UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

2020

MAUREL & PROM

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PROFILE

Maurel & Prom is an oil and gas exploration and production company listed on the Euronext Paris regulated market.

With a history of almost two centuries, Maurel & Prom has, both at its headquarters in Paris and in its subsidiaries, a solid technical expertise and a long operational experience, especially in Africa. The Group has a portfolio of high-potential assets focused on Africa and Latin America, consisting of both production assets and opportunities in the exploration or appraisal phase. The Group also holds a 20.46% stake in Seplat, one of Nigeria's main operators that is listed on the stock exchanges of London and Lagos.

Maurel & Prom also has financial support from its majority shareholder, the Indonesian national oil company Pertamina.

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Document is a reproduction of the official version of the Universal Registration Document including the 2020 Annual Financial Report prepared in xhtml Format and is available on the Maurel & Prom' website.

This Universal Registration Document has been filed on 7 April 2021 with the AMF, as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of the said regulation. The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This is a free translation into English of the Universal Registration Document 2020 including the Annual Financial Report of the Company issued in French and it is available on the website of the Issuer. This free translation is not a binding document; In the event of a conflict in interpretation or discrepancy between this translation and the French Universal Registration Document, reference should be made to the French version, which is the original and only authentic text.

Message from the Chairman

John Anis
Chairman of the Board of Directors

"Today Maurel & Prom is a stable group with a robust financial position. We have the operational agility to respond when business recovers."

Dear Shareholder,

From the Covid-19 pandemic to the disruption to the global economy, 2020 has been an unprecedented, complex and tumultuous year for all of us.

The consequences of the public health crisis have not spared our sector. The substantial reduction in global consumption caused oil prices to collapse. Against this backdrop, and after a short but nonetheless costly price war, OPEC member countries and Russia agreed in April to limit their production in order to support crude prices. These production quotas, which are still in effect as 2021 gets under way, gradually boosted oil prices in the second half of 2020, but they still remain lower than in previous years. The price of Brent crude oil fell 40% to $40/bbl in 2020 from $67/bbl in 2019.

Under the leadership of Chief Executive Officer Olivier de Langavant, our teams have responded successfully to this exceptional situation by quickly adapting our organisational structure, introducing immediate countermeasures and rigorously exercising budgetary discipline. Cost reduction measures applied at all levels of the company have protected our capital while at the same time positioning us favourably for the future.

Today Maurel & Prom is a stable group with a robust financial position. We have the operational agility to respond when business recovers and enjoy the support of our majority shareholder, PIEP. We are also keenly focused on the issues and challenges of our industry.

I therefore have full confidence in our ability to create the conditions and opportunities for the Group's long-term growth.

Our Board of Directors, the chairmanship of which I assumed on 18 January, is fully committed to working closely with executive management to achieve our short- and medium-term goals.

I hope to have the opportunity to meet you at our annual General Shareholders' Meeting on 18 May, if public health conditions permit.

Chief Executive Officer interview

Olivier de Langavant
Chief Executive Officer

Obviously 2020 has been marked by the Covid-19 pandemic and its public health, economic and social consequences. How did the M&P Group get through these exceptional events?

Firstly, I'd like to acknowledge the commitment and efforts of our staff throughout this extraordinary year.

From the very start of the Covid-19 pandemic, we took all the appropriate steps to safeguard the safety of our staff and ensure the continuity of our operations.

We adapted our organisational structure quickly, as early as March 2020, and embarked on a major cost-reduction plan to protect our cash position in the face of the collapse in crude prices. We achieved the plan's targets, reducing operating expenses and G&A on operating assets by $38 million in the fiscal year compared to 2019, and lowering capex to $47 million, below the original target of $50 million. These initiatives were carefully crafted to ensure that the savings generated would continue well into the future and that we could maintain the flexibility we needed to restart development operations once market conditions permit.

On the operations side, we took advantage of production cuts on the Ezanga permit in Gabon to regulate the production of some of our wells while optimising water injection to improve the reservoir's conditions over the long term.

Our agility, pragmatism and strict budgetary discipline meant we were able to keep the impact of the crisis to a minimum. We also demonstrated the robustness of our business model and the resilience of our assets.

What were the impacts on your financial results?

The Group was doubly impacted by the crisis: first our oil sale price fell sharply (a 40% drop from 2019 to $40/bbl), and then production on our Ezanga permit was reduced because of cuts decided by OPEC and applied by Gabon, which is one of its members.

Our adaptation and cost reduction plan significantly lessened the impact of the crisis. The fact that we ended the year with $16 million in positive cash flow attests to the success of the efforts we undertook collectively. Net debt actually shrank during the year, from $469 million at the end of 2019 to $455 million at the end of 2020, which is significant in such a degraded environment.

Also, given the market conditions and particularly the revised assumptions on crude oil prices, we recognised a one-time impairment loss on our assets this year of $477 million. This one-time charge obviously had a major impact on the year's net income, which was materially negative.

"The Group's breakeven point in terms of net income is now below $45/bbl."

However, in conjunction with our cost-reduction initiatives, this asset impairment helped significantly lower the Group's breakeven point in terms of net income. In fact, our breakeven point is now below $45/bbl (excluding exceptional items and our share of Seplat's earnings) based on production figures at the end of 2020, and net income in the second half of 2020 was actually positive.

What's your plan for 2021?

Even though we're seeing a marked improvement in the oil markets as 2021 gets under way, the context is still uncertain and so we will continue our efforts to practise restraint and budgetary discipline while preparing for the gradual return to development capex.

In particular, we're planning to resume development drilling in Gabon by summer 2021, subject to crude prices remaining above $45-50/bbl.

Our exploration expenses, however, will still be limited in 2021.

We will also continue to adopt preventive and protective measures to guarantee the health and safety of our employees. This commitment goes beyond the current public health situation and is fully integrated in our culture, which promotes operational excellence and the highest standards in EHS-S.

Board of Directors

John Anis
Chairman
(since 18 January 2021)

John Anis has more than 25 years of experience in managing International Standard Oil & Gas Operations and Developments activities in particular holding senior positions including Vice President of Field Operations at Total E&P Indonesie at Total E&P Indonesie, Executive Vice President of Operations & East Kalimantan District manager and General Manager of PT Pertamina Hulu Mahakam. Since June 2020, John has also been President Director at Pertamina Internasional EP.

Caroline Catoire
Independent director

Nathalie Delapalme
Independent director

Carole Delorme d'Armaillé
Independent director

Daniel Syahputra Purba
Director

Ida Yusmiati
Director

Harry M. Zen
Director

Management Committee

Olivier de Langavant
Chief Executive Officer

Philippe Corlay
Chief Operating Officer

Andang Bachtiar
Exploration manager

Olivier Poix
Commercial manager

Patrick Deygas
Chief Financial Officer

Pablo Liemann
Business Development manager

Alain Torre
Company Secretary

Special committees

Audit Committee

The main duties of the Audit Committee are as follows:

- examine the consolidated financial statements and the company financial statements;
- examine the main options and assumptions used for closing the accounts;
- examine the internal control procedures;
- monitoring the rules of independence and approval of the services provided by the Statutory Auditors.

Carole d'Armaillé
Chairman,
independent director

Caroline Catoire
Independent director

Harry M. Zen
Director

Investment and Risk Committee

The main duties of the Investment and Risk Committee are as follows:

- review non-financial risks particularly operational risks related to 24-hour exploration and oil and gas activities, political and regulatory risks, legal risks, labour-related risks, environmental risks, governance-related and ethical risks, and reputational risks;
- review the management of currency and interest rate hedging, counterparties and hydrocarbon price volatility;
- review in detail, analyse, form opinions and make recommendations to the Board of Directors about major transactions planned and carried out by the Group;
- review any material transactions that may cause conflicts of interest.

Caroline Catoire
Chairman,
independent director

Nathalie Delapalme
Independent director

Daniel Syahputra Purba
Director

Ida Yusmiati
Director

CSR, Appointments and Remuneration Committee

The main duties of the CSR, Appointments and Remuneration Committee are as follows:

- to formulate reasoned proposals for the Board of Directors regarding the appointment of the Company's executive and non-executive corporate officers as well as its directors;
- to review and formulate proposals regarding the remuneration and benefits (for executive corporate officers, non-executive corporate officers, corporate officers and employees);
- to review and define CSR commitments and policy objectives, ensure they are consistent with stakeholder expectations, monitor their roll-out and more generally ensure that CSR issues are taken into account in the strategy of the Company and its subsidiaries and implemented accordingly.

Nathalie Delapalme
Chairman,
independent director

Carole d'Armaillé
Independent director

John Anis
Director

M&P key figures

EHS-S

0
Number of fatalities (FAT)

1.83
Lost Time Injury Frequency (LTIF)

2.56
Total Recordable Injury Rate (TRIR)

FINANCES

40.1$/b
Average sale price of oil

$330m
Sales

$95m
EBITDA

$109m
Operating cash flow

$16m
Free cash flow

$455m
Net debt

$168m
Cash position at 31/12/2020

OPERATIONS

183 mmboe
2P reserves for M&P's working interest

26,076 boepd
Total production (M&P's working interest)

Key dates

1831

Creation of Maurel & Prom, an operator of shipping lines between France and West Africa

2001

Discovery of the M'Boundi field in Congo

2004/2005

Entry into Gabon and Tanzania

Entry into Colombia and Venezuela through the purchase of Hocol

2006/2007

Discovery of Onal in Gabon and Ocelote in Colombia

Sale of M'Boundi and Kouakouala to Eni in Congo

Entry into Peru

2008/2009

Sale of Hocol Colombia to Ecopetrol

2010

Entry into Nigeria with Seplat

2011

Spin-off of Maurel & Prom Nigeria (MPN), later renamed MPI

Sale of M&P Venezuela

2013

Sale of Sabanero in Colombia

Entry into Canada

2014

Signature of a new production sharing agreement (PSA) at Ezanga in Gabon[(1)]

Signature of a gas sale agreement in Tanzania

2015

Merger-absorption of MPI

2016

Launch of Pertamina Group's takeover bid for M&P shares

2017

Closing of the takeover bid by the Pertamina Group

Refinancing of M&P's entire debt

2018

Entry into Angola

Acquisition of Shell's stake in the Urdaneta West field in Venezuela

2019

Return to exploration (Gabon, Sicily and France)

2020

Implementation of the adaptation and cost reduction plan to cope with the fall in crude prices

Beginning of the repayment of the refinanced debt in 2017

(1) Exploration and Production Sharing Agreement.

Business Model

NATURAL RESOURCES

- Historical presence in Africa and Latin America
- Presence (direct or indirect) in 10 countries
- 183 MMboe 2P reserves for M&P's working interest
- Experience and portfolio of both oil and gas assets
- Growth potential thanks to a rich portfolio of exploration and appreciation assets

PEOPLE

- 520 employees across Africa, Europe and Latin America
- Trained workforce with relentless focus on EHS-S
- 90% local employees in operating subsidiaries in Gabon and Tanzania
- 70% technicians and engineers 30% support

COMPETENCES

- Development of the asset portfolio via exploration and M&A
- Exploration track record with 2 major oil discoveries in Congo basin over the last 15 years (M'Boundi, Onal)
- Proven development expertise in a variety of environments: Congo, Gabon,Colombia, Nigeria, Tanzania
- Recognized operator: exploration, development, production

FINANCIAL CAPITAL

- Backing of Indonesian national oil company Pertamina
- More than 25,000 retail shareholders
- Favourable financing conditions, with cost of debt (LIBOR +1.5%) significantly below peers

Acquire/explore, devel
operate, extract value

M&A/Exploration

Portfolio replenishment
–
Strong exploration credentials
–
Final investment decision

Development

Recognized experience in rapid start of production
–
Design and planning
–
Focus on delivery on time and on budget

op,

Portfolio management

Production optimization and further reserves development

–

Partial or complete monetisation: Farm-out, straight sale, IPO

Production

Operatorship preferred

–

Focus on production growth and cost control

–

Committed to highest EHS-S standards

–

Maximising value via own trading platform

Key competences and strengths

- In-depth knowledge of sub-Saharan Africa and Latin America
- Experience in both oil and gas operations
- Financial support of the Pertamina Group

VALUE CREATION FOR ALL STAKEHOLDERS

HOST COUNTRIES

- Contributing to local economy
- $111m contributions paid in 2020

LOCAL COMMUNITIES

- 193 jobs created around M&P Gabon facilities (pre-health crisis)
- 17 social projects conducted by M&P in Tanzania (12 schools and housing for teachers, 1 dispensary, roads, donation for pandemic management)
- Group contractual commitments to local communities: $3.5m in 2020

EMPLOYEES AND SUBCONTRACTORS

- ISO 45001 (health and safety) and ISO 14001 (environmental management) certifications since early 2020 for M&P subsidiaries in Tanzania, Gabon and head office
- 3,200 hours of external and internal training for Group employees and subcontractors in 2020
- $69m paid in employee compensation in 2020
- B score obtained on the CDP Climat questionnaire in 2020

SHAREHOLDERS

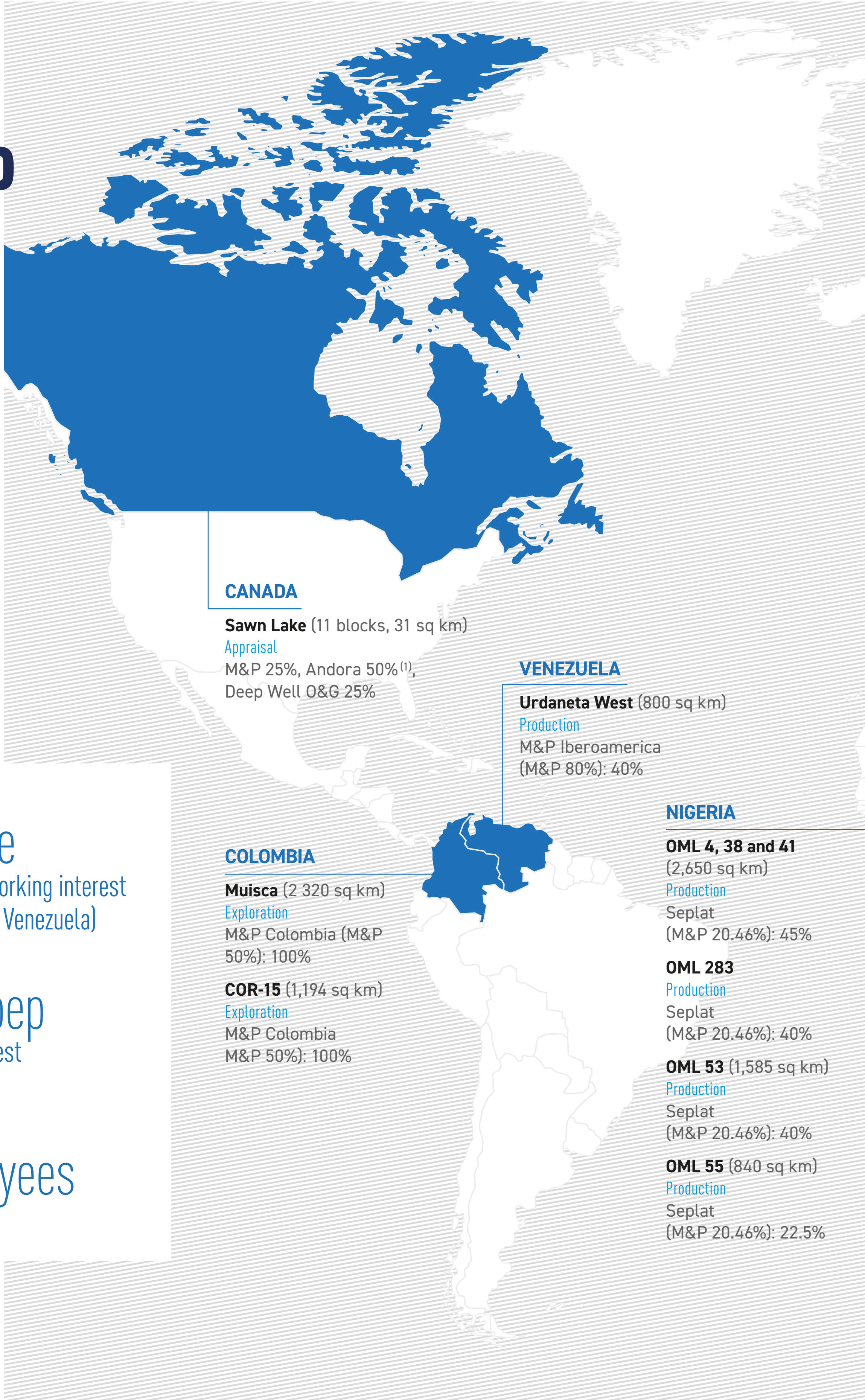
- Strong operational and financial resilience in a difficult economic context at the start of 2020; return to positive net income in the second half of 2020
- Robust capital structure and maintained liquidity
- Finalization and integration in 2019 of the 20% stake in Blocks 3/05 and 3/05A in Angola
- Sustainability of the efforts undertaken and preparation for the resumption of development

Assets portfolio

183 MMboe
2P reserves for M&P's working interest at 31/12/2020 (excluding Venezuela)

26,076 boep
M&P total working interest production in 2020

520 employees
Of which 90% in Africa



CANADA

Sawn Lake (11 blocks, 31 sq km)
Appraisal
M&P 25%, Andora 50%[1], Deep Well O&G 25%

VENEZUELA

Urdaneta West (800 sq km)
Production
M&P Iberoamerica (M&P 80%): 40%

COLOMBIA

Muisca (2 320 sq km)
Exploration
M&P Colombia (M&P 50%): 100%

COR-15 (1,194 sq km)
Exploration
M&P Colombia M&P 50%): 100%

NIGERIA

OML 4, 38 and 41 (2,650 sq km)
Production
Seplat (M&P 20.46%): 45%

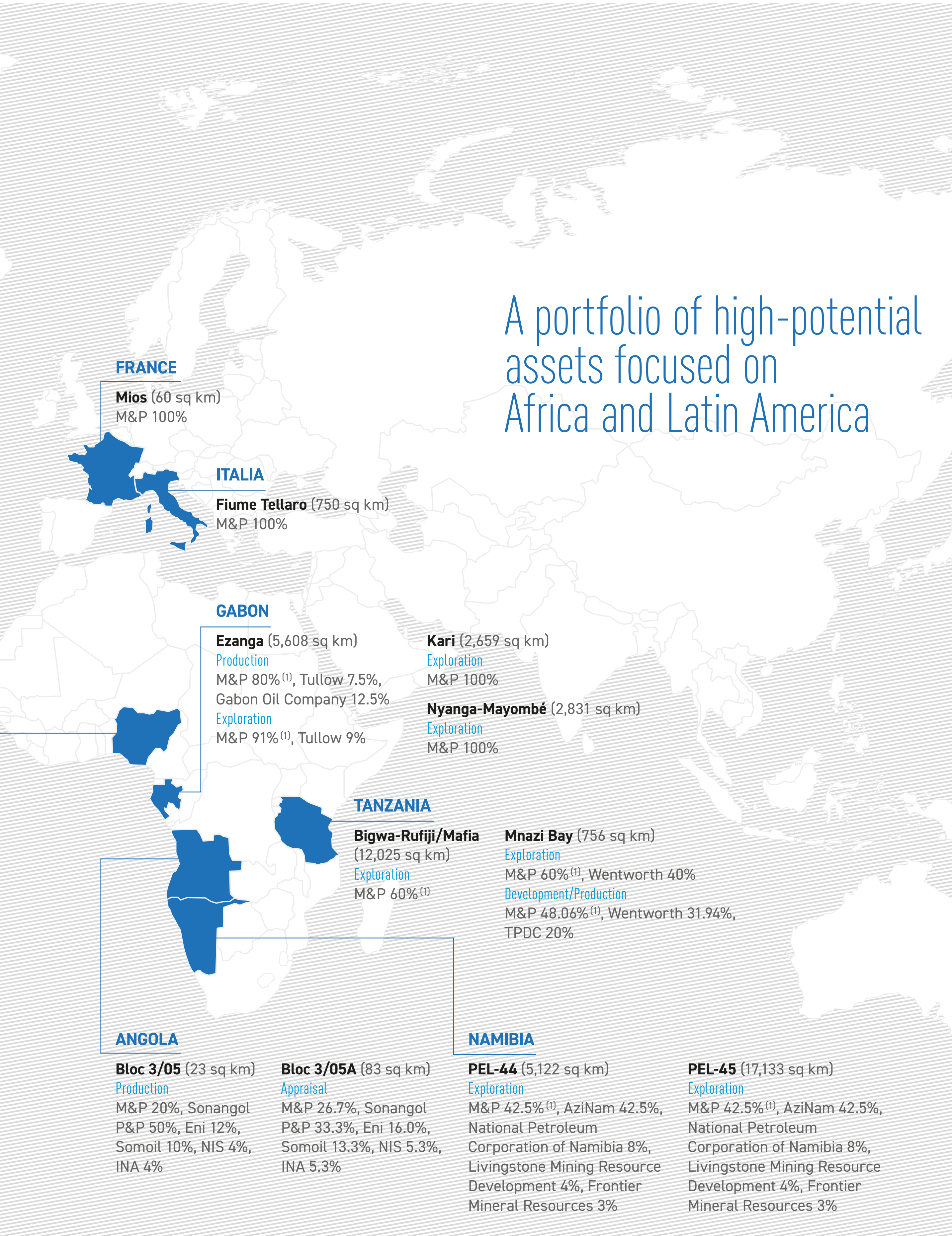
OML 283
Production
Seplat (M&P 20.46%): 40%

OML 53 (1,585 sq km)
Production
Seplat (M&P 20.46%): 40%

OML 55 (840 sq km)
Production
Seplat (M&P 20.46%): 22.5%

(1) Operator.

A portfolio of high-potential assets focused on Africa and Latin America



FRANCE

Mios (60 sq km)
M&P 100%

ITALIA

Fiume Tellaro (750 sq km)
M&P 100%

GABON

Ezanga (5,608 sq km)
Production
M&P 80%[1], Tullow 7.5%, Gabon Oil Company 12.5%
Exploration
M&P 91%[1], Tullow 9%

Kari (2,659 sq km)
Exploration
M&P 100%

Nyanga-Mayombé (2,831 sq km)
Exploration
M&P 100%

TANZANIA

Bigwa-Rufiji/Mafia (12,025 sq km)
Exploration
M&P 60%[1]

Mnazi Bay (756 sq km)
Exploration
M&P 60%[1], Wentworth 40%
Development/Production
M&P 48.06%[1], Wentworth 31.94%, TPDC 20%

ANGOLA

Bloc 3/05 (23 sq km)
Production
M&P 20%, Sonangol P&P 50%, Eni 12%, Somoil 10%, NIS 4%, INA 4%

Bloc 3/05A (83 sq km)
Appraisal
M&P 26.7%, Sonangol P&P 33.3%, Eni 16.0%, Somoil 13.3%, NIS 5.3%, INA 5.3%

NAMIBIA

PEL-44 (5,122 sq km)
Exploration
M&P 42.5%[1], AziNam 42.5%, National Petroleum Corporation of Namibia 8%, Livingstone Mining Resource Development 4%, Frontier Mineral Resources 3%

PEL-45 (17,133 sq km)
Exploration
M&P 42.5%[1], AziNam 42.5%, National Petroleum Corporation of Namibia 8%, Livingstone Mining Resource Development 4%, Frontier Mineral Resources 3%

Sustainable development priorities

"The creation of the Appointments, Remuneration and CSR Committee speaks to the commitment of the Maurel & Prom Group to pursue ambitious CSR goals."

Nathalie Delapalme
Chairman of the CSR, Appointments and Remuneration Committee

Being a long-term partner and investor

As an oil and gas operator, Maurel & Prom Group seeks to develop the natural resources entrusted to it by its host countries, while continuing to protect people and the environment.

Every day in the field, it is the job of the operator to meet industrial and financial targets, ensure the health, safety and security of people and property, protect the environment, contribute to local development, and demonstrate exemplary governance, in accordance with the binding agreements in place with its host countries.

Making a sustainable contribution to local development

When it comes to local development, the Group is committed to making a sustainable contribution to the regions that host its operations. In 2020, the number of local direct jobs created was equivalent to 92% of the Group's workforce. The Group also provides huge support to the local economy, with its Gabonese and Tanzanian subsidiaries sourcing more than 88% of their purchases from local companies in 2020.

For the local communities who live near its facilities, situated in non-urban areas lacking in basic infrastructure, the Group finances and manages local economic and social development projects. In 2020, the Group's annual contractual commitments to local communities (excluding local employment), although in decline due to the economic impact of the fall in oil prices, totalled $3.6 million for all subsidiaries combined, compared with $7.6 million in 2019.

Wherever possible, local communities are given priority by the Group's subsidiaries and their subcontractors when recruiting for temporary positions (civil engineering) or permanent positions (HTM drilling, grounds maintenance, catering, environment, waste recycling). In 2020, the lockdown resulted in access being restricted to the Group's facilities in Gabon for people not living on site. In early 2020, before the outbreak of the Covid-19 pandemic, 193 people living in villages near the Onal, Coucal and Kari sites were employed on a temporary or permanent basis.

Continuously improving EHS-S performance

The Group's main priority is to protect health and safety and the environment. At the start of 2020, the Group recorded five lost-time injuries within the scope that includes its employees and subcontractors. In Gabon and Tanzania, the local lockdown and/or border closures affected shift rotations, preventing staff on site from being relieved. Compensatory measures (organisation of rest periods, postponement of high-risk operations, restrictions on lone working, etc.) were introduced to protect the health and safety of the staff present.

At 31 December 2020, the Gabonese and Tanzanian subsidiaries recorded 304 and 1,598 consecutive days without lost-time accidents, respectively, within their employee and subcontractor scope.

At the end of 2020, the human resources allocated to hygiene, health, safety and the environment amounted to 37 jobs.

New IWCF and IADC accredited training centre in Africa

Drilling operations carry higher risks, mainly due to the risk of a major accident from a blowout or uncontrolled well. In early 2020, Caroil set up a specialised training centre in Gabon for drilling, health and safety and well control. Caroil Training Services is a training body accredited by the International Well Control Forum (IWCF) and the International Association of Drilling Contractors (IADC). During the Covid-19 crisis, Caroil finalised its IWCF certified training programmes and adapted its teaching methods to deliver these training courses remotely. The first intake was in October 2020. At 31 December 2020, Caroil Training Services had trained 38 trainees from oil and gas companies and international drilling companies.

Preventing, managing and remedying local environmental impacts

Throughout the project development cycle, until the assets are handed back to the government, the Group allocates the necessary human and financial resources to preventing and cleaning up pollution. It also estimates and funds the costs of site remediation.

In 2020, the Group recorded four accidental oil spills in Gabon, none of which were major. All of the affected areas underwent an extensive clean-up. In Colombia, the Group is continuing its shutdown and environmental remediation programme under the SSJN-9 permit.

At 31 December 2020, the amount of provisions and guarantees for environmental risks at Group level was zero. However, the Group has set aside provisions to cover the costs of the shutdown and rehabilitation of all its sites. At 31 December 2020, the amount of these provisions was updated for all permits and amounted to $87.2 million, as against $84.7 million for fiscal year 2019. The Group had recorded no other provision for non-financial risk at 31 December 2020.

Managing climate risk

Hydrocarbon exploration and production now take place with a view to the global energy transition, which has an impact on the Group's activities.

For several years now, the Group has been taking steps to meet the new CSR transparency requirements.

Since 2013, the Maurel & Prom Group has completed the CDP's [1] climate change questionnaire, which is used by this international not-for-profit charity to score companies on their non-financial performance. These scores are provided to fund managers, investors and issuers of "low carbon" or "sustainable" stock market indexes. The CDP questionnaire is updated each year in line with reporting practices. Since 2019, it has incorporated all the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

In 2020, the Maurel & Prom Group scored B on a scale of A to F, A being the highest. In 2019 and 2018, the Group had scored A-.

This approach encourages the Group to pursue and strengthen its CSR goals.

In early 2021, the Group's subsidiary in Gabon embarked on a project to utilise the gas associated with the crude oil it produces, one of the co-benefits of which is to significantly reduce routine flaring. In Tanzania, all the gas produced is used locally for the country's power generation needs.

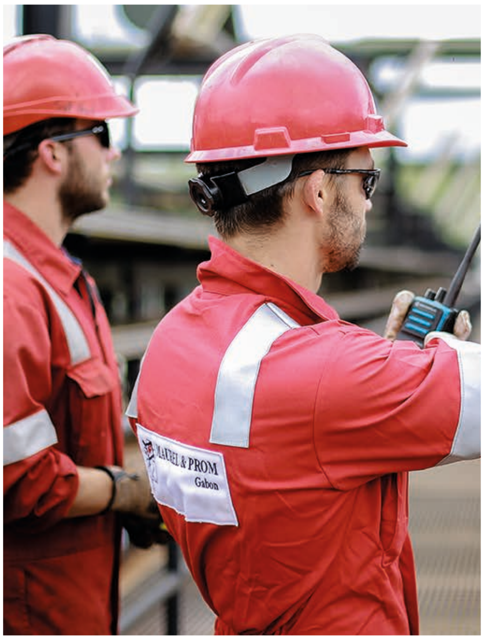
(1) CDP is an international platform that studies the impact of large companies' activities on climate and sets the standard for non-financial ratings on this issue (www.cdp.net).

Promoting the Maurel & Prom Group's Principles of Conduct

The Group prohibits all forms of corruption and has set up a system for taking disciplinary action.

The Ethics Charter affirms the values and Principles of Conduct behind every action taken by its executives, supervisory staff and employees worldwide, and more generally by any individual representing Maurel & Prom. The Ethics Charter sets out guidelines for tackling corruption, drawn up in accordance with anti-corruption laws, regulations and standards. These include the guidelines resulting from the Sapin II Act in France, the US Foreign Corrupt Practices Act and the UK Bribery Act 2010.

The Group expects its employees, customers, suppliers and agents to contribute individually and collectively to promoting the Group's values of respect, integrity, team spirit, professional rigour, honesty and good faith, loyalty and commitment.



Maurel & Prom Group's CSR policy

Social responsibility

- implementing an inclusive employment policy and maintaining social dialogue;
- continuously improving health and safety for staff;
- contributing to the local economy and implementing sustainable development projects for local communities living near its facilities.

Environmental responsibility

- measuring, monitoring and improving the Group's environmental footprint;
- protecting the environment to maintain operational efficiency;
- contributing to the conservation of biodiversity and ecosystems to mitigate the direct and indirect environmental impacts of its operations.

Governance

- defining and overseeing the implementation of the Group's strategy while taking into account the social and environmental implications of its operations;
- respecting ethical rules and tackling corruption;
- meeting the new financial transparency requirements and providing material, comprehensive and accurate non-financial disclosures.

Market data

Stock information

LISTING

Euronext Paris

ISIN CODE

FR0000051070

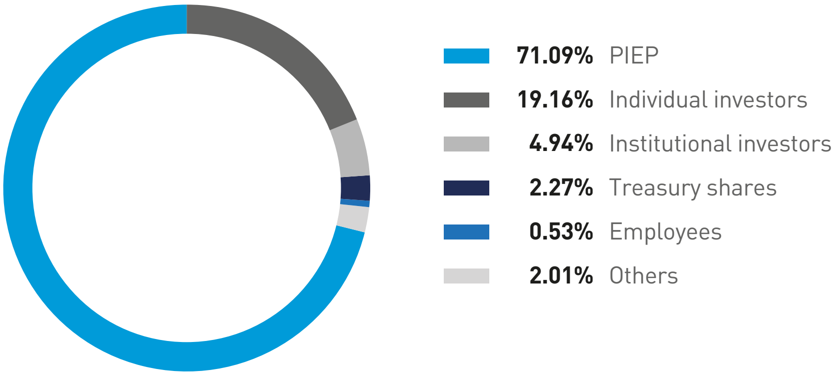
SHARE CAPITAL

201,261,570 shares outstanding includes 4,559,335 treasury shares

INDICES

CAC Small,
CAC Mid&Small,
CAC All Tradable

Shareholding as at 31 December 2020



M&P share price in 2020 *(in euros)*

Key financial indicators

Income statement

in $m	2020	2019	Change
Sales	**330**	**504**	**-35%**
Opex and G&A	-164	-180	
Royalties and production taxes	-50	-80	
Change in overlift/underlift position	-27	34	
Other	6	9	
EBITDA	**95**	**286**	**-67%**
Depreciation, amortisation and provisions and impairment of production assets	-592	-163	
Expenses on exploration assets	-31	-48	
Other	-6	-4	
Operating income	**-534**	**70**	**N/A**
Net financial expenses	-11	-31	
Income tax	-29	-62	
Share of income/loss of associates	-18	59	
Net income	**-592**	**35**	**N/A**
O/w net income before non-recurring items [(1)]	*-54*	*19*	*N/A*

Cash flows

in $m	2020	2019	Change
Cash flow before income tax	91	298	
Income tax paid	-35	-35	
Operating cash flow before change in working capital	**56**	**263**	**-79%**
Change in working capital	53	-102	
Operating cash flow	**109**	**162**	**-33%**
Development capex	-46	-104	
Exploration capex	-47	-43	
M&A	–	-35	
Free cash flow	**16**	**-21**	**N/A**
Net cost of debt	-95	-24	
Dividends received	12	12	
Dividends paid	–	-9	
Other	5	-7	
Change in cash position	**-63**	**-49**	**N/A**
Opening cash	**231**	**280**	
Closing cash	**168**	**231**	

(1) Reconciliation of net income before non-recurring items can be found on the section 1.3.1 of this document.

1 INTRODUCTION TO THE MAUREL & PROM GROUP

1.1 PROFILE

Maurel & Prom is an oil and gas exploration and production company listed on the regulated market of Euronext Paris.

With a history of almost two centuries, Maurel & Prom has, both at its headquarters in Paris and in its subsidiaries, solid technical competence and long operational experience, especially in Africa. In the past 20 years, having turned its focus exclusively to oil and gas exploration and production, Maurel & Prom has made several significant discoveries, particularly in the Congo Basin, and has successfully participated as an operator in the development or redevelopment of a large number of assets in Congo, Colombia, Gabon, Tanzania and Nigeria.

The Group has a high-potential portfolio focused on Africa and Latin America, consisting of both producing assets (Gabon, Tanzania, Angola and Venezuela) and opportunities currently in the exploration or appraisal phase (particularly in Gabon, Namibia and Colombia). The Group also holds a 20.46% stake in Seplat, one of Nigeria's main operators that is listed in London (London Stock Exchange) and Lagos (Nigerian Stock Exchange).

Since 2017 the Group has also had the financial support of its majority shareholder, the Indonesian national oil company Pertamina.

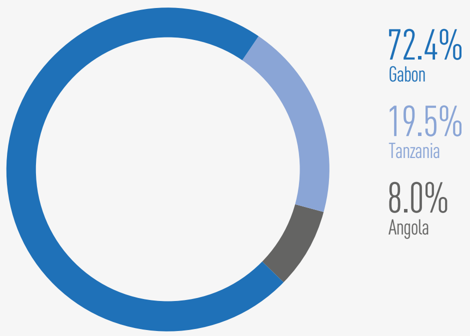
Maurel & Prom has 520 employees worldwide and constantly strives to meet the industry's strictest standards in terms of health, safety and environmental protection. The Group also relies on constant dialogue with host countries and local communities to ensure long-term commitment from stakeholders.

1.1.1 Group oil and gas reserves

Maurel & Prom's proportionate share of proven and probable reserves (2P) stood at 182.9 MMboe at 31 December 2020, including 120.1 MMboe of proven reserves (1P).

The reserves correspond to the volumes of technically recoverable hydrocarbons that represent the Group's working interest in permits already in production plus those revealed by discovery and delineation wells that can be operated commercially, taking into account the renewal of licenses on production permits. These reserves were certified at 31 December 2020 by DeGolyer and MacNaughton in Gabon, Angola and France, and by RPS Energy in Tanzania.

Breakdown of 2P reserves (proven and probable) by country



2P reserves for M&P working interest

	Oil *(MMbbl)* **Gabon**	**Oil** *(MMbbl)* **Angola**	**Oil** *(MMbbl)* **France**	**Gas** *(Bcf)* **Tanzania**	**MMboe**
31/12/2019	**138.6**	**14.8**	**0.8**	**225.4**	**191.9**
Production	-6.2	-1.4	0.0	-11.4	-9.5
Revision	0.0	1.3	-0.6	0.1	0.7
31/12/2020	**132.4**	**14.6**	**0.2**	**214.0**	**182.9**
o:w gross 1P reserves	*89.0*	*11.8*	*0.1*	*115.3*	*120.1*
i.e	*67%*	*81%*	*46%*	*54%*	*66%*

The change in reserves from 2019 was due to production in the year just ended. No significant revision was recorded when the reserves were certified at the end of 2020.

These figures cover the Group's activities in Gabon, Angola, France and Tanzania, but do not include the Group's stake in PRDL, which operates the Urdaneta West oil field in Venezuela, or its stake in Seplat.

Because of international sanctions against Venezuela's state oil company PDVSA, M&P's activity in respect of its stake in PRDL is currently limited to operations related solely to the safety of staff and assets, and to environmental protection. Consequently, no reserves related to this stake have been recorded to date.

For its part, Nigerian operator Seplat (in which Maurel & Prom holds a 20.46% stake) published gross 2P reserves of 499 MMboe at 1 January 2021, comprising 241 MMbbl of oil and 1,501 Bcf of gas.

1.1.2 Key dates

Key dates are presented on page 9 of this document.

1.1.3 Business model

The business model is presented on page 10 of this document.

1.1.4 Competitive position

The Group is one of the so-called "junior" oil companies specialising in hydrocarbon exploration and production, as opposed to the vertically integrated "majors", which are also present in the niche markets of crude oil processing and transport, refining and the distribution of refined products.

The Group faces competition from other oil companies in acquiring permits from local governments for hydrocarbon exploration and production and in acquiring assets from third-party companies under mergers and acquisitions.

As the crude oil market is highly globalised and liquid, local dynamics generally have no significant economic impact on continuing operations. Nevertheless, in a crude oil production phase, there could be competition over access to some local transportation or processing infrastructure, particularly pipelines that deliver production from fields to export terminals.

With regard to its business of supplying gas for local use (as is currently the case in Tanzania), the Group is subject to fluctuations in demand and competition from other regional producers. These fluctuations impact production, which is adjusted to meet demand.

1.2 BUSINESS OVERVIEW

Maurel & Prom's operating activities comprise three segments: production, exploration and drilling.

1.2.1 Production activities

In 2020, the Maurel & Prom Group conducted its hydrocarbon production activities through its operating assets in Gabon, Tanzania and Angola.

During the year, the Group's working interest share of production was equivalent to 26,076 bopd, split between conventional oil in Gabon and Angola (80% of volume) and gas production in Tanzania (20%).

Breakdown of hydrocarbon production in 2020

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	12 months 2020	12 months 2019	Change 20/19
M&P working interest production							
Gabon (oil) *(bopd)*	19,594	16,675	16,245	15,096	16,896	19,828	-15%
Angola (oil) *(bopd)*	4,213	4,003	3,793	3,725	3,933	1,879 (1)	109%
Tanzania (gas) *(MMcfd)*	30.7	25.4	33.1	36.7	31.5	33.8	-7%
TOTAL *(boepd)*	**28,916**	**24,919**	**25,549**	**24,937**	**26,076**	**27,340**	**-5 %**

(1) 4,484 bopd for M&P working interest during the asset-holding period (1 August to 31 December 2019).

M&P's working interest production for 2020 stood at 26,076 boepd, down by 5% from 2019 (27,340 boepd). This decline was largely due to production reductions on the Ezanga permit in Gabon (16,896 bopd for M&P working interest in 2020 versus 19,828 bopd in 2019) after OPEC established new quotas.

In Gabon, M&P's working interest oil production (80%) on the Ezanga permit was 16,896 bopd (total production: 21,120 bopd) for 2020, down 15% from 2019. The drop in crude prices and production cuts under OPEC quotas led M&P to limit its production on the Ezanga permit (gross production still limited to 19,000 bopd in the first quarter of 2021).

M&P's working interest gas production (48.06%) on the Mnazi Bay permit in Tanzania stood at 31.5 MMcfd (total production: 65.5 MMcfd) for 2020, down 7% from 2019. This decline was offset at the sales level by the allocation of additional rights to M&P. These rights related to corporate income tax now being charged to the partner TPDC, pursuant to the production sharing contract. Consequently, M&P sales in Tanzania rose by 26% to $43 million, versus $34 million in 2019.

In Angola, M&P's working interest production (20%) in Block 3/05 in 2020 was 3,933 bopd (total production: 19,663 bopd). Despite the drop in crude oil prices, valued production was up by 30% ($40 million versus $31 million in 2019) due to the asset being included over the entire period (versus just five months in 2019).

1.2.2 Exploration activities and appraisal activities

Due to the Covid-19 outbreak and resulting economic context, the Group's exploration activities were reduced pursuant to the adaptation and cost reduction plan introduced in March 2020. These activities were essentially limited to the completion of operations that began in 2019, namely the drilling of the Kama-1 well on the Kari permit in Gabon and the seismic data acquisition campaign in Sicily.

The Kama-1 exploration well in southern Gabon encountered several series of oil shows, and an oil sample was collected. However, the mediocre quality of the encountered reservoirs meant that commercial testing was not viable. The Kama-1 well also produced data that led to a better understanding of the region's oil system.

In France, a long-term production test began at the end of September 2020 on the Mios permit. Production has been significantly lower than expected, hovering at around 50 bopd for the two wells, CDN-1 and CDN-2, at end-2020.

1.2.3 Provision of drilling services

Drilling activities at Caroil (the Group's wholly owned subsidiary) were heavily impacted by the sharp reduction in its customers' investments. Following the suspension of development drilling by Maurel & Prom on the Ezanga permit in March and Assala's decision to end its Caroil-led drilling campaign in the first quarter of 2020, all Caroil operating teams were demobilised and the C3, C7, and C16 drilling rigs were stacked in Gabon.

Caroil's management functions have been relocated to France, in readiness for the resumption of activity, planned for 2021.

1.2.4 Registered office

In addition to day-to-day business (general and strategic management, and management of technical, financial, legal and human resources support functions), teams at the registered office actively worked on designing and implementing the adaptation and cost reduction plan, which was introduced in the first half of 2020. Finance teams also renegotiated the repayment terms of the Group's debt, as announced in March 2020.

Moreover, the Group trades its oil production working interest through its subsidiary M&P Trading.

Post-closing, the Board of Directors, which met on 18 January 2021, announced the appointment of John Anis as director and Chairman of the Board, to replace Aussie Gautama, who wished to step down from his positions. On that same day, the Board noted the resignation of Denie S. Tampubolon as director and member of the CSR, Appointments and Remuneration Committee. It co-opted Harry M. Zen as director and appointed him to the Audit Committee.

Consequently, the Board of Directors is now chaired by John Anis and has seven members (see chapter 3 "Governance").

1.3 FINANCIAL INFORMATION

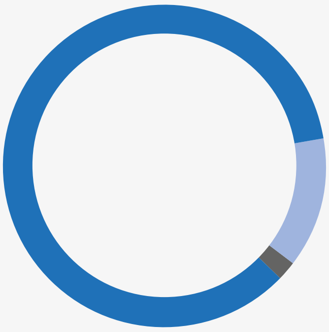
The financial information presented below is taken from the consolidated financial statements as at 31 December 2020. The consolidated financial statements are presented in US dollars.

Main financial indicators

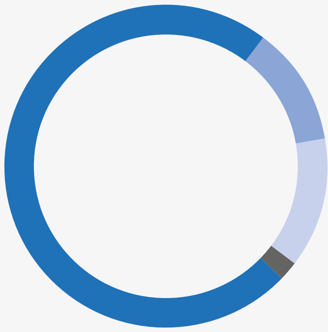
(in $m)	2020	2019	Change
INCOME STATEMENT			
Sales	**330**	**504**	**-35%**
Opex and G&A	-164	-180	
Royalties and production taxes	-50	-80	
Change in overlift/underlift position	-27	34	
Other	6	9	
EBITDA	**95**	**286**	**-67%**
Depreciation, amortisation and provisions and impairment of production assets	-592	-163	
Expenses on exploration assets	-31	-48	
Other	-6	-4	
Operating income	**-534**	**70**	**N/A**
Net financial expenses	-11	-31	
Income tax	-29	-62	
Share of income/loss of associates	-18	59	
Net income	**-592**	**35**	**N/A**
O/w net income before non-recurring items[1]	-54	19	N/A
CASH FLOWS			
Cash flow before income tax	91	298	
Income tax paid	-35	-35	
Operating cash flow before change in working capital	**56**	**263**	**-79%**
Change in working capital	53	-102	
Operating cash flow	**109**	**162**	**-33%**
Development capex	-46	-104	
Exploration capex	-47	-43	
M&A	–	-35	
Free cash flow	**16**	**-21**	**N/A**
Net cost of debt	-95	-24	
Dividends received	12	12	
Dividends paid	–	-9	
Other	5	-7	
Change in cash position	**-63**	**-49**	**N/A**
Opening cash	**231**	**280**	
Closing cash	**168**	**231**	

(1) Reconciliation of net income before non-recurring items can be found on page 27.

Sales by activity type[(1)]



Sales by geographic region



1.3.1 Analysis of consolidated income

The Group posted sales of $330 million, down 35% from 2019. This drop was driven by the sharp downturn in oil prices related to the Covid-19 pandemic and the application of the production reduction quotas established by OPEC, which Gabon joined in March 2020. The average oil price fell by 40% to $40.1/bbl versus $67.2/bbl in 2019.

The swift implementation of the adaptation plan in March 2020 significantly reduced the Group's opex and G&A. These amounted to $164 million in 2020, versus $180 million in 2019. It should however be noted that there was a change in perimeter, since fiscal 2019 only included activities in Angola from August onwards. Excluding non-operated assets, opex and G&A were down by $28 million, a 23% decrease from 2019.

EBITDA stood at $95 million, down 67% compared to the previous fiscal year ($286 million). Depreciation, amortisation and charges to provisions were down significantly, mainly due to the asset impairments recorded during the first half of 2020, and stood at $114 million in 2020 versus $163 million the previous year. Current operating income came in at negative $19 million, versus $123 million in 2019.

Reconciliation of recurring and non-recurring items for fiscal year 2020

(in $m)	Recurring items	Non-recurring items	Total
Sales	330	-	330
Operating income and expenses	-235	-	-235
EBITDA	**95**	**-**	**95**
Depreciation, amortisation and provisions and impairment of production assets	-114	-477	-592
Expenses on exploration assets	-	-31	-31
Other	-	-6	-6
OPERATING INCOME	**-19**	**-514**	**-534**
Net financial expenses	-11	-	-11
Income tax	-29	-	-29
Share of income/loss of associates	6	-23	-18
NET INCOME	**-54**	**-537**	**-592**

A total of $514 million in other non-current operating income was recorded for the year, including:

- an impairment charge of $477 million (net of deferred tax effects) on production assets in Gabon, France and Angola, and on drilling rigs;
- $31 million in exploration expenses related to the completion of drilling operations that began in 2019 on the Kari permit and a seismic data acquisition campaign in Sicily;
- $3 million in expenses related to termination payments.

(1) Sales before evacuation delays and excluding marketing of oil for third parties.

Net financial expenses on the income statement amounted to $11 million for 2020, a sharp drop from the $31 million recorded in 2019. This was due to lower interest rates during the period and a foreign exchange effect in the revaluation of receivables in Gabon.

M&P's share of income from equity associates was negative $18 million, mainly due to negative net income of $16 million recognised on the 20.46% stake in Seplat.

Consequently, net income for the year 2020 stood at negative $592 million, while net income before non-recurring items was negative $54 million. Note that net income before non-recurring items in the second half of 2020 was positive at $7 million. This was due to cost-reduction measures introduced in March 2020 under the adaptation plan and lower depreciation and amortisation expenses following the asset impairments.

(in $m)	S1 2020	S2 2020	12 months 2020
Sales	142	188	330
EBITDA	18	77	95
Operating income	-553	19	-534
Net income	-606	14	-592
Net income before non-recurring items	-61	7	-54

Cash flow from operating activities before change in working capital was $56 million (versus $263 million in 2019). After change in working capital (positive impact of $53 million), cash flow from operating activities was $109 million.

Development capex was down significantly year-on-year due to the suspension of development drilling in Gabon. It stood at $46 million for fiscal 2020. Exploration capex amounted to $47 million, most of which was spent on drilling the Kama-1 well.

Thanks to the swift implementation of its adaptation plan, the Group posted positive free cash flow in fiscal 2020 of $16 million.

In terms of financing flows, the debt expense amounted to $95 million, of which $77 million was for loan repayments ($75 million in bank borrowings and $2 million in shareholder loan) and $18 million for cost of debt. M&P also received $12 million in dividends from its 20.46% stake in Seplat, the same amount as in 2019.

As at 31 December 2020, M&P's cash position stood at $168 million, a year-on-year decline of $63 million. Debt at 31 December 2020 amounted to $623 million (nominal value), i.e. a net debt of $455 million (versus $469 million at 31 December 2019).

1.3.2 Significant events for the year

Oil markets were severely disrupted in 2020 by the economic slowdown triggered by the Covid-19 outbreak. Crude oil prices plummeted in the first half of the year, with Brent dropping below $20/bbl in April 2020, before gradually stabilising between $40 and $45/bbl in the second half.

M&P reacted immediately to this drop in prices by drawing up and deploying an adaptation and cost reduction plan in March 2020 aimed at protecting the Group's cash position. The plan's targets were as follows:

- for operated assets, a reduction in operating expenses of more than 20% and in G&A of more than 15% (equivalent to $25 million to $30 million in savings on an annualised basis); and
- more than 60% reduction in development capex compared to the 2020 budget (from $130 million to $50 million).

These targets were achieved during the year, with opex and G&A on operated assets down by $38 million, which was a year-on-year reduction of 23%. Development capex amounted to $46 million for the year. Thanks to this plan, the Group was able to maintain a positive free cash flow of $16 million for fiscal 2020.

Due to the low-price environment, the Group recognised a one-time impairment charge of $477 million for fiscal 2020 mainly relating to its assets in Gabon and Angola.

The cost-cutting initiatives and asset impairments recorded during the first half of 2020 significantly lowered the Group's breakeven in terms of net income. At the start of 2021, the net income breakeven was below $45/bbl (excluding exceptional items and share of Seplat's earnings), while the cash breakeven was $30/bbl before debt servicing.

The $43-million Gabon Oil Company (GOC) liability related to GOC's entry on the Ezanga permit in 2019 and corresponding to the amount due to M&P for carrying costs prior to 2018 was finally validated at expertise proceedings before the ICC. This $43 million, which was not included in the $168-million cash position as at 31 December 2020, are subject of legal action in order to obtain their release soon.

In Venezuela, due to international sanctions against PDVSA, operations conducted locally by the Group are strictly limited to maintenance related to the safety of staff and assets, and to environmental protection. Consequently, no contribution to M&P's net income has been recognised, despite the fact that the asset is still in production (total production of 8,581 bopd in 2020, or 3,432 theoretical bopd for the 40% consolidated stake held by the Group) and still has development potential. It should also be noted that in December 2020, the mixed company, Petroregional del Lago, in which the Group holds a 40% consolidated stake, obtained a 15-year extension of its licence. Its rights on the Urdaneta West oil field now expire in 2041, instead of 2026.

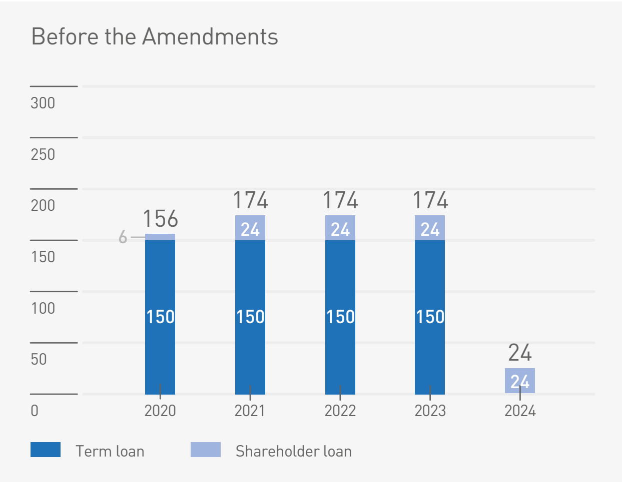
1.3.3 Borrowing and financing

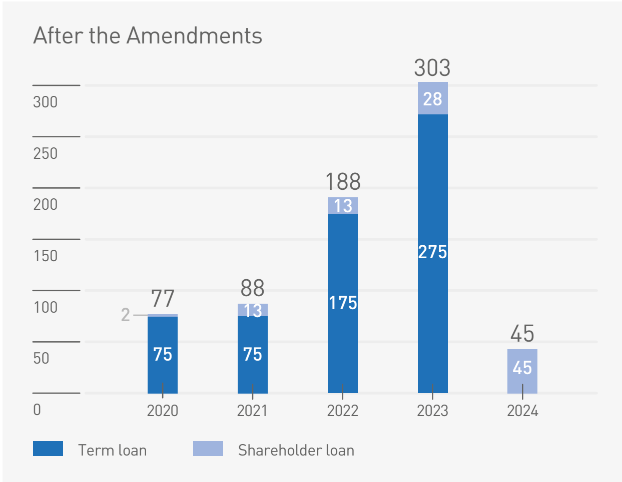
In March 2020, M&P announced the signature of two amendments to re-profile the repayment of its two debt facilities, the $600-million term loan with a syndicate of lenders (the "term loan") and the $200-million loan ($100 million drawn and $100 million undrawn) from M&P's controlling shareholder PT Pertamina International Eksplorasi Dan Produksi ("PIEP") (the "shareholder loan").

Under the terms of these amendments, the maturities of the two loans were reduced in 2020 and 2021, allowing M&P to maintain sufficient liquidity and better adapt debt repayments to cash flow generation. The amendment to the shareholder loan also demonstrates PIEP's continued support of M&P, as a significant amount of its repayment has now been pushed to 2024, beyond the final maturity date for the term loan.

In fiscal 2020, M&P therefore repaid $77 million in debt, which included $75 million for the term loan ($525 million remaining at 31 December 2020) and $2 million for the shareholder loan ($98 million drawn at 31 December 2020). The amount to be repaid in 2021 is $88 million.

Impact of the Amendments on M&P's repayment profile *(in $million)*





The Group's gross debt as at 31 December 2020 amounted to $623 million, i.e., a net debt of $455 million after taking into account cash flow ($168 million). M&P can also immediately unlock additional liquidity thanks to the undrawn $100 million tranche of the shareholder loan.

1.3.4 Company financial statements

The financial statements of the parent company (the "Company") are presented in euros.

Company sales amounted to €22 million in 2020, corresponding exclusively to services and studies provided to the Company's subsidiaries, especially in Gabon and Tanzania.

Company operating income – which is structurally negative as the Company bears the cost of the Group's central functions and costs relating to the coordination of a listed structure – was negative for €10 million. There was, however, a marked improvement in this operating income compared to the previous fiscal year (-€25 million) because of the adaptation and cost reduction plan introduced in March 2020.

The Company received dividends from M&P Gabon S.A. via M&P West Africa S.A. for €130 million and from Seplat Plc for €10.4 million, reported as financial income.

After taking into account the above factors, net income for fiscal year 2020 was €31 million, compared with €102 million the previous year. Shareholders' equity stood at €366 million at 31 December 2020, versus €335 at 31 December 2019.

During the year the Company also recapitalised its drilling subsidiary Caroil S.A.S. in the amount of €60 million to allow it to continue its expansion.

1.3.5 Investment

The Group's investments in fiscal 2020 totalled $93 million. The budget was split as follows:

- $46 million in development capex, of which:
  - $34 million on the Ezanga permit in Gabon, including $8 million to drill two wells to support the field's production in the first quarter of 2020 (before drilling operations were suspended),
  - $5 million on Blocks 3/05 and 3/05A in Angola;
- $47 million in exploration capex, of which:
  - $31 million in Gabon, including $19 million for the Kama-1 exploration well on the Kari permit and $12 million on the Nyanga Mayombe and Ezanga permits, and
  - $12 million in Italy for a seismic data acquisition campaign on the Fiume Tellaro permit.

1.4 STRATEGY AND OUTLOOK

- **Impact of the Covid-19 outbreak on M&P's operations**

M&P is taking all necessary measures to ensure business continuity, in full compliance with all recommendations from relevant health authorities. Working from home is the preferred option whenever possible, and strict measures to minimise contamination risks have been enforced in offices when working from home is not possible. Those initiatives include entry controls, distancing measures, and reinforced hygiene and disinfection practices.

At operational sites, measures exceeding recommendations have been implemented to ensure business continuity, which so far has not been in question since the outbreak began.

- **Outlook for 2021**

M&P's internal forecasts show that it will be able to operate and maintain adequate headroom for the next 12 months from the date of approval of the 2020 accounts (9 March 2021). In addition to its cash on hand ($168 million at 31 December 2020), M&P has access if necessary to $100 million in immediate liquidity via the undrawn portion of its shareholder loan.

The Group remains committed to continuing its strict financial discipline. The return to investing will be gradual. In Gabon, development drilling is expected to resume in the summer of 2021, assuming crude prices are still above $45/bbl. As far as exploration expenses are concerned, these will be limited in 2021, pending a stable price environment.

2 RISKS AND INTERNAL CONTROL

This section of the universal registration document presents the main risks to which the Group is exposed, as well as the main risks related to the holding of shares issued by the Company. To the extent possible, it provides references to quantitative information related to those risks that can be found elsewhere in this universal registration document.

The presentation of the main risks is based on the results of the Group's updated risk mapping carried out between the end of 2019 and beginning of 2020. The results of the Group's risk mapping were reviewed in third quarter 2020. The updated status of the main risks was presented to the Investment and Risk Committee on 7 December 2020 and to the Board of Directors on 10 December 2020.

The main risks are divided into five categories: (1) Financial risks, (2) Operational Risks, (3) Political and regulatory risks, and (4) Reputational risks and (5) environmental, social and governance risks. The Group's main risks have been assessed on the basis of the probability of their occurrence and the significance of their potential impact, after account has been taken of the effect of risks mitigation. The purpose of this is to assess the significance or materiality of the risk factors.

One year after the first cases of Covid-19 appeared outside China, uncertainties related to the pandemic remain just as high due to the worrying level of unemployment, restrictions on trade, the pace of vaccination and the impact of economic stimulus measures on the real economy. The year 2020 saw the biggest global recession since the end of the Second World War (-3.8%). Recovery prospects vary widely, depending on geographical region, country and industry sector. Many service-related businesses and especially transport have been severely impacted by the pandemic and will continue to be hampered for some time to come. The transport sector, and aviation in particular, accounts for 50% of global oil demand, which fell from 97 mb/d in 2020 to a level estimated by OPEC at 90 mb/d. Demand for OPEC's crude totaled 22.5 mb/d, or 7.1 mb/d less than in 2019. Prospects for a recovery in demand fluctuate, depending on whether lockdown measures lead to more shutdowns, or whether economic stimulus programmes positively impact demand from other sectors. While pandemic risk does not fall into a separate risk category, the uncertainty it poses for business is included in the risk factor analysis.

Details of how the Group is managing the health and financial aspects of the crisis can be found in chapter 1.4 "Strategy and outlook" and in Note 1.1.2 "Expenses related to the public health crisis" to the consolidated financial statements.

As at the date of this universal registration document, the risks presented herein are those whose occurrence could, in the Company's view, have a significant negative impact on the implementation of the Group's strategy, activities, financial performance, operating income, cash flow, liquid assets, outlook, value and shareholder return, and reputation. Other risks and uncertainties that have not yet been identified or are considered by the Group, as at the date of this universal registration document, to be immaterial or less serious could have a negative effect on the Group's operations, financial position and earnings, image, outlook and/or on the Ets Maurel & Prom share price.

The categories below are not presented in order of importance. By contrast, within each category the most significant risk factor is presented first, based on a scale of three levels of significance (low, moderate and high). The Company's assessment of this order of significance may, however, be modified at any time, particularly if new external or internal information becomes available. Moreover, even a risk that is currently considered to be less serious could have a material impact on the Group if it were to materialise in the future.

The table below shows the list of the most significant risk factors as at the date of the universal registration document. The risk factors presented and their level of significance are relatively unchanged from end-2019. However, it seemed important to show two sub-categories of operational risks to distinguish between risks related to oil and gas exploration and production activities and risks related to information systems security. In fact, cybersecurity risk has risen as a result of more teleworking (moderate significance) but does not affect the continuity of the Group's operations or the information systems of its facilities, which use closed networks for which the risk of computer system intrusion is low.

Category	Risk	Significance
Financial risks	Risk of volatility of hydrocarbon prices	High
	Risk related to the illiquidity of the Company's share	High
	Counterparty risk	High
	Liquidity risk for the Company	Moderate
	Risk related to competitive position	Moderate
	Interest rate risk	Moderate
Operational risks	Risks related to oil and gas exploration and production activities	
	Risk related to exploration and the renewal of reserves geological risk	High
	Risks related to safety and security	High
	Risks related to equity associates and joint operating agreements with third-party operators	High
	Risks of lower-than-expected production	Moderate
	Security of information systems	
	Cybersecurity risk	Moderate
Political and regulatory risks	Political risks	High
	Regulatory risks	High

Category	Risk	Significance
Environmental, social and governance risks	Risk related to social factors independent of the Company	High
	Risks related to site remediation obligations	Moderate
	Risks related to the effects of climate change policies on the value of the Group's assets	Moderate
	Ethical and non-compliance risks	Moderate

The main risks and their negative impacts, along with risk mitigations measures, are described below.

