserve is used to record unrealised exchange differences arising from the translation of the financial statements of entities within the Group that have a functional currency other than US dollar.

($'000)	Share capital	Share premium	Hedges and defined benefit plans reserve[101]	Equity component of convertible bonds[102]	Share based payment reserve[103]	Translation reserve[104]	Retained earnings	Merger reserves	Total
At 1 January 2023	2,380	415,388	6,098	10,459	25,589	(5,827)	56,208	139,903	650,198
Profit for the period	-	-	-	-	-	-	184,935	-	184,935
Remeasurement of defined benefit pension plan, net of tax			(123)						(123)
Exchange difference on the translation of foreign operations						7,463			7,463
Total comprehensive income	-	-	(123)	-	-	7,463	184,935	-	192,275
Transactions with owners of the company									
Conversion of the loan note (note 19)	57	49,943	-	(10,459)	-	-	10,459	-	50,000
Exercise of Employee Share Options (note 19)	12	-	-	-	(12)	-	-	-	-
Share based payment charges (note 25)	-	-	-	-	7,340	-	-	-	7,340
Dividends (note 20)	-	-	-	-	-	-	(213,698)	-	(213,698)
At 31 December 2023	2,449	465,331	5,975	-	32,917	1,636	37,904	139,903	686,115

Group Statement of Cash Flows

Year ended 31 December 2023

($'000)	Notes	2023	2022
Operating activities			
Profit before taxation		344,165	107,005
Adjustments to reconcile profit before taxation to net cash provided by operating activities:			
Depreciation, depletion and amortisation	12,13	306,144	83,360
Impairment loss on property, plant and equipment	12	342	-
Loss from the sale of property, plant and equipment	7e	190	1,102
Impairment loss on exploration and evaluation assets	13	28,758	65,550
Defined benefit (gain)/loss		45	(351)
Movement in provisions	23	(11,098)	(4,742)
Compensation to gas buyers	6	4,929	18,029
Change in decommissioning provision estimates	23	(16,996)	27,628
Finance income	9	(19,501)	(9,572)
Finance costs	9	250,395	107,315
Unrealised loss on derivatives	26	6,610	5,203
ECL on trade receivables	7d	4,375	565
Non-cash revenues from Egypt[105]		(48,254)	(57,766)
Impairment loss on inventory	7e	-	1,207
Share-based payment charge	25	7,340	6,044
Net foreign exchange loss	9	16,584	22,207
Cash flow from operations before working capital adjustments		874,028	372,784
Increase in inventories		(14,923)	(10,278)
Increase in trade and other receivables		(45,178)	(74,454)
Increase/(Decrease) in trade and other payables		(44,913)	23,405
Cash flow from operations		769,014	311,457
Income tax paid		(112,827)	(39,304)
Net cash inflow from operating activities		656,187	272,153

[105] Non-cash revenues from Egypt arise due to taxes being deducted at source from invoices as such revenue and tax charges are grossed up to reflect this deduction but no cash inflow or outflow results.

($'000)	Notes	2023	2022
Investing activities			
Payment for purchase of property, plant and equipment	12	(436,043)	(395,753)
Payment for exploration and evaluation, and other intangible assets	13	(105,024)	(64,414)
Movement in restricted cash	16	49,226	124,953
Proceeds from disposal of property, plant and equipment		2	227
Amounts received from INGL related to the transfer of property, plant & equipment	24	56,906	17,371
Other investing activities		(522)	-
Interest received		18,997	9,675
Net cash outflow for investing activities		(416,458)	(307,941)
Financing activities			
Drawdown of borrowings	21	905,038	63,463
Repayment of borrowings	21	(655,000)	-
Repayment of deferred consideration liability	21	(150,000)	(30,000)
Debt issue costs	21	(17,633)	-
Repayment of obligations under leases	21	(18,732)	(14,023)
Finance cost paid for deferred license payments		(2,496)	(1,501)
Finance costs paid		(174,833)	(178,914)
Dividend Paid		(213,698)	(106,504)
Net cash outflow from financing activities		(327,354)	(267,479)
Net decrease in cash and cash equivalents		(87,625)	(303,267)
Cash and cash equivalents at beginning of the period		427,888	730,839
Effect of exchange rate fluctuations on cash held		6,509	316
Cash and cash equivalents at the end of the period	15	346,772	427,888

1 Corporate information

Energean plc (the "Company") was incorporated in England & Wales on 8 May 2017 as a public company limited by shares, under the Companies Act 2006. Its registered office is at 44 Baker Street, London, W1U 7AL, United Kingdom. The Company and all subsidiaries controlled by the Company are together referred to as ("Group").

The Group has been established with the objective of exploration, production and commercialisation of crude oil, hydrocarbon liquids and natural gas in Greece, Israel, North Africa, United Kingdom ("UK") and the wider Eastern Mediterranean.

The Group's core assets and subsidiaries as of 31 December 2023 are presented in notes 30 and 31.

2 Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below.

The consolidated financial statements have been prepared in accordance with UK-adopted International Accounting Standards ("UK-adopted IAS").

The consolidated financial information is presented in US Dollars and all values are rounded to the nearest thousand dollars except where otherwise indicated.

The consolidated financial statements have been prepared on a going concern basis. The principal accounting policies adopted by the Group are set out below.

Going concern

The Group carefully manages the risk of a shortage of funds by closely monitoring its funding position and its liquidity risk. The going concern assessment covers the period from the date of approval of the Group Financial Statements on 20 March 2024 to 30 June 2025 "the Assessment Period".

As of 31 December 2023, the Group's available liquidity was approximately $607 million. This available liquidity figure includes: (i) c. $115 million available under the $300 million Revolving Credit Facility ("RCF") signed by the Group in September 2022 and as amended in May 2023 (with the remainder being utilised to issue Letters of Credit for the Group's operations) and (ii) c. $120 million under the $120 million Revolving Credit Facility signed up by the Group in October 2023.

The going concern assessment is founded on a cashflow forecast prepared by management, which is based on a number of assumptions, most notably the Group's latest life of field production forecasts, budgeted expenditure forecasts, estimated of future commodity prices (based on recent published forward curves) and available headroom under the Group's debt facilities. The going concern assessment contains a "Base Case" and a "Reasonable Worst Case" ("RWC") scenario.

The Base Case scenario assumes Brent at $80/bbl in 2024 and $75/bbl in 2025 and PSV (Italian gas price) at €30/MWH in 2024 and 2025 assumed throughout the going concern assessment period, with prices for gas sold assumed at contractually agreed prices for Egypt and Israel. Under the Base Case, sufficient liquidity is maintained throughout the going concern period.

The Group also routinely performs sensitivity tests of its liquidity position to evaluate adverse impacts that may result from changes to the macro-economic environment, such as a reduction in commodity prices. These downsides are considered in the RWC going concern assessment scenario. The Group is not materially exposed to floating interest rate risk since the majority of its borrowings are fixed-rate. The Group also looks at the impact of changes or deferral of key projects and downside scenarios to budgeted production forecasts in the RWC.

The two primary downside sensitivities considered in the RWC are: (i) reduced commodity prices; (ii) reduced production – these downsides are applied to assess the robustness of the Group's liquidity position over the Assessment Period. In a RWC downside case, there are appropriate and timely mitigation strategies, within the Group's control, to manage the risk of funding shortfalls and to ensure the Group's ability to continue as a going concern. Mitigation strategies, within management's control, modelled in the RWC include deferral of capital expenditure on operated assets and/or management of operating expenses to improve the liquidity.

Under the RWC scenario, after considering mitigation strategies, liquidity is maintained throughout the going concern period.

Reverse stress testing was also performed to determine what commodity price or production shortfall would need to occur for liquidity headroom to be eliminated. The conditions necessary for liquidity headroom to be eliminated are judged to have a remote possibility of occurring, given the diversified nature of the Group's portfolio and the "natural hedge" provided by virtue of the Group's fixed-price gas contracts in Israel and Egypt. In the event a remote downside scenario occurred, prudent mitigating strategies, consistent with those described above, could also be executed in the necessary timeframe to preserve liquidity. There is no material impact of climate change within the Assessment Period and therefore it does not form part of the reverse stress testing performed by management.

In forming its assessment of the Group's ability to continue as a going concern, including its review of the forecasted cashflow of the Group over the Forecast Period, the Board has made judgements about:

- Reasonable sensitivities appropriate for the current status of the business and the wider macro environment; and
- the Group's ability to implement the mitigating actions within the Group's control, in the event these actions were required.

After careful consideration, the Directors are satisfied that the Group has sufficient financial resources to continue in operation for the foreseeable future, for the Assessment Period from the date of approval of the Group Financial Statements on 20 March 2024 to 30 June 2025. For this reason, they continue to adopt the going concern basis in preparing the group financial statements.

2.2 New and amended accounting standards and interpretations

The following amendments became effective as at 1 January 2023:

- IFRS 17 "Insurance Contracts"
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS "Practice Statement" 2)
- Definition of Accounting Estimates (Amendments to IAS 8)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
- International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)

None of the above amendments had a significant impact on the Group's consolidated financial statements. The amendments on International Tax Reform – Pillar Two Model Rules introduce a mandatory exception in IAS 12 "Income Taxes" to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

New and amended standards and interpretations in issue but not yet effective for the 2023 year-end

- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – 1 January 2024
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) – 1 January 2024
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability – 1 January 2025
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements – 1 January 2024

The adoption of the above standard and interpretations is not expected to lead to any material changes to the Group's accounting policies or have any other material impact on the financial position or performance of the Group.

2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) as detailed in Note 30. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated financial statements from the effective date of acquisition or up to the effective date of disposal, as appropriate.

3 Summary of material accounting policies

The principal accounting policies and measurement bases used in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all periods presented in the consolidated financial statements unless otherwise stated.

3.1 Functional and presentation currency and foreign currency translation

Functional and presentation currency

Items included in the consolidated financial statements of the Company and its subsidiaries entities are measured using the currency of the primary economic environment in which each entity operates ("the functional currency").

The functional currency of the Company is US Dollars ($). The US Dollar is the currency that mainly influences sales prices, revenue estimates and has a significant effect on its operations. The functional currencies of the Group's main subsidiaries are Euro for Energean Italy S.p.a., Energean Sicilia S.r.l., Energean Oil & Gas S.A., $ for Energean Group Services Ltd., Energean Israel Ltd., Energean Egypt Ltd., Energean E&P Holdings Ltd. and Energean Capital Ltd., and GBP for Energean UK Ltd. and Energean Exploration Ltd.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the retranslation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Such monetary assets and liabilities are translated at year end foreign exchange rates. Non-monetary items denominated in a foreign currency are translated at the exchange rates prevailing at the date of the transaction and are not subsequently remeasured.

Translation to presentation currency

For the purpose of presenting consolidated financial statements information, the assets and liabilities of the Group are expressed in $. The Company and its subsidiaries' assets and liabilities are translated using exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates have fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising are recognised in other comprehensive income and accumulated in the Group's translation reserve. Such translation differences are reclassified to profit or loss in the period in which the foreign operation is disposed of.

3.2 Investments in associates and joint arrangements

A joint arrangement is one in which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. A joint arrangement is either a joint operation or a joint venture.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investments in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investments in joint ventures are accounted for using the equity method.

Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Any goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

Joint operations

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have the right to the assets and obligations for the liabilities, relating to the arrangement. In relation to its interests in joint operations, the Group recognises its share of:

- Assets, including its share of any assets held jointly.
- Liabilities, including its share of any liabilities incurred jointly.
- Revenue from the sale of its share of the output arising from the joint operation.
- Share of the revenue from the sale of the output by the joint operation.
- Expenses, including its share of any expenses incurred jointly.

The Group is engaged in oil and gas exploration, development and production through unincorporated joint arrangements particularly in Italy and the UK. These are classified as joint operations in accordance with IFRS 11 "Joint Arrangements". The Group accounts for its share of the results and assets and liabilities of these joint operations. In addition, where the Energean acts as operator to the joint operation, the gross liabilities and receivables (including amounts due to or from non-operated partner) of the joint operation are included in the Group's balance sheet. Where another party acts as operator, the Group's share of the working capital (inventory, receivables and payables) of those non-operated fields is recognised within trade and other payables/receivables. A list of the Group's joint operations and its working interest in each is disclosed in note 31.

3.3 Exploration and evaluation expenditures

The Group adopts the successful efforts method of accounting for exploration and evaluation costs. Pre-licence costs are expensed in the period in which they are incurred. All licence acquisition, exploration and evaluation costs and directly attributable administration costs are initially capitalised as intangible assets by field or exploration area, as appropriate. All such capitalised costs are subject to technical, commercial and management review, as well as review for indicators of impairment at least once a year. This is to confirm the continued intent to develop or otherwise extract value from the discovery. When this is no longer the case, the costs are written off through the statement of profit or loss. When proved reserves of oil and gas are identified and development is sanctioned by management, the relevant capitalised expenditure is first assessed for impairment and (if required) any impairment loss is recognised, then the remaining balance is transferred to oil and gas properties.

Farm-outs — in the exploration and evaluation phase

The Group does not record any expenditure made by the farmee on its account. It also does not recognise any gain or loss on its exploration and evaluation farm-out arrangements but redesignates any costs previously capitalised in relation to the whole interest as relating to the partial interest retained. Any cash consideration received directly from the farmee is credited against costs previously capitalised in relation to the whole interest with any excess accounted for by the Group as a gain on disposal.

3.4 Oil and gas properties – assets in development

Expenditure is transferred from "Exploration and evaluation assets" to "Assets in development" which is a subcategory of "Oil and gas properties" once the work completed to date supports the future development of the asset and such development receives appropriate approvals. After transfer of the exploration and evaluation assets, all subsequent expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, including unsuccessful development or delineation wells, is capitalised within "Assets in development". Proceeds from any oil and gas produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management (such as samples produced when testing whether the asset is functioning properly) is recognised in profit or loss in accordance with IFRS 15 "Revenue Recognition". The Group measures the cost of those items applying the measurement requirements of IAS 2 Inventories. When a development project moves into the production stage, all assets included in "Assets in development" are then transferred to "Producing assets" which is also a sub-category of "Oil and gas properties". The capitalisation of certain construction/development costs ceases, and costs are either regarded as part of the cost of inventory or expensed, except for costs which qualify for capitalisation relating to "Oil and gas properties" asset additions, improvements or new developments.

3.5 Commercial reserves

Commercial reserves are proven and probable oil and gas reserves, which are defined as the estimated quantities of crude oil, natural gas and natural gas liquids which geological, geophysical and engineering data demonstrate with a specified degree of certainty to be recoverable in future years from known reservoirs and which are considered commercially producible. Commercial reserves have a 50% statistical probability that the actual quantity of recoverable reserves will be more than the amount estimated as proven and probable reserves and a 50% statistical probability that it will be less.

3.6 Depletion and amortisation

All expenditure carried within each field is amortised from the commencement of production on a unit of production basis, which is the ratio of oil and gas production in the period to the estimated quantities of commercial reserves at the end of the period plus the production in the period, generally on a field-by-field basis or by a group of fields which are reliant on common infrastructure. Costs included in the unit of production calculation comprise the net book value of capitalised costs plus the estimated future field development costs required to recover the commercial reserves remaining. Changes in the estimates of commercial reserves or future field development costs are dealt with prospectively.

3.7 Impairment assessment of oil & gas properties

The group assesses assets or groups of assets, called cash-generating units ("CGUs"), for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or CGU may not be recoverable; for example, changes in the group's assumptions about commodity prices, low field utilisation, significant downward revisions of estimated reserves or increases in estimated future development expenditure or decommissioning costs. If any such indication of impairment exists, the group makes an estimate of the asset's or CGU's recoverable amount.

Where there is interdependency between fields due to shared infrastructure, the related cash inflows of each field are not largely independent and therefore the relevant fields are grouped as a single CGU for impairment purposes. A CGU's recoverable amount is the higher of its fair value less costs of disposal and its value in use. Where the carrying amount of a CGU exceeds its recoverable amount, the CGU is considered impaired and is written down to its recoverable amount.

Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the group and not applicable to entities in general.

In order to discount the future cash flows the Group calculates CGU-specific discount rates. The discount rates are based on an assessment of a relevant peer group's Weighted Average Cost of Capital ("WACC").

The Group then adds any exploration risk premium which is implicit within a peer group's WACC and subsequently applies additional country risk premium for CGUs to make it CGU-specific. Where conditions giving rise to impairment subsequently reverse, the effect of the impairment charge is also reversed as a credit to the income statement, net of any amortisation that would have been charged since the impairment.

The reversal is limited such that the carrying amount of the asset exceeds neither its recoverable amount, nor the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

3.8 Other property, plant and equipment

Other property, plant and equipment comprise of plant machinery and installation, furniture and fixtures.

Initial recognition

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation and borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Depreciation

Depreciation of other property, plant and equipment is calculated on the straight-line method so as to write off the cost amount of each asset to its residual value, over its estimated useful life. The useful life of each class is estimated as follows:

	Years
Property leases and leasehold improvements	3–10
Motor vehicles and other equipment	2–5
Plant and machinery	7–15
Furniture, fixtures and equipment	5–7

Depreciation of the assets in the course of construction commences when the assets are ready for their intended use, on the same basis as other assets of the same class.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Repairs, maintenance, and renovations

Expenditure for routine repairs and maintenance of property, plant and equipment is charged to the profit or loss in the year in which it is incurred. The cost of major improvements and renovations and other subsequent expenditure are included in the carrying amount of the asset when the recognition criteria of IAS 16 "Property, Plant and Equipment" are met. Major improvements and renovations capitalised are depreciated over the remaining useful life of the related asset.

3.9 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its depreciable property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. Impairment is assessed at the level of cash-generating units ("CGUs") which, in accordance with IAS 36 "Impairment of Assets", are identified as the smallest identifiable group of assets that generates cash inflows, which are largely independent of the cash inflows from other assets. This is usually at the individual royalty, stream, oil and gas or working interest level for each property from which cash inflows are generated.

An impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable amount, which is the higher of fair value less costs of disposal ("FVLCD") and value-in-use ("VIU"). The future cash flow expected is derived using estimates of proven and probable reserves and information regarding the mineral, stream and oil & gas properties, respectively, that could affect the future recoverability of the Company's interests. Discount factors are determined individually for each asset and reflect their respective risk profiles.

Assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the conditions that gave rise to the recognition of an impairment loss are subsequently reversed and the asset's recoverable amount exceeds its carrying amount. Impairment losses can be reversed only to the extent that the recoverable amount does not exceed the carrying value that would have been determined had no impairment been recognised previously.

Exploration and evaluation assets are tested for impairment when there is an indication that a particular exploration and evaluation project may be impaired. Examples of indicators of impairment include a significant price decline over an extended period, the decision to delay or no longer pursue the exploration and evaluation project, or an expiration of rights to explore an area. In addition, exploration and evaluation assets are assessed for impairment upon their reclassification to producing assets (oil and gas interest in property, plant and equipment). In assessing the impairment of exploration and evaluation assets, the carrying value of the asset would be compared to the estimated recoverable amount and any impairment loss is recognised immediately in profit or loss.

Goodwill is tested for impairment annually on 31 December and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

3.10 Convertible bonds

Convertible bonds are separated into liability and equity components based on the terms of the contract. The fair value of the liability component on initial recognition is calculated by discounting the contractual cash flows using a market interest rate for an equivalent non-convertible instrument. The difference between the fair value of the liability component and the proceeds received on issue is recorded as equity.

Transaction costs are apportioned between the liability and the equity components of the instrument based on the amounts initially recognised. The liability component is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or settlement. The equity component is not remeasured.

3.11 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the date of inception. The arrangement is assessed to determine whether fulfilment is dependent on the use of a specific asset (or assets) and the arrangement conveys a right to use the asset (or assets), even if that asset is (or those assets are) not explicitly specified in an arrangement. Other than in lease arrangements within joint operations (see below), the Group is not a lessor in any transactions, it is only a lessee.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases, leases of low-value assets and leases to explore for or use minerals, oil, natural gas and similar non-regenerative resources. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).

The right-of-use asset is measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Cost comprises the initial amount of the lease liability and any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs required to remove or restore the underlying asset, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Property leases 1 to 10 years
- Motor vehicles and other equipment 1 to 7 years
- Fibre optic 14 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment assessment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Interest-bearing loans and borrowings (see Note 21).

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

iv) Other leases outside the scope of IFRS 16

Leases to explore for or use minerals, oil, natural gas and similar non-regenerative resources are outside the scope of IFRS 16 and are recognised as exploration and evaluation costs or as oil and gas assets, as appropriate. Please refer to notes 3.4 and 3.5.

Accounting for leases in joint operations

Where the Group enters into lease agreements as operator of a joint operation and is sole signatory to a lease contract, it recognises its obligations under the lease in full to reflect the legal position of the Group as the contracting counterparty for such leases. Where the obligations of the non-operator parties under the joint operating agreement give rise to a sub-lease, the related proportion of the right-of-use asset is derecognised and a finance lease receivable recorded to reflect the proportion of the lease liability recoverable from the non-operator parties to the joint operating agreement.

3.12 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest ("SPPI")" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment under the expected credit loss model. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost include trade receivables.

Financial assets at fair value through profit or loss

The Group's financial assets at fair value through profit or loss include financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when the rights to receive cash flows from the asset have expired or are transferred.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9 "Financial Instruments". Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on financial liabilities recognised at fair value through profit and loss are recognised in the statement of profit or loss. The Group discloses the unwinding of the discount separately, in finance costs, from the mark to market gain or loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, modified and through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as interest rate swaps and forward commodity contracts, to hedge its interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm, and commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm, and commitment.
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedging instrument and the hedged item to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements.

- There is “an economic relationship” between the hedged item and the hedging instrument.
- The effect of credit risk does not “dominate the value changes” that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item attributable to the hedged risk.

From time to time, the Group may use forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to forward commodity contracts is recognised in revenue or cost of sales.

The Group designates only the spot element of forward contracts as a hedging instrument. The forward element is recognised in OCI and accumulated in a separate component of equity.

The amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction.

Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Ordinary shares

Ordinary shares are classified as equity and measured at their nominal value. Any premiums received on issue of share capital above its nominal value, are recognised as share premium within equity. Associated issue costs are deducted from share premium.

3.13 Share-based payment

Equity-settled transactions

Awards to non-employees:

The fair value of the equity settled awards has been determined at the date the goods or services are received with a corresponding increase in equity (share-based payment reserve).

Awards to employees:

Employees (including Senior Executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The fair value of the equity settled awards has been determined at the date of grant of the award allowing for the effect of any market-based performance conditions.

That cost is recognised in employee benefits expense, together with a corresponding increase in equity (share-based payment reserve), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

3.14 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities, for which fair value is measured or disclosed in the consolidated financial statements, are categorised within the fair value hierarchy, described as follows, based on the lowest-level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest-level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest-level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest-level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.15 Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank, demand deposits and also cash reserves retained as a bank security pledge in respect of bank guarantees (Note 28), with a maturity of three months or less that are subject to an insignificant risk of changes in their fair value.

The cash reserves retained as a bank security pledge in respect of bank guarantees are defined as deposits in escrow and held in designated bank deposits accounts to be released when the Group meet the specified expenditure milestones.

Restricted cash comprises balances retained in respect of the Group’s Senior Secured Notes and cash collateral provided under a letter of credit facility for issuing bank guarantees for Group's activities in Israel (see Note 16). The nature of the restrictions on these balances mean that they do not qualify for classification as cash equivalents.

3.16 Over/underlift

Lifting or offtake arrangements for oil and gas produced in certain of the Group’s jointly owned operations are such that each participant may not receive and sell its precise share of the overall production in each period. The resulting imbalance between cumulative entitlement and cumulative production less stock is underlift or overlift. Underlift and overlift are valued at market value and included within receivables and payables respectively. Movements during an accounting period are adjusted through cost of sales such that gross profit is recognised on an entitlement basis.

In respect of redeterminations, any adjustments to the Group’s net entitlement of future production are accounted for prospectively in the period in which the make-up oil is produced. Where the make-up period extends beyond the expected life of a field an accrual is recognised for the expected shortfall.

3.17 Inventories

Inventories comprise hydrocarbon liquids, crude oil and by-product (sulphur), consumables and other spare parts. Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. It does not include borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Spare parts consumed within a year are carried as inventory and recognised in profit or loss when consumed.

The Group assesses the net realisable value of the inventories at the end of each year and recognises in the consolidated statement of profit or loss the appropriate valuation adjustment if the inventories are overstated. When the circumstances that previously caused impairment no longer exist or when there is clear evidence of an increase in the inventories' net realisable value due to a change in the economic circumstances, the amount thereof is reversed.

3.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risk and uncertainties surrounding the obligation. The expense relating to a provision is presented in profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Decommissioning costs

Provision for decommissioning is recognised in full when the related facilities are installed. A corresponding amount equivalent to the provision is also recognised as part of the cost of the related property, plant and equipment.

The amount recognised is the estimated cost of decommissioning, discounted to its net present value at a risk-free discount rate, and is reassessed each year in accordance with local conditions and requirements. Changes in the estimated timing of decommissioning or decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to property, plant and equipment or in the income statement. The unwinding of the discount on the decommissioning provision is included as a finance cost.

3.19 Revenue

Revenue from contracts with customers is recognised when control of the gas/hydrocarbon liquids/crude oil/by-products or rendering of services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. In certain jurisdictions in which the Group operates royalties are levied by the government. The government can request that these royalty payments be made in cash or in kind. In the current year and in prior years the government has requested cash payments be made and therefore the Group has not made any royalty payments in kind. As such the Group obtains control of all the underlying reserves once extracted, sells the production to its customers and then remits the proceeds to the royalty holder and is therefore considered to be acting as the principal.

Sale of gas, hydrocarbon liquids, crude oil and by-products

Sales revenue represents the sales value, net of VAT, of actual sales volumes to customers in the year together with the gain/loss on realisation of cash flow hedges.

The Group's accounting policy under IFRS 15 is that revenue is recognised when the Group satisfies a performance obligation by transferring oil or gas to its customer. The title to oil and gas typically transfers to a customer at the same time as the customer takes physical possession of the oil or gas. Typically, at this point in time, the performance obligations of the Group are fully satisfied. The revenue is recorded when the oil or gas has been physically delivered to a vessel or pipeline.

3.20 Retirement benefit costs

State managed retirement benefit scheme

Payments made to state managed retirement benefit schemes (e.g. government social insurance fund) are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution plan. The Group's contributions are expensed as incurred and are included in staff costs. The Group has no legal or constructive obligations to pay further contributions if the government scheme does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods.

Defined benefit plan

The Group operates an unfunded defined benefit plan in which a lump sum amount is specified and is payable at the termination of employees' services based on such factors as the length of the employees' service and their salary. The liability recognised for the defined benefit plan is the present value of the defined benefit obligation at the reporting date.

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each reporting date. These assumptions used in the actuarial valuations are developed by management with the assistance of independent actuaries.

Service costs on the defined benefit plan are included in staff costs. Interest expense on the defined benefit liability is included in finance costs. Gains and losses resulting from other remeasurements of the defined benefit liability are included in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

3.21 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Excluded from the above capitalisation policy are any qualifying assets that are inventories that are produced in large quantities on a repetitive basis and any Exploration and Evaluation assets which have not resulted in the classification of commercial reserves.

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

3.22 Tax

Income tax expense represents the sum of current and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated financial statements because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. No deferred tax is recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Current and deferred tax assets and corresponding liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its tax assets and liabilities on a net basis.

3.23 Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued. Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Other components of equity include the following:

- Remeasurement of net defined benefit liability – comprises the actuarial losses from changes in demographic and financial assumptions and the return on plan assets (see Note 3.22).
- Translation reserve – comprises foreign currency translation differences arising from the translation of financial statements of the Group's foreign entities (see Note 3.1).
- Merger reserves – On 30 June 2017, the Company became the parent company of the Group through the acquisition of the full share capital of Energean E&P Holdings Ltd. From that point, in the consolidated financial statements, the share capital became that of Energean plc. The previously recognised share capital and share premium of Energean E&P Holdings Ltd. was eliminated with a corresponding positive merger reserve.

Share-based payment reserve: The share-based payments reserve is used to recognise the value of equity-settled share-based payments granted to parties including employees and key management personnel, as part of their remuneration.

Retained earnings includes all current and prior period retained profits.

All transactions with owners of the parent are recorded separately within equity.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the balance sheet date.

4 Critical accounting estimates and judgements

The preparation of these consolidated financial statements in conformity with IFRS requires the use of accounting estimates and assumptions, and also requires management to exercise its judgement, in the process of applying the Group's accounting policies.

Estimates, assumptions and judgement applied are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates, assumptions and judgement are based on management's best knowledge of current events and actions, actual results may ultimately differ.

4.1 Critical judgements in applying the Group's accounting policies

The following are management judgements in applying the accounting policies of the Group that have the most significant effect on the consolidated financial statements:

Carrying value of intangible exploration and evaluation assets (note 13)

Amounts carried under intangible exploration and evaluation assets represent active exploration projects. Capitalised costs will be written off to the income statement as exploration costs unless commercial reserves are established or the determination process is not completed and there are no indications of impairment in accordance with the Group's accounting policy. The process of determining whether there is an indicator for impairment or impairment reversal and quantifying the amount requires critical judgement. The key areas in which management has applied judgement as follows: the Group's intention to proceed with a future work programme; the likelihood of license renewal or extension; the assessment of whether sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale; and the success of a well result or geological or geophysical survey.

Identification of cash generating units (note 12)

In considering the carrying value of property, plant and equipment the Group has to make a critical judgement in relation to the identification of the smallest cash generating units to which those assets are allocated. In all countries except for Italy the cash generating unit is considered to be at the concession level. In Italy we have identified nine cash generating units ("CGUs"). The Italy Gas CGUs are as follows: Cassiopea, Clara E&NW, Calipso, Accetura, Gas Other and the Italy Oil CGUs comprise of: Vega, Sarago Mare, Rospo and Oil Other. The identification of CGUs across the group is consistent with how the Group monitors the business.

4.2 Estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

Impairment of property, plant and equipment (note 12):

The Group assesses at each reporting date whether there is an indication that an asset (or "CGU") may be impaired. The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where indicators of impairments or impairment reversals are present and an impairment or impairment reversal test is required, the calculation of the recoverable amount requires estimation of future cash flows within complex impairment models. The recoverable amount (which is the higher of fair value less costs to sell and value in use) of the cash-generating unit to which the assets belong is then estimated based on the present value of future discounted cash flows. Key assumptions and estimates used in both the impairment models and in the calculation of the recoverable amount are: commodity price assumptions, production profiles, the future impact of risks associated with climate change, discount rates and commercial reserves and the related cost profiles. Commercial (proven and probable) reserves are estimates of the amount of oil and gas that can be economically extracted from the Group's oil and gas assets as certified by the external qualified professionals.

The Group's impairment assessment did not identify any cash generating units for which a reasonably possible change in a key assumption would result in impairment or impairment reversal.

Management has considered how the Group's identified climate risks and opportunities (as discussed in the Strategic Report) may impact the estimation of the recoverable amount of cash-generating units in the impairment assessments. The anticipated extent and nature of the future impact of climate on the Group's operations and future investment, and therefore estimation of recoverable value, is not uniform across all cash-generating units. There is a range of inherent uncertainties in the extent that responses to climate change may impact the recoverable value of the Group's cash-generating units. These include the impact of future changes in government policies, legislation and regulation, societal responses to climate change, the future availability of new technologies and changes in supply and demand dynamics.

The Group has incorporated carbon pricing when preparing discounted cash flow valuations. Carbon prices are incorporated based on currently enacted legislation (where relevant). Carbon costs are based on the forecast carbon price per tonne/CO_2e, multiplied by estimated Scope 1 and 2 emissions for the relevant operation(s).

As part of the impairment assessment the Group has run sensitivity scenarios based on the International Energy Agency's ("IEA") 2023 World Energy Outlook climate projections including Stated Policies Scenario ("STEPS"), Announced Pledges Scenario ("APS") and Net-Zero Emissions by 2050 Scenario ("NZE"). These specific scenarios were not directly applied in the assets valuation for financial reporting purposes. This is because no single scenario fully aligns with the management consensus on the assumptions market participants may use in appraising the Group's assets. The assessment revealed that the Group's CGUs in Italy and Greece, particularly the Vega field, are significantly affected by these scenarios due to their sensitivity to fluctuations in Brent oil prices. Conversely, the Group's assets in Israel and Egypt are less influenced by these scenarios, attributed to the localised approach to price definition.

Further details about the carrying value of property, plant and equipment are shown in note 12 to these financial statements.

Hydrocarbon reserve and resource estimates (notes 12, 13, 14, 23):

The Group's oil and gas development and production properties are depreciated on a unit of production basis at a rate calculated by reference to developed and undeveloped proved and probable commercial reserves (2P developed and undeveloped) which are estimated to be recoverable with existing and future developed facilities using current operating methods, determined in accordance with the Petroleum Resources Management System published by the Society of Petroleum Engineers, the World Petroleum Congress and the American Association of Petroleum Geologists.

Commercial reserves are determined using estimates of oil and gas in place, recovery factors and future prices. The level of estimated commercial reserves is also a key determinant in assessing whether the carrying value of any of the Group's oil and gas properties has been impaired. Reserves are subject to regular revision, both upward or downward, based on changes in economic assumptions used, including the impact of climate change, additional geological information, updates of development plans and changes in economic factors, including product prices, contract terms, legislation or development plans. Such changes may impact the Group's reported financial position and results which include:

- Depreciation and amortisation charges in profit or loss may change where such charges are determined using the units of production method, or where the useful life of the related assets change;
- Impairment charges in the income statement;
- Provisions for decommissioning may change where changes to the reserve estimates affect expectations about when such activities will occur and the associated cost of these activities; and
- The recognition and carrying value of deferred tax assets may change due to changes in the judgements regarding the existence of such assets and in estimates of the likely recovery of such assets.

The impact upon commercial reserves (if any) and the aggregate depletion charge for the year of a fluctuation of the forward Brent oil price and PSV price assumption as well as the Group's carrying amount of oil and gas properties for the current and prior period are presented in note 12. Management monitors the impact on the commercial reserves and the depletion charge on a Group level.

Decommissioning liabilities (note 23):

There is uncertainty around the cost of decommissioning as cost estimates can vary in response to many factors, including from changes to market rates for goods and services, to the relevant legal requirements, the emergence of new technology or experience at other assets. The expected timing, work scope, amount of expenditure, discount and inflation rates require estimation. The discount rate applied to determine the carrying amount of provisions provides a source of estimation uncertainty as referred to in IAS 1.125.

The estimated decommissioning costs are reviewed annually by an internal expert and the results of this review are then assessed alongside estimates from operators. Provision for environmental clean-up and remediation costs is based on current legal and contractual requirements, technology and price levels. Discount rate applied is reviewed regularly and adjusted following the changes in market rates.

The Group considers the impact of climate change on environmental restoration and decommissioning provisions, specifically the timing of future cash flows, and has concluded that it does not currently represent a key source of estimation uncertainty. Changes to legislation, including in relation to climate change, are factored into the provisions when the legislation becomes enacted.

Deferred tax assets valuation (note 14):

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available, allowing for the utilisation of deductible temporary differences, as well as unused tax losses and credits that are carried forward. This determination involves evaluating the timing of the reversal of those assets and estimating the availability of sufficient taxable profits to utilise the assets at the point of reversal. Such assessments necessitate assumptions about future profitability, introducing a degree of inherent uncertainty. In assessing the likelihood of generating sufficient taxable profits in future periods for the recovery of losses, the Group considered approved budgets, forecasts, and business plans to inform its evaluation.

Measurement of contingent consideration (note 26.1)

The acquisition of Edison Exploration & Production S.p.A completed in 2020 included a contingent consideration of up to $100.0 million for which the fair value has been estimated at $92.9 million at 31 December 2023, based on pricing simulations. The final consideration amount will be determined on the basis of future gas prices ("PSV") recorded at the time of at the time of first gas production at Cassiopea, which is expected in 2024.

5 Segmental reporting

The information reported to the Group's Chief Executive Officer and Chief Financial Officer (together the Chief Operating Decision Makers) for the purposes of resource allocation and assessment of segment performance is focused on four operating segments: Europe (including Greece, Italy, UK, Croatia), Israel, Egypt and New Ventures.

The Group's reportable segments under IFRS 8 "Operating Segments" are Europe, Israel and Egypt. Segments that do not exceed the quantitative thresholds for reporting information about operating segments have been included in Other.