2.1 FINANCIAL RISKS

2.1.1 Risk of volatility of hydrocarbon prices

The oil market is exposed to high volatility and the Group's results are sensitive to fluctuations in hydrocarbon prices. In 2020 oil accounted for 80% of the Group's valued production. Gas sold by the company (in Tanzania) is valued at a price that is not indexed to the price of oil.

In general, a fall in the price of hydrocarbons has a negative impact on the Group's results due to the drop in sales generated by oil and gas production. Conversely, an increase in the price of hydrocarbons has a positive impact on the Group's results.

In addition to the negative impact on sales and the Group's profitability, a prolonged period with weak oil prices could lead the Group to re-evaluate its projects and reappraise its assets and oil and natural gas reserves.

In the event of several prolonged periods of low oil prices, the profitability of projects in production or under development could be limited and the Group's cash position could be reduced. This would restrict its ability to finance investments and/or lead to the cancellation or postponement of investment projects.

If the Group is no longer able to finance its investment projects, its opportunities in terms of future sales growth and profitability could be reduced, which could result in a material adverse effect on the Group's financial position.

In the event that oil prices remain low over the long term, the value in use of certain assets might need to be revised and there could be a negative impact on the Group's book income, the value of its equity, its earnings per share and compliance with financial ratios.

In Gabon, the cost-reduction plan conducted by the Group allows to cut production costs and safeguarded cash flow generation in an environment of low oil prices.

The Group has not set up hedging for hydrocarbon prices.

Please refer to Note 5.1 "Risks of fluctuations in hydrocarbon prices" to the consolidated financial statements for quantitative information relating to the exposure of the Group's sales and EBITDA to fluctuations in the price of hydrocarbons. Please also refer to Note 1.1.3 "Asset impairment" to the consolidated financial statements for quantitative information relating to the sensitivity of the value in use of production assets in Gabon based on Brent price assumptions.

2.1.2 Risks related to the illiquidity of the Company's share

The high percentage of the Company's share capital held by PIEP contributes to the illiquidity of the Company's shares. As a result, the price per share may not fully reflect the share's value. The illiquidity of the shares can also present a risk factor for access to capital markets for the purpose of Group financing or mergers and acquisitions involving a share exchange.

At the end of 2018, the Group bought back deferred payment commitments from Rockover relating to the 2005 purchase of Gabonese assets for a portion in cash and a portion in newly issued Maurel & Prom shares. The transaction was subject to the approval of the Maurel & Prom General Shareholders' Meeting.

There can be no guarantee that future transactions involving the Company's share capital would increase the liquidity of the shares.

2.1.3 Counterparty risk

In a context of global recession, of lower demand for oil products and of uncertain adjustment in supply well into the future, the Group is exposed to an increased risk of potential deterioration in the credit situation of its oil counterparties. A decline in the financial position of the Group's counterparties, whether public or private, could cause them to default on carry agreements, receivables or investment agreements. This risk is mitigated to the extent possible by payment guarantees, contractual provisions such as offsetting, cost control and possible bilateral agreements.

The Group now sells oil volumes produced by M&P Gabon and M&P Angola through its wholly owned subsidiary M&P Trading. The marketing and purchasing agreement signed with Glencore in February 2019 expired in April 2020. It was replaced by spot tenders for each available shipment. Buyers in 2020 were ChemChina (three shipments), Glencore (two shipments) and Petrolneos (one shipment). The payment of each shipment is secured by a letter of credit issued by a first-tier international bank for the benefit of M&P Trading. Since May 2020, M&P Trading has been selling to BW Energy Gabon the equivalent of its delivery obligations to the Gabonese national refinery, Sogara. The sale is secured by a first demand payment guarantee issued by the parent company.

In 2020, the Group sold 35% of its oil working interest production to ChemChina.

The table below presents quantitative data on the Group's exposure to the risk relating to its possible reliance on its customers. It should be noted, however, that given the market's depth and liquidity, this "reliance" can be adjusted at any time by shifting to other customers.

Share of Group sales made with the Group's top customer and top five customers

	2020	2019	2018
Customers concentration			
Top customer/Sales	35%	78%	79%
Top 5 customers/Sales	93%	99%	99%

The decline in investment in the upstream sector following the drop in oil prices triggered by the pandemic is exacerbating the pre-existing financial fragility of oil-related companies. The concentration of the Group's critical suppliers represents a heightened risk for the Group's activities should one of these suppliers default or decide to change their sales practices, whatever the cause. The Group's business, as well as its image, could suffer as a result.

In Gabon, which accounts for 65% of the Group's working interest production, some service providers have a monopoly or are unable to fully meet demand, especially when it comes to well operations and fracturing. This can lead to project delays and a drop in average production. To mitigate this risk, the Gabonese subsidiary monitors the progress of its subcontractors on a daily basis.

The routing of the Group's production is dependent on the proper functioning of both the crude transport facilities operated by Perenco Oil & Gas Gabon and the processing, storage and loading facilities operated by Total Gabon SA under a contract that was renewed for five years in January 2020. Perenco Oil & Gas Gabon and Total Gabon SA are currently in final negotiations for the sale of the terminal to Perenco Oil & Gas.

In accordance with Articles L. 441-14 and D. 441-4 of the French Commercial Code, we hereby advise that at the reporting date, the balance of payables owed to suppliers by Établissements Maurel & Prom SA in the amount of €4,349k is due within 30 days. No invoice relating to disputed payables has been excluded. The payment terms used to calculate late payments correspond to the legal deadlines.

The table below presents quantitative data on the Group's exposure to the risk relating to its possible dependence on its suppliers.

Share of the Group's purchases and capital outlays to its top supplier, top five suppliers and top ten suppliers

	2020	2019	2018
Concentration of suppliers			
Top supplier/Purchases and investments	13%	9%	9%
Top 5 suppliers/Purchases and investments	34%	34%	32%
Top 10 suppliers/Purchases and investments	44%	50%	53%

Please refer to Note 5.5 "Counterparty risk" to the consolidated financial statements for quantitative information relating to the Group's exposure to liquidity risk.

2.1.4 Liquidity risk

The Group is exposed to a risk of liquidity shortage or a risk that its financing strategy proves to be inadequate. If the Group's conditions of access to its usual sources of financing (capital markets and bank financing) were to prove difficult because of a scarcity in financing, particularly in the oil and gas industry, the Group could be obliged to allocate a portion of its cash flow to the repayment of its debt at the expense of investments or shareholder remuneration.

The Group is thus exposed to a liquidity shortage risk exacerbated by the level of oil prices which could affect the Group's ability to obtain refinancing if these prices remained low over the long term.

In all cases, the Group's results, cash flow and, more generally, financial position as well as its headroom, could be negatively affected.

The Group is expanding its cost control culture in all businesses and addressing the expectations of its financial stakeholders when it comes to non-financial risks. It also has the support of its controlling shareholder.

In March 2020, the Group re-profiled the repayment of its two debt facilities, the $600-million term loan with a syndicate of lenders and the $200-million loan from M&P's controlling shareholder, PIEP.

Please refer to Note 5.3 "Liquidity risk" to the consolidated financial statements for quantitative information relating to the Group's exposure to liquidity risk.

2.1.5 Risk related to competitive position

The Group faces competition from other oil companies to acquire rights on oil permits for hydrocarbon exploration and production. Because of its positioning and size, the Group's main competitors are consolidated international oil groups and independent oil companies. A risk of increased competition in the mid-size segment may have a negative impact on the success of the Group's acquisitions to the extent of its investment criteria.

To benefit from new opportunities, and in keeping with oil industry practices (especially with regard to exploration activities), the Group often partners with other oil companies as part of the process for obtaining permits from the competent authorities. This also allows it to share the associated costs.

For more information on the Group's competitive positioning, please refer to chapter 1, section 1.1.4 *Competitive position.*

2.1.6 Interest rate risk

The Group has set up two floating-rate debt facilities, the $600-million term loan with a syndicate of lenders and the $200-million loan from M&P's controlling shareholder, PIEP. The Group's results could be affected by an increase in interest rates.

In 2018, the Group set up financial instruments aimed at limiting the risks relating to changes in interest rate exposure, but it cannot guarantee that transactions carried out with these financial instruments will fully limit this risk. In the event that the use of such financial instruments is not efficient, the Group's cash flow and results could be affected significantly.

Please refer to Note 5.4 "Interest rate risk" to the consolidated financial statements for quantitative information relating to the Group's exposure to interest rate risk and to Note 4.4.1 for further information relating to the financial instruments subscribed to by the Group.

2.2 OPERATIONAL RISKS

2.2.1 Risks related to oil and gas exploration and production activities

2.2.1.1 Risks related to exploration and the renewal of reserves; geological risk

The Group's exploration activities are key to acquiring and developing new economically viable reserves and ensuring the Group's long-term profitability. Nevertheless, at the time these operations are launched, there are still numerous uncertainties about the presence and quality of the hydrocarbons and the feasibility of their extraction. The hydrocarbons sought when obtaining permits and during drilling operations may be absent or in insufficient quantities to be commercially viable. Due to the many uncertainties that remain during the exploration phase, the Group cannot guarantee that the investments made will be profitable.

Geological and seismic analyses are conducted prior to exploration drilling. Operations of this type make it possible to decide on the location of exploration drilling, to transition to the production start-up phase if the commercial viability of the discovery has been demonstrated, or to decide whether to pursue exploration.

As part of the exploration process, the Group's exploration programmes are validated upstream by the Group's exploration management based on technical criteria. The budget is then submitted to the Group's Board of Directors for approval.

Knowledge of reserves can sometimes be unpredictable and may only be acquired gradually during the course of exploration. The practical conditions and costs may also vary during the exploration phase for reserves.

There is no guarantee that new oil or gas resources will be discovered in sufficient quantities to replace existing reserves and allow the Group to recover all of the capital invested in exploration activities and thus ensure that the investments made will be profitable, all of which could have a negative impact on the Group's business, results and outlook.

The Group's goal is to share the financial and technical risks related to exploration and the renewal of reserves by working with partners.

2.2.1.2 Risks related to safety and security

The Group's activities are exposed to a number of major accident risks, including risk of explosion, blowouts, collapse, leaks, and loss of containment resulting in the risk of toxicity or fire, which could damage or destroy wells in production and adjacent facilities, harm human lives or property, lead to business interruption, or cause environmental damage with certain direct consequences for the health and economic wellbeing of local populations.

The occurrence of the aforementioned risks could have an adverse impact on the Group's financial position, including its operating income, cash flows and value.

In Gabon, there is a risk of pipeline leaks, well blowouts or platform collapses. Incidents recorded in the past were related to the ageing of the facilities and equipment reliability. There is an uncontrolled risk when drilling certain wells in the Omoc area due to the nature of the surface subsoil and the presence of dissolution caves. This is addressed through preventive measures (operating procedures, the EHS-S management system, recruitment and training policies, maintenance and integrity policies, technical design and pressure-related barrier systems) and remedial measures (in particular an emergency plan in the event of blowout). In Tanzania, pressurised gas can cause an explosion or start a fire, leading to injuries.

Please refer to section 4.2.3 of this universal registration document for further information regarding measures for preventing, mitigating and remedying the risk of water, soil and air pollution, and the Group's health and safety policy.

The Group is exposed to risks to the safety of its staff, operations and facilities that may in particular arise from acts of terrorism or malicious acts. In Gabon, the subsidiary has on-site security agents and emergency and safety plans. In Tanzania, because of the Islamist insurgency that began in October 2017 in the north of neighbouring Mozambique, the Tanzanian armed forces are present on site. In October 2020, the attack on the village of Kitaya in Tanzania by Islamist insurgents near the border with Mozambique led to increased security measures at the site in case of attack. In Venezuela, Colombia and Angola, there is a risk of kidnapping and aggression. The Group has adopted appropriate security procedures and resources, such as the deployment of teams of escorts, armoured vehicles and protection supervisors.

2.2.1.3 Risks related to equity associates and joint operating agreements with third-party operators

Certain Group projects are carried out through equity associates or by companies operated by third parties. For these projects, the Group's level of control and ability to identify and manage risks may thus be limited.

In the event that the Group's companies are not the operators of its projects, their influence or control over their direction and financial and non-financial performance, along with their ability to manage risk, may be limited.

This situation mainly relates to (i) the Company's 20.46% minority stake in Seplat and (ii) the Company's 40% minority stake in Petroregional del Lago. These stakes in Seplat and Petroregional del Lago are consolidated by the Company using the equity method. Since the end of July 2019, the Company has owned an interest in blocks 3/05 (20%) and 3/05A (20% initially, then 27% since November 2020) in Angola which are operated by Sonangol.

Consequently, the Company is exposed to risks that could affect Seplat, Petroregional del Lago and Sonangol, which could adversely impact the Company's results and growth.

With regard to Seplat, the Group, represented by its Chief Executive Officer, has a seat on Seplat's Board of Directors, allowing the Group to play a role in overseeing operations. Seplat describes all the risks identified for its business in its Annual Report. That document is available on the company's website at www.seplatpetroleum.com. The occurrence of any of the identified risks (or other risks not identified in that document) could have a material adverse impact on the activities and results of Seplat and therefore of the Company.

2.2.1.4 Risks of lower-than-expected production

The Group is exposed to a risk of limitation, delay or cancellation of its production. The Group's production may be limited, delayed or cancelled due to a number of factors internal or external to the Group. These include malfunctions of production or hydrocarbon routing facilities, administrative delays especially in the approval of development projects by host countries, shortages, delays in the delivery of equipment and materials, and adverse weather conditions. Any sudden, significant and long-lasting event would have a negative impact on the Group's business and financial position.

In a context of global economic recession, the agreement of OPEC+ members to adjust oil production could impose risk long-lasting reductions in production quotas for Gabon. The extent and duration of the adjustment needed to stabilise oil markets is uncertain. Gabon, which is a member of OPEC, has applied a 23% reduction to its production quotas since August 2020, passed on the level of the Group's production in that country.

The Group's production in Venezuela, where national production has dropped substantially, is not affected by production quotas. As at the date of this report, the Group's production in Angola has not been affected by OPEC+ production quotas.

In Gabon, a risk of a major limit on production as experienced in the past could be due to a geological reason and lead to an erroneous estimate and an integrity risk (see 2.2.2 "Risks related to safety and security"), or to a limit in export capacity (transport or terminalling).

Risk treatment plans have been drawn up for these risks at both the Group and subsidiary level. Exploration activities are based on studies, in-house exploration expertise, knowledge of the country, data acquisition, internal and external modelling programmes, and the internal control system. The risk of a major accident is addressed through maintenance, integrity and design engineering policies. The Gabonese subsidiary is studying in particular alternative export routes for its oil production.

2.2.2 Cybersecurity risk

The Group's operational and management processes are heavily dependent on information systems, as are communications between employees and third parties.

As far as the Maurel & Prom Group is concerned, the IT infrastructure that supports oil and gas production is completely separate from external telecommunications networks.

Cybersecurity risk consists in stealing or crypto-locking data through an email or intrusion, leading to ransom demands or attempts to trigger wire transfers.

Teleworking and the resulting paperless processes increase exposure to phishing attacks Software-related preventive measures cover internal network security and email security. Firewall technologies secure the interface between internal and external networks. The Company's data are safeguarded and secure. While the system set up by the Group reduces exposure to phishing risk, it cannot fully protect against human error.

2.3 POLITICAL AND REGULATORY RISKS

2.3.1 Political risks

A considerable portion of the Group's business and hydrocarbon reserves is located in countries that are exposed to high political and economic risks – significantly higher than in countries with more developed economies. Major uncertainties about how the global pandemic will develop and how a sustained low level of economic activity might affect jobs and corporate bankruptcies could lead to an increase in social discontent. The Group could be confronted in the future with the risk of the expropriation or nationalisation of its assets, foreign exchange control restrictions, or other consequences arising from the country's political or economic instability, such as the imposition of international economic sanctions.

In Tanzania, President John Magufuli, re-elected for a second term in October 2020, died on 17 March 2021. As provided for in the Tanzanian Constitution, Vice President Samia Suhulu Hassan was sworn in as the sixth President of Tanzania to complete the five-year presidential term. At the time of writing, there is great uncertainty about the new president's policies and their effect on Tanzania's political risk assessment. The Magufuli government had taken decisions that were unfavourable to foreign investors, which, combined with measures that signalled a growing lockdown of speech, contributed to a perception of a deteriorating business climate and a risk that the state was not complying with the terms and conditions of operation of the Tanzanian subsidiary.

Turning to South America, in Venezuela, where in December 2018 the Group acquired a stake in Petroregional del Lago, 60%-owned by Venezuela's state oil company Petróleos de Venezuela, S.A. ("PDVSA"), political instability had been going on for many months as at the date of this universal registration document. On 28 January 2019, OFAC, an agency of the United States Treasury Department, placed PDVSA and the entities in which PDVSA holds a stake of at least 50% on the "specially designated nationals" list, making them subject to international sanctions. The Group has organised the management of its interest to ensure compliance with the applicable sanctions.

The occurrence and extent of incidents related to economic, social and political instability are unpredictable. Should they occur, this could have a material adverse impact on permit valuation conditions and on the Group's results and outlook.

2.3.2 Regulatory risks

The Group's oil exploration and development activity is strictly governed by the various regulations applicable to the sector (Oil Code, law on hydrocarbon exploitation) in each of the countries in which the Group undertakes this activity, and particularly with respect to the allocation of mining rights; duration and legal conditions of development, which focus on the obligations for minimum work programmes; site remediation conditions; and, if applicable, contractual procedures for production sharing (stipulated in the PSCs).

The oil and gas sector often has significant economic weight in the countries where the Group operates, and it may be subject to the payment of royalties, taxes and duties that are higher than other economic sectors.

A downturn in the political or economic situation or a tightening of oil or tax regulations or of the conditions for obtaining or using permits in one or more countries in which the Group currently holds oil exploration or operating permits could present a risk to the Group's business and to the valuation and profitability of its assets.

In the medium-term, the Ezanga permit will enter the exploration and development permit renewal phase. This deadline exposes the Group to a risk of non-renewal or amendment of contract terms.

In Gabon, the Bank of Central African States ("BEAC") is still planning to introduce a system of foreign exchange control. Effective enforcement of the regulation has been postponed to the end of December 2021. Dialogue between the various stakeholders is continuing in order to define how it will be enforced. Foreign exchange control creates uncertainty as to how the supply chain will adapt to the new operating conditions, what cost overruns might be generated by the necessary foreign exchange transactions, and what the impact might be in terms of compliance with the contractual terms of current loans which require bank accounts to be held outside the CEMAC zone.

2.4 ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS

2.4.1 Risk related to social factors independent of the Company

In some countries in which it operates, and as the global debate on the energy industry gains traction, the Group is exposed to a risk of opposition to its projects.

The implementation by the Group of hydrocarbon Exploration and Production activities, directly when the Group is the operator or indirectly via its partners, raises questions for local communities in terms of social change, political control, the environment and economic development.

Opposition to the Group's activities by local communities can cause some projects to be relocated or discontinued, or induce delays or the risk of blocked or interrupted production. It can also jeopardise the safety of the Group's employees, contractors and subcontractors, or the safety of people independent of the Group and its facilities.

The occurrence of such a risk could have an adverse impact on the Group's business, results, development and image.

Prior to investing, the Group performs environmental and social due diligence. The Group manages relations with local communities throughout its operations.

Please refer to chapter 4 "Non-financial performance statement" of this universal registration document for further information regarding the Group's policy on Corporate Social Responsibility and the management of environmental and social risks.

2.4.2 Risks related to site remediation obligations

It is the Group's ongoing policy to return exploration sites (dry well abandonment) to their original state once operations have ended, if it was the operator of that site. For permits for which it was not the operator, the Group matches the abandonment costs estimated by the operating company. Furthermore, because of the nature of its activities, the Group will normally be required to bear the cost of restoring sites that have been affected by hydrocarbon transport equipment and operations.

The Group regularly assesses and if necessary, updates the provisions it has set aside to cover the future costs of dismantling and restoring a site. A percentage of this site restoration allocation is included in recoverable oil costs.

Please refer to Note 3.10 "Provisions" to the consolidated financial statements for further information regarding site remediation provisions for the Group's production sites.

2.4.3 Risks related to the financial impacts of climate change policies

Growing environmental concerns on the part of stakeholders could have an adverse impact on the Group's business and reputation. The Group is exposed to regulatory, political, legal, price and reputational risks arising from the transition to less carbon-intensive energy sources. These risks could have an impact on the Group's business model, profitability, financial position and shareholder value.

Regulations to gradually limit the use of fossil fuels could require the Group to reduce, modify or shut down certain operations and subject it to additional obligations to bring its facilities into compliance. This could adversely impact project development and the economic value of some of the Group's assets.

Impact on the valuation of reserves

Policies for scheduling the shutdown of hydrocarbon operations affect exploration programmes in France and Italy. In Gabon, 80% of the national economy is based on oil sales, which reduces the risk of an impact on the sector. In Venezuela, the Group's licence, initially valid until 2026, was extended by 15 years at 16 December 2020.

Impact on demand for oil and gas products

In Tanzania, the Stiegler's Gorge hydroelectric dam currently under construction could eventually affect the demand for gas.

Impact on access to financing

The risk of a scarcity of bank financing for the fossil fuel sector is a risk for the Group, whose financing is mostly based on loans from credit institutions. The possibility of having recourse to a shareholder loan as well as mechanisms for pooling risks and investments by partnering with other oil companies are risk mitigating factors.

As the Group's portfolio of assets in production currently stands, the Group's management of the financial impacts of climate change policies consists in measuring its energy consumption and greenhouse gas emissions precisely, defining energy savings and energy efficiency programmes, using renewable energy sources when available, monitoring industry practices, and carrying out reasonable due diligence vis-à-vis its partners in the case of assets not operated by the Group.

Please refer to section 4.2 Environmental performance of this universal registration document for further information relating to the Group's climate footprint and to the www.cdp.net website for access to the Group's comprehensive Annual Report on climate risk.

2.4.4 Ethical and non-compliance risks

Due to its large number of contracts, decentralised structure and operations in countries subject to environments that are highly corrupt (Colombia, Tanzania, Gabon and Angola) or extremely corrupt (Venezuela) according to the Transparency International Corruption Perceptions Index for 2020, the Group is exposed to a risk of corrupt practices or influence peddling.

To limit these risks, the Group has implemented procedures aimed at ensuring compliance with ethical rules of business conduct. The Group's Ethics Charter defines, in particular, the rules of conduct regarding the prevention of corruption, conflicts of interest and the management of gifts and invitations and relations with third parties. The Group conducts training sessions on this matter for Group employees. This risk is taken extremely seriously, especially as the Group operates in countries whose laws on preventing ethical risk and corruption may have an extraterritorial application, such as the Sapin II Law in France, the Foreign Corrupt Practices Act in the United States and the UK Bribery Act 2010 in the United Kingdom.

However, despite these preventive actions, there is no full guarantee that their implementation by the Group will prevent any breach or that all employees, subcontractors or suppliers of the Group will comply with these rules.

In addition to financial penalties, the risk of non-compliance with rules of ethical business conduct exposes the Group to a risk of criminal or civil litigation, loss of contracts, or even damage to the Group's reputation.

For more information on the Group's anti-corruption programme, please refer to section 2.6.3 below.

2.5 INSURANCE

The Group has taken out the following insurance:

- directors and officers liability;
- fire, storm, natural disaster and water damage;
- theft and vandalism, glass breakage;
- third-party liability for offices, not including professional third-party liability, and basic legal protection.

In addition to this traditional risk cover insurance, the Group has taken out insurance policies that are specific to its business and to the nature and location of its assets.

The Company regularly reviews its policies (coverage and premiums) in consultation with a specialist broker as part of a uniform Group programme covering public liability and property damage, on the one hand, and directors and officers liability on the other.

Insurance policies related to oil activities cover:

- risks of potential damage to oil facilities, including the pipeline network and drilling rigs that are reimbursed up to their declared value, risks of real losses of assets that are covered up to their replacement value, and risks of pollution related to drilling operations (no claims were reported by the Group in 2020 and consequently no insurance recovery was made that year);
- risks of general and third-party liability up to $75 million per claim. The total amount of insurance premiums per year paid by the Group will be approximately €1.7 million for the period from 1 March 2020 to 28 February 2021.

To date, the Company has not taken out business interruption cover.

As part of its oil exploration, production and development operations, the Group risks causing environmental damage resulting, for example, from collapses, blowouts, pollution, leaks, fires and explosions of oil wells and surrounding facilities. Damage of this type is covered by policies providing "Energy Package"-type cover.

Agreements signed with the subcontractors and service providers used by the Group also contain an obligation for these subcontractors and service providers to take out insurance for an amount that covers their liability.

2.6 INTERNAL CONTROL AND RISK MANAGEMENT

At the request of the Chief Executive Officer, the Finance department and company secretary have compiled the items that make up this section on the basis of work conducted by the Company's internal departments. The resulting section has been presented to the Audit Committee and Risk Observatory. It indicates the internal control and risk management procedures in place, in a purely descriptive manner, in accordance with the Reference Framework and its Application Guide established in 2010 under the auspices of the French Financial Markets Authority (*Autorité des marchés financiers*).

2.6.1 Definition and objectives

Internal control at Maurel & Prom may be defined as all of the control policies and procedures implemented by Company and Group management and staff with the aim of ensuring that:

- accounting and financial data are reliable and fair;
- accounting records are accurate and complete;
- the Group's business operations are carried out properly and optimally;
- the management and execution of transactions and the conduct of personnel are consistent with the guidelines given to Group operations by the company bodies and consistent with the Group's values, standards and internal rules;
- applicable local laws and regulations are complied with;
- the Group's assets are safeguarded through, among other things, the prevention and management of the risks resulting from the Group's business activity, and particularly the risks detailed in section 2.1 *Risks factors* and chapter 7 *Additional information* of this universal registration document.

The objective of internal control is to provide reasonable assurance that rules and regulations are being complied with, that assets are being safeguarded and that operations are effective. It cannot, however, provide an absolute guarantee that these risks have been completely eliminated.

2.6.2 Organisation of internal control

Maurel & Prom's objective is to make its workers aware of their responsibilities with regard to internal control procedures, knowing that these procedures rest on the culture, behaviour and expertise of each individual.

knowing that these procedures are predicated on the culture, behaviour and expertise of each individual.

To this end, and as key players in internal control, the Company's executive management and functional departments, in conjunction with the Board of Directors and more particularly the Audit Committee and Risk Observatory, define internal control priorities. On the basis of these priorities, the Group's employees work together to implement procedures that aim to achieve the objectives. Operational coordination of internal audit procedures is handled by the company secretary.

Management sets up the organisational structure, methods and procedures to ensure that business activities are controlled and supervised. It meets regularly to discuss management issues both within and outside the normal course of business.

Members of the Management Committee, the Chief Executive Officer and operational and functional managers meet regularly to deal with matters relating to the Company's management and to analyse the effectiveness of the actions undertaken. If necessary, in between meetings, each Management Committee member may call an extraordinary meeting. This committee's primary goal is to analyse anomalies and malfunctions, as well as risk factors, and prevent any possible consequences resulting from them. In this regard, it issues recommendations and suggestions.

2.6.3 Risk management

In a review with all departments involved and during internal meetings (legal, insurance and management control), the Company's off-balance sheet commitments and material risks are identified and quantified. Commitments likely to be made by the Company are handled centrally at head office.

The Group has implemented an approach, led by management, to identify and manage risks. It includes a process whereby operations are reviewed and approved by the operating subsidiaries.

Throughout the year, the Board of Directors ensures that the risks involved in the Group's activities and the monitoring measures to be implemented are fully understood. A half-yearly review of all risks is drawn up under its authority, with the assistance of the Audit Committee and Investment and Risk Committee, at the end of the reporting period. The purpose is to identify the main risks for which mitigation solutions exist and to ensure that these solutions are implemented within the Group.

Risk mapping is performed periodically and presented to the Audit Committee and to the investment and risks committee and to the Board of Directors. This mapping, which combines proposals and decisions on how to implement action plans, allows each identified risk to be optimally managed and ensures that the residual risk will be acceptable to the Group. The results of the last risk mapping update and its conclusions were presented to the Audit Committee, Risk Observatory and Board of Directors on 21 and 22 April 2020. The updated status of the main risks was reviewed in the last quarter of 2020 and presented to the Investment and Risk Committee on 7 December 2020 and to the Board of Directors on 10 December 2020.

Risks related to the effects of climate change and the measures being taken by the Company to reduce them are described in section 2.4.3 and chapter 4 of this universal registration document.

In addition, risks are identified and managed on the basis of an organisational structure in which clearly defined responsibilities are assigned and formalised through the distribution of operational and functional organisation charts, the establishment of delegated powers, a regular process of operational and financial reporting and the formation of multidisciplinary teams dedicated to each project or action plan presenting specific risks that are deemed significant.

The main external risks are oil prices and the political, regulatory and social risks related to the Group's exploration and production regions, as described in section 2.1 "Risk factors" of this universal registration document.

The Company's management, in coordination with the subsidiary managers, the Board of Directors, the Audit Committee and the Investment and Risk Committee, identify and analyse the risks that are likely to have a material impact on the Group's operations or assets.

The Group has insurance covering several types of risk, including policies specific to its oil activity and the nature and location of its assets. This coverage is described in section 2.2 of this universal registration document.

In the second half of 2017, the Group established an anti-corruption programme stemming from Law No. 2016/1691 of 9 December 2016 on transparency, the fight against corruption and modernisation of economic life, known as the "Sapin II Law", which requires the implementation of measures and procedures to prevent and detect acts of corruption. The law is applicable to any company (i) whose registered office is in France, (ii) with at least 500 employees, and (iii) with consolidated sales in excess of €100 million. Since 2017 the Group has regularly updated its anti-corruption programme based on the guidelines of the French Anti-Corruption Agency (AFA).

The measures taken by the Group to prevent and detect corruption and influence peddling are multifaceted. The commitment of the Group's executive management in this area includes defining policies that will govern business conduct, disseminating those policies to head office and subsidiary managers and arranging their application. The Group's compliance department, which reports directly to executive management, ensures that the principles laid down are implemented and strictly observed.

Anti-corruption falls within the Group's compliance department, under the responsibility of the Chief Executive Officer. The compliance department determines the Group's anti-corruption policy and defines the framework for Group procedures. The department also provides operational support to the subsidiaries and various Group entities for the implementation of these policies and procedures. The department oversees this implementation and makes sure the Group's policies and procedures are complied with.

In 2020, the compliance department, in conjunction with internal control and dedicated teams from Group subsidiaries, began updating the corruption risk mapping for the Group's operations in France, Gabon, Tanzania, Angola, Venezuela and Colombia. The results are expected in the first half of 2021.

In early 2021, in order to comply with the latest AFA guidelines, the Group updated its Ethics Charter, which defines its fundamental values and principles of conduct, and its own anti-corruption guidelines. The Ethics Charter reaffirms the Group's commitment to upholding the essential values of honesty, good faith, integrity, loyalty and commitment and reiterates the rules of conduct to be adopted. The Group also has a Gifts Policy, which was disseminated in 2020 and sets out how gifts and hospitality should be managed. The policy applies to all head office and subsidiary employees in France and abroad. All Group employees agree to abide by these various Principles of Conduct or face disciplinary action.

In 2018, the Group established an in-house anti-corruption training programme for all employees exposed to risks of corruption and conflicts of interest.

Under the Group's accounting control system, anti-corruption questionnaires must be completed and systematically assessed before any relationship or contractual commitment can be entered into. The system also includes double signature and external registration procedures at head office and in subsidiaries.

Pursuant to the legal obligations under the Sapin II Law, the Group has implemented an internal ethics and compliance alert system whereby any employee or stakeholder can report suspicions or breaches of ethics rules to the email address conformite@maureletprom.fr and be guaranteed anonymity. It can handle alerts in several languages and is available 24/7.

The Group has published details of the amounts paid to governments of countries in which it operates in section 7.9 "Sums paid to governments of countries where extractive activities are carried out" of this universal registration document.

The Group's purchasing policy is based on a tendering process. Calls for tender are open to shortlisted companies only. Group suppliers are selected according to objective, non-discriminatory criteria.

In addition, the Group strictly complies with local public procurement rules and procedures.

Since 2019 the Group has been engaged in an overhaul of its tendering process. Specifically, it is implementing a policy that will apply to all contracting procedures with suppliers, subcontractors and trading partners and will be standardised for the entire Group while taking into account local conditions.

Group subsidiaries participate in the Extractive Industry Transparency Initiative surveys when so requested. The most recent survey concerning the Group was on Tanzania for the period 2014/2015 and was the subject of a Tanzania Extractive Industry Transparency Initiative report in June 2017.

2.6.4 Implementation

The Group is made up of a holding company, subsidiaries and operating establishments, each of which reports to a local management team which in turn reports to the Group's executive management. This local management team coordinates the Group's activities by country or by geographical area.

In the countries in which the Group's operations are the most developed, the operating subsidiaries have their own financial, accounting and legal departments in addition to their technical departments. For subsidiaries that do not have their own administrative departments, the Company's functional departments provide support services for such operations. The prevention and control of industrial and environmental risks are the responsibility of the operating entities.

The operational and financial managers of the establishments and subsidiaries receive appropriate delegations of powers on a case-by-case basis.

"Business line" responsibilities are assumed by the different functional managers in charge of exploration, development and production, drilling, HSE, and finance/administration/human resources activities at Group level. Consequently, important decisions are prepared in coordination with and validated by the functional managers concerned before being sent to the Group's executive management for approval.

From a legal standpoint, the preparation and validation of key actions in the corporate affairs of Group subsidiaries are handled centrally by the Group's legal department.

To limit the legal risks linked to disputes, the Group has set up a centralised legal department, supported by lawyers specialising in the areas of law concerned, to formalise its contractual commitments, comply with its obligations of any kind and defend its interests, when such issues are deemed to present a significant risk factor.

In 2015, in order to take account of the impact of potential events on the achievement of the Group's strategic and operational goals, a comprehensive mapping of risks and environmental, social and corporate governance issues has been established The mapping was first updated at the end of 2016 and presented to the Audit Committee, Risk Observatory and Board of Directors on 31 March 2017.A second update was performed at the end of 2019 and presented to the Audit Committee, Risk Observatory and Board of Directors on 21 and 22 April 2020.

Specifically, executive teams approved the assessment made of the CSR risks. For their respective activities, Group entities identified, analysed and measured their risks. The main risk factors identified are described in section 2.1 *Risk Factors* of this universal registration document.

The Company's Finance department is responsible for preparing the Group's consolidated income statements. This department continuously monitors changes in accounting regulations, especially those concerning international standards, in close coordination with the Statutory Auditors.

The consolidated financial statements are prepared half-yearly. The accounting data from the operating subsidiaries are reviewed by the head office in Paris before being incorporated into the financial statements. The financial statements are prepared by the Company's financial department prior to being evaluated and audited by executive management, the Audit Committee and the Board of Directors.

Maurel & Prom's Management Control department coordinates the financial preparation of the Group's budget and the consolidated monthly reports. It performs analyses of the difference between the budget and the actual figures as well as a general analysis of costs.

To further strengthen internal control procedures, the main operating entities have a management auditor with a dual operational and functional reporting line.

Cash flows, positions and liquidity as well as financial instruments are managed centrally at head office (under the cash pooling agreement) by the Finance department. This department is also in charge of managing risks associated with financial instruments and cash and foreign exchange activities under the policy issued by the Group's executive management.

With respect to information systems, the Group uses standard tools for financial and cost accounting, consolidation, treasury and employee management.

The entire financial communication process is the responsibility of the Chief Executive Officer and the Board of Directors.

Every quarter, Maurel & Prom discloses its sales figures to the market. In addition, within two months of the half-year end and within three months of the year end, the Group publishes its accounts. These include a balance sheet, an income statement and a consolidated cash flow statement related to the period in question, plus notes to the financial statements.

The communication schedule is distributed at the beginning of the period in accordance with Euronext requirements for companies whose shares are traded on its regulated market. The financial documents provided to the market are prepared by the financial department and approved by the Company's Board of Directors.

The Statutory Auditors validate the interim and annual financial documents before they are distributed.

The Group has drawn the attention of its employees who have access to inside information to the requirement to refrain from conducting market transactions on the Company's financial instruments during periods in which they hold inside information, as well as during the blackout periods, and not to disclose information likely to have an impact on the share price.

Oil operations are carried out within a framework whereby host countries, as partners, must intervene in the application of specific legal limits.

The usual practice of partnerships involves the partners' participation, based on the understanding that all investments or oil cost commitments must be within a budget that is approved and/or validated by all partners involved in the various joint operating agreements.

This results in operational internal control procedures requiring expenditure to be committed systematically by cost centre managers at each operational stage (prospecting, drilling, and operations).

2.6.5 Supervision of internal control procedures

2.6.5.1 Board of Directors

The Board of Directors, along with executive management, has always emphasised the importance it places on internal control and its main areas of application.

2.6.5.2 The Audit Committee and Risk Observatory

The Audit Committee and Risk Observatory are in charge of monitoring internal control measures, with priority being placed on the accounting and financial areas, without disregarding the other functions. They report to the Board of Directors.

The main duties of these committees are described in sections 3.2.2.3(a) and 3.2.2.3(b) of this universal registration document.

2.6.5.3 Executive management

The main role of executive management is to define the general principles governing internal control and ensure they are properly applied.

2.6.5.4 Internal auditors

Since 2009, the Group's audit and internal control process has been coordinated by Maurel & Prom's company secretary. He reports directly to the Management Committee and reports on his work to the Audit Committee and Risk Observatory.

To perform due diligence procedures, he relies on the internal auditing in place at the Group's main operating subsidiary (Maurel & Prom Gabon S.A.) and on external consultants who are duly appointed for this purpose.

The duties assigned will specifically take into account the assessment of the most significant risks. The weight and contribution of prior activities and their precedence are taken into consideration in the risk assessment.

2.6.5.5 The Statutory Auditors

The Statutory Auditors, through their various audits, perform their professional due diligence to validate the preparation, treatment and consistency of the accounting and financial information for the Company and its subsidiaries.

They are informed in advance of the process used to prepare the financial statements, and they present a summary of their work to financial and executive management, the Audit Committee, Investment and Risks Committee and Board of Directors.

The Statutory Auditors conduct the internal control checks deemed necessary as part of their engagement to certify the financial statements and provide their observations to Investment and Risks Committee.

2.7 ACHIEVEMENTS IN 2020 AND OUTLOOK FOR 2021

In 2020 the Group continued the process it had begun two years earlier to integrate and standardise internal control procedures. Less could be done than usual in the subsidiaries because of the public health situation but the Group was nevertheless able to keep to the schedule of work that had been established at the beginning of the year.

In Gabon, work focused on implementing tools to monitor obligations under production sharing contracts and strengthening supplier qualification procedures under the Sapin II Law. Procedures relating to relationships within oil associations between the operator, Maurel & Prom Gabon, and its partners were also reviewed. They included procedures relating to authorisations for expenditure ("AFE"), drawdowns and the monitoring of costs relative to budget. Lastly, pay-related procedures were assessed and control effectiveness verified.

A procedure for delegating commitment authority was also implemented within head office entities.

3 CORPORATE GOVERNANCE

The Company has confirmed that the AFEP-MEDEF Corporate Governance Code, as revised in January 2020 ("AFEP-MEDEF Code"), is the Corporate Governance Code with which it voluntarily complies, within the meaning of Article L. 22-10-10-4 of the French Commercial Code. The AFEP-MEDEF Corporate Governance Code is available on the websites of AFEP (www.afep.com) and MEDEF (www.medef.com). The Corporate Governance High Committee (HCGE) in responsible for monitoring the correct application of the AFEP-MEDEF Code, in line with the provisions set out in said Code.

This chapter contains the report on corporate governance, prepared in accordance with the last paragraph of Article L. 225-37 of the French Commercial Code. The report was prepared by several of the Company's functional departments, particularly the finance, human resources, legal and administration departments, and has been reviewed by the Audit Committee, the Investment and Risk Committee and the CSR, Appointments and Remuneration Committee. It was approved by the Board of Directors at its meeting of 30 March 2021.

3.1 STATEMENTS ON CORPORATE GOVERNANCE

In accordance with the "comply or explain" rule of Article L. 22-10-10-4 of the French Commercial Code and Article 27.1 of the AFEP-MEDEF Code, the Company considers that, with the exception of factors disclosed and explained in full below in respect of the fiscal year ended 31 December 2020, the Company complies with the recommendations of that Code.

AFEP-MEDEF recommendations	Company practices
Article 10 of the AFEP-MEDEF Code: Assessment of the Board of Directors *10.1 "The Board assesses its ability to respond to the needs of the shareholders who have entrusted it with the administration of the company by periodically reviewing its composition, structural organisation and operations (which also involves reviewing the Board's committees). Each Board reviews the desirable balance of its own composition and that of its committees and periodically considers whether its structural organisation and operations are adequate to perform its tasks.* *10.2 (…)* *10.3 The assessment is carried out as follows:* – *once a year, the Board discusses its operations;* – *a formal assessment is made at least every three years. This assessment may be carried out under the supervision of the Appointments Committee or an independent director, with the help of an external consultant;* – *shareholders are informed each year of the assessments carried out and, if applicable, of any steps taken as a result."*	A formal assessment was made in respect of fiscal 2019 with the assistance of an external consultant. The results of this assessment and measures subsequently put in place are described in section 3.2.2.1 (F) of this universal registration document. In view of the major changes made to the membership of the Board of Directors and its committees in 2020 and during the Board meeting on 18 January 2021, as well as the reorganisation of the committees on 30 June 2020, an annual assessment of the Board's operating procedures and work for the 2020 fiscal year was not considered worthwhile. This was because the directors had not served long enough on the new committees for any such assessment to be made. However, at its meeting of 9 March 2021, the Board discussed its membership (in terms of female representation, the skills of its members and international representation) and the frequency of its meetings, and deemed them satisfactory. At the same meeting, the directors also stated that the first meetings of the newly reorganised committees were satisfactory and that the fact that the meeting took place via videoconference did not affect the quality of the discussions.

AFEP-MEDEF recommendations	Company practices
Article 17.2.2 of the AFEP-MEDEF Code: Succession planning for executive corporate officers *"The Appointments Committee (or an ad hoc committee) should design a plan for the replacement of executive corporate officers. This is one of the committee's main tasks, even though such a task may, if necessary, be entrusted by the Board to an ad hoc committee"*	The introduction of a succession plan for the Chairman of the Board of Directors was not deemed necessary by the Appointments and Remuneration Committee due to the presence of PIEP as a controlling shareholder. As a reminder, the agreements relating to the takeover bid launched in 2016 by PIEP on the Company's shares (the "**takeover bid**") included governance-related commitments, with PIEP having the option to appoint all directors (including the Chairman of the Board of Directors), with the exception of independent directors. There are no plans to adjust the balance in terms of the Company's corporate governance, it being noted that PIEP, through the directors representing it (i.e. four(2) out of seven directors), holds a majority within the Board of Directors.On 18 January 2021, John Anis was appointed Chairman of the Board of Directors to replace Aussie B. Gautama. With regard to executive management, Olivier de Langavant has held the position of Chief Executive Officer since 1 November 2019. The CSR, Appointments and Remuneration Committee has initiated a succession plan in the event that the Chief Executive Officer becomes temporarily incapacitated
Article 20 of the AFEP-MEDEF Code: Directors' Code of Ethics *"In the absence of legal provisions to the contrary, directors must be shareholders in their own right and, pursuant to the Bylaws or Internal Regulations, hold a minimum number of shares to justify the remuneration received. If a director does not own those shares when he/she takes up office, that director must use his/her remuneration to purchase them"*	The Internal Regulations of the Company's Board of Directors (the "**Internal Regulations**") stipulate that directors must commit to (i) purchasing 500 shares every year using the remuneration they receive in respect of their directorship (or any smaller number of shares corresponding to an amount of €3,000), and (ii) keeping those shares until the end of their term of office. This rule does not apply to the Company's controlling shareholder director or to directors representing this controlling shareholder, to the extent that PIEP holds, as at 31 December 2020, 143,082,389 of the Company's shares
Article 23 of the AFEP-MEDEF Code: Shareholding obligation for executive corporate officers *"The Board of Directors sets a minimum number of shares which executive corporate officers must hold in bearer form, until the end of their terms of office. This decision is reviewed at least each time their term of office is renewed.* *(...)* *Until this shareholding target is reached, executive corporate officers shall commit a portion, to be determined by the Board, of their options exercised or performance share allocated to achieving this target. This information is included in the Company's corporate governance report."*	The shareholding obligation for corporate officers set out in the Internal Regulations does not apply to directors representing the Company's controlling shareholder. As Aussie B. Gautama, Chairman of the Board of Directors, was a director representing the controlling shareholder and as such was already exempt from personally holding shares in the Company, it was not considered appropriate to require him to personally hold a set number of shares because of his role as Chairman of the Board of Directors.

AFEP-MEDEF recommendations	Company practices
Article 25.5 of the AFEP-MEDEF Code: Departure of executive corporate officers *"(…) The law gives shareholders a major role by making these predefined benefits, paid on termination of office of the executive corporate officer, subject to the procedure for related party agreements. It requires total transparency and makes severance pay conditional on performance.* *Performance conditions set by boards for this severance pay must be assessed over at least two fiscal years. They should be challenging and should not permit severance pay for a director unless the departure is forced, regardless of how the departure is portrayed.* *Severance pay should not be paid to an executive corporate officer who leaves the Company voluntarily to take on new functions, or changes roles internally within a group, or if they are eligible to receive their retirement package.* *If paid, severance should not exceed two years' remuneration (fixed and variable).* *When a non-compete clause is stipulated, the Board states in the terms of departure when the director leaves whether a non-compete clause applies, especially when the director leaves the company to accept a retirement package or after accepting a retirement package. In any event, the total of these two packages must not exceed the ceiling (see above).* *This two-year limit also covers payments related to Employment Contract termination, where applicable."*	Under his Employment Contract as Chief Financial Officer (suspended during his term of office as the Company's Chief Executive Officer), Michel Hochard received (i) non-compete remuneration amounting to 35% of the remuneration he would have received for two years after the end of his contract and (ii) dismissal remuneration equivalent to 24 months' gross pay, if dismissed or forced to discontinue his role as Chief Financial Officer within 18 months following a change of control of the Company or a significant change in the majority shareholder's interest in the Company. These benefits, which were granted to Michel Hochard when he joined the Company in 2007 as Chief Financial and Administrative Officer, were adjusted in 2011 to take account of the economic and financial context and the Group's development outlook at the time. These benefits, the principle and amount of which have remained unchanged since 2011, were granted under Michel Hochard's Employment Contract and relate solely to that Employment Contract. When Michel Hochard was appointed as Company Chief Executive Officer, the Board of Directors decided at its meeting of 26 May 2014 not to put an end to the remuneration or benefits due or that may be due as a result of discontinuation of, or change in, his role as Chief Financial Officer, or terminate the non-compete remuneration package applicable to him under his Employment Contract (see explanation above regarding Recommendation 21 of the AFEP-MEDEF Code). Michel Hochard's Employment Contract, which resumed on 1 November 2019 following the end of his term of office as Chief Executive Officer, was terminated on 31 December 2019. At its meeting of 1 August 2019, the Company's Board of Directors decided not to release Michel Hochard from the non-compete clause in his Employment Contract. Therefore, as from the termination of his Employment Contract, Michel Hochard was entitled to compensation equal to 35% of his fixed and variable remuneration paid in respect of his role as Chief Executive Officer in 2018 (plus a payment of 10% of this amount corresponding to paid annual leave) for a period of 24 months. Michel Hochard also benefited from a gross severance payment of €750,000 decided on during the 1 August 2019 meeting of the Board of Directors. The payment, in two separate instalments on 31 January 2021 and 31 January 2022, was subject to the approval of the Ordinary General Shareholders' Meeting on 30 June 2020.

3.2 ADMINISTRATION AND MANAGEMENT OF THE COMPANY

3.2.1 Administrative and management bodies

Following the decision by the Board of Directors on 26 May 2014, the roles of Chairman of the Board of Directors and Chief Executive Officer were separated as of that date to improve the operation of the Board of Directors and to allow the Chairman of the Board of Directors to focus on the major strategic decisions affecting the Company.

Aussie B. Gautama served as Chairman of the Board of Directors from 10 April 2017 to 18 January 2021 (see section 3.2.1.1 (A) of this universal registration document). Since 18 January 2021, the role of Chairman of the Board of Directors has been held by John Anis.

Olivier de Langavant has served as Chief Executive Officer of the Company since 1 November 2019.

Michel Hochard's term of office as the Company's Chief Executive Officer had been renewed by the 13 June 2019 Board of Directors meeting until the closest of the following two dates: (i) the date on which the Board of Directors appointed his successor as Chief Executive Officer or (ii) 21 December 2019. His term of office was terminated on the date on which he was replaced by his successor, Olivier de Langavant.

At the Board of Directors meetings of 30 June 2020 and 10 December 2020, the Board's Internal Regulations were updated in particular to reflect the amendments made to the Board's committees and their roles.

3.2.1.1 Members of the Board of Directors and executive management

A) Board of Directors

Membership of the Company's Board of Directors as at 31 December 2020 and description of changes that occurred during fiscal year 2020

Presentation of the membership of the Board of Directors at 31 December 2020

The Board of Directors is composed of at least three members and no more than twelve members, appointed for three-year periods by the Ordinary General Shareholders' Meeting, barring legal exception in the case of mergers[1].

Membership of the Board of Directors as at 31 December 2020 is described in the table below:

	Personal information				Experience		Position on the Board			
	Age	M/F	Nationality	Number of shares [a]	Number of directorships in a listed company [b][c]	Inde-pendence	Date of first appointment	Term of current appointment	Years of service on the Board	Involvement in Board committees [d]
Aussie B. Gautama Chairman of the Board of Directors [e]	65	M		0	0	No	10/04/2017	2022 AGM	3 years	–
Caroline Catoire	65	F		0	2	Yes	30/06/2020	2023 AGM	< 1year	IRC (Chairman), AuC
Nathalie Delapalme	64	F		2,016	0	Yes	20/05/2010	2023 AGM	10 years	CSR-ARC (Chairman), IRC
Carole Delorme d'Armaillé	58	F		2,050	0	Yes	27/03/2013	2021 AGM	7 years	AuC (Chairman), CSR-ARC
Daniel S. Purba	53	M		0	0	No	01/06/2020	2021 AGM	< 1year	IRC
Denie S. Tampubolon [f]	56	M		0	0	No	25/08/2016	2022 AGM	4 years	CSR-ARC
Ida Yusmiati [g]	55	F		0	0	No	20/03/2019	2021 AGM	2 years	AuC, IRC

(a) The shareholding obligation for corporate officers set out in the Internal Regulations does not apply to directors representing the Company's controlling shareholder.
(b) Number of directorships (outside the Group) in listed companies, including foreign companies.
(c) It should be noted that in accordance with the recommendations of the AFEP-MEDEF Code and the Internal Regulations, when appointing a director or renewing their term of office, the CSR, Appointments and Remuneration Committee ensures that the Company director concerned holds no more than four other directorships in listed companies outside the Company, including foreign companies. In order to ensure compliance with the aforementioned rules and the rules relating to the total number of directorships permitted by the French Commercial Code, the Internal Regulations stipulate that all directors must inform the Board of Directors (and the CSR, Appointments and Remuneration Committee) of any positions that they hold in other companies, including membership of Board committees or the supervisory committees of these French or foreign companies.
(d) AuC: Audit Committee; CSR-ARC: CSR, Appointments and Remuneration Committee; IRC: Investment and Risk Committee.
(e) For information, it should be noted that Aussie B. Gautama resigned as director with effect from 18 January 2021 and that the Board of Directors, meeting on that date, co-opted John Anis to replace him as director. Ratification of this co-optation as director will be put to the vote at the General Shareholders' Meeting of 18 May 2021.
(f) For information, it should be noted that Denie S.Tampubolon resigned as director with effect from 18 January 2021 and that the Board of Directors, meeting on that date, co-opted Harry M. Zen to replace him as director. Ratification of this co-optation as director will be put to the vote at the General Shareholders' Meeting of 18 May 2021.
(g) For information, it should be noted that Ida Yusmiati ceased being a member of the Audit Committee on 18 January 2021 and was replaced on that committee by Harry M. Zen on 18 January 2021.

Nationalities: French: Indonesian:

(1) There are no Board members representing employee shareholders or representing employees as the Company is not required to have such a member under applicable laws and regulations.

Changes to the membership of the Board of Directors during the 2020 fiscal year

Changes to the membership of the Board of Directors and the Board of Directors' committees during the 2020 fiscal year are presented in the table below:

	Departures	Appointments	Renewals
Board of Directors [(a)]	Narendra Widjajanto (18 March 2020) Roman Gozalo (30 June 2020)	Daniel Syahputra Purba (1 June 2020) Caroline Catoire (30 June 2020)	Nathalie Delapalme (30 June 2020 AGM)
Appointments and Remuneration Committee[(b)]	N/A	N/A	N/A
CSR, Appointments and Remuneration Committee[(c)]	N/A	Nathalie Delapalme (30 June 2020) Carole d'Armaillé (30 June 2020) Denie S.Tampubolon (30 June 2020) [(c)]	N/A
Audit Committee	Narendra Widjajanto (18 March 2020)	Ida Yusmiati (1 June 2020)	N/A
Audit Committee[(d)]	N/A	Ida Yusmiati (30 June 2020) Caroline Catoire (30 June 2020) Carole d'Armaillé (30 June 2020)	N/A
Risk Observatory[(e)]	N/A	N/A	N/A
Investment and Risk Committee	N/A	Caroline Catoire (30 June 2020) Nathalie Delapalme (30 June 2020) Daniel Syahputra Purba (30 June 2020) Ida Yusmiati (30 June 2020)	N/A

N/A: Not Applicable.

(a) For information, it should be noted that Denie S. Tampubolon resigned as director, with effect from 18 January 2021. The Board of Directors, at its meeting of 18 January 2021, co-opted Harry M. Zen as a director to replace Denie S. Tampubolon. Ratification of this co-optation will be put to the vote at the next General Shareholders' Meeting on 18 May 2021. You are also reminded that Aussie Gautama wanted to step down from his duties with effect from 18 January 2021 and that John Anis was appointed as a director and Chairman of the Board of Directors on 18 January 2021. Ratification of John Anis's appointment as director will be put to the vote at the next General Shareholders' Meeting on 18 May 2021.

(b) For information, it should be noted that following the changes made to the Board's committees on 30 June 2020, the Appointments and Remuneration Committee was eliminated and a CSR, Appointments and Remuneration Committee was created.

(c) For information, it should be noted that following the changes made to the Board's committees on 30 June 2020, the Appointments and Remuneration Committee was eliminated and a CSR, Appointments and Remuneration Committee was created. It should also be noted that Denie S. Tampubolon, director and member of the CSR, Appointments and Remuneration Committee, resigned from both offices on 18 January 2021. John Anis was appointed as a member of the CSR, Appointments and Remuneration Committee to replace Denie S. Tampubolon in this role.

(d) For information, it should be noted that following the changes made to the Board's committees on 30 June 2020, the duties of the Audit Committee have changed. It should also be noted that Harry M. Zen was appointed as a member of the Audit Committee to replace Ida Yusmati in January 2021.

(e) For information, it should be noted that following the changes made to the Board's committees on 30 June 2020, the Risk Observatory was eliminated and an Investment and Risk Committee was created.

Changes to the membership of the Board of Directors and its special committees at the start of the 2021 fiscal year

Changes made to the membership of the Board of Directors and its special committees in January 2021 were announced to the market in a press release posted to the Company's website on 19 January 2021. Changes made to the membership of the Board of Directors and its special committees after 31 December 2020 are presented in the table below for information purposes:

	Departures	Appointments
Board of Directors	Aussie B. Gautama (18 January 2021) Denie S. Tampubolon (18 January 2021)	John Anis (18 January 2021) Harry M. Zen (18 January 2021)
Audit Committee	Ida Yusmiati (18 January 2021)	Harry M. Zen (18 January 2021)
Investment and Risk Committee	N/A	N/A
CSR, Appointments and Remuneration Committee	Denie S. Tampubolon (18 January 2021)	John Anis (18 January 2021)

Frequency of meetings and directors' attendance

The Board of Directors met eight times during the fiscal year ended 31 December 2020, i.e. four meetings more than provided for in the Internal Regulations, and the average attendance rate of its members was 100% of directors present. Due to the public health situation, all Board meetings were held via videoconference.

In addition, 14 meetings of Board committees took place during the 2020 fiscal year:

- the Audit Committee met four times, with an average attendance rate of 100%;
- the Appointments and Remuneration Committee met five times, with an average attendance rate of 100%;
- the Risk Observatory met twice, with an average attendance rate of 100%;
- the CSR, Appointments and Remuneration Committee met twice, with an average attendance rate of 100%;
- the Investment and Risk Committee met once, with an average attendance rate of 100%.

Directors' attendance at Board and committee meetings during the 2020 fiscal year is shown in the table below (information indicates the situation of directors in attendance and does not take into account directors who were represented) [(a)]:

	Attendance BoD [(b)]	Attendance AuC [(b)(c)]	Attendance AuC [(b)(c)]	Attendance ARC [(b)]	Attendance CSR-ARC [(b)]	Attendance RO [(b)]	Attendance IRC [(b)]
Aussie B. Gautama	100%	N/A	N/A	N/A	N/A	N/A	N/A
Caroline Catoire[(d)]	100%	N/A	100%	N/A	N/A	N/A	100%
Nathalie Delapalme	100%	100%	N/A	100%	100%	100%	100%
Carole Delorme d'Armaillé	100%	N/A	100	N/A	100%	100%	N/A
Roman Gozalo[(e)]	100%	100%	N/A	100%	N/A	100%	N/A
Daniel Purba[(f)]	100%	100%	N/A	N/A	N/A	N/A	100%
Denie S. Tampubolon	100%	N/A	N/A	100%	100%	N/A	N/A
Ida Yusmiati	100%	N/A	100%	N/A	N/A	100%	100%
Narendra Widjajanto[(g)]	100%	100%	N/A	N/A	N/A	N/A	N/A
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

(a) Percentages are rounded down or up to the nearest whole number, as appropriate.
(b) BoD: Board of Directors; AuC: Audit Committee; ARC: Appointments and Remuneration Committee; CSR-ARC: CSR, Appointments and Remuneration Committee; RO: Risk Observatory; IRC: Investment and Risk Committee.
(c) For information purposes, membership of the Audit Committee was changed on 30 June 2020 when changes were made to the Board committees and their membership. This is why attendance of these members is provided for two periods.
(d) As from 30 June 2020, the date of Caroline Catoire's appointment as a director and Chairman of the IRC.
(e) Up until 30 June 2020, the date of the end of Roman Gozalo's term of office as director, Chairman of the Audit Committee and member of the ARC.
(f) As from 1 June 2020, the date of Daniel Purba's appointment as a director, and as from 30 June 2020, the date of his appointment as a member of the IRC.
(g) Until 18 March 2020, the effective date of Narendra Widjajanto's resignation as director and member of the Audit Committee.

Independence of the Directors

In accordance with the recommendations of the AFEP-MEDEF Code reprised in the Internal Regulations, the Company undertakes to comply with the proportion of independent directors stipulated in those recommendations, namely that at least one third of the members of the Board of Directors shall be independent given the fact that the Company is controlled by PIEP within the meaning of Article L. 233-3 of the French Commercial Code.

Directors are considered independent if they have no relationship of an6y kind with the Company, its Group or its management that may influence their judgement. Thus, an independent director should be understood to mean not only being a non-executive corporate officer, i.e. one that does not exercise any management functions within the Company or its Group, but also not having any special links with it (such as being a significant shareholder, employee, or other).

The Internal Regulations specify the criteria, listed below, that the CSR, Appointments and Remuneration Committee and the Board examine to qualify a director as independent:

- not be or have been in the past five years:
  - an employee or executive corporate officer of the Company,
  - an employee, executive director or director of a company consolidated by the Company,
  - an employee, executive corporate officer or director of the Company's parent company or a company consolidated by that parent company (Criterion 1);
- not be an executive corporate officer of a company in which the Company directly or indirectly holds an office as director or in which an employee nominated as such or an executive corporate officer of the Company (currently or who has held such an office for less than five years) holds an office as director (Criterion 2);
- not be[1] a customer, supplier, investment banker or financing banker:
  - of importance for the Company or its Group,
  - or deriving a significant portion of business from the Company or its Group *(Criterion 3);*
- not have close family ties with another corporate officer *(Criterion 4);*
- not have been a statutory auditor of the Company in the preceding five years *(Criterion 5);*
- not be a director of the Company of more than 12 years' standing, after which the status of independent director cannot apply *(Criterion 6).*

A non-executive corporate officer cannot be considered to be independent if he or she receives variable remuneration in cash or shares or any remuneration that is related to the performance of the Company or Group (Criterion 7).

Directors who represent major shareholders of the Company can be considered independent if they do not participate in the control of the Company. If a director has in excess of 10% of the Company's capital or voting rights, the Board of Directors should automatically investigate, through its Appointments and Remuneration Committee, the director's independent status, taking into consideration the composition of the Company's capital and the existence of a potential conflict of interest (Criterion 8).

The Board of Directors may also decide that a director, although meeting the above criteria, should not qualify as an independent director as a result of his or her particular circumstances or those of the Company, in terms of his or her shareholding or for any other reason. Conversely, the Board of Directors may decide that a director who does not meet the above criteria is nevertheless independent.

When a business relationship exists, to assess the significance of the business relationship with the Company or Group, the Board of Directors performs a quantitative and qualitative review of the situation of each director. The significance is assessed from the point of view of the Company and that of the director him/herself.

In accordance with the recommendations of the AFEP-MEDEF Code and the Internal Regulations, qualification as an independent director is discussed by the CSR, Appointments and Remuneration Committee and reviewed each year by the Board of Directors with regard to the criteria mentioned above. The qualification as independent director is also discussed when appointing a new director to the Board.

Consequently, the Board of Directors believes that based on the recommendation of the CSR, Appointments and Remuneration Committee at its meeting of 9 March 2021, the following directors should be considered to be independent as at 31 December 2020:

- Caroline Catoire;
- Nathalie Delapalme; and
- Carole Delorme d'Armaillé.

As at 31 December 2020, the Company's Board of Directors therefore comprised more than a third of independent directors (three out of the seven members), in accordance with the recommendations of the AFEP-MEDEF Code.

Note that no independent Board member has any direct or indirect business relationships with the Company or the Group. The Board of Directors has therefore had no need to assess the significance of business relationships in terms of the independence criteria, given the characteristics of the Company and its business relationships.

(1) Or be directly or indirectly linked to these individuals.

The following table summarises the situation of the Company's directors as at 31 December 2020 with respect to the above independence criteria set out in the AFEP-MEDEF Code and included in the Internal Regulations:

	Criterion 1: Employee or executive corporate officer in the past five years [a]	Criterion 2: Cross-directorships [a]	Criterion 3: Significant business relationship [a]	Criterion 4: Family ties [a]	Criterion 5: Auditing [a]	Criterion 6: 12 years [a]	Criterion 7: Non-executive corporate officer status [a]	Criterion 8: Major shareholder status [a]
Aussie B. Gautama Chairman of the Board of Directors	✗	✓	✓	✓	✓	✓	✓	✗
Caroline Catoire	✓	✓	✓	✓	✓	✓	N/A	N/A
Nathalie Delapalme	✓	✓	✓	✓	✓	✓	N/A	N/A
Carole Delorme d'Armaillé	✓	✓	✓	✓	✓	✓	N/A	N/A
Daniel Purba	✗	✓	✓	✓	✓	✓	N/A	✗
Denie S. Tampubolon	✗	✓	✓	✓	✓	✓	N/A	✗
Ida Yusmiati	✗	✓	✓	✓	✓	✓	N/A	✗

N/A: Not Applicable.
"✓" = an independence criterion met; "✗" = an independence criterion not me.

Diversity policy

Board of Directors diversity policy

The Board of Directors pays particular attention to the diversity of directors' profiles, notably in terms of balanced representation of women and men, qualifications and professional experience. This diversity in expertise and points of view, which is key to good corporate governance, contributes positively to discussion and helps ensure the rapid and in-depth understanding of the Company's development challenges coupled with greater efficiency in terms of decision-making and supervision processes.

In this respect, the Board of Directors regularly reviews its composition and determines guidelines to be provided to ensure the best possible balance.

Criteria	Policy and objectives	Implementation methods and results obtained during the 2019 fiscal year
Age and years of service of members of the Board of Directors	A generational balance is sought on the Board of Directors, beyond the rule in the Bylaws that the number of directors over the age of seventy (70) may not exceed one-third of the number of directors in office. In addition to the age of directors, finding a balanced distribution in terms of years of service on the Board of Directors, which helps combine drive and experience, is also an objective.	Directors are aged between 52 and 65 years old, and have an average age of 59. Terms of office are staggered in order to avoid all reappointments occurring at the same time and to make the process more harmonious for directors and years of service more balanced. The Board of Directors believes that its composition in terms of age is balanced. However, during the 2019 annual assessment, it was requested that directors appointed by PIEP remain in their role for at least two fiscal years.
Representation of women and men	Compliance with the provisions of Article L. 225-18-1 of the French Commercial Code on gender equality, which specifies that at least 40% of directors must be of the same gender within the Board of Directors and, when a Board of Directors has at least eight members, that the difference between the number of men and women may not exceed two. Gender balance on committees.	As at 31 December 2020, the Company's Board of Directors was composed of four women and three men, i.e. 43% of men directors with a difference between the number of men and women of less than two. The Board of Directors considers that the 43% of men directors reached at 31 December 2020 corresponds to a balanced representation of men and women. The Board's three committees are chaired by women. The committees are mostly made up of women.

Criteria	Policy and objectives	Implementation methods and results obtained during the 2019 fiscal year
Nationalities International profiles	Recruitment of international profiles: – recruitment of foreign or multi-cultural directors; – and/or with international experience in strategic markets for the Company.	The majority of directors have international careers and responsibilities in complementary fields: finance, technology and risks
Qualifications and professional experience	Targeting complementarity among directors' experience. Expertise relating to the Company's strategy and growth objectives.	The experience and expertise of directors are in line with the Company's strategy and development objectives.

Management bodies' diversity policy

In terms of management bodies' diversity policy, new recommendation No. 7 of the AFEP-MEDEF Code as revised in January 2020, states that the Board of Directors should, based on proposals by executive management, set diversity targets within its management bodies.

The Board has been monitoring the issue of diversity on management bodies for several years now. To follow up on the latest AFEP-MEDEF Code recommendation, executive management assessed the Company's situation as at 31 December 2020. It looked at the positions with the most responsibility as well as the composition of the management committees, both at head office and at the main subsidiaries (Gabon and Tanzania). With regard to positions identified as having the most responsibility, 11 were at head office, with two currently held by women (22%); nine were in Gabon, with two held by women (22.22%); and six were in Tanzania, with one held by a woman (16.66%).

For the management committees, no women currently serve on the head office Management Committee, while in Gabon, the percentage of women is 22.22%, and 25% in Tanzania.

At its meeting of 10 December 2020, the Board of Directors set the diversity targets for management bodies and also decided to set targets for the two main subsidiaries, Gabon and Tanzania, as well as head office. The targets are as follows:

	Women in positions with greater responsibility at 31/12/2020	Target for women in positions with greater responsibility	Women members of the management committees	Target for women members of the management committees
Établissements Maurel & Prom	22%	25% by 2024	0%	20% at 31/12/2021 30% at 31/12/202
Maurel & Prom Gabon	22%	25% by 2024	22%	20% at 31/12/2021 30% at 31/12/202
Maurel & Prom Exploration Production Tanzania	16.66%	25% by 2024	25%	20% at 31/12/2021 30% at 31/12/202

Measures to be introduced include:

- a policy to raise awareness about gender diversity, including an employee awareness campaign on gender equality;
- at the recruitment level, inclusion of a female applicant not just for every open senior position but also for all open positions so as to promote the internal advancement of women over the long term. Note, however, that in the Group's field of business, some technical positions attract few, if any, women applicants; and
- improving the work-life balance, including the adoption of an agreement on remote working.

The Board of Directors will conduct an annual review of changes in gender diversity on its management bodies.

Biographies of the members of the Board of Directors

Biographies of the members of the Board of Directors for the 2020 fiscal year (information as at 31 December 2020)

Aussie B. GAUTAMA

Chairman of the Board of Directors

Date of first appointment:
10 April 2017

Term of office start date:
10 April 2017

Term of office expiry date:
General Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31/12/2021 – Resigned on 18 January 2021

Number of shares held:
0 [(1)]

Involvement in Board of Directors' committees:
None

Indonesian citizen, aged 65

Maurel & Prom
51 rue d'Anjou,
75008 Paris

Main role outside the Company

- Advisor to the President Director, PIEP (Indonesia)

Current directorships and offices

Directorships and offices held within the Group

None

Directorships and offices held outside the Group

None

Directorships and offices that have expired during the past five years

- Deputy Planning Management, SKK Migas (Indonesia)

Summary of main areas of expertise and experience

Aussie B. Gautama has been Chairman of the Board of Directors since 10 April 2017. He is highly experienced in managing Exploration and Production activities in the hydrocarbon industry through the management positions he has held in major groups within the hydrocarbon sector.

Aussie B. Gautama held a number of successive positions at Total between 1982 and 2012. In 1991 he joined Total in Paris, working as a geologist on the Midgard project in Norway for two years. From 1998 to 2000, he worked at Total Libya as head of geology and geophysics. In 2005 he returned to Total in Paris where he spent two years coordinating the OML 130 Egina-Preowei project in Nigeria. From 2007 to 2012 he served as Vice President Geosciences & Reservoir at Total E&P Indonesia. In 2012 Aussie B. Gautama was appointed Deputy for Planning Management at SKK Migas, the Indonesian regulatory authority tasked with managing Exploration and Production activities in the country's hydrocarbon industry. In 2015 he joined the Petramina Group as Advisor to the President Director.

A graduate of the Bandung Institute of Technology in Indonesia, Aussie B. Gautama has also received a solid international education at schools such as ENSPM and INSEAD.

(1) The shareholding obligation for corporate officers set out in the Internal Regulations does not apply to directors which represent the Company's controlling shareholder.

Nathalie DELAPALME

Independent director

Date of first appointment:
20 May 2010

Term of office start date:
22 June 2017

Term of office expiry date:
General Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31/12/2022

Number of shares held:
2,016

Involvement in Board of Directors' committees:

- Chairman of the CSR, Appointments and Remuneration Committee;
- Member of the Investment and Risk Committee.

French citizen, aged 64

Maurel & Prom
51 rue d'Anjou,
75008 Paris

Main role outside the Company

- Executive Director of the Mo Ibrahim Foundation (Africa)

Current directorships and offices

Directorships and offices held within the Group

- Director and member of the Corporate Social Responsability committee and Corporate Gouvernance and Culture committee of Seplat Petroleum Development Company Ltd (Nigeria)[1].

Directorships and offices held outside the Group

- Director and Chairman of the governance, appointments and remuneration committee of EBI S.A. (France)
- Director of Pierre Fabre S.A. (France)

Directorships and offices that have expired during the past five years

- Director and member of the appointments and remuneration committee of CFAO (France)

Summary of main areas of expertise and experience

Nathalie Delapalme has held senior accounting and financial positions within the French government. Her vast experience with Africa is an asset for the Board of Directors.

Nathalie Delapalme began her career in the French Senate, where she served from 1984 to 1985 and again from 1997 to 2002, mainly as an administrator and then as an advisor to France's National Finance, Budget and Accounts Commission. She was also a Deputy Director serving under the Minister for Development Cooperation between 1995 and 1997, and then became Africa advisor to the Foreign Minister from 2002 to 2007. From 2007 to 2010 she held the position of General Inspector of Finances for the Inspectorate-General of Finance (IGF), and in June 2010 she joined the Mo Ibrahim Foundation as Executive Director for Research and Public Policy

(1) Listed company.

Carole DELORME d'ARMAILLÉ

Independent director

Date of first appointment:
27 March 2013

Term of office start date:
18 June 2015

Term of office expiry date:
General Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31/12/2020

Number of shares held:
2,050

Involvement in Board of Directors' committees:

- Chairman of the Audit Committee;
- Member of the CSR, Appointments and Remuneration Committee.

French citizen, aged 58

Maurel & Prom
51 rue d'Anjou,
75008 Paris

Main role outside the Company

- Chief Executive Officer of the Office de Coordination Bancaire et Financière (France)

Current directorships and offices

Directorships and offices held within the Group

None

Directorships and offices held outside the Group

- Chairman of Athys Finances SASU (France)
- Director and member of the Audit Committee of Monte Paschi Banque SA (France)

Directorships and offices that have expired during the past five years

None

Summary of main areas of expertise and experience

Carole Delorme d'Armaillé brings to the Board of Directors her vast expertise in banking and finance.

She has had a dual career as group treasurer and head of professional associations in the financial services sector. She began in the financial division of Péchiney before joining the Altus Group's SBT-BAITF bank and then the Global Markets team at JP Morgan in Paris. In 1995 she returned to the packaging sector at Crown Cork & Seal (formerly CarnaudMetalbox). In the 2000s, she became managing director of the Association Française des Trésoriers d'Entreprise (AFTE, the French Association of Corporate Treasurers) and then went on to spend 10 years as director of investor communications and relations at Paris EUROPLACE, an organisation tasked with promoting the Paris financial marketplace. Since the beginning of 2016 she has served as Chief Executive Officer of the Office de Coordination Bancaire et Financière in Paris.

Roman GOZALO

Independent director until 30 June 2020 – Observer as from that date

Date of first appointment: 12 June 2008

Term of office start date: 22 June 2017

Term of office end date: 30 June 2020

Number of shares held: 1,500

Involvement in Board of Directors' committees: (until 30 June 2020):

- Chairman of the Audit Committee;
- Member of the Risk Observatory;
- Member of the Appointments and Remuneration Committee.

French citizen, aged 75

Maurel & Prom,
51 rue d'Anjou,
75008 Paris

Main role outside the Company

None

Current directorships and offices

Directorships and offices held within the Group

None

Directorships and offices held outside the Group

None

Directorships and offices that have expired during the past five years

- Director of Établissements Maurel & Prom[1].

Summary of main areas of expertise and experience

Roman Gozalo has extensive experience in the management of hydrocarbon companies, having held management positions in several of this sector's major groups.

Roman Gozalo developed his management expertise by serving as the executive manager of three subsidiaries of the Total Group from 1988 to 2002 and also as Administrative Director (General Secretary) of the Elf Group from 1995 to 1999.He was a director of Établissements Maurel & Prom from June 2008 to June 2020, and since then has served as observer.

(1) Listed company.

Denie S. TAMPUBOLON

Director

Date of first appointment:
25 August 2016

Term of office start date:
25 August 2016

Term of office expiry date:
General Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31/12/2021 – Resigned on 18 January 2021

Number of shares held:
0 [(1)].

Involvement in Board of Directors' committees:

- Member of the CSR, Appointments and Remuneration Committee until 18 January 2021.

Indonesian citizen, aged 56

Maurel & Prom
51 rue d'Anjou,
75008 Paris

Main role outside the Company

- Member of the Board of Commissioners, PT Pertamina Internasional EP (Indonesia)

Current directorships and offices

Directorships and offices held within the Group

None

Directorships and offices held outside the Group

- Member of the Board of Commissioners, PT Pertamina Hulu Mahakam (Indonesia)
- Member of the Board of Commissioners, PT Pertamina Hulu Sanga-sanga (Indonesia)

Directorships and offices that have expired during the past five years

- President Director, PIEP (Indonesia)
- Senior Vice President Upstream Business Development, PT Pertamina (Persero) (Indonesia)
- Member of the Board of Commissioners, PT Pertamina Internasional EP (Indonesia)
- Chairman & Chief Executive Officer, PT Pertamina Hulu (Indonesia)

Summary of main areas of expertise and experience

Denie S. Tampubolon has extensive experience in the hydrocarbons sector, having spent the majority of his career in management positions within the Pertamina Group.

Denie S. Tampubolon began his career at Pertamina in 1990, working in the Exploration department covering the Kalimantan region. From 1995 to 2000 he worked as an analyst in the research department before joining the Strategic Planning and Portfolio Management department. From 2000 to 2005 he was assigned to the Secretariat of the Organization of the Petroleum Exporting Countries (OPEC) in Vienna. He returned to Pertamina in 2006 where he held a number of positions before becoming Director of Upstream Business Intelligence in 2009. From 2010 to 2011, Denie S. Tampubolon was seconded as ministerial special advisor to Indonesia's Ministry of Energy and Mineral Resources. Returning to Pertamina in 2012, he joined the Upstream Business Development department. In July 2013 he was appointed as Senior Vice President of Upstream Business Development and held this position until June 2018. From November 2013 to February 2014, Denie S. Tampubolon also served as Chairman and Chief Executive Officer of PIEP. Between 2015 and 2017 he was also a member of the Board of Commissioners of PT Pertamina EP Cepu, a subsidiary of PT Pertamina (Persero), jointly managing with ExxonMobil the Cepu block. Between December 2015 and June 2017, Denie S. Tampubolon was also Chairman and Chief Executive Officer of PT Pertamina Hulu Indonesia, a subsidiary of PT Pertamina (Persero), managing the Mahakam and other product-sharing agreements in Indonesia. Since 2015, he has been a member of the Board of Commissioners of PT Pertamina Hulu Mahakam. From June 2018 to June 2020, Denie S. Tampubolon was also President Director of PIEP.

(1) The shareholding obligation for corporate officers set out in the Internal Regulations does not apply to directors representing the Company's controlling shareholder.

Narendra WIDJAJANTO

Director

Date of first appointment:
20 March 2019

Term of office start date:
20 March 2019

Term of office expiry date:
General Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31/12/2020 – Resigned on 18 March 2020

Number of shares held:
0 [(1)].

Involvement in Board of Directors' committees:

- Member of the Audit Committee.

Indonesian citizen, aged 57

Maurel & Prom,
51 rue d'Anjou,
75008 Paris

Main role outside the Company

- Senior Vice President Corporate Finance, PT Pertamina (Persero)

Current directorships and offices

Directorships and offices held within the Group

None

Directorships and offices held outside the Group

- President Commissioner, PT Elnusa (Indonesia)
- Member of the Board of Commissioners, PT Pertamina Power (Indonesia)
- President of PT Kilang Pertamina Balikpapan (Indonesia)

Directorships and offices that have expired during the past five years

- Vice President Treasury, PT Pertamina (Persero) (Indonesia)
- Finance and Business Support Director, PIEP (Indonesia)
- Senior Vice President Corporate Finance, PT Pertamina (Persero) (Indonesia)

Summary of main areas of expertise and experience

Narendra Widjajanto has extensive experience in accounting and corporate finance in the oil and gas and information technology industries. He brings a wealth of expertise in finance and accounting to the Board of Directors.

Narendra Widjajanto joined the Finance department of the Pertamina Group in 1990, where he managed budget and oil accounting in the South and Central Sumatra region. In 2000, he was an analyst for the financing of the Bontang LNG refinery improvement project and was certified as an SAP Enterprise Resource Planning (ERP) Finance Consultant in 2001. Between 2001 and 2005, he played an active role in the transformation programme of Pertamina's information system and implemented the company's first ERP system. From 2005 to 2007, he was Vice President Finance of Pertamina Energy Services Singapore. In 2009, he was appointed Vice President Shared Processing Center within the IT department. In 2011, he joined Pertamina Geothermal Energy as Finance Director until 2013, when he was transferred to Pertamina Retail as Director of Finance until 2014. Between 2014 and 2016, he was Vice President Treasury Pertamina Headquarters and set up both Pertamina's currency hedging programme and the Pertamina Treasury Center. Between 2016 and 2017, he was Finance and Business Support Director at Pertamina Exploration and Production and until 2019 Senior Vice President Corporate Finance at Pertamina's registered office. He completed the financing for the Java One Power project in 2018.

Narendra Widjajanto holds a degree in accounting from Padjadjaran University in Indonesia and a Master's Degree in Science from the University of Illinois at Urbana-Champaign in the United States.

(1) The shareholding obligation for corporate officers set out in the Internal Regulations does not apply to directors representing the Company's controlling shareholder.

Ida YUSMIATI

Director

Date of first appointment:
20 March 2019

Term of office start date:
20 March 2019

Term of office expiry date:
General Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31/12/2020

Number of shares held:
0 [(1)].

Involvement in Board of Directors' committees:

- Member of the Investment and Risk Committee;
- Member of the Audit Committee from 1 June 2020 to 18 January 2021.

Indonesian citizen, aged 54

Maurel & Prom
51 rue d'Anjou,
75008 Paris

Main role outside the Company

- Senior Vice President Upstream Business Development, PT Pertamina (Persero) (Indonesia)

Current directorships and offices

Directorships and offices held within the Group

None

Directorships and offices held outside the Group

None

Directorships and offices that have expired during the past five years

- Vice President Business Initiatives and Valuation – Upstream Directorate, PT Pertamina (Persero) (Indonesia)
- Director, PT Pertamina Hulu Mahakam (Indonesia)
- Senior manager Strategic Planning and Portfolio management – PHE Corporate, PT Pertamina (Persero) (Indonesia)

Summary of main areas of expertise and experience

Ida Yusmiati brings to the Board of Directors extensive experience in the hydrocarbon sector, having spent a large part of her career in management positions within several groups in this sector.

Ida Yusmiati held various positions within the ARCO Group between 1997 and 2000, and then within the BP Indonesia Group between 2004 and 2009.

Between 2009 and 2015, she was Senior manager Commercial/Finance at PT Pertamina (Persero). Then, between 2013 and 2015, she was Senior manager Strategic Planning and Portfolio Management, also at PT Pertamina (Persero). From December 2015 to September 2018, she was appointed Director of PT Pertamina Hulu Mahakam. Between April 2015 and September 2018, she also held the position of VP Business Initiatives and Valuation – Upstream Directorate at PT Pertamina (Persero). Since September 2018, Ida Yusmiati is SVP Upstream Business Development – Upstream Directorate.

Ida Yusmiati is a graduate of the Bandung Institute of Technology.

(1) The shareholding obligation for corporate officers set out in the Internal Regulations does not apply to directors which represent the Company's controlling shareholder.

Daniel S. PURBA

Director

Date of first appointment:
1 June 2020

Term of office start date:
1 June 2020

Term of office expiry date:
General Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31/12/2020

Number of shares held:
0 (1).

Involvement in Board of Directors' committees:

- Member of the Investment and Risk Committee.

Indonesian citizen, aged 53

Maurel & Prom,
51 rue d'Anjou,
75008 Paris

Main role outside the Company

- SVP Corporate Strategic Planning & Development, PT Pertamina (Persero)

Current directorships and offices

Directorships and offices held within the Group

None

Directorships and offices held outside the Group

- Commissioner, PT Pertamina EP Cepu (Indonesia)

Directorships and offices that have expired during the past five years

- Commissioner, PT Pertamina Patra Niaga (Indonesia)
- Commissioner, PT Pertamina EP (Indonesia)
- Chairman, PT Trans-Pacific Petrochemical Indotama (TPPI) (Indonesia)
- Vice President Integrated Supply Chain, PT Pertamina (Persero) (Indonesia)
- Senior Vice President Integrated Supply Chain, PT Pertamina (Persero) (Indonesia)
- Senior Vice President Corporate Strategic Growth, PT Pertamina (Persero) (Indonesia)
- Senior Vice President Corporate Strategic Planning & Development, PT Pertamina (Persero) (Indonesia)

Summary of main areas of expertise and experience

Daniel Syahputra Purba brings considerable oil industry experience to the Board and in particular has been a delegate to OPEC. Since 2003 he has held several positions within the Pertamina Group: VP Marketing at Pertamina Energy Trading Limited (Petral, Hong Kong, 2003/2008), VP Procurement, Sales & Market Analyst at PT Pertamina (Persero, 2008/2011), VP Technology, Gas Business at PT Pertamina (Persero, 2011/2012), VP Integrated Supply Chain at PT Pertamina (Persero, 2015/2016), SVP Integrated Supply Chain at PT Pertamina (Persero, 2016/2017) and SVP Corporate Strategic Growth at PT Pertamina (Persero, 2017/2018).

Since 2018, he has been SVP Corporate Strategic Planning & Development at PT Pertamina (Persero). Daniel Purba holds degrees in engineering from the Bandung Institute of Technology, the University of Brisbane (Australia) and the University of Indonesia.

(1) The shareholding obligation for corporate officers set out in the Internal Regulations does not apply to directors representing the Company's controlling shareholder.

Caroline CATOIRE

Independent director

Date of first appointment:
30 June 2020

Term of office start date:
30 June 2020

Term of office expiry date:
General Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31/12/2022

Number of shares held:
0[(1)]

Involvement in Board of Directors' committees:

- Chairman of the Investment and Risk Committee;
- Member of the Audit Committee.

French citizen, aged 65

Maurel & Prom,
51 rue d'Anjou,
75008 Paris

Main role outside the Company

- Chairman of C2A Conseil (France)

Current directorships and offices

Directorships and offices held within the Group

None

Directorships and offices held outside the Group

- independent director, member of the Audit Committee, member of the US risk committee of Crédit Agricole SA[(2)] (France).
- independent director, Chairman of the ethics and sustainable development committee, member of the Audit Committee of Roquette (France)
- Director of Latécoère[(2)] (France)

Directorships and offices that have expired during the past five years

- Director and member of the Audit Committee of MPI[(2)] (France)
- Finance Director and member of the executive committee of Metalor (France)
- Observer, Roquette (France)

Summary of main areas of expertise and experience

Caroline Catoire, aged 65 and a French citizen, has expertise in finance and particularly the energy and banking sectors.

A graduate of the École Polytechnique, Caroline Catoire held a variety of positions in the Total Group from 1980 to 1998, specifically within the economic research division, the oil trading division and then the finance division where she served as Director of Management Control before becoming Director of Corporate Finance. She then joined Société Générale and served as Director of Management Control of the investment bank (1999/2002). She added to her experience in the financial sector, serving as CFO in a number of different companies: Sita France, the Saur group and the Metalor group. Since December 2015, she has been a consultant in the financial sector.

(1) The shareholding obligation for corporate officers set out in the Internal Regulations does not apply to directors representing the Company's controlling shareholder.
(2) Listed company.

Biographies of members of the Board of Directors co-opted since the beginning of the 2021 fiscal year

John ANIS

Chairman of the Board of Directors

Date of first appointment:
18 January 2021

Term of office start date:
18 January 2021

Term of office expiry date:
General Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31/12/2021

Number of shares held:
0 [1]

Involvement in Board of Directors' committees:

- Member of the CSR, Appointments and Remuneration Committee.

Indonesian citizen, aged 55

Maurel & Prom,
51 rue d'Anjou,
75008 Paris

Main role outside the Company

- President Director, PT Pertamina Internasional EP (Indonesia)

Current directorships and offices

Directorships and offices held within the Group

- Observer, Établissements Maurel & Prom[2] (France) from 30 June 2020 to 18 January 2021.

Directorships and offices held outside the Group

None

Directorships and offices that have expired during the past five years

- General Manager, PT Pertamina Hulu Mahakam (Indonesia).
- Executive Vice President Operations & East Kalimantan District manager, PT Pertamina Hulu Mahakam (Indonesia)
- Vice President of Field Operations, Total E&P Indonesia (Indonesia)

Summary of main areas of expertise and experience

John Anis has more than 25 years of experience in managing international-standard oil & gas operations and development activities. Throughout his career, he has worked in multicultural and challenging environments focusing on safety (EHS-S), staff development, value creation and performance.

He graduated from Bandung Institute of Technology (ITB) with a Bachelor's Degree in Electrical Engineering. He began his career in 1992 at Schlumberger as a wire line and logging field engineer and performed his first assignment in Japan. In 1996, he joined Total E&P Indonesia. His career path led him to be promoted to a variety of positions in different countries, including France and Yemen (Yemen LNG). In 2013, John Anis was appointed Vice President of Field Operations at Total E&P Indonesia, in charge of production at Indonesia's biggest gas producer. In January 2018, he became Executive Vice President of Operations and East Kalimantan District manager, and was named General Manager of PT Pertamina Hulu Mahakam on 1 April 2018. Over his career he has acquired considerable experience working with a variety of foreign companies. Since June 2020, John Anis has also served as President Director at Pertamina Internasional EP.

(1) The shareholding obligation for corporate officers set out in the Internal Regulations does not apply to directors representing the Company's controlling shareholder.
(2) Listed company.

Harry M. ZEN

Director

Date of first appointment:
18 January 2021

Term of office start date:
18 January 2021

Term of office expiry date:
General Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31/12/2021

Number of shares held:
0 [(1)]

Involvement in Board of Directors' committees:

- Member of the Audit Committee.

Indonesian citizen, aged 52

Maurel & Prom,
51 rue d'Anjou,
75008 Paris

Main role outside the Company

- Chief Financial Officer, PT Pertamina Hulu Energi (Indonesia)

Current directorships and offices.

Directorships and offices held within the Group

None

Directorships and offices held outside the Group

None

Directorships and offices that have expired during the past five years

- Chief Financial Officer, PT Telkom Indonesia (Persero), Tbk (Indonesia)
- Commissioner, PT Telemunikasi Selular (Telkomsel) (Indonesia)
- President Commissioner, PT Graha Sarana Duta (Telkom Property) (Indonesia)

Summary of main areas of expertise and experience

Harry M Zen has more than 25 years of experience in banking and finance.

He received an MBA in Corporate Finance and Financial Institutions and Markets in 1996 from New York State University in Buffalo. He began his career in 1993 at Citibank, NA, where he was promoted to the position of Assistant Vice President. Between 2001 and 2015 he served as Joint head of Investment Banking at PT Bahana Securities, Director at Barclays Capital, and President Director at PT Crédit Suisse Securities. From 2016 to 2020 he was President Commissioner at PT Graha Sarana Duta (Telkom Property), Commissioner at PT Telemunikasi Selular (Telkomsel) and at the same time Chief Financial Officer at PT Telkom Indonesia (Persero) Tbk. Since June 2020 he has served as Chief Financial Officer at PT Pertamina Hulu Energi

Harry Zen has received numerous awards during his career, including "Best CFO in Compliance and Governance", "CFO BUMN Award 2019", "Asia's Best CFO", "9th Asian Excellence Award 2019", "Finance Asia's Best CFO 2018", "Finance Asia's Best Managed Companies 2018", "Asia's Best CFO", and "8th Asian Excellence Award 2018"

(1) The shareholding obligation for corporate officers set out in the Internal Regulations does not apply to directors representing the Company's controlling shareholder.

B) Chief Executive Officer

Biographies of the Chief Executive Officers

Olivier de Langavant

Chief Executive Officer

Date of first appointment:
1 August 2019, with effect from 1 November 2019

Term of office expiry date:
General Shareholders' Meeting called to approve the financial statements for the fiscal year ending 31/12/2020

Number of shares held:
117,287

French citizen, aged 64

Maurel & Prom
51 rue d'Anjou,
75008 Paris

Main role outside the Company

Current directorships and offices[1].

Directorships and offices held within the Group

For information, it should be noted that pursuant to Article 14.1 of Appendix 1 to Regulation (EC) No. 809/2004 of 29 April 2004, the Company does not list below all of the Company's subsidiaries in which Olivier de Langavant was also a member of an administrative, management or supervisory body at 31 December 2020.

- Director of Seplat Petroleum Development Company Ltd (Nigeria)[2]

Directorships and offices held outside the Group

None

Directorships and offices that have expired during the past five years

None

Summary of main areas of expertise and experience

Following positions in France and then the Ivory Coast, Olivier de Langavant joined Elf Aquitaine (now Total) in 1981 as a Reservoir Engineer – a role which took him to France, the Congo, the United States and Colombia – before being appointed Operations Director in the Netherlands. He served as Deputy Managing Director of Total E&P Angola from 1998 to 2002, and the Managing Director of Total E&P Myanmar. In 2005, he returned to Angola as Managing Director of Total E&P Angola. In 2009, Olivier de Langavant was appointed Finance, Economics & Information Systems SVP of Total E&P, based at the Total Group's head office, before taking up the position of Strategy, Business Development and R&D SVP of Total E&P in 2011. From 2015 to 2017, he served as the Total Group's SVP for the Asia-Pacific region, based in Singapore. Since 2012, he has also been a member of the Total Group's Management Committee (Group Performance Management Committee since 2015).He has been a director of Seplat Petroleum Development Company Ltd since 28 January 2020.

(1) It should be noted that in accordance with the recommendations of the AFEP-MEDEF Code and the Internal Regulations, Olivier de Langavant, the Company's Chief Executive Officer, as an executive corporate officer, may not hold more than two other directorships in listed companies outside the Group, including foreign companies. He must also seek the opinion of the Board of Directors before accepting a new directorship in a listed company outside the Group, including any foreign company.
(2) Listed company.

C) Observer

In accordance with the Articles of Association and the Internal Regulations, the Board of Directors may appoint a maximum of four observers to the Company, chosen from among the natural persons. The term of office for observers is set at three years. Observers are required to attend and observe the meetings of the Board of Directors, and may be consulted by it. They may also present observations at General shareholders' meetings on the proposals submitted to them, if they see fit. They must be invited to every meeting of the Board of Directors. The Board of Directors may assign specific tasks to observers. They may attend meetings of the committees created by the Board of Directors, other than the Audit Committee. The Board of Directors may decide to pay observers a proportion of the remuneration allotted to Board members by the General Shareholders' Meeting, and authorise the reimbursement of expenses that observers incur during the course of their work for the Company.

At its meeting of 30 June 2020, the Board of Directors appointed two observers to serve for a term of three fiscal years:

- Roman Gozalo; and
- John Anis, it being specified that John Anis resigned from his role as observer on 18 January 2021 after being co-opted as a director and appointed Chairman of the Board of Directors on 18 January 2021.

Their biographies can be found above.

3.2.2 Operations of administrative and management bodies

3.2.2.1 Organisation and operations of the Board of Directors

A) Description of the Board of Directors

The Board of Directors determines the strategies for the Company's business and ensures their implementation. With due respect to the powers expressly given to the shareholders' meetings and within the limits of the corporate purpose, it addresses all questions related to the Company's proper functioning and governs, by its decisions, the affairs that concern it. The Board of Directors is mandated by all the shareholders. It is collectively answerable and legally responsible to the General Shareholders' Meeting in the performance of its duties.

In its relations with third parties, the Company is bound even by acts of the Board of Directors that are not included within the scope of the corporate purpose (unless the Company can prove that the third party knew that the act was beyond the scope of that purpose or that, given the circumstances, the third party could not have been unaware of that fact), the publication of the Articles of Association alone not constituting sufficient proof.

The Internal Regulations also reprise and set out certain articles in the Articles of Association including membership of the Board of Directors and the concept of independent director, the operating rules, missions, rights and obligations incumbent on directors as laid down in a "charter", the appointment and role of observers and the membership and remits of the Audit Committee, the Investment and Risk Committee and the CSR, Appointments and Remuneration Committee. The Internal Regulations are available on the Company's website: www.maureletprom.fr.

B) Chairman of the Board of Directors

The Board of Directors chooses a Chairman from among its own members, who should be an individual, and, if it so decides, one or more vice chairmen. The Board of Directors sets the term of their office, which cannot exceed the term of their office as a director. The Board can terminate these offices at any time.

Between 10 April 2017 and 18 January 2021, the role of Chairman of the Board of Directors was held by Aussie B. Gautama. Since 18 January 2021, the role of Chairman of the Board of Directors has been held by John Anis.

The age limit for the role of Chairman of the Board of Directors is 75. If the Chairman of the Board of Directors reaches this age during his/her term in office, he/she is deemed to have automatically resigned.

Powers of the Chairman of the Board of Directors

The Chairman of the Board of Directors organises and directs the work of the Board of Directors, and reports on this work to the General Shareholders' Meeting. The Chairman oversees the proper operation of the Company's bodies and ensures, in particular, that the directors are capable of fulfilling their duties.

The Chairman may convene a meeting of the Board of Directors as often as necessary and at least once per quarter. He sets the meeting's agenda and chairs the meeting.

More specifically, the Chairman offers his assistance and expertise to executive management without prejudice to management's executive responsibilities or the prerogatives of the Board of Directors and its committees. In this regard, he may represent the Company on a global level, particularly with government authorities and the Company's partners and strategic stakeholders. He may furthermore be consulted by executive management on all significant events concerning the Company's strategy in the context of the strategic objectives set for it by the Board of Directors, the Company's organisation, major investment and disinvestment projects, important financial transactions, community initiatives, and the appointment of senior managers for the Company's key activities and functions. He may also attend any meeting regarding the aforementioned subjects, but in any event will be kept regularly informed by executive management of significant events or situations related thereto.

The Chairman of the Board of Directors represents the Board of Directors with respect to shareholders. He reports back to the Board of Directors on this task.

C) Operating rules of the Board of Directors

Convening of the Board of Directors

The Board of Directors meets at least four times a year and as often as is necessary in the interest of the Company, and is convened by its Chairman. When the Board of Directors has not met for more than two months, at least one-third of the Board's members are required to ask the Chairman to convene a Board meeting. The Chief Executive Officer may also ask the Chairman to convene a Board meeting to consider a specific agenda. The Chairman of the Board of Directors is then bound to act on such requests. The frequency and duration of Board of Directors' meetings allow for in-depth review and discussion of matters within its remit.

The agenda is set by the Chairman of the Board of Directors and is sent to the members within a reasonable amount of time before the meeting is held. The Board may be convened by any means (verbally, by letter, by email, by fax or by phone) with reasonable advance notice, unless in an emergency.

The meetings are held at any location indicated in the meeting notice. The Board of Directors meets at a location selected by the Chairman of the Board of Directors to enable as many Board members as possible to attend.

Attendance at Board of Directors' meetings

Directors may be represented at Board of Directors meetings by another director, in accordance with laws, regulations, the Articles of Association and the Internal Regulations. The proxy authority must be in writing. No director may hold more than one proxy in any given meeting.

Except when the Board of Directors meets to deliberate on matters specified in Articles L. 232-1 and L. 233-16 of the French Commercial Code (preparation and approval of the company annual and consolidated financial statements and management report for the Company and the Group), directors are deemed to be present, for the purposes of establishing a quorum and a majority, if attending by videoconference or teleconference (including conference calls) and using equipment that allows them to be identified and guarantees their actual attendance, i.e. by at least transmitting attendees' voices and ensuring clear, continuous, live transmission of the deliberations. Where such methods are used in certain meetings, the Chairman must indicate that in the meeting notice.

Written consultation of the Board of Directors

Following the adoption of the amendments to the Articles of Association dated 30 June 2020 and the corresponding updates to the Internal Regulations, the Board of Directors may deliberate by written consultation on decisions falling within the Board's own powers provided for in Article L. 225-24 of the French Commercial Code, in the last paragraph of Article L. 225-34 of the French Commercial Code, in the second paragraph of Article L. 225-36 of the French Commercial Code and in the first paragraph of Article L. 225-103 of the French Commercial Code, as well as on decisions to transfer the registered office within the same regional department in France.

Deliberations by the Board of Directors

The meetings of the Board of Directors are chaired by the Chairman of the Board of Directors or, in his/her absence, and if so appointed, by the Vice-Chairman most senior in age. During the 2020 fiscal year, all of the Board of Directors' meetings were chaired by the Chairman of the Board of Directors. If the Chairman and Vice-Chairman of the Board of Directors are both absent, the Board of Directors appoints one of the directors present to chair the meeting. The General Secretary of the Company acts as the secretary for the meeting.

The Board of Directors may only validly deliberate when at least half of its members are present. Decisions are made by the majority vote of the members present or represented. In the event of a tie, the meeting Chairman has the casting vote.

An attendance register is kept, which is signed by the directors attending each Board of Directors' meeting, and gives the names of the directors attending the meeting by videoconference or by any other means of telecommunication authorised by law who are deemed to be present.

Each member is informed of the responsibilities and of the confidentiality of the information received in the Board of Directors' meetings that he/she attends.

The deliberations of the Board of Directors must be clear and are recorded in meeting minutes established in accordance with the law. The meeting minutes are recorded in a special register and signed by the Chairman of the Board of Directors and a director. The draft minutes are provided to all directors for approval prior to signature. Without being unnecessarily detailed, the draft minutes must include, in addition to all the information required by applicable laws and regulations, a summary of the deliberations and decisions taken by succinctly listing the questions raised or reservations expressed and any technical incident related to the videoconference or to any means of telecommunications used that may have disrupted the meeting.

In accordance with the applicable legal provisions, the Statutory Auditors are invited to attend the meetings of the Board of Directors called to review the interim and annual financial statements.

Because of the Covid-19 pandemic, no physical Board meeting took place during the 2020 fiscal year.

Frequency of meetings of the Board of Directors and directors' attendance

The frequency of meetings and directors' average attendance rates are presented in the Frequency of meetings and directors' attendance section of this chapter.

D) Role of the Board of Directors

The Board of Directors is a collegial body mandated by all the shareholders and exercises the authority devolved to it by law to act in the corporate interests of the Company in all circumstances. It determines the Company's business strategy and ensures its implementation. With due respect to the powers expressly given to the shareholders' meetings and within the limits of the corporate purpose, it addresses all questions related to the Company's proper functioning and governs, by its decisions, the affairs that concern it.

As part of its mission, the Board of Directors has authority for the following matters, including without limitation:

- preparing the parent company financial statements, the consolidated financial statements, the annual management report (for the Company and the Group) and documents setting out management forecasts;
- discussing and, if so advised by the Investment and Risk Committee, approving the major operations envisaged by the Group (i.e. (i) that may significantly impact the strategy of the Company and of the companies that it controls, their financial structure or their scope of activity, the Group's results or the structure of its balance sheet or risk profile, (ii) organic growth operations, and (iii) internal restructuring operations) and giving its prior approval to any significant operation outside the Company's stated strategy;
- approving all proposed mergers and demergers;
- defining the Company's financial communication policy and ensuring the quality of the information provided to shareholders and the financial markets via the financial statements that it approves, the universal registration document and press releases, or when major transactions are conducted;
- dedicating at least one meeting per year, possibly with the assistance of external auditors and consultants, to reviewing the entire strategy of the Group;
- authorising surety bonds, endorsements and guarantees;
- convening General shareholders' meetings and setting their agenda;
- choosing the Company's organisational structure;
- appointing and dismissing the Chairman of the Board of Directors, the Chief Executive Officer, and any deputy Chief Executive Officer tasked with managing the Company, checking their management performance, setting their remuneration and approving the scope of their powers;
- appointing members of the Board of Directors' special committees;
- approving the list of directors each year who are considered to be independent in accordance with the Internal Regulations;
- co-opting, in the circumstances stipulated by law, one or more directors;
- granting to one or more directors any special mandates for one or more specific purposes;
- assessing its own work by reviewing its own operating procedures, checking that important issues are properly prepared and discussed and measuring each director's actual contribution to its work in terms of their expertise and their involvement in its deliberations. To this end, at least once a year it devotes an agenda item to discussing its operating procedures, it being specified that a formal assessment must be carried out at least every three years;
- distributing remuneration among the members of the Board of Directors and the observer(s), where applicable;
- setting, where applicable, all exceptional remuneration for directors for all duties performed or offices held;
- holding an annual discussion on the Company's policy on gender equality in the workplace and equal pay for men and women;
- deciding to relocate the registered office within France, subject to ratification at the next Ordinary General Shareholders' Meeting;
- pursuant to a delegation of powers granted by the Extraordinary General Shareholders' Meeting, making the necessary amendments to the Articles of Association to bring them into compliance with legislative and regulatory provisions, such amendments being subject to ratification by the next Extraordinary General Shareholders' Meeting;
- authorising "regulated" agreements;
- reviewing issues related to the Company's corporate and environmental responsibility;
- reviewing risk mapping, including risks related to corporate, environmental and societal responsibility and certain risks related to specific files;
- staying informed of all important events affecting the Company's markets;
- carrying out all inspections and checks that it considers appropriate.

It addresses the following issues in particular, in conjunction with its special committees:

- the proper definition of powers within the Company and the proper exercise of the respective powers and responsibilities of management bodies within the Company;
- the fact that no one person has the power to commit the Company without supervision, excluding corporate officers acting under delegated powers received;
- the proper running of internal control bodies and the satisfactory nature of the terms of the Statutory Auditors' assignment; and
- the proper running of the special committees it has created.

It is further specified that the Board of Directors is kept informed about:

- the financial position, cash position and commitments of the Company and the Group;
- the Company's liquidity position, in a timely manner, to enable it to take, as applicable, any decisions relative to its financing and indebtedness; and
- market trends, the competitive environment and the main challenges, including with regard to the Company's corporate and environmental responsibility.

Work of the Board of Directors in 2020

The following agenda items were deliberated on at the meetings of the Board of Directors held in 2020:

- approval of refinancing;
- review and approval of the parent company and consolidated financial statements for the fiscal year ended 31 December 2019, proposed allocation of income for the fiscal year ended 31 December 2019, the management report and the report on corporate governance;
- convening of the annual Ordinary and Extraordinary General Shareholders' Meeting and setting of the agenda, draft resolutions, and approval of the Board of Directors' Report for that Meeting;
- review of directors' status in terms of the independence criteria adopted in the Internal Regulations;
- assessment of the Board;
- resignation of a director and co-opting of a replacement director;
- delegation of powers to the Chief Executive Officer with respect to surety bonds, endorsements and guarantees and report of the Chief Executive Officer;
- review of the list of regulated agreements the execution of which continued during the last fiscal year; annual review of regulated agreements and commitments;
- approval of the implementation of a plan to award performance and bonus shares to employees;
- method for distributing the remuneration among the members of the Board of Directors;
- company policy in terms of professional gender equality and equal pay;
- setting of remuneration for the Chairman of the Board of Directors and the Chief Executive Officer;
- renewal of the term of office of the Chief Executive Officer;
- changes to the Board's committees and revision of their membership;
- appointment of observers;
- activation of the share buyback programme;
- updating of the Internal Regulations;
- review of the financial statements for the first half of 2020 and the draft statement concerning the 2020 first-half results;
- discussion about possible changes to the structure of share capital;
- approval of the terms of the ANH guarantee and authorisation of the Company to enter into and execute said guarantee;
- presentation of a year-end estimate for 2020 and the draft budget for 2021;
- establishment and implementation of the policy for the remuneration of corporate officers;
- diversity policy for management bodies;
- presentation of the succession plan.

Executive sessions without the presence of the Chief Executive Officer were also held.

E) Nature of the information provided to directors for the preparation of their work and duties

Information prior to each meeting of the Board of Directors

A detailed file is sent to the members of the Board of Directors, within a sufficient period of time, prior to each meeting containing the information that allows a full examination to be made of the points included within the agenda of the Board of Directors.

More specifically, it contains the minutes of the previous meeting, the significant events occurring since the previous meeting of the Board of Directors and, where relevant, ongoing or planned operations.

The Chief Executive Officer generally provides comment on these documents during the meetings of the Board of Directors.

The members of the Board of Directors may also request prior to or in relation to the meetings of the Board of Directors any additional information and documents they consider vital to the performance of their duties, specifically in relation to the meetings' agenda. The directors must ensure that they have sufficient information in a timely manner for the Board of Directors to hold valid deliberations.

Between Board of Directors meetings, the Company also provides the directors with useful information if such information is important or when required in urgent matters. Such information also includes any relevant information, including information of a critical nature, regarding the Company, notably press and financial analysis articles.

Financial information

Each quarter, the Chief Executive Officer presents a report on the activity of the Group and its main subsidiaries for the past quarter.

A detailed and annotated income statement and balance sheet are presented by the Chief Financial Officer at each half-year and year-end.

In the three months after the closing of each fiscal year, the draft consolidated financial statements are sent to the Board of Directors for verification. The Board of Directors then presents its activity report and the financial statements for the period to the General Shareholders' Meeting.

The Board of Directors ensures that investors and shareholders receive relevant, balanced and educational information regarding the strategy, growth and non-financial stakes that are material to the Company and its long-term prospects.

Information on particular transactions

With regard to transactions for external growth or the sale of assets, the Board of Directors examines the data that are provided to it by the Chief Executive Officer on the transactions and strategy, and gives its view on the advisability of the proposals submitted, and if necessary, authorises the Chief Executive Officer to proceed with the transactions.

Permanent information

The Board of Directors may also ask the Chief Executive Officer, whenever necessary, for any information or analysis that it deems appropriate or to give a presentation on a specific subject. Directors may ask to meet with the Company's senior executives, without executive corporate officers having to be present, subject to having informed them about this beforehand.

In addition, between meetings, the members of the Board of Directors are regularly kept informed of the events or transactions that are significant to the Company.

Each director may also request any additional training as he or she considers necessary on the specific features of the Company, its businesses and its industry sector. Training is organised, offered and paid for by the Company.

Directors' duties

The Internal Regulations include a directors' charter that sets out the principles to which directors must adhere. The charter tasks directors with certain obligations aimed mainly at ensuring that they understand the provisions that are applicable to them, avoid conflict of interest situations, devote the necessary time and attention to their duties, comply with the legal provisions and the AFEP-MEDEF Code governing multiple simultaneous mandates, and observe strict confidentiality requirements in respect of information of a non-public nature that go beyond exercising discretion as required by law. It also reminds them that despite their being individual shareholders in the Company, they each represent all shareholders and must act in the corporate interest in all circumstances, unless acting on their own account. They are also bound by an obligation of loyalty.

In accordance with the provisions of the AFEP-MEDEF Code and the Internal Regulations, directors must attend general shareholders' meetings. As the 2020 General Shareholders' Meeting was held behind closed doors, directors were not able to attend this year.

The Internal Regulations are available on the Company's website: www.maureletprom.fr.

F) Assessment of the Board of Directors

The Board of Directors carries out a self-assessment in which it reviews its membership, structure and operation as well as that of its committees. This assessment is designed to review the Board of Directors' operating procedures, to check that important issues are correctly prepared and discussed and to measure each director's actual contribution to the work of the Board of Directors in terms of their expertise and their involvement in its deliberations.

It is also an opportunity for the Board of Directors to analyse the desired balance of representation both on the Board and the special committees, specifically in terms of diversity (gender representation, nationality, age, qualifications and professional experience, etc.) and to periodically analyse whether its structure and operating procedures are suited to the performance of its duties. The Board of Directors' diversity policy is presented in the "Board of Directors diversity policy" section of this chapter. At its meeting of 9 March 2021, the Board of Directors discussed its membership (female representation, the skills of its members and international representation).

The directors meet periodically and at least once per year, without the Company's executive corporate officers, to assess their performance and discuss the future management of the Company.

Furthermore, the Board of Directors devotes one agenda item a year to a discussion about the way that it operates, and carries out a formal assessment every three years. This formal evaluation may be carried out under the supervision of the Appointments Committee or an independent director, with the help of an external consultant. With regard to the assessment of the Board for fiscal year 2019, the Company had decided to use a specialist consulting firm to evaluate how well the Board was performing. This evaluation identified the following areas for improvement:

- **Continuity of Board members**

With regard to directors appointed to represent PIEP, if these directors served on the Board for at least two fiscal years, their length of service would be advantageous to the running of the Board.

- **Board-level decision-making**

— it was suggested that Board members should be made aware prior to the Board meeting whether agenda items were for information purposes, concerned an update to an item previously discussed or required a decision.

— directors also expressed the wish to be kept better informed between Board meetings.

— PIEP directors wanted M&A projects to be presented in the same format as that used by PIEP.

— the use of a digitised portal for the Board was also proposed.

- **Reorganisation of Board committees**

A reorganisation of Board committees had also been proposed to take more specific account of issues such as corporate social and environmental responsibility and to redefine some of the committees' roles and responsibilities.

- **Identification of a replacement in the event that the Chief Executive Officer becomes temporarily unavailable**

As best practice, the Board wanted to identify a replacement for the Chief Executive Officer in the event he was temporarily unable to perform his duties.

Following these proposals, the following changes were made:

— the Board's committees were reorganised.

— the CSR, Appointments and Remuneration Committee reviewed who could replace the Chief Executive Officer in the event he became temporarily unavailable and established a list of suitable names that will be updated on a regular basis.

— several providers of online Board portals were reviewed and a provider was identified.

— discussions are continuing on the other items.

The main purpose of the annual assessment is to draw up a report on the Board's operating procedures by evaluating how well its deliberations are organised and what is the effective involvement of each director in the Board's work relative to their respective expertise. The topics addressed in this assessment pertain primarily to the Board's general operating procedures, the structure and quality of its governance, the appropriateness of its membership, its tasks, the running of its Board meetings, director information, the choice of issues addressed, the quality of deliberations, and the individual participation of each director and their contribution to the Board's work.

The assessment also covers the operating procedures, membership, tasks and organisation of the Board's committees, as well as the coordination between the committees and the Board. Given the changes in directorships that occurred in 2020 and early 2021, as well as the reorganisation of the committees on 30 June 2020, an assessment of the Board's operating procedures for the 2020 fiscal year was not considered worthwhile. This was because the directors had not served long enough for any such assessment to be made. However, the first committee meetings held at the end of 2020 were deemed productive by their members.

3.2.2.2 Organisation and operation of the special committees

In accordance with the Internal Regulations, the Board of Directors has three special committees designed to help the Board run smoothly and to provide the Board with efficient support as it prepares its decisions. These committees were reorganised on 30 June 2020.

3.2.2.2.1 Organisation and operation of the special committees up to 30 June 2020

The special committees were as follows: (i) an Audit Committee, (ii) an appointments and remuneration committee, and (iii) a Risk Observatory.

A) Audit Committee

Membership of the Audit Committee

At least two-thirds of the Audit Committee must be made up of independent directors of the Company; it may not include any executive corporate officers of the Company. The members of the Audit Committee are selected by the Board of Directors from among its members. The members of the Audit Committee are experts in finance, accounting or statutory account auditing (see section 3.2.1.1 (a) of this universal registration document).

The Chairman of the Audit Committee is appointed by the Board of Directors for the duration of his or her term as director or for a period set by the Board of Directors. The appointment or renewal of the Chairman of the Audit Committee, as proposed by the Appointments and Remuneration Committee, is closely reviewed by the Board of Directors.

The members of the Audit Committee are appointed for the term of their mandates as members of the Board of Directors, or for a term set by the Board of Directors. They may, however, resign during any meeting of the Board of Directors without reason or advance notice.

When appointed, the members of the Audit Committee may receive information on the particularities of the Company's accounting, financial and operational systems.

Until 30 June 2020, membership of the Audit Committee was as follows:

- Roman Gozalo (Chairman and independent director);
- Nathalie Delapalme (independent director);
- Ida Yusmiati (director).

Changes to the membership of the Audit Committee during the 2020 fiscal year are presented in the table in the "Changes to the membership of the Board of Directors" section of this chapter.

Operation of the Audit Committee

Convening meetings of the Audit Committee

The Audit Committee is convened by its Chairman or at the request of the Chairman of the Board of Directors and meets as often as he or she deems necessary or appropriate, at least twice yearly and in any event prior to the meetings of the Board of Directors held to approve the financial statements.

The Audit Committee may be convened by any means (orally, by letter, by email, by fax or by telephone) with reasonable advance notice, unless in an emergency.

The Chairman of the Audit Committee sets the agenda for the meetings and sends it to the Chairman of the Board of Directors and the Chief Executive Officer, as required.

Attendance at meetings of the Audit Committee

Only the members of the Audit Committee are automatically entitled to attend its meetings.

The Chairman of the Board of Directors, the Chief Executive Officer, the other directors, the Chief Financial Officer, the Chief Audit Executive, the external auditors and all other persons may attend its meetings when invited to do so by the Committee's Chairman.

If the Audit Committee is conducting interviews of the chief financial officers and heads of accounting, cash and internal audit, such interviews may be conducted without the Company's executive management.

At least once a year, the Audit Committee must meet to speak with the internal and external auditors without other members of management being present. It is preferable that the Audit Committee schedule separate meetings to speak with the internal and external auditors.

The Audit Committee may contact the Company's senior executives after having informed the executive corporate officers and is responsible for reporting on that to the Board of Directors. The Audit Committee may, provided that it informs the Chairman of the Board of Directors or the Board of Directors beforehand and is responsible for reporting thereon to the Board of Directors, use external appraisers, at the Company's expense, to request external technical studies. In such cases, the Audit Committee must ensure the expertise and objectivity of these appraisers.

Audit Committee meetings may be held anywhere. Prior to each meeting, at the request of one or more members of the Audit Committee, the Audit Committee Chairman may decide that the meeting will take place by means of teleconference or video conference (including conference calls), allowing the members to be identified and guaranteeing their effective attendance, i.e. by transmitting at least attendees' voices and ensuring clear, continuous, live transmission of the deliberations. Audit

Committee members attending the meeting by telecommunication or videoconference means are deemed in attendance and counted for a quorum. Where such methods are used in certain meetings, the Chairman must indicate that in the notice to meeting.

The special committees carry out their duties under the responsibility of the Board of Directors. The members of each special committee to the Board of Directors act in a collegiate manner.

Deliberations of the Audit Committee

Audit Committee meetings are chaired by its Chairman.

The Audit Committee shall only be quorate if at least half its members are present. The proposals, opinions, reports and recommendations that the Committee issues to or prepares for the attention of the Board of Directors are agreed by a majority of the Committee's members in attendance at the meeting. In the event of a tie, the Chairman of the Committee has the casting vote.

Information provided to the members of the Audit Committee

Documentation relating to the agenda for the Audit Committee meeting is prepared using a standard format and is sent to committee members in advance of the relevant meeting.

General Secretary of the Audit Committee

The Chairman of the Audit Committee appoints the person who will perform the Committee's secretarial functions.

Minutes of the meetings of the Audit Committee

The Audit Committee reports on its work at the next meeting of the Board of Directors, in the form of opinions, information, proposals, reports, recommendations or full and accurate minutes, and notifies the Board promptly of any problems encountered.

Role of the Audit Committee

The general role of the Audit Committee, as defined by the Internal Regulations, is to assist the Board of Directors so that the latter has the information and resources needed to ensure the quality of internal controls and the reliability of the financial information provided to shareholders and the financial markets.

The role of the Audit Committee is as follows:

Accounts, transactions and financial information

- review the parent company and consolidated financial statements as well as those of the Company's main subsidiaries;
- review the scope of the Group's consolidated companies and, as the case may be, the reasons why companies have not been included;
- check that the accounting methods adopted (i) for the preparation of the parent company and consolidated financial statements, (ii) for the Group's scope of consolidation and (iii) for the processing of material transactions are relevant and consistent;
- review any material transactions that may cause conflicts of interest;
- monitor the process of preparing financial information;
- monitor the effectiveness of internal control and risk management systems, their deployment and the implementation of corrective actions in coordination with the Risk Observatory when material weaknesses or irregularities are found or identified;
- review the Statutory Auditors' main findings regarding the parent company and consolidated financial statements as well as internal control and internal audit;
- receive internal audit and risk control reports;
- interview the heads of internal audit and risk control and, in coordination with the Risk Observatory, express an opinion on the organisation of their departments;
- remain informed of the internal audit programme;
- receive internal audit reports and a periodic summary of those reports;
- review the report prepared by the Chairman of the Board of Directors on those same topics at the General Shareholders' Meeting;
- review, in coordination with the Risk Observatory, the risks to which the Company is exposed and the solutions adopted by the Company to address such risks;
- review material off-balance-sheet commitments;
- ensure that systems to detect and correct any deficiencies are in place. To that end, the Audit Committee assesses the importance of any deficiencies or weaknesses of which it has been informed and in turn notifies the Board of Directors;
- review risk mapping and more specifically risks related to corporate, environmental and societal responsibility and certain risks related to specific files;
- review any matter likely to have a material impact on the substance and presentation of the parent company and consolidated financial statements.

The parent company and consolidated financial statements are reviewed by the Audit Committee sufficiently in advance of those documents being reviewed by the Board of Directors.

The review of the financial statements is accompanied by a presentation by management describing the exposure to risks and the material off-balance sheet commitments of the Company as well as the accounting options applied.

Relations with the Statutory Auditors

- regularly interview the Statutory Auditors, in particular at meetings discussing the process of preparing financial information and the review of parent company and consolidated financial statements, to hear their reports on the performance of their tasks and the conclusions of their review, it being understood that the Statutory Auditors may be interviewed without the executive officers directors being present. The purpose of such meetings is to allow the Audit Committee to be informed by the Statutory Auditors of the main risk areas or uncertainties identified, the audit approach adopted, and any problems encountered in performing their tasks;
- be informed by the Statutory Auditors of any material weaknesses in internal control identified during their review in terms of the procedures for preparing and processing accounting and financial information;

- interview the Statutory Auditors regarding (i) their schedule of work and the sampling they have undertaken, (ii) any modifications that they consider should be made to the accounts or accounting documents and their observations on the evaluation methods used, (iii) any irregularities and inaccuracies they may have discovered and (iv) any conclusions arising from the observations and adjustments to the results for the period compared with those for the previous period;
- propose to the Board of Directors the procedure for selecting the Statutory Auditors, prepare a call for tender, if necessary, as provided for by law, and approve the specifications and choice of auditor;
- manage the procedure for selecting the Statutory Auditors and submit a recommendation regarding the Statutory Auditors proposed for appointment by the General Shareholders' Meeting;
- where applicable, supervise the call for tender process and approve the specifications and choice of firms consulted, selecting the Statutory Auditors on a "best bid" rather than a "lowest bid" basis in compliance with the rotation obligations stipulated by law; and
- oversee the Statutory Auditors' legal review of the parent company and consolidated financial statements.