Segment revenues, results and reconciliation to profit before tax

The following is an analysis of the Group's revenue, results and reconciliation to profit/(loss) before tax by reportable segment:

($'000)	Europe	Israel	Egypt	Other & inter-segment transactions	Total
Year ended 31 December 2023					
Revenue from gas sales	109,949	674,481	138,237	-	922,667
Revenue from hydrocarbon liquids sales	-	265,355	32,487	-	297,842
Revenue from crude oil sales	180,704	-	-	-	180,704
Revenue from LPG sales	-	-	14,376	-	14,376
Other	-	-	-	4,044	4,044
Total revenue	290,653	939,836	185,100	4,044	1,419,633
Adjusted EBITDAX[106]	113,498	669,894	153,790	(6,684)	930,498
Reconciliation to profit before tax:					
Depreciation and amortisation expenses	(36,702)	(201,882)	(65,922)	(1,638)	(306,144)
Share-based payment charge	(6,610)	(730)	(89)	89	(7,340)
Exploration and evaluation expenses	(30,148)	(50)	-	(3,890)	(34,088)
Change in decommissioning expenses	16,996	-	-	-	16,996
Expected credit loss	-	-	(4,375)	-	(4,375)
Other expense	(4,665)	(190)	(412)	(7)	(5,274)
Other income	5,155	37	3,354	(566)	7,980

[106] Adjusted EBITDAX is a non-IFRS measure used by the Group to measure business performance. It is calculated as profit or loss for the period, adjusted for taxation, depreciation and amortisation, share-based payment charge, impairment of property, plant and equipment, other income and expenses (including the impact of derivative financial instruments and foreign exchange), net finance costs and exploration and evaluation expenses.

($'000)	Europe	Israel	Egypt	Other & inter-segment transactions	Total
Finance income	10,498	11,319	1,348	(3,664)	19,501
Finance costs	(44,264)	(169,467)	(972)	(35,692)	(250,395)
Unrealised loss on derivatives	(6,610)	-	-	-	(6,610)
Net foreign exchange gain/(loss)	(8,928)	(9,084)	(3,282)	4,710	(16,584)
Profit/(Loss) before income tax	**8,220**	**299,847**	**83,440**	**(47,342)**	**344,165**
Taxation income/(expense)	(42,376)	(68,600)	(48,254)	-	(159,230)
Profit/(Loss) from operations	**(34,156)**	**231,247**	**35,186**	**(47,342)**	**184,935**
Year ended 31 December 2022					
Revenue from gas sales	328,506	45,153	156,264	-	529,923
Revenue from crude oil sales	206,959	-	-	-	206,959
Other	(31,298)	(18,031)	57,131	(7,603)	199
Total revenue	**504,167**	**27,122**	**213,395**	**(7,603)**	**737,081**
Adjusted EBITDAX[106]	**262,655**	**(4,498)**	**164,581**	**(1,125)**	**421,613**
Reconciliation to profit before tax:					
Depreciation and amortisation expenses	(27,199)	(12,112)	(43,266)	(783)	(83,360)
Share-based payment charge	(1,423)	(214)	(89)	(4,318)	(6,044)
Exploration and evaluation expenses	(61,071)	(1,819)	-	(8,505)	(71,395)
Impairment loss on property, plant and equipment	(27,628)	-	-	-	(27,628)
Expected credit loss	(3,043)	-	10,970	-	7,927
Other expense	(2,699)	(1,102)	-	(8,317)	(12,118)
Other income	1,284	54	1,097	728	3,163
Finance income	3,777	6,379	1,705	(2,289)	9,572
Finance costs	(32,395)	(29,811)	(858)	(44,251)	(107,315)
Unrealised loss on derivatives	(5,203)	-	-	-	(5,203)
Net foreign exchange gain/(loss)	4,065	(3,085)	(7,498)	(15,689)	(22,207)
Profit/(Loss) before income tax	**111,120**	**(46,208)**	**126,642**	**(84,549)**	**107,005**
Taxation income/(expense)	(42,283)	10,951	(57,766)	(636)	(89,734)
Profit/(Loss) from continuing operations	**68,837**	**(35,257)**	**68,876**	**(85,185)**	**17,271**

The following table presents assets and liabilities information for the Group's operating segments as at 31 December 2023 and 31 December 2022, respectively:

Year ended 31 December 2023 ($'000)	Europe	Israel	Egypt	Other & inter-segment transactions	Total
Oil & Gas properties	734,265	2,783,914	473,628	311,295	4,303,102
Other fixed assets	35,110	13,918	19,996	(801)	68,223
Intangible assets	20,303	243,965	46,846	14,275	325,389
Trade and other receivables	88,729	130,135	154,095	(19,702)	353,257
Deferred tax asset	217,504	-	-	-	217,504
Other assets	849,649	573,855	47,601	(954,915)	516,190
Total assets	1,945,560	3,745,787	742,166	(649,848)	5,783,665
Trade and other payables	375,390	391,379	74,893	62,864	904,526
Borrowings	108,392	2,588,491	-	524,314	3,221,197
Decommissioning provision	738,063	92,613	-	6,819	837,495
Current tax payable	7,597	-	-	1,664	9,261
Deferred tax liability	-	122,785	-	-	122,785
Other liabilities	7,502	-	1,601	(6,817)	2,286
Total liabilities	1,236,944	3,195,268	76,494	588,844	5,097,550
Other segment information					
Capital Expenditure[107]:					
Property, plant and equipment	220,461	138,490	130,099	(1,630)	487,420
Intangible, exploration and evaluation assets	4,152	24,959	26,253	1,288	56,652

Year ended 31 December 2022 ($'000)	Europe	Israel	Egypt	Other & inter-segment transactions	Total
Oil & Gas properties	536,874	3,264,364	409,732	(14,440)	4,196,530
Other fixed assets	13,365	4,750	17,325	(66)	35,374
Intangible assets	48,249	219,354	20,639	8,136	296,378
Trade and other receivables	141,509	82,611	131,453	(17,609)	337,964
Deferred tax asset	244,394	-	-	(2,168)	242,226
Other assets	883,576	24,933	96,942	(382,496)	622,955
Total assets	1,867,967	3,596,012	676,091	(408,643)	5,731,427
Trade and other payables	220,706	540,459	50,563	114,506	926,234
Borrowings	61,437	2,471,030	-	488,429	3,020,896
Decommissioning provision	724,458	84,299	-	-	808,757

[107] Capital expenditure is defined as additions to property, plant and equipment and intangible exploration and evaluation assets less decommissioning asset additions, right-of-use asset additions, capitalised share-based payment charge and capitalised borrowing costs.

Year ended 31 December 2022 ($'000)	Europe	Israel	Egypt	Other & inter-segment transactions	Total
Current tax payable	109,468	-	-	41	109,509
Other liabilities	124,201	40,882	18,498	32,252	215,833
Total liabilities	1,240,270	3,136,670	69,061	635,228	5,081,229
Other segment information					
Capital Expenditure[108]					
Property, plant and equipment	85,840	537,527	105,792	(368)	728,791
Intangible, exploration and evaluation assets	12,143	124,718	193	3,970	141,024

Segment cash flows

Year ended 31 December 2023 ($'000)	Europe	Israel	Egypt	Other & inter-segment transactions	Total
Net cash from/(used in) operating activities	25,737	586,570	52,032	(8,152)	656,187
Cash outflow for investing activities	(134,681)	(194,833)	(91,238)	4,294	(416,458)
Net cash from financing activities	65,012	(129,801)	26,896	(289,461)	(327,354)
Net increase/(decrease) in cash and cash equivalents	(43,932)	261,936	(12,310)	(293,319)	(87,625)
Cash and cash equivalents at beginning of the period	58,340	24,825	26,825	317,898	427,888
Effect of exchange rate fluctuations on cash held	775	(136)	(3,281)	9,151	6,509
Cash and cash equivalents at end of the period	15,183	286,625	11,234	33,730	346,772

[108] Capital expenditure is defined as additions to property, plant and equipment and intangible exploration and evaluation assets less decommissioning asset additions, right-of-use asset additions, capitalised share-based payment charge and capitalised borrowing costs.

Year ended 31 December 2022 ($'000)	Europe	Israel	Egypt	Other & inter-segment transactions	Total
Net cash from/(used in) operating activities	225,780	(7,850)	66,946	(12,723)	272,153
Cash outflow from investing activities	(287,490)	(180,040)	(54,229)	213,818	(307,941)
Net cash from financing activities	54,977	(133,953)	(2,528)	(185,975)	(267,479)
Net increase/(decrease) in cash and cash equivalents	(6,733)	(321,843)	10,189	15,120	(303,267)
Cash and cash equivalents at beginning of the period	71,312	349,827	19,254	290,446	730,839
Effect of exchange rate fluctuations on cash held	(6,451)	(3,159)	(2,617)	12,543	316
Cash and cash equivalents at end of the period	58,128	24,825	26,826	318,109	427,888

6 Revenue

($'000)	2023	2022
Revenue from crude oil sales	180,704	206,959
Revenue from hydrocarbon liquids sales	297,842	35,384
Revenue from gas sales	927,596	529,923
Revenue from LPG sales	14,376	21,747
Compensation to gas buyers	(4,929)	(18,031)
Gain/(Loss) on forward transactions	-	(55,189)
Petroleum product sales	4,044	2,697
Rendering of services	-	1,001
Revenue from contracts with customers	1,419,633	724,491
Other operating income-lost production insurance proceeds	-	12,590
Total Revenue	1,419,633	737,081

Since August 2021 in accordance with the GSPAs signed with a group of gas buyers, the Group have paid compensation to these counterparties due to the fact the gas supply date is taking place beyond a certain date as defined in the GSPAs (being 30 June 2021). The compensation is accounted as variable purchase consideration and deducted from revenue as gas is delivered to the offtakers.

In 2022 proceeds were received in relation to lost production under the business interruption insurance policy of $12.6 million. No such proceeds were received in the current year.

100% of the gas produced at Abu Qir & North Idku and North El Amriya (Egypt) is sold to EGPC and EGAS respectively under a Brent-linked gas price. The gas price is determined based on Brent prices trading within a certain range, as set out in the agreement, and contains both a floor price and a cap; limiting volatility and exposure to commodity price fluctuations.

Sales for the year ended 31 December (Kboe)	2023	2022
Egypt (net entitlement)		
Gas	4,533	5,059
LPG	287	333
Condensate	436	390
Italy		
Oil	2,190	2,440
Gas	1,270	1,406
Israel		
Gas	28,416	1,781
Oil	3,492	-
UK		
Gas	23	73
Oil	228	245
Croatia		
Gas	28	38
Greece		
Oil	367	-
Total	41,270	11,765

7 Operating profit/(loss)

	($'000)	2023	2022
(a)	*Cost of sales*		
	Staff costs (note 8)	47,650	52,904
	Energy cost	22,166	15,947
	Flux cost	33,998	36,970
	Royalty payable	185,622	45,770
	Other operating costs[109]	185,018	132,688
	Depreciation and amortisation (note 12)	300,876	79,362
	Oil stock movement	(15,554)	(1,707)
	Stock (underlift)/overlift movement	(230)	(3,004)
	Total cost of sales	759,546	358,930
(b)	*Administration expenses*		
	Staff costs (note 8)	21,416	17,977
	Other general & administration expenses	6,648	16,592

109 Other operating costs comprise of insurance costs, gas transportation and treatment fees concession fees and planned maintenance costs.

	($'000)	2023	2022
	Share-based payment charge included in administrative expenses (note 8)	7,340	6,044
	Depreciation and amortisation (note 12, 13)	5,268	3,257
	Audit fees (note 7g)	2,401	2,072
		43,073	45,942
(c)	*Exploration and evaluation expenses*		
	Staff costs for Exploration and evaluation activities (note 8)	3,171	3,012
	Exploration costs written off (note 13)	28,758	65,550
	Other exploration and evaluation expenses	2,159	2,833
		34,088	71,395
(d)	*Expected credit loss*		
	Expected credit loss expense	4,375	3,043
	Reversal of expected credit loss allowance	-	(10,970)
		4,375	(7,927)
(e)	*Other expenses*		
	Intra-group merger costs (note 8)	80	3,212
	Loss from disposal of property plant & equipment	190	1,102
	Write-down of inventory (note 17)	-	1,207
	Write-down of property, plant and equipment costs (note 12)	342	-
	Provision for litigation and claims	-	1,198
	Other expenses	4,662	5,399
		5,274	12,118
(f)	*Other income*		
	Profit from sale of inventory	339	1,643
	Reversal of provision for legal claims	2,743	-
	Other income	4,898	1,520
		7,980	3,163
(g)	*Fees to the Company's auditor for:*		
	The audit of the Company's annual accounts	970	770
	The audit of the Company's subsidiaries pursuant to legislation	838	777
	Total audit services	1,808	1,547
	Audit-related assurance services – half-year review	404	378
	Other services (note A)	189	147
		2,401	2,072

Note A: In addition to the services outlined in the preceding table, the Company's auditor also rendered services related to the bond issuance (2023: $0.15 million; 2022: $nil). These services were capitalised as transaction costs.

8 Staff costs

The average monthly number of employees (including Executive Directors) employed by the Group worldwide was:

Number	2023	2022
Administration	198	187
Technical	361	320
	559	507

In addition, the Group consolidates the personnel costs of its Operating Company, Abu Qir Petroleum Company ("AQP"), owned at 100%. The table below details the average number of employees related to AQP employees:

Number	2023	2022
AQP employee (excluding Energean employees)	612	626
	612	626

($'000)	2023	2022
Salaries[110] and benefits	82,948	85,056
Social security costs	10,832	8,706
Share-based payments (note 25)	7,340	6,243
	101,120	100,005
Payroll cost capitalised in oil & gas assets and exploration & evaluation costs	(21,463)	(16,694)
Payroll cost expensed	79,657	83,311
Included in:		
Cost of sales (note 7a)	47,650	52,904
Administration expenses (note 7b)	28,756	24,021
Exploration and evaluation expenses (note 7c)	3,171	3,012
Intra-group merger costs (note 7e)	80	3,212
Other	-	162
	79,657	83,311

Details of Directors' remuneration, Directors' transactions and Directors' interests are set out in the part of the Directors' Remuneration Report described as having been audited, which forms part of these group financial statements.

[110] Including $4.3 million of pension costs incurred (2022: $2.6 million).

9 Net finance cost

($'000)	Notes	2023	2022
Interest on bank borrowings	21	6,104	1,527
Interest on Senior Secured Notes	21	193,009	167,372
Interest expense on long term payables	24	7,158	14,660
Interest expense on short term liabilities		-	54
Less amounts included in the cost of qualifying assets	12,13	(17,416)	(123,635)
		188,855	59,978
Finance and arrangement fees		8,985	11,334
Commission charges for bank guarantees		2,274	2,118
Other finance costs and bank charges		(229)	2,136
Unwinding of discount on right of use asset		2,476	2,159
Unwinding of discount on long term trade payables		8,753	-
Unwinding of discount on provision for decommissioning		31,255	21,495
Unwinding of discount on deferred consideration		5,674	7,098
Unwinding of discount on convertible loan		4,450	4,054
Unwinding of discount on contingent consideration		(1,855)	2,667
Less amounts included in the cost of qualifying assets		(243)	(5,724)
Total finance costs		250,395	107,315
Interest income from time deposits		(19,501)	(9,572)
Total finance income		(19,501)	(9,572)
Foreign exchange losses		16,584	22,207
Net financing costs		247,478	119,950

10 Taxation

(a) Taxation charge

($'000)	2023	2022
Current income tax charge	(57,800)	(199,563)
Adjustments in respect of current income tax of previous year(s)	(1,598)	(583)
Total current tax charge	(59,398)	(200,146)
Deferred tax relating to origination and reversal of temporary differences (note 14)	(99,832)	110,412
Income tax expense reported in the Income statement	(159,230)	(89,734)

(b) Reconciliation of the total tax charge

The Group calculates its income tax expense by applying a weighted average tax rate calculated based on the statutory tax rates of each country weighted according to the profit or loss before tax earned by the Group in each jurisdiction where deferred tax is recognised or material current tax charge arises.

The effective tax rate for the period is 46% (2022: 84%).

The tax (charge) for the period can be reconciled to the accounting profit per the Group Income statement as follows:

($'000)	2023	2022
Profit before tax	344,165	107,005
Tax calculated at 18.2% weighted average rate (2022: 27.5%)[111]	(62,752)	(29,453)
Impact of different tax rates[112]	(15,482)	(9,960)
Non recognition of deferred tax on current year tax losses and other temporary differences	(42,086)	(50,905)
Recognition of previously unrecognised deferred tax/derecognition of previously recognised deferred tax[113]	(27,107)	134,642
Permanent differences[114]	(12,623)	(16,341)
Foreign taxes	(29)	(54)
Windfall tax[115]	-	(119,425)
Tax effect of non-taxable income & allowances	2,556	2,217
Other adjustments	(109)	128
Prior year tax	(1,598)	(583)
Taxation expense	(159,230)	(89,734)

There are no income tax consequences attached to the payment of dividends in either 2023 or 2022 by the Group to its shareholders.

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates. However, this legislation does not currently apply to the Group as its consolidated revenue has not exceeded the threshold of €750 million in at least two of the four preceding fiscal years

111 For the reconciliation of the tax rate, the weighted average rate of the statutory tax rates in Greece (25%), Cyprus (12.5%) Israel (23%), Italy (24%), United Kingdom (23.5%/75%) and Egypt (40.55%) were weighted according to the profit or loss before tax earned by the Group in each jurisdiction, excluding fair value uplifts profits.

112 "Impact of different tax rates" mainly refer to the Italian regional taxes (IRAP).

113 Change in estimate of decommissioning provision in 2023 resulted in $27.1 million of DTA recognised during the period. In 2022 the Group recognised $134.6 million of DTA mainly due to the change in decommissioning provision and reassessment of utilisation of tax losses carried forward in Italy.

114 Permanent differences mainly consisted of non-deductible expenses ($13.2 million), goodwill impairment ($0.4 million) and foreign exchange income ($1.0 million). In 2022, non-deductible tax expenses primarily relate to financial instruments associated with the acquisition of 30% of Energean Israel from Kerogen Capital, which was finalised during the year.

115 In 2022, Italy introduced:
1) a windfall tax in the form of a law decree which imposed a 25% one-off tax on profit margins that rose by more than $5.26 million (€5.0 million) between October 2021 and April 2022 compared to the same period a year earlier. The amount of the windfall tax paid by Energean Italy was $29.3 million; and
2) a new windfall tax that imposed a 50% one-off tax, calculated on 2022 taxable profits that are 10% higher than the average taxable profits between 2018–2021. This amount has a ceiling equal to 25% of the value of the net assets at end-2021. The exposure has been provided for accordingly in 2022. Consequently, the Group paid a one-off windfall tax of $94.7 million (€87.0 million) in June -July 2023.
In addition, the Energy (Oil and Gas) Profits Levy (EPL) was announced by the UK Government on 26 May 2022 and legislated for in July 2022. This was a new, temporary 25% (to be increased to 35% from 1st January 2023) levy on ring fence profits of oil and gas companies. This was in addition to Ring Fence Corporation Tax which is charged at 30% and the Supplementary Charge which is charged at 10%. The Group's exposure to the EPL is de minimis.

prior to the enactment of the legislation. Therefore, the consolidated financial statements do not include information required by paragraphs 88A-88D of IAS 12.

11 Earnings per share

Basic earnings per ordinary share amounts are calculated by dividing net income for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted income per ordinary share is calculated by dividing net income for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued if dilutive employee share options were converted into ordinary shares.

($'000)	2023	2022
Total profit attributable to equity shareholders	184,935	17,271
Effect of dilutive potential ordinary shares[116]	4,450	4,054
	189,385	21,325

	2023	2022
Basic weighted average number of shares	178,447,141	177,931,019
Dilutive potential ordinary shares	2,041,193	6,714,731
Diluted weighted average number of shares	180,488,334	184,645,750
Basic earnings per share	$1.04/share	$0.10/share
Diluted earnings per share	$1.05/share	$0.12/share

12 Property, plant & equipment

($'000)	Oil and gas assets[117]	Leased assets[118]	Other property, plant and equipment	Total
Property, plant & equipment at cost:				
At 1 January 2022	3,897,787	57,245	59,046	4,014,078
Additions	742,665	1,195	1,534	745,394
Lease modification	-	831	-	831
Disposal of assets	(900)		-	(900)
Capitalised borrowing cost	109,184	-	-	109,184
Capitalised depreciation	632	-	-	632
Change in decommissioning provision	21,685	-	-	21,685

[116] In 2023 $4.5 million (2022: $4.1million) is the unwinding of the discount on the convertible loan notes (as disclosed in note 9). The notes were converted to ordinary shares on 20 December 2023. Refer to note 19 for further detail.

[117] Included within the carrying amount of Oil & Gas assets are development costs of the Karish field related to the Sub Sea and On-shore construction. In line with the agreement with Israel Natural Gas Lines ("INGL"), the transfer of title ("hand over") of these assets to INGL was completed at the end of March 2023. Following Handover, INGL is responsible for the operation and maintenance of this part of the infrastructure and the related asset.

[118] Included in the carrying amount of leased assets at 31 December 2023 are right of use assets related to Oil and gas properties and Other property, plant and equipment of $58.0 million and $3.9 million respectively (2022: $21.3 million and $8.1 million). The depreciation charged on these classes for the year ending 31 December 2023 was $13.4 million and $2.0 million respectively (2022: $7.9 million and $2.1 million).

($'000)	Oil and gas assets[117]	Leased assets[118]	Other property, plant and equipment	Total
Other movements	(241)	37	(74)	(278)
Foreign exchange impact	(31,388)	(596)	(388)	(32,372)
At 31 December 2022	**4,739,424**	**58,712**	**60,118**	**4,858,254**
Additions	469,023	38,278	2,203	509,504
Lease modification	-	8,706	-	8,706
Disposal of assets	(111,448)		-	(111,448)
Capitalised borrowing cost	17,658	-	-	17,658
Change in decommissioning provision	(2,504)	-	-	(2,504)
Other movements	(313)	-	(307)	(620)
Foreign exchange impact	89,811	2,582	2,090	94,483
At 31 December 2023	**5,201,651**	**108,278**	**64,104**	**5,374,033**
Accumulated depreciation and impairment:				
At 1 January 2022	**442,522**	**19,102**	**52,981**	**514,605**
Charge for the period	71,464	10,091	1,171	82,726
Impairments	27,878	-	-	27,878
Foreign exchange impact	1,030	105	6	1,141
At 31 December 2022	**542,894**	**29,298**	**54,158**	**626,350**
Charge for the period	287,926	15,432	1,808	305,166
Impairment	342	-	-	342
Foreign exchange impact	67,387	1,607	1,856	70,850
At 31 December 2023	**898,549**	**46,337**	**57,822**	**1,002,708**
Net carrying amount:				
At 31 December 2022	**4,196,530**	**29,414**	**5,960**	**4,231,904**
At 31 December 2023	**4,303,102**	**61,941**	**6,282**	**4,371,325**

Borrowing costs capitalised for qualifying assets during the year are calculated by applying a weighted average interest rate of 5.52% for the year ended 31 December 2023 (2022: 5.16%).

The additions to Oil & Gas properties for the year ended 31 December 2023 are mainly due to development costs for the FPSO, Karish North field and second oil train at the amount of $148 million, development cost for Cassiopea project in Italy at the amount of $161 million and NEA/NI project in Egypt at the amount of $123 million.

In 2023 the Group entered in new vessel lease agreements for offshore concessions in Italy.

The impairment of $27.9 million recognised in 2022 was a result of a change to the decommissioning estimate on certain fields in Italy and the UK where the recoverable amount was lower than the carrying value, subsequent to recognising the change in estimate. The remaining 2022 change in decommissioning provision of $21.7 million was in relation to fields across the group whereby the recoverable amount exceeded the carrying value.

Depreciation and amortisation of property, plant and equipment for the year has been recognised as follows:

($'000)	2023	2022
Cost of sales (note 7a)	300,876	79,362
Administration expenses (note 7b)	4,290	2,623
Other operating (income)/expenses	-	109
Capitalised depreciation in oil & gas properties	-	632
Total	305,166	82,726

Cash flow statement reconciliations:

Payment for additions to property, plant and equipment ($'000)	2023	2022
Additions to property, plant and equipment	533,364	877,726
Associated cash flows		
Payment for additions to property, plant and equipment	(436,043)	(395,753)
Non-cash movements/presented in other cash flow lines		
Borrowing cost capitalised	(17,658)	(109,184)
Impairment	(342)	(27,878)
Right-of-use asset additions/modifications	(46,984)	(2,026)
Lease payments related to capital activities	16,194	12,669
Capitalised share-based payment charge	-	(199)
Capitalised depreciation	-	(632)
Change in decommissioning provision	2,504	(21,685)
Movement in working capital	(51,035)	(333,038)

13 Intangible assets

($'000)	Exploration and evaluation assets	Goodwill	Other Intangible assets	Total
Intangible assets at Cost:				
At 1 January 2022	205,333	101,146	9,707	316,186
Additions	139,911	-	1,113	141,024
Other movements	-	-	280	280
Exchange differences	(6,890)	-	(125)	(7,015)
31 December 2022	338,354	101,146	10,975	450,475
Additions	56,379	-	273	56,652
Other movements	313	-	307	620
Exchange differences	2,670	-	(12)	2,658
At 31 December 2023	397,716	101,146	11,543	510,405

($'000)	Exploration and evaluation assets	Goodwill	Other Intangible assets	Total
Accumulated amortisation and impairments:				
At 1 January 2022	83,279	-	4,766	88,045
Charge for the period	39	-	595	634
Impairment	47,240	18,310	-	65,550
Exchange differences	(110)	-	(22)	(132)
31 December 2022	130,448	18,310	5,339	154,097
Charge for the period	46	-	932	978
Impairment	26,583	2,175	-	28,758
Exchange differences	1,197	-	(14)	1,183
31 December 2023	158,274	20,485	6,257	185,016
Net carrying amount				
At 31 December 2022	207,906	82,836	5,636	296,378
At 31 December 2023	239,442	80,661	5,286	325,389

Cash flow statement reconciliations:

Payment for additions to intangible assets ($'000)	2023	2022
Additions to intangible assets	56,652	141,024
Associated cash flows		
Payment for additions to intangible assets	(105,024)	(64,414)
Non-cash movements/presented in other cash flow lines		
Movement in working capital	48,372	(76,610)

Goodwill arises principally because of the requirement to recognise deferred tax assets and liabilities for the difference between the assigned values and the tax bases of assets acquired and liabilities assumed in a business combination. Total impairment of $28.8 million was recognised in the period for projects that will not progress to development. The Group exited Isabella licence in December 2023 and as a result the related exploration asset ($26.6 million) and goodwill ($2.2 million) were impaired.

The remaining goodwill balance is in relation to the Israel CGU ($75.8 million), and UK ($4.8 million). We have performed the annual goodwill impairment test and note that no reasonably possible change would result in impairment.

14 Net deferred tax (liability)/asset

Deferred tax (liabilities)/assets ($'000)	Property, plant and equipment	Right of use asset IFRS 16	Decom-missioning	Prepaid expenses and other receivables	Inventory	Tax losses	Deferred expenses for tax	Retirement benefit liability	Accrued expenses and other short-term liabilities	Total
At 1 January 2022	(140,553)	(990)	89,440	(1,571)	183	120,180	11,030	266	9,388	87,373
Increase/(decrease) for the period through:										
Profit or loss (Note 10)	(11,836)	(103)	41,688	1,642	265	83,814	(4,822)	(22)	(214)	110,412
Other comprehensive income								(64)	(2,799)	(2,863)
Exchange difference	3,466	15	(4,882)	115	(8)	(6,986)		(15)	(515)	(8,810)
31 December 2022	(148,923)	(1,078)	126,246	186	440	197,008	6,208	165	5,860	186,112
Increase/(decrease) for the period through:										
Profit or loss (Note 10)	(13,874)	(2,644)	(26,955)	(2,225)	(440)	(57,185)	(630)	163	3,958	(99,832)
Other comprehensive income	-	-	-	-	-	-	-	38	-	38
Exchange difference	(1,197)	(15)	4,269	(12)	6	5,043		3	304	8,401
31 December 2023	(163,994)	(3,737)	103,560	(2,051)	6	144,866	5,578	369	10,122	94,719

($'000)	2023	2022
Deferred tax liabilities	(122,785)	(56,114)
Deferred tax assets	217,504	242,226
	94,719	186,112

At 31 December 2023 the Group had gross unused tax losses of $907.4 million (as of 31 December 2022: $1,093.8 million) available to offset against future profits and other temporary differences. A deferred tax asset of $144.9 million (2022: $197.0 million) has been recognised on tax losses of $571.5 million, based on the forecasted profits. The Group did not recognise deferred tax on tax losses and other differences of total amount of $655.1 million.

In Greece, Italy and the UK, the net DTA for carried forward losses recognised in excess of the other net taxable temporary differences was $77.8 million, $19.6 million and $10.8 million (2022: $69.2 million, $33.4 million and $15.1 million) respectively. An additional DTA of $109.3 million (2022: $124.6 million) arose primarily in respect of deductible temporary differences related to property, plant and equipment, decommissioning provisions and accrued expenses, resulting in a total DTA of $217.5 million (2022: $242.2 million). During the period, Italy recognised a DTA of $19.6 million on tax losses of $81.6 million in accordance with its latest tax losses utilisation forecast.

Greek tax losses (Prinos area) can be carried forward without limitation up until the relevant concession agreement expires (by 2039), whereas the tax losses in Israel, Italy and the United Kingdom can be carried forward indefinitely. Based on the Prinos area forecasts (including the Epsilon development), the deferred tax asset is fully utilised by 2032. In Italy, deferred tax asset of $94.6 million recognised on decommissioning costs scheduled up to the year the Italian assets expect to enter into a declining phase assuming that there still be available profits from Cassiopea asset and other long-lived assets. Finally, in the UK, decommissioning losses is expected to be tax relieved up until 2028 in accordance with the latest taxable profits forecasts.

15 Cash and cash equivalents

($'000)	2023	2022
Cash and bank deposits	346,772	427,888
	346,772	427,888

Bank demand deposits comprise deposits and other short-term money market deposit accounts that are readily convertible into known amounts of cash. The effective interest rate on short term bank deposits was 4.371% for the year ended 31 December 2023 (2022: 1.716%).

16 Restricted cash

Restricted cash comprises cash retained under the Israel Senior Secured Notes and the Greek State Loan requirement as follows:

Current

The current portion of restricted cash at 31 December 2023 was $22.48 million. It mainly relates to the March 2024 coupon payment on Senior Secured Notes.

In 2022 it was $71.8 million comprising $3 million for bank guarantees and $68.8 million for debt repayment fund.

Non-current

The cash restricted for more than 12 months after the reporting date was $3.1 million (2022: $3.0 million) mainly comprising $2.3 million (2022: $2.3 million) held on the Interest Service Reserve Account ("ISRA") in relation to the Greek Loan Notes and $0.8 million (2022: $0.7 million) for Prinos Guarantee.

17 Inventories

($'000)	2023	2022
Crude oil	55,414	35,681
Hydrocarbon liquids	1,685	2,367
Gas	553	383
Raw materials and supplies	52,474	54,916
Total inventories	110,126	93,347

The Group's raw materials and supplies consumption for the year ended 31 December 2023 was $10.3 million (2022: $6.4 million).

In 2022 the Group wrote off $1.2 million of materials (note 7e).

18 Trade and other receivables

($'000)	2023	2022
Trade and other receivables – current		
Financial items:		
Trade receivables	297,305	215,215
Receivables from partners under JOA	1,996	4,539
Other receivables[119]	9,479	2,344
Government subsidies[120]	82	3,025
Refundable VAT	19,273	89,400
Accrued interest income	1,016	1,445
	329,151	315,968
Non-financial items:		
Deposits and prepayments[121]	19,174	15,084
Other deferred expense	4,932	6,912
	24,106	21,996
	353,257	337,964
Trade and other receivables – non-current		
Financial items:		
Other tax recoverable	15,544	14,701
	15,544	14,701

[119] Other receivables mainly comprise the consideration receivable from INGL as discussed in note 24.

[120] Government subsidies relate to grants from Greek Public Body for Employment and Social Inclusion (OAED) to financially support the Kavala Oil S.A. labour cost from manufacturing under the action plan for promoting sustainable employment in underdeveloped or deprived districts of Greece, such as the area of Kavala. In September 2020, the Greek Government issued a law and a subsequent ministerial decision whereby any legal person who has launched legal proceedings in relation to the aforementioned employment costs, may set off such receivables against tax liabilities provided the judicial proceedings already commenced are abandoned. Energean investigated the process and potential benefits of this approach decided to apply for the set off which has been approved and the first offset was in January 2023 decreasing the receivable.

[121] Included in deposits and prepayments, are mainly prepayments for goods and services under the GSP Engineering, Procurement, Construction and Installation Contract (EPCIC) for Epsilon project.

($'000)	2023	2022
Non-financial items:		
Deposits and prepayments	17,612	11,726
Other non-current assets	526	513
	18,138	12,239
	33,682	26,940

The table below summarises the maturity profile of the Group receivables:

31 December 2023 ($'000)	Carrying amounts	Contractual cash flows	3 months or less	3–12 months	1–2 years	2–5 years
Trade receivables	297,305	305,436	237,559	56,781	11,096	-
Government subsidies	82	82	-	82	-	-
Refundable VAT	19,273	19,273	1,196	18,077	-	-
Receivables from partners under JOA	1,996	1,996	1,996	-	-	-
Other receivables	9,479	9,479	6,994	2,485	-	-
Other tax recoverable	15,544	15,544	-	-	15,544	
Total	343,679	351,810	247,745	77,425	26,640	-

31 December 2022 ($'000)	Carrying amounts	Contractual cash flows	3 months or less	3–12 months	1–2 years	2–5 years
Trade receivables	215,215	218,709	198,665	13,949	6,095	-
Government subsidies	3,025	3,025	-	3,025	-	-
Refundable VAT	89,400	89,400	19,487	50,061	19,852	-
Receivables from partners under JOA	4,539	4,539	4,539	-	-	-
Other receivables	2,344	2,344	1,027	1,317	-	-
Other tax recoverable	14,701	14,701	-	-	14,701	
Total	329,224	332,718	223,718	68,352	40,648	-

19 Share capital

On 30 June 2017, the Company became the parent company of the Group through the acquisition of the full share capital of Energean E&P Holdings Ltd., in exchange for 65,643,120 £0.01 ($0.013) shares in the Company issued to the previous shareholders. As of this date, the Company's share capital increased from £50 thousand ($65k) to £706 thousand ($917k). From that point, in the consolidated financial statements, the share capital became that of Energean plc. The previously recognised share capital of $14.9 million and share premium of $125.8 million was eliminated with a corresponding positive merger reserve recognised of $139.9 million. The below tables outline the share capital of the Company.

The share premium account represents the total net proceeds on issue of the Company's shares in excess of their nominal value of £0.01 per share less amounts transferred to any other reserves.

On 14 June 2022, Energean plc by special resolution reduced its share premium account, as confirmed by an Order of the High Court of Justice.

Issued and authorised	Equity share capital allotted and fully paid	Share capital ($'000)	Share premium ($'000)
At 1 January 2022	177,602,560	2,374	915,388
Issued during the year			
New shares	-	-	-
Share based payment	437,945	6	-
Share premium reduction	-	-	(500,000)
At 31 December 2022	178,040,505	2,380	415,388
Issued during the year			
New shares	4,422,013	57	49,943
Share based payment	1,018,441	12	-
At 31 December 2023	183,480,959	2,449	465,331

The issuance of new shares pertains to the settlement of the convertible loan note on 20 December 2023, as detailed in note 21.

20 Dividends

In line with Energean's dividend policy, Energean returned $1.2/share to shareholders in 2023, representing four quarters of dividend payments. $0.60/share was returned to shareholders in 2022, representing two quarters of dividend payments (maiden dividend was declared in September 2022).