Monitoring the rules for independence and objectivity of the Statutory Auditors

- monitor the independence of the Statutory Auditors;
- ensure that it receives communication from the Statutory Auditors each year including (i) their statement of independence, (ii) the amount of fees paid to the Statutory Auditors' network by the companies controlled by the Company for services not directly linked to the Statutory Auditors' certification duties and (iii) information on the services performed relating directly to the Statutory Auditors' certification duties;
- review with the Statutory Auditors the risks to their independence and the safeguards taken to mitigate those risks;
- make sure that the fees paid by the Company and the Group to the Statutory Auditors, and the percentage they represent of the revenue of the auditors' firms and their network, do not jeopardise the Statutory Auditors' independence;
- make sure that the Statutory Auditors ensure that their duties exclude all other work not linked to this assignment by referring to the Statutory Auditors' professional Code of Ethics and standards of practice, with the firm appointed and the network to which it belongs refraining from all other work or consultancy (legal, tax, IT or other) performed directly or indirectly for the Company in accordance with applicable provisions.

Approval of the services provided by the Statutory Auditors

- review beforehand work that is incidental or directly additional to the audit of the accounts that may be performed by the selected firms (such as acquisition audits) but excluding evaluation and consultancy work; and
- pre-approve services other than certification in accordance with the methods set out in Article 3.4 of the Audit Committee Internal Regulations which are included in the Internal Regulations.

Activity of the Audit Committee until 30 June 2020

During this period, the Audit Committee held two working sessions attended by the Company's financial management and the Statutory Auditors. The attendance rate at these sessions was 100% (see the "Frequency of meetings and directors' attendance" section of this chapter, which presents the average attendance rate of each member of the Audit Committee at meetings of this committee).

At these sessions, the Audit Committee worked mainly on:

- approving the parent company and consolidated financial statements for the fiscal year ended 31 December 2019;
- renegotiating bank financing;
- the postponement of the entry into force of the regulation for the CEMAC region;
- tax issues in Tanzania;
- reviewing regulated agreements; and
- reviewing the universal registration document (including the Company and Group management report, the annual financial report and the Board of Director's report on corporate governance and internal control).

B) Appointments and Remuneration Committee

Membership of the Appointments and remuneration Committee

At least half the Appointments and Remuneration Committee must be made up of independent directors of the Company; it may not include any executive corporate officers of the Company. The members of the Appointments and Remuneration Committee are selected by the Board of Directors from among its members or from outside the Board for their expertise.

The Chairman of the Appointments and Remuneration Committee, who should qualify as an independent director, is appointed by the Board of Directors for the duration of his or her term as director or for a period set by the Board of Directors. The appointment or renewal of the Chairman of the Appointments and Remuneration Committee is closely reviewed by the Board of Directors.

The members of the Appointments and Remuneration Committee are appointed for a term commensurate with their term of office as a member of the Board of Directors, or for a term set by the Board of Directors. Members of the Appointments and Remuneration Committee may, however, resign without reason or advance notice.

In the event that the roles of Chairman of the Board of Directors and Chief Executive Officer are separated, the non-executive Chairman may be a member of the Appointments and Remuneration Committee.

Until 30 June 2020, membership of the Appointments and Remuneration Committee was as follows:

- Nathalie Delapalme (Chairman, independent director);
- Roman Gozalo (independent director);
- Denie S. Tampubolon (director).

Membership of the Appointments and Remuneration Committee remained unchanged until 30 June 2020 (see the "Changes to the membership of the Board of Directors" section of this chapter).

Operation

Convening meetings of the Appointments and Remuneration Committee

The Appointments and Remuneration Committee is convened by its Chairman or at the request of the Chairman of the Board of Directors, and meets as often as the Chairman deems necessary or appropriate, at least twice yearly.

The Appointments and Remuneration Committee may be convened by any means (orally, by letter, by email, by fax or by telephone) with reasonable advance notice, unless in an emergency. The Chairman of the Appointments and Remuneration Committee sets the agenda for the meetings and sends it to the Chairman of the Board of Directors and the Chief Executive Officer, as required.

Attendance at meetings of the Appointments and Remuneration Committee

Only the members of the Appointments and Remuneration Committee are automatically entitled to attend its meetings.

The executive corporate officer is involved with the work of the Appointments and Remuneration Committee, except during discussions regarding (i) the renewal of his or her office and (ii) the analysis of its remuneration policy, including when the roles of Chairman of the Board and Chief Executive Officer are combined.

To carry out its work, the Appointments and Remuneration Committee may interview the Company's and the Group's senior managers, after having informed the executive corporate officers about it and is responsible for reporting on that to the Board of Directors. The Appointments and Remuneration Committee may also be assisted by external consultants and request external technical studies on matters relating to their expertise, at the Company's expense, after having informed the Chairman of the Board of Directors or the Board of Directors itself about it and is responsible to report thereon to the Board of Directors. The Appointments and Remuneration Committee ensures the objectivity and independence of the consultants used.

Appointments and Remuneration Committee meetings may be held anywhere. Prior to each meeting, at the request of one or more members of the Appointments and Remuneration Committee, the Chairman of the Appointments and Remuneration Committee may decide that the meeting would take place by means of telecommunication or by videoconference (including conference calls) that allows them to be identified and guarantees their effective participation, i.e. by at least transmitting attendees' voices and ensuring clear, continuous, live transmission of the deliberations. Appointments and Remuneration Committee members attending the meeting via these means are deemed to be present for the purposes of establishing a quorum. Where such methods are used in certain meetings, the Chairman must indicate that in the notice to meeting.

Deliberations by the Appointments and Remuneration Committee

Appointments and Remuneration Committee meetings are chaired by its Chairman.

The Appointments and Remuneration Committee shall only be quorate if at least half its members are present. The proposals, opinions, reports and recommendations that the Committee issues to or prepares for the attention of the Board of Directors are agreed by a majority of the Committee's members in attendance at the meeting. In the event of a tie, the Committee's Chairman has the casting vote.

Information for members of the Appointments and Remuneration Committee

Documentation relating to the agenda of the Appointments and Remuneration Committee meeting is prepared using a standard format and is sent to its members before each meeting.

Secretarial functions for the Appointments and Remuneration Committee

The Chairman of the Appointments and Remuneration Committee appoints the person who will perform the Committee's secretarial functions.

Minutes of Appointments and Remuneration Committee meetings

The Appointments and Remuneration Committee reports on its work at the next meeting of the Board of Directors, in the form of opinions, information, proposals, reports, recommendations or full and accurate minutes.

Role of the Appointments and Remuneration Committee

Selection and appointments

The Appointments and Remuneration Committee is responsible for the preparation and membership of the Company's management bodies. In this respect, its duties are as follows:

- to formulate reasoned proposals for the Board of Directors regarding the appointment of the Company's executive and non-executive corporate officers as well as its directors. These proposals are made after reviewing in detail all factors to be taken into account in its deliberations, specifically:
  - the desired balance of representation on the Board of Directors in light of the composition of and changes in the Company's shareholder structure,
  - the gender balance on the Board of Directors,
  - nationalities and international experience: the search for and assessment of potential candidates, and
  - the opportunities for renewing mandates;
- to strive to reflect a diversity of experience and points of view while ensuring that the Board of Directors retains the necessary objectivity and independence from executive management and any particular group of shareholders, and ensuring the stability of the Company's corporate bodies;

- to strive, when formulating its proposals, to ensure that (i) the independent directors in office account for (a) at least half of the members of the Board of Directors if the Company's capital is widely held and the Company has no controlling shareholders or (b) at least one-third of the members of the Board of Directors if the Company is controlled within the meaning of Article L. 233-3 of the French Commercial Code, and (ii) the Audit Committee and Risk Observatory do not include any executive corporate officer and that at least two-thirds of the members of the Audit Committee are independent directors and one member of the Risk Observatory is independent;
- to organise a procedure for selecting future independent directors and carry out its own research on potential candidates before approaching them;
- review, each year before the publication of the Annual Report and on a case-by-case basis, the status of each director in terms of the independent criteria given in the Internal Regulations and submit its proposals to the Board of Directors for the latter to review the status of each candidate, as described in Article 1.2 of the Internal Regulations in force until 10 December 2020. The Appointments and Remuneration Committee also reviews the independence of candidates before appointing them as a new director;
- to prepare a succession plan for executive corporate officers; and
- to give its advice, when requested by the Board of Directors, on the recruitment or dismissal of a non-executive corporate officer.

Remuneration (for executive corporate officers, non-executive corporate officers, corporate officers and employees)

The duties of the Appointments and Remuneration Committee are as follows:

- reviewing and formulating proposals regarding the remuneration and benefits for executive corporate officers (fixed and variable remuneration, where appropriate). It defines the rules for setting the variable portion of said remuneration and then checks to make sure that the rules are applied;
- making recommendations with regard to the retirement and benefits plan, benefits in kind and rights to various pecuniary benefits for directors and corporate officers and the financial conditions of their departure from the Board;
- providing advice to the Board of Directors on the general policy for the award of bonus shares or performance shares, long-term incentive arrangements and financial instruments proposed by the Group's executive management in accordance with applicable rules and recommendations;
- submitting its proposal to the Board of Directors on award of bonus shares or performance shares, long-term incentive arrangements and financial instruments, explaining the reasons for its choice and the consequences;
- formulating proposals, at the beginning of each fiscal year, for that year, on the remuneration policy for executive corporate officers as well as the elements of the remuneration mentioned above, in compliance with laws, regulations, the AFEP-MEDEF Code, market conditions and the Company's best interests. Board of Directors meetings relating to the remuneration of executive corporate officers are held without the latter attending;
- checking that the remuneration policy for executives who are not corporate officers of the Company is consistent with market practices and the Company's best interests. In this respect, the Appointments and Remuneration Committee must be kept informed of the remuneration policy for key non-executive corporate officers. In relation to this, the Committee involves the executive corporate officers in its work;
- recommending to the Board of Directors (i) the total amount of Board members' remuneration that will be submitted for approval to the General Shareholders' Meeting and (ii) the method for distributing the remuneration among the members of the Board of Directors, taking into account the actual attendance of those members at meetings of the Board of Directors and of the special committees on which they sit, it being specified that the variable portion is the predominant component. To do so, at the end of each fiscal year the Appointments and Remuneration Committee obtains the attendance record for the meetings of the Board of Directors and its special committees from the Company's General Secretary. Using the applicable rules, the Appointments and Remuneration Committee calculates and proposes the remuneration for each of the directors and their services. The proposals are then submitted to the Board of Directors for deliberation, in principle no later than the Board of Directors meeting held to approve the financial statements;
- issuing an opinion, if so requested, on any proposals for exceptional remuneration made by the Board of Directors to compensate any member assigned particular duties or given a special mandate, in compliance with the provisions of Article L. 225-46 of the French Commercial Code; and
- reviewing any issue submitted to it by the Chairman of the Board of Directors relating to the matters described above as well as any planned capital increases reserved for employees.

Activity of the Appointments and Remuneration Committee until 30 June 2020

The Appointments and Remuneration Committee met five times during this period, with an attendance rate of 100% (see the "Frequency of meetings and directors' attendance" section of this chapter, which presents the average attendance rate of each member of the Appointments and Remuneration Committee at meetings of this committee).

The Appointments and Remuneration Committee notably:

- reviewed and proposed the renewal of the terms of office of directors;
- proposed the co-optation of a director;
- reviewed and recommended the candidacy of a new independent director;
- studied the proposed resolutions for the remuneration of the directors, the Chairman of the Board of Directors and the Chief Executive Officer ahead of the General Shareholders' Meeting;

- examined the remuneration element of the report on corporate governance;
- reviewed the results of the evaluation of the Board carried out by an external service provider;
- changed the membership of the Board committees;
- recommended the appointment of two observers;
- updated the Internal Regulations.

Its recommendations regarding remuneration were based principally on an analysis of the individual performances and contributions of the individuals concerned.

C) Risk Observatory

Membership of the Risk Observatory

At least one member of the Risk Observatory must be an independent director of the Company; it shall not include any executive corporate officers of the Company.

The Chairman of the Risk Observatory is appointed by the Board of Directors for the duration of his or her term as director or for a period set by the Board of Directors. The appointment or renewal of the Chairman of the Risk Observatory, as proposed by the Appointments and Remuneration Committee, is closely reviewed by the Board of Directors.

The members of the Risk Observatory are selected by the Board of Directors from among its members or from outside the Board for their skills and expertise in the area of activities of the Risk Observatory.

The members of the Risk Observatory are appointed for a term commensurate with their term of office as a member of the Board of Directors, or for a term set by the Board of Directors. Members of the Risk Observatory who are not directors are appointed for a term of one year, renewable automatically. They may, however, resign without reason or notice.

As at 30 June 2020, membership of the Risk Observatory was as follows:

- Carole Delorme d'Armaillé (Chairman, independent director);
- Nathalie Delapalme (independent director);
- Roman Gozalo (independent director);
- Ida Yusmiati (director).

Changes to the membership of the Risk Observatory in fiscal 2020 are presented in the table in the "Changes to the membership of the Board of Directors" section of this chapter.

Operation of the Risk Observatory

Convening meetings of the Risk Observatory

The Risk Observatory is convened by its Chairman or at the request of the Chairman of the Board of Directors and meets as often as he or she deems necessary or appropriate, at least twice yearly and in any event prior to the meetings of the Board of Directors held to approve the financial statements.

The Risk Observatory may be convened by any means (orally, by letter, by email, by fax or by telephone) with reasonable advance notice, unless in an emergency. The Chairman of the Risk Observatory sets the meeting agenda.

Attendance at meetings of the Risk Observatory

Only the members of the Risk Observatory are automatically entitled to attend its meetings.

The Chairman of the Board of Directors, the Chief Executive Officer, the other directors, the Chief Financial Officer, the Chief Audit Executive, the external auditors and all other persons may attend its meetings only when invited to do so by the Risk Observatory's Chairman.

If the Risk Observatory is conducting interviews of the Chief Financial Officer, heads of accounting, cash and internal audit, the interviews may be conducted without the Company's executive management, if the Risk Observatory so desires.

At least once a year, the Risk Observatory must meet to speak with the internal and external auditors without other members of management being present. It is preferable that the Risk Observatory schedule separate meetings to speak with the internal and external auditors.

The Risk Observatory may, subject to informing the Chairman of the Board of Directors or the Board of Directors itself and assuming responsibility for reporting thereon to the Board of Directors, use external consultants to request external technical studies. In such cases, the Risk Observatory must ensure the expertise and objectivity of these appraisers.

Risk Observatory meetings may be held anywhere. Prior to each meeting, at the request of one or more members of the Risk Observatory, the Chairman of the Risk Observatory may decide that the meeting would take place by means of telecommunication or by videoconference (including conference calls) that allows them to be identified and guarantees their effective participation, i.e.by at least transmitting attendees' voices and ensuring clear, continuous, live transmission of the deliberations. Risk Observatory members attending the meeting by means of telecommunication or videoconference are deemed in attendance and counted for a quorum. Where such methods are used in certain meetings, the Chairman must indicate that in the notice to meeting.

Deliberations of the Risk Observatory

Risk Observatory meetings are chaired by its Chairman.

The Risk Observatory shall only be quorate if at least half its members are present. The proposals, opinions, reports and recommendations that the Risk Observatory issues to or prepares for the attention of the Board of Directors are agreed by a majority of the Risk Observatory's members in attendance at the meeting. In the event of a tie, the Risk Observatory's Chairman has the casting vote.

Information for members of the Risk Observatory

Documentation relating to the agenda for the Risk Observatory meeting is prepared using a standard format and is sent to Risk Observatory members in advance of the relevant meeting.

Secretarial functions for the Risk Observatory

The Chairman of the Risk Observatory appoints the person who will perform the Observatory's secretarial functions.

Minutes of the meetings of the Risk Observatory

The Risk Observatory reports on its work at the next meeting of the Board of Directors, in the form of opinions, information, proposals, reports, recommendations or full and accurate minutes, and notifies the Board promptly of any problems encountered.

The Annual Report must also include an outline of the activity of the Risk Observatory in the past year.

Role of the Risk Observatory

The Risk Observatory's role, as approved by the Board of Directors and included in the Internal Regulations, is as follows:

- monitor, in coordination with the Audit Committee, the effectiveness of internal control and risk management systems, their deployment and the implementation of corrective actions when material weaknesses or irregularities are found or identified;
- review any material transactions that may cause conflicts of interest;
- review the Statutory Auditors' main findings regarding the parent company and consolidated financial statements as well as internal control and internal audit;
- receive internal audit and risk control reports;
- review the Board of Directors report on those same topics at the General Shareholders' Meeting;
- interview the heads of internal audit and risk control and, in coordination with the Audit Committee, express an opinion on the organisation of their departments;
- review, in coordination with the Audit Committee, the risks to which the Company is exposed and the solutions adopted by the Company to address such risks, paying particular attention to potential tax risks and their consequences in terms of reputation;
- ensure that systems to detect and correct any deficiencies are in place. To that end, the Risk Observatory assesses the importance of any deficiencies or weaknesses of which it has been informed and in turn notifies the Board of Directors regarding these matters; and
- review, with the assistance of the auditors and external consultants, the Group's corporate and environmental responsibility strategy and the options chosen for its implementation.

Activity of the Risk Observatory until 30 June 2020

The Risk Observatory met twice during this period, with an attendance rate of 100% (see the "Frequency of meetings and directors' attendance" section of this chapter, which presents the average attendance rate of each member of the Risk Observatory at meetings of this committee).

The Risk Observatory mainly addressed risks and more specifically risks related to corporate, environmental and societal responsibility as well as certain risks related to specific files.

The Risk Observatory notably:

- examined the risks while reviewing the annual and interim financial statements;
- reviewed, during the examination of the 2019 Annual Report, chapter 2 "Risk and Control" and chapter 4 "Statement of non-financial performance".

3.2.2.2.2 Organisation and operation of the special committees since 30 June 2020

Following a thought process led by the Board of Directors, it was decided to change the organisation of the special committees. These are now organised into: (i) an Audit Committee, (ii) an investment and risk committee and (iii) a CSR, appointments and remuneration committee.

A) Audit Committee

Rules regarding the membership, operating procedures, meeting attendance, convening of meetings, deliberations, briefing of members and the secretarial function of the Audit Committee are identical to those that applied to the Audit Committee as it stood until 30 June 2020 (see section 3.2.2.2.1 (A) of this chapter).

As at 31 December 2020, membership of the Audit Committee was as follows:

- Carole Delorme d'Armaillé (Chairman and independent director);
- Caroline Catoire (independent director);
- Ida Yusmiati (director).

Changes to the membership of the Audit Committee at the start of the 2021 fiscal year are presented in the table in the section entitled "Changes to the membership of the Board of Directors and its special committees at the start of the 2021 fiscal year" of this chapter.

The general role of the Audit Committee, as defined by the Internal Regulations, is to assist the Board of Directors so that the latter has the information and resources needed to ensure the quality of internal controls and the reliability of the financial information provided to shareholders and the financial markets.

The role of the Audit Committee is as follows:

Accounts, transactions and financial information

- review the annual parent company and consolidated financial statements and the interim consolidated financial statements of the Company to be approved by the Board of Directors, and also those of the Company's main subsidiaries, such financial statements being accompanied by a presentation by the Group's Chief Financial Officer;
- review the scope of the Group's consolidated companies and, as the case may be, the reasons why companies have not been included;
- check that the accounting methods adopted (i) for the preparation of the parent company and consolidated financial statements, (ii) for the Group's scope of consolidation and (iii) for the processing of material transactions are relevant and consistent, in particular by verifying the reliability of the internal procedures for collecting and controlling information in order to ensure that the financial statements are accurate and give a true and fair view of the financial position of the Company and the Group;

- monitor the process of preparing financial information, in particular;
- review the applicable financial communication procedures designed to ensure that the Group complies with its statutory obligations;
- review the main financial communication items relating to Group and Company financial statements, including the review of press releases, consistency between the financial statements and what is stated in financial communications and the relevance of the information included in those communications;
- review the Statutory Auditors' main findings regarding the parent company and consolidated financial statements as well as internal control and internal audit;
- receive internal audit and risk control reports;
- interview the head(s) of internal audit and risk control and, in coordination with the IRC, express an opinion on the organisation of their departments;
- remain informed of planned internal audit activities;
- receive periodic summaries of internal audit and internal control activities;
- review the report prepared by the Chairman of the Board of Directors on those same topics at the General Shareholders' Meeting;
- review financial risks, particularly solvency, capital management and issues of liquidity and financing, review financial management and material off-balance sheet commitments, and assess the importance of any weaknesses or deficiencies, informing the Board of Directors thereof, as appropriate;
- review material disputes and their accounting impact for the Group;
- review any comments made by the regulatory authorities (AMF) and the responses from management;
- play a role in assessing free agreements in accordance with the provisions of the Regulated Agreements Internal Charter and the procedure for assessing general agreements entered into on arm's length terms;
- ensure that arrangements are in place to detect and correct any significant internal control deficiencies. To that end, the Audit Committee assesses the importance of any deficiencies or weaknesses of which it has been informed and in turn notifies the Board of Directors; and
- review any matter likely to have a material impact on the substance and presentation of the parent company and consolidated financial statements.

The parent company and consolidated financial statements are reviewed by the Audit Committee sufficiently in advance of those documents being reviewed by the Board of Directors.

The review of the financial statements is accompanied by a presentation by management describing the exposure to risks and the material off-balance sheet commitments of the Company as well as the accounting options applied.

Relations with the Statutory Auditors:

These duties are identical to those previously performed by the Audit Committee and presented in section 3.2.2.2.1 (A) of this chapter.

Monitoring the rules for independence and objectivity of the Statutory Auditors:

These duties are identical to those previously performed by the Audit Committee and presented in section 3.2.2.2.1 (A) of this chapter.

Approval of the services provided by the Statutory Auditors

- review beforehand work that is incidental or directly additional to the audit of the accounts that may be performed by the selected firms (such as acquisition audits) but excluding evaluation and consultancy work; and
- pre-approve services other than certification in accordance with the methods set in the Audit Committee Charter.

Activity of the Audit Committee from 30 June 2020 to 31 December 2020

During this period, the Audit Committee held two working sessions attended by the Company's financial management and the Statutory Auditors. The attendance rate at these sessions was 100% (see the "Frequency of meetings and directors' attendance" section of this chapter, which presents the average attendance rate of each member of the Audit Committee at meetings of this committee).

At these sessions, the Audit Committee worked mainly on:

- approving the financial statements for the first half of 2020;
- reviewing impairment tests;
- forecasting profits for 2020;
- preparing the budget for 2021;
- reviewing the rules on internal financial control; and
- adopting the amended Internal Regulations and Audit Committee Charter.

B) Investment and Risk Committee

Rules regarding the membership, operating procedures, meeting attendance, convening of meetings, deliberations, briefing of members and the secretarial function of the Investment and Risk Committee are identical to those that applied to the Risk Observatory as it stood until 30 June 2020 (see section 3.2.2.2.1 (B) of this chapter).

As at 31 December 2020, membership of the Investment and Risk Committee was as follows:

- Caroline Catoire (Chairman, independent director);
- Nathalie Delapalme (independent director);
- Ida Yusmiati (director);
- Daniel Syahputra Purba (director).

Changes to the membership of the Investment and Risk Committee at the start of the 2021 fiscal year are presented in the table in the section entitled "Changes to the membership of the Board of Directors and its special committees at the start of the 2021 fiscal year" of this chapter.

Role of the Investment and Risk Committee

Following the reorganisation of the Board's committees, the duties of the Investment and Risk Committee are as follows:

- review non-financial risks (particularly operational risks related to 24-hour exploration and oil and gas activities, political and regulatory risks, legal risks, labour-related risks, environmental risks, governance-related and ethical risks, and reputational risks), and assess the importance of any weaknesses or deficiencies, informing the Board of Directors thereof, as appropriate;
- review, in particular, the management of currency and interest rate hedging, counterparties and hydrocarbon price volatility;
- ensure that systems to detect and correct any deficiencies are in place and effective;
- review in detail, analyse, form opinions and make recommendations to the Board of Directors about Major Transactions as these are defined in Article 3 of the Board's Internal Regulations;
- review any material transactions that may cause conflicts of interest;
- share with the Audit Committee the main findings of the Statutory Auditors regarding the parent company and consolidated financial statements; and
- interview, with the Audit Committee, the head(s) of internal audit and risk control and, in coordination with that Committee, express an opinion on the organisation of their departments.

Activity of the Investment and Risk Committee between 30 June 2020 and 31 December 2020

The Investment and Risk Committee met once during this period, with an attendance rate of 100% (see the "Frequency of meetings and directors' attendance" section of this chapter, which presents the average attendance rate of each member of the Investment and Risk Committee at meetings of this committee).

The Investment and Risk Committee mainly addressed risks and more specifically risks related to corporate, environmental and societal responsibility as well as certain risks related to specific files.

During that meeting the Committee reviewed the risk mapping.

C) CSR, Appointments and Remuneration Committee

Rules regarding the membership, operating procedures, meeting attendance, convening of meetings, deliberations, briefing of members and the secretarial function of the CSR, Appointments and Remuneration Committee are identical to those that applied to the Appointment and Remuneration Committee as it stood until 30 June 2020 (see section 3.2.2.2.1 (C) of this chapter).

As at 31 December 2020, membership of the CSR, Appointments and Remuneration Committee was as follows:

- Nathalie Delapalme (Chairman, independent director);
- Carole Delorme d'Armaillé (independent director);
- Denie S. Tampubolon (director).

Changes to the membership of the CSR, Appointment and Remuneration Committee at the start of the 2021 fiscal year are presented in the table in the section entitled "Changes to the membership of the Board of Directors and its special committees at the start of the 2021 fiscal year" of this chapter.

Following the reorganisation of the Board's committees, the duties of the CSR, Appointments and Remuneration Committee are as follows:

Role of the CSR, Appointments and Remuneration Committee

Selection and appointments

The CSR, Appointments and Remuneration Committee is responsible for the preparation and membership of the Company's management bodies. In this respect, its duties are as follows:

- to formulate reasoned proposals for the Board of Directors regarding the appointment of the Company's executive and non-executive corporate officers as well as its directors. These proposals are made after reviewing in detail all factors to be taken into account in its deliberations, specifically:
  - the desired balance of representation on the Board of Directors in light of the composition of and changes in the Company's shareholder structure,
  - the gender balance on the Board of Directors,
  - nationalities and international experience,
  - the search for and assessment of potential candidates; and
  - the opportunities for renewing mandates.

In performing this task, the CSR-ARC will strive to:

- reflect a diversity of experience and points of view while ensuring that the Board of Directors retains the necessary objectivity and independence from executive management and any particular group of shareholders, and ensuring the stability of the Company's corporate bodies;
- ensure, when formulating its proposals, that (i) the independent directors in office account for (a) at least half of the members of the Board of Directors if the Company's capital is widely held and the Company has no controlling shareholders or (b) at least one-third of the members of the Board of Directors if the Company is controlled within the meaning of Article L. 233-3 of the French Commercial Code, and (ii) the Audit Committee and IRC do not include any executive corporate officer and that at least two-thirds of the members of the Audit Committee are independent directors and one member of the IRC is an independent director;
- organise a procedure for selecting future independent directors and carry out its own analyses of potential candidates before approaching them;
- review, each year before the publication of the Annual Report and on a case-by-case basis, the status of each director in terms of the independent criteria given in Article 1.2 of the Internal Regulations and submit its proposals to the Board of Directors for the latter to review the status of each candidate, as described in Article 1.2 of the Internal Regulations. The CSR-ARC also reviews the independence of candidates before appointing them as a new director;

- prepare a succession plan for executive corporate officers; and
- give its advice, when requested by the Board of Directors, on the recruitment or dismissal of a non-executive corporate officer.

Remuneration (for executive corporate officers, non-executive corporate officers, corporate officers and employees)

In this respect, the duties of the CSR-ARC are as follows:

- to review and formulate proposals regarding the remuneration and benefits for executive corporate officers (fixed and variable remuneration, where appropriate). It defines the rules for setting the variable portion of said remuneration and then checks to make sure that the rules are applied;
- to make recommendations with regard to the retirement and benefits plan, benefits in kind and rights to various pecuniary benefits for directors and corporate officers and the financial conditions of their departure from the Board;
- to provide advice to the Board of Directors on the general policy for the award of bonus shares or performance shares, long-term incentive arrangements and financial instruments proposed by the Group's executive management in accordance with applicable rules and recommendations;
- to submit its proposal to the Board of Directors on the award of bonus shares or performance shares, long-term incentive arrangements and financial instruments, explaining the reasons for its choice and the consequences;
- to formulate proposals, at the beginning of each fiscal year, for that year, regarding the remuneration policy for executive corporate officers as well as the components of the remuneration mentioned above. In particular, at the start of each fiscal year, the CSR-ARC will produce an opinion on the fixed and variable remuneration components and benefits mentioned above, in compliance with laws, regulations, the AFEP-MEDEF Code, market conditions and the Company's best interests. Board of Directors meetings relating to the remuneration of executive corporate officers are held without the latter attending;
- to check that the compensation policy for executives who are not corporate officers of the Company is consistent with market practices and the Company's best interests. In this respect, the CSR-ARC must be kept informed of the remuneration policy for key non-executive corporate officers. In relation to this, the Committee involves the executive corporate officers in its work;
- to recommend to the Board of Directors (i) the total amount of Board members' remuneration that will be submitted for approval to the General Shareholders' Meeting and (ii) the method for distributing the remuneration among the members of the Board of Directors, taking into account the actual attendance of those members at meetings of the Board of Directors and of the special committees on which they sit, it being specified that the variable portion is the predominant component.

To do so, at the end of each fiscal year the CSR-ARC obtains the attendance record for the meetings of the Board of Directors and its special committees from the Company's General Secretary. Using the applicable rules, the CSR-ARC calculates and proposes the remuneration for each of the directors and their services. The proposed remuneration for each director is then submitted to the Board of Directors for deliberation, in principle no later than the Board of Directors meeting held to approve the financial statements;

- to issue an opinion, if so requested, on any proposals for exceptional remuneration made by the Board of Directors to compensate any member assigned particular duties or given a special mandate, in compliance with the provisions of Article L. 225-46 of the French Commercial Code; and
- to review any issue submitted to it by the Chairman of the Board of Directors relating to the matters described above as well as any planned capital increases reserved for employees.

Corporate social and environmental responsibility

With regard to its role in terms of the corporate social and environmental responsibility (hereinafter "CSR") of the Company and its subsidiaries, the duties of the CSR-ARC are as follows:

- to review and define CSR commitments and policy objectives, ensure they are consistent with stakeholder expectations, monitor their roll-out and more generally ensure that CSR issues are taken into account in the strategy of the Company and its subsidiaries and implemented accordingly;
- to review and define guidelines for CSR risk management policies, in line with the work of the IRC;
- to review draft CSR reports and in general prepare any CSR Information required by the legislation in effect;
- to propose CSR performance objectives to be achieved; and
- to identify and review emerging CSR trends on an annual basis and ensure that the Company and its subsidiaries are properly prepared for how these might affect the issues faced by their own activities and objectives.

Activity of the CSR-ARC between 30 June 2020 and 31 December 2020

The CSR, Appointments and Remuneration Committee met twice during this period, with an attendance rate of 100% (see the "Frequency of meetings and directors' attendance" section of this chapter, which presents the average attendance rate of each member of the CSR, Appointments and Remuneration Committee at meetings of this committee).

The CSR, Appointments and Remuneration Committee among other things:

- examined the criteria for the achievement of targets under the long-term incentive plan for Group employees;
- recommended the adoption and implementation of a new long-term incentive plan for Group employees;
- reviewed the updates to the Internal Regulations;
- proposed the remuneration policy for corporate officers and the Chairman of the Board of Directors;
- reviewed the diversity policy for management bodies;
- implemented a succession plan for the Chief Executive Officer.

Its recommendations regarding remuneration were based principally on an analysis of the individual performances and contributions of the individuals concerned.

3.2.2.3 Limitations on the powers of executive management

The Chief Executive Officer is vested with the broadest powers to act in the Company's name in all circumstances and to implement the strategy, growth targets and material non-financial stakes decided on by the Board of Directors. He shall exercise his powers within the limits of the Company's corporate purpose and subject to the powers expressly granted by law to general shareholders' meetings and the Board of Directors.

He represents the Company in its relations with third parties. The acts of the Chief Executive Officer are binding on the Company, even if they do not fall within the corporate purpose.

The provisions of the Articles of Association or decisions taken by the Board of Directors which limit the powers of the Chief Executive Officer are not binding on third parties (Article L. 225-56 of the French Commercial Code).

Since 24 April 2017, for transactions not included in the annual budget approved by the Board of Directors, the Board's prior approval is now required for the following decisions to be made by the Chief Executive Officer (and the Deputy CEO as necessary):

- any Financial Commitment (immediate or deferred) in an amount exceeding five per cent (5)% of the Group's non-current assets per Transaction;
- the Group's strategy in terms of financing and hedging of interest and exchange rate risks and oil prices, as well as the signing, amendment or early repayment of loans or bond issues whose amount exceeds twenty per cent (20%) of the Group's net debt;
- any Transaction, regardless of the amount, that may affect the Group's strategy or materially change its scope (in particular, purchasing or selling stakes in significant mining rights);
- any Transaction on Company shares outside the liquidity agreement and share repurchase plan approved by the Board of Directors;
- any decision to undertake a procedure to list the Company on a regulated market or delist any financial instrument issued by the Company or one of its subsidiaries;
- any surety bonds, endorsements and guarantees in the Company's name for an amount not to exceed fifty million euros (€50 million) per transaction or a combined total amount of one hundred million euros (€100 million) per year, with the understanding that firstly, in accordance with the Company's Articles of Association, this authority has a one-year validity, and secondly, that the Chief Executive Officer shall report annually to the Board of Directors on the amount and nature of the surety bonds, endorsements and guarantees that he has granted under this authority;
- any Material transaction involving a merger, demerger, partial transfer of assets or similar transaction;
- the signature, amendment or termination of any joint venture or agreement related to the mining sector or partnership that may have a material impact on the Group's business;
- the provision of collateral on business assets;
- the adoption of significant changes in accounting methods;
- in the event of litigation, the conclusion of any transaction that has a net impact for the Group (after taking account of insurance) exceeding ten million euros (€10 million);
- the appointment or dismissal of a member of the senior management team (members of the Executive Committee); and
- the hiring/appointment, dismissal/lay-off of the person(s) serving as Chief Executive Officer of the main subsidiaries.

In compliance with the provisions of Articles L. 225-35 and R. 225-38 of the French Commercial Code, the Board of Directors unanimously resolved to renew the authorisation for the Chairman and Chief Executive Officer to freely grant endorsements or guarantees in the name of the Company for one year, starting on 30 June 2020, regardless of the term of the commitments that are secured, endorsed or guaranteed and up to the limit of the aforementioned amounts. The Chief Executive Officer may not grant any endorsement, security bond or guarantee that exceeds this cap to a third party without the express authorisation of the Board of Directors. Furthermore, the Chief Executive Officer may grant surety bonds, endorsements or guarantees in the name of the Company to the tax and customs authorities with no restriction as to the amount.

Unless the context expressly indicates otherwise, the above terms have the meaning so assigned to them:

Financial Commitment(s) or Transaction(s) means any total, firm Financial Commitment for a period of five (5) years following the initial decision-making, such as an acquisition, investment, restructuring or asset sale, including mining rights or equity stakes (even minority stakes) in companies.

Material or Materially means an inclusive amount exceeding five per cent (5%) of the Group's non-current assets at the time of the Transaction, with the information and data available at the time, for the total duration of the Transaction.

These restrictions on powers are listed in the Internal Regulations which are available on the Company's website: www.maureletprom.fr.

3.2.2.4 Relationships between the Company and members of the Board of Directors and management

A) Prevention of market abuse

The Company has introduced a Code of Conduct relating to the prevention of insider trading transactions (the "Code"). This code was last updated by the Board of Directors following the entry into force of European Regulation (EU) 596/2014 on market abuse ("MAR") on 3 July 2016 and the publication on 26 October 2016 of the French Financial Markets Authority Position-Recommendation n° 2016-08 regarding ongoing information and the management of inside information. The Code of Conduct was updated on 12 December 2019 to take into account recent regulatory changes.

The Code sets out the rules of professional conduct relating to transactions in financial instruments carried out by corporate officers and by employees of the Company and Group, as well as some of the main legal provisions on which it is based.

The Code includes the definition of inside information and gives examples of information that could be considered as such. It then outlines the type of person(s) who could be considered "insiders".

The prevention of insider trading requires the establishment of specific procedures. The Code provides in particular:

- a summary of the obligation of discretion of insiders, including:
  - the general obligation not to carry out transactions involving the financial instruments when holding inside information before it becomes public knowledge,
  - the general ban on disclosing inside information outside the ordinary scope of their office, function or profession, for other purposes, or for another activity, than those for which the information is intended,
  - the ban on carrying out transactions on the financial instruments: the code provides that, subject to exceptions set out in the relevant regulations, insiders must not carry out any transactions, on their own behalf or on behalf of a third party, either directly or indirectly, which relate to the financial instruments during the following blackout periods: (i) between (and including) the fifteenth calendar day preceding the publication of the Company's quarterly information and the trading day following the publication of this information and (ii) between (and including) the thirtieth calendar day preceding the publication of the press release for the annual and half-year results and the trading day following the publication of this information. Moreover, Company shares allocated free of charge cannot be sold (i) during the ten trading days before and the three trading days after the date on which the consolidated financial statements, or failing this the annual financial statements, are published and/or (ii) within the period between the date on which the Company and/or Group's corporate bodies become aware of inside information and the date ten trading days after this inside information is made public,
  - the ban on carrying out speculative transactions, in particular by engaging in hedging transactions on the financial instruments, including on shares, share purchase or subscription options, rights to shares that may be granted free of charge, and shares resulting from the exercise of options or granted free of charge, except for the implementation of liquidity agreements on shares that may be granted free of charge,
  - the obligation for Group corporate officers to hold financial instruments;
- a reminder of rules relating to insider lists;
- specific obligations for corporate officers, senior-level management and their relations to individually disclose any transactions involving the financial instruments to the French Financial Markets Authority and the Company.

Finally, the Code presents the main penalties applied.

B) Company shares held by Board members

The Internal Regulations stipulate that directors must commit to (i) purchasing 500 shares every year using the remuneration they receive in respect of their directorships (or any smaller number of shares corresponding to an amount of €3,000), and (ii) keeping those shares until the end of their term of office. This rule does not apply to the Company's controlling shareholder director or to directors representing the Company's controlling shareholder. As at 28 February 2021, PIEP held 143,082,389 Company shares, representing 71.09% of the capital.

To the Company's knowledge, the details of equity interests in the Company held by the corporate officers at 31 December 2020 are included in the "Presentation of the membership of the Board of Directors at 31 December 2020" section of this chapter, which presents the members of the Board of Directors.

C) Securities transactions

The securities transactions carried out to the Company's knowledge by corporate officers during the fiscal year ended 31 December 2020 and up to the date of this universal registration report are as follows:

Corporate officer	Transaction	Number of shares	Price	Total amount
Carole Delorme d'Armaillé	Purchase	398	1.62	€644.76
Carole Delorme d'Armaillé	Purchase	602	1.68	€1,011.36
Olivier de Langavant	Purchase	24,521	1.19	€29,179.99

D) Contracts with the issuer or its subsidiaries granting benefits under the terms of such contracts

With the exception of the agreement described below, the members of the Board of Directors have not, as of the date of the Annual Report, entered into any contracts with Company code or its subsidiaries that grant benefits under the terms of such contracts.

Tender Offer Agreement

As a reminder, on 25 August 2016, the Company, PIEP and PT Pertamina (Persero) signed a tender offer agreement relating the takeover bid, which included in particular:

- the commitment on the part of PIEP to implement a liquidity facility of bonus shares for beneficiaries of these shares;
- the Company's commitments in terms of governance, with PIEP having the option, in the event of a successful takeover, to appoint all members of the Company's Board of Directors (with the exception of independent members) to reflect the Company's potential new share ownership structure.

3.2.2.5 Disclosures about members of the Board of Directors and executive management

A) Potential conflicts of interest

As at 31 December 2020 and the date of this universal registration document, the Company was not aware of any potential conflict of interest between the private interests of the members of the Board of Directors and/or executive management and their duties with respect to the Company.

In order to prevent a potential conflict of interest, the Internal Regulations require that members of the Board of Directors comply with strict obligations. To this end, the Internal Regulations of the Board of Directors provide that each director:

- has an obligation "to inform the Board of Directors of any existing or potential conflict of interest arising from his or her duties in another company, and must take all appropriate measures (particularly concerning information available to directors) and refrain from attending discussions and voting in the corresponding deliberations";
- may not "assume responsibilities, on a personal basis, in companies or in businesses that compete with the Company or the Group without notifying the Board of Directors and the Chairman of the Appointments and Remuneration Committee";
- must not "use his or her title and office as a director to procure for personal gain or provide to a third party any benefit, financial or otherwise";
- must "refrain from any individual interference in corporate affairs, especially by making direct contact with senior managers, employees, the Group's customers, shareholders or investors, unless for the specific task entrusted to him or her by the Board of Directors or the Board of Directors' committee of which he or she is a member"; and
- must "immediately notify the Chairman of the Board of Directors of any agreement entered into by the Company in which he or she has a direct or indirect interest".

Additionally, every year the Company asks the directors about any conflicts of interest that may exist.

To the best of the Company's knowledge, there are no family ties between members of executive management and members of the Board of Directors.

B) Other information

To the Company's knowledge, over the past five years no member of the Board of Directors or executive management:

- has been convicted of fraud;
- has been involved, as an executive or non-executive corporate officer, in any bankruptcy, sequestration or liquidation proceedings;
- has been prevented by a court from acting as a member of an administrative, management or supervisory body of an issuer, or from being involved in managing or conducting the affairs of an issuer;
- has been convicted of any offence and/or received an official public penalty issued by the statutory or regulatory authorities (including professional bodies).

3.2.3 Remuneration and benefits of all kinds granted to corporate officers

3.2.3.1 Executive corporate officers

On the recommendation of the Appointments and Remuneration Committee, the Board of Directors determines the remuneration of its executive and non-executive corporate officers, taking into account in particular the rules and determination principles set out in the AFEP-MEDEF Code.

The remuneration policy for the Company's executive corporate officers is reviewed and discussed each year by the Board of Directors. This remuneration concerns the Chairman of the Board of Directors, the Chief Executive Officer and member of the Board of Directors.

Note that any positions held by executive corporate officers in the Company's subsidiaries are not compensated.

A) Remuneration policy for the 2020 fiscal year

Remuneration policy for the Chairman of the Board of Directors for the 2020 fiscal year

In essence, the remuneration of the Chief Executive Officer comprised a fixed portion, variable remuneration, variable long-term remuneration and benefits in kind as well as the possibility, in exceptional cases, to grant him the corresponding exceptional remuneration. The remuneration policy for the Chief Executive Officer for the fiscal year does not include any other components or benefits than those described above.

It should also be noted that the remuneration policy for the Chief Executive Officer is matched to that of other Group executives, as necessary.

The principles and criteria for determining the remuneration and benefits of any kind paid or awarded to the Chief Executive Officer for the fiscal year ended 31 December 2020 that were approved by 99.86% of participants at the Company's General Shareholders' Meeting of 30 June 2020 under the 13th resolution are provided in the Company's 2019 Universal Registration Document, section 3.2.3.1 (c).

Remuneration policy for the Chief Executive Officer for the 2020 fiscal year

In essence, the remuneration of the Chief Executive Officer comprised a fixed portion, variable remuneration, benefits in kind (including the reimbursement of travel expenses) as well as the possibility, in exceptional cases, to grant him the corresponding exceptional remuneration. The remuneration policy for the Chief Executive Officer for the fiscal year does not include any other components or benefits than those described above.

It should also be noted that the remuneration policy for the Chief Executive Officer is matched to that of other Group executives, as necessary.

The principles and criteria for determining the remuneration and benefits of any kind paid or awarded to the Chief Executive Officer for the fiscal year ended 31 December 2020 that were approved by 99,14% of participants at the Company's General Shareholders' Meeting of 30 June 2020 under the 14th resolution are provided in the Company's 2019 Annual Report, section 3.2.3.1 (c).

B) Details of the remuneration of the Chairman of the Board of Directors and of the Chief Executive Officer for the last two fiscal years

Remuneration paid or awarded for the 2020 fiscal year

At its meeting of 9 March 2021, the Board of Directors, acting on the recommendation of the CSR, Appointments and Remuneration Committee, set the remuneration of the Chairman of the Board of Directors and the Chief Executive Officer for the fiscal year ended 31 December 2020 based on the terms provided for in the remuneration policies approved by the General Shareholders' Meeting of 30 June 2020 under the 13th and 14th resolutions respectively.

We draw your attention to the fact that, pursuant to Articles L. 22-10-8 and L. 22-10-34 of the French Commercial Code, the variable and exceptional remuneration components of the Chairman of the Board of Directors and the Chief Executive Officer shall only be paid after the General Shareholders' Meeting of 18 May 2021 has approved the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid or granted to the Chairman of the Board of Directors and the Chief Executive Officer for the fiscal year ended 31 December 2020 pursuant to the terms set out by Article L. 22-10-34 of the French Commercial Code.

Chairman of the Board of Directors

In line with the 2020 remuneration policy (see the Company's 2019 Universal Registration Document, section 3.2.3.1 (c)), the fixed remuneration paid by the Company to Aussie B. Gautama for the fiscal year ended 31 December 2020 includes an annual fixed component amounting to €125,000 (plus €5,000 paid as the balance of remuneration for 2019) and the remuneration by virtue of his directorship on the same basis as other directors, in the amount of €53,874.

Chief Executive Officer

In line with the 2020 remuneration policy (see the Company's 2019 Universal Registration Document, section 3.2.3.1 (c)), the fixed remuneration paid by the Company to Olivier de Langavant for the fiscal year ended 31 December 2020 was €450,000.

With regard to annual variable remuneration, in accordance with the 2020 remuneration policy (see the Company's 2019 Universal Registration Document, section 3.2.3.1 (c)), during its 12 December 2019 meeting, the Board of Directors, on the recommendation of the Appointments and Remuneration Committee, decided that this remuneration would be determined based on quantifiable criteria related to the Company's operating, financial and strategic performance, as well as on qualitative criteria.

The quantifiable and qualitative criteria selected for 2020, which are considered to be particularly representative of the Company's performance, are as follows:

- **Quantifiable criteria:**
  - the increase in net hydrocarbon reserves at 31 December 2020 compared with those at the end of 2019: 20% of annual fixed remuneration,
  - growth in EBITDA above that projected in the 2020 budget: 20% of annual fixed remuneration,
  - growth of 10% in the Group's Total Shareholder Return as at 31 December 2020 compared with the Group's Total Shareholder Return as at 31 December 2019: 20% of annual fixed remuneration;
- **Qualitative criteria:**
  - taking into account market conditions, adapting the Group's financial structure to maintain the debt-reduction path while maintaining sufficient liquid assets for future developments (20% of fixed annual remuneration),
  - ongoing efforts in terms of safety and the environment: 20% of the annual fixed compensation.

The Board of Directors, during its 9 March 2021 meeting, on the recommendation of the CSR, Appointments and Remuneration Committee, assessed the expected achievement level of the quantifiable and qualitative criteria of the annual variable remuneration of Olivier de Langavant and set its amount according to the conditions provided for in the 2020 remuneration policy (see the Company's 2019 Universal Registration Document, section 3.2.3.1 (c)).

This assessment showed that the achievement level of the quantifiable criteria was 27% (from a possible maximum of 60%). The achievement level of the quantifiable criteria was 100% for reserves, 7% for EBITDA and 0% for "total shareholder return" from a possible maximum of 20% for each criterion. By contrast, the achievement level of the qualitative criteria was 22% (from a possible maximum of 40%) of the fixed annual remuneration due to the Chief Executive Officer for the 2020 fiscal year, it being specified that the criterion relating to continued efforts in terms of safety and the environment was only partially satisfied at 10% (from a possible maximum of 20%) while the criterion relating to the adaptation of the Group's financial structure was partially satisfied at 12% (from a possible maximum of 20%).

The assessment carried out by the Board of Directors led it to set Olivier de Langavant's variable remuneration for 2020 at 49% of his annual fixed remuneration due for the same fiscal year, i.e., €220.500, of the maximum percentage of 100% of fixed remuneration that variable remuneration may represent for this fiscal year. The quantified targets of quantifiable criteria, along with the evaluation sub-criteria for qualitative targets, which were set precisely and predetermined, were not publicly disclosed for confidentiality purposes, in line with the provision of Article 26.2 of the AFEP-MEDEF Code.

With regard to long-term variable remuneration, in accordance with the 2020 remuneration policy (see the Company's 2019 Universal Registration Document, section 3.2.3.1 (c)), during its 12 December 2019 meeting, the Board of Directors, on the recommendation of the Appointments and Remuneration Committee, decided to set the long-term variable remuneration at a possible maximum of 100% of the fixed annual remuneration, i.e., a gross amount of €450,000, through the allocation of performance shares to the Chief Executive Officer (representing 0.12% of the share capital at 1 March 2021).

Employment and vesting conditions and performance criteria are as follows:

(i) the definitive allocation of performance shares is subject to a condition of employment at the date on which performance shares are definitively allocated (except in the case of death, disability or retirement),

(ii) the Chief Executive Officer must retain 20% of the shares resulting from the definitive allocation of performance shares in bearer form until he steps down from his office, and

(iii) the achievement of the following performance criteria:

Quantitative criteria

- renewal of net 2P hydrocarbon reserves over the 2020/2022 period: 20% of number of shares allocated;
- EBITDA growth of 15% over the 2020/2022 period: 20% of number of shares allocated;
- growth of 30% in the Group's Total Shareholder Return over the 2020/2022 period: 20% of number of shares allocated.

Qualitative criteria

- ongoing efforts in terms of safety and the environment: 20% of number of shares allocated;
- the individual performance of the Chief Executive Officer: 20% of number of shares allocated.

At its meeting of 9 March 2021, the Board of Directors, acting on the recommendation of the CSR, Appointments and Remuneration Committee, decided to implement the authorisation granted by the Company's Combined General Shareholders' Meeting on 13 June 2019 in its 24th resolution and allocate 244,698 bonus shares to Olivier de Langavant as long-term variable remuneration in respect of the 2020 fiscal year. The vesting period was set until 30 June 2023, i.e., 30 months. There is no lock-up period for other shares issued under the free allotment of performance shares due to the vesting period.

In line with the 2020 remuneration policy (see the Company's 2019 Universal Registration Document, section 3.2.3.1 (c)), Olivier de Langavant received, during the fiscal year ended 31 December 2020, benefits in kind (a company car, a death and disability plan applicable within the Company and a mobile phone) representing a total amount of €5,960.

In accordance with the 2020 remuneration policy, (see the Company's 2019 Universal Registration Document, section 3.2.3.1 (c)), Olivier de Langavant did not receive, during the fiscal year ended 31 December 2020, any components of remuneration or benefits other than those described above for his role as Chief Executive Officer.

Pursuant to the provisions of Article L. 22-10-34 of the French Commercial Code, the Chief Executive Officer's annual variable remuneration and performance shares in respect of fiscal year 2020 will not be paid or allocated (as appropriate) until the General Shareholders' Meeting called to approve the financial statements for fiscal year 2020 has approved the fixed and variable components of total remuneration and benefits of any kind to be paid or granted to the Chief Executive Officer in respect of fiscal year 2020 (ex post vote).

In fiscal year 2020, Olivier de Langavant, Chief Executive Officer, was also a director of Seplat Petroleum Development Company Ltd ("Seplat"). As such, he received £109,322 in remuneration from Seplat for his directorship in 2020. It should be noted, however, that the sums he received in respect of this directorship are not related to his office as the Company's Chief Executive Officer.

In order to accept his new role as Chief Executive Officer, Olivier de Langavant had to waive his rights to a certain number of benefits and in particular his right to an early retirement scheme to release himself from commitments to his previous employer. To compensate for this loss of benefits, it was agreed that the Chief Executive Officer would benefit from a gross golden hello payment of €400,000 payable entirely in Company shares valued at the average share price during October 2019, i.e., €2.74 per share. This golden hello payment was granted on the condition that he did not resign from his term of office during the first year and was definitively granted on 1 November 2020. Consequently, Olivier de Langavant received in this respect 92,766 company shares on 1 November 2020. Moreover, Olivier de Langavant undertook to hold and not sell the shares granted in this respect until 1 November 2022.

Remuneration paid or awarded for the 2019 fiscal year

At its meeting of 25 April 2019, the Board of Directors, acting on the recommendation of the Appointments and Remuneration Committee, set the remuneration of the Chairman of the Board of Directors and the Chief Executive Officer for the fiscal year ended 31 December 2019 based on the terms provided for in the remuneration policies approved by the General Shareholders' Meeting of 13 June 2019 under the 15th and 16th resolutions respectively.

Pursuant to Articles L. 22-10-08 (previously L. 225-37-2) and L. 22-10-34 (previously l. 225-100) of the French Commercial Code, the variable remuneration components of the Chief Executive Officer were only paid after the General Shareholders' Meeting of 30 June 2020 approved the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid or granted to the Chief Executive Officer for the fiscal year ended 31 December 2019 pursuant to the terms set out by Article L. 22-10-34 (previously L. 225-100) of the French Commercial Code.

Chairman of the Board of Directors

In line with the 2019 remuneration policy (see the Company's 2018 Annual Report, section 3.2.3.1 (c)), the fixed remuneration paid by the Company to Aussie B. Gautama for the fiscal year ended 31 December 2019 includes an annual fixed component amounting to €125,000 and the remuneration by virtue of his directorship on the same basis as other directors, in the amount of €54,150.

Chief Executive Officer

a) Michel Hochard

In line with the 2019 remuneration policy (see the Company's 2018 Annual Report, section 3.2.3.1 (c)), the fixed remuneration paid by the Company to Michel Hochard for the fiscal year ended 31 December 2019, specifically the period between 1 January and 30 October 2019 (when his term of office ended), was €354,166.70, equivalent to the prorata temporis of the fixed amount of €425,000.

With regard to annual variable remuneration, in accordance with the 2019 remuneration policy (see the Company's 2018 Annual Report, section 3.2.3.1 (c)), during its 25 April 2019 meeting, the Board of Directors, on the recommendation of the Appointments and Remuneration Committee, decided that this remuneration would be determined based on quantifiable criteria related to the Company's operating, financial and strategic performance, as well as on qualitative criteria.

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The quantifiable and qualitative criteria selected for 2019, which are considered to be particularly representative of the Company's performance, were as follows:

- **Quantifiable criteria:**
  1. the increase in net hydrocarbon reserves at the end of 2019 compared with those at the end of 2018: 20% of annual fixed remuneration.
  2. growth in EBITDA above that projected in the 2019 budget: 20% of annual fixed remuneration.
  3. the completion at the end of 2019 of all the investments provided for in the 2019 budget: 20% of annual fixed remuneration.
- **Qualitative criteria:**
  1. ongoing efforts in terms of safety and the environment: 20% of annual fixed remuneration.
  2. the individual performance of the Chief Executive Officer: 20%[1] of the annual fixed remuneration.

The Board of Directors, during its 22 April 2020 meeting, on the recommendation of the Appointments and Remuneration Committee, assessed the expected achievement level of the quantifiable and qualitative criteria of the annual variable remuneration of Michel Hochard and set its amount according to the conditions provided for in the 2019 remuneration policy (see the Company's 2018 Annual Report, section 3.2.3.1 (c)).

This assessment showed that the achievement level of the quantifiable criteria was 0% (from a possible maximum of 60%). By contrast, the achievement level of the qualitative criteria was 35% (from a possible maximum of 40%) of the fixed annual remuneration due to the Chief Executive Officer for the 2019 fiscal year, it being specified that the criterion relating to continued efforts in terms of safety and the environment was only partially satisfied at 15% (from a possible maximum of 20%) while the criterion relating to the Chief Executive Officer's individual performance was fully satisfied at 20% (the maximum possible).

With regard to qualitative criteria:

- in terms of safety and the environment, significant progress was made regarding the environmental impact of the Company's activities in fiscal 2019 compared to the previous fiscal year.

There was a notable drop in environmental incidents during fiscal 2019, with only one significant incident recorded.

Regarding safety, the performance was highly satisfactory with a notable drop in LTIF (Lost Time Injury Frequency) and only a slight increase in the TRIR (Total Recordable Injury Rate).

- the criterion related to the Chief Executive Officer's individual performance was fully satisfied thanks to Michel Hochard's total involvement in arranging the transition with his successor. This was extremely successful and therefore maintained the balance between the Company's governance structure and the sustainability of its current operations.

The assessment carried out by the Board of Directors led it to set Michel Hochard's variable remuneration for 2019 at 35% of his annual fixed remuneration due for the same fiscal year, i.e., €123,958, of the maximum percentage of 100% of fixed remuneration that variable remuneration may represent for this fiscal year. The quantified targets of quantifiable criteria, along with the evaluation sub-criteria for qualitative targets, which were set precisely and predetermined, were not publicly disclosed for confidentiality purposes, in line with the provision of Article 26.2 of the AFEP-MEDEF Code.

In line with the 2019 remuneration policy (see the Company's 2018 Annual Report, section 3.2.3.1 (c)), Michel Hochard received, during the fiscal year ended 31 December 2019, benefits in kind (a foreign travel per diem in the amount of €1,250 for business trips outside France, a death and disability plan applicable within the Company, and a mobile phone) totalling €114,632 (€31,250 of which was paid for fiscal year 2018).

The Board of Directors, during its 1 August 2019 meeting, and in accordance with the 2019 remuneration policy for the Chief Executive Officer adopted by the General Shareholders' Meeting on 13 June 2019, decided to grant a gross exceptional remuneration of €750,000 to Michel Hochard, corresponding to the gross rounded off amount of his fixed and variable remuneration for the period from 1 January to 31 December 2018. The payment of this exceptional remuneration to Michel Hochard was approved during the 30 June 2020 General Shareholders' Meeting. The first instalment was paid on 31 January 2021 and the second instalment will be paid on 31 January 2022. This exceptional remuneration was designed to reward Michel Hochard for his unwavering commitment, the quality of the results obtained during his term as Chief Executive Officer – including the restructuring of the Group's debt, which allowed the Maurel & Prom Group to continue its expansion and access external growth opportunities, and the improvement in the Group's financial position, which allowed dividends to be paid to shareholders in 2019 – the enthusiasm with which he performed his duties, especially during the Group's external growth projects, which will eventually allow the Maurel & Prom Group to diversify its production beyond Gabon, and the successful completion of the Maurel & Prom Group's projects carried out up to the end of his term of office, including the resumption of the development programme in Gabon and exploration projects in southern Gabon.

In accordance with the 2019 remuneration policy, (see the Company's 2018 Annual Report, section 3.2.3.1 (c)), Michel Hochard did not receive, during the fiscal year ended 31 December 2019, any components of remuneration or benefits other than those described above for his role as Chief Executive Officer.

In fiscal year 2019, Michel Hochard, Chief Executive Officer, was also a director of Seplat Petroleum Development Company Ltd ("Seplat"). As such, he received £117,878 in attendance fees from Seplat for his directorship in 2019. It should be noted, however, that the sums he received in respect of this directorship are not related to his office as the Company's Chief Executive Officer.

(1) This percentage may be raised up to 50% of the annual fixed remuneration; however, the total annual variable remuneration may not exceed 100% of the annual fixed remuneration.

Michel Hochard's Employment Contract as the Company's Chief Administrative and Financial Officer (which was suspended for the duration of his role as Company Chief Executive Officer) contained a two-year non-compete clause which comes into force upon termination of his contract on any grounds whatsoever. The clause bars him from performing any equivalent salaried role in a similar field of business for a Company competitor. The financial indemnity owed for this non-compete obligation amounted to 35% of the remuneration he would have earned for the corresponding time period. The Company could, however, unilaterally decide to release Michel Hochard from this obligation. Moreover, if Michel Hochard had been dismissed or forced to discontinue his role as Chief Financial Officer within 18 months following a change of control of the Company or a significant change in the majority shareholder's interest in the Company, he would have receive dismissal remuneration equivalent to 24 months' gross pay (calculated based on the average gross monthly pay received over the 15 months preceding the dismissal or forced departure), it being noted that this remuneration would have been in addition to the legal and statutory remuneration due when the Employment Contract was terminated. Following the termination of his term of office as Chief Executive Officer as at 31 October 2019, Michel Hochard reverted to the status of company employee, until 31 December 2019 at which date he received his retirement package.

The Board of Directors decided not to release Michel Hochard from his non-compete clause. In fact, the Board deemed that in view of his years of service as an employee (seven) at the time of his appointment as Chief Executive Officer, it was difficult to force him to waive his rights under his Employment Contract, particularly legal and statutory protections, if his contract is broken (dismissal indemnity in the event of termination for real and serious cause, and severance and non-compete remuneration packages). In addition, under the French Labour Code, the Company has no means of forcing an employee to resign or sign a severance agreement. It should also be noted that as Company Chief Executive Officer, Michel Hochard did not benefit from any actual or potential termination package or other benefit due as a result of his role being discontinued or changed (and no non-compete remuneration). Suspending Michel Hochard's Employment Contract was thus a justified, minimum protection for an employee appointed as a corporate officer who could easily be removed as Chief Executive Officer.