	$ cents per share		($'000)	
	2023	2022	2023	2022
Dividends announced and paid in cash				
Ordinary shares				
March	30	-	53,252	-
June	30	-	53,411	-
September	30	30	53,518	53,252
December	30	30	53,517	53,252
Total	120	60	213,698	106,504

21 Borrowings

($'000)	2023	2022
Non-current		
Bank borrowings – after one year but within five years		
4.5% Senior Secured notes due 2024 ($625 million)	-	620,461
4.875% Senior Secured notes due 2026 ($625 million)	619,932	617,912
Bank borrowings – more than five years		
6.5% Senior Secured notes due 2027 ($450 million)	444,313	442,879
5.375% Senior Secured notes due 2028 ($625 million)	618,145	616,767
5.875% Senior Secured notes due 2031 ($625 million)	616,762	615,890
8.50% Senior Secured notes due 2033 ($750 million)	733,653	-
BSTDB Loan and Greek State Loan Notes	108,392	61,437
Carrying value of non-current borrowings	3,141,197	2,975,346
Current		
Revolving credit facility	80,000	-
Convertible loan notes ($50 million)	-	45,550
Carrying value of current borrowings	80,000	45,550
Carrying value of total borrowings	3,221,197	3,020,896

The Group has provided security in respect of certain borrowings in the form of share pledges, as well as fixed and floating charges over certain assets of the Group.

$2,500,000,000 senior secured notes:

On 24 March 2021, the Group completed the issuance of $2.5 billion aggregate principal amount of senior secured notes.

The Notes have been issued in four series as follows:

- Notes in an aggregate principal amount of $625 million, maturing on 30 March 2024, with a fixed annual interest rate of 4.500%.
- Notes in an aggregate principal amount of $625 million, maturing on 30 March 2026, with a fixed annual interest rate of 4.875%.
- Notes in an aggregate principal amount of $625 million, maturing on 30 March 2028, with a fixed annual interest rate of 5.375%.
- Notes in an aggregate principal amount of $625 million, maturing on 30 March 2031, with a fixed annual interest rate of 5.875%.

The Notes are listed for trading on the TACT Institutional of the Tel Aviv Stock Exchange Ltd. ("TASE").

The Company had undertaken to provide the following collateral in favour of the Trustee:

- First rank Fixed charges over the shares of Energean Israel Ltd., Energean Israel Finance Ltd. and Energean Israel Transmission Ltd., the Karish & Tanin Leases, the gas sales purchase agreements ("GSPAs"), several bank accounts, Operating Permits (once issued), Insurance policies, the Company exploration licenses (Block 12, Block 21, Block 23, Block 31) and the INGL Agreement.
- Floating charge over all of the present and future assets of Energean Israel Ltd. and Energean Israel Finance Ltd.
- Energean Power FPSO (subject to using commercially reasonable efforts, including obtaining Israel Petroleum Commissioner approval and any other applicable governmental authority).

The March 2024 notes of $625 million were repaid on 30 September 2023.

$750,000,000 senior secured notes:

On the 11 July 2023 Energean priced the offering of $750 million aggregate principal amount of senior secured notes due 30 September 2033, with a fixed annual interest rate of 8.5%. The interest on the Notes will be paid semi-annually, on 30 March and 30 September of each year, beginning on 30 March 2024.

The Notes are listed for trading on the TASE-UP of the Tel Aviv Stock Exchange Ltd.

The notes are secured with the shares pledged and the mortgage of Energean Power FPSO and Operating permit with respect to Karish Main.

The funds were released from escrow in September 2023 and were used to repay Energean Israel's $625 million notes due in March 2024 and pay fees and expenses associated with this refinancing, contribute towards funding the interest payment reserve account, and contribute towards the payment of the final deferred consideration to Kerogen in relation to the Group's previous acquisition in 2021 of the remaining 30% minority interest in Energean Israel.

Kerogen convertible loan:

On 25 February 2021, the Group completed the acquisition of the remaining 30% minority interest in Energean Israel Ltd. from Kerogen Investments No.38 Ltd., Energean now owns 100% of Energean Israel Ltd.

The total consideration included:

- An up-front payment of $175 million paid at completion of the transaction;
- Deferred cash consideration amounts totalling $180 million settled in two instalments: $30 million was paid in December 2023 with the rest repaid in July 2023; and
- $50 million of convertible loan notes (the "Convertible loan notes"), which have a maturity date of 29 December 2023, a strike price of £9.505 (equivalent to $13.40) (which was subject to adjustments for dividend payments up until the maturity date), and were issued at a zero-coupon rate.

On 20 December 2023, the loan was converted into equity, resulting in the issuance of 4,422,013 ordinary shares at a conversion price of £8.3843 per share (equivalent to $10.60).

$450,000,000 senior secured notes:

On 18th November 2021, the Group completed the issuance of $450 million of senior secured notes, maturing on 30 April 2027 and carrying a fixed annual interest rate of 6.5%.

The interest on the notes is paid semi-annually on 30 April and 30 October of each year, beginning on 30 April 2022.

The notes are listed for trading on the Official List of the International Stock Exchange ("TISE").

The issuer is Energean plc and the Guarantors are Energean E&P Holdings, Energean Capital Ltd. and Energean Egypt Ltd.

The company undertook to provide the following collateral in favour of the Security Trustee:

- Share pledge of Energean Capital Ltd., Energean Egypt Ltd., Energean Italy Ltd.;
- Fixed charges over the material bank accounts of the Company and the Guarantors (other than Energean Egypt Services JSC); and
- Floating charge over the assets of Energean plc (other than the shares of Energean E&P Holdings).

Energean Oil and Gas SA ("EOGSA") loan for Epsilon/Prinos Development:

On 27 December 2021 EOGSA entered into a loan agreement with Black Sea Trade and Development Bank for €90.5 million to fund the development of Epsilon Oil Field. The loan is subject to an interest rate of EURIBOR plus a margin of 2% on 90% of the loan (guaranteed portion) and 4.9% margin on 10% of the loan (unguaranteed portion). The loan has a final maturity date 7 years and 11 months after first disbursement.

On 27 December 2021 EOGSA entered into an agreement with Greek State to issue €9.5 million of notes maturing in 8 years with fixed rate -0.31% plus margin. The margin commences at 3.0% in year 1 with annual increases, reaching 6.5% in year 8.

At 31 December 2023 the loan was fully drawn.

Revolving Credit Facility ("RCF"):

On 8 September 2022, Energean signed a three-year $275 million RCF with a consortium of banks, led by ING Bank N.V. In May 2023, this facility's limit was increased to $300 million. The RCF is designed to provide additional liquidity for general corporate needs as necessary. The interest rate applied to any amounts drawn as loans is set at 5% plus the SOFR rate.

Throughout 2023, the Company utilised $80 million from this facility at an average interest rate of 10.3%. Of this amount, $40 million has been repaid subsequent to the reporting date.

Capital management

The Group defines capital as the total equity and net debt of the Group. Capital is managed in order to provide returns for shareholders and benefits to stakeholders and to safeguard the Group's ability to continue as a going concern.

Energean is not subject to any externally imposed capital requirements. To maintain or adjust the capital structure, the Group may put in place new debt facilities, issue new shares for cash, repay debt, engage in active portfolio management, adjust the dividend payment to shareholders, or undertake other such restructuring activities as appropriate.

($'000)	2023	2022
Current borrowings	80,000	45,550
Non-current borrowings	3,141,197	2,975,346
Total borrowings	3,221,197	3,020,896
Less:		
Cash and cash equivalents	(346,772)	(427,888)
Restricted cash	(25,606)	(74,776)
Net Debt	2,848,819	2,518,232
Total equity	686,115	650,198

Reconciliation of liabilities arising from financing activities

($'000)	1 January	Cash inflows	Cash outflows	Reclass-ification	Additions	Lease modification	Borrowing costs including amortisation of arrangement fees	Foreign exchange impact	31 December
2023	3,335,646	905,038	(1,018,175)	(71,261)	38,222	8,860	224,123	1,069	3,423,522
Senior Secured Notes	2,913,909	750,000	(800,522)	(23,613)	-	-	193,009	-	3,032,783
Convertible loan notes	45,550	-	-	(50,000)	-	-	4,450	-	-
Current borrowings RCF	-	110,000	(30,000)	-	-	-	-	-	80,000
Long-term borrowings	61,437	45,038	(5,576)	1,257	-	-	6,104	154	108,414
Lease liabilities	32,272	-	(18,732)	1,095	38,222	8,860	2,464	915	65,096
Deferred licence payments	51,832	-	(13,345)	-	-	-	7,667	-	46,154
Contingent Consideration	86,320	-	-	-	-	-	4,755	-	91,075
Deferred consideration of acquisition of minority	144,326	-	(150,000)	-	-	-	5,674	-	-
2022	3,294,460	63,463	(213,068)	(122)	949	(66)	194,984	(4,954)	3,335,646
Senior Secured Notes	2,905,631	-	(156,694)	-	-	-	164,972	-	2,913,909
Convertible loan notes	41,496	-	-	-	-	-	4,054	-	45,550
Long -term borrowings	-	63,463	-	-	-	-	1,743	(3,769)	61,437
Lease liabilities	44,425	-	(14,023)	(122)	949	(66)	2,294	(1,185)	32,272
Deferred licence payments	57,230	-	(12,351)	-	-	-	6,953	-	51,832
Contingent consideration	78,450						7,870		86,320
Deferred consideration of acquisition of minority	167,228	-	(30,000)	-	-	-	7,098	-	144,326

22 Retirement benefit liability

The Group operates defined benefit pension plans in Greece and Italy.

Under Italian law, Energean Italy S.p.a. is required to operate a Target Retirement Fund "TFR" for its local employees. This is technically a defined benefit scheme, though has no pension assets, with the liability measured by independent actuaries.

In accordance with the provisions of Greek labour law, employees are entitled to compensation in case of dismissal or retirement. The amount of compensation varies depending on salary, years of service and the manner of termination (dismissal or retirement). Employees who resign are not entitled to compensation. The compensation payable in case of retirement is equal to 40% of the compensation which would be payable in case of unjustified dismissal.

These plans are not funded and are defined benefit plans in accordance with IAS 19. The Group charges the accrued benefits in each period with a corresponding increase in the relative actuarial liability. The payments made to retirees in every period are charged against this liability. The liabilities of the Group arising from the obligation to pay termination indemnities are determined through actuarial studies, conducted by independent actuaries.

22.1 Provision for retirement benefits

($'000)	2023	2022
Defined benefit obligation	1,595	1,675
Provision for retirement benefits recognised	1,595	1,675
Allocated as:		
Non-current portion	1,595	1,675
	1,595	1,675

22.2 Defined benefit obligation

($'000)	2023	2022
At 1 January	1,675	2,766
Current service cost	88	163
Interest cost	59	52
Extra payments or expenses	1	3,233
Actuarial losses – from changes in financial assumptions	161	(267)
Benefits paid	(433)	(4,100)
Exchange differences	44	(172)
At 31 December	1,595	1,675

22.3 Actuarial assumptions and risks

The most recent actuarial valuation was carried out as of 31 December 2023 and it was based on the following key assumptions:

	2023	2022
Greece		
Discount rate	3.57%	4.10%
Expected rate of salary increases	3.54%	3.54%
Average life expectancy over retirement age	24.0 years	19.7 years
Inflation rate	2.10%	2.20%
Italy		
Discount rate	3.20%	0.94%
Expected rate of salary increases	N/A	N/A
Average life expectancy over retirement age	17.1 years	20.9 years
Inflation rate	2.00%	2.00%

Sensitivity analysis

The sensitivity analysis below shows the impact on the defined benefit obligation of changing each assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

($'000)	2023	2022
Greece		
Percentage Effect on defined benefit obligation		
Change + 0.5% in Discount rate	-3%	-3%
Change – 0.5% in Discount rate	3%	3%
Change +0.5% in Expected rate of salary increases	3%	3%
Change -0.5% in Expected rate of salary increases	-3%	-3%
Italy		
Percentage Effect on defined benefit obligation		
Change + 0.5% in Discount rate	-1%	-1%
Change – 0.5% in Discount rate	1%	1%

($'000)	2023	2022
Greece		
Percentage Effect on current service cost		
Change + 0.5% in Discount rate	-4%	-4%
Change – 0.5% in Discount rate	4%	4%
Change +0.5% in Expected rate of salary increases	4%	5%
Change -0.5% in Expected rate of salary increases	-4%	-5%

The amounts presented reflect the impact from the percentage increase/(decrease) in the given assumption by +/- 0.5% on the defined benefit obligation and current service cost, while holding all other assumptions constant.

The plan exposes the Group to actuarial risks such as interest rate risk, longevity changes and inflation risk.

Interest rate risk

The present value of the defined benefit liability is calculated using a discount rate determined by reference to market yields of high-quality corporate bonds. The estimated term of the bonds is consistent with the estimated term of the defined benefit obligation and it is denominated in Euro. A decrease in market yield on high quality corporate bonds will increase the Group's defined benefit liability.

Longevity of members

Any increase in the life expectancy of the members will increase the defined benefit liability.

Inflation risk

A significant proportion of the defined benefit liability is linked to inflation. An increase in the inflation rate will increase the Group's defined benefit liability.

23 Provisions

($'000)	Decommissioning	Provision for litigation and other claims	Total
At 1 January 2022	802,098	11,294	813,392
New provisions	-	1,619	1,619
Change in estimates	49,313	(551)	48,762
Recognised in property, plant and equipment	*21,685*		*21,685*
Recognised in profit& loss	*27,628*	*(551)*	*27,077*
Spend	(8,898)	(344)	(9,242)
Reclassification	-	(1,568)	(1,568)
Unwinding of discount	21,495	-	21,495
Currency translation adjustment	(55,251)	(1,104)	(56,355)
At 31 December 2022	808,757	9,346	818,103
Current provisions	8,376	-	8,376
Non-current provisions	800,381	9,346	809,727
At 1 January 2023	808,757	9,346	818,103
New provisions	4,913	-	4,913
Change in estimates	(24,413)	(2,076)	(26,489)
Recognised in property, plant and equipment	*(7,417)*	-	*(7,417)*
Recognised in profit& loss	*(16,996)*	*(2,076)*	*(19,072)*
Spend	(18,697)	-	(18,697)
Reclassification	(1,023)	-	(1,023)
Unwinding of discount	31,255	-	31,255
Currency translation adjustment	29,884	240	30,124
At 31 December 2023	830,676	7,510	838,186

($'000)	Decommissioning	Provision for litigation and other claims	Total
Current provisions	51,824	-	51,824
Non-current provisions	778,852	7,510	786,362

Decommissioning provision

The decommissioning provision represents the present value of decommissioning costs relating to oil and gas properties, which are expected to be incurred up to 2044 when the producing oil and gas properties are expected to cease operations. The future costs are based on a combination of estimates from an external study completed in previous years and internal estimates. These estimates are reviewed annually to take into account any material changes to the assumptions. However, actual decommissioning costs will ultimately depend upon future market prices for the necessary decommissioning works required that will reflect market conditions at the relevant time. Furthermore, the timing of decommissioning is likely to depend on when the fields cease to produce at economically viable rates. This, in turn, will depend upon future oil and gas prices and the impact of energy transition and the pace at which it progresses which are inherently uncertain. The decommissioning provision represents the present value of decommissioning costs relating to assets in Italy, Greece, UK, Israel and Croatia. No provision is recognised for Egypt as there is no legal or constructive obligation as at 31 December 2023.

The principal assumptions used in determining decommissioning obligations for the Group are shown below:

	Inflation assumption	Discount rate assumption	Cessation of production assumption	Spend in 2023	2023 ($'000)	2022 ($'000)
Greece	1.8%- 2.7%	3.08%	2034	-	19,359	13,036
Italy	3.0%- 2.0%	4.17%	2023–2039	8,831	497,827	519,749
UK	2.34%	3.31%	2023–2030	9,866	202,874	176,063
Israel	3.0%- 1.6%	4.18%	2044	-	92,613	84,299
Croatia	3.0%- 2.0%	4.17%	2036	-	18,003	15,610
Total				18,697	830,676	808,757

Litigation and other claims provisions

Litigation and other claim provision relates to litigation actions currently open in Italy with the Termoli Port Authority in respect of the fees payable under the marine concession regarding FSO Alba Marina serving the Rospo Mare field in Italy. Energean Italy S.p.a. has appealed these cases to the Campobasso Court of Appeal. None of the other cases has yet had a decision on the substantive issue. The Group provided €5.6 million (c$6.0 million) against an adverse outcome of these court cases.

Energean Italy S.p.a. has currently open litigations with three municipalities in Italy related to the imposition of real estate municipality taxes ("IMU/TASI"), interest and related penalties concerning the periods 2016 to 2019. For the years before 2019, Edison S.p.a. bears uncapped liability for any amount assessed according to the sale and purchase agreement ("SPA") signed between the companies while Energean is liable for any tax liability related to tax year 2019. For all three cases, Energean Italy S.p.a. (together with Edison S.p.a., as appropriate) filed appeals presenting strong legal and technical arguments for reducing the assessed taxes to the lowest possible level as well as cancelling entirely the imposed penalties. The Group strongly believes based on legal advice received that the outcome of the court decisions will be in its favour with no material exposure expected in excess of the provision of $2.1 million recognised.

The remaining balance in other provisions pertains to a minor potential claim in Egypt.

It is not currently possible to accurately predict the timing of the settlement of these claims and therefore the expected timing of the cash flows.

24 Trade and other payables

($'000)	2023	2022
Trade and other payables – current		
Financial items:		
Trade accounts payable	225,451	298,091
Payables to partners under JOA[122]	170,470	58,336
Deferred licence payments due within one year	46,154	13,345
Deferred consideration for acquisition of minority	-	144,326
Other payables[123]	53,756	34,644
Contingent consideration (note 26.1)	91,075	-
Short term lease liability	16,498	9,208
Deferred income	548	
VAT payable	20	
	603,972	557,950
Non-financial items:		
Accrued expenses[124]	65,033	98,650
Contract liability[125]	-	56,230
Other finance costs accrued (note 9)	63,893	39,672
Social insurance and other taxes	4,705	4,372
	133,631	198,924
	737,603	756,874
Trade and other payables – non-current		
Financial items:		
Trade and other payables[126]	117,796	169,360
Deferred licence payments[127]	-	38,488
Contingent consideration (note 26.1)	-	86,320

[122] Payables to partners under JOA include payables and working capital estimates provided by the operators. Increase in 2023 is due to Cassiopea development, in Italy.

[123] Other payables mainly comprise royalties accrued in Israel (2023: $32 million, 2022: $6.7 million) and Italy (2023: $18 million, 2022: $27.3 million).

[124] Included in trade payables and accrued expenses are mainly development expenditures incurred in Israel (mainly FPSO, Karish North, Second oil train), development expenditure for Cassiopea project in Italy and NEA/NI project in Egypt.