Accordingly, Michel Hochard was entitled to compensation equal to 35% of the fixed and variable remuneration due over the corresponding period, and this for a period of 24 months. The known and fully-committed fixed and variable remuneration that was taken into account was that received for his role as Chief Executive Officer between 1 January and 31 December 2018. The gross annual amount of the compensation therefore corresponded to 35% of €750,000, plus an additional 10% which corresponded to paid annual leave. As a result, the remuneration of this non-compete clause was a gross monthly payment of €24,062.50 for a period of 24 months as of the date of the termination of his Employment Contract.

As at 31 December 2019, he was granted remuneration of €411,089 with respect to his Employment Contract including wages and severance payments on retirement.

b) Olivier de Langavant

In light of the change in Chief Executive Officer, the Board of Directors during its 1 August 2019 and 12 December 2019 meetings examined the details of the remuneration of Olivier de Langavant which included:

- fixed remuneration paid for the fiscal year ended 31 December 2019 of €75,000, which corresponded to the fixed annual amount of €450,000 calculated pro rata temporis for the duration of his term of office;
- no annual variable remuneration, long-term variable remuneration or benefits in kind were paid in respect of this fiscal year.

In order to accept his new role as Chief Executive Officer, Olivier de Langavant had to waive his rights to a certain number of benefits and in particular his right to an early retirement scheme to release himself from commitments to his previous employer. To compensate for this loss of benefits, the Chief Executive Officer benefited from a gross golden hello payment of €400,000 payable entirely in Company shares valued at the average share price during October 2019, i.e., €2.74 per share. This golden hello payment was granted on the condition that he does not resign from his term of office during the first year and has been definitively granted on 1 November 2020. Moreover, Olivier de Langavant undertook to hold and not sell the shares granted in this respect until 1 November 2022.

Comparative tables for remuneration components for fiscal years 2019 and 2020

Summary table of remuneration, options and shares granted to each executive corporate officer (AMF Table No. 1)

Name and title of executive corporate officer: Aussie B. GAUTAMA, Chairman of the Board of Directors since 10 April 2017	**Fiscal year 2020**	**Fiscal year 2019**
Remuneration due for the fiscal year	178,874	179,150
Value of multi-year variable remuneration granted during the year	-	-
Value of options granted during the year	-	-
Value of performance shares allocated during the year	-	-
TOTAL	**178,874** [a]	**179,150** [b]

(a) The remuneration components due to Aussie B. Gautama for his role as Chairman of the Board of Directors in fiscal year 2020 will be subject to approval by the General Shareholders' Meeting of 18 May 2021.
(b) A amount of €5,000 was paid for the fiscal year 2019.

Name and title of executive corporate officer: Olivier DE LANGAVANT, Chief Executive Officer	Fiscal year 2020	Fiscal year 2019
Remuneration due for the fiscal year	676,460	75,000
Golden hello payment	-	400,000 [b]
Value of multi-year variable remuneration granted during the year	-	-
Value of options granted during the year	-	-
Value of performance shares allocated during the year	450,000	-
TOTAL	**1,126,460 [a]**	**475,000**

(a) The remuneration components due to Olivier de Langavant for his role as Chief Executive Officer in fiscal year 2020 will be subject to approval by the General Shareholders' Meeting of 18 May 2021. The variable component of Olivier de Langavant's remuneration will only be paid following the approval of the fixed, variable and exceptional components of remuneration paid or granted to Olivier de Langavant for the 2020 fiscal year.
(b) This gross golden hello payment corresponds to a total amount of €400,000 payable entirely in Company shares valued at the average share price during October 2019. This golden hello payment is granted on the condition that he does not resign from his term of office during the first year and has been definitively granted on 1 November 2020. Moreover, Olivier de Langavant undertakes to hold and not sell the shares granted in this respect until 1 November 2022.

Name and title of executive corporate officer: Michel HOCHARD, Chief Executive Officer, until 31 October 2019	Fiscal year 2020	Fiscal year 2019
Remuneration due for the fiscal year	-	1,311,507
Value of multi-year variable remuneration granted during the year		-
Value of options granted during the year	-	-
Value of performance shares allocated during the year	-	-
TOTAL	**- [a]**	**1,311,507**

(a) The term of office of Michel Hochard ended on 1 November 2019. He did not receive any remuneration for the 2020 fiscal year.

Summary table of each executive corporate officer's remuneration (AMF Table No. 2)

Name and title of executive corporate officer: Aussie B. GAUTAMA, Chairman of the Board of Directors since 10 April 2017	Amounts in fiscal year 2020		Amounts in fiscal year 2019	
	Allocated	Paid	Allocated	Paid
Fixed remuneration	125,000	130,000 [a]	125,000	120,000
Annual variable remuneration	-	-	-	-
Variable multi-year remuneration	-	-	-	-
Exceptional remuneration	-	-	-	-
Remuneration by vertue of his directorship	53,874 [b]	54,150	54,150	61,476
Benefits in kind	-	-	-	-
TOTAL	**178,874**	**184,150**	**179,150**	**181,476**

(a) €5,000 was paid in January 2020 in respect of fiscal year 2019.
(b) The remuneration components due to Aussie B. Gautama for his role as director in fiscal year 2020 will be subject to approval by the General Shareholders' Meeting of 18 May 2021.

Name and title of executive corporate: Olivier de LANGAVANT, Chief Executive Officer since 1 November 2019	Amounts in fiscal year 2020		Amounts in fiscal year 2019	
	Allocated	Paid	Allocated	Paid
Fixed remuneration	450,000	450,000	75,000	75,000
Annual variable remuneration	220,500		-	-
Variable multi-year remuneration	450,000 (a)	-	-	-
Exceptional remuneration		400,000	400,000 (c)	-
Remuneration by vertue of his directorship	-	-	-	-
Benefits in kind (travel allowance – company car)	5,960	5,960	-	-
TOTAL	**1,126,460 (b)**	**855,960**	**475,000**	**75,000**

(a) The variable multi-year remuneration of 244,698 performance shares is subject to employment and performance conditions which will be assessed in 2023 and submitted for the approval of the General Shareholders' Meeting called to approve the financial statements for the 2022 fiscal year.
(b) The remuneration components due to Olivier de Langavant will be subject to approval by the General Shareholders' Meeting of 18 May 2021.
(c) This golden hello payment for the 2019 fiscal year was approved by the 30 June 2020 General Shareholders' Meeting, was definitively granted on 1 November 2020 and led to the allocation of 92,766 share on 1 November 2020. Moreover, Olivier de Langavant undertook to hold and not sell the shares granted in this respect until 1 November 2022.

Name and title of executive corporate officer: Michel HOCHARD, Chief Executive Officer until 31 October 2019	Amounts in fiscal year 2020		Amounts in fiscal year 2019	
	Allocated	Paid	Allocated	Paid
Fixed remuneration	-	-	354,167	354,167
Annual variable remuneration	-	123,958 (a)	123,958	-
Variable multi-year remuneration	-	-	-	-
Exceptional remuneration	-	-	750,000	-
Remuneration by vertue of his directorship	-	-	-	-
Benefits in kind (travel allowance) and overseas per diems	-	-	83,382	114,632 (b)
TOTAL	**-**	**123,958**	**1,311,507**	**468,799**

(a) The variable and exceptional components of Michel Hochard's remuneration was only be paid following the approval of the fixed, variable and exceptional components of remuneration paid or granted to Michel Hochard for the 2019 fiscal year by the General Shareholders' Meeting on 30 June 2020.
(b) This amount included the €31,250 due in respect of 2018 benefits in kind which had not been paid in 2018 because of a settlement delay.

Options to subscribe for or purchase shares granted during the fiscal year to each executive corporate officer (AMF Table No. 4)

No options to subscribe for or purchase shares were granted to any executive corporate officer during the fiscal year ended 31 December 2020. It should be noted that the Company is no longer authorised by the General Shareholders' Meeting to grant options to subscribe for or purchase shares.

Options to subscribe for or purchase shares exercised during the fiscal year by each executive corporate officer (AMF Table No. 5)

No options to subscribe for or purchase shares were exercised by any executive corporate officer during the fiscal year ended 31 December 2020.

Bonus shares granted to each executive corporate officer during the fiscal year (AMF Table No. 6)

Olivier de Langavant, Chief Executive Officer, was granted 244,698 shares as long-term variable remuneration in respect of the 2020 fiscal year at a value of €1.839 per share (see the Company's 2020 Universal Registration Document, section 3.2.3.1 (b) above). The vesting period was set until 30 June 2023, i.e., 30 months. The Chief Executive Officer must retain 20% of the shares resulting from the allocation of performance shares in bearer form until he steps down from his office There is no lock-up period for other shares issued under the allotment of performance shares.

Bonus shares becoming available to each executive corporate officer during the fiscal year (AMF Table No. 7)

No bonus shares granted to any executive corporate officer became available during the fiscal year ended 31 December 2020. However, Michel Hochard, who is no longer a corporate officer, was allocated bonus shares for his role as Chief Executive Officer which vested during the fiscal year ended 31 December 2020.

	Award date	Vesting date	End-date of lock-up period	Number of bonus shares awarded to Michel Hochard
2017 plan	24/04/2017	24/04/2020	24/04/2020	180,000

History of bonus share grants (AMF Table No. 9)

Date of General Shareholders' Meeting	15/6/16	15/6/16	20/6/18	13/6/19	13/6/19	13/6/19	13/6/19	13/6/19	13/6/19
Date of Board meeting	**31/3/17**	**24/4/17**	**3/8/18**	**3/8/18**	**1/8/19**	**3/8/18**	**1/8/19**	**6/8/20**	**9/3/21**
Total number of bonus shares granted	895,000	240,000	157,700	157,700	385.150	157,700	385,150	608,000	244,698
Of which number of bonus shares granted to Michel Hochard, Chief Executive Officer	-	240 000 [(a)]	-	-	-	-	-	-	-
Of which number of bonus shares granted to Olivier de Langavant, Chief Executive Officer	-	-	-	-	-	-	-	-	244,698 [(b)]
Vesting date	31/3/18	24/4/20	3/8/19	3/8/20	1/8/20	3/8/21	1/8/21	6/8/21	30/6/23
End of lock-up period	31/3/19	24/4/20	3/8/20	3/8/21	1/8/21	3/8/22	1/8/22	6/8/22	30/6/23
Number of shares vested to Michel Hochard	-	180,000	-	-	-	-	-	-	-
Aggregate number of shares cancelled or null and void	-	60,000	24,450	51,607	123,195	-	-	-	-
Bonus shares outstanding at year-end	-	-	-	-	-	157,700	385,150	608,000	244,698

(a) At its meeting of 24 April 2017, the Board approved the plan to award bonus performance shares and set the employment conditions and two performance criteria related to:
- the success of the transition phase following the acquisition of the Company by PIEP; and
- participation in the implementation of succession planning and the process for recruiting the future Chief Executive Officer in conjunction with the Appointments and Remuneration Committee, and, if necessary, the transfer of files to the future Chief Executive Officer.

The Board of Directors assessed the employment condition and performance criteria during its 20 June 2018 meeting which was held following the annual General Shareholders' Meeting and recorded a criteria achievement rate of 75%, which entitled the Chief Executive Officer to 180,000 bonus shares. Michel Hochard received 180,000 shares following the Board's 22 April 2020 decision.

(b) At its meeting of 9 March 2021, the Board approved the plan to award bonus performance shares and the employment conditions and performance criteria (see the Company's 2020 Universal Registration Document, section 3.2.3.1 (b) above).

Summary of benefits granted to executive corporate officers (AMF Table No.11)

	Employment Contract	Supplementary pension scheme	Remuneration or benefits due or that may be due as a result of termination or change of role	Remuneration relating to a non-compete clause
Aussie B. Gautama Position: Chairman of the Board of Directors First appointed: 10 April 2017 Term of office start date: 13/06/2019	No	No	No	No
Olivier de Langavant Position: Chief Executive Officer First appointed: 1 November 2019 Term of office start date: 30 June 2020	No	No	No	No

Shareholder vote on the remuneration components paid or awarded to executive corporate officers for the fiscal year ended 31 December 2020

The details of the remuneration paid or granted to Aussie B. Gautama in his capacity as Chairman of the Board of Directors for the fiscal year ended 31 December 2020 are described in the table below:

Aussie B. Gautama

Remuneration components paid or awarded for the fiscal year ended 31 December 2020	Amount or carrying amount submitted for vote	Description
Fixed remuneration	€125,000 and €5,000 awarded in respect of fiscal year 2019	During fiscal year 2020, Aussie B. Gautama received remuneration for his role as Chairman of the Board of Directors. During that period he received the gross sum of €125,000. Details of the annual fixed remuneration approved by the General Shareholders' Meeting of 30 June 2020 under the vote on the remuneration of the Chairman of the Board of Directors for the fiscal year ended 31 December 2020 are provided in the Company's 2019 Universal Registration Document, section 3.2.3.1 (c) I.
Annual variable remuneration	N/A	Aussie B. Gautama receives no variable remuneration.
Deferred variable remuneration	N/A	Aussie B. Gautama receives no deferred variable remuneration.
Variable multi-year remuneration	N/A	Aussie B. Gautama receives no variable multi-year remuneration.
Exceptional remuneration	N/A	Aussie B. Gautama receives no exceptional remuneration.
Stock options, performance shares and any other long-term remuneration	Options = N/A Equities = N/A Other remuneration = N/A	Aussie B. Gautama receives no stock options, performance shares or any other long-term remuneration.
Remuneration by vertue of his directorship	€53,874	This amount corresponds to the remuneration by virtue of his directorship granted to Aussie B. Gautama during the fiscal year ended 31 December 2020. Details of the annual fixed remuneration approved by the General Shareholders' Meeting of 30 June 2020 under the vote on the remuneration of the Chairman of the Board of Directors for the fiscal year ended 31 December 2020 are provided in the Company's 2019 Universal Registration Document, section 3.2.3.1 (c) I.
Valuation of benefits of any kind	N/A	Aussie B. Gautama receives no other benefits.

Remuneration paid or awarded for the fiscal year just ended that have been or will be submitted for vote at the General Shareholders' Meeting under the procedure for regulated agreements and commitments	Amount or carrying amount submitted for vote	Description
Severance pay	N/A	Aussie B. Gautama is not entitled to a severance package.
Non-compete remuneration	N/A	Aussie B. Gautama is not entitled to non-compete remuneration.
Supplementary pension scheme	N/A	Aussie B. Gautama is not entitled to any supplementary pension scheme, with the exception of the existing group pension scheme.

The details of the remuneration paid or granted to Olivier de Langavant in his capacity as Chief Executive Officer for the fiscal year ended 31 December 2020 are described in the table below:

Olivier de Langavant

Details of remuneration due or awarded for the fiscal year ended 31 December 2020	Amount or carrying amount submitted for vote	Description
Fixed remuneration	€450,000	During fiscal year 2020, Olivier de Langavant received remuneration for his role as Chief Executive Officer. He received €450,000. Details of the annual fixed remuneration approved by the General Shareholders' Meeting of 30 June 2020 under the vote on the remuneration policy for the Chief Executive Officer for the fiscal year ended 31 December 2020 can be found in the Company's 2019 Universal Registration Document, in section 3.2.3.1 (c) II.
Annual variable remuneration	€220,500	In respect of the 2020 fiscal year, Olivier de Langavant was allocated an annual variable remuneration of €220,500. The Board of Directors assessed the achievement of performance criteria during its meeting of 9 March 2021 (see section 3.2.3.1 (b) "remuneration paid or awarded for the 2020 fiscal year" of this Universal Registration Document). Details of the annual variable remuneration can be found in section 3.2.3.1 (C) of the Company's 2019 Universal Registration Document
Deferred variable remuneration	N/A	Olivier de Langavant received no deferred variable remuneration.
Variable multi-year remuneration	N/A	Olivier de Langavant received no variable multi-year remuneration in respect of this fiscal year.
Exceptional remuneration	N/A	Olivier de Langavant received no exceptional remuneration.
Stock options, performance shares and any other long-term remuneration	€450,000	Olivier de Langavant receives performance shares. Details of their allocation can be found in section 3.2.3.1 (C) of the 2019 Universal Registration Document.
Remuneration by vertue of his directorship	N/A	As Olivier de Langavant is not a Company director or an observer, he is not entitled to this remuneration.
Valuation of benefits of any kind	€5,960	Olivier de Langavant benefited from a company car in 2020. Details of the annual fixed remuneration approved by the General Shareholders' Meeting of 30 June 2020 under the vote on the remuneration policy for the Chief Executive Officer for the fiscal year ended 31 December 2020 can be found in the Company's 2019 Universal Registration Document, in section 3.2.3.1 (C).

Remuneration paid or awarded for the fiscal year just ended that have been or will be submitted for vote at the General Shareholders' Meeting under the procedure for regulated agreements and commitments	Amount or carrying amount submitted for vote	Description
Severance pay	N/A	Olivier de Langavant is not entitled to a severance package for his role as Chief Executive Officer.
Non-compete remuneration	N/A	Olivier de Langavant is not entitled to non-compete remuneration for his role as Chief Executive Officer.
Supplementary pension scheme	N/A	Olivier de Langavant is not entitled to a supplementary pension scheme.

C) Principles and criteria governing the determination, allocation and award of the fixed, variable and exceptional components of total remuneration and benefits of any kind that may be owed or awarded for fiscal year 2021 to the Chairman of the Board and the Chief Executive Officer with respect to their office

Law No. 2016/1691 of 9 December 2016 on transparency, anti-corruption and modernization of economy – the "Sapin II Law" – requires a binding vote of the shareholders on the principles and criteria governing the determination, allocation and award of the fixed, variable and exceptional components of total remuneration and benefits of all kinds that may be owed or awarded to the Chairman of the Board and to the Chief Executive Officer for financial year 2021 (i.e., the remuneration policy).

The purpose of this section is to present, in accordance with the provisions of Article L. 22-10-8 of the French Commercial Code, the principles and criteria set by the Board of Directors, based on the recommendation of the CSR, Appointments and Remuneration Committee (the "**CSR-ARC**")[1].

We suggest that you approve the principles and criteria presented in this report. Two resolutions will be presented for the Chairman of the Board and for the Chief Executive Officer respectively. If the shareholders at the Combined (Ordinary and Extraordinary) General Shareholders' Meeting scheduled for 18 May 2021 do not approve (one of) these resolutions, the relevant remuneration will be determined in accordance with remuneration granted for the previous fiscal year, which is the remuneration policy approved by the General Shareholders' Meeting of 30 June 2020 under the 13th and 14th resolutions.

As a reminder, all components of remuneration paid to the Chairman of the Board and to the Chief Executive Officer of the Company are determined by the Board of Directors, acting on the recommendation of the CSR-ARC by reference to the principles set out in the AFEP-MEDEF Corporate Governance Code for listed companies, as amended in January 2020 (the "AFEP-MEDEF Code").

Remuneration policy applying to the Chairman of the Board of Directors (a non-executive corporate officer) for fiscal year 2021

A policy aligned with the Company's corporate interest and which contributes to its strategy and long-term future

The Board of Directors believes that the remuneration policy applicable to the Chairman of the Board of Directors is in line with the Company's interests. Specifically, it contributes to the development of the Company's strategy and long-term expansion and takes into account the social and environmental challenges of the Company's business to ensure its longevity.

In determining the remuneration policy for the Chairman of the Board of Directors, the Board is careful to align it with the Company's corporate interest so as to ensure its long-term future. It considers market practices and performance and sets the remuneration so as to encourage the Chairman's attendance at Board meetings.

Remuneration policy for the 2021 fiscal year

The Chairman of the Board's remuneration is made up of fixed and variable remuneration.

Fixed remuneration

The Chairman of the Board's fixed annual remuneration is determined, inter alia, based on a thorough analysis of market practices, size and market capitalization of the Company, the separation between the roles of the Chairman and those of the Chief Executive Officer, the Chairman's experience, technical skills, and the scarcity and critical importance of those skills, past individual remuneration and years of service of the Chairman of the Board.

Variable compensation

The Chairman of the Board also receives variable remuneration, on the same basis as other directors and following the same rules, which take into account the actual term of office served by each as member of the Board and actual attendance at Board meetings and the coefficient attributed to the office held by each member (Director, Chairman of the Board, Vice-Chairman of the Board, Chairman of a special committee and member of a special committee).

Implementation of the 2021 policy for the Chairman of the Board

The Chairman of the Board of Directors receives an annual fixed remuneration. After taking into account all components of the Chairman of the Board of Directors' remuneration and a study conducted by a firm specialising in the structure and remuneration of Board chairmen, the Board of Directors, acting on the recommendation of the CSR-ARC, decided to maintain the Chairman of the Board's remuneration for fiscal year 2021 at a gross amount of €125,000.

The Chairman of the Board also receives variable remuneration in accordance with the remuneration policy applicable to directors.

Remuneration policy for the Chief Executive Officer (an executive corporate officer) for the 2021 fiscal year

A policy aligned with the Company's corporate interest and which contributes to its strategy and long-term future

The Board of Directors believes that the remuneration policy applicable to the Chief Executive Officer is in line with the Company's interests. Specifically, it contributes to the development of the Company's strategy and long-term expansion and takes into account the social and environmental challenges of the Company's business to ensure its longevity.

The remuneration policy applied to the Chief Executive Officer includes quantifiable criteria selected for how well they measure the achievement of his objectives, thus fully involving the Chief Executive Officer in the Company's performance and short- and long-term value creation. To promote the Company's development well into the future, the remuneration policy also includes conditions relating to operating and financial performance, strategic vision, management of the risks and challenges the Company has faced in recent years and ongoing efforts in terms of safety and the environment.

(1) The ARC consists of three members, two of whom (including the Chairman) are independent under the criteria of the AFEP-MEDEF Code as reprised in the Board of Directors' Internal Regulations.

Remuneration policy for the 2021 fiscal year

The remuneration of the Chief Executive Officer comprises the following elements:

Fixed remuneration

The Board of Directors believes that the remuneration policy applicable to the Chief Executive Officer is in line with the Company's interests. Specifically, it contributes to the development of the Company's strategy and long-term expansion and takes into account the social and environmental challenges of the Company's business to ensure its longevity.

The remuneration policy applied to the Chief Executive Officer includes quantifiable criteria selected for how well they measure the achievement of his objectives, thus fully involving the Chief Executive Officer in the Company's performance and short- and long-term value creation. To promote the Company's development well into the future, the remuneration policy also includes conditions relating to operating and financial performance, strategic vision, management of the risks and challenges the Company has faced in recent years and ongoing efforts in terms of safety and the environment.

Annual variable remuneration

The Chief Executive Officer also receives an annual variable remuneration which is in line with the duties entrusted to him, his expertise and experience, as well as market practices. It is specified, in accordance with the AFEP-MEDEF Code, that the allocation of annual variable remuneration will also benefit other Group employees.

As the variable component of the remuneration must be in line with the performance of the Chief Executive Officer, the Company's strategy and progress made by the latter, this remuneration is determined based on quantifiable (including non-financial) and qualitative criteria:

- quantifiable criteria is based on the Company's operating, financial and strategic performance, which is assessed according to a sliding and proportional scale. Quantifiable targets to be achieved are specifically predetermined and are not disclosed to the public for reasons of confidentiality;
- qualitative criteria are predetermined and specific. They aim to asses social, safety, health, environmental and, more generally, societal policies. Moreover, the Board of Directors reserves the right to introduce a qualitative criteria related to the performance of the Chief Executive Officer, the assessment of which is left to the entire discretion of the Board. Details of assessment sub criteria are not made public for reasons of confidentiality.

The criteria and targets are approved annually by the Board of Directors, which acts on the recommendation of the CSR-ACC.

The total amount of the variable component is expressed as a percentage of annual fixed remuneration, with each criterion entitling to a portion of the percentage of the annual fixed remuneration. The maximum amount of annual variable remuneration is set at 100% of the Chief Executive Officer's annual fixed remuneration. The share related to quantifiable criteria has been set at 70% and the share related to qualitative criteria has been set at 30%[1] of the annual fixed remuneration.

Long-term variable remuneration

The Board of Directors may decide to award variable long-term remuneration to the Chief Executive Officer.

The purpose of awarding long-term variable remuneration is to encourage the Chief Executive Officer to take a long-term approach to his activities, but also to build loyalty and promote the alignment of his interests with those of the Company and its shareholders.

This remuneration, which may be awarded as bonus shares or paid in cash, is subject to performance criteria that must be met over several years in line with one or several quantifiable criteria based on the Company's operating, financial and strategic performance, to which may be added one or several qualitative criteria related to social, safety, health, environmental and, more generally, societal policies. These performance criteria are set in advance by the Board of Directors, which acts on the recommendation of the CSR-ARC.

The total amount of the long-term variable remuneration is expressed as a percentage of the annual fixed remuneration, with each criterion giving entitlement to a portion of the percentage of the annual fixed remuneration. The maximum amount of annual long-term variable remuneration cannot exceed 100% of the Chief Executive Officer's annual fixed remuneration.

The final payout of long-term remuneration is also subject to a continuous employment condition subject to the exceptions set out in the plan's regulations[2] or decided by the Board of Directors. If the Chief Executive Officer retired before the end of the plan, the Board of Directors shall fix the portion of shares to be allocated to the former on a time-proportionate basis and upon reasoned opinion.

In the event of the allocation of bonus shares, the Board of Directors (i) ensures that the proposed allocation does not represent an excessive share of the total number of bonus shares allocated and that it has a limited impact in terms of dilution and (ii) sets the number of shares to be held by the Chief Executive Officer until the termination of his duties as a corporate officer. In line with the applicable legal provisions and the Company's practices, bonus shares may also be awarded to the Group's senior managers and employees.

Exceptional remuneration

In accordance with the AFEP-MEDEF Code, only very exceptional circumstances may generate exceptional remuneration. Reasons for awarding such exceptional remuneration must be provided by the Board, who will need to explain the circumstances giving rise to said allocation.

Non-compete remuneration

In line with the AFEP-MEDEF Code, a non-compete commitment covering the Chief Executive Officer in his role as a corporate officer may be implemented by the Board of Directors to protect the Company's interests.

Severance pay

Under certain circumstances, the Board of Directors may decide to award a severance payment to the Chief Executive Officer, in line with the AFEP-MEDEF Code.

The allocation of a severance payment is subject to strict performance conditions.

(1) In the event of very exceptional circumstances, and based on a reasoned decision by the Board of Directors, the share of qualitative criteria may be increased to 70% of the annual fixed remuneration, but the total annual variable remuneration may not exceed 100% of the annual fixed remuneration.
(2) Death, disability and retirement.

Benefits in kind

The Chief Executive Officer receives benefits in kind. This allocation is determined based on the needs related to the exercise of this office.

We draw your attention to the fact that Articles L. 22-10-8 and L. 22-10-34 of the French Commercial Code provide that, where such components exist, the variable and exception remuneration components of the Chairman of the Board and the Chief Executive Officer shall only be paid after an Ordinary shareholders' Meeting has approved the fixed, variable and exceptional components of the total remuneration and benefits of any kind.

Implementation of the 2021 policy for Olivier de Langavant

Olivier de Langavant receives an annual fixed remuneration. After reviewing all the components of remuneration of Olivier de Langavant, the Board of Directors, acting on the recommendation of the CSR-ARC, decided to maintain Olivier de Langavant's remuneration for fiscal year 2021 at a gross amount of €450,000. Chairman.

Olivier de Langavant receives an annual variable remuneration established in line with principles set out in the 2021 remuneration policy.

He also receives a variable long-term remuneration established in line with principles set out in the 2021 remuneration policy. Olivier de Langavant also receives benefits in kind which include a company car, a death and disability plan applicable within the Company and a mobile phone.

Except for the four components of remuneration described above, Olivier de Langavant does not receive any other remuneration for his role as Chief Executive Officer.

Change in governance

In the event that a new Chief Executive Officer is appointed during the fiscal year, the elements of remuneration, principles and criteria set out in the Chief Executive Officer's remuneration policy described above will continue to apply. The Board of Directors, upon the recommendation of the CSR-ARC, will thus determine the elements of remuneration, principles, criteria, objectives and levels of performance, adapting them to the new Chief Executive Officer's circumstances. Moreover, if a new Chief Executive Officer is recruited from outside the Company, the Board of Directors reserves the right to award an amount (in cash or shares) to compensate him/her for the loss of remuneration related to the departure from his/her previous position (golden hello payment).

3.2.3.2 Non-executive corporate officers

The Company's non-executive corporate officers received the remuneration shown in the table below (in euros) during the fiscal years ended 31 December 2020 and 31 December 2019, respectively.

The remuneration paid to members of the Board of Directors amounted to €362,659 in 2020, versus €395,851 in 2019. For information purposes, each observer is allocated remuneration of €16,734 for period beginning on the day of their appointment, i.e., 30 June 2020 until 31 December 2020. Details of this remuneration, approved by the 9 March 2021 meeting of the Board of Directors, are shown in the table below:

Summary table of remuneration by vertue of their directorship and other remuneration received by non-executive corporate officers (AMF Table No. 3)

Non-executive corporate officers *(in euros)*	Amounts awarded in respect of fiscal year 2020	Amounts awarded in respect of fiscal year 2019
Aris Mulya Azof [(a)]		
Remuneration by vertue of his directorship	-	10,982
Other remuneration	-	-
Caroline Catoire [(b)]		
Remuneration by vertue of his directorship	29,053	-
Other remuneration	-	-
Nathalie Delapalme		
Remuneration by vertue of her directorship	78,513	87,459
Other remuneration	-	-
Carole Delorme d'Armaillé		
Remuneration by vertue of her directorship	60,803	58,753
Other remuneration	-	-
Roman Gozalo [(c)]		
Remuneration by vertue of his directorship	46,380 [(d)]	85,835
Other remuneration	-	-
Maria R. Nellia [(e)]		
Remuneration by vertue of her directorship	-	10,982
Other remuneration	-	-
Daniel S. Purba [(f)]		
Remuneration by vertue of her directorship	24,979	-
Other remuneration	-	-
Denie S. Tampubolon		
Remuneration by vertue of his directorship	60,290	55,504
Other remuneration	-	
Ida Yusmiati [(e)]		
Remuneration by vertue of her directorship	55,157	44,522
Other remuneration	-	-
Narendra Widjajanto [(a) (d)]		**-**
Remuneration by vertue of his directorship	7,484	41,814
Other remuneration	-	-
TOTAL	**362,659**	**395,851**

(a) Aris Azof resigned as director on 20 March 2019. He was replaced by Narendra Widjajanto, who was co-opted on that same day. The co-optation of Narendra Widjajanto was ratified by the General Shareholders' Meeting of 13 June 2019.
(b) Caroline Catoire was appointed as director by the General Shareholders' Meeting of 30 June 2020.
(c) The term of office as director of Roman Gozalo ended following the General Shareholders' Meeting of 30 June 2020. He was replaced by Caroline Catoire, who was co-opted on that same day. The co-optation of Caroline Catoire as director was ratified by the General Shareholders' Meeting of 30 June 2020.
(d) Amount excluding the remuneration received for her role as Observer as of 30 June 2020.
(e) Maria Nellia resigned as director on 20 March 2019. She was replaced by Ida Yusmiati, who was co-opted on that same day. The co-optation of Ida Yusmiati was ratified by the General Shareholders' Meeting of 13 June 2019.
(f) Daniel Purba was co-opted by the Board on 1 June 2020 to replace Narendra Widjajanto who had resigned as director on 18 March 2020. The co-optation of Daniel Purba was ratified by the General Shareholders' Meeting of 30 June 2020.

A) Remuneration policy for the directors in respect of fiscal year 2021

The directors and the observers, if applicable, receive remuneration (previously called attendance fees) in respect of their participation in the work of the Board of Directors and its committees.

The Board of Directors decides how the remuneration will be distributed among the directors in accordance with the distribution rules decided by the Board of Directors acting on the recommendations of the CSR, Appointments and Remuneration Committee, and in accordance with the recommendations of the AFEP-MEDEF Code, within the limit of an annual fixed sum determined by the General Shareholders' Meeting.

Directors' remuneration takes into consideration the actual term of office of each member of the Board of Directors during the fiscal year in question as well as their actual presence at meetings of the Board of Directors and the committees (for the variable portion of the remuneration). This distribution includes a variable component which is predominant.

In determining the policy for distributing directors' remuneration, the Board is careful to align it with the Company's corporate interest so as to ensure its long-term future. It considers market practices and sets the remuneration so as to encourage the directors' attendance at Board meetings. To that end, the variable portion of directors' remuneration, the payment of which is contingent on their attendance, is predominant and contributes to the objectives set forth in the remuneration policy.

In accordance with the provisions of Article 225-10-8 of the French Commercial Code, the remuneration policy will be submitted for approval at the General Shareholders' Meeting of 18 May 2021.

The total annual amount of €450,000 corresponding to the sum allocated to directors' remuneration has not changed for more than a decade.

On the recommendation of the Appointments and Remuneration Committee, the Board of Directors, at its meeting of 9 March 2021, decided to distribute directors' remuneration for the 2020 fiscal year according to the following rules:

- a fixed portion which represents 40% of the overall budget and is distributed proportionally to the actual term of office as director served during the fiscal year in question;
- a variable portion, which accounts for 60% of the overall budget and is distributed in accordance with attendance and with the rating attached to each member's role (director, Chairman of the Board of Directors, Vice-Chairman of the Board of Directors, Chairman of a specialised committee, and member of a specialised committee).

Non-executive corporate officers do not receive any remuneration or benefits (except for their travelling expenses to attend Board meetings) other than the remuneration paid in respect of their directorship. There is no supplementary pension scheme in place for non-executive corporate officers.

No options for the subscription or purchase of shares or for bonus shares have been granted to the Company's non-executive corporate officers by the Company or by Group companies during the last three fiscal years. Furthermore, no options to subscribe for or purchase shares were exercised by or granted to any non-executive corporate officer during the fiscal year ended 31 December 2020.

Note that any positions held by executive corporate officers in the Company's subsidiaries are not compensated.

3.2.3.3 Equity interest of corporate officers in the Company's capital

As at 31 December 2020, the Company's corporate officers together held 119,853 Company shares, i.e., 0.0596% of the capital, representing 0.0594% of theoretical voting rights and 0.0608% of exercisable voting rights. The obligation for corporate officers to hold shares as stipulated in the internal regulations does not apply to directors representing the Company's controlling shareholder, it being specified that as at 31 December 2020, PIEP held 143,082,389 Company shares.

The details of equity interests in the Company as well as the transferable securities issued by the Company held by the corporate officers to the Company's knowledge, are shown in the "Presentation of the membership of the Board of Directors" section of this Universal Registration Document.

In addition to the provisions of the Code (see section 3.2.2.2 (f) of this Universal Registration Document, the members of the Board of Directors are subject to the laws and regulations governing trading in company securities.

3.2.3.4 Remuneration ratios and annual change in remuneration, Company performances and remuneration ratios

In accordance with paragraphs 6 and 7 of section I of Article L. 22-10-9 (previously Article L. 225-37-3, I, 6 and 7) of the French Commercial Code and the AFEP guidelines which were updated in February 2021, the table below presents:

- the ratio of fairness between the level of remuneration of the Chairman and Chief Executive Officer and the average and median remuneration of Company employees;
- the annual changes in remuneration, Company performances and average remuneration of employees excluding corporate officers.

The scope applied is that of employees at the Company's registered office, which is a sufficiently representative population for the purposes of establishing remuneration ratios.

- For corporate officers, remuneration corresponds to the total amount of remuneration received during the fiscal year and includes all components of remuneration exclusive of tax, it being noted that for the Chairman of the Board of Directors, the variable remuneration in respect of his office during fiscal year N paid in N+1 is included in N+1 remuneration. The same applies to the variable remuneration of the Chief Executive Officer, which is included in the amount received in N+1.
- For employees, remuneration corresponds to the remuneration paid during fiscal year N. It includes the fixed component as a full-time equivalent, discretionary and compulsory profit sharing paid in N+1 with regard to fiscal year N, and bonus shares allocated during fiscal year N.

Chairman	2016	2017 [a]	2018	2019	2020
Remuneration ratio compared with employees' average remuneration	2.84	1.73	1.23	1.05	1.32
Remuneration ratio compared with employees' median remuneration	2.90	1.70	1.16	1.49	1.51

(a) The successive remuneration of both Chairmen of the Board of Directors, Jean-François Hénin until 10 April 2017 and Aussie Gatauma as of this date, were taken into account.

Chief Executive Officer	2016	2017	2018	2019 [b]	2020 [c]
Remuneration ratio compared with employees' average remuneration	8.05	8.67	4.88	7.03	4.29
Remuneration ratio compared with employees' median remuneration	8.19	8.52	4.60	9.98	4.92

(b) The successive remuneration of both Chief Executive Officers, Michel Hochard until 31 October 2019 and Olivier de Langavant as of this date, were taken into account.
(c) The variable remuneration of Michel Hochard granted in respect of the fiscal year ended 31 December 2019 and paid during the 2020 fiscal year was taken in account, as well as the variable remuneration paid to Olivier de Langavant in 2020.

	2017/2016	2018/2017	2019/2018	2020/2019
Change in the remuneration of the Chairman	-36.91%	-26.94%	+8.25%	-4.00%
Change in the remuneration of the Chief Executive Officer	+12%	-42%	+82.51%	-54%
Change in the Company's performance [d]	+114%	+614%	-34%	-245%
Change in employees' average remuneration	+4.00%	+2.50%	+26.9%	-23.80%
Change in employees' median remuneration	+4.40%	-10.30%	+0.30%	-5.70%

(d) Calculated based on the Company's net income.

3.3 AGREEMENTS REFERRED TO IN ARTICLE L. 225-37-4 OF THE FRENCH COMMERCIAL CODE

To the Company's knowledge, there is no agreement referred to in Article L. 225-37-4, paragraph 2 of the French Commercial Code, with the exception of the agreement mentioned below.

As part of the Group's refinancing described in section 7.2.1 of this universal registration document, Pertamina Internasional Eksplorasi dan Produksi ("**PIEP**"), the Company's main shareholder[1], entered into a Sponsor Support Agreement with Maurel & Prom West Africa (a wholly owned subsidiary of the Company) pursuant to which PIEP undertook to provide Maurel & Prom West Africa, at its request, with the funds required in the event of default under the term loan (as described in section 7.2.1.1 of this universal registration document).

The special report of the Company's Statutory Auditors on the regulated agreements referred to in Articles L. 225-38 et seq. of the French Commercial Code for fiscal year 2020 is provided in section 6.5.2 of this Annual Report.

Changes to the regulated agreements and commitments referred to in Article L 225-38 et seq. of the French Commercial Code entered into by the Company are described in section 6.5 "Regulated agreements and commitments" of this Universal Registration Document.

(1) PIEP was also a director of the Company until 20 June 2018.

3.4 PROCEDURE IMPLEMENTED IN ACCORDANCE WITH ARTICLE L. 22-10-12, PARAGRAPH 2 OF THE FRENCH COMMERCIAL CODE

An internal Company charter on regulated agreements (the "Charter") has been drawn up in accordance with AMF Recommendation DOC-2012-05, amended on 5 October 2018, and with paragraph 2 of Article L. 22-10-12 of the French Commercial Code. The Charter defines the procedure for monitoring regulated agreements and for assessing current agreements entered into under normal terms and conditions.

It was adopted by the Company's Board of Directors at its meeting of 12 December 2019.

Under French law, agreements entered into with the persons referred to in Article L. 225-38 of the French Commercial Code (directly or through an intermediary between the Company and its Chief Executive Officer, one of its Chief Operating Officers, one of its directors, one of its shareholders holding more than 10% of the voting rights, or, if the shareholder is a company, the company controlling it within the meaning of Article L. 233-3 of the afore-mentioned code) relating to current transactions and entered into under normal conditions are not subject to prior approval by the Board of Directors (the "Free Agreements").

The Charter provides for the following procedure for assessing Free Agreements:

- at least once every six months, the Company's legal department, in consultation with the Company departments concerned and the Company's Statutory Auditors, shall assess whether the amended Free Agreements that were renewed during the period under review as well as all or some of the other Free Agreements still in effect continue to fulfil the conditions of such qualification, namely that they relate to current transactions and are entered into under normal terms and conditions;
- the conclusions of this half-yearly review shall be communicated to the Chairman of the Company's Audit Committee. During its meeting, the Audit Committee, having previously consulted with the Company's Statutory Auditors if necessary, shall assess whether the Free Agreements should be reclassified as regulated agreements. Members of the Audit Committee directly or indirectly interested in a Free Agreement do not participate in the assessment of said agreement. The report of the half-yearly assessment by the Audit Committee shall be presented during the Board of Directors' meeting called to approve the half-year and annual financial statements;
- if, after its assessment, the Audit Committee believes that an agreement initially considered as a Free Agreement is in fact a regulated agreement, it shall inform the Board of Directors thereof so that the agreement can be ratified by the Board.

3.5 RULES FOR ADMISSION AND CONVENING GENERAL SHAREHOLDERS' MEETINGS

3.5.1 Convening General shareholders' meetings

General shareholders' meetings are convened, under conditions stipulated by law, by the Board of Directors or, otherwise, by the Statutory Auditors or by any other legally authorised persons. General shareholders' meetings are held at the registered office or at any other location specified in the meeting notice. The conditions of admission to General shareholders' meetings are described below:

In accordance with Article R. 22-10-28 of the French Commercial Code, a person is entitled to attend a General Shareholders' Meeting on the basis of the registration of shares in the name of the shareholder or the authorised intermediary registered on the shareholder's behalf, pursuant to paragraph 7 of Article L. 228-1 of the French Commercial Code, by midnight, Paris time, on the second business day before the meeting, either in the registered share accounts kept by the Company or in the bearer share accounts kept by the authorised intermediary mentioned in Article L. 211-3 of the French Monetary and Financial Code.

The registration of shares in the bearer share accounts kept by the authorised intermediary mentioned in Article L. 211-3 of the French Monetary and Financial Code is evidenced by a shareholding certificate issued by the authorised intermediary, sent electronically where necessary, under the conditions set out in Article R. 225-61 of the French Commercial Code, and attached to the postal vote or proxy form or to the request for the admission card made out in the name of the shareholder or on behalf of the shareholder represented by the registered intermediary. A certificate is also issued to any shareholder wishing to attend the meeting in person who has not received their admission card by midnight, Paris time, on the second business day before the meeting.

3.5.2 Shareholder access to and participation in General shareholders' meetings

A duly convened General Shareholders' Meeting represents all shareholders. Its decisions are binding for all shareholders, even those who are absent, dissenting or legally incapable.

Regardless of the number of shares that he/she owns, every shareholder has the right to participate in General shareholders' meetings, be it personally, by appointing a proxy, or by voting remotely, in accordance with current laws and regulations.

Any shareholder may also send a proxy to the Company without indicating the name of their representative. Any such proxies which do not indicate the name of the representative will be considered as a vote in favour of the resolutions submitted or approved by the Board of Directors to the Meeting.

However, proof of the right to participate in the Company's General shareholders' meetings, in any form whatsoever, can be shown by the registration of shares under the terms and conditions stipulated by the applicable regulations.

Postal or proxy voting forms, as well as shareholding certificates may, if the Board of Directors so stipulates, be established in electronic form and duly signed in accordance with applicable laws and regulations. For this purpose, the form may be directly entered and signed electronically on the website set up by the Meeting's clearing agent. The form may be electronically signed (i) by entering, in accordance with the provisions of the first sentence of the second paragraph of Article 1367 of the French Civil Code, an identifying code and a password, or (ii) by any other process that meets the conditions defined in the first sentence of the second paragraph of Article 1367 of the French Civil Code.

The proxy or vote thus expressed before the meeting via this electronic method, as well as the acknowledgement of receipt given, if any, shall be considered an irrevocable written instruction enforceable against all parties, except in cases of sales of securities, which are subject to the notification provided for in Article R. 22-10-28 section IV of the French Commercial Code.

The procedures for sending postal and proxy voting forms shall be specified by the Board of Directors in the advance notice and the meeting notice.

Under the applicable legal and regulatory conditions, the Board of Directors may arrange for shareholders to attend and vote at the Meeting via video conference or other means of teleconferencing that allow shareholders to be identified and which comply with legal and regulatory requirements. The Board shall ensure that the means of identification are effective.

For the purposes of establishing the quorum and majority required for any General Shareholders' Meeting, shareholders who attend the General Shareholders' Meeting via video conferencing or other means of teleconferencing that allow them to be identified, in accordance with applicable legal and regulatory conditions, shall be deemed present.

3.6 FACTORS LIKELY TO HAVE AN IMPACT IN THE EVENT OF A TAKEOVER BID

Share capital structure

The structure of the Company's share capital is detailed in section 6.1.

Direct or indirect shareholdings in the Company's share capital of which it is aware

Direct or indirect shareholdings in the Company's share capital of which it is aware are detailed in section 6.3.

Statutory restrictions on the exercise of voting rights

Article 10 of the Articles of Association, which also appears in section 6.2.4 of this Annual Report, stipulates that any shareholder who has not declared to the Company that they have exceeded a threshold of 2% of the capital or voting rights or any multiple of this 2% threshold shall be deprived of voting rights with respect to the shares exceeding the percentage that should have been declared. This restriction may, as the case may be, have an impact in the event of a public offering.

Agreements between shareholders of which the Company is aware and which may lead to restrictions on share transfers and the exercise of voting rights

As part of the takeover bid launched in 2016, PIEP offered all beneficiaries of bonus shares whose shares were not available to be contributed to the takeover bid the option of entering into a liquidity agreement. Under this liquidity mechanism, PIEP must, at any time during two six-month windows starting on the expiry date of the tax-related lock-up period for the bonus shares issued under a given plan and then on the first anniversary of that date (each of these periods, a "Liquidity Window"), acquire from each beneficiary who has entered into said agreement and who so requests, all of the bonus shares that the beneficiary holds under that plan. In addition, each beneficiary of a given plan who has entered into the liquidity agreement must, at any time during two six-month periods starting on the first day following the expiration of each Liquidity Window and at PIEP's request, transfer to PIEP all the shares that they hold under that plan. The aforementioned promises may only be carried out in the event of prior determination of reduced liquidity in the Company's shares. The majority of shares have been contributed, the plans have reached maturity.

Rules applicable to the appointment and replacement of members of the Board of Directors and to amendments to the Company's Articles of Association

With the exception of the age limit of (i) 75 years imposed by the Articles of Association on the Chairman of the Board of Directors (Article 17.2 of the Company's Articles of Association) and (ii) 70 years imposed by the Articles of Association on the Chief Executive Officer and, as applicable, the Chief Operating Officer (Articles 22.3 and 23.5 of the Company's Articles of Association), there are no provisions in the Articles of Association that differ from those provided by law with respect to the appointment and replacement of members of the Board of Directors or the amendment of the Articles of Association.

Powers of the Board of Directors

Pursuant to the resolution approved by the shareholders at the General Shareholders' Meeting of 13 June 2019, the Board of Directors may not implement the Company's share buyback programme during any period of public offering on the Company's shares.

In addition, in accordance with the decision of the General Shareholders' Meeting of 13 June 2019, the Board of Directors may not decide to issue shares or transferable securities conferring access to capital, with or without pre-emptive subscription rights, during periods of public offering on the Company's shares, with the exception of awards of bonus shares or issues of shares or transferable securities conferring access to capital reserved for employees.

Agreements modified or terminated in the event of a change in control of the Company

The term bank loan entered into by the Company on 10 December 2017 as part of the refinancing of its debt, as described in section 7.2.1.1 of this Annual Report, contains a change in control clause pursuant to which any lender may request the immediate repayment of sums loaned in the event that PIEP ceases to control the Company.

Change in control of the Company means the case where PIEP (i) (either directly or indirectly through the holding of share capital, the exercise of voting rights, the holding of their investment or the management of their rights, contracts or otherwise) would no longer have the power to (A) vote or exercise control over 50% of the maximum number of votes that may be cast at a General Shareholders' Meeting of the Company; or (B) appoint and/or dismiss all or the majority of the members of the Board of Directors or other governing body of the Company; or (C) exercise control over the decisions of the Company or its management policy; or (ii) would cease to hold more than 50% of the Company's issued share capital.

List of the persons holding titles comprising special control rights and description thereof

None

Control mechanism provided for in a potential employee shareholding scheme, when the voting rights are not exercises by the latter

None

Agreements providing for damages to the members of the Board or the employees, if they resign or are dismissed without cause or if their employment is terminated because of a cash tender offer or an exchange tender offer

None

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3.7 DELEGATION OF AUTHORITY GRANTED BY THE GENERAL SHAREHOLDERS' MEETING TO THE BOARD OF DIRECTORS REGARDING CAPITAL INCREASES

Authorities and delegations granted by the Company's General shareholders' meetings still in force at 31 December 2019 and, as applicable, their use during the 2019 fiscal year are described in the tables below:

Resolution No. at the General Shareholders' Meeting of 13 June 2019	Type of authority or delegation	Ceiling	Duration of authority from 13/06/2019	Comments
Sixteen	Delegation of authority granted to the Board of Directors to issue Company shares and/or transferable securities conferring access, immediately or in the future, to the capital of the Company or of one of its subsidiaries, with shareholders' pre-emptive subscription rights [a].	Total nominal value of capital increases: €100m. Total par value of any debt securities that may be issued: €700m.	26 months, i.e. until 13 August 2021.	This delegation replaced the previous delegation granted for the same purpose by the General Shareholders' Meeting of 20 June 2018.This delegation replaced the previous delegation granted for the same purpose by the General Shareholders' Meeting of 20 June 2018. This delegation cannot be used in a public offering of Company shares. This delegation was not used as at 31 December 2020, nor as at the date of this Universal Registration document

Resolution No. at the General Shareholders' Meeting of 13 June 2019	Type of authority or delegation	Ceiling	Duration of authority from 13/06/2019	Comments
Seventeen	Delegation of authority granted to the Board of Directors to issue Company shares and/ or transferable securities conferring access, immediately or in the future, to the capital of the Company or of one of its subsidiaries in the event of a public offering, with removal of shareholders' pre-emptive subscription rights.[(a)] [(b)]	Total nominal value of capital increases: €60m. Total par value of any debt securities that may be issued: €420m.	26 months, i.e. until 13 August 2021.	This delegation replaced the previous delegation granted for the same purpose by the General Shareholders' Meeting of 20 June 2018. This delegation cannot be used in a public offering of Company shares. This delegation was not used as at 31 December 2020, nor as at the date of this Universal Registration Document.
Eighteen	Delegation of authority granted to the Board of Directors to issue Company shares and/ or transferable securities conferring access, immediately or in the future, to the capital of the Company or of one of its subsidiaries by private investment, with removal of shareholders' pre-emptive subscription rights.	Total nominal value of capital increases: €60m. Limit: 20% per year of the Company's share capital as calculated at the date of the Board of Directors' decision to use the delegation. Total nominal value of any debt securities that may be issued: €420m.	26 months, i.e. until 13 August 2021.	This delegation replaced the previous delegation granted for the same purpose by the General Shareholders' Meeting of 20 June 2018. This delegation cannot be used in a public offering of Company shares. This delegation was not used as at 31 December 2020, nor as at the date of this Universal Registration Document.
Nineteen	Delegation of authority to the Board of Directors, in the event of an issue of shares and/or transferable securities conferring access to capital, to set the issue price in accordance with the conditions set by the shareholders' Meeting with removal of shareholders' preferential subscription rights[(a)] [(b)].	Total nominal value of capital increases: 10% of the Company's share capital (as it exists at the date of decision of the Board of Directors) per year. This ceiling counts towards the ceiling of the resolution pursuant to which the issue was decided.	26 months, i.e. until 13 August 2021.	This authority replaced the previous authority granted for the same purpose by the General Shareholders' Meeting of 20 June 2018. This authority cannot be used in a public offering of Company shares. This authority was not used as at 31 December 2020, nor as at the date of this Universal Registration Document
Twenty	Authorisation for the Board of Directors to increase the number of instruments to be issued, in the event of capital increase with or without removal of shareholders' preferential subscription rights[(a)] [(b)].	The increase must be made within 30 days of the end of the initial subscription period and may not exceed 15% of the initial issue. It must be made at the same price as that used for the initial issue. This ceiling counts towards the ceiling of the resolution pursuant to which the issue was decided.	26 months, i.e. until 13 August 2021.	This authority replaced the previous authority granted for the same purpose by the General Shareholders' Meeting of 20 June 2018. This authority cannot be used in a public offering of Company shares. This authority was not used as at 31 December 2020, nor as at the date of this Universal Registration Document.

Resolution No. at the General Shareholders' Meeting of 13 June 2019	Type of authority or delegation	Ceiling	Duration of authority from 13/06/2019	Comments
Twenty-one	Delegation of authority granted to the Board of Directors to issue Company shares or transferable securities conferring access to the capital of the Company and/or entitling holders to the allotment of debt securities in the event of a public offering initiated by the Company, with removal of shareholders' pre-emptive subscription rights [a] [b].	Total nominal value of capital increases: €60m. Total nominal value of any debt securities that may be issued: €420m.	26 months, i.e. until 13 August 2021.	This delegation replaced the previous delegation granted for the same purpose by the General Shareholders' Meeting of 20 June 2018. This delegation cannot be used in a public offering of Company shares. This delegation was not used as at 31 December 2020, nor as at the date of this Universal Registration Document.
Twenty-two	Delegation of authority granted to the Board of Directors to issue Company shares and/or transferable securities conferring access, immediately or in the future, to the capital of the Company, with a view to remunerating the contributions in kind made to the Company, with removal of shareholders' pre-emptive subscription rights.	Total nominal value of capital increases: dual limit of €60 million and 10% of the Company's share capital (as existing on the date of the Board of Directors' decision). Total nominal value of any debt securities that may be issued: €420m.	26 months, i.e. until 13 August 2021.	This delegation replaced the previous delegation granted for the same purpose by the General Shareholders' Meeting of 20 June 2018. This delegation cannot be used in a public offering of Company shares. This delegation was not used as at 31 December 2020, nor as at the date of this Universal Registration Document.
Twenty-three	Delegation of authority granted to the Board of Directors to increase the Company's capital by capitalising reserves, profits, premiums or other sums which may be capitalised.	Maximum nominal value equal to the total sums that may be incorporated into the capital: €100m.	26 months, i.e. until 13 August 2021.	This delegation replaced the previous delegation granted for the same purpose by the General Shareholders' Meeting of 20 June 2018. This delegation cannot be used in a public offering of Company shares. Delegation used at 31 December 2020, in the amount of €421,996.96.
Twenty-four	Authority granted to the Board of Directors to allocate Company shares free of charge to employees and/or corporate officers of the Company and its subsidiaries, removing shareholders' pre-emptive subscription rights.	Number of ordinary bonus shares awarded: 1% of the Company's share capital (as existing at the date of the Board of Directors' decision to award them).	38 months i.e. until 13 August 2022.	This authority replaced the previous authority granted for the same purpose by the General Shareholders' Meeting of 20 June 2018. Authorisation used for the allocation of the 3 August 2018 plan in the amount of 315,400 shares, for the 1 August 2019 plan in the amount of 770,300 shares and for the 6 August 2020 plan in the amount of 608,000 shares; for the allocation of the performance share plan for the Chief Executive Officer

Resolution No. at the General Shareholders' Meeting of 13 June 2019	Type of authority or delegation	Ceiling	Duration of authority from 13/06/2019	Comments
Twenty-five	Delegation of authority granted to the Board of Directors to execute capital increases reserved for employees enrolled in the Company savings plan, with the removal of shareholders' pre-emptive subscription rights.	Total nominal value of capital increases: €1m.	26 months, i.e. until 13 August 2021.	This delegation replaced the previous delegation granted for the same purpose by the General Shareholders' Meeting of 12 December 2018. This delegation was not used as at 31 December 2020, nor as at the date of this Universal

(a) Counts towards the €100-million total ceiling on capital increases and the €700-million total ceiling on debt securities.
(b) Counts towards the €60-million ceiling on capital increases and the €420-million ceiling on debt securities.

Lastly, under the terms of the 26th resolution of the General Shareholders' Meeting of 13 June 2019, the Board of Directors is authorised to cancel Company shares up to a limit of 10% of the Company's share capital per 24-month period. This authority was granted for a period of 26 months from the date of the aforementioned General Meeting.

4 NON-FINANCIAL PERFORMANCE STATEMENT

The Group's main non-financial risks and issues, its policies for managing them and the results for fiscal year 2020 are presented in the environmental and social report below, which, along with the business model described in section 1.1.3 "Business model" of this universal registration document, comprises the Maurel & Prom Non-Financial Performance Statement for the fiscal year ended 31 December 2020.

In accordance with Articles L. 225-102-1 and R. 225-105 et seq. of the French Commercial Code, the management report presents information on the manner in which the Company addresses the social and environmental consequences of its activities as well as its corporate commitments to promote sustainable development, anti-discrimination measures and diversity.

This information is presented in accordance with the applicable laws and regulations and focuses on Group entities that the Group controls and that employ staff.

Due to the nature of its activities, the Group is not directly exposed to issues pertaining to food waste, food insecurity, respect for animal welfare or responsible food. As it is not a downstream participant in the hydrocarbon sector, the Group is not able to provide or adopt measures to promote the health and safety of consumers. Since these issues did not appear relevant, they have been excluded from this report.

Scope of collection and consolidation of non-financial information

The Group's non-financial information presented in this chapter comprises qualitative and quantitative information collected from Group-controlled subsidiaries by means of four questionnaires. The questionnaires cover key social and environmental issues, social and environmental compliance, and sustainable development and are sent out to subsidiaries by the company secretary's office. They are updated in the fourth quarter of the year to take into account any regulatory or sector-based changes affecting non-financial reporting or any changes in the Group's consolidation scope that occurred during the year. This information is returned to the company secretary's office by the subsidiaries in January and in February of the following year. The non-financial information is then consolidated and presented to CSR, appointments and remuneration committee before being published in the universal registration document.

The consolidation scope for social, health and safety data covers the Group's consolidated registered workforce on all employment contract types at 31 December. As from 2020, indicators pertaining to the Lost Time Injury Frequency rate and the recordable injury rate are also provided for the operated reported scope, which includes Group employees, subcontracted personnel working at Group facilities, Caroil employees and subcontractors.

Environmental data relates to the Group's operated reporting scope. Effective 2019, this includes operations in Sicily and France (two drilling operations in 2019). In Sicily, the Fiume Tellaro seismic campaign was completed in April 2020. In France, MPEP France carried out two drilling operations in 2019. The project entered an 18-month test phase in September 2020.

The carbon intensity indicator for the Group's hydrocarbon production covers scope 1 of the M&P Gabon, and MPEP Tanzania and MPEP France subsidiaries, which account for all of the Group's production in 2020.

Indirect greenhouse gas emissions from the generation of purchased energy (scope 2) are calculated over the operated reporting scope.

In 2020, the inventory of greenhouse gas emissions included in the Group's scope 3 emissions takes into account greenhouse gas emissions from the maritime transport of the Group's oil production, emissions from direct energy consumption related to crude oil production in Angola – for the Group's working interest – and emissions from Caroil's third-party drilling activities.

The Company does not provide information on its interest in Seplat, a company listed on the London and Lagos stock exchanges. The assets acquired in Venezuela and Angola are operated by third parties. The Group's control over the operator's management of non-financial risks is exercised within the framework of the contracts that bind it to these partners. In Venezuela, where the Group acquired a 40% stake (32% net economic interest) in the capital of a joint venture with PDVSA, the Group's objectives are to preserve the integrity of people, facilities and the environment in the highly restrictive context of international sanctions against the national oil company.

Environmental and social issues and non-financial risk factors

The Group has identified 12 material environmental, social and corporate governance issues that form the basis of its social responsibility policy. These have been corroborated by materiality analyses performed at sector level by the IPIECA, IOGP and API as set out in the Oil and Gas Industry Guidance on Voluntary Sustainability Reporting.

The issues are presented along with the main non-financial risks. In early 2020 the Group finished updating its risk mapping to include all financial and non-financial risk factors. The significance of the risks has been assessed in terms of the probability that the risks will occur and their impact on achieving the company's strategic objectives both before and after the risk has been addressed by the risk management programmes in place. Risks are divided into five categories: financial risk factors, operational risk factors, reputational risk factors, political risk factors and environmental, social and governance ("ESG") risk factors.

In the following presentation, we have selected risk factors according to their inherent significance, meaning before account has been taken of the effects of the Group's risk management.

Sustainable development issues and main non-financial risks of the Maurel & Prom Group

Main non-financial issues and risks

Socio-economic issues	Risques socio-économiques
— managing skills and employment; — increasing purchasing spend with local suppliers; — increasing purchasing spend with local suppliers; — respecting the rules of ethics and transparency, combating corruption and tax evasion.	— risk of a shortage in skilled labour, difficulty in recruiting the talent needed for development; — risk of non-compliance with the principles of equal treatment (diversity); — risk related to the local economic and social impact of operations.
Health and safety issues	**Risks related to health and safety**
— protecting personnel; — preventing and managing risks related to health and safety; — maintaining the integrity of facilities; — controlling the EHS-S risk management practices of contractors and subcontractors.	— risks related to employee health, safety and security; — exposure to environmental, social and governance risks at the Group's subcontractors.
Environmental issues	**Risks related to negative impacts on the environment**
— preventing local environmental impacts; — controlling the energy and climate footprint; — safeguarding biodiversity and ecosystem services; — managing water resources.	— risk of accidental oil spill; — risk of negative environmental impacts on water or soil; — risk of water pollution; — risk of harm to biodiversity; — risk of air pollution, GHG emissions.