[125] The contract liability relates to the agreement with Israel Natural Gas Lines ("INGL") for the transfer of title (the "Hand Over") of the near shore and onshore segments of the infrastructure that delivers gas from the Energean Power FPSO into the Israeli national gas transmission grid. The Hand Over became effective in March 2023. Following the Hand Over, INGL is responsible for the operations and maintenance of this part of the infrastructure and the related asset (refer to Note 7) and contract liability was derecognised. The final consideration ($7.3 million) became receivable after Handover and was recognised within other receivables.

[126] The amount represents a long-term amount payable in terms of the EPCIC contract. Following the amendment to the terms of the deferred payment agreement with Technip signed in February 2024 the remaining amount payable under the EPCIC contract reduced to $210 million. The amount is payable in twelve equal quarterly deferred payments starting in March and therefore has been discounted at 8.668%. p.a. (being the yield rate of the senior secured loan notes, maturing in 2026, at the date of agreeing the payment terms).

[127] A settlement agreement was signed on 2 November 2023 in relation to remaining deferred consideration for Karish and Tanin licences whereby it was agreed that the final amount owing would be paid in two instalments in March ($30.0 million) and May 2024 ($17.4 million). As at 31 December 2023 the total discounted deferred consideration was $46.2 million (as at 31 December 2022: $51.8 million).

($'000)	2023	2022
Long term lease liability	48,598	23,063
	166,394	317,231
Non-financial items:		
Social insurance	529	827
	529	827
	166,923	318,058

25 Employee share schemes

Analysis of share-based payment charge

($'000)	2023	2022
Energean Deferred Share Bonus Plan ("DSBP")	1,913	1,332
Energean Long Term Incentive Plan ("LTIP")	5,427	4,911
Total share-based payment charge	7,340	6,243
Capitalised to intangible and tangible assets	-	199
Expensed as administration expenses (note 8)	7,340	6,044
Total share-based payment charge	7,340	6,243

Energean Long Term Incentive Plan ("LTIP")

Under the Energean plc's 2018 LTIP rules, Senior Executives may be granted conditional awards of shares or nil cost options. Nil cost options are normally exercisable from three to ten years following grant provided an individual remains in employment. Awards are subject to performance conditions (including Total Shareholder Return ("TSR") normally measured over a period of three years. Vesting of awards or exercise of nil cost options is generally subject to an individual remaining in employment except in certain circumstances such as good leaver and change of control. Awards may be subject to a holding period following vesting. No dividends are paid over the vesting period; however, Energean's Board may decide at any time prior to the issue or transfer of the shares in respect of which an award is released that the participant will receive an amount (in cash and/or additional Shares) equal in value to any dividends that would have been paid on those shares on such terms and over such period (ending no later than the Release Date) as the Board may determine. This amount may assume the reinvestment of dividends (on such basis as the Board may determine) and may exclude or include special dividends.

The weighted average remaining contractual life for LTIP awards outstanding at 31 December 2023 was 1.2 year, number of shares outstanding 1,763,308 and weighted average price at grant date £10.46 (or $13.31).

There are further details of the LTIP in the Remuneration Report on pages 136–165.

Deferred Share Bonus Plan ("DSBP")

Under the DSBP, a portion of any annual bonus of a Senior Executive nominated by the Remuneration Committee may be deferred into shares.

Deferred awards are usually granted in the form of conditional share awards or nil-cost options (or, exceptionally, as cash-settled equivalents). Deferred awards usually vest two years after award although may vest early on leaving employment or on a change of control.

The weighted average remaining contractual life for DSBP awards outstanding at 31 December 2023 was 0.8 year, number of shares outstanding 277,886 and weighted price at grant date £11.54 ($14.69).

26 Financial instruments

The Group is exposed to a variety of risks including commodity price risk, interest rate risk, credit risk, foreign currency risk and liquidity risk. The use of derivative financial instruments is governed by the Group's policies approved by the Board of Directors. Compliance with policies and exposure limits are monitored and reviewed internally on a regular basis. The Group does not enter into or trade financial instruments, including derivatives, for speculative purposes.

26.1 Fair values of financial assets and liabilities

The section below outlines the methodology the Group employs to come up with the fair values of various financial assets and liabilities.

Contingent consideration

The share purchase agreement ("SPA") dated 4 July 2019 between Energean and Edison S.p.a. provides for a contingent consideration of up to $100.0 million subject to the commissioning of the Cassiopea development gas project in Italy. The consideration was determined to be contingent on the basis of future gas prices ("PSV") recorded at the time of the at the time of first gas production at the Cassiopea field, which is expected in 2024. No payment will be due if the arithmetic average of the year one (i.e., the first year after first gas production) and year two (i.e., the second year after first gas production) Italian PSV Natural Gas Futures prices is less than €10/Mwh when first gas production is delivered from the field. $100 million is payable if that average price exceeds €20/Mwh. The fair value of the contingent consideration is estimated by reference to the terms of the SPA and the simulated PSV pricing by reference to the forecasted PSV pricing, historical volatility and a log normal distribution, discounted at an estimated cost of debt

The contingent consideration to be payable on 1 October 2024 was estimated at acquisition date to amount to $61.7 million, which discounted at the selected cost of debt resulted in a present value of $55.2 million as at the acquisition date.

As at 31 December 2023, the two-year future curve of PSV prices increased from the date of acquisition and indicate an average price in excess of €20/Mwh (the threshold for payment of $100 million), we estimate the fair value of the contingent consideration as at 31 December 2023 to be $91.1 million based on a Monte Carlo simulation (2022: $86.3 million).

The fair value of the consideration payable has been recognised at level 3 of the fair value hierarchy.

Contingent consideration	2023
1 January	86,320
Fair value adjustment including	4,755
Discount unwinding	(1,855)
Unrealised loss on derivates	6,610
31 December	91,075

Fair values of other financial instruments

The following financial instruments are measured at amortised cost and are considered to have fair values different to their book values:

	31 December 2023		31 December 2022	
($'000)	Carrying value	Fair value	Carrying value	Fair value
Senior Secured notes (note 21)	3,032,783	2,775,135	2,913,909	2,716,625

The fair value of the bond is within level 1 of the fair value hierarchy and has been estimated by discounting future cash flows by the relevant market yield curve at the balance sheet date.

The fair values of other financial instruments not measured at fair value including cash and short-term deposits, trade receivables and trade and other payables equate approximately to their carrying amounts.

26.2 Commodity price risk

The Group considers hedging activities as part of the ongoing financial risk management to protect against commodity price volatility and to ensure the availability of cash flow for re-investment in capital programmes that are driving business delivery.

No hedging contracts were entered into in 2023 and 2022.

26.3 Interest rate risk

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates.

At 31 December 2023 the Group's exposure to interest rate risk is in relation to Greek borrowings and RCF as all other borrowings are at fixed interest rates (refer to Note 21 details). The exposure to interest rates for the Group's money market funds is considered immaterial.

($'000)	2023	2022
Impact on finance costs		
Interest rates increase +0.5%	401	135
Interest rates decrease -0.5%	(401)	(135)

26.4 Credit risk

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Group has policies in place to ensure that all of its transactions giving rise to credit risk are made with parties having an appropriate credit history and monitors on a continuous basis the ageing profile of its receivables.

Also, the Group has policies to limit the amount of credit exposure to any banking institution, considering among other factors the credit ratings of the banks with which deposits are held. Credit quality information in relation to those banks is provided below.

With regard to the risk of potential losses caused by the failure of any of the counterparties the Company interacts with to honour the commitments they have undertaken, the Group has implemented for some time procedures and tools to evaluate and select counterparties based on their credit rating, constantly monitoring its exposure to the various counterparties and implementing appropriate mitigating actions, primarily aimed at recovering or transferring receivables.

Presented below is a breakdown of trade receivables by past due bracket:

($'000)	31 December 2023	31 December 2022
Trade receivables and receivables from partners under JOA	308,078	224,319
Allowance for impairment	(8,777)	(4,565)
Total	299,301	219,754

Trade receivables include balances from EGPC, the Egyptian governmental body that are significantly aged.

($'000)	31 December 2023 Trade receivables	31 December 2023 Allowance	31 December 2022 Trade receivables	31 December 2022 Allowance
Not yet due	38,309	(2,022)	75,573	(2,377)
Past due by less than one month	14,200	(750)	27,654	(870)
Past due by one to three months	34,411	(1,816)	-	-
Past due by three to six months	33,684	(1,778)	11,032	(347)
Past due by more than six months	34,004	(1,795)	6,095	(192)
Total	154,608	(8,161)	120,354	(3,786)

Trade receivables by geography

($'000)	31 December 2023	31 December 2022
Italy	36,854	57,000
United Kingdom	2,260	6,491
Egypt	154,638	120,361
Greece	189	2,976
Israel	114,139	37,491
Total	308,080	224,319

Credit quality of bank deposits

The credit quality of the banks in which the Group keeps its deposits is assessed by reference to the credit rating of these banks. Moody's credit ratings of the corresponding banks in which the Group keeps its deposits is as follows:

($'000)	2023	2022
Aa2	895	-
A1	30,769	294,505
A2	313,040	96,599
A3	75	31,084
BBB	21,098	30,826
BB	-	48,403
B	3	-
B3	6,488	1,247
	372,368	502,664

The Company has assessed the recoverability of all cash balances and considers they are carried within the consolidated statement of financial position at amounts not materially different to their fair value.

26.5 Foreign exchange risk

The Group is exposed to foreign exchange risk as it undertakes operations in various foreign currencies. The key sources of the risk are attributed to the fact that the Group has certain subsidiaries with Euro functional currencies in which a number of loan agreements denominated in $ and sales of crude oil are additionally denominated in $.

The Group's exposure to foreign currency risk, as a result of financial instruments, at each reporting date is shown in the table below. The amounts shown are the $ equivalent of the foreign currency amounts.

	Liabilities		Assets	
($'000)	2023	2022	2023	2022
United Kingdom Pounds (£)	134,415	43,433	104,371	16,008
Euro	862,698	816,719	1,175,741	653,420
CAD	18	17	-	-
NOK	22	7,977	1	22
ILS	7,874	9,354	30,441	19,383
SGD	-	63	-	109
EGP	263	727	4,951	16,983
Total	1,005,290	878,290	1,315,505	705,926

The following table reflects the sensitivity analysis for profit and loss results for the year and equity, taking into consideration for the periods presented foreign exchange variation by +/- 10% with all other variables held constant.

														31 December 2023
		USD variation		GBP variation		Euro variation		ILS variation		NOK variation		SGD variation		EGP variation
	10%	-10%	10%	-10%	10%	-10%	10%	-10%	10%	-10%	10%	-10%	10%	-10%
Effect on profit before tax	(3,768)	2,996	(30)	(675)	(5,004)	4,886	2,257	(2,052)	-	-	-	-	32	(25)
Effect on pre-tax equity	(3,768)	2,996	(30)	(675)	(5,004)	4,886	2,257	(2,052)	-	-	-	-	32	(25)

														31 December 2022
		USD variation		GBP variation		Euro variation		ILS variation		NOK variation		SGD variation		EGP variation
	10%	-10%	10%	-10%	10%	-10%	10%	-10%	10%	-10%	10%	-10%	10%	-10%
Effect on profit before tax	12,927	(3,634)	(2,415)	1,883	(6,394)	6,986	5	(4)	1,003	(912)	(793)	721	25	25
Effect on pre-tax equity	12,927	(3,634)	(2,415)	1,883	(6,394)	6,986	5	(4)	1,003	(912)	(793)	721	25	25

The above calculations assume that interest rates remain the same as at the reporting date.

26.6 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Group monitors its risk to a shortage of funds by monitoring its debt rating and the maturity dates of existing debt and other payables. As at 31 December 2023, the Group had available $235 million (2022: $217 million) of undrawn committed borrowing facilities.

The undrawn facilities are in relation to the revolving credit facility and the term loan (refer to note 21 for further details).

The following tables detail the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

The Group manages its liquidity risk by ongoing monitoring of its cash flows. Group management prepares budgets and regular cash flow forecasts and takes appropriate actions to ensure available cash deposits and credit lines with the banks are available to meet the Group's liabilities as they fall due.

The table below summarises the maturity profile of the Group financial liabilities based on contractual undiscounted payments:

($'000)	Carrying amounts	Contractual cash flows	3 months or less	3–12 months	1–2 years	2–5 years	More than 5 years
31 December 2023							
Bank loans	3,221,197	3,939,304	96,500	88,977	952,249	898,567	1,903,011
Lease liabilities	65,096	74,656	4,279	14,302	27,919	12,378	15,778
Trade and other payables	705,270	740,980	251,215	349,765	140,000	-	-
Total	3,991,563	4,754,940	351,994	453,044	1,120,168	910,945	1,918,789

($'000)	Carrying amounts	Contractual cash flows	3 months or less	3–12 months	1–2 years	2–5 years	More than 5 years
31 December 2022							
Bank loans	2,975,346	3,869,648	64,453	98,480	910,680	1,291,207	1,504,828
Lease liabilities	32,271	33,207	2,231	6,503	2,967	19,952	1,554
Trade and other payables	936,120	984,802	311,602	337,634	238,692	96,874	-
Total	3,943,737	4,887,657	378,286	442,617	1,152,339	1,408,033	1,506,382

27 Related parties

27.1 Related party relationships

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

The Directors of Energean plc are considered to be the only key management personnel as defined by IAS 24. The following information is provided in relation to the related party transaction disclosures provided in note 27.2 below:

Seven Maritime Company ("Seven Marine") was a related party company controlled by one the Company's shareholders Mr Efstathios Topouzoglou. Seven Marine owns the offshore supply ship Energean Wave which support the Group's operations in northern Greece. From March 2022, Mr Efstathios Topouzoglou no longer controlled Seven Maritime neither indirectly (through Oilco) nor directly.

Prime Marine Energy Inc: During 2020 Energean Israel, purchased from Prime Marine Energy Inc, a company controlled by a Non-Executive Director and shareholder of Energean plc, a Field Support Vessel ("FSV"). The FSV will provide significant in-country capability to support the Karish project, including FPSO re-supply, crew changes, holdback operations for tanker offloading, emergency subsea intervention, drilling support and emergency response. The purchase of this multi-purpose vessel will enhance operational efficiencies and economics when compared to the leasing of multiple different vessels for the various activities. The agreement with Prime Marine Energy Inc was terminated on 19 October 2022. In December 2022 the FSV was towed to Greece for completion of the works under Energean's supervision. The FSV arrived in Israel in August 2023.

27.2 Related party transactions

Purchases of goods and services

($'000)	Nature of transactions	2023	2022
Other related party "Seven Marine"	Vessel leasing and services	2,013	2,001
Other related party "Prime Marine Energy Inc"	Construction of field support vessel	-	8,060
		2,013	10,061

27.3 Related party balances

Payables

($'000)	Nature of balance	2023	2022
Seven Marine	Vessel leasing and services	-	702
		-	702

27.4 Key management compensation

The Directors of Energean plc are considered to be the only key management personnel as defined by IAS 24 Related Party Disclosures.

31 December 2023 ($'000)	Salary and fees	Benefits	Annual bonus paid in cash	Total
Executive Directors	1,561	75	1,909	3,545
Non-Executive Directors	761	-	-	761
Total	2,322	75	1,909	4,306

31 December 2022 ($'000)	Salary and fees	Benefits	Annual bonus paid in cash	Total
Executive Directors	1,667	157	1,570	3,394
Non-Executive Directors	794	-	-	794
Total	2,461	157	1,570	4,188

28 Commitments and contingencies

In acquiring its oil and gas interests, the Group has pledged that various work programmes will be undertaken on each permit/interest. The exploration and development capital commitments in the following table are an estimate of the net cost to the Group of performing these work programmes:

($'000)	2023	2022
Capital Commitments		
Due within one year	195,903	174,071
Due later than one year but within two years	20,963	186,596
Due later than two years but within five years	6,230	5,961
	223,096	366,628
Performance guarantees[128]		
Greece	4,522	4,170
Israel	53,006	97,572
Egypt	-	2,000
UK	95,743	83,976
Italy	16,140	11,461
	169,411	199,179

[128] Performance guarantees are in respect of abandonment obligations, committed work programmes and certain financial obligations.

Open guarantees at the reporting date:

- Karish and Tanin leases ($25 million) – As part of the requirements of the Karish and Tanin lease deeds, the Group provided the Ministry of National Infrastructures, Energy and Water with bank guarantees for each lease. The bank guarantees expire 30 June 2024.
- Blocks 12, 21, 23 and 31 ($21 million) – As part of the conditions for obtaining exploration and appraisal licenses during the Israeli offshore bid in December 2017, the Group provided the Ministry of National Infrastructures, Energy, and Water with bank guarantees totalling $6 million in January 2018, covering all blocks mentioned (12, 21, 23, and 31). These guarantees are set to expire in January 2025. Additionally, the Group has furnished separate guarantees specific to drilling activities in blocks 12, 23, and 31, amounting to $15 million. The breakdown of these drilling guarantees includes an expiry date for Block 12 in November 2024, while the guarantees for Blocks 23 and 31 are due in May 2024.
- Israeli Natural Gas Lines ("INGL") ($2.5 million) – As part of the agreement signed with INGL on June 2019 the Group provided INGL bank guarantee in order to secure the milestone payments from INGL. The guarantee is to expire on 24 July 2024.
- Israel Other ($4.4 million) – As part of ongoing operations in Israel, the Group has provided various bank guarantees to third parties in Israel.
- United Kingdom ($95.7 million) – Following the Edison E&P acquisition, the Group issued letters of credit for United Kingdom decommissioning obligations and other obligations under the United Kingdom licenses.
- Italy – The Group issued letters of credit amounting to $16.1 million for decommissioning obligations and other obligations under the Italian licenses.
- Greece – The Group issued letters of credit amounting for obligations under the Block 2 licenses.

Legal cases and contingent liabilities

The Group had no material contingent liabilities as of 31 December 2023 and 31 December 2022.

29 Subsequent events

On 21 February 2024 Energean approved its Q4 dividend of $30 cents per share, to be paid on 29 March 2024.

On 22 February 2024 the Karish North first gas and utilisation of the second export riser were safely achieved.

The Orion X1 exploration well reached the target reservoir in March 2024. Preliminary results indicate that well contains no commercial hydrocarbons. Further appraisal activity is contingent upon the completion of post-drilling well analysis. The carrying value of the related capitalised exploration and evaluation expenses as of 31 December 2023 was $23.3 million. There has been no impairment recognised related to this investment.