Since 2012, and in order to assess the materiality of the environmental and social information provided in its universal registration document, Maurel & Prom has referred to the recommendations of the IPIECA, IOGP and API as set out in the Oil and Gas Industry Guidance on Voluntary Sustainability Reporting.

Internally, stakeholder expectations are identified during interviews with managers responsible for relations with Maurel & Prom's stakeholders (investor relations, relations with creditors, relations with host country authorities, relations with NGOs, and relations with employees, shareholders and partners), when mapping Group risks, during environmental and social due diligence conducted by Maurel & Prom and at the time of annual non-financial reporting. The materiality assessment of economic, environmental and social issues was also discussed in depth during a strategic review in February 2018.

In the field, subsidiaries holding permits or conducting operations identify stakeholders and population groups in their area that could be impacted by, or could themselves impact, the project. The subsidiaries explain their expectations directly during information and project presentation meetings held to obtain the consent of the stakeholders affected. Dialogue between the subsidiaries and stakeholder representatives is arranged according to the local context and continues throughout the operation. Complaints, requests or concerns from the public are received, recorded and dealt with in a timely manner. In 2020, the most common issues were an operation's economic impact, health and safety protection, and risks of environmental damage and nuisance.

The Group's main non-financial risks are as follows:

1) Main socio-economic risks

A) Difficulty in recruiting the talent needed for the Group's development

The Group is exposed to a risk of shortages in skilled labour in a sector that is sensitive to variations in hydrocarbon prices. This applies especially to drilling activities. These risks were caused by an increase in competition after operations resumed in 2019 in the wake of the 2015 global oil crisis. Baby boomers retired and were not replaced, and the suspension of training created a generation gap. The goals of the Group's employment policy are described in 4.1.1 "Employment policy". Monitoring indicators are the number of Group hires. The Group's external and internal training policy is described in 4.1.2 "Training policy". Monitoring indicators are the number of hours allocated to training and corresponding budgets.

It should be noted that since March 2020, the effects of the global health crisis on the economy and especially on oil markets have led to a decline in drilling activities and eliminated the risk of a shortage in skilled labour in the short and medium term.

B) Risk of non-compliance with the principles of equal treatment (diversity)

This risk factor is generally low within the Group, but its interpretation varies depending on location. In Europe, where the Company's registered office and expatriate staff subsidiary (MPATI) are located, this risk can arise from an insufficient representation of women in the workforce, which is typical in this sector. The Group has not adopted an affirmative action policy. The goals of the Group's employment policy are described in 4.1.1 "Employment policy". Monitoring indicators for the application of the Group's employment policy are the percentage of women in the workforce, based on the qualifications required for the position and the type of contract (permanent or fixed term).

C) Risk related to the local economic and social impact of operations

In the Group's host countries, people living near Group sites can have high expectations for improvement in their daily lives. Maurel & Prom's contribution to these demands comes from a tax levy included in oil contracts. However, the process takes time and approvals are needed for some projects, which could lead to dissatisfaction in the community. The Group's policy in terms of investing in the communities within its sphere of influence is described in section 4.1.8 "Policy for contributing to local development" and is based on the location of the activity, management of community relations and social investment. Monitoring indicators for the establishment of this policy are direct and indirect employment, the share of local procurement in total procurement, and the preparation of voluntary and contractual budgets dedicated to social programmes.

2) Risks related to health and safety

A) Risks related to staff health and safety

Occupational health and safety risk is inherent to the oil and gas industry. The Group's health, safety and security policies and its management system are described in 4.1.6 "Health, safety and security policy" and 4.1.7 "Implementation of the health, safety and security policy". The occupational health and safety management system of the Maurel & Prom Group and its M&P Gabon and MPEP Tanzania subsidiaries obtained ISO 45001 certification at the beginning of 2020. The occupational health and safety management system of drilling subsidiary Caroil has OHSAS 18001 certification. Monitoring indicators for occupational health and safety conditions are Lost Time Injury Frequency rate and Total Recordable Injury Rate.

B) Exposure to environmental, social and governance ("ESG") risks at the Group's subcontractors

Because of the way the oil and gas sector is organised, approximately 70% of the Group's hours worked are contracted out (57% in 2020 due to reduced activity). The expanded scope of its operations may therefore result in incidents or accidents, pollution and cost overruns and have an adverse effect on the Group's reputation. The procedures implemented by the Group to manage indirect environmental and social risks via its subcontractors are described in sections 4.1.6 "Health, safety and security policy" and 4.1.7.8 "Subcontractors and suppliers".

3) Risks related to environmental impacts

A) Risk of accidental oil spill

The risk of accidental oil spill can be caused by equipment fatigue, human error or design error. The Group's environmental policy is described in 4.2.1 "General environmental policy" and 4.2.2 "Implementation of the environmental policy". The methods employed to prevent water and soil pollution risks are described in section 4.2.3 "Measures for preventing, reducing and repairing local environmental impacts". The environmental management system of the Maurel & Prom Group and its M&P Gabon and MPEP Tanzania subsidiaries became ISO 14001-certified in early 2020. Caroil's environmental management system is ISO 14001-certified. The monitoring indicator for the implementation of pollution prevention measures is the number of accidental oil spills.

B) Risk of negative environmental impacts on water or soil

Because of the nature of its activities and the sometimes sensitive environments in which it operates, the Group is exposed to a risk of water or soil pollution. These risks relate to the occurrence of a major accident (see chapter on risk factors, 2.2.2 "Risks related to safety and security") or an accidental spill. Such events are rare, but their potential environmental impact can be significant. The Group's environmental policy is described in 4.2.1 "General environmental policy" and 4.2.2 "Implementation of the environmental policy". Measures for preventing, reducing and repairing local environmental impacts are described in section 4.2.3 "Measures for preventing, reducing and repairing local environmental impacts".

C) Risk of harm to biodiversity

Biodiversity can be harmed by a major accident or water or soil pollution. Such events are rare, but the potential impacts can be significant. The Group's biodiversity protection policy is described in sections 4.8.1.4 "Relations with persons or organisations with an interest in Maurel & Prom's activities, notably environmental protection associations, consumer groups and local residents" and 4.2.6 "Protection of biodiversity and ecosystems".

D) Risk of air pollution and greenhouse gas emissions

In oil exploration and production, greenhouse gas emissions are mainly linked to oil production-related natural gas which may be flared, vented or possibly leaked (scope 1).

The practice of flaring (burning off) excess gas is partly to ensure the safety of the facility. The quantity of flared gas can also depend on whether or not processes have been put in place for reinjecting gas and infrastructures for processing gas, using the gas internally at the facility, selling the hydrocarbons extracted commercially or even the type of hydrocarbon extracted. Flared gas is clearly a non-value-adding resource and a source of pollution. In recent years, the sector has made progress in reducing flared gas volumes and the associated greenhouse gas emissions.

Controlling energy consumption and greenhouse gas emissions is one of the principles included in the Group's Health, Safety, Security and Environment Charter. Monitoring indicators are the flared gas volumes and greenhouse gas emissions within the Group's operated reporting scope.

4.1 CORPORATE SOCIAL PERFORMANCE

The Group's role is to act as a long-term investor and partner, contributing to local development on a long-term basis and continually improving health, safety and environmental protection.

In early 2020 the Group's head office and main subsidiaries in Gabon and in Tanzania were awarded ISO 45001 certification for their health and safety management system and ISO 14001 certification for their environmental management system.

At the end of 2020, all staff and subcontractors working for Caroil, the Company, Maurel & Prom Colombia, Maurel & Prom Gabon and MPEP Tanzania Ltd – 821 workers in total – were covered by an EHS-S management system that had been audited or certified by a third party.

4.1.1 Employment policy

For a group in the extractive industry whose operations are mainly conducted in Africa, the main challenges are massive investment, technological advances, the exploration of new geographic regions that are more difficult to access, and the need to train skilled local labour and encourage women to hold positions at every level of the organisation.

Maurel & Prom's recruitment policy is guided by the insourcing of skilled trades, the transfer and sharing of skills through in-house training, and the local filling of management positions at all levels of responsibility. Maurel & Prom bases its staff recruitment on explicit, non-discriminatory criteria and guarantees equal opportunities for all employees at all stages of their careers. In March 2019, the Group featured the female employees at its Tanzanian subsidiary in a report entitled "Women in the Field" ("femmes de terrain"), which can be viewed on the Company's website.

The Group's recruitment policy is aimed at providing it with the best skills to support its development.

In Gabon, the subsidiary implemented a career management policy and competitive remuneration to recruit and retain talent, while risk can always be mitigated at a variable cost by outsourcing skills. With regard to drilling activities and well operations, the Gabonese subsidiary is setting up a flexible structure whereby skills are insourced and disciplines are incorporated into usually specialised teams through cross training.

In 2019, the Group's drilling subsidiary, Caroil, defined an attractive remuneration package for employees supplemented by benefits (medical and family event coverage).

4.1.1.1 Total workforce and breakdown by gender, age and geographic region

As at 31 December 2020, the Group had 519 employees versus 769[(1)] in 2019, divided between eight countries, versus nine in 2019. At end-2020, the Group had expatriate employees in Gabon, Tanzania, Namibia, Angola and Venezuela. Caroil's base in Congo was closed. It had two staff members at the end of 2019.

At end-2020, 84% of the Group's workforce was based in Africa, versus 90% in 2019.

The Gabonese subsidiary continues to be the Group's largest operation in terms of headcount. At 31 December 2020, Maurel & Prom Gabon had 303 employees representing 58.4% of the Maurel & Prom Group's total workforce, compared with 330[(1)] employees at end-2019, representing 42.7% of the total workforce at that date.

In 2020, Caroil Gabon, which had become the Group's second largest operation at end-2019 after absorbing workers previously seconded to the company, had to manage 201 employee departures and 28 new hires after all customer drilling activities were halted. At the end of 2020, the company maintained a staff of 27 in Gabon, which is a strategic country for the Group. This should be sufficient headcount to resume operations under optimal conditions when things recover.

The headcount in Tanzania has remained relatively stable over the past three years with 92 employees at end-2020 versus 94 at end-2019.

Venezuelan subsidiary M&P Servicios Integrados UW S.A., established in 2018, had 20 employees at end-2020 versus 19 at end-2019.

The following tables show the breakdown of the workforce at end-2020 and end-2019 based on job, age bracket, geographic region, gender and contract type (expatriates or local employees).

The table below shows the breakdown of the Group's workforce by type of position held at end-December 2019 and 31 December 2020:

Position	31/12/2019[(a)]	31/12/2020
Engineers	107	93
Technicians	473	261
Support staff	189	165
TOTAL	**769**	**519**

(a) The 2019 headcount was adjusted for staff movements that occurred at the end of the fiscal year.

(1) Percentage adjusted for staff movements at the end of 2019.

The table below shows the breakdown of the Group's workforce by age bracket at 31 December 2019 and 31 December 2020:

Breakdown by age bracket	31/12/2019[(a)]	31/12/2020
Up to 25 years of age	8	2
25 to 34 years of age	179	90
35 to 44 years of age	335	248
45 to 54 years of age	201	138
Over 55 years of age	46	41
TOTAL	**769**	**519**

(a) The 2019 headcount was adjusted for staff movements that occurred at the end of the fiscal year.

The table below shows the breakdown of the Group's workforce by geographic region and gender at 31 December 2019 and 31 December 2020:

Geographic breakdown (registered workforce) All types of employement contract, by gender	2019[(a)]			2020					
	Men	Women	Total	Men	%	Women	%	Total	%
Africa	623	70	90%	374	86%	63	14%	437	84%
Latin America	12	16	4%	9	36%	16	64%	25	5%
Europe	30	18	6%	37	65%	20	35%	57	11%
SUB-TOTAL	**665**	**104**	**100%**	**420**	**81%**	**99**	**19%**	**519**	**100%**
TOTAL			**769**						**519**

(a) The 2019 headcount was adjusted for staff movements that occurred at the end of the fiscal year.

In 2020 the percentage of female employees was up slightly to 19% of total headcount, versus 14% at end-2019. Of that percentage, 71% held support functions (versus 72% in 2019), 12% were engineers (versus 15% in 2019), and 17% were technicians (versus 14% in 2019).

The table below shows the breakdown of the Group's workforce by contract type (expatriates or local employees) at 31 December 2019 and 31 December 2020:

Geographic breakdown (registered workforce All contract types	2019[(a)]			2020			
	Expatriate	Local	Local staff as a % of regional headcount	Expatriate	Local	Local staff as a % of headcount by region	Total headcount by region
Africa	107	586	85%	42	395	90%	437
Latin America	3	25	89%	2	23	92%	25
Europe	5	43	90%	-	57	100%	57
SUB-TOTAL	**115**	**654**	**85%**	**44**	**475**	**92%**	**652**
TOTAL		**769**			**519**		**519**

At end-2020, the percentage of workers at the Gabonese and Tanzanian subsidiaries who were recruited locally was 91% and 92% respectively, versus 90% and 93% respectively at end-2019. At end-2020, local workers at Caroil Gabon represented 68% of the total workforce versus 75% at end-2019.

4.1.1.2 Recruitment and dismissals

A total of 64 people were recruited in 2020 versus 298 in 2019. Of those, 37.5% were recruited on permanent contracts, versus 35% in 2019. Fixed-term recruitment is practised in Gabon and France. Caroil accounted for 55% of the Group's recruitment (versus 71% in 2019). Despite the abrupt halt to drilling activities at the onset of the pandemic, Caroil still maintained a significant structure in Gabon in order to be better prepared for the resumption of operations and pursue development projects outside Gabon. All locally recruited staff at the Caroil subsidiary in Gabon were on fixed-term contracts.

The table below shows the Group's new hires as at 31 December 2019 and 31 December 2020:

Recruitment	2019			2020		
	Permanent	Fixed-term contract	Total	Permanent	Fixed-term contract	Total
Total Group	99	199	298	24	40	64
o/w Company	11	2	13	3	9	12

The table below shows departures from the Group, excluding retirees and role changes, as at 31 December 2019 and 31 December 2020:

	2019	2020
Departures excluding retirees/role changes, of which:	166	298
Voluntary departures (resignations, negotiated departures, contract terminations)	47	17
End of fixed-term contract	59	154
Dismissals	60	125
Deaths	0	2
TOTAL DEPARTURES/TOTAL WORKFORCE	**21.6 %**	**57.4%**

In 2020 employee departures accounted for 57.4% of the total workforce, up from 2019 (21.6%).

Fully 51.3% of departures in 2020 were due to the end of fixed-term contracts. Of those, 95.4% involved Caroil staff. Lay-offs accounted for 41.9% of departures, with 85.6% of those lay-offs coming from drilling activities. More broadly, 85.6% of departures concerned Caroil entities, compared with 62.3% in 2019. This was due to the halt in operations triggered by the Covid-19 pandemic. 20.3% of Caroil departures involved expatriate staff.

4.1.1.3 Equality of treatment

The Group ensures that all employees receive equal opportunities by basing its recruitment around explicit and non-discriminatory criteria, raising the awareness of operating entity managers and recruitment staff on these issues, and complying with applicable laws. Because of its international presence, the Group is fully aware that promoting diversity means combating all forms of discrimination, whether in terms of openness to different social backgrounds, professional equality or integration, and that diversity is a significant asset for the company and drives performance.

A) Measures taken to promote gender equality

The Group does not have a formal affirmative action policy and does not discriminate between men and women when hiring to fill vacancies. As at 31 December 2020, women accounted for 30% of new hires during the year, versus 11% in 2019. The rate of female recruitment was lower in 2019 because most new hires were at the drilling subsidiary where jobs essentially involve working on site or in operations. In 2020, all newly hired women were recruited locally, in France or at the subsidiaries. Overall, at end-2020 women made up 19% of the Group's workforce versus 13% in 2019. The Gabonese and Tanzanian subsidiaries and Caroil have defined pay scales, while remuneration is based on the grade of the position and the applicant's profile, with no distinction made as to gender. In 2020, three of the five internal promotions to head of department at the Gabonese subsidiary were women. At the end of the year, 30% of the subsidiary's positions of responsibility were held by women.

B) Measures taken to encourage the employment and integration of people with disabilities

The Group has not taken affirmative action to integrate the diverse range of disabilities into its working environment and strategic business planning.

As at 31 December 2020, the Group had no disabled employees.

C) Anti-discrimination policy

The Group strives to offer equal opportunities for all employees at every stage of their professional career. In this respect, the Group does not base its decisions on criteria such as race, nationality, religion, ethnic origin, gender, marital status, morals, political opinions, union activities or state of health (unless declared incapacitated by an occupational physician). The only criteria that the Group recognises as valid are a person's professional qualities and qualifications.

The Group is committed to full compliance with the principles of non-discrimination, as set out in French law (declaration of human and citizens' rights, laws and decrees in force) and in applicable European and local law.

In 2020, the Group had not recorded any instances of discrimination against its staff.

4.1.1.3.1 Relationship with integration associations and teaching establishments

In terms of workforce entry, the Gabonese subsidiary signed a "young apprentice" framework agreement ("CAJ") with the vocational integration fund FIR *(Fonds d'aide à l'insertion et réinsertion professionnelle)*. The agreement is designed to promote the entry of young graduates into the workforce. Since 2015 the subsidiary has received 63 CAJ trainees. Sixteen apprenticeships have led to job offers, including three hires in 2019 and two in 2018. Internships and apprenticeships were ended in March 2020 in order to comply with social distancing measures. The Gabonese subsidiary nevertheless continued to pay bonuses. Only one apprentice working at the site stayed on until he had completed his apprenticeship. The pandemic and drop in business meant that no recruitment took place in 2020. As of February 2021, the subsidiary was hosting three CAJ trainees (in human resources, geosciences and well intervention).

4.1.1.3.2 Promotion of and compliance with the International Labour Organisation's Fundamental Conventions, freedom of association and the right to collective bargaining/elimination of discrimination in respect of employment and occupation/elimination of forced and compulsory labour/effective abolition of child labour

The Group's general policy complies with the general principles of international law (OECD, ILO and EU law) as well as national laws that exclude among other things all forms of discrimination, harassment, forced labour and child labour.

4.1.2 Training policy and its implementation

4.1.2.1 Training policy

The Group faces a two-fold challenge in its training programme: firstly developing a corporate culture around health, safety, security and the environment (EHS-S), both internally and among its subcontractors, as discussed in section 4.1.7 "Implementation of the health, safety and security policy" of this chapter, and secondly developing continuing education and skills transfer to local workers.

The Group's training policy is organised around tasks such as the updating and renewal of skills certificates in safety techniques, training local employees in oil-related occupations, continuing education based on individual career paths and training for HSE managers, all of which are entrusted to external training agencies.

Skills transfer and "localisation" are arranged internally and are divided into four key strands: theory classes and operational tutorials, practical exercises and group exercises at the operating site, on-site technical learning, and on-the-job training (OJT).

There are two objectives for internal training:

- minimise training costs and prioritise training in EHS-S and specific occupations (exploration and operations); and
- as a priority, strengthen the abilities and further develop the skills of exploration and development staff.

Exploration and operations-related training is provided in the form of on-the-job training.

At the end of 2019, the Gabonese subsidiary launched a programme in conjunction with IFP Training to improve employee skills. The first step is to assess the skills of production operators and then assess those of the rest of the staff. In 2020, half of the operators concerned had undergone a skills assessment.

4.1.2.2 Number of hours and budget allocated to training

The table below shows the number of hours of external training provided to Group employees in fiscal years 2019 and 2020, along with the associated cost:

	2019		2020	
	Number of training hours	Cost	Number of training hours	Cost
	11,535	$606,321	1,545	$53,477

In 2020, the Group's external training programme was severely impacted by the public health crisis, which meant no in-person training could take place after March 2020. The Gabonese and Tanzanian subsidiaries accounted for 75% of total training hours versus 93% the previous year. The number of hours allocated to external training for Group employees was divided between the Gabonese subsidiary, which accounted for 27% versus 75% in 2019, and the Tanzanian subsidiary, which accounted for 48% versus 18% in 2019. In 2020, the training budget for subcontractors was $10,305 for 264 hours of training. This training supported the set-up of operations in Italy (seismic campaign), France (long-term testing) and Colombia.

Training hours completed in 2020 covered geoscience in Gabon and health, safety and security management in Tanzania. Special effort was made to train eight Group employees at head office and in the Gabonese and Tanzanian subsidiaries in ISO 14001 and ISO 45001 internal auditing.

In 2019, the training budget was especially high. The focus was on EHS-S training and certification-based training such as IWCF, fire prevention, electrical accreditation, machinery operation (statutory training), defensive driving, and the handling of chemicals and hazardous materials. As part of the preparations for the Kari drilling programme, anti-pollution training was held on site in 2019 with a third-party body, OSRL. Training was also provided to support functions in contract law, labour law and lean management. In Tanzania, two of the subsidiary's local employees had training to become a certified production supervisor. The training was delivered by the IFP Training Centre in France.

4.1.3 Management of industrial relations

A) Organisation of social dialogue, especially procedures for employee information, consultation and negotiation

The quality of industrial relations within the Group is the result of dialogue between employees, their representatives and management.

In the Group's subsidiaries, dialogue is organised in accordance with applicable laws and regulations.

In Gabon in January 2018, all subsidiary staff representatives received training on the role of a staff representative. The training was organised and co-facilitated by an external firm and the director of ISTRAP (inspectorate in charge of the oil sector). Statutory meetings were held during the year. The Standing Committee for Economic and Social Dialogue (CPCES) met in June 2018.The next election of staff representatives is expected to take place at the end of March 2021.

In addition to consulting employees at general meetings and distributing information memos, the Gabonese subsidiary's human resources department arranges regular site visits in an effort to stay in touch with local staff and anticipate any needs.

In Tanzania, employees joined the Tanzania Mines, Energy, Construction and Allied Workers Union (TAMICO). A branch of the union was opened in 2015 in Mnazi Bay. Representatives from the union relay employees' demands to the employer. If necessary, a three-party meeting is arranged, attended by employee, employer and union representatives.

In Colombia, social dialogue is promoted through monthly meetings of an occupational Health and Safety Committee and quarterly meetings of a committee tasked with preventing workplace harassment. These committee meetings are opportunities for employees and employers to come together to discuss topics other than those solely related to occupational health and safety.

B) Overview of collective agreements

The Group operates in countries where the relatively recent local hydrocarbon exploration and production industry does not always have a collective branch agreement (see section 4.1.5 "Organisation of work").

In the absence of such measures, the Group's subsidiaries, on a case-by-case basis, enter into collective agreements in particular to cover employee healthcare costs and remuneration.

In the Gabonese subsidiary, the collective agreement from 2015 is still in effect. Plans to discuss a new collective agreement, initially scheduled for 2020, have been delayed because of the coronavirus pandemic.

In France, the Company has subscribed to the Exceptional Purchasing Power Bonus scheme, which was introduced by the government in 2019 and renewed in January 2020. The government has not extended this financial incentive for 2021.

4.1.4 Remuneration and changes in remuneration

The remuneration of corporate officers is described in section 3.2.3 of this universal registration document.

The Group strives to recognise and to fairly reward the contribution of each employee to the Company's success. Remuneration varies according to each person's position, skills, performance and potential. These common principles are adjusted in accordance with local parameters such as social legislation, economic conditions and the job market in the various countries in which the Group operates.

For the Group as a whole, personnel expenses break down as follows:

Total payroll, including *(in $ thousands)*	**2019**	**2020**
Wages and salaries	63,025	50,332
Profit-sharing	1,197	1,339
Other personnel expenses	19,244	15,714
NET VALUE	**83,466**	**67,385**

In 2020, the drop in the value of wages and salaries compared to 2019 was largely due to the sudden halt in drilling activity leading to a reduction in local and expatriate staff, the impact at the company level of non-recurring remuneration components paid in 2019, and the reduction in variable remuneration in 2020.

Only Caroil in Gabon and the Gabonese subsidiary made use of short-time working arrangements. The Gabonese subsidiary applied an allowance rate of 60% of gross salary for all employees who were put on short-time work. Under Gabonese law, this rate can range between 50% and 70% of gross salary, regardless of business sector.

4.1.4.1 Profit-sharing

Following the universal transfer of assets (transmission universelle du patrimoine) from Maurel & Prom Assistance Technique to the Company in 2019, staff at Maurel & Prom Assistance Technique are now Company employees.

Company employees are able to share in the Group's performance through a profit-sharing plan and an employee savings scheme. The Group has also decided to establish a bonus share allocation system to reward high-potential employees of the Group's foreign companies in which the collective profit-sharing schemes permitted under French law do not exist.

4.1.4.2 Profit-sharing plan

Company employees may participate in a profit-sharing plan. The profit-sharing plans currently in place at these companies were set up with effect from 1 January 2018. These agreements have a dual purpose: (i) to rally employees in order to boost Group productivity and (ii) to reward each person's contribution to the common effort to increase productivity and improve the way that work is organised.

4.1.4.3 Employee savings scheme

On 1 March 2002, the Company set up a proactive employee savings scheme giving employees the option of subscribing to a Company Savings Plan ("CSP"). This plan has a one-year term and is automatically renewable for one-year periods.

All Company employees with at least three months' service may join the plan, if they so wish. Contributions to the Company Savings Plan can be made from all or part of any employee profit-sharing scheme, voluntary additional payments by the beneficiary (to the extent permitted by law), Company contributions, and transfer of savings to the plan by the beneficiary.

Employees are encouraged to save through a flexible contribution schedule that is applied across the Board and available to all beneficiaries.

Employer contributions to the CSP in 2020 (amounts paid into the CSP on behalf of the employees) amounted to €125,053, versus €151,937 in 2019.

4.1.4.4 Bonus shares granted to Group employees

The table below shows the bonus shares granted to Group employees in 2020 and 2019.

Bonus shares granted in 2019	2018 Plan
Award date	03/08/2018
Vesting period	03/08/2019
Holding period	03/08/2020
Number of employees concerned	43
Number of bonus shares	133,250

Bonus shares granted in 2020	2018 Plan	2019 Plan
Award date	03/08/2019	01/08/2019
Vesting period	03/08/2020	01/08/2020
Holding period	03/08/2021	03/08/2021
Number of employees concerned	38	49
Number of bonus shares	106,093	261,955

4.1.4.5 Pension plan and other benefits

Maurel & Prom participates in a supplementary pension scheme, which is a group insurance policy with Generali. This affiliation covers all employees, with employer contributions set at 8% for tranches A, B and C. The sums paid under this scheme amounted to €462,863 in 2020 versus €480,771 in 2019.

4.1.5 Organisation of work

The average working week is set by national law and adjusted according to the local context.

In France, the Company has been governed by the oil industry collective agreement since 1 March 2004.

In Gabon, M&P Gabon applies the hydrocarbon exploration and production industry's collective agreement. There is no collective agreement covering drilling activities. Because of this, Caroil has elected to implement a company agreement that is more favourable than the labour code. At the end of 2019, negotiations on the agreement with staff representatives were in the final phase.

In Tanzania, in the absence of a collective agreement, the MPEP Tanzania subsidiary signed a collective agreement in February 2019 with the Tanzania Mines, Energy, Construction and Allied Workers Union (TAMICO).

4.1.5.1 Working hours

In France, a protocol to control and reduce working hours has been in place since 19 May 2003. Under this protocol, the working week for company employees is 35 hours.

In addition, on 1 January 2011, the Company implemented a system based on a set number of working days for all independent workers and managers who have discretion over how to assign their time. Under this system, the working time for the employees concerned is counted in days and no longer in hours. An annual limit of 218 days per year is set by collective agreement, but an employee may lawfully work beyond this up to a maximum of 282 days per year.

In Gabon, the subsidiary applies the statutory 40 working hours per week for staff working at the base in Port-Gentil, and 84 hours per week, or 42 hours on an annualised basis, for staff stationed on site. In Tanzania, daily working hours are nine hours for employees at head office and 12 hours for employees on site.

4.1.5.2 Overtime

The Group does not have an overtime system.

There is no overtime system in place for employees who work a 35-hour week, or for employees working a set number of days. However, the latter may recoup any days worked over and above the limit set by the collective agreement.

The limit for employees of Caroil in metropolitan France is 218 days a year. Caroil expatriate employees are bound by their particular shift-work system.

4.1.5.3 Absenteeism rate

In 2020, the total rate of absenteeism is estimated at 2.5%, versus 2.0% in 2019, including 1.9% due to illness versus 1.5% in 2019.

The following calculation method is used:

- overall absenteeism: B/(A+B); and
- absenteeism through illness: C/(A+B).

where:

(A) corresponds to the number of days actually worked by all employees under contract, including training days;

(B) corresponds to the number of days of absence (due to sickness, occupational illness, maternity, workplace accident including work-related travel accident, or any other absence not provided for contractually); and

(C) is the number of sick days (excluding occupational illness, maternity, workplace accident or work-related travel accident, etc.).

4.1.6 Health, safety and security policy

Health and safety are a key concern for the Group. The Environment, Health, Safety and Security Charter, signed jointly by the Chief Executive Officer and the Chairman of the Board of Directors, puts the focus firmly on health, safety and environmental protection in the exercising of the Group's business as an oil operator.

The health and safety policy is designed to protect workers, manage risks related to health, safety and the environment that may arise during the course of its operations, and ensure the integrity of its facilities. The Group's health policy is also designed to promote worker health by facilitating access to medical and non-occupational health services through Group-wide health insurance. The subsidiaries arrange their own meetings to raise awareness about, and prevent, illnesses that are common in the oil industry. They also organise cancer screening.

The Group's EHS-S management system (its Operating Management System or OMS) was defined in 2008 based on the HSE management model used by the International Association of Oil and Gas Producers (IOGP). It is revised and improved on a regular basis. At the beginning of 2020, the five EHS-S policies were reviewed by the new executive management. They underscore the Group's commitment to the environment, health, safety and security; ethics; driving and travel; alcohol and drug consumption; and the fight against malaria based on the World Bank's ABCD programme.

The Group's EHS-S management system promotes an EHS-S culture within the company that is shared with its partners and based on regulatory compliance, risk analysis, training, emergency preparedness and ongoing improvement. The Group has adopted a procedure for selecting and managing contractors in order to monitor their EHS-S practices and performance. During interviews, the Group's subsidiaries are required to follow a selection process that includes an EHS-S assessment of the offers submitted by potential partners, in addition to a technical and financial assessment. The EHS-S obligations of selected partners are then clearly defined and attached to the contract binding them to the Group. Finally, contractors are managed and supervised by Maurel & Prom's sponsoring and EHS-S departments from the time they move onto the site to the launch and subsequent performance of operations.

In 2018, the Group completed the roll-out of the OMS in its Gabonese and Tanzanian subsidiaries. Annual targets have been set to continuously improve the subsidiaries' practices and performance.

In December 2019, the Group completed the initial audit phase of its OMS at head office and at the M&P Gabon and MPEP Tanzania subsidiaries and obtained ISO 45001 and ISO 14001 certification at the beginning of 2020 valid for three years. The annual audit by a certification authority was conducted between 22 December 2020 and 22 February 2021, mostly remotely. The audit found no major areas of non-compliance. It also highlighted the progress made in a context of Covid-19 restrictions and noted the commitment and expertise of the Group's management.

Caroil's quality, occupational health and safety, and environment management system is underpinned by a documentation system with triple certification (ISO 14001: 2015, ISO 9001: 2015 and OHSAS 18001: 2007).

4.1.7 Implementation of the health, safety and security policy

The Covid-19 pandemic has tested the resilience of public health systems and workplace health and safety as never before. For the Maurel & Prom Group, the challenges are to protect the health of Group employees and service-company staff working at Group sites and to keep operations running in safe conditions. All Maurel & Prom Group entities have demonstrated their ability to adapt their operating procedures appropriately, by seeking to safeguard their relationships within their ecosystems.

4.1.7.1 Group arrangements to address workplace health and safety

In terms of organisation, EHS-S responsibilities are clearly defined at all levels.

The EHS-S manager (and his deputy), who reports to the Chief Executive Officer and is supported by his deputy, is responsible for the Group-wide implementation of the principles of the

Environment Health, Security and Safety Charter. As such, he defines the Group's EHS-S policy, objectives and organisation. When the new executive management took over at the end of 2019, the EHS-S charter and policies were reviewed and sent to all subsidiaries for application.

The Group has also set up an EHS-S executive committee, chaired by Maurel & Prom's Chief Executive Officer. It comprises the members of the Executive Committee and the EHS-S manager and his deputy. The committee defines the Group's EHS-S policy and objectives, revises the objectives of the Group and the subsidiaries, and monitors EHS-S performance and the corresponding action plans. The EHS-S Executive Committee met in July and December 2020.

Within the Group's subsidiaries, their respective CEOs have ultimate responsibility for EHS-S issues and are tasked with ensuring that, in all their subsidiary's activities, the health and safety of individuals, environmental protection and the protection of goods and property are respected. In February 2021, following the EHS-S Executive Committee meeting of December 2020, the MPEP Tanzania and M&P Gabon subsidiaries renewed their annual EHS-S targets.

The Group is committed to improving working conditions on an ongoing basis, preventing risks and reducing nuisances by implementing an EHS-S management system based on best industry practices, in compliance with national regulations. The Maurel & Prom Group's EHS-S management system is based on IOGP guidelines, especially Report No. 590 regarding risk control and optimal performance in the oil and gas industry. The countries in which the Group operates, particularly Gabon, Tanzania, Colombia, France and Italy, have all passed specific laws governing employee health and working conditions, which the subsidiaries apply.

The EHS-S management system covers employees and subcontractors working at sites operated by Maurel & Prom. Where Maurel & Prom is a partner in a joint venture and not the operator, the operator's management system applies. The EHS-S management system promotes the development of preventive action procedures to report any at-risk situation. Any such observations are forwarded to EHS-S representatives for corrective action, which is then monitored on a daily basis until completed. Agents can also contact their representatives to report any at-risk situation. The subsidiary's executive management may get involved in discussions, depending on the seriousness of the situation. The Maurel & Prom Group operates a "no-blame" policy and encourages all agents to report any danger or to stop work altogether. The "Stop Work Authority" programme allows anyone to stop work if they feel in danger or unable to perform a task safely. These principles are reiterated in all EHS-S inductions. Most local regulatory authorities in countries where Maurel & Prom has subsidiaries apply the "right of withdrawal".

The Maurel & Prom Group has set up a robust incident reporting and analysis process to identify causes, assess incident-related risks and determine what corrective action and improvements are required. A risk matrix is used to quantify an incident's actual or potential seriousness. The rankings are then used to define the corresponding level of investigation and management. Action is recorded and monitored locally by the subsidiaries. Substantive action is monitored and presented to the EHS-S Executive Committee for updating, decisions or assistance.

At the Group level, significant improvements have been made to the collection and processing of EHS-S performance indicators. A comprehensive record of incidents and accidents is kept, from which information can be drawn. Corrective actions are also monitored and preventive action procedures introduced. Key performance indicators (KPIs) measure progress achieved as a result of these initiatives.

For example, the subsidiaries have common processes for managing and assessing risks and authorising work.

The traditional approach to HSE responsibilities in drilling activities and seismic campaigns in France or abroad is to allocate them on a strictly contractual basis between the contractors and the operator. The contractors set up an EHS-S management system and are in charge of its implementation. The same rules apply to intra-Group relations, between drilling subsidiary Caroil and the Group's exploration and production subsidiaries.

4.1.7.2 EHS-S training policy objectives

The goal of the Group's EHS-S training policy is to develop a corporate EHS-S culture both internally and among subcontractors. The Group's training policy prescribes all training of a regulatory nature or pertaining to best practice. A training matrix defines the knowledge and minimum requirements of EHS-S for each position in each subsidiary.

Regulatory-type training covers electrical accreditation, fire prevention, machinery operation, first aid, IWCF accreditation and HLO (Helicopter Landing Officer)/HDA (Helideck Assistant) training.

Training courses in best practices cover the management of daily work permits issued on site, defensive driving, falling objects, lifting, tripping, hand and finger injuries, and basic EHS-S rules.

Safety induction corresponds to the minimum amount of HSE knowledge required to access a site. This information is given to subsidiary employees and subcontractors.

4.1.7.3 Opening of an IWCF- and IADC-accredited training centre in Africa

Drilling activities are among the riskiest operations mainly because there is a risk of a major accident from a blowout or uncontrolled well. At the beginning of 2020, Caroil created a training centre in Gabon specialising in drilling, health and safety, and well control. Caroil Training Services is an independent training body accredited by both the International Well Control Forum ("IWCF") and the International Association of Drilling Contractors ("IADC"). During the public health crisis, Caroil finalised the IWCF-certified training programmes and adapted teaching methods so that certification training could take place remotely. The first class took place in October 2020. As at 31 December 2020, a total of 38 trainees from international oil and gas companies and drilling companies had attended Caroil Training Services training courses.

4.1.7.4 Occupational health and safety conditions

As required by local law and regulations, employees and independent workers attending Group facilities are monitored by an occupational physician. All Group operational sites have a local clinic with a certified physician to provide medical care to all on-site personnel.

Risk prevention programmes are systematically deployed at all Maurel & Prom sites and facilities with the exception of MP Colombia B.V., which has its own guidelines.

On-site induction procedures have been revised to make a medical check-up and HSE accreditation mandatory before starting a job. Since 2017, all employees must follow ten basic rules to gain access to the site. A multiple-choice test is used to check their knowledge of those rules. With regard to traffic accidents, in 2014 geolocation devices and radios were installed in every vehicle and throughout the site.

In each of the Group's host countries, the subsidiaries report to the applicable regulatory occupational health and safety authorities. These are the Directorate-General for Hydrocarbons in Gabon, the Ufficio Regionale per Gli Idrocarburi e la Geotermia (U.R.I.G) in Italy, the Direction Régionale de l'Environnement, de l'Aménagement et du Logement (DREAL) in France, and the Petroleum Upstream Regulatory Authority (PURA) in Tanzania.

In Tanzania, the subsidiary works with the Occupational Safety and Health Authority (OSHA) and refers to the OSHA Act of 2003.

In Colombia, compliance with the guidelines for preventing industrial accidents and occupational diseases is verified via half-yearly EHS-S performance and activity reports sent to the National Hydrocarbon Agency, by audits carried out by the Agency as part of its annual EHS-S audits of all exploration and production contracts, and via audits conducted by the Colombian Security Council.

In Venezuela, conducting oil and gas operations under a regime of international financial sanctions poses a very high operational risk for the operator. M&P SIUW is the Maurel & Prom Group's services company that helps co-manage the mixed company Petroregional del Lago, which is 60% owned by PDVSA, operator of the Urdaneta West field. Occupational health and safety conditions, environmental protection and facility integrity are the subject of a priority action programme and have their own budget, all under the oversight of M&P SIUW.

4.1.7.5 Overview of collective agreements on occupational health and safety signed with trade unions or employee representatives

In recent years, the Group has established agreements on social protection for its employees at most of its subsidiaries (in France, Gabon, Colombia and Tanzania). Under certain conditions, these agreements cover employees' medical expenses and potentially their families' medical expenses.

In Colombia, the subsidiary has set up an occupational Health and Safety Committee as required by local law. The committee includes an employee representative, an employer representative and a mediator. This committee is tasked with promoting and monitoring compliance with occupational health and safety rules and regulations.

In Gabon, in 2018 the subsidiary upgraded the operating procedures of the Occupational Health and Safety Committee to bring them in line with legal requirements. The Occupational Health and Safety Committee is made up of employees of all grades. It meets quarterly with executive management representatives as well as any time there is an accident that has or could have had serious consequences or when so requested by two of its employee representative members. The Occupational Health and Safety Committee may also meet at the initiative of the labour inspector. Together with executive management, the Committee prepares an annual occupational risk prevention plan based on analyses of occupational risks to which employees may be exposed. The plan lists the measures to be taken during the year and their estimated cost.

As part of the roll-out and ongoing improvement of the Gabonese subsidiary's EHS-S management system, a number of processes have been put in place to take account of feedback from interested parties. They include preventive action procedures, meetings with the Occupational Health and Safety Committee, informing employee representatives of any changes in work organisation that might have an impact on occupational health and safety, EHS-S on-site meetings and weekly bulletins to all staff and subcontractors working at the subsidiary's facilities.

The collective agreement entered into at the beginning of 2019 between MPEP Tanzania and TAMICO contains occupational health and safety provisions mainly related to HIV, workplace accidents, exposure to chemicals, provision of PPE and medical check-ups.

Caroil has no collective agreement. Discussions regarding the plan to redraft the Caroil Gabon company agreement have been put on hold due to the introduction of social distancing measures in response to the Covid-19 pandemic.

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4.1.7.6 Industrial accidents and occupational illnesses

The frequency of workplace accidents involving Group employees is shown in the table below:

	Group scope 2019	Group scope 2020
Lost Time Injury Frequency (LTIF)	-	0.85
Total Recordable Injury Rate (TRIR)	2.42	0.85

The frequency of workplace accidents for the Group's operated scope, which includes Group employees and subcontractors in Gabon, Tanzania, France and Italy plus drilling activities on behalf of third parties, is shown in the table below:

	Group and subcontractor scope 2020
Lost Time Injury Frequency (LTIF)	1.83
Total Recordable Injury Rate (TRIR)	2.56

The Lost Time Injury Frequency (LTIF) rate is the total number of deaths and injuries or illnesses resulting from work that prevent the person from working on the day following the accident (Lost Time Injuries – LTI), multiplied by one million hours worked and divided by the number of hours worked.

The Total Recordable Injury Rate (TRIR) is the total number of (i) deaths; (ii) injuries or illnesses resulting from work that prevent the person from working on the day following the accident (LTI); (iii) Restricted Work Day Cases (RWDC) corresponding to an injury causing medically certified incapacity provided it is not caused by death or injury with work stoppage; plus (iv) Medical Treatment Cases (MTC), defined as an injury requiring treatment by a doctor or nurse, multiplied by one million hours worked and divided by the number of hours worked.

In 2020 the Group recorded five lost-time accidents (versus two in 2019), one of them within the Group's reporting scope, at the drilling company. All accidents occurred in the first four months of the year in Gabon (two accidents), Italy (one accident) and France (one accident). Each accident was analysed for cause and corrective action was carried out accordingly. As at 31 December 2020, the Group had not recorded any lost-time injuries for 277 days.

The outbreak of the Covid-19 pandemic and sudden halt of the global economy led to the shutdown of a number of operations. As a result, total man-hours fell from 5.2 million in 2019 to 3.0 million in 2020. The number of incidents recorded in 2020 decreased by more than 55% compared to 2019.

In Gabon and Tanzania, local lockdown orders and/or border closures impacted shift changes, preventing rotations of on-site staff. Compensatory measures (adjustment of rest periods, postponement of certain at-risk activities, limiting of isolated work, etc.) were introduced to safeguard the health and safety of staff working at the sites. As at 31 December 2020 the Gabonese and Tanzanian subsidiaries had recorded 304 and 1,598 consecutive days with no lost-time accidents respectively, within their employee and subcontractor reporting scope.

The two lost-time accidents occurred among workers in Colombia and Gabon.

In 2019, injuries made up 25% of incidents reported within the Group's scope and that of its subcontractors. Of those, 36% were injuries to hands and fingers. Awareness campaigns focusing on injuries to hands and fingers are updated on a regular basis. Personal protective equipment is available and is worn. Drilling and well intervention remain the biggest contributors to this type of injury. The mechanization of tasks identified as the source of this type of injury have not yet resulted.

In the past, road risk was the cause of more than half of incidents, but that now appears to be under control.

In 2019, the Tanzanian subsidiary recorded 1,244 consecutive days with no lost-time accidents for all employees and contractors.

As at 31 December 2019, the Group had not recorded any lost-time injuries for 328 days.

The Company did not report any occupational illnesses in 2019. The Company is also not aware of any occupational illnesses that could be reportable by the Group's subsidiaries under the applicable regulations in the countries in which those subsidiaries are based.

Critical drilling activities include handling with the risk of pinching/crushing, lifting operations with the risk of objects falling, and working at height. Transportation and malaria are also causes of accidents and illness.

The risk of explosion from the uncontrolled release of a gas cloud or of flammable hydrocarbons is considered a major or catastrophic scenario. A series of equipment and redundant barriers are provided, as well as training for sensor staff whose ability to control an eruption is tested every two years.Please refer to section 4.1.7.2 "Opening of an IWCF- and IADC-accredited training centre in Africa" for more information about Caroil's initiative to provide training for jobs in drilling.

4.1.7.7 Facility integrity

In Gabon facilities date from 2009. They are monitored to guard against service disruptions. A dedicated integrity division has been established at the Gabonese subsidiary and had a staff of six at the end of 2019. The subsidiary has defined its inspection policy which includes a programme for monitoring facilities and conducting ad hoc inspections. In 2020, most of the integrity programme had been carried out. However, a 10-year inspection of the export line had to be postponed because the service company's equipment and staff were not able to enter Gabon. The inspection is now expected to take place in the second half of 2021.

In Tanzania the approach is the same, albeit led in a different way due to the subsidiary's size. In December 2018, a database was created to define a maintenance programme along with a plan for inspecting production facilities.

With regard to drilling equipment, in March 2020 Caroil was able to demobilise two of the three previously recommissioned drilling rigs and put corrosion-prone equipment through a cold preservation process. The third rig, which remains on site, is expected to undergo maintenance and upgrading.

4.1.7.8 Subcontractors and suppliers

In connection with its activities, the Group regularly seeks technical assistance for its Exploration and Production activities and civil engineering and construction works, as well as for its programmes to promote environmental protection and sustainable development.

To expand the local supply chain in Gabon, the subsidiary has simplified the sourcing process, making it more accessible to local suppliers. For example, orders are now split into smaller quantities. The subsidiary has also set up catalogues for stored consumable equipment. These are covered by framework agreements reserved exclusively for local suppliers, who receive a guaranteed purchase price and purchase volume. The agreements were still in effect in 2020.

In Tanzania, local sourcing is regulated. Suppliers must be registered with the Energy and Water Utilities Regulatory Authority ("EWURA"). If a supplier lacks all the required qualifications, the Tanzanian subsidiary will provide them with expertise and technical assistance.

In 2020, 78%, 83% and 91% of purchases were made from local companies by Caroil Gabon, Maurel & Prom Gabon and MPEP Tanzania, respectively, versus 50%, 85% and 79% respectively in 2019.

To protect itself against the risk of insufficient control of environmental and social factors by its partners, the Maurel & Prom Group has written provisions into its contracts designed to ascertain whether its business partners' EHS-S practices comply with its own standards. The provisions also establish the exact EHS-S responsibilities and performance objectives required for the term of the contracts concerned, as described in section 4.1.6 "Health, safety and security policy".

With regard to taking account of environmental and social issues in its purchasing policy, the Group's sourcing is guided by accessibility criteria.

The equipment purchased by the Group is generally prefabricated and assembled in European countries. There has been a trend to relocate the production of this equipment to countries that may be considered sensitive from an environmental or social standpoint. The Group remains particularly attentive, insofar as the control measures it may take, to the quality produced by the supplier and to production conditions.

4.1.8 Contribution to local development policy

In addition to the career opportunities offered locally by upstream oil businesses, the Group conducts sustainable development programmes to help local communities living near its facilities, something that falls within the framework of the provisions included in oil contracts.

4.1.8.1 Purchasing spend with local suppliers

The regional and economic impact of Maurel & Prom's activities in terms of jobs and development can be measured directly by the number of jobs created at Group subsidiaries (see section 4.1.1.2 "Recruitment and dismissals", in this chapter) and indirectly through the supply chain. Between them, the Gabonese and Tanzanian subsidiaries, for instance, purchased 84% of their supplies from local companies in 2020, unchanged from 2019.

National authorities encourage the localisation of the oil industry through local content policies. For example, in Tanzania the 2015 Oil Code contains provisions regarding local preference.

In Gabon, the goal of Caroil Gabon and M&P is to turn local content obligations into an opportunity to improve the reliability of the supply chain and procurement system. To this end, framework agreements are drawn up with local businesses for equipment replenishment, as discussed in section 4.1.7.8 "Subcontractors and suppliers".

4.1.8.2 Policy for managing relations with local communities

In terms of social impact, the Group's activities, whether they involve permits operated by the Group or by third parties in Angola and Venezuela, do not require involuntary population displacements or generate interaction with indigenous people within the Group's spheres of influence.

The subsidiaries' social investment is focused on those living near the Group's facilities.

The policies with regard to local communities are developed with Group subsidiaries and adapted to the countries in which they operate. In Colombia, Gabon and Tanzania, staff include a team dedicated to managing relations with the communities living near the sites.

4.1.8.2.1 Respect for human rights

The Code of Conduct adopted at the end of 2017 affirms the Group's commitment to uphold the universal declaration of human rights, the ILO Fundamental Conventions, and the OECD Guidelines for Multinational Enterprises.

As part of a responsible approach, the Group considers the respect of human rights when assessing new investment projects, conducting social and environmental impact studies and throughout the life of its projects. Failure to adhere to human rights principles can have an adverse effect on the feasibility of a project, its financing, progress and completion as well as the Group's image.

Populations located within the sphere of influence of the Group's projects are consulted at project presentation meetings to identify any interactions that may occur between the projects and the customs and development needs of the villages concerned. The projects are then adapted accordingly. That was the case with the Kari and Nyanga-Mayombe exploration projects, when the location of the wells and access to platforms were revised following public consultation meetings. The Sustainable Development Department drew up a sensitivity map related to the presence of neighbouring populations.

In Gabon, the subsidiary logs any claims or complaints from local residents made through its various communication channels. The aim is to qualify the complaint or incident, ensure exhaustive follow-up, and provide mediation or remuneration within a very short period of time.

In Colombia, in order to limit the risk of social opposition to its activities under the COR-15 exploration permit, Maurel & Prom requested that its environmental authorisation be amended to reduce the operating scope and limit potential impact.

Throughout an operation, communication is arranged with representatives from the local population and local authorities to deal with any complaints and ensure that the subsidiaries get involved in the most appropriate community projects.

4.1.8.2.2 Regional social and economic impact of the Group's activities on local residents and neighbouring populations

Impact studies have concluded that Maurel & Prom's activities have a positive impact on local development beyond the supplies purchased in the country.

Since 2016, the Gabonese subsidiary has been conducting a programme to promote the integration of local female workers in catering jobs at the Onal site. Eventually some 20 permanent jobs will be created. During public consultations with local communities regarding new exploration drilling projects on the Nyanga-Mayombe and Kari permits, Maurel & Prom committed to prioritising the use of local skilled labour via its subcontractors or, for specific work requiring no particular skills, available local labour. It also committed to using local service providers with the necessary approvals where appropriate.

In Gabon in 2020, lockdown led to reduced access to the Group's facilities for those not residing on site. In early 2020, before the outbreak of the Covid-19 epidemic, 193 people living in villages close to the Onal, Coucal and Kari sites were given temporary or permanent jobs.

In 2016, the Tanzanian subsidiary also recruited 20 people directly from the village neighbouring the Maurel & Prom facilities in Mnazi Bay.

In Tanzania, the subsidiary's gas production operations support the country's electrification, including in rural areas (Rural Electricity Supply project), thus developing its industry and creating jobs.

4.1.8.3 Social investment

In terms of social investment, the Group is committed contractually, alongside national governments, to local development programmes and committed on its own initiative to projects singled out by its subsidiaries. Projects are chosen from a list prepared with local communities located within the sphere of influence of Maurel & Prom's activities.

In Gabon, the Group's subsidiary contributes to the Local Communities Development Fund (FDCL), which was created in 2010 to pursue community projects in operating regions and surrounding areas. In 2020, the fund's annual allocation totalled \$1.2 million (the same as in 2019) for the Ezanga, Kari and Nyanga-Mayombe PSCs, for an aggregate allocation of \$13.2 million since the fund was created.

The fund was initially administered by a four-party commission consisting of the Directorate-General for Hydrocarbons, Maurel & Prom Gabon, the local administrative authority and community representatives. It is now managed by the Diversified Investment Fund, which was created by decree 0313/PR/MPH of 25 September 2014.

In April 2017, the technical commission held a meeting in Lambaréné on behalf of the Ezanga PSC, during which community projects covering access to water, energy, health care, education and job creation, aimed at villages located within the Ezanga permit's sphere of influence, were identified and placed on the FDCL's agenda. The projects involve monitoring and replenishing supplies of fuel, medicines and personal protective equipment for local workers.

In 2019 no new projects were validated by the regulatory authority for the FDCL related to M&P permits. The lack of implementation of community projects can cause discontent among local populations and even lead to trouble for the operator if particular attention is not given to identified needs. In September 2019, M&P Gabon and the regulatory authority jointly reviewed the grievances and concerns of the local communities with a view to improving the situation.

In January 2020, management of the FDCL was suspended pending reorganisation of the competent ministry.

In June 2020, governance of the FDCL's management body was reorganised by order of the Minister of Oil, Gas, Hydrocarbons and Mines, who appointed the ministerial adviser in charge of Local Content and Corporate Social Responsibility as Chairman of the four-party commission.

Commission meetings resumed in January 2021. Areas of focus were reiterated and prioritise education, health, access to water and energy, local infrastructure development, and local economic development through support for agricultural and fish-farming projects.

A four-party commission meeting was held for each of the Group's three permits on 7, 8 and 28 January 2021. Water supply projects presented by local communities were approved immediately. In total, 70 projects were singled out for all three permits.

Since 1 January 2013, Maurel & Prom Gabon has also contributed to the Provision for Diversified Investment (PDI) and the Provision for Hydrocarbon Investment (PHI) as part of the Ezanga production sharing contract, to help address sustainable development challenges. The PDI and PHI provide financial support for nationwide development projects. The selected projects are managed and supervised by a stewardship committee statutorily comprised of a representative of the Gabonese Presidential Office, two representatives of the oil authorities, a representative of the Ministry of the Economy and one person representing the operator. The project completed under the PDI and PHI involved the rehabilitation and development of rural roads in the town of Lambaréné (Moyen Ogooué Province). It ended in 2018. Since the creation of the PDI and PHI, Maurel & Prom has contributed or committed \$53.9 million, including an endowment of \$2.3 million in respect of fiscal 2020, versus \$6.3 million in 2019.

In addition to its contractual obligations, Maurel & Prom Gabon is developing social projects aimed at supporting the upgrading of basic community infrastructure, preferably in operating areas.

In Tanzania, the subsidiary completed the construction or remediation of 17 social projects within the BRM permit sphere of influence. These community support projects involved seven primary and secondary schools, a community clinic, two roads, the provision of solar panels to the Mafia health care centre, and well drilling in villages in the Mafia area. In 2018, the subsidiary provided computers to the nursery, and primary and secondary schools in the village of Msimbati. The subsidiary has also begun the construction of a new classroom in the village. In 2019, four classrooms were built by the subsidiary in Msimbati and Ruvula. In 2020, the subsidiary built accommodation for teachers at the school in Msimbati and made a donation to the ministry of health to manage the Covid-19 pandemic.

In Colombia, the subsidiary is putting together and implementing a programme to help communities within the COR-15 block's sphere of influence. The programme is aligned with the contractual social investments made by the operator under contracts and agreements signed with the National Hydrocarbons Agency. During the process, community diagnostic exercises were conducted and projects were ranked in order of priority by the communities concerned while taking into account the criteria of M&P Colombia's Corporate Social Responsibility policy and the guidelines of the National Hydrocarbons Agency. Projects carried out in 2019 included providing access to solar-powered lighting, new water collection projects to support the agricultural sector (small-scale producers), and providing access to drinking water. This contractual programme is supplemented by the subsidiary's voluntary initiatives whereby it provides training for small-scale farmers in agro-climatic techniques and conducts awareness campaigns on climate change and adaptation measures for municipalities.

In Venezuela, where the economy has collapsed and hyperinflation is rampant, M&P SIUW provides humanitarian aid. In 2020 it supported a food and medical assistance programme benefiting some fifty families.

4.1.8.4 Relations with persons or organisations with an interest in Maurel & Prom's activities, notably environmental protection associations, consumer groups and local residents' associations

The Group has special relationships with environmental NGOs, such as Gabon's National Agency for National Parks (ANPN), that work with the national parks near or within which the Group carried out some of its operations.

Because the Onal site and Kari permit are located within the Lower-Ogooué Ramsar site, Maurel & Prom Gabon is a partner in the project spearheaded by the General Directorate for the Environment and Protection of Nature (DGEPN) to support the management of critical wetlands in Gabon.

In 2019, M&P Gabon sponsored the charity Kleen Up, which organised a school exhibition entitled"Environment, plastic, recycling. Another look at waste" on 24 and 25 May 2019 at the Port-Gentil Culture Centre.

In Sicily, as part of a new geophysics campaign initiated by M&P Italia in 2019, the Group's subsidiary is collaborating with two faculties at the University of Catania on a research project to gain more insight into the geology, volcanology, tectonics, natural resources and archaeological heritage of the Hyblean plateau. This scientific project is a key opportunity to transfer know-how as well as offer students at the University of Catania a valuable learning experience.

In 2020, the Group's activities related to events such as World Environment Day were impacted by social distancing restrictions imposed by the Covid-19 crisis.

4.2 ENVIRONMENTAL PERFORMANCE

The Maurel & Prom Group's sustainable development programme is two pronged. Firstly it focuses on preventing, managing and remedying any impacts of its activities on the local environment, and secondly, it focuses on managing climate-related risks. Information about greenhouse gas emissions generated by the Group's activities is provided in section 4.2.5 "Management of greenhouse gas emissions and consequences on climate change of the Company's activities and use of the goods and services it produces". So-called "transition" risks are among the risk factors described in section 2.4 "Environmental, social and governance risks". Lastly, details of how the Group's governance is organised in order to take into account environment- and climate-related risks and opportunities are provided in section 3.2.1 "Administrative and management of the company".

4.2.1 General environmental policy

In terms of environmental protection, the Group's objectives are to preserve the areas that may be impacted by its activities and to raise awareness of environmental issues among employees, contractors and local residents.

The Group's environmental policy aims to (i) prevent, measure, mitigate and repair local environmental impacts resulting from its activities, (ii) control its energy consumption and greenhouse gas emissions, (iii) manage water resources and (iv) safeguard biodiversity and ecosystem services and limit the direct and indirect impacts of its activities.

The Group's commitments are laid out in its Environment, Health, Safety and Security Charter, updated at the end of 2019 and sent to the Group's partners, contractors, suppliers and subcontractors.

4.2.2 Implementation of the Maurel & Prom Group's environmental policy

4.2.2.1 Group arrangements to address environmental issues and, where necessary, environmental assessment and certification initiatives

Environmental management is integral to the EHS-S departments of the Group's subsidiaries. It is the subject of regular reporting to the highest echelons of the company, as well as to the regulatory authorities of the countries in which the Group operates: the Directorate-General for Hydrocarbons in Gabon, the Ufficio Regionale per Gli Idrocarburi e la Geotermia (U.R.I.G) in Italy, the Direction Régionale de l'Environnement, de l'Aménagement et du Logement (DREAL) in France, and the Petroleum Upstream Regulatory Authority (PURA) in Tanzania.

The Group's EHS-S management system is described in section 4.1.6 "Health, safety and security policy".

In December 2019, the Group completed the initial audit phase of its OMS at head office and at the M&P Gabon and MPEP Tanzania subsidiaries and obtained ISO 14001 certification at the beginning of 2020. This certification was renewed in February 2021 for the three Group entities already certified.

4.2.2.2 Reasonable due diligence – Assessing and managing project environmental impacts

Every project is initially based on a preliminary risk study that leads to the definition of a social and environmental action plan approved by the competent authorities. Appropriate financial, human and technical resources are made available for its application. The implementation of these management plans is subject to regular internal and external audits by the competent authorities.

Environmental impact assessments (EIAs) are carried out in accordance with local regulations before and during the project. In order to identify, assess and prevent risks, the Group relies on internal expertise and independent experts recommended by the local authorities.

If the site is situated in a national or Marine Park, every project is discussed with park administrators.

Once these risk studies have been completed, the Group deploys the following action plans:

- upstream, to combat soil degradation, water table deterioration or sludge seeping into farmland and rivers, the Group asks civil engineering contractors and services to conduct earthwork along roads and at site platforms. Weaker areas are stabilised by putting in plant cover (replanting by hydroseeding); and
- downstream, sites are preserved by rehabilitating deforested areas, sorting waste and controlling waste destruction.

In Gabon, 29 of the subsidiary's full-time employees have been working on environmental policy implementation since 2018. They report to the EHS-S department. In 2020, a total of 18 people worked on-site as environmental staff in charge of the waste collection centre at the Onal site, as site HSE supervisors, or as environmental safety assistants.

The total amount of external expenditure the Gabonese subsidiary has devoted to impact studies, impact notices, environmental monitoring of flora and the monitoring of environmental and social management plans since 2016 stands at $0.5 million. At the Group level, the accumulated total of this expenditure for the period 2018/2020 is $1.4 million.

In 2018, two EIAs were prepared for the future exploration drilling on the Kari and Nyanga-Mayombe permits, that were partially carried out in 2020. Two further EIAs were prepared on the Ezanga permit, one for the exploitation of the laterite quarry and the other for the construction of a bypass from the production centre. As part of the development activities on the Ezanga permit, two Environmental Impact Notices (EINs) were produced for the drilling of the OMOC-901 and Omko-401 wells. Their purpose was to provide authorities with sufficient information to issue approval to proceed with these projects. They also provided the developer with the necessary information to implement the project in compliance with sustainable development principles. In 2019, two new EINs were prepared with a view to establishing two drilling platforms on the Ezanga permit. In 2020, the DGEPN issued a declaration receipt as authorisation to go ahead with the platforms.

In France, exploration activities conducted in early 2019 on the Mios permit (Caudos Nord wells) were preceded by an impact study on water resources, a hazard study and a health study, all of which were made public. Two impact notices were submitted to authorities to obtain drilling approval and licensing rights. The prefectoral drilling approval was received on 27 April 2018. In 2020, the Group's French subsidiary which operates the permit, Maurel & Prom Exploration & Production France, submitted to the regional directorate for the environment, planning and housing (DREAL) a comprehensive description of what the proposed platform and test facilities would consist of and how they would operate. The document also contained the results of the assessments made of the facilities' risks and their compatibility with the local environment. The site entered the long-term testing phase in September 2020.

4.2.3 Measures to prevent, reduce or repair local environmental impacts

4.2.3.1 Anti-pollution plan

The Group and each of its subsidiaries perform an environmental risk analysis for the purpose of forecasting water, air and soil pollution scenarios and drawing up a list of precautions they can take to limit the risk. In Gabon, the anti-pollution contingency plan contains a list of equipment available at the sites and the action to be taken according to the various scenarios.

4.2.3.2 Water

In Gabon, water brought to the surface during hydrocarbon production (produced water or formation water) is reinjected into production wells. Drilling waste water is treated at a plant built by Maurel & Prom for its drilling operations. This water contains no oil. It is treated before being discharged into the environment.

In order to control water quality, the subsidiary has installed piezometric wells at certain fields (four at the Onal field). These measures allow it to sample, monitor and analyse waste water from drilling and river water surrounding the platforms. These monitoring actions are supplemented by measures intended to limit the effects of accidental hydrocarbon pollution through the availability of floating booms and dispersants to be used only when absolutely necessary.

4.2.3.3 Air

Hydrocarbon exploitation produces atmospheric emissions that can contribute to the formation of particle clouds and acid rain. These atmospheric emissions may be governed by local standards that define the type of substance to be controlled, based on local standards and operating permits.

4.2.3.4 Soil

The risks of soil contamination related to the Group's activities arise essentially from drilling mud, accidental spills and waste storage (see sections 4.2.3.5 "Number of accidental hydrocarbon spills" and 4.2.3.7 "Waste prevention and management").

In 2019, the Gabonese subsidiary continued to set up a waste collection centre at the Onal site which includes a transit area for sorting and conditioning waste before it is sent to subcontractors for treatment. A dedicated concrete structure has been built to house soiled waste. It has a surface area of 100 m², a holding tank and a roof. The structure is designed to limit soil pollution in waste storage areas. In 2020, construction of a new structure to store waste-reduction equipment (crushers and compactors) was delayed after the contractor defaulted on their commitment due to the public health crisis. The project is now scheduled for 2021.

4.2.3.5 Number of accidental hydrocarbon spills

	2019	2020
Number of hydrocarbon spills reaching the environment (more than 1 barrel)	3	1
Gross volume of hydrocarbon spills reaching the environment *(in m³)*	7.6	1.0

In 2020, there was one accidental oil spill into the natural environment for a gross volume of 1.0 m³, versus three spills in 2019. The area impacted by the spill was cleaned and waste was removed for treatment by a specialist company. Corrective measures have been taken to reduce the risk of such an incident happening in the future.

4.2.3.6 Noise pollution and other nuisances

Oil and gas activities can cause a nuisance for workers and people living near the exploration or production sites. This is mainly due to noise and smells, but could also be vibrations and road, sea or waterway traffic.

To prevent noise nuisance, the Group encloses equipment such as electricity generators.

In Gabon, noise pollution is not deemed to be significant outside the sites.

In addition, it should be noted that the Group's facilities in Tanzania, which are located in a protected Marine Park, must strive not to create light pollution during turtle egg-laying and whale breeding seasons.

In 2019 in Sicily, where a seismic campaign began in the third quarter, the seismic equipment that can generate noise pollution due to vibration frequency was phonically insulated at the request of Maurel & Prom in order to comply with the thresholds stipulated in the impact study.

4.2.3.7 Waste prevention and management

4.2.3.7.1 Measures for preventing, recycling and re-using waste and other waste recovery or disposal methods

In accordance with Article 9 of the Charter, the Group strives to control its waste production. The Group's subsidiaries engaged in hydrocarbon exploration and production have set up waste sorting, treatment and recycling systems.

In Gabon, waste produced at production platforms, accommodation facilities, landing stages, aerodromes or access roads is dealt with by eight environmental officers who conduct daily rounds picking up any waste produced and sorting it based on type. Once sorted, the waste is loaded into trailers and sent via barge to companies in Port-Gentil for treatment and disposal. Recyclable waste is exported.

4.2.3.8 Land use

The land footprint of seismic surveys and exploration activities is very limited over time. When operations cease and the land is surrendered, the Group works to return it to its original state by involving the local populations in the restoration process (choice of varieties to be replanted, for example).

The effects of its production activities are felt over a longer period. The Group strives to limit its footprint by seeding the embankments and terracing created by its activities to guard against runoffs or landslides. It also ensures that any accidental spills that may occur are confined to the land it occupies.

The Group's activities are located on land that is not subject to any land use disputes. In Gabon, the areas used are situated in logging concessions exploited by other companies.

At end-2020, the estimated total footprint occupied by platforms and access roads in Gabon was 729 hectares, versus 726 hectares at end-2019.

In Colombia, operating restrictions are in force depending on the type of zone (exclusion zone, operating zone with tight restrictions, operating zone with moderate restrictions, and operating zone with no restrictions). The Colombian subsidiary's operational footprint was limited to the two Muisca platforms. The footprint is 8.2 hectares and the subsidiary is continuing to remediate the previous exploration and forest offset platforms. Management of block SSJN-9, which was handed back to the National Hydrocarbon Agency (ANH) at the end of 2017, has entered its shutdown phase, a three-year period during which the subsidiary must complete a shutdown and environmental remediation programme. The brownfield (2.5 hectares) will be remediated by reforesting a surface area six times greater than the area initially occupied. Once the shutdown and environmental remediation programme is completed, the subsidiary will be definitively released from its contractual obligations.

The footprint of the Tanzanian site is 11.8 hectares.

4.2.4 Managing energy consumption, measures taken to improve energy efficiency, and use of renewable energy

The Group uses various energy sources for its oil and gas exploration and production operations. The facilities consume bought or produced natural gas, diesel for certain generators, fuel (kerosene, diesel and petrol) for transportation, and a marginal amount of electricity.

To improve the energy efficiency of the Gabonese operations, some of the platforms have been electrified so that gas can be used instead of diesel. The Gabonese subsidiary has also developed a project to use the associated gas it produces. More information about this project can be found in section 4.2.5 of this chapter.

In Gabon, solar-powered autonomous lighting has been installed at remote logistics sites. In Tanzania, the subsidiary has elected to use solar emergency power supplies for its computer servers.

In Tanzania, the subsidiary has set itself the target of a 25% reduction in the camp's electricity consumption.

Consolidated fossil fuel consumption over the operated reporting scope fell by 16% to 22,379 toe , versus 26,592 toe in 2019. 93% of the decline was attributable to the Gabonese subsidiary and reflects a reduction in operations in 2020, despite exploration drilling at the start of the year on the Kari and Nyanga Mayombe permits.

4.2.5 Management of greenhouse gas emissions and consequences on climate change of the Company's activities and use of the goods and services it produces

In oil exploration and production, greenhouse gas emissions are mainly linked to oil production-related natural gas which may be flared, vented or possibly leaked (scope 1).

To flare (burn off) excess gas is a practice to ensure the safety of the facility. The quantity of flared gas can also depend on whether or not processes have been put in place for reinjecting gas and infrastructures for processing gas, using the gas internally at the facility, selling the hydrocarbons extracted commercially or even the type of hydrocarbon extracted. Flared gas is clearly a non-value-adding resource and a source of pollution. In recent years, the oil sector has been organizing to reduce flared gas volumes and the associated greenhouse gas emissions.

In the Group, gas flaring is limited. In Tanzania, the subsidiary does not flare gas. In Gabon, the Onal wells have a low gas/oil ratio (GOR). The GOR represents the amount of gas dissolved in the oil; the lower the ratio, the less gas is present and the lower the volume of gas flared, relatively speaking. Other direct sources of greenhouse gas emissions are mainly generator groups that run on petrol and gas, generators, compressors at facilities and camps, and transportation methods used by the Group (small boats, vehicles, trucks and planes) and potential fugitive leaks. Gas vented in Gabon is not measured.

The energy efficiency project run by the Gabonese subsidiary in recent years has been operational since February 2021. The project is designed to maximise the use of associated gas produced by the Onal wells. The subsidiary now uses this gas for power generation, as a substitute for some of the natural gas purchased from third parties.

Over the operated reporting scope in Gabon and Tanzania in 2020, the volume of gas flared was 48.1 MNm^3 versus 55.0 MNm^3 in 2019, reflecting the drop in production of associated gas during the period.

Indirect greenhouse gas emissions related to power consumption at offices in Gabon and Tanzania are scope 2 of the Group's assessed greenhouse gas emissions.

Emissions related to final oil and gas use make up the largest portion of the Group's scope 3 greenhouse gas emissions.

Downstream of Maurel & Prom's activities, oil is used for refining or in the petrochemical industry, while gas is used for power generation.

Some of the oil produced in Gabon is refined locally by the Sogara refinery in Port-Gentil. The remainder is exported, transformed and marketed by traders. The Group has information about the final destination of the crude sold but not its exact use.

Gas produced in Tanzania is used locally. A small percentage is used to supply the Mtwara power plant, which belongs to Tanesco (Tanzania Electric Supply Company Limited), while the largest percentage is sold to TPDC for manufacturers and for the country's power generation needs.

Greenhouse gas emissions related to the maritime transport of crude oil exported by the Group were calculated in 2020. Although insignificant, emissions related to air travel by Group staff and contractors are also measured.

Since 2020, emissions from the energy consumed by the fixed and mobile combustion sources used in the Group's oil production in Angola have been included in scope 3 (field 3/05). These data are provided by the operator, Sonangol.

In 2020, consolidated greenhouse gas emission figures reflecting emissions from fixed and mobile combustion sources (scope 1) over the operated reporting scope of the subsidiaries in Gabon (Ezanga permit) and Tanzania totalled 15,434 tCO_2e/MMboe versus 15,882 tCO_2e/MMboe in 2019.

Consolidated indirect greenhouse gas emissions (scope 2) corresponding to power purchases by the Gabonese and Tanzanian subsidiaries and Caroil were estimated at 277 tCO_2e in 2020 versus 462 tCO_2e in 2019.

With regard to scope 3, consolidated greenhouse gas emissions corresponding to combustion of the natural gas produced by the Group in Tanzania and sold for power generation are estimated at 1,281 ktCO2e for 2020 versus 1,378 ktCO2e for 2019.

Greenhouse gas emissions induced by the maritime transport of crude oil exported by the Group in 2020 are estimated at 122 ktCO2e.

Consolidated greenhouse gas emissions from air and helicopter travel of employees of the Gabonese and Tanzanian subsidiaries amounted to an estimated 866 tCO_2e in 2020 versus 2,106 tCO_2e in 2019. This was because lockdown measures halted employee travel.

Greenhouse gas emissions from the fixed and mobile combustion sources used in crude oil production at the 3/05 field in Angola amounted to 11,322 tCO_2e for Maurel & Prom's working interest (20%) in 2020.

Greenhouse gas emissions from Caroil's drilling activities on behalf of third parties in 2020 were negligible due to the shutdown that began in April.

4.2.6 Protection of biodiversity and ecosystems

The potential impact of activities on biodiversity is assessed by conducting environmental impact studies on each of the Group's permits. Species are surveyed, detailed forest inventories are produced and environmental management plans are drawn up.

Preservation of the ecosystem requires training and raising the awareness of staff, subcontractors and local populations by emphasising the prohibition of clearing plant material, hunting and poaching.

In Gabon, a memorandum of understanding on environmental protection in the Gamba Complex of Protected Areas (Kari permit) was signed in 2014. As part of this project, which was initiated in 2015, awareness campaigns for local populations and workers, along with surveillance measures, have been planned in conjunction with the Compagnie des bois du Gabon (CBG), the WWF and the Ministry for Water and Forests. The memorandum of understanding was established following a number of meetings and discussions with the CBG and pools resources for combating poaching and protecting the environment. The project is funded on a quarterly basis in conjunction with other operators in the area and has an oversight body.

In 2018, an inventory was produced of fauna present in the forest concession area and will be used to strengthen anti-poaching measures.

In 2019, M&P Gabon took part in participatory research led by the Smithsonian Biology Conservation Institute to define development scenarios for the Gamba Complex of Protected Areas. Given the Complex's rich biological diversity and its protected status, the starting point for developing these scenarios was an assessment of the most important ecosystem services for stakeholders.

Since 2017, Maurel & Prom has hosted environmental awareness campaigns at its Onal and Coucal sites for World Environment Day. The campaigns are led by the WWF, the Gabonese Park Authorities (ANPN) and the Gabonese Ministry of Water and Forests. In 2019 the campaign focused on the theme of air pollution. There was no event in 2020 due to the Covid-19 pandemic.

The Group's Gabonese subsidiary sits on national park local management advisory committees. These committees are advisory bodies intended to promote dialogue between villages, civil society, non-governmental organisations, the private sector and the administrative authorities.

Lastly, because the Onal site and Kari permit are located within the Lower-Ogooué Ramsar site, Maurel & Prom Gabon is a partner in the project spearheaded by the General Directorate for the Environment and Protection of Nature (DGEPN) to support the management of critical wetlands in Gabon. An audit of facilities on Onal conducted by the Environment Ministry in 2017 led to the establishment of a Management Committee for the Lower-Ogooué Ramsar site of which M&P is the vice-chair. One of its programmes is aimed at raising public awareness about fishing resource conservation.

In 2019 in Tanzania, the subsidiary's participation in World Cleaning Day involved cleaning the nearby village lagoon and bearing the cost of removing the waste.

4.2.7 Sustainable management of water and other resources

4.2.7.1 Consumption of freshwater and water supply in accordance with local restrictions

No Group sites are involved in water-use disputes and no Group sites are located in water stress areas.

The water produced by the Group, which is water mixed with reservoir oil or brine, is separated, treated and reinjected into the geological formation.

Freshwater extractions are for domestic needs (human consumption for life's essentials) and industrial needs (making concrete for construction, civil engineering and maintenance, making mud during drilling, and cooling systems for facilities).

In Tanzania, freshwater consumption is limited to bottled drinking water.

4.2.7.2 Water discharge

In Gabon, most of the underground and surface freshwater extracted for sanitation or industrial (drilling) purposes is reinjected or treated and released into the natural environment. Information about the measures taken to prevent environmental impacts on water as a result of the Group's activities is provided in section 4.2.3.2 "Water".

4.2.7.3 Consumption of raw materials and measures taken to improve the efficiency of their use

The main raw materials consumed by the Group's activities are water and power. Measures taken by the Group to recover associated gas and convert it into energy are described in section 4.2.4 "Managing energy consumption, measures taken to improve energy efficiency, and use of renewable energy".

4.3 GOVERNANCE PERFORMANCE

The governance body with the most environmental and social responsibility within the Group is the Board of Directors. The Board relies on the work of its special committees, which issue guidelines. In 2020, the roles and responsibilities of the special committees were reviewed and a CSR, Appointments and Remuneration Committee was formed.

Board decisions are implemented by executive management. The Chief Executive Officer of the Maurel & Prom Group bears the highest executive responsibility for economic, environmental and social affairs. The Group has a Group human resources department, which reports to the Company Secretary, and a Group EHS-S department, which reports to the Chief Executive Officer.

Information about the Board of Directors, its members and operating procedures, particularly with regard to economic, environmental and social issues, its role in defining the Maurel & Prom Group's values and strategy, and the assessment of its skills and performance is provided in section 3.2.1 "Administrative and management bodies".

The role of the Board of Directors and its special committees in identifying and managing sustainable development challenges and environmental and social impacts, risks and opportunities, including due diligence procedures, and in overseeing the effectiveness of risk management, including environmental and social risks, is described in section 3.2.2 "Operations of administrative bodies".

The delegation of powers by the Board of Directors to executive management to handle economic, environmental and social issues is described in section 3.2.2.3 "Limitation on the powers of executive Board".

4.3.1 Anti-corruption measures

In the second half of 2017, the Group established an anti-corruption programme stemming from Law No. 2016/1691 of 9 December 2016 on transparency, the fight against corruption and modernisation of economic life, known as the "Sapin II Law", which requires the implementation of measures and procedures to prevent and detect acts of corruption. The law is applicable to any company (i) whose registered office is in France, (ii) with at least 500 employees, and (iii) with consolidated sales in excess of €100 million. Since 2017 the Group has regularly updated its anti-corruption programme based on the guidelines of the French Anti-Corruption Agency (AFA). Programmes for preventing and detecting corruption are described in chapter 2 "Risks and internal control", section 2.6.2 "Organisation of internal control". The Caroil drilling subsidiary adopted the Group's Principles of Conduct in March 2020.

In early 2021, in order to comply with the latest AFA guidelines, the Group updated its Ethics Charter, which defines its fundamental values and Principles of Conduct, and its own Anti-corruption Guidelines. The Ethics Charter reaffirms the Group's commitment to upholding the essential values of honesty, good faith, integrity, loyalty and commitment and reiterates the rules of conduct to be adopted. The Group also has a Gifts Policy, which was disseminated in 2020 and sets out how gifts and hospitality should be managed. The policy applies to all head office and subsidiary employees in France and abroad. All Group employees agree to abide by these various Principles of Conduct or face disciplinary action.

In 2018, the Group established an in-house anti-corruption training programme for all employees exposed to risks of corruption and conflicts of interest.

Since their adoption, the Principles of Conduct have been communicated to all employees and will gradually be disseminated to all Group partners. As at 31 December 2020, a total of 128 Group employees in eight countries, i.e. 25% of the workforce, had received training in the Group's Principles of Conduct and anti-corruption rules. Training has been provided to 73% of senior managers of subsidiaries and representative offices and members of the Management Committee. All senior managers of subsidiaries and representative offices in Africa and Latin America (six) have received training. In Europe, 56% of senior managers of subsidiaries and representative offices and Management Committee members have been trained, i.e. five managers and Management Committee members out of a total of nine people.

In 2020, the Group did not encounter any incidents of corruption and the number of proven cases of corruption was zero.

The Group's purchasing policy is based on a tendering process. Calls for tender are open to shortlisted companies only. The bids are opened in the presence of the supervisory authority. In Gabon, the threshold at which tenders become compulsory is now $500,000 for the Ezanga permit and $750,000 for the Kari and Nyanga Mayombe permits.

4.3.2 Anti-tax avoidance initiatives

Group subsidiaries participate in the Extractive Industry Transparency Initiative surveys when so requested. The most recent survey concerning the Group was on Tanzania for the period 2014/2015 and was the subject of a Tanzania Extractive Industry Transparency Initiative report in June 2017.

The Group has published details of the amounts paid to governments of countries in which it operates in section 7.9 "Sums paid to governments of countries where extractive activities are carried out" of this universal registration document.

The Maurel & Prom Group has a number of intermediary holding companies that fully or jointly own Group interests in certain subsidiaries. These holding companies are in turn directly owned by the Company.

Maurel & Prom Drilling Services is a company registered in the Netherlands. Maurel & Prom Drilling Services holds shares in Caroil after the Company acquired Caroil from Tuscany.

Maurel & Prom Colombia BV is a company registered in the Netherlands and in which Canadian company Frontera Energy has a 50% stake. It holds the Muisca and COR-15 permits.

The Company owns a percentage of the Mnazi Bay permit through the acquisition of a 60% stake in Cyprus Mnazi Bay Limited (CMBL), a company historically registered in Cyprus. CMBL is jointly owned with Wentworth (40%). The company is audited and fully consolidated in the Group's financial statements.

Maurel & Prom West Africa is a company registered in Belgium and a wholly owned subsidiary of the Company. Maurel & Prom West Africa owns 100% of the capital of Maurel & Prom Gabon.

Dividends paid by M&P Gabon to the Company are channelled through Maurel & Prom West Africa, the borrower of the $600-million term loan concluded in December 2017 with a consortium of international banks.

The Group publishes details of the income of the subsidiaries in Note 5.7 Subsidiaries and participations, and details of the income and income tax by tax jurisdiction in section 7.1.3 "Overview of the breakdown of activities, income and taxes by tax jurisdiction".

4.3.3 Public policy and lobbying

The Maurel & Prom Group does not get involved in public policy development and does not carry out any lobbying. In 2020, the total monetary value of the Maurel & Prom Group's financial and in-kind political contributions was zero.

4.3.4 Climate reporting

For several years now, the Group has been making progress in its ability to meet the new Corporate Social Responsibility transparency obligations.

To this end, since 2013 the Maurel & Prom Group has been responding to the climate change questionnaire put out by the international non-profit organisation CDP. Once the questionnaire is completed, respondents are given a non-financial score. These scores are provided to fund managers, investors and issuers of "low carbon" or "sustainable" stock market indexes. The CDP questionnaire is updated each year based on reporting practices and since 2019 has been aligned with all the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

In 2020, the Maurel & Prom Group was given a score of "B" on a scale from A (best performance) to F. In 2019 and 2018 the Group scored A-.

This process encourages the Group to pursue its Corporate Social Responsibility targets. Managing risks and controlling the impacts of its activities on society are central to the Group's mission.

4.3.5 Diversity of the Board of Directors and executive management

The Group's diversity policy for its Board of Directors, the criteria for assessing diversity, the targets to be achieved, implementation methods, results obtained during fiscal 2020, and the gender balance policy for executive management are presented in section 3.2.1.1 "Members of the Board of Directors and executive management" of this universal registration document.

Cross-reference table: Risks, policies and indicators

For each of the main inherent risks identified by the Group, the following table indicates where to find the description of the policies adopted by the Company or Group, including, where applicable, the reasonable due diligence procedures implemented to prevent, identify and mitigate the occurrence of these risks. It also indicates where to find details of the outcomes of those policies, including key performance indicators.

List of main risks	Policy	Outcomes, including key performance indicators
Main socio-economic risks		
Risk of shortages in skilled labour; difficulty in recruiting the talent needed for the Group's development	4.1.1 *Employment policy* 4.1.2 *Training policy and its implementation*	4.1.1.1 *Total workforce and breakdown by gender, age and geographic region* 4.1.1.2 *Recruitment and dismissals* 4.1.2.2 *Number of hours and budget allocated to training* *4.1.7.3 Opening of an IWCF and IADC accredited training centre in Africa*
Risk of non-compliance with the principles of equal treatment (diversity)	4.1.1 *Employment policy* 4.1.1.3 *Equality of treatment* 4.1.8.2.1 *Respect for human rights*	4.1.1.1 *Total workforce and breakdown by gender, age and geographic region*
Risks related to the local economic and social impact of operations	4.1.1 *Employment policy* 4.1.3 *Management of industrial relations* 4.1.8. *Contribution to local development policy* 4.1.8.2 *Policy for managing relations with local communities*	4.1.1.1 Total workforce and breakdown *by gender, age and geographic region* 4.1.3 B) *Collective bargaining agreements and 4.1.5 Organisation of work* 4.1.8.1 Purchasing spend with local suppliers 4.1.8.2.2 *Regional social and economic impact of the Group's activities on local residents and neighbouring populations* 4.1.8.3 *Social investment*
Main risks related to health and safety		
Risks related to staff health and safety	4.1.6 *Health, safety and security policy* 4.1.7 *Implementation of the health, safety and security policy*	4.1.7.6 *Industrial accidents and occupational illnesses*
Exposure to ESG (Environmental Social and Gouvernance) risks at the Group's subcontractors	4.1.6 *Health, safety and security policy* 4.1.7.8 *Subcontractors and suppliers*	*Qualitative information*
Main risks related to environmental impacts		
Risk of accidental oil spill	4.2.1 *General environmental policy* 4.2.2 *Implementation of the Maurel & Prom Group's environmental policy* 4.2.3.1 *Anti-pollution plan*	4.2.3.5 *Number of accidental hydrocarbon spills*
Risk of negative environmental impacts on water or soil	4.2.*1 General environmental policy* 4.2.3.2 *Water* 4.2.3.4 *Soil*	Amount of provisions and guarantees for environmental risks at Group level, amount of provisions for site shutdown and remediation (see *Maurel & Prom at a glance*, page 14)

List of main risks	Policy	Outcomes, including key performance indicators
Risk of harm to biodiversity	4.1.8.4 *Relations with persons or organisations with an interest in Maurel & Prom's activities, notably environmental protection associations* 4.2.6 *Protection of biodiversity and ecosystems*	Qualitative information
Risks of air pollution and greenhouse gas emissions	4.2.1 *General environmental policy* 4.2.3.3 *Air*	4.2.4 *Managing energy consumption, measures taken to improve energy efficiency, and use of renewable energy* 4.2.5 *Management of greenhouse gas emissions and consequences on climate change of the Company's activities and use of the goods and services it produces CDP rating (4.3.3 Reporting climat)*

4.4 INDEPENDENT THIRD-PARTY REPORT ON THE NON-FINANCIAL PERFORMANCE STATEMENT INCLUDED IN THE 2020 UNIVERSAL REGISTRATION DOCUMENT

Établissements Maurel & Prom, fiscal year ended 31 December 2020.

Independent third-party report on the Non-Financial Performance Statement

As auditors (COFRAC-accredited under Certificate 03-1595/1595[1]), we hereby present the results of our audit carried out in accordance with Articles L. 225-102-1 and R. 225-105 et seq. of the French Commercial Code.

The purpose of our audit was to verify the compliance of the Non-Financial Performance Statement (Déclaration de Performance Extra-Financière or "DPEF") and the fairness of the information selected by Établissements Maurel & Prom and presented in the DPEF included in the 2020 Universal Registration Document.

This information on non-financial performance was collected and consolidated under the responsibility of the Chief Executive Officer and coordinated by the Company's Administration department, in accordance with the Maurel & Prom Group's procedures.

Our responsibility is to express an opinion on the DPEF pursuant to Articles A.225-2 et seq. of the French Commercial Code governing the procedures to be followed by independent third parties, and based on our own audit. The conclusions below relate only to the information required under the French Commercial Code (Business Model described in chapter 1; Risk Factors described in chapter 2; and all of chapter 4: 2020 Non-Financial Performance Statement of the 2020 Universal Registration Document) and not to the 2020 Universal Registration Document as a whole.

Nature and extent of the audit

SOCOTEC Environnement's audit primarily consisted of:

- an analysis of the 2020 Universal Registration Document and interviews with management for the purposes of understanding and assessing the Maurel & Prom Group's activities and structure;
- a risk assessment to establish an audit plan specific to the activities undertaken and the information reported in the DPEF (required for listed companies);
- the implementation of the audit plan;
- the drafting of a preliminary report subject to the Company's approval, and
- the drafting of a final report including the declaration of compliance of the DPEF and opinion on the information contained therein).

The intervention of two of our social responsibility experts was based on a documentary audit performed between 26 February and 1 April 2021 as well as interviews with the Maurel & Prom Group's management and, upon our request, with the individuals responsible for preparing the non-financial information.

We carried out the following audit to obtain assurance that the 2020 DPEF and selected information are free from material misstatement:

- we assessed the Maurel & Prom Group's procedures in terms of their relevance, reliability, ease of comprehension and completeness (use of a questionnaire sent to subsidiaries, additional requests made to the environmental and social reporting steering committee, consolidation tools and internal control). Interviews with the persons responsible for environmental and social reporting authorised us to check compliance with internal procedures;
- checks were performed on all quantitative 2020 non-financial information for all consolidated subsidiaries of the Maurel & Prom Group with regard to its consistency with the previous year's data and with the Maurel & Prom Group's current position, as well as to ensure that it has been properly consolidated;
- we performed a thorough examination of the understanding and proper application of procedures for important information[2] (questionnaire responses), and conducted in-depth tests based on sampling techniques, consisting of checking the calculations made and reconciling the non-financial information with the supporting evidence in terms of quantitative information.

With regard to social and societal aspects, the quantitative data thus selected covered 100% of the consolidated workforce.

(1) List of offices and coverage available at www.cofrac.fr.
(2) Important information taken into account in 2020: workforce and distribution; recruitment and redundancies; remuneration and remuneration evolution, organisation of workplace dialogue; health and safety conditions and workplace accidents (frequency and severity rates); training; resources dedicated to prevent environmental risks;; energy consumption and greenhouse gas emissions (including flared gas); biodiversity, economic and social impact of activities on local populations; subcontractor and supplier relations, fight against corruption and tax evasion.

With regard to environmental aspects, our audits covered all the operating subsidiaries (Exploration and Production activities in Gabon and Tanzania, representing all of Maurel & Prom's hydrocarbon production; drilling activity on its own account and on behalf of third parties). The scope of our audit covered 83% (energy consumption) and 93% (greenhouse gas emissions) of the data contributing to the calculation of the environmental indicators presented.

The quantitative data on energy consumption and greenhouse gas emissions (scope 1 and scope 2; intensity of direct emissions due to production in Gabon and Tanzania) were verified with reasonable assurance.

In our opinion, our methodology for identifying important information and auditing data based on the selected sampling provides a reasonable basis for the conclusions and comments expressed below.

Conclusion

Declaration of compliance

We hereby declare that the Non-Financial Performance Statement complies with the provisions of Articles L. 225-100-2-1 and R. 225-105 of the French Commercial Code.

Opinion on the fairness of the reported information

Based on our audit, we did not identify any material misstatements that could call into question:

- the preparation and consolidation of the information drawn up in accordance with internal procedures and the information gathered; and
- the fairness of the information.

2 April 2021

For SOCOTEC Environnement, the Auditors

Patrick Armando and Jean-Michel Prioleau

5 FINANCIAL STATEMENTS

5.1 GROUP CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2020

5.1.1 Statement of financial position

Assets

(in US$ thousands)	Notes	31/12/2020	31/12/2019
Intangible assets (net)	3.3	116,972	223,228
Property, plant and equipment (net)	3.3	842,819	1,446,082
Non-current financial assets (net)	4.2	8,825	6,441
Other non-current assets (net)	3.7	84,022	43,554
Equity associates	2.4	268,422	295,268
Deferred tax assets	6.1	6,065	11,588
NON-CURRENT ASSETS		**1,327,126**	**2,026,161**
Inventories (net)	3.4	16,476	13,991
Trade receivables and related accounts (net)	3.6	41,656	144,104
Other current financial assets	4.2	54,339	59,250
Other current assets	3.7	43,768	48,118
Underlift position receivables	3.5	18,576	39,755
Current tax receivables	6.1	614	680
Current derivative financial assets	5.4	-	-
Cash and cash equivalents	4.3	168,213	231,043
CURRENT ASSETS		**343,642**	**536,942**
Assets held for sale and discontinued operations		-	-
TOTAL ASSETS		**1,670,768**	**2,563,103**

Liabilities

(in US$ thousands)	Notes	31/12/2020	31/12/2019
Share capital		193,831	193,345
Additional paid-in capital		42,112	42,753
Consolidated reserves		933,258	891,989
Treasury shares		(40,564)	(40,772)
Net income, Group share		(588,977)	37,383
EQUITY, GROUP SHARE		**539,660**	**1,124,699**
Non-controlling interests		13,056	17,117
TOTAL EQUITY		**552,716**	**1,141,816**
Non-current provisions	3.10	87,828	85,597
Shareholder loans	4.4	85,500	94,118
Other non-current borrowings and financial debt	4.4	447,690	448,519
Deferred tax liabilities	6.1	195,076	398,330
NON-CURRENT LIABILITIES		**816,094**	**1,026,564**
Shareholder loans	4.4	12,500	5,882
Other current borrowings and financial debt	4.4	76,784	153,036
Trade payables and related accounts	3.8	43,819	75,656
Current tax liabilities	6.1	9,580	12,489
Overlift position liability	3.5	1,035	1,296
Other current liabilities	3.9	127,339	125,746
Current derivate financial liabilities	4.4	3,161	3,304
Current provisions	3.10	27,740	17,313
CURRENT LIABILITIES		**301,958**	**394,723**
Assets held for sale and discontinued operations		-	-
TOTAL LIABILITIES		**1,670,768**	**2,563,103**

5.1.2 Consolidated statement of profit & loss and other comprehensive income

Net income for the period

(in US$ thousands)	Notes	31/12/2020	31/12/2019
Sales		329,749	503,628
Other income from operations		6,448	9,093
Change in overlift/underlift position		(26,534)	33,677
Other operating expenses		(214,648)	(260,261)
EBITDA	3.1	**95,016**	**286,136**
Depreciation and amortisation & provisions related to production activities net of reversals		(109,358)	(160,737)
Depreciation and amortisation & provisions related to drilling activities net of reversals		(5,119)	(2,744)
Current operating income		**(19,461)**	**122,655**
Provisions and impairment of drilling assets		(477,361)	-
Expenses and impairment of exploration assets net of reversals		(30,652)	(48,349)
Other non-current income and expenses		(2,984)	132
Income from asset disposals		(3,046)	(4,574)
OPERATING INCOME	3.1	**(533,505)**	**69,863**
— Cost of gross debt		*(15,808)*	*(30,291)*
— Income from cash		*1,808*	*4,560*
— Income and expenses related to interest-rate derivative financial instruments		*(2,385)*	*(667)*
Cost of net financial debt		(16,384)	(26,398)
Net foreign exchange adjustment		5,928	(3,663)
Other financial income and expenses		(850)	(1,055)
Financial income	4.1	**(11,306)**	**(31,116)**
Income tax	6.1	(29,490)	(62,357)
Net income from consolidated companies		**(574,300)**	**(23,609)**
Share of income/loss of associates	2.4	(17,570)	58,750
CONSOLIDATED NET INCOME		**(591,870)**	**35,141**
o/w: — Net income, Group share		(588,977)	37,383
— Non-controlling interests		(2,894)	(2,242)

Other comprehensive income for the period

(in US$ thousands)	31/12/2020	31/12/2019
Net income for the period	**(591,870)**	**35,141**
Foreign exchange adjustment for the financial statements of foreign entities	1,127	(870)
Change in fair value of hedging Investments instruments	146	(4,939)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**(590,597)**	**29,332**
— Group share	*(586,536)*	*30,814*
— Non-controlling interests	*(4,061)*	*(1,482)*

5.1.3 Changes in shareholders' equity

(in US$ thousands)	Capital	Treasury shares	Additional paid-in capital	Other reserves	Currency translation adjustment	Income for the period	Equity, Group share	Non-controlling interests	Total equity
1 January 2019	**193,345**	**(41,453)**	**44,836**	**863,830**	**(10,706)**	**58,066**	**1,107,918**	**2,425**	**1,110,343**
Net income						37,383	37,383	(2,242)	35,141
Fair value of hedging instruments				(4,939)			(4,939)		(4,939)
Other comprehensive income					(1,631)		(1,631)	761	(870)
TOTAL COMPREHENSIVE INCOME	**-**	**-**	**-**	**(4,939)**	**(1,631)**	**37,383**	**30,814**	**(1,482)**	**29,332**
Appropriation of income – dividends				49,269		(58,066)	(8,797)		(8,797)
Change in Eland consolidation scope				(4,926)			(4,926)	-	(4,926)
Bonus shares				1,092			1,092		1,092
Changes in treasury shares		682	(2,083)				(1,401)		(1,401)
TOTAL TRANSACTIONS WITH SHAREHOLDERS	**-**	**682**	**(2,083)**	**45,435**	**-**	**(58,066)**	**(14,033)**	**16,174**	**2,141**
31 December 2019	**193,345**	**(40,772)**	**42,753**	**904,326**	**(12,337)**	**37,383**	**1,124,699**	**17,117**	**1,141,816**
1 January 2020	**193,345**	**(40,772)**	**42,753**	**904,326**	**(12,337)**	**37,383**	**1,124,699**	**17,117**	**1,141,816**
Net income						(588,977)	(588,977)	(2,894)	(591,870)
Fair value of hedging instruments				146			146		146
Other comprehensive income				1,716	578		2,295	(1,168)	1,127
TOTAL COMPREHENSIVE INCOME	**-**	**-**	**-**	**1,862**	**578**	**(588,977)**	**(586,536)**	**(4,061)**	**(590,597)**
Appropriation of income – dividends				37,383		(37,383)	-		-
Bonus shares	486			1,445			1,931		1,931
Changes in treasury shares		207	(641)				(434)		(434)
TOTAL TRANSACTIONS WITH SHAREHOLDERS	**486**	**207**	**(641)**	**38,828**	**-**	**(37,383)**	**1,497**	**-**	**1,497**
31 DECEMBER 2020	**193,831**	**(40,564)**	**42,112**	**945,016**	**(11,759)**	**(588,977)**	**539,660**	**13,056**	**552,716**

5.1.4 Consolidated statement of cash flow

(in US$ thousands)	Notes	31/12/2020	31/12/2019
Net income		(591,870)	35,141
Tax expense for continuing operations		29,490	62,357
Consolidated income before tax		**(562,380)**	**97,497**
Net increase (reversals) of amortisation, depreciation and provisions	3.3 & 3.4 & 3.6 & 3.10	593,356	176,275
Exploration expenses	3.3	30,652	48,349
Share of income from equity associates	2.4	17,570	(58,750)
Other income and expenses calculated on bonus shares		1,204	1,092
Gains (losses) on asset disposals		3,046	4,574
Dilution gains and losses		-	-
Other financial items		7,638	29,148
CASH FLOW BEFORE TAX		**91,085**	**298,185**
Income tax paid		(35,337)	(34,815)
Change in working capital requirements for operations		52,930	(101,547)
— Inventories	3.4	*(3,549)*	*730*
— Trade receivables	3.6	*98,646*	*(51,105)*
— Trade payables	3.8	*(32,001)*	*16,086*
— Overlift/underlift position	3.5	*20,918*	*(51,712)*
— Other receivables	3.7 & 4.2	*(25,473)*	*(7,214)*
— Other payables	3.9	*(5,612)*	*(8,333)*
NET CASH FLOW FROM OPERATING ACTIVITIES		**108,678**	**161,824**
Proceeds from disposals of property, plant and equipment and intangible assets			-
Disbursements for acquisitions of property, plant and equipment and intangible assets	3.3	(93,158)	(182,530)
Acquisitions of property, plant & equipment paid in equity instruments		-	-
Dividends received from equity associates	2.4	12,040	12,012
Change in deposits		2,362	(1,386)
Acquisition of equity associates			-
NET CASH FLOW FROM INVESTMENT ACTIVITIES		**(78,756)**	**(171,904)**
Treasury share acquisitions/sales		1,497	(3,936)
Dividends paid out		-	(8,797)
Loan repayments	4.4	(77,135)	(308)
Additional paid-in capital on hedging instruments		(3,752)	-
Interest paid on financing	4.4	(16,248)	(28,301)
Interest received on investment	4.1	1,808	4,560
NET CASH FLOW FROM FINANCING ACTIVITIES		**(93,829)**	**(36,782)**
Impact of exchange rate fluctuations		1,202	(1,981)
CHANGE IN CASH POSITION*		**(62,705)**	**(48,843)**
CASH* AT BEGINNING OF PERIOD		**230,914**	**279,757**
CASH* AT END OF PERIOD		**168,209**	**230,914**

* Banks overdrafts are included in cash.

5.1.5 Notes to the consolidated financial statements

NOTE 1 GENERAL INFORMATION

Établissements Maurel & Prom S.A. (the "Company") is domiciled in France. The Company's registered office is located at 51 rue d'Anjou, 75008 Paris, France. The Company's consolidated financial statements include the Company and its subsidiaries (the entity designated as the "Group" and each one individually as the "entities of the Group") and the Group's share in its joint ventures. The Group, which is listed for trading on Euronext Paris, acts primarily as an operator specialising in the exploration and production of hydrocarbons (oil and gas).

The consolidated financial statements for the year ended 31 December 2020 were approved by the Board of Direction on 9 March 2021.They will be subject to approval by the General Shareholder's Meeting of 18 May 2021.

The financial statements are presented in US dollars ($).

Amounts are rounded off to the nearest thousand dollars, except where otherwise indicated.

1.1 Significant events

The oil markets were severely impacted in first-half 2020 by the major economic downturn triggered by the Covid-19 outbreak and the decision by Saudi Arabia to boost production in March 2020, despite falling demand. This led to a collapse in oil prices, with Brent briefly dropping below $20/bbl in March. Prices began rising again in the second quarter and have been hovering slightly above $42/bbl since mid-June, most notably following OPEC's introduction of production quotas. The average annual price of crude in 2020 was $40 versus $67 the previous year, a drop of -40%.

The ongoing crisis is affecting every aspect of life and business and could have repercussions on the Group's entire value chain as well as on the availability of its resources.

In the face of these unprecedented events, the Group reacted quickly by taking appropriate measures to protect the health and safety of all Group employees while ensuring the continuity of current operations.

In March, executive management introduced a plan to reduce capital expenditure (60% reduction in development capex originally budgeted for 2020) and operating expenses (saving of at least $25 million over the full year). The aim was to protect the Group's cash while maintaining its ability to resume operations quickly, as soon as the situation permits.

These 2020 annual financial statements, which are a continuation of the half-year financial statements, include a substantial review of the Group's assets, risks and ability to meet its financial commitments. As a result of the impairment recorded for the period, described in Notes 1.1.3 and 3.3, depreciation and amortisation charges will be lower in future years, thereby improving the Group's financial performance, all other things being equal.

1.1.1 Resilience of operations

Thanks to the cash-flow-generating capacity of the Company's assets in an environment of low oil prices, along with its compliance with covenants and various measures taken, there was no question about the Group's ability to continue as a going concern as at 31 December 2020.

The fact that the Group's core assets are operated by the Group itself means it has considerable control and flexibility when it comes to development programmes and cost-reduction initiatives.

In Gabon, the effects of the decision made in March 2020 to suspend development drilling were immediate. The drilling rig was demobilised and stored on site, and subcontractors halted their services.

Operations in Tanzania represent a steady source of cash that is not exposed to oil prices.

The Group's cash position as at 31 December 2020 was stable at $168 million. and the Group will be able to honour its commitments over the next 12 months.

On 16 March 2020, the Group successfully rescheduled its two loans:

- the $600-million term loan with a syndicate of lenders (the "term loan"), and
- the $200-million loan ($100 million of it drawn and $100 million undrawn) from M&P's controlling shareholder PT Pertamina International Eksplorasi Dan Produksi ("PIEP") (the "shareholder loan").

Under the terms of the signed amendments, the amount of the repayments to be made in 2020 and 2021 has been halved. The new repayment profile will improve liquidity by reducing the short-term portion of borrowings.

Lastly, M&P can also unlock additional liquidity on request, thanks to the undrawn $100-million tranche of the shareholder loan.

1.1.2 Expenses related to the public health crisis

In the face of the public health crisis, the Group stepped up staff safety measures.

A comprehensive set of health measures was quickly instituted at all facilities. Staff were asked to work from home whenever possible, while employees unable to work remotely were provided with support and social distancing measures.

The cost of these measures, which total $2.6 million, is included in the operating expenses presented in these financial statements, with no specific restatement.

1.1.3 Asset impairment

Given signs of losses related to the Covid-19 pandemic, the Group performed impairment tests at 30 June 2020 and recognised an impairment loss on production assets in Gabon, Angola and France amounting to $453 million net of deferred taxes.

As at 31 December 2020, there was no material revision of production asset impairment stemming from updated assumptions. Only additional impairment charges were recognised on production assets in Angola and France. These amounted to $10 million and corresponded for the most part to additional incremental investments over the period.

The main assumptions used as at 31 December 2020 are as follows:

- average Brent price of $45/bbl in 2021, $55/bbl in 2022, $54/bbl in 2023, then a long term price in constant currency terms of $60/bbl;
- production and development profiles adjusted according to certified reserves;
- a discount rate individualised by country, with no material change from the first half.

With regard to drilling activities, given the termination of provision agreements and no order book, recoverable amount was only maintained for the two drilling rigs that had recently been refurbished and could be offered up for sale to customers in the current oil context.

Consequently, in 2020 the Group recognised an impairment charge for property, plant and equipment and intangible assets of $476 million, net of deferred taxes, broken down as follows:

(in Millions $) **Assets**		31/12/2020	
	Fixed assets	Deffered Tax	Net
Ezanga	583	(192)	391
Angola	48		48
Others	37		37

The sensitivity of the impairment test on the main permit operated by the Group (Ezanga) is presented below:

(in Millions $) **Production**		Brent/bbl	
	-10$/bbl	Base	+10$/bbl
Production -5%	(342)	(44)	238
Forecast Production	(312)	0	295
Production +5%	(382)	43	352

WACC	-10$/bbl	Base	+10$/bbl
Discount rate -1 pt	(342)	(47)	230
Discount rate 11%	(312)	0	295
Discount rate +1 pt	(277)	54	369

With regard to the gas asset in Tanzania, this was not considered a sensitive asset when preparing these financial statements since its sale price mechanism was not correlated to the price of hydrocarbons.

Turning to equity associates, Seplat, a company listed in London and Lagos and in which the Group holds a 20.46% stake, is exposed to the same exceptional circumstances and saw its share price fall by more than 50% in March 2020. Consequently, Seplat recognised a $114-million impairment of property, plant and equipment and intangible assets in its annual financial statements.

Using a multi-criteria analysis based on market indicators, it was determined that a recoverable amount for M&P's share was greater than the net book value of the investment accounted for using the equity method.

Regarding the Venezuelan asset, in December 2020 the Group obtained an extension from 2026 to 2040 of the operating permit allowing it to maintain the book value of equity associates (and justifying the reversal of the $10-million impairment charge recognised in the first half of the year).

1.2 Preparation basis

Normative framework

Pursuant to Regulation (EC) No 1606/2002 of 19 July 2002 on international standards, the consolidated financial statements of the Maurel & Prom Group for the year ended 31 December 2020 have been prepared in accordance with IAS/IFRS International Accounting Standards applicable at 31 December 2020, as approved by the European Union and published by the IASB, and available at: https://ec.europa.eu/info/banking-and-finance-website-notice-users-en.

The accounting principles and methods applied in the preparation of the consolidated financial statements as at 31 December 2020 are identical to those used for the consolidated financial statements as at 31 December 2019, with the exception of IFRS standards, amendments and interpretations as adopted by the European Union and the IASB, which are mandatory for financial years beginning on or after 1 January 2020 (and which had not been applied early by the Group), specially:

- Amendments to IFRS 7, IAS 39 and IFRS 9 “Reform of benchmark interest rates”;
- Amendments to IFRS 16 “Covid-19-related rent concessions”;
- Amendments to IAS 1 and IAS 8 “Amendment to the definition of material”;
- Amendments IFRS 3 “Definition of a business”.

The application of these amendments and other interpretations did not have a material impact on the financial statements as at 31 December 2020.

Going Concern

When preparing financial statements, the Group has assessed its ability to continue as going concern, and further disclosure on this matter is provided in Note 1.1.1.

Use of judgement and accounting estimates

The preparation of consolidated financial statements under IFRS requires the Group to make accounting choices, produce a number of estimates and use certain assumptions that may affect the reported amounts of assets and liabilities, the notes concerning potential assets and liabilities as at the reporting date, and the income and expenses for the period. Changes in facts and circumstances may lead the Group to review such estimates.

The results obtained may differ materially from such estimates when different circumstances or assumptions are applied.

In addition, when a specific transaction is not treated by any standard or interpretation, the Group’s Management uses its own discretion to define and apply the accounting methods that will provide relevant, reliable information. The financial statements give a true and fair view of the Group’s financial position, performance and cash flows. They reflect the substance of transactions, are prepared with prudence, and are complete in all material respects.

Management estimates used in preparing financial statements relate primarily to:

- impairment tests on oil assets;
- recognition of oil carry transactions;
- provisions for site remediation;
- valuation of equity associates and underlying assets;
- accounting treatment of derivative instruments subscribed by the Group;
- underlift/overlift positions;
- recognition of deferred tax assets;
- estimated proven and probable hydrocarbon reserves.

NOTE 2 BASIS FOR CONSOLIDATION

2.1 Consolidation methods

Consolidation

The non-operating entities controlled by Établissements Maurel & Prom SA are fully consolidated.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiaries are included in the consolidated financial statements as from the date control is gained until the date control ceases.

Intra-Group balances, transactions, income and expenses are eliminated on consolidation.

Equity associates

Joint ventures and associates are consolidated using the equity method.

joint ventures are arrangements giving the Group joint control, according to which it has rights to the net assets of the arrangement and not rights to the assets and obligations for the liabilities of the arrangement.

Affiliated entities are entities over whose financial and operating policies the Group has significant influence without controlling or jointly controlling them. Significant influence is assumed when the percentage of voting rights is greater than or equal to 20%, unless a lack of participation in the Company’s management reveals a lack of significant influence. When the percentage is less, the entity is consolidated using the equity method if significant influence can be demonstrated.

The gains resulting from transactions with the equity associates are eliminated through a reduction of the equity associate to the extent of the Group's stake in the associate. Losses are eliminated in the same way as gains, but only insofar as they do not represent an impairment.

When the impairment criteria as defined in IAS 39 "financial instruments: Recognition and Measurement" indicate that equity associates may have declined in value, the amount of the impairment loss is measured using the rules specified in IAS 36 "Impairment of Assets".

Business combinations

Business combinations are accounted for using the acquisition method in accordance with IFRS 3 "Business Combinations". Thus, when control of a company is acquired, this method requires the recognition of the identifiable assets and assumed liabilities by the Group at their fair value (with exceptions) in accordance with IFRS guidelines.

The Group values the goodwill on the acquisition date as:

- the fair value of the transferred consideration; plus
- the amount recognised for non-controlling interests in the acquired company; plus
- if the business combination is carried out in stages, the fair value of any interest previously held in the acquired company; minus
- the net amount recognised (generally at fair value) for the identifiable assets acquired and the liabilities taken over.

When the difference is negative, a profit for acquisition under advantageous conditions must be recognised directly in Operating Income.

Costs related to the acquisition, other than those related to the issuance of a debt or equity securities, which the Group bears as a result of a business combination, are expensed as they are incurred.

Determination of goodwill is finalised within a period of one year from the acquisition date.

Such goodwill is not amortised but tested for impairment at the end of each accounting period and whenever there is an impairment indicator; any impairment charge recognised on goodwill is irreversible.

Changes in the percentage of the Group's stake in a subsidiary which do not result in a loss of control are recognised as equity transactions.

Goodwill relating to equity associates is recognised under equity associates.

Currency translation

The consolidated financial statements are presented in US dollars, which is the Group's reporting currency.

The functional currency of the operating subsidiaries is the US dollar.

The financial statements of foreign subsidiaries for which the functional currency is not the US dollar are converted using the closing rate method. Assets and liabilities, including goodwill on foreign subsidiaries, are translated at the exchange rate in effect on the closing date of the fiscal year. Income and expenses are converted at the average rate for the period. Currency translation adjustments are recognised under the "Currency translation adjustments" item of other comprehensive income within shareholders' equity, while those related to minority interests are recognised under "non-controlling interests". Currency translation adjustments related to a net investment in a foreign activity are recorded directly under other comprehensive income.

Expenses and income in foreign currencies are recognised at their equivalent in the functional currency of the entity concerned at the transaction date. Assets and liabilities in foreign currencies are reported in the balance sheet at their equivalent value in the functional currency of the entity concerned based on the closing rate. Differences resulting from conversion into foreign currencies at this closing rate are carried on the income statement as other financial income or other financial expenses.

When the payment of a monetary item that is a receivable or a payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, the resulting foreign exchange gains and losses are considered to be part of the net investment in a foreign operation and are accounted for in other comprehensive income and presented as a translation reserve.

In case of difference in the functional currency, the Group applies hedge accounting to foreign currency adjustments between the functional currency of the foreign activity and the functional currency of the holding.

Foreign exchange adjustments resulting from the translation of financial liabilities designated as a net investment hedge of a foreign activity are recognised as other comprehensive income for the effective portion of the hedge and accumulated in the translation reserve. Any adjustment relating to the ineffective portion of the hedging is recognised in net income. When the net investment hedged is sold, the amount of the adjustments recognised as the translation reserve related to it is reclassified in the income statement as income from the disposal.

2.2 Information about reporting entities and non-consolidated equity interests

Pursuant to ANC recommendation 2017-01 of 2 December 2017, the full list of Group entities is presented in the period's Annual Report, chapter 7.

2.3 List of consolidated entities

Reporting entities in fiscal year 2020 were primarily the companies listed below.

The consolidated companies are as follows:

Company	Registered office	Consolidation method [a]	% control 31/12/2020	% control 31/12/2019
Établissements Maurel & Prom S.A.	Paris	Parent	Consolidating company	
Maurel & Prom Assistance Technique International S.A.	Geneva, Switzerland	FC	100.00%	100.00%
Caroil S.A.S	Paris, France	FC	100.00%	100.00%
Maurel & Prom Drilling Services	Amsterdam, Netherlands	FC	Liquidated	100.00%
Maurel & Prom Exploration et Production BRM S.A.S.	Paris, France	FC	100.00%	100.00%
Maurel & Prom Exploration Production Tanzania Ltd	Dar Es Salaam, Tanzania	FC	100.00%	100.00%
Maurel & Prom Gabon S.A.	Port-Gentil, Gabon	FC	100.00%	100.00%
Maurel & Prom Mnazi Bay Holdings S.A.S.	Paris, France	FC	100.00%	100.00%
Maurel & Prom Namibia S.A.S.	Paris, France	FC	100.00%	100.00%
Maurel & Prom Peru Holdings S.A.S.	Paris, France		100.00%	100.00%
Maurel & Prom West Africa S.A.	Brussels, Belgium	FC	100.00%	100.00%
Maurel & Prom Italia Srl	Ragusa, Sicily	FC	100.00%	100.00%
Cyprus Mnazi Bay Limited	Nicosia, Cyprus	FC	60.08%	60.08%
Maurel & Prom Colombia BV	Rotterdam, Netherlands	EM	50.001%	50.001%
Seplat	Lagos, Nigeria	EM	20.46%	20.46%
Deep Well Oil & Gas, Inc	Edmonton, Alberta, Canada	EM	19.57%	19.57%
Maurel & Prom East Asia S.A.S.	Paris, France	FC	Deconsolidated	100.00%
MP Energy West Canada Corp.	Calgary, Canada	FC	100.00%	100.00%
MP West Canada S.A.S.	Paris, France	FC	100.00%	100.00%
Saint-Aubin Énergie Québec Inc	Montreal, Canada	FC	100.00%	100.00%
Saint-Aubin Exploration & Production Québec Inc	Montreal, Canada	FC	Liquidated	100.00%
Maurel & Prom Angola S.A.S.	Paris, France	FC	100.00%	100.00%
Maurel & Prom Exploration Production France S.A.S.	Paris, France	FC	100.00%	100.00%
Maurel & Prom Iberoamerica S.L	Madrid, Spain	FC	80.00%	80.00%
M&P Servicios Intregrados UW S.A.	Caracas, Venezuela	FC	80.00%	80.00%
Petroregional del Lago (PRDL)	Caracas, Venezuela	EM	40.00%	40.00%
Caroil Assistance Technique International S.A.	Geneva, Switzerland	FC	100.00%	100.00%
Maurel & Prom Trading S.A.	Paris, France	FC	100.00%	100.00%
Maurel & Prom Services S.A.S.	Paris, France	FC	100.00%	100.00%

(a) FC: Full consolidation/EM: Equity method.

2.4 Equity associates

Companies accounted for by the equity method contributed -$18 million to the Group's results.

(in US$ thousands)	Maurel & Prom Colombia BV	Seplat	Deep Well Oil	Petroregional del Lago	Total
EQUITY ASSOCIATES AS AT 31/12/2019	**(1,684)**	**214,801**	**44**	**82,108**	**295,268**
Income	(1,167)	(16,402)	-	-	(17,570)
Change in OCI		(88)			(88)
Reclassification [d]	2,852				2,852
Dividends		(12,040)			(12,040)
EQUITY ASSOCIATES AS AT 31/12/2020	**-**	**186,271**	**44**	**82,108**	**268,422**

The data below is presented as reported in the financial statements of the joint ventures and associates (those wholly owned and not proportionately owned) as at 31 December 2020, after translation into US dollars, adjustments to fair value and for accounting method consistency where applicable.

(in US$ thousands)	Seplat
Location	**Nigeria**
	Associate
Activity	**Production**
% Interest	*20,46%*
Total non-current assets	2,851,803
Other current assets	339,052
Cash and cash equivalents	258,719
TOTAL ASSETS	**3,449,574**
Total non-current liabilities	1,304,267
Total current liabilities	481,261
TOTAL LIABILITIES (EXCL. EQUITY)	**1,785,528**
Reconciliation with balance sheet values	
TOTAL SHAREHOLDERS' EQUITY OR NET ASSETS	**1,664,046**
Share held	**340,475**
IFRS 3 fair value adjustment [a]	(162,954)
Value of diluted shares [b]	8,749
BALANCE SHEET VALUE AT 31/12/2020	**186,270**
Sales	566,220
Operating Income	104,335
Impairment	(114,402)
Financial income	(71,812)
Income from JV and deconsolidation	1,670
Corporate income tax	(5,113)
NET INCOME FROM EQUITY ASSOCIATES	**(85,322)**
Share held	**(17,457)**
Restatements for standardisation [c]	1,055
P&L VALUE AT 31/12/2020	**(16,402)**

(a) Fair value adjustment for Seplat under IFRS 3 (consolidated at the stock market value) recorded in 2015 in connection with the merger with MPI.
(b) Seplat issued 25 million bonus shares which resulted in a 0.9% dilution of M&P's equity stake less the IFRS 3 fair value adjustment from 2015. Equity was thus reduced by $6.5 million. At the same time, the diluted shares were valued at the market price of $8.7 million. On a net basis, the dilution gain on the equity share, recorded in "Other income from operations", was $2 million.
(c) For Seplat, this is recognition through profit or loss of share-based payments.
(d) Share of net negative assets is reclassified to other provisions.

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The 2019 comparative information is provided below:

(in US$ thousands)	**Seplat**
Location	**Nigeria**
	Associate
Activity	**Production**
% Interest	20.46%
Total non-current assets	2,335,979
Other current assets	600,412
Cash and cash equivalents	333,028
TOTAL ASSETS	**3,269,419**
Total non-current liabilities	850,539
Total current liabilities	615,394
TOTAL LIABILITIES (EXCL. EQUITY)	**1,465,933**
Reconciliation with balance sheet values	
TOTAL SHAREHOLDERS' EQUITY OR NET ASSETS	**1,803,486**
Share held	**369,006**
IFRS 3 fair value adjustment [a]	(162,954)
Value of diluted shares [b]	8,749
BALANCE SHEET VALUE AT 31/12/2019	**214,801**
Sales	697,777
Operating Income	306,416
Foreign exchange gains and losses	-
Loss on derivatives on hydrocarbons	5,559
Interest expense	(20,068)
Income from JV and deconsolidation	14,226
Corporate income tax	(29,125)
NET INCOME FROM EQUITY ASSOCIATES	**277,008**
Share held	**56,678**
Restatements for standardisation [c]	3,238
P&L VALUE AT 31/12/2019	**59,916**

(a) Fair value adjustment for Seplat under IFRS 3 (consolidated at the stock market value) recorded in 2015 in connection with the merger with MPI.
(b) Seplat issued 25 million bonus shares which resulted in a 0.9% dilution of M&P's equity stake less the IFRS 3 fair value adjustment from 2015. Equity was thus reduced by $6.5 million. At the same time, the diluted shares were valued at the market price of $8.7 million. On a net basis, the dilution gain on the equity share, recorded in "Other income from operations", was $2 million.
(c) For Seplat, this is recognition through profit or loss of share-based payments.

NOTE 3 OPERATIONS

3.1 Segment reporting

In accordance with IFRS 8, the segment information reported must be based on the very same principles as those used in the internal reporting. It must reproduce the internal segment information defined to manage and measure the Group's performance.

Maurel & Prom's activities are split into three segments: exploration, production and drilling. Information by region is only relevant at the asset level and is presented in the notes on fixed assets. The other activities mainly concern the holding companies' support and financial services, and trading. Operating Income and assets are broken down for each segment based on the entities' contributing accounts, which include consolidation adjustments.