30 Subsidiary undertakings

At 31 December 2023, the Group had investments in the following subsidiaries:

Name of subsidiary	Country of incorporation/registered office	Principal activities	Shareholding At 31 December 2023 (%)	Shareholding At 31 December 2022 (%)
Energean E&P Holdings Ltd.	22 Lefkonos Street, 2064 Nicosia, Cyprus	Holding Company	100	100
Energean Capital Ltd.	22 Lefkonos Street, 2064 Nicosia, Cyprus	Holding Company	100	100
Energean Group Services Ltd.	44 Baker Street, London W1U 7AL, United Kingdom	Oil and gas exploration, development and production	100	100
Energean Oil & Gas S.A.	32 Kifissias Avenue, Marousi Athens, 151 25, Greece	Oil and gas exploration, development and production	100	100
Energean International Ltd.	22 Lefkonos Street, 2064 Nicosia, Cyprus	Oil and gas exploration, development and production	100	100
Energean Israel Ltd.	22 Lefkonos Street, 2064 Nicosia, Cyprus	Oil and gas exploration, development and production	100	100
Energean Montenegro Ltd.	22 Lefkonos Street, 2064 Nicosia, Cyprus	Oil and gas exploration, development and production	100	100
Energean Israel Transmission Ltd.	Andre Sakharov 9, Haifa, Israel	Gas transportation license holder	100	100
Energean Israel Finance Ltd.	Andre Sakharov 9, Haifa, Israel	Financing activities	100	100
Energean Egypt Ltd.	22 Lefkonos Street, 2064 Nicosia, Cyprus	Oil and gas exploration, development and production	100	100
Energean Hellas Ltd.	22 Lefkonos Street, 2064 Nicosia, Cyprus	Oil and gas exploration, development and production	100	100
Energean Italy S.p.a.	31 Foro Buonaparte, 20121 Milano, Italy	Oil and gas exploration, development and production	100	100
Energean Sicilia S.r.l.	Via Salvatore Quasimodo 2 – 97100 Ragusa (Ragusa)	Oil and gas exploration,	100	100

Name of subsidiary	Country of incorporation/registered office	Principal activities	Shareholding At 31 December 2023 (%)	Shareholding At 31 December 2022 (%)
		development and production		
Energean Exploration Ltd.	44 Baker Street, London W1U 7AL, United Kingdom	Oil and gas exploration, development and production	100	100
Energean UK Ltd.	44 Baker Street, London W1U 7AL, United Kingdom	Oil and gas exploration, development and production	100	100
Energean Egypt Energy Services JSC	Block #17, City Center, 5th Settlement, New Cairo, 11835, Egypt	Oil and gas exploration, development and production	100	100
Energean Investments Ltd.	44 Baker Street, London W1U 7AL, United Kingdom	Oil and gas exploration, development and production	100	100
Energean Morocco Ltd.	44 Baker Street, London W1U 7AL, United Kingdom	Oil and gas exploration, development and production	100	100

31 Exploration, development and production interests

Development and production

Country	Licence/unit area	Fields	Fiscal regime	Group's working interest	Joint operation	Operator
Israel						
	Karish	Karish North, Karish Main	Concession	100%	No	NA
	Tanin	Tanin	Concession	100%	No	NA
Egypt						
	Abu Qir	Abu Qir, Abu Qir North, Abu Qir West, Yazzi (32.75%)	PSC	100%	No	NA
	NEA	Yazzi (67.25%), Python	PSC	100%	No	NA
	NI	Field A (NI-1X), Field B (NI-3X), NI-2X, Viper (NI-4X)	PSC	100%	No	NA
Greece						
	Prinos	Prinos, Epsilon	Concession	100%	No	NA

Country	Licence/unit area	Fields	Fiscal regime	Group's working interest	Joint operation	Operator
	South Kavala		Concession	100%	No	NA
	Katakolo	Katakolo (undeveloped)	Concession	100%	No	NA
Italy						
	C.C6.EO	Vega A (Vega B, undeveloped)	Concession	100%[129]	Yes	Energean
	B.C8.LF	Rospo Mare	Concession	100%[130]	Yes	Energean
	Fiume tenna	Verdicchio	Concession	100%	No	Energean
	B.C7.LF	Sarago, cozza, vongola	Concession	95%	Yes	Energean
	B.C11.AS GIANNA	Gianna (undeveloped)	Concession	49%	Yes	ENI
	Garaguso	Accettura	Concession	50%	Yes	Energean
	A.c14.AS	Rosanna and Gaia	Concession	50%	Yes	ENI
	A.C15.AX	Valentina, Raffaella, Emanuela, Melania	Concession	10%	Yes	ENI
	A.c16.AG	Delia, Demetra, Sara, Dacia, Nicoletta	Concession	30%	Yes	ENI
	A.C8.ME	Anemone and Azelea[131]	Concession	19% and 15.675%	Yes	ENI
	Masseria Monaco	Appia and Salacaro (undeveloped)	Concession	50%	Yes	Energean
	G.C1.AG	Cassiopea , Gemini, Centauro	Concession	40%	Yes	ENI
	B.C14.AS	Calipso and Clara West	Concession	49%	Yes	ENI
	B.C20.AS	Carlo, Clotilde e Didone (undeveloped)	Concession	49%	Yes	ENI
	Montignano	Cassiano and Castellaro	Concession	50%	Yes	Energean
	B.C13.AS	Clara Est, Clara Nord, Clara NW, (Cecilia undeveloped)	Concession	49%	Yes	ENI
	Comiso (EIS)	Comiso	Concession	100%	No	NA
	A.c13.AS	Daria, (Manuela ,Arabella, Ramona undeveloped)	Concession	49%	Yes	ENI

129 Energean has agreed with ENI to acquire the latter's WI and the request is pending approval from the Italian authorities. However by means of an agreement between ENI and Energean Italy all the production and cost are retained by Energean from 1 January 2021 and, according to the JOA, the decommissioning costs will be borne by both parties according to their initial WI (Energean 60%, ENI 40%).

130 Energean has requested from the operator to exit the licence.

131 Energean has requested from the operator to exit the licence.

Country	Licence/unit area	Fields	Fiscal regime	Group's working interest	Joint operation	Operator
	B.C10.AS	Emma West and Giovanna	Concession	49%	Yes	ENI
	A.C36.AG	Fauzia	Concession	40%	Yes	ENI
	Torrente menocchia	Grottammare (undeveloped)	Concession	76%	Yes	Petrorep
	Montegranaro	Leoni	Concession	50%	Yes	Gas Plus
	Lucera	Lucera	Concession	4.8%	Yes	GPI
	Monte Urano	San Lorenzo	Concession	40%	Yes	Energean
	A.C21.AG	Naide	Concession	49%	Yes	ENI
	Colle di lauro	Portocannone	Concession	83.32%	Yes	Energean
	Porto civitanova	Porto civitanova	Concession	40%	Yes	GPI
	Quarto	Quarto	Concession	33%	Yes	Padana Energia
	A.C17.AG	Regina	Concession	25%	Yes	ENI
	S. Andrea		Concession	50%	Yes	Canoel
	B.C2.LF	San Giorgio Mare	Concession	100%	Yes	Energean
	San Marco	San Marco	Concession	20%	No	ENI
	B.C1.LF	Santo Stefano	Concession	95%	Yes	Energean
	Mafalda	Sinarca	Concession	40%	Yes	Gas Plus
	B.C9.AS	Squalo Centrale	Concession	33%	Yes	ENI
	Massignano	Talamonti	Concession	50%	Yes	Energean
	Masseria Grottavecchia	Traetta	Concession	14%	Yes	Canoel
	S. Anna (EIS)	Tresauro	Concession	25%	Yes	Enimed
	Torrente Celone	Vigna Nocelli (Masseria Conca undeveloped)	Concession	50%	Yes	Rockhopper Italia
UK						
	Tors	Garrow, Kilmar	Concession	68%	Yes	Alpha Petroleum
	Markham		Concession	3%	Yes	Spirit Energy
	Scott		Concession	10%	Yes	CNOOC
	Telford		Concession	16%	Yes	CNOOC
	Wenlock		Concession	80%	Yes	Alpha Petroleum
Croatia						
	Izabela		PSC	70%	No	NA

Exploration

Country	Concession	Fields	Fiscal regime	Group's working interest	Joint operation	Operator
Israel						
	Blocks 12, 21, 23, 31	Katlan, Hermes and Hercules	Concession	100%	No	N/A
Egypt						
	East North Bir El Nus		PSC			
	50%	Yes	Energean			
Greece						
	Block-2		Concession	75%	Yes	Energean
	Prinos	Prinos CO2 Storage	Concession	100%	No	N/A
Italy						
	G.R13.AG	Lince prospect	Concession	40%	Yes	ENI
	G.R.14.AG	Panda, Vela prospect	Concession	40%	Yes	ENI
Croatia						
	Irena		PSC	70%	No	NA

Company Statement of Financial Position

As at 31 December 2023

($'000)	Notes	2023	2022
Assets			
Non-current assets			
Investment in subsidiaries	3	1,289,481	1,163,565
Property plant and equipment		34	46
Other intangible assets		47	55
Loans and other intercompany receivables	4	173,509	334,116
		1,463,071	1,497,782
Current assets			
Trade and other receivables	6	23,414	74,909
Cash and cash equivalents		1,202	336
		24,616	75,245
Total assets		1,487,687	1,573,027
Equity and liabilities			
Shareholders' equity			
Share capital	9	2,449	2,380
Share premium	9	465,331	415,388
Other reserves	5	-	10,459
Share based payment reserve		32,939	25,611
Retained earnings		447,626	615,200
		948,345	1,069,038
Non-current liabilities			
Other payables		516	786
Borrowings	8	444,313	442,879
		444,829	443,665
Current liabilities			
Trade and other payables	7	14,513	14,774
Borrowings	8	80,000	45,550
Total current liabilities		94,513	60,324
Total liabilities		539,342	503,989
Total equity and liabilities		1,487,687	1,573,027

During the year the Company made a profit of $35.7 million (31 December 2022: $24.2 million). Approved by the Board and authorised for issuance on 20 March 2024.

Matthaios Rigas

Chief Executive Officer

Panagiotis Benos

Chief Financial Officer

Company Statement of Changes in Equity

For the year ended 31 December 2023

($'000)	Share capital	Share premium	Share based payment reserve	Equity component of convertible bonds	Retained earnings	Total equity
At 1 January 2022	2,374	915,388	19,374	10,459	197,491	1,145,086
Profit for the year	-	-	-		24,213	24,213
Transactions with owners of the company						
Exercise of share options	6	-	(6)	-	-	-
Share premium reduction (note 9)	-	(500,000)	-	-	500,000	-
Share based payment charges	-	-	6,243	-	-	6,243
Dividend Paid (note 5)	-	-	-	-	(106,504)	(106,504)
At 31 December 2022	2,380	415,388	25,611	10,459	615,200	1,069,038
Profit for the year	-	-	-		35,665	35,665
Transactions with owners of the company						
Share based payment charges	-	-	7,340	-	-	7,340
Exercise of share options	12	-	(12)	-	-	-
Conversion of the loan note (note 8)	57	49,943	-	(10,459)	10,459	50,000
Dividend paid (note 5)	-	-	-	-	(213,698)	(213,698)
At 31 December 2023	2,449	465,331	32,939	-	447,626	948,345

1. General information

Energean plc ("the Company") was incorporated in England & Wales on 8 May 2017 as a public company with limited liability, under the Companies Act 2006. Its registered office is at 44 Baker Street, London W1U 7AL, United Kingdom. The Financial Statements are presented in US dollars and all values are rounded to the nearest $ thousands ($'000), except where otherwise stated. Energean plc is the ultimate Parent of the Energean Group.

2. Basis of preparation

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 (FRS 100) issued by the Financial Reporting Council. The parent company Financial Statements have therefore been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 (FRS 101) "Reduced Disclosure Framework" as issued by the Financial Reporting Council. As permitted by FRS 101, the Company has taken advantage of the following disclosure exemptions under FRS 101:

a. the requirements of IFRS 7 "Financial Instruments": Disclosures;
b. the requirements of paragraphs 91–99 of IFRS 13 "Fair Value Measurement";
c. the requirement in paragraph 38 of IAS 1 "Presentation of Financial Statements" to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1 and (ii) paragraph 73(e) of IAS 16 "Property Plant and Equipment";
d. the requirements of paragraphs 10(d), 16, 38A to 38D, 111 and 134 to 136 of IAS 1 "Presentation of Financial Statements";
e. the requirements of IAS 7 "Statement of Cash Flows";
f. the requirements of paragraphs 88C and 88D of IAS 12 "Income Taxes";
g. the requirements of paragraphs 45(b) and 46–52 of IFRS 2 "Share-based payments"
h. the requirements of paragraph 17 of IAS 24 "Related Party Disclosures";
i. the requirements in IAS 24 "Related Party Disclosures" to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
j. the requirements of paragraphs 30 and 31 of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

The Group has also applied the temporary exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes in accordance with Amendments to IAS 12 International Tax reform: Pillar Two Model Rules, issued by IASB in May 2023.

Where relevant, equivalent disclosures have been given in the Group financial statements, included in the Annual Report.

The Company has applied the exemption from the requirement to publish a separate income statement for the parent company set out in section 408 of the Companies Act 2006.

2.1 Going concern

The Directors have performed an assessment and concluded that the preparation of the financial statements on a going concern basis is appropriate. In making this assessment a number of factors were considered, refer to note 2.1. of the Group financial statements. Accordingly, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and consider it appropriate to adopt the going concern basis in preparing the financial statements.

2.2 Foreign currencies

The US dollar is the functional currency of the Company. Transactions in foreign currencies are translated at the rates of exchange ruling at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the rates of exchange ruling at the balance sheet date, with a corresponding charge or credit to the income statement.

2.3 Investments

Fixed asset investments, representing investments in subsidiaries, are stated at cost and reviewed for impairment if there are indications that the carrying value may not be recoverable.

2.4 Trade and other receivables

Receivables represent the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). The Company is required to assess the carrying values of each of the amounts due from subsidiary undertakings, considering the requirements established by IFRS 9 "Financial Instruments". The IFRS 9 impairment model requires the recognition of "expected credit losses". If the subsidiary has sufficient liquid assets to repay the loan if demanded at the reporting date, the expected credit loss is likely to be immaterial. However, if the subsidiary could not demonstrate the ability to repay the loan, if demanded at the reporting date, the Company calculated an expected credit loss.

2.5 Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, modified and through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

2.6 Convertible bonds

Convertible bonds are separated into liability and equity components based on the terms of the contract. The fair value of the liability component on initial recognition is calculated by discounting the contractual cash flows using a market interest rate for an equivalent non-convertible instrument. The difference between the fair value of the liability component and the proceeds received on issue is recorded as equity.

Transaction costs are apportioned between the liability and the equity components of the instrument based on the amounts initially recognised. The liability component is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or settlement. The equity component is not remeasured.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, demand and time deposits and other short-term highly liquid investments with a maturity of less than 3 months that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2.8 Capital management

The Company defines capital as the total equity of the Company. Capital is managed in order to provide returns for shareholders and benefits to stakeholders and to safeguard the Company's ability to continue as a going concern. The Company is not subject to any externally imposed capital requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital, issue new shares for cash, repay debt, and put in place new debt facilities.

2.9 Share-based payments

The Company has share-based awards that are equity settled as defined by IFRS 2. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised in employee remuneration expense together with a corresponding increase in equity (share-based payment reserve), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

2.12 Critical accounting judgements and key sources of estimation uncertainty

There are no critical accounting judgements and key sources of estimation uncertainty in the current year.

3. Investments in subsidiaries

The following table shows the movement in the investment in subsidiaries during the year:

	$'000
At 1 January 2023	1,163,565
Additions	125,916
At 31 December 2023	1,289,481

The additions are attributed to further cash injections for share issuances in existing subsidiaries. Additionally, there was the capitalisation of the $125.9 million loan receivable from Energean Oil & Gas SA (EOGSA), inclusive of $15 million in accrued interest. This resulted in an increase in the Company's investment in its subsidiary, Energean E&P Holdings Ltd. (EEPHL), through the issuance of 113,920,182 ordinary shares with a nominal value of $1.1052 each. The latter was achieved through a novation agreement between EOGSA and EEPHL, which was executed during the reporting period.

The principal activity of the majority of these companies relates to oil and gas exploration, development and production.

A complete list of Energean plc Group companies on 31 December 2023, and the Company's percentage of share capital are set out in the note 30 of the Group financial statements.

4. Loans and other intercompany receivables, non-current

($'000)	2023	2022
Loans to subsidiaries	172,294	332,050
Receivables from share-based awards to subsidiary undertakings	1,215	2,066
Total	**173,509**	**334,116**

On 31 December 2023 the Company has a loan receivable amounting to $172.3 million from Energean Capital Ltd. ("**ECL**"), a subsidiary. This loan carries a fixed interest rate of 5.5% p.a. and is set to mature on 18 May 2027.

In addition to the ECL loan, the Company had a loan receivable amounting to $110.9 million from Energean Oil & Gas SA ("**EOGSA**") in 2022. This loan was fully capitalised into the investment in the subsidiary within the reporting period. Refer to note 3 of these financial statements for further detail.

On 31 December 2023 no expected credit loss allowances (2022: $nil) were held in respect of the recoverability of loans to subsidiaries.

5. Equity

Dividends

In 2023, the company declared and paid dividends of 30 US cents per ordinary share on these dates:

- For the Q4 2022 operating period, dividends were declared on 8 February 2023 and paid on 30 March 2023.
- For the Q1 2023 operating period, dividends were declared on 17 May 2023 and paid on 30 June 2023.
- For the Q2 2023 operating period, dividends were declared on 5 September 2023 and paid on 29 September 2023.
- For the Q3 2023 operating period, dividends were declared on 15 November 2023 and paid on 29 December 2023.

In 2022, the company also distributed dividends of 30 US cents per ordinary share twice:

- A dividend was declared on 8 September 2022 and paid on 30 September 2022.
- Another dividend was declared on 17 November 2022 and paid on 30 December 2022.

	$ cents per share		($'000)	
	2023	2022	2023	2022
Dividends announced and paid in cash				
March	30	-	53,252	-
June	30	-	53,411	-
September	30	30	53,518	53,252
December	30	30	53,517	53,252
Total	**120**	**60**	**213,698**	**106,504**

Distributable reserves

($'000)	31 December 2023	31 December 2022
Total equity	948,345	1,069,038
Non-distributable		
Share capital	(2,449)	(2,380)
Share premium (note 9)	(465,331)	(415,388)
Equity component of convertible bonds[132]	-	(10,459)
Unrealised profits included in retained earnings reserve	(228,326)	(232,788)
Unrealised share based payment reserve[133]	(16,431)	(13,340)
Total distributable reserves	235,808	394,683

6. Trade and other receivables

($'000)	2023	2022
Financial items		
Due from subsidiary undertakings	22,519	74,004
Refundable VAT	315	374
	22,834	74,378
Non-financial items		
Deposits and prepayments	580	531
Total trade and other receivables	23,414	74,909

At 31 December 2023 no expected credit loss allowances (2022: $nil) were held in respect of the recoverability of amounts due from subsidiary undertakings.

The amounts due from subsidiary undertakings include $1.5 million of interest receivable on the intercompany loans (2022: $12.1 million). The remaining amounts due from subsidiaries accrue no interest and relate to intragroup recharges for subsidiaries' employees share-based payments and management services provided by the Company to its subsidiaries under a Master Intercompany Services Agreement.

In 2022, the amounts due from subsidiary undertakings also included $50 million receivable from Energean E&P Holdings in relation to dividends received in 2022.

[132] Equity component of $50 million of convertible loan notes (discussed in note 8), which were issued in February 2021 and were converted into equity upon maturity on 20 December 2023.
[133] Unrealised portion of the share based payment reserve included in total equity.

7. Trade and other payables

($'000)	2023	2022
Staff costs accrued	2,636	1,906
Trade payables	2,534	3,219
Due to subsidiary undertakings	900	1,515
Finance costs accrued	7,215	6,161
Accrued expenses	913	1,718
Income taxes	52	36
Social insurance and other taxes	206	170
Other creditors	57	49
Total trade and other payables	14,513	14,774

The amounts are unsecured and are usually paid within 30 days of recognition.

8. Borrowings

($'000)	2023	2022
Non-current		
Senior Secured notes	444,313	442,879
Carrying value of non-current borrowings	444,313	442,879
Current		
Convertible loan notes	-	45,550
Revolving credit line facility	80,000	-
Carrying value of current borrowings	80,000	45,550

On 25 February 2021, $50 million worth of convertible loan notes ("Convertible Loan Notes") were issued. These notes had a maturity date set for 29 December 2023, a strike price of £9.505 (which was subject to adjustments for dividend payments up until the maturity date), and were issued at a zero-coupon rate. On 20 December 2023, the loan was converted into equity, resulting in the issuance of 4,422,013 ordinary shares at a conversion price of £8.3843 per share.

On 18 November 2021, the Company completed the issuance of senior secured notes totalling $450 million in aggregate principal amount. These notes, due to mature in 2027, carry a fixed interest rate of 6.5%.

On 8 September 2022, the Company secured a three-year, $275 million multicurrency revolving credit facility (RCF) with a syndicate of four banks, spearheaded by ING Bank N.V. In May 2023, this facility's limit was increased to $300 million. The RCF is designed to provide additional liquidity for general corporate needs as necessary. The interest rate applied to any amounts drawn as loans is set at 5% plus the SOFR rate.

Throughout 2023, the Company utilised $80 million from this facility at an average interest rate of 10.3%. Of this amount, $40 million has been repaid subsequent to the reporting date.

9. Share capital

	2022	2023	2022
Authorised			
At 1 January 2022	177,602,560	2,374	915,388
Share premium reduction	-	-	(500,000)
Issued during the period	-	-	-
New shares	-	-	-
Employee share schemes	437,945	6	-
At 31 December 2022	178,040,505	2,380	415,388
Share premium reduction	-	-	-
Issued during the period	-	-	-
New shares (Note A)	4,422,013	57	49,943
Employee share schemes	1,018,441	12	-
At 31 December 2023	183,480,959	2,449	465,331

As at 31 December 2023, the Company's issued share capital consisted of 183,480,959 ordinary shares of £0.01 each. The Company has only one class of share, which carries no right to fixed income. Each share carries the right to one vote at General Meetings of the Company.

In 2022, Energean plc by special resolution reduced its share premium account, as confirmed by an Order of the High Court of Justice on the 14 June 2022.

10. Staff costs

($'000)	2023	2022
Salaries[134]	7,129	5,892
Social insurance costs and other funds	2,033	785
Share-based payments	4,249	3,847
Pension contribution & insurance	198	305
Total staff costs	13,609	10,829

11. Share-based payment

Energean Long Term Incentive Plan (LTIP)

Under the LTIP, senior management can be granted nil exercise price options, normally at the end of a period of at least three years following grant and normally have a holding period taking the time horizon to no earlier than five years following grant. The size of awards depends on both annual performance measures and Total Shareholder Return (TSR) over a period of up to three years. There are no other post-grant performance conditions.

No dividends are paid over the vesting period; however, Energean's Board may decide at any time prior to the issue or transfer of the shares in respect of which an award is released that the participant will receive an amount (in cash and/or additional Shares) equal in value to any dividends that would have been paid on those shares on such terms and over such period (ending no later than the release date) as

[134] Including directors' remuneration.

the Board may determine. This amount may assume the reinvestment of dividends (on such basis as the Board may determine) and may exclude or include special dividends.

The average remaining contractual life for LTIP awards outstanding at 31 December 2023 was 1.2 years (31 December 2022: 1.2 years), number of shares outstanding 1,763,308 and weighted average price at grant date £10.46 (or 13.31).

There are further details of the LTIP in the Remuneration Committee Report section of the Annual Report and note 25 in the Group financial statements.

Deferred Share Bonus Plan (DSBP)

Under the DSBP, the portion of any annual bonus above 30% of the base salary of a Senior Executive nominated by the Remuneration Committee is deferred into shares.

Deferred awards are usually granted in the form of conditional share awards or nil-cost options (or, exceptionally, as cash-settled equivalents). Deferred awards usually vest two years after award although may vest early on leaving employment or on a change of control.

The average remaining contractual life for DSBP awards outstanding at 31 December 2023 was 0.8 years (31 December 2022: 0.8 years), number of shares outstanding 277,886 and weighted average price at grant date £11.45 (or $14.69).

There are further details refer to note 25 in the Group financial statements.

12. Related party transactions

The Company's subsidiaries at 31 December 2023 and the Group's percentage of share capital are set out are in note 30 of the Group financial statements. The following table provides the Company's balances which are outstanding with subsidiary companies at the balance sheet date:

($'000)	2023	2022
Loans to subsidiaries	172,294	332,050
Receivables from share-based awards to subsidiary undertakings	1,215	2,066
Trade and other receivables	22,519	74,004
Total amounts receivable from subsidiary undertakings	**196,028**	**408,120**
Amounts payable to subsidiary undertakings	900	1,515
Total amounts outstanding	**195,128**	**406,605**

The amounts outstanding are unsecured and will be settled in cash.

In 2023 the Company also purchased services for $2.7 million from other related parties, ultimately controlled by the Company.

13. Directors' remuneration

Directors' remuneration has been provided in the remuneration report within the Annual Report. Please refer to pages 136 to 165 of the Annual Report.

14. Auditor's remuneration

Auditor's remuneration has been provided in the Group financial statements. Please refer to note 7 of the Group financial statements, included in the Annual Report, for details of the remuneration of the company's auditor on a group basis.

15. Subsequent events

Please refer to note 29 of the Group financial statements.

Other Information

2023 Report on Payments to Governments

Basis of preparation

This Report provides a consolidated overview of the payments to governments made by Energean plc and its subsidiary undertakings ("Energean") for the full year 2023 as required under the Report on Payments to Governments Regulations 2014 (2014/3209), as amended in December 2015 (2015/1928), (the "Regulations") and DTR 4.3A of the Financial Conduct Authority's Disclosure and Transparency Rules.

This Report is available for download from www.energean.com.

Activities

Payments made to governments that relate to Energean's activities involving the exploration, development, and production of oil and gas reserves ("Extractive Activities") are included in this disclosure. Payments made to governments that relate to activities other than Extractive Activities are not included in this report as they are not within the scope of the Regulations.

Government

Under the Regulations, a government is defined as any national, regional or local authority of a country and includes a department, agency or undertaking that is a subsidiary undertaking controlled by such an authority. All of the payments included in this disclosure have been made to national governments, either directly or through a ministry or department of the national government, with the exception of Greek payments in respect of production royalties and licence fees, which are paid to Hellenic Hydrocarbons and Energy Resources Management Company (HEREMA).

Project

Payments are reported at project level with the exception that payments that are not attributable to a specific project are reported at the entity level. A "Project" is defined as operational activities which are governed by a single contract, licence, lease, concession or similar legal agreement, and form the basis for payment liabilities with a government. If such agreements are substantially interconnected, those agreements are to be treated as a single project.

"Substantially interconnected" means forming a set of operationally and geographically integrated contracts, licences, leases or concessions or related agreements with substantially similar terms that are signed with a government giving rise to payment liabilities. Such agreements can be governed by a single contract, joint venture, production sharing agreement, or other overarching legal agreement. Indicators of integration include, but are not limited to, geographic proximity, the use of shared infrastructure and common operational management.

Payments

The information is reported under the following payment types.

Production entitlements

Under production-sharing agreements ("PSAs"), production is shared between the host government and the other parties to the PSA. The host government typically receives its share or entitlement in kind rather than being paid in cash.

Taxes

Taxes are paid by Energean on its income, profits or production and are reported net of refunds. Consumption taxes, personal income taxes, sales taxes, property and environmental taxes are excluded.

Royalties

Royalties are payments for the rights to extract oil and gas resources, typically at a set percentage of revenue less any allowable deductions.

Dividends

Dividends, in this context, are dividend payments other than those paid to a government as an ordinary shareholder of an entity on the same terms as to other ordinary shareholders, unless paid in lieu of production entitlements or royalties. For the year ended December 31, 2023, there were no reportable dividend payments to a government.

Bonuses

Bonuses are usually paid upon signature of an agreement or a contract, declaration of a commercial discovery, commencement of production or achievement of a specified milestone.

Fees

Fees and other sums are paid as consideration for the acquisition of a licence that enables access to an area for the purposes of performing Extractive Activities. Administrative government fees that are not specifically related to Extractive Activities, or to access extractive resources, are excluded, as are payments made in return for services provided by a government.

Infrastructure improvements

Infrastructure improvements payments relate to the construction of infrastructure (road, bridge or rail) that are not substantially dedicated for the use of extractive activities. Payments that are of a social investment in nature, for example building of a school or hospital, are excluded. For the year ended December 31, 2023, there were no reportable payments for infrastructure improvements.

Cash basis

Payments are reported on a cash basis, meaning that they are reported in the period in which they are paid, as opposed to being reported on an accruals basis (which would mean that they were reported in the period for which the liabilities arise).

Materiality level

For each payment type, total payments below $106,964 to a government are excluded from this report.

Exchange rate

All payments have been reported in US dollars. Payments made in currencies other than US dollars are typically translated at the average exchange rate of the year under consideration.

Payments overview

The table below shows the relevant payments to governments made by Energean in the year ended 31 December 2023 shown by country and payment type.

Of the seven payment types that the UK regulations require disclosure of, Energean did not make any payments in respect of production entitlements, dividends or infrastructure improvements, therefore, those categories are not shown in the tables.

Country	Income taxes	Royalties	Bonuses	Fees	Total
	$m	$m	$m	$m	$m
Egypt	57.76[135]	-	1.20	0.24	59.20
Greece	-	-	-	0.62	0.62
Israel	0.40	88.71	-	0.62	89.73
Italy	112.78[136]	20.97	-	4.57	138.32
United Kingdom	(0.17)	-	-	0.64	0.47
Total	170.77	109.68	1.20	6.69	288.34

Payments by project

Country	Income taxes	Royalties	Bonuses	Fees	Total
	$m	$m	$m	$m	$m
Egypt-AbuQir	57.76	-	-	0.10	57.86
Egypt-NorthElAmriya/NorthIdku	-	-	0.20	0.05	0.25
Egypt-Exploration	-	-	1.00	0.09	1.09
Egyptian Government report	57.76	-	1.20	0.24	59.20
Greece–Prinos	-	-	-	0.06	0.06
Greece–Exploration	-	-	-	0.53	0.53
Greece–Katakolo	-	-	-	0.03	0.03
Greek Government report	-	-	-	0.62	0.62
Israel-Karish/Taninleases	-	88.71	-	0.13	88.84
Israel-Exploration assets	-	-	-	0.49	0.49
Israel-Corporate	0.40	-	-	-	0.40
Israeli Government report	0.40	88.71	-	0.62	89.73
Italy-A.C14.AS	-	-	-	0.11	0.11
Italy-A.C16.AG	-	-	-	0.44	0.44
Italy-B.C10.AS	-	0.31	-	0.20	0.51
Italy-B.C13.AS	-	4.40	-	0.42	4.82

[135] Our Egyptian assets are operated under PSAs, which set out the terms of the activities, including the applicable tax laws and regulations. Under the Abu Qir PSA, Energean is entitled to the net production from the asset, which forms the basis for the calculation and reporting of its payments to the Egyptian Government. Taxes include in-kind volumes due by Energean to the Egyptian Tax Authorities under the PSAs, which provide that the tax obligations of the company are settled by the Egyptian General Petroleum Corporation (EGPC) out of its share of profit oil. The monetary value of those payments is determined using the same method as per production entitlements. The corporate income taxes paid in 2023, were settled by EGPC on Energean's behalf out of production entitlement (payment in kind), in accordance with the terms of our PSAs. The terms of our PSAs provide that corporate income taxes are paid in the year following that to which they relate. Accordingly, 2023 payment relates to 2022 taxable profits.

[136] The amount includes Italian corporate taxes of 19.10 US million and the Italian solidarity contribution (windfall tax) of 93.68 US million paid during 2023.

Country	Income taxes	Royalties	Bonuses	Fees	Total
Italy-B.C14.AS	-	2.40	-	0.17	2.57
Italy-B.C20.AS	-	-	-	0.11	0.11
Italy-B.C1.LF	-	-	-	0.14	0.14
Italy-B.C7.LF	-	1.29	-	0.28	1.57
Italy-B.C8.LF	-	5.46	-	0.99	6.45
Italy-C.C6.EO	-	3.13	-	0.18	3.31
Italy-ColleDiLauro	-	0.32	-	0.05	0.37
Italy-ComisoII	-	1.21	-	-	1.21
Italy-Garaguso	-	1.10	-	0.10	1.20
Italy-Massignano	-	-	-	0.12	0.12
Italy-Montignano	-	-	-	0.13	0.13
Italy-S.Anna (Tresauro)	-	1.35	-	-	1.35
Italy-Other	-	-	-	1.13	1.13
Italy-Corporate	112.78	-	-	-	112.78
Italian Government	112.78	20.97	-	4.57	138.32
UK-Tors&Wenlockassets	-	-	-	0.48	0.48
UK–Scott&Telfordassets	-	-	-	0.04	0.04
UK-Appraisalassets	-	-	-	0.08	0.08
UK–Markham	-	-	-	0.04	0.04
UK–Corporate	(0.17)	-	-	-	(0.17)
UK Government	(0.17)	-	-	0.64	0.47
Total	170.77	109.68	1.20	6.69	288.34

Glossary

CO_2 – Carbon dioxide

CO_2e – Carbon dioxide equivalent

SO_2 – Sulphur dioxide

NO_x – Nitrogen oxides

GBP or £ – Pound sterling

USD or $ – US dollar

EUR or €- Euro

A

ACQ – Annual Contract Quantity

AGM – Annual General Meeting

B

bbl – Barrel

Bcf – Billion cubic feet

bcm – Billion cubic metres

boe – Barrels of oil equivalent

boe/d – Barrels of oil equivalent per day

bop/d – Barrels of oil per day

C

Capex – Capital expenditure

CEO – Chief Executive Officer

CFO – Chief Financial Officer

COO – Chief Operating Officer

CMAPP – Corporate Major Accident Prevention Policy

CNG – Compressed natural gas

CPR – Competent Person's Report

CSR – Corporate Social Responsibility

E

E&P – Exploration and production

EBITDAX – Earnings before interest, tax, depreciation, amortisation and exploration expenses

EBRD – European Bank for Reconstruction and Development

EOR – Enhanced Oil Recovery

EPCIC – Engineering, Procurement, Construction, Installation and Commissioning

EURIBOR – The Euro Interbank Offered Rate

F

FAR – Fatal Accident Rate – number of fatalities per 100 million hours worked

FDP – Field Development Plan

FEED – Front-end Engineering and Design

FID – Final Investment Decision

FPSO – Floating Production Storage and Offloading vessel

FRC – Financial Reporting Council

FRS – Financial Reporting Standard

G

G&A – General and Administrative

GSPA – Gas Sale and Purchase Agreement

GSP – GSP Offshore S.R.L.

H

H&S – Health and Safety

HMRC – HM Revenue and Customs

HSE – Health, Safety and Environment

I

IAS – International Accounting Standard

IASB – International Accounting Standards Board

IBOR – Interbank Offered Rate

IFRS – International Financial Reporting Standard

INGL – Israel Natural Gas Lines Ltd.

IPO – Initial Public Offering

IPP – Independent Power Producers

IR – Investor Relations

J

JOA – Joint Operating Agreement

JV – Joint Venture

K

Kboe/d – Thousands of barrels of oil equivalent per day

km – Kilometres

KPI – Key Performance Indicator

L

LSE – London Stock Exchange

LTI – Lost Time Injury

LTIF – Lost Time Injury Frequency

M

M3 – Cubic metre

MN – Million

MMbbls – Million barrels

MMbo – Million barrels of oil

MMboe – Million barrels of oil equivalents

MMbtu – Million British Thermal Units

MMscf – Million standard cubic feet

MMscf/day or MMscf/d – Million standard cubic feet per day

MMtoe – Million tonnes of oil equivalent

MoU – Memorandum of Understanding

N

NGO – Non-Governmental Organisation

NPV – Net Present Value

NSAI – Netherland, Sewell & Associates, Inc.

O

Opex – Operating expenses

P

PP&E – Property, plant and equipment

R

2P reserves – Proven and probable reserves

RBL – Reserve Based Lending

2C resources – Contingent resources

S

Sq km or km2 – Square kilometres

T

Tcf – Trillion cubic feet

TRIR – Total Recordable Injury Rate

TASE – Tel Aviv Stock Exchange

W

WI – Working interest

Company Information

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Financial calendar

May 2024: Annual General Meeting