(in US$ thousands)	Production	Exploration	Drilling	Other	31/12/2020	Recurring	Exploration and other non-recurring items
Sales	323,449	239	6,060	-	329,749	329,749	
Operating Income and expenses	(227,679)	(8,126)	(12,518)	13,590	(234,733)	(234,733)	
EBITDA	**95,770**	**(7,886)**	**(6,458)**	**13,590**	**95,016**	**95,016**	**-**
Depreciation and amortisation, impairment loss & provisions for assets in production and drilling assets	(104,895)	-	(5,119)	(4,463)	(114,477)	(114,477)	
CURRENT OPERATING INCOME	**(9,125)**	**(7,886)**	**(11,577)**	**9,127**	**(19,461)**	**(19,461)**	**-**
Provisions and impairment of production and drilling assets	(439,414)	(29,613)	(8,333)	-	(477,361)		(477,361)
Expenses and impairment of exploration assets net of reversals	-	(31,172)	-	520	(30,652)		(30,652)
Other non-recurring expenses	(518)	(340)	(841)	(1,285)	(2,984)		(2,984)
Gain (loss) on asset disposals	-	-	-	(3,046)	(3,046)		(3,046)
OPERATING INCOME	**(449,058)**	**(69,012)**	**(20,751)**	**5,316**	**(533,505)**	**(19,461)**	**(514,043)**
Impairment assets on equity associates	(23,407)	-			(23,407)		(23,407)
share of current income of equity associates	7,005	(1,167)			5,838	5,838	
SHARE OF INCOME OF EQUITY ASSOCIATES	**(16,402)**	**(1,167)**	**-**	**-**	**(17,570)**	**5,838**	**(23,407)**
Financial result	(53,014)	(8,690)	(210)	50,609	(11,306)	(11,306)	
Income tax	(29,326)	-	1,144	(1,308)	(29,490)	(29,490)	
NET INCOME	**(547,801)**	**(78,870)**	**(19,817)**	**54,617**	**(591,870)**	**(54,419)**	**(537,451)**
INTANGIBLE INVESTMENTS	**6,948**	**40,321**	**-**	**(4)**	**47,265**		
INTANGIBLE ASSETS (NET)	**112,142**	**4,741**	**13**	**76**	**116,972**		
INVESTMENTS IN PROPERTY, PLANT AND EQUIPMENT	**38,972**	**4,152**	**863**	**1,905**	**45,893**		
PROPERTY, PLANT AND EQUIPMENT (NET)	**826,904**	**-**	**13,188**	**2,728**	**842,819**		

Due to international sanctions against state oil company PDVSA, operations conducted locally by the Group's Venezuelan subsidiary, M&P Servicios Integrados U.W., are strictly limited to maintenance related to the safety of staff, assets, and environmental protection.

Against this backdrop, and despite an asset that remains in production and has kept its potential, PRDL's results are not recognised as a share of income from equity associates.

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The 2019 comparative information is provided below:

(in US$ thousands)	**Production**	**Exploration**	**Drilling**	**Other**	**31/12/2019**
Sales	484,903	-	11,584	7,141	503,628
Operating Income and expenses	(161,933)	(3,761)	(27,526)	(24,271)	(217,491)
EBITDA	**322,970**	**(3,761)**	**(15,942)**	**(17,130)**	**286,136**
Depreciation and amortisation, impairment loss & provisions for assets in production and drilling assets	(158,826)	(1,830)	(2,744)	(81)	(163,482)
CURRENT OPERATING INCOME	**164,143**	**(5,591)**	**(18,687)**	**(17,211)**	**122,655**
Expenses and impairment of exploration assets net of reversals	(9,036)	(39,314)	-	-	(48,349)
Other non-recurring expenses	15	(45)	162	-	132
Gain (loss) on asset disposals	(4,574)	-	-	-	(4,574)
OPERATING INCOME	**150,548**	**(44,950)**	**(18,525)**	**(17,211)**	**69,863**
SHARE OF INCOME OF EQUITY ASSOCIATES	**59,916**	**(1,166)**	**-**	**-**	**58,750**
Intangible investments	**42,877**	**34,586**	**-**	**117**	**77,580**
INTANGIBLE ASSETS (NET)	**214,922**	**8,146**	**16**	**144**	**223,228**
Investments in property, plant and equipment	**83,356**	**8,519**	**6,811**	**6,264**	**104,950**
PROPERTY, PLANT AND EQUIPMENT (NET)	**1,404,132**	**11,421**	**25,152**	**5,376**	**1,446,082**

3.2 Operating Income

3.2.1 Sales

Oil-related sales, corresponding to the sale of production on deposits operated by the Company were determined based on oil sold, i.e. oil lifted. The Group now recognises time variances between liftings and the theoretical entitlement in the cost of sales by posting over- or underlift positions, valued at the year-end market price, to current assets (underlift position receivable) or current liabilities (overlift position liability). Market price is determined according to the PCO Rabi light index for Gabon and the Palanca Blend index for Angola, which act as benchmarks when these lifting positions are being physically settled.

Gas sales are recognised at the point of connection to customers' facilities.

Drilling services sales are recognised using the percentage of completion principle based on the drilling, the progress being measured in terms of depth reached and time spent on the task.

	12 months 2020	12 months 2019	Change 20/19
M&P working interest production			
Gabon (oil) *(bopd)*	16,896	19,828	-15%
Angola (oil) *(bopd)*	3,933 [a]	1,879	109%
Tanzania (gas) *(MMcfd)*	31,5	33,8	-7%
TOTAL *(boepd)*	**26,076**	**27,340**	**-5%**
Average sale price			
Oil *($/bbl)*	40,1	67,2	-40%
Gas *($/BTU)*	3,32	3,26	2%
Sales			
Gabon *($m)*	242	454	-47%
Angola *($m)*	40	31	30%
Tanzania *($m)*	43	34	26%
VALUED PRODUCTION *($M)*	**324**	**519**	**-37%**
Drilling activities *($m)*	6	12	
Trading of third-party oil [b] *($m)*	-	7	
Restatement for lifting imbalances *($m)*	(1)	(34)	
CONSOLIDATED SALES *($M)*	**330**	**504**	**-35%**

(a) M&P Trading buys and trades the Group's production in Angola and Gabon. Third-party production can also be traded by M&P Trading. In such instances, it is presented in the Group's consolidated sales

The Group's valued production (income from production activities, restated for lifting imbalances) was $324 million for fiscal 2020, down 38% from 2019. This decline was driven by the sharp drop in oil prices related to the Covid-19 pandemic and the application of the production reduction quotas established by OPEC, which Gabon joined in March 2020. Sales in Tanzania fell slightly due to a seasonal dip in gas demand in the first half of 2020.

The average sale price of oil in fiscal 2020 fell 40% to $40.1/bbl versus $67.2/bbl in 2019.

Maurel & Prom trades oil volumes produced by M&P Gabon and M&P Angola through its subsidiary M&P Trading. 6.6 million barrels were traded during the year.

After taking into account drilling activities and lifting imbalances, the Group's consolidated sales for fiscal 2020 stood at $330 million, down 35% from 2019.

3.2.2 Operating Income

The Group uses a number of indicators to assess the performance of its activities:

Earnings before interest, taxes, depreciation and amortisation (EBITDA) represents sales net of the following items:

- other Operating Income;
- purchases of consumables and services;
- taxes (including mining royalties and other taxes associated with operations);
- personnel expenses.

The last three items were grouped together by function in other operating expenses.

Current operating income corresponds to EBITDA after amortisation and depreciation of tangible and intangible assets, including depletion.

Items between Current operating income and EBIT correspond to income and expenses considered unusual, non-recurring and material, including:

- material capital gains and losses resulting from asset sales;
- impairment of operating assets;
- depreciations related to discontinued exploration assets;
- expenses incurred in the exploration phase (up to the identification of a prospect), given that the volatility of such expenditures is unpredictable, depending on the results of exploration activities;
- costs relating to business combinations and restructuring.

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Others operating expenses break down as follows:

(in thousands of dollars)	31/12/2020	31/12/2019
Purchases and external services	(104,753)	(96,191)
Taxes, contributions & royalties	(41,305)	(79,834)
Personnel expenses	(68,589)	(84,235)
Others operating expenses	(214,647)	(260,261)

Current operating income stood at -$19 million due to the collapse in oil prices, despite the voluntary plan under way to reduce operating expenses and the significant decrease of amortization expense of oil assets.

Non-current income mostly includes:

- an impairment loss of $481 million (net of deferred tax effects) on production and exploration assets in Gabon, France and Angola, and of drilling rigs;
- $31 million in exploration expenses related to the finalisation of operations that began in 2019 on the Kari permit and a campaign to acquire seismic data in Sicily;
- $3 million in expenses related to termination payments.

3.3 Immobilisations

Maurel & Prom conducts part of its Exploration and Production activities under Production Sharing Agreements (PSAs). This type of agreement, signed with the host country, sets rules for cooperation (in association with potential partners) and for production sharing with the government or the state-owned company that represents it, and defines the taxation terms.

Under these agreements, the Company agrees to finance its percentage of interest in exploration and production operations, and in exchange receives a share of production known as "cost oil". The sale of this production share normally allows the Company to recover its investments, as well as the operating costs incurred. The production balance (known as "profit oil") is then split between the Company and the state in variable proportions and the Company pays its share of tax on the revenue from its activities.

Under such Production Sharing Agreements, the Company recognises its share of assets, sales and net income in light of its percentage held on the permit in question.

The following methods are used to account for the costs of oil-related activities:

Oil search and exploration rights

- Mining permits: expenditures for the acquisition and allocation of mining permits are recorded as intangible assets and, during the exploration phase, amortised on a straight-line basis over the estimated duration of the permit or during the development phase, in line with the amortisation rate for the oil production facilities. If the permit is withdrawn or the exploration fails, the remaining amortisation is recorded once.
- Acquired mining rights: acquisitions of mining rights are recorded as intangible assets and, if they have led to the discovery of oil reserves, depreciated in accordance with the unit-of-production method based on proven and probable reserves. The depreciation rate equals the ratio between the field's hydrocarbon production over the fiscal year and the proven and probable hydrocarbon reserves at the beginning of the same fiscal year, re-estimated on the basis of an independent appraisal.

Exploration costs

The Group applies IFRS 6 for the recognition of exploration costs.

Hydrocarbon production fees and assets are accounted for in accordance with the "successful efforts" method.

Charges incurred prior to the issuance of the exploration permit are recognised as expenses.

Studies and works concerning the exploration, including geology and geophysics costs, are recorded under expenses until a prospect is identified.

Expenses incurred to identify a prospect such as exploratory drilling are capitalised and are depreciated as soon as the production starts.

Drilling expenditure that does not result in a commercial discovery is posted under expenses for the total amount incurred once it is decided to permanently abandon work in the zone concerned or in the connected zone.

The Group refers to ASC 932 "Extractive activities", usually applied in the oil sector for the purpose of defining the accounting treatment of situations or transactions not specifically covered by IAS. In application of this principle, when it appears that an exploration well under way at the reporting date has not yet revealed proven reserves and that this is known only between the reporting date and the date on which the financial statements are approved, expenses incurred on that well up to the reporting date are recognised as exploration expenses over the period in question.

When the technical feasibility and commercial viability of the oil production project can be proven (analysis based on the outcome of appraisal wells or seismic study work, etc.) and following the issuance of an Exclusive Development and Production Authorisation (AEDE), these costs then become development costs, a portion of which is transferred to property, plant and equipment, depending on their nature.

Once an impairment indicator appears (permit expiry date, absence of further budgeted exploration expenses, etc.), an impairment test is carried out to ensure that the book value of the expenses incurred does not exceed the recoverable amount.

In addition, when the technical feasibility and commercial viability of the oil production project can be demonstrated, exploration assets are systematically subject to an impairment test.

Impairment tests are carried out at the permit level, in accordance with the common practice within the industry.

Oil production assets

Oil production fixed assets include assets recognised during the exploration phase and transferred to property, plant and equipment following discoveries, and assets relating to field development (production drilling, surface facilities, oil routing systems etc.).

Depletion

Fixed assets are depreciated according to the unit-of-production method.

For general facilities, i.e. those which concern the entire field (pipelines, surface units, etc.), the depreciation rate equals the ratio of the field's hydrocarbon production during the fiscal year to the proven reserves at the beginning of the same fiscal year. If applicable, they are weighted by the ratio (proven)/(proven + probable) reserves for that field, in order to take into account their relative role in the production of all proven and probable reserves of the field in question.

For specific facilities, i.e. those dedicated to specific areas of a field, the depreciation rate used equals the ratio of the field's hydrocarbon production during the fiscal year to the proven developed reserves at the beginning of the same fiscal year.

The reserves taken into account are the reserves determined on the basis of analyses conducted by independent organisations, to the extent that the said analyses are available on the reporting date.

Site remediation costs

Provisions for site remediation are recognised when the Group has an obligation to dismantle and remediate a site.

The discounted site remediation cost is capitalised and added to the value of the underlying asset and amortised at the same rate.

Financing of oil-related costs for third parties (carry)

The financing of third-party oil costs is an activity that consists of the substituting, as part of an oil joint operation, for another member of the joint operation to finance its share of the cost of works.

When the contract terms give it similar characteristics to those of other oil assets, the financing of oil costs on behalf of third parties is treated as an oil asset.

Consequently, and in accordance with paragraph 47[d] of ASC 932 usually applied in the oil sector, the accounting rules are those applicable to expenses of the same nature as the Group's own share (fixed assets, depreciation, impairment, operating costs as expenses):

- accounting for exploration costs financed as intangible assets (carried partners' share entered as the Maurel & Prom share);
- if prospecting does not result in a producing asset: recognition of all costs as expenses;
- in the case of producing assets: the transfer of costs booked as intangible assets to property, plant and equipment (technical facilities);
- the share of hydrocarbons accruing to the carried partners and used to repay that cost of carry is treated as sales for the partner that carries it;
- reserves corresponding to the carried costs are added to the reserves of the partner that carries the costs;
- depreciation of technical facilities (including the share of carried partners) according to the unit-of-production method by including in the numerator the production for the period allocated to recovery of the carried costs and in the denominator the share of reserves used to recover all of the carried costs.

Other intangible assets

Other intangible assets are recognised at their acquisition cost and posted on the balance sheet at that value, after deducting accrued amortisation, depreciation and any impairment.

Amortisation is calculated on a straight-line basis and the amortisation period is based on the estimated useful life of the different categories of intangible assets depreciated over a period ranging from one to three years.

Other property, plant and equipment

The gross value of other property, plant and equipment corresponds to the acquisition or production cost. It is not revalued.

Depreciation is calculated on a straight-line basis, and the depreciation period is based on the estimated useful life of the different categories of property, plant and equipment, which are predominantly as follows:

- buildings: 10 years;
- infrastructure: 8 to 10 years;
- drilling rigs: 5 years;
- technical facilities: 3 to 10 years;
- fixtures and fittings: 4 to 10 years;
- transportation equipment: 3 to 8 years;
- office and computer equipment: 2 to 5 years; and
- office furniture: 3 to 10 years.

Finance leasing contracts are agreements whose effect is to transfer virtually all risk and benefits inherent in the ownership of the asset from the lessor to the lessee. Such contracts are recognised in the balance sheet as assets at fair value, or at the discounted value of the minimum lease payments as defined in the contract if lower. The corresponding debt is recognised under balance sheet liabilities as financial debt. Such assets are depreciated on the basis of the Group's estimation of their useful life.

Leasing contracts that are not lease financing agreements as defined above are recognised as regular leasing contracts. Payments for regular leasing contracts are booked in the income statement on a straight-line basis over the period of the lease.

Borrowing costs are capitalised when the asset in question meets the eligibility conditions as defined by IAS 23R.

Asset impairment

When events indicate a risk of impairment on the intangible and tangible assets, and with regard to goodwill and intangible assets not amortised at least once a year, an impairment test is carried out in order to determine whether their net book value is lower than their recoverable amount, with the recoverable amount defined as the higher between the fair value (less exit costs) and the value in use. The value in use is determined by discounting future cash flows expected from the use and disposal of the assets.

For oil assets in production, cash flows are determined based on the hydrocarbon reserves identified, the related production profile and the discounted sale prices after taking into account the applicable tax terms as defined in the Production Sharing Agreements.

A permit or set of permits for the same geographic region is generally referred to as a cash-generating unit (CGU). A CGU is a set of assets whose ongoing utilisation generates cash flows that are largely independent of the cash flows from the other asset groups. In certain cases, a permit may contain exploration and production assets.

With regard to the Group's other activities, impairment tests are performed on the basis of the Company's business plans, including a terminal value.

The discount rate used takes into account the risk associated with the activity and its geographical location.

If the recoverable amount is lower than the net book value, an impairment is recognised for the difference between these two amounts.

This impairment may be reversed according to the net book value that the asset would have held on the same date, had it not been impaired. However, impairment losses recorded on goodwill are irreversible.

3.3.1 Intangible assets

Intangible investments for the year mainly concern drilling exploration expenses on the Kari permit for $25 million and a seismic data acquisition campaign in Sicily for $12 million.

The recoverable amount of all assets in the Group's exploration portfolio were analysed in accordance with IFRS 6 and IAS 36.

In this regard, exploration expenses related to operations that began at the end of 2019 in Gabon on the Kari permit have been impaired due to the projects' lack of cost effectiveness.

The Group recognised an impairment charge for intangible assets of $99 million on the producing assets in Gabon and Angola, as per the assumptions described in Note 1.1.3.

(in US$ thousands)	31/12/2019	Currency translation adjustment	Investments	Transfer	Operating expenses	Amortisation	31/12/2020
Assets attached to permits in production	214,922	-	6,948	22	(99,223)	(10,527)	112,142
Assets attached to permits in exploration	8,146	-	40,321	-	(43,570)	(157)	4,740
Drilling	16	-	-		-	(3)	13
Other	144	1	(4)	30	-	(95)	76
INTANGIBLE ASSETS (NET)	**223,228**	**1**	**47,265**	**52**	**(142,793)**	**(10,782)**	**116,971**

The changes in intangible assets for the previous year are stated below:

(in US$ thousands)	31/12/2018	Currency translation adjustment	Investments	Transfer	Operating expenses	Amortisation	31/12/2019
Assets attached to permits in production	192,804	-	42,877	(1,041)	-	(19,718)	214,922
Assets attached to permits in exploration	6,919	(22)	34,586	1,678	(34,806)	(209)	8,146
Drilling	28	-	-		-	(11)	16
Other	170	-	117	-	-	(142)	144
INTANGIBLE ASSETS (NET)	**199,920**	**(22)**	**77,580**	**637**	**(34,806)**	**(20,081)**	**223,228**

3.3.2 Property, plant and equipment

(in US$ thousands)	31/12/2019	Currency translation adjustment	Investments	Transfer	Asset disposals	Amortisation	31/12/2020
Assets attached to permits in production	1,404,132	-	38,972	5,980	(530,886)	(91,295)	1,404,132
Assets attached to permits in exploration	11,421	148	4,152	-	(15,722)	-	11,421
Drilling	25,152	-	863		(8,333)	(4,494)	13,188
Other	5,376	34	1,905	(30)	(3,211)	(1,348)	5,376
PROPERTY, PLANT AND EQUIPMENT (NET)	**1,446,081**	**182**	**45,892**	**5,950**	**(558,152)**	**(97,137)**	**842,816**

Investments in property, plant and equipment during the period were primarily development capex on the Ezanga permit.

Pursuant to IAS 36, impairment tests were performed in order to determine the recoverable value of the assets. The Group recognised an impairment charge for assets of $547 million (before deferred taxes) on the producing assets in Gabon, France and Angola, as per the assumptions described in Note 1.1.3.

The changes in property, plant and equipment for the previous year are stated below:

(in US$ thousands)	31/12/2018	Currency translation adjustment	Investments	Transfer	Impairment	Amortisation	31/12/2019
Assets attached to permits in production	1,425,779	-	83,356	41,998	(18,094)	(128,906)	1,404,132
Assets attached to permits in exploration	2,966	8	8,519	3,269	(4,036)	696	11,421
Drilling	21,793	-	6,811		-	(3,452)	25,152
Other	625	2	6,264	-	-	(1,514)	5,376
PROPERTY, PLANT AND EQUIPMENT (NET)	**1,451,162**	**10**	**104,950**	**45,267**	**(22,130)**	**(133,177)**	**1,446,082**

3.4 Inventories

Inventories are valued using the weighted average cost method at acquisition or production cost. Production cost includes consumables and direct and indirect production costs. Hydrocarbon inventories are valued at production cost, including field and transportation costs and the depreciation of assets used in production. A provision is created when the net realisable value is lower than the cost of inventories.

(in US$ thousands)	31/12/2019	Currency translation adjustment	Change	Transfer	Impairment/ Reversals	31/12/2020
Ezanga (Gabon)	6,371		(600)			5,771
Chimicals products Ezanga (Gabon)	3,080		(728)			
Oil stocks Trading		-	4,876		-	
BRM (Tanzania)	4,540	316			(1,381)	3,475
INVENTORIES (NET)	**13,991**	**316**	**3,548**	**-**	**(1,381)**	**16,474**

Trading oil inventories were valued at the year-end market price less the cost of sales.

Oil inventories on Ezanga correspond to oil quantities in the pipeline and are valued at production cost.

3.5 Overlift/underlift position

The Group recognises time variances between liftings and the theoretical entitlement in the cost of sales by posting over-or underlift positions, valued at the year-end market price, to current assets (underlift position receivable) or current liabilities (overlift position liability).

(in US$ thousands)	31/12/2019	Currency translation adjustment	Change	Transfer	Impairment/ Reversals	31/12/2020
Underlift position receivable	39,755		(21,179)			18,576
Overlift position liability	(1,296)		261			(1,035)
NET OVERLIFT/UNDERLIFT POSITION	**38,460**	**-**	**(20,918)**	**-**	**-**	**17,541**

3.6 Trade receivables

Trade receivables are initially recognised at fair value and then at amortised cost.

At year end, impairment losses on trade receivables are losses expected over the life of the receivables, in accordance with IFRS 9. The Group's exposure to credit risk is influenced by customers' individual characteristics.

(in US$ thousands)	31/12/2019	Currency translation adjustment	Change	Transfer	Impairment/ Reversals	31/12/2020
Ezanga (Gabon)	17,768		(10,867)			6,901
Trading	106,764		(95,609)			11,154
Mnazi Bay (Tanzania)	16,566		7,347		(505)	23,407
Drilling	2,964		(2,786)			178
Other	43	2	3,269		(3,298)	16
TRADE RECEIVABLES AND RELATED ACCOUNTS (NET)	**144,104**	**2**	**(98,646)**	**-**	**(3,803)**	**41,656**

Trade receivables on Ezanga for hydrocarbon sales essentially reflect the receivables from Sogara, which purchases a percentage of the production from the Ezanga permit fields.

Trade receivables on Mnazi Bay for natural gas sales are mostly from the national company TPDC and Tanesco.

The recoverability of all of these receivables is not called into question. There is no significant impaired receivable.

3.7 Other assets

Other current assets include assets related to the regular operating cycle, some of which can be produced more than 12 months after the reporting date. At year end, impairment losses on trade receivables are losses expected over the life of the receivables, in accordance with IFRS 9.

(in US$ thousands)	31/12/2019	Currency translation adjustment	Change	Transfer	Impairment/ Reversals	31/12/2019
Supplier advances	2,615		(1,113)			1,502
Partners' carry receivables		4	5,440	4,911		10,355
Prepaid and deferred expenses	1,789	7	3,782		(120)	5,457
Tax and social security receivables	87,269	4,494	17,477		1,234	110,475
OTHER ASSETS (NET)	**91,672**	**4,506**	**25,587**	**4,911**	**1,114**	**127,790**
Gross	107,345	4,506	25,488	4,911		142,250
Impairment	(15,673)		99	-	1,114	(14,460)
NON-CURRENT	**43,554**	**4,118**	**36,350**			**84,022**
CURRENT	**48,118**	**388**	**(10,763)**	**4,911**	**1,114**	**43,768**

Partner receivables have been reclassified between "Other financial assets" and "Other assets".

"Tax and social security receivables" primarily comprise VAT receivables from the Gabonese State, denominated in XAF. Since there was no refund of the VAT receivable for the full year, related to a payment schedule protocol, the entire receivable, which had been classified as current up to 2019, was reclassified as non-current.

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3.8 Trade payables

(in US$ thousands)	31/12/2019	Currency translation adjustment	Change	Transfer	Impairment/ Reversals	31/12/2020
Ezanga (Gabon)	51,295		(18,608)			32,688
Mnazi Bay (Tanzania)	488	-	108	-	-	596
Drilling	6,953	-	(4,667)	-	-	2,286
Other	16,921	163	(8,835)	-	-	8,249
TRADE PAYABLES AND RELATED ACCOUNTS	**75,656**	**163**	**(32,001)**	**-**	**-**	**43,819**

The reduction in trade payables was due to the sharp reduction in investments and operating expenses, particularly in Gabon.

3.9 Other current liabilities

These other current liabilities are included in financial liabilities recognised initially at fair value and then at amortised cost.

(in US$ thousands)	31/12/2019	Currency translation adjustment	Change	Transfer & scope	Impairment/ Reversals	31/12/2020
Social security liabilities	17,636	80	(1,402)			16,314
Tax liabilities	29 100	1	1,886			30,987
Partners' carry payables	11,688	-	17,279	5,980	-	34,948
TPDC advances	27,180					27,180
PRDL investment liabilities	19,129	1,127	(20,256)			
Miscellaneous liabilities	21,014	17	(3,121)			17,910
OTHER CURRENT LIABILITIES	**125,746**	**1,225**	**(5,612)**	**5,980**	**-**	**127,339**

Partner liabilities correspond to cash calls to be issued by the operator in Angola, Sonangol, and WCR financing advances in Gabon.

The TPDC advance corresponds to a deposit received in 2015 as a sales guarantee. It will be reimbursed once TPDC sets up another type of financial guarantee.

Investment liabilities at 31 December 2019 correspond to the balance due to Shell for the PRDL acquisition which was paid in full in the first half of 2020.

3.10 Provisions

In accordance with IAS 37 "Provisions, contingent liabilities and contingent assets", provisions are recognised when the Group has an obligation at fiscal year-end to a third party deriving from a past event, the settlement of which should result in an outflow of resources that constitute economic benefits.

The site remediation obligation is recognised at the discounted value of the estimated cost for the contractual obligation for dismantling; the impact of the passage of time is measured by applying a risk-free interest rate to the amount of the provision. The effect of the accretion is posted under "Other financial income and expenses".

Severance payments on retirement correspond to defined benefit plans. They are provisioned as follows:

- the actuarial method used is known as the projected unit credit method, which states that for each year of service, an additional unit of benefit must be allocated. These calculations incorporate assumptions about mortality, staff turnover and projections of future salaries; and
- the differences between actual and forecast commitments (based on projections or new assumptions) and between the projected and actual return on funds invested are called actuarial gains and losses. They are recognised under other comprehensive income, without the possibility of being subsequently recycled through net income. The cost of past services is recognised under net income, whether they are acquired or not.

(in US$ thousands)	31/12/2019	Currency translation adjustment	Increase	Reversal	Transfer	31/12/2020
Site remediation	84,770	366	2,882	(820)		87,199
Pension commitments	1,406			(255)		1,150
Other	16,734	432	10,387	(3,185)	2,852	27,219
PROVISIONS	**102,910**	**798**	**13,269**	**(4,260)**	**2,852**	**115,568**
NON-CURRENT	**85,655**	**366**	**2,882**	**(1,075)**	**-**	**87,828**
CURRENT	**17,255**	**432**	**10,387**	**(3,185)**	**2,852**	**27,740**

Site remediation provisions for production sites are established based on an appraisal report and updated using US Bloomberg Corporate AA rates to remain aligned with the term of the commitment.

The other provisions cover various risks including tax (excluding corporation tax) and employee-related risks in the Group's various host countries.

NOTE 4 FINANCING

4.1 Financial income

(in US$ thousands)	31/12/2020	31/12/2019
Interest on overdrafts	(76)	(237)
IFRS 16 financial expense	(298)	(121)
Interest on shareholder loans	(2,645)	(4,163)
Interest on other borrowings	(12,789)	(25,771)
GROSS FINANCE COSTS	**(15,808)**	**(30,291)**
Income from cash	1,808	4,560
Net income from derivative instruments	(2,385)	(667)
NET FINANCE COSTS	**(16,384)**	**(26,398)**
Net foreign exchange adjustment	5,928	(3,663)
Other	(850)	(1,055)
OTHER NET FINANCIAL INCOME AND EXPENSES	**5,078**	**(4,718)**
FINANCIAL INCOME	**(11,306)**	**(31,116)**

Gross borrowing costs are calculated based on the effective interest rate of the loan (i.e. the actuarial rate which takes into account issuance fees).

Net foreign exchange variances are mainly due to the revaluation at the closing rate of the Group's foreign currency positions that are not in the Group's functional currency (USD):

- the EUR/USD conversion at 31/12/2019 was 1.123 versus 1.2271 at the balance sheet date;
- positions in transactional currencies that are not in the USD functional currency used by all consolidated entities are largely Gabonese receivables (denominated in XAF).

Other financial income and expenses mainly comprise the accretion of the provision for site remediation.

4.2 Other financial assets

Other financial assets are initially recognised at fair value and then at amortised cost.

At year end, impairment losses on trade receivables are losses expected over the life of the receivables, in accordance with IFRS 9.

(in US$ thousands)	31/12/2019	Currency translation adjustment	Change	Transfer	Impairment/ Reversals	31/12/2020
Equity associates current accounts	4,601	(2)	2,317	(18)		6,899
RES escrow funds	1,839	42	45			1,926
GOC escrow fund	43,339					43,339
Partners' carry receivables	3,134	-	-	(3,134)	-	-
Sucre Energy Ltd carry receivables	11,000					11,000
Miscellaneous receivables	1,777		(114)	(1,777)	114	
OTHER FINANCIAL ASSETS (NET)	**65,691**	**40**	**2,248**	**(4,929)**	**114**	**63,164**
NON-CURRENT	**6,441**	**40**	**2,362**	**(18)**	**-**	**8,825**
CURRENT	**59,250**	**-**	**(114)**	**(4,911)**	**114**	**54,339**

The $43-million Gabon Oil Company (GOC) liability related to GOC's entry on the Ezanga permit in 2019 and corresponding to the amount due to M&P for carrying costs prior to 2018 was finally validated at expertise proceedings before the ICC. This $43 million, which was not included in the $168-million cash position as at 31 December 2020, are subject of legal action in order to obtain their release soon.

Partner receivables corresponding to the Group's financing of the share of costs accruing to its partners under partnership agreements have been reclassified as "Other assets" (Note 5.3.7).

4.3 Cash and cash equivalents

Bank deposits correspond to current accounts and short-term investments of excess cash.

(in US$ thousands)	31/12/2020	31/12/2019
Liquid assets, banks and savings banks	76,460	132,555
Short-term bank deposits	45,893	3,803
Marketable securities	45,860	94,685
CASH AND CASH EQUIVALENTS	**168,213**	**231,043**
Bank loans [(a)]	(4)	(129)
NET CASH AND CASH EQUIVALENTS	**168,209**	**230,914**

(a) Bank loans are reported under debt as shown below.

4.4 Borrowings and financial debt

(in US$ thousands)	31/12/2019	Repayment	Transfer	Interest expense	Interest withdrawal	Other movements	31/12/2020
Term loan ($600m)	445,673	(75,000)	75,000			495	446,168
Shareholder loan	94,118		(8,618)				85,500
Lease financing debt	2,847	(135)	(1,190)				1,522
NON-CURRENT	**542,637**	**(75,135)**	**65,192**	**-**	**-**	**495**	**533,190**
Term loan ($600m)	150,066		(75,000)				75,066
Shareholder loans	5,882	(2,000)	8,618				12,500
Lease financing debt	1,357		1,190	298		(1,371)	1,473
Current bank loans	129			87	(76)	(136)	4
Accrued interest	1,484	-		15,423	(16,171)	(495)	241
– shareholder loan ($100m)	-			2,645	(2,645)	-	-
– term loan ($600m)	1,484			12,779	(13,527)	(495)	241
CURRENT	**158,918**	**(2,000)**	**(65,192)**	**15,808**	**(16,248)**	**(2,002)**	**89,284**
BORROWINGS	**701,555**	**(77,135)**	**-**	**15,808**	**(16,248)**	**(1,507)**	**622,474**

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4.4.1 Borrowings

Borrowings are initially recognised at their fair value and then at amortised cost. Issuance costs are recognised as a deduction against the initial fair value of the loan. Financial expenses are then calculated on the basis of the loan's effective interest rate (i.e. the actuarial rate taking issuance costs into account).

$600-million term loan

The Group took out a $600-million term loan with a group of nine international banks on 21 December 2017.

The terms of this loan are as follows:

Initial amount	$600 million
Maturity	December 2023
First repayment	March 2020
Repayment	16 quarterly instalments
Interest rate	LIBOR +1.50%

Shareholder loan

In December 2017, as part of its refinancing, the Group set up a shareholder loan with PIEP for an amount of $200 million, initially drawn down in the amount of $100 million.

The terms of this new facility are as follows:

Initial amount $200 million of which drawn:	$100 million
Additional amount	$100 million that can be drawn down at will
Maturity	December 2024
First repayment	December 2020
Repayment	17 quarterly instalments
Interest rate	LIBOR +1.60%

Under the terms of the amendments to the bank and shaloan agreements dated 16 March 2020, the Group was able to reschedule its debt, with repayment amounts halved in 2020 and 2021:

- the $600-million term loan with a syndicate of lenders (the "term loan"); and
- the $200-million loan ($100 million of it drawn and $100 million undrawn) from M&P's controlling shareholder PT Pertamina International Eksplorasi Dan Produksi ("PIEP") (the "shareholder loan").

In accordance with IFRS 9, as the amendments to the agreements did not result in significant changes to the terms of the loan, the Group recognised the costs relating to the implementation of these amendments in the overall cost by adjusting the effective interest rate.

At the end of June 2018, the Group took out interest-rate derivatives to limit the cost of debt in the event of a rise in interest rates.

The nominal amount hedged was $200 million, maturing between July 2021 and July 2022 at the three-month LIBOR.

The hedge was qualified as a "cash flow hedge" under IFRS 9. Only the intrinsic value was designated as a hedging instrument. The time value was treated as a hedging cost and recognised as OCI then amortised in the income statement in accordance with the straight-line method. The fair value of these derivatives is recognised on the balance sheet under "Non-current derivative financial instruments".

Under the amendments to IFRS 7 and IFRS 9 in connection with interest rate benchmark reform, the effects of the interest rate reform can be disregarded until the transition to the new indices comes into effect. Consequently, interest rate derivatives can continue to qualify for hedge accounting.

(in US$ thousands)	**31/12/2019**	**Income**	**OCI**	**31/12/2020**
Current derivative financial assets	-		-	
Current derivative financial liabilities	(3,304)		143	(3,161)
DERIVATIVE FINANCIAL INSTRUMENTS, NET	**(3,304)**	**-**	**143**	**(3,161)**

NOTE 5 FINANCIAL RISK & FAIR VALUE

5.1 Risks of fluctuations in hydrocarbon prices

Historically, oil and gas prices have always been highly volatile and can be impacted by a wide variety of factors, such as the demand for hydrocarbons directly related to the general economy, production capacities and levels, government energy policies and speculative practices. The oil and gas industry's economy, and especially its profitability, are very sensitive to fluctuations in the price of hydrocarbons expressed in US dollars.

The Group's cash flows and future results are therefore strongly influenced by changes in the price of hydrocarbons expressed in US dollars. No hedging on the price of hydrocarbons took place in 2020.

For the full year, the average price of Brent fell by 40% to $40.1/bbl versus $67.2/bbl in 2019.

A decrease of 10% in the price of oil from the average price in 2020 would have impacted sales and EBITDA by -$28 million.

5.2 Foreign exchange risk

Given that its activity is to a large extent international, the Group is theoretically exposed to various types of foreign exchange risk:

- changes in foreign exchange rates affect the transactions recognised as operating income (sales flow, cost of sales, etc.);
- the revaluation at the closing rate of debts and receivables in foreign currencies generates a financial exchange risk;
- there is also a foreign exchange risk linked to the conversion into US dollars of the accounts of Group entities whose functional currency is the euro. The resulting exchange gain/loss is recorded in other comprehensive income.

In practice, this exposure is currently low, since sales, most operating expenses, most investments and the Group's borrowings are denominated in US dollars.

The Group's reporting and operating currencies are both US dollars.

The impact on consolidated income and on shareholders' equity as at 31 December 2020 of a 10% rise or fall in the EUR/USD exchange rate is shown below:

(in US$ thousands)	Impact on pre-tax income		Impact on exchange gain/loss (equity)	
	10% rise in €/US$ exchange rate	10% decline in €/US$ exchange rate	10% rise in €/US$ exchange rate	10% decline in €/US$ exchange rate
EUR equivalent	7,543	(7,543)	(22,291)	22,291
Other currencies				
TOTAL	**7,543**	**(7,543)**	**(22,291)**	**22,291**

The average annual EUR/USD exchange rate was up sharply to $1.14 for €1 in 2020 versus $1.11 for €1 in 2019. The EUR/USD exchange rate as at 31 December 2020 was 1.23 versus 1.12 at 31 December 2019.

The Group holds liquid assets primarily in US dollars to finance its projected investment expenses in that currency. There were no ongoing foreign exchange transactions as at 31 December 2020.

The Group's net consolidated foreign exchange position as at 31 December 2020 (i.e. positions on the currencies in which transactions were conducted) was $83 million and can be analysed as follows:

(in US$ thousands)	Assets and liabilities	Commitments in foreign currency	Net position before hedging	Hedging instruments	Net position after hedging
Trade receivables and payables	102,654		102,654		102,654
Other creditors and sundry liabilities	(19,352)		(19,352)		(19,352)
EQUIVALENT EUR EXPOSURE	**83,302**	**-**	**83,302**	**-**	**83,302**

5.3 Liquidity risk

Due to the nature of its industrial and commercial activity, the Group is exposed to liquidity shortage risks or risks that its financing strategy proves to be inadequate. These risks are exacerbated by oil price levels, which could affect the Group's ability to obtain refinancing if they were to remain low over the long term. A report on the sources of financing available as at 31 December 2020 appears in Note 4.4 “Borrowings and financial debt”.

The Group's liquidity is detailed in the consolidated statements of cash flow drawn up weekly and sent to executive management. Monthly, quarterly and year-end cash flow forecasts are prepared at the same time.

Earnings are compared to forecasts using those statements, which, in addition to liquidity, make it possible to assess the foreign exchange position.

As at 31 December 2020, the Group had cash and cash equivalents amounting to $168 million. To the Company's knowledge, there are no major limitations or restrictions on the raising of cash from the Group's subsidiaries, except for the countries referred to in Note 5.6 “Country risk”.

The table below shows the breakdown of financial liabilities by contractual maturity:

(in US$ thousands)	**2021**	**2022**	**2023**	**2024**	**2025**	**> 5 years**	**Total contractual flow**	**Total balance sheet value**
Shareholder loan	12,500	12,500	28,000	45,000			98,000	98,000
Accrued interests	1,731	1,498	1,147	504			4,881	-
Term loan ($600m)	75,000	175,000	275,000		-		525,000	521,233
Accrued interests	13,964	9,815	4,864	-	-		28,643	241
Current bank loans	4						4	4
Lease financing debt	308	308	308	308	308	4,714	6,254	2,995
TOTAL	**103,508**	**199,122**	**309,319**	**45,812**	**308**	**4,714**	**662,782**	**622,474**

In 2020 the Company was in compliance with all ratios set out in the term loan. The Group has conducted an in-depth review of its liquidity risk and future maturity dates and considers in consequence that it is able to meet its contractual maturities.

For information, as at 31 December 2019, the non-discounted contractual flows (principal and interest) on the outstanding financial liabilities, by maturity date, were as follows:

(in US$ thousands)	**2020**	**2021**	**2022**	**2023**	**2024**	**> 5 years**	**Total contractual flow**	**Total balance sheet value**
Shareholder loan	9,259	26,380	25,586	24,793	24,001		110,019	100,000
Term loan ($600m)	170,157	164,842	159,516	154,345	-		648,859	597,222
Current bank loans	129						129	129
Lease financing debt	341	341	341	341	341	4,714	6,419	4,204
TOTAL	**179,886**	**191,563**	**185,443**	**179,478**	**24,342**	**4,714**	**765,426**	**701,555**

5.4 Interest rate risk

Like any company that uses external lines of credit and invests its excess cash, the Group is exposed to an interest rate risk.

The Group's consolidated gross debt as at 31 December 2020 amounted to $622 million. It mainly consisted of two floating-rate loans.

In 2018 the Group took out financial instruments to limit its exposure to interest rate risk, as per Note 4.4.1.

As at 31 December 2020, the interest rate risk can be assessed as follows:

(in US$ thousands)	31/12/2020	31/12/2019
Term loan ($600m)	521,474	597,222
Shareholder loan	98,000	100,000
Lease financing debt	2,995	4,204
Current bank loans and other	4	129
FLOATING RATE	**622,474**	**701,555**
BORROWINGS	**622,474**	**701,555**

A 100-basis point rise in interest rates would result in an additional interest expense of $3 million per year on the income statement.

A significant portion of cash is held in floating rate demand deposits.

Following the interest rate benchmark reform amendment (see Note 1.2 Preparation basis), the Group expects to see a transition away from the USD LIBOR towards SOFR starting in 2021. The Group plans to include fallback clauses in its existing contracts that extend beyond 2021.

It is worth noting that the amendment could be applied effective 1 January 2021 and will have no impact on amounts reported in 2020 or prior periods.

As at 31 December 2020, the Group's gross debt stood at $622 million, pegged to the USD LIBOR. The Group does not believe that switching to the SOFR reference rate in 2021 will result in any material change once the amendment is applied.

5.5 Counterparty risk

The Group is exposed to a credit risk due to loans and receivables that it grants to third parties as part of its operating activities, short-term deposits that it holds at banks, and, if applicable, derivative instrument assets that it holds.

(in US$ thousands)	31/12/2020		31/12/2019	
	Balance sheet total	Maximum exposure	Balance sheet total	Maximum exposure
Non-current financial assets	8,825	8,825	6,441	6,441
Other non-current assets	84,022	84,022	43,554	43,554
Trade receivables and related accounts	41,656	41,656	144,104	144,104
Current financial assets	54,339	54,339	59,250	59,250
Other current assets	43,768	43,768	48,118	48,118
Cash and cash equivalents	168,213	168,213	231,043	231,043
TOTAL	**400,823**	**400,823**	**532,510**	**532,510**

Maximum exposure corresponds to the balance sheet outstanding net of provisions. The Group believes that it does not incur any significant counterparty risk, as its production is mainly sold to leading trading companies. Guarantees are in place to cover outstanding amounts on gas sales in Tanzania. Other financial or non-financial current assets do not present any significant credit risk.

5.6 Country risks

A significant proportion of the Group's production and reserves is located in countries outside the OECD area, some of which may be affected by political, social and economic instability. In recent years, some of these countries have experienced one or more of the following situations: economic and political instability, conflicts, social unrest, terrorist group actions, and the imposition of international economic sanctions. The occurrence and extent of incidents related to economic, social and political instability are unpredictable, but it is possible that such incidents may have a material adverse impact on the Group's production, reserves and activities in the future.

In addition, the Group conducts Exploration and Production activities in countries whose government and regulatory framework may be unexpectedly modified and where the application of tax rules and contractual rights is unpredictable. In addition, the Group's Exploration and Production activities in these countries are often conducted in collaboration with national entities, where the state exercises significant control. Interventions by governments in these countries, which may be strengthened, may affect a variety of areas, such as:

- the granting of, or refusal to grant, exploration and production mining rights;
- the imposition of specific drilling requirements;
- control over prices and/or production quotas as well as export quotas;
- higher taxes and royalties, including those related to retroactive claims, regulatory changes and tax adjustments;
- renegotiation of contracts;
- late payments;
- currency restrictions or currency devaluation.

If a host State intervenes in any of the above areas, the Group could be exposed to significant costs or see its production or the value of its assets decline, which could have a material adverse effect on the Group's financial position.

At the reporting date, no material restrictions that would limit the Group's ability to access or use its assets and settle its liabilities were recorded with regard to its activities in geographic regions that have been experiencing political or regulatory instability, or with regard to financing agreements of Group entities/projects (subsidiaries, joint ventures or associates). Country risk was taken into consideration in the impairment tests of fixed assets by applying a risk factor per country to the discount rate.

With regard to activities in Venezuela, the Group is taking the necessary steps to avoid falling within the scope of the US sanctions against Venezuela and, by extension, PDVSA. Consequently, the Group is not raising cash from this asset.

5.7 Fair value

In accordance with IFRS 7, disclosures about financial instruments are detailed below.

Fair value positions according to the hierarchy set out in IFRS 13 are established based on the same assumptions as those presented for the consolidated financial statements as at 31 December 2018.

The application of IFRS 9 led to a review of the reporting of financial asset and liability categories, and these are now reported as follows (no major changes versus the reporting under IAS 39):

(in US$ thousands)			31/12/2020			31/12/2019
	Categories	Level	Balance sheet total	Fair value	Balance sheet total	Fair value
Non-current financial assets	Amortised cost	Level 2	8,825	8,825	6,441	6,441
Trade receivables and related accounts	Amortised cost	Level 2	41,656	41,656	144,104	144,104
Other current financial assets	Amortised cost	Level 2	54,339	54,339	59,250	59,250
Derivative financial instruments	Fair value	Level 1	-	-	-	-
Cash and cash equivalents			168,213	168,213	231,043	231,043
TOTAL ASSETS			**273,033**	**273,033**	**440,838**	**440,838**
Borrowings and financial debt	Amortised cost	Level 2	622,474	622,474	701,555	701,555
Trade payables	Amortised cost	Level 2	43,819	43,819	75,656	75,656
Derivative financial instruments	Fair value	Level 1	3,161	3,161	3,304	3,304
Other creditors and sundry liabilities	Amortised cost	Level 2	127,339	127,339	125,746	125,746
TOTAL LIABILITIES			**796,792**	**796,792**	**909,566**	**909,566**

The net book value of financial assets and liabilities at the amortised cost is considered to correspond to a reasonable approximation of their fair value given their nature.

The net book value of the Group's cash corresponds to its fair value given that it is considered to be liquid.

The fair value of derivative financial instruments is based on the instrument's market value at period-end, as explained in Note 4.4.1 "Borrowings".

NOTE 6 OTHER INFORMATION

6.1 Income tax

The tax expense on the income statement includes the current tax expense or income and the deferred tax expense or income.

Deferred taxes are recorded based on the temporary differences between the book values of assets and liabilities and their tax bases. Deferred taxes are not discounted. Deferred tax assets and liabilities are measured based on the tax rates adopted or to be adopted on the closing date.

Deferred tax assets, resulting primarily from losses carried forward or temporary differences, are not taken into account unless their recovery is considered likely. To ascertain the Group's ability to recover these assets, factors taken into account include the following:

- the existence of sufficient temporary differences taxable by the same tax authority for the same taxable entity, which will create taxable amounts on which unused tax losses and tax credits may be charged before they expire; and
- forecasts of future taxable income allowing prior tax losses to be offset.

With the exception of the companies holding the Mnazi Bay permit, for which the possibility of recovery of deferred tax assets has been demonstrated, the other deferred tax assets relating to losses carried forward are not recognised in excess of deferred tax liabilities in the absence of sufficient probability of future taxable profits on which the carried forward losses could be offset. From a structural perspective, this is notably the case for Établissements Maurel & Prom S.A. (parent company).

The corporate income tax expense payable mainly corresponds to the recognition of the income tax paid in kind through profit oil to the state on the Ezanga permit in Gabon.

Deferred tax income primarily results from the depreciation of the temporary difference between recoverable costs from a tax perspective and the recognition of fixed assets in the consolidated financial statements for the Ezanga and Mnazi Bay permits.

6.1.1 Reconciliation between the balance sheet total, tax liability and tax paid

(in US$ thousands)	Deferred tax	Current tax	Total
ASSETS AT 31/12/2019	**11,588**	**680**	**12,268**
LIABILITIES AT 31/12/2019	**(398,330)**	**(12,489)**	**(410,819)**
NET VALUE AT 31/12/2019	**(386,742)**	**(11,809)**	**(398,551)**
Tax expense	7,043	(36,532)	(29,490)
Restatement of presentation Impairment & Tax risks provisions	190,689	4,038	194,727
Payments		35,337	35,337
Currency translation adjustments	-	-	-
ASSETS AT 31/12/2020	**6,065**	**614**	**6,679**
LIABILITIES AT 31/12/2020	**(195,076)**	**(9,580)**	**(204,656)**
NET VALUE AT 31/12/2020	**(189,011)**	**(8,967)**	**(197,977)**

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6.1.2 Detail of tax expense for the year

(in US$ thousands)	31/12/2020	31/12/2019
Tax expense payable for the fiscal year	(32,494)	(42,126)
Tax risks	(4,038)	
Deferred tax income or expense	7,043	(20,230)
TOTAL TAX EXPENSE	**(29,490)**	**(62,357)**

6.1.3 Breakdown of deferred taxes

(in US$ thousands)	31/12/2020	31/12/2019
Valuation difference of property, plant and equipment	6,065	11,588
DEFERRED TAX ASSETS	**6,065**	**11,588**
Valuation difference of property, plant and equipment	195,076	398,330
DEFERRED TAX LIABILITIES	**195,076**	**398,330**
NET DEFERRED TAX	**189,011**	**386,742**

6.1.4 Reconciliation between the tax expense and income before tax

(in US$ thousands)	31/12/2020	31/12/2019
Income before tax from continuing operatons	(568,274)	97,497
– Net income from equity associates	(19,425)	58,750
INCOME BEFORE TAX EXCLUDING EQUITY ASSOCIATES	**(548,849)**	**38,747**
Distortion taxable base	519,313	(74,109)
TAXABLE INCOME	(29,536)	(35,361)
(A) THEORETICAL TAX INCOME	**9,844**	**11,786**
(B) TAX RECOGNISED IN INCOME	**(25,452)**	**(62,357)**
DIFFERENCE (B-A)	**(35,296)**	**(74,143)**
BASELINE DIFFERENCE	**(1,329)**	**(52,989)**
– Period shift	(10,671)	-
– Non-activated deficits and other	(23,295)	(21,153)

6.2 Earnings per share

Two earnings per share are presented: the basic net earnings per share and the diluted earnings per share. In accordance with IAS 33, diluted earnings per share is equal to the net income attributable to holders of ordinary shares arising from the parent company divided by the weighted average number of ordinary shares outstanding during the period, after adjusting the numerator and denominator for the impact of any potentially dilutive ordinary shares. Potential ordinary shares are treated as dilutive if, and only if, their conversion to ordinary shares has the effect of reducing earnings per share from the ordinary activities undertaken. Treasury shares are not taken into account in the calculation.

	31/12/2020	31/12/2019
NET INCOME (GROUP SHARE) FOR THE PERIOD *(in US$ thousands)*	**(588,977)**	**37,383**
Share capital	201,261,570	200,713,522
Treasury shares	4,559,335	4,601,090
AVERAGE NUMBER OF SHARES OUTSTANDING	**196,702,235**	**196,112,432**
NUMBER OF DILUTED SHARES	**197,242,145**	**196,455,520**
EARNINGS PER SHARE *(US$)*		
Basic	-2.99	0.19
Diluted	-2.99	0.19

6.3 Shareholders' equity

Treasury shares are recognised as a reduction of shareholders' equity evaluated at acquisition cost.

Subsequent changes in fair value are not taken into account. Similarly, proceeds from the disposal of treasury shares do not affect net income for the fiscal year.

Bonus shares allocated by Maurel & Prom to its employees are recognised under personnel expenses once granted and are spread over the vesting period; the method by which they are spread depends on the respective vesting conditions of each plan. The fair value of bonus shares is determined in line with the share price on the allocation date (minus discounted future dividends).

As at 31 December 2020, there were 201,261,570 company shares, including 4,559,335 treasury shares (i.e. 2.27% of share capital for a gross value of €42 million at end-2020), and the share capital stood at €154,971,408.90.

	Number of shares	Treasury shares	Liquidity agreement	Treasury stock
At 31/12/2018	**200 713 522**	**3 521 081**	**195,547**	**3,325,534**
— Buybacks		+1,200,000		1,200,000
— Share distribution		-133,250		-133,250
— Liquidity agreement movements		+13,259	+13,259	
At 31/12/2019	**200,713,522**	**4 601 090**	**208,806**	**4,392,284**
— Share distribution		-92,766		-92,766
— Liquidity agreement movements		+51,011	+51,011	
— Capital increase	548,048	-		
AT 31/12/2020	**201,261,570**	**4,559,335**	**259,817**	**4,299,518**

The bonus share allocations are as follows:

Date of allocation decision	Planned vesting date [(a)]	Number of shares
03/08/2018	3/8/2021	157,700
01/08/2019	1/8/2021	385,150
01/08/2019	1/8/2022	385,150
06/08/2020	6/8/2021	578,916
06/08/2020	6/8/2022	578,916
06/08/2020	6/8/2023	578,916
TOTAL		**2,664,748**

(a) The minimum lock-in period for the shares held by beneficiaries is set at one year from the vesting date. All of these plans are subject to performance conditions.

6.4 Related parties

(in US$ thousands)	Income	Expenses	Amount due from related parties (net)	Amount payable to related parties
1) Equity associates				
Maurel & Prom Colombia BV	-	149	6,899	
2) Other related parties				
PIEP		(2,645)		98,000

6.5 Off-balance-sheet commitments – Contingent assets and liabilities

6.5.1 Work commitments

Oil-related work commitments are valued based on the budgets approved with partners. They are revised on numerous occasions during the fiscal year depending on aspects such as the results of oil work carried out.

Contractual commitments made to states under permits are limited to three mandatory wells: two in Gabon and one in Namibia. No information has been provided relating to equity associates.

6.5.2 Lease commitments: IFRS 16 impact

The Group decided to apply IFRS 16 as from 1 January 2019, using the simplified retrospective method, and to apply the permitted exemptions as described in the consolidated financial statements as at 31 December 2019. On this basis, only the leasing agreement for the Paris head office falls within the scope of IFRS 16. No new contracts were subject to IFRS 16 in 2020. The impact of the transition to IFRS 16 on the financial statements as at 31 December 2020 is very limited.

FIXED ASSET NCA AT 01/01/2020	**2,191**
DEBT AT 01/01/2020	**2,239**
IMPACT ON SHAREHOLDERS' EQUITY AT 01/01/2020	**(48)**
Amortisation	(1,075)
Capital repayment	(1,074)
Interest expense	(53)
Cancellation of lease expense	1,126
FIXED ASSET NCA AT 31/12/2020	**1,116**
DEBT AT 31/12/2020	**1,165**
IMPACT ON SHAREHOLDERS' EQUITY AT 31/12/2020	**(1)**

Impact of P&L presentation 31/12/2020	IAS 17 Previous standard	IFRS 16
Rents	(1,126)	
EBIT	**(1,126)**	**-**
Depreciation and amortisation		(1,075)
EBITDA	**(1,126)**	**(1,075)**
Net finance costs		(53)
NET INCOME BEFORE TAX	**(1,126)**	**(1,128)**

6.5.3 $600-million term loan

Maurel & Prom West Africa S.A., sole and whole owner of Maurel & Prom Gabon, took out a $600-million term loan on 10 December 2017. This loan is guaranteed by the parent company Établissements Maurel & Prom. The borrower also benefits from the financial support of the Group's main shareholder, PT Pertamina International Eksplorasi Dan Produksi (PIEP), should it fail to meet its payment obligations under this loan.

No Group assets have been pledged as collateral. However, restrictions on the use of certain bank accounts of Maurel & Prom Gabon and Maurel & Prom West Africa were specified in the event of default on this loan (except in certain cases).

Furthermore, under the terms of this loan, the Group has undertaken to meet certain financial ratios as at 30 June and 31 December of each year:

- ratio for the Group's consolidated net debt to EBITDAX (earnings before interest, taxes, depreciation, amortisation and impairment net of the impact of foreign exchange gains and losses and exploration costs) not to exceed 4.00:1.00, calculated over a 12-month period prior to the reference date;
- the Group's debt service cover ratio (DSCR) calculated over the six months preceding the reference date, to be higher than 3.50:1.00; and
- Group Tangible Net Worth, restated for the Group's oil and gas intangible assets, to exceed $500 million at each reference date.

These ratios were met in fiscal 2020.

The Group is also committed to maintaining a minimum consolidated amount of $100 million cash in their bank accounts, failing which it would be forced to draw on the unused portion of the PIEP shareholder loan described above.

Établissements Maurel & Prom has agreed that the total dividend paid out per calendar year for a period of 24 months after drawdown will not exceed $15 million while guaranteeing that minimum working capital requirements agreed by the parties will be respected.

6.5.4 Agreements with PIEP

Under the term loan of December 2017, the Group signed a subordination agreement pursuant to which some liabilities towards PIEP are subordinate to the repayment of the bank term loan.

As part of the term loan of December 2017, the Group signed a Sponsor Support Agreement with PIEP and the credit agent whereby PIEP promises to make the necessary funds available to the Group in the event of default on the new loan.

6.5.5 Contractual commitments in Gabon

Under the terms of the agreement to acquire the Gabonese asset and subsequent amendments thereto entered into with the Gabonese government, Rockover and Masasa Trust in February 2005, Maurel & Prom is obliged to pay:

- 1.4% of production valued at the official sale price, paid monthly;
- a royalty amounting to $0.65 for every barrel produced from the date that total production in all licensed zones has exceeded 80 MMbbl (during the month of September 2019);
- 5% on production from the sole Banio field, valued at the official sale price, when total production from this field exceeds 3.865 million barrels; and
- 2% of total available production, valued at the official sale price, up to 30 MMbbl and 1.5% above this limit, based on production from operating permits with the Nyanga-Mayombé exploration permit. This commitment is recognised in expenses commensurate with production, knowing that production in the Banio field (the only Nyanga-Mayombé exploration permit to date) is currently suspended.

6.6 Group workforce

As at 31 December 2020, the Group had 519 employees.

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6.7 Executive remuneration

Principal Officers include the management team composed of the Chairman, executive management and members of the Board of Directors.

Their remuneration is included in the expenses for the period, irrespective of the amounts paid.

(in US$ thousands)	31/12/2020	31/12/2019
Short-term benefits	1,325	1,762
Share-based payment		285
TOTAL	**1,325**	**2,047**

6.8 Auditors' fees

Fees paid to Statutory Auditors (including members of their networks) are analysed below:

(in US$ thousands)	2020				2019			
	KPMG		IAC		KPMG		IAC	
	Amount	%	Amount	%	Amount	%	Amount	%
Audit								
Statutory audit, certification, review of individual and consolidated financial statements:								
— Issuer	653	79%	351	82%	742	64%	439	79%
— Fully consolidated subsidiaries	97	12%	75	17%	35	3%	111	20%
Other work and services directly related to the audit assignment:								
— Issuer	79	10%	3	1%	378	33%	8	2%
— Fully consolidated subsidiaries	2	- %			6	1%		
Other services provided by the networks to fully consolidated subsidiaries								
TOTAL	**831**	**100%**	**429**	**100%**	**1,161**	**100%**	**558**	**100%**

6.9 Events after the reporting period

To the best of Maurel & Prom's knowledge, there are no post-balance sheet events likely to adversely affect the Company's financial position, assets and liabilities, results or activities.

5.2 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a translation into English of the Statutory Auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.This Statutory Auditors' report includes information required by European Regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the management report and other documents provided to shareholders.This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended December 31st 2020

To the shareholders of Établissements Maurel et Prom S.A,

Opinion

In compliance with the engagement entrusted to us by your General Shareholders' Meeting, we have audited the accompanying consolidated financial statements of Établissements Maurel et Prom S.A. for the year ended December 31st, 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31st 2020 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the audit of the consolidated financial statements section of our report.

Independance

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for Statutory Auditors for the period from January 1rst, 2020 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5 [1] of Regulation (EU) No 537/2014.

Justification of Assessments – Key audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Impact of reserve estimate on production assets valuation

Risk identified	Our response
Every year the Group engages specialists to independently appraise the reserves for each oil producing permit. Proven and probable reserves correspond, respectively, to oil and gas reserves where it is "reasonably certain" and "reasonably probable" that they can be recovered using current technology, at current prices, in accordance with current commercial terms and government consent. The estimation of hydrocarbon reserves is fundamental for recognizing assets related to the Group's oil operations, especially with regard to determining the depreciation rate of those assets according to the unit-of-production method described in Note 3.3 to the consolidated financial statements, the impairment tests conducted on Cash Generating Units (CGUs) and the recognition of exploration expenditures in accordance with the "successful efforts" method. Reserve estimates are, by nature, uncertain because of the geoscience and engineering data used to determine the volume in the fields. They are also complex because of the contractual terms and conditions that determine the Group's share of reserves. Consequently, we have considered the estimation of proven and probable reserves to be a key audit matter.	The procedures carried out consisted in: – gaining an understanding of the procedures set up by the Group to determine its hydrocarbon reserves; – assessing the qualifications of the independent appraisers tasked with estimating and certifying the reserves; – analysing changes in reserves compared to the end of the previous fiscal year so that our audit can focus on the main changes for the period; – comparing actual production in previous years with the corresponding expected production; – checking the consistency between the assumption used by the Group and the independent appraisers to determine the proven and probable reserves; in the case of gas reserves, cross-checking their recognition level against existing sales agreements; – assessing whether the revised reserve estimates were properly taken into account by the Group during impairment tests and for recording depreciation and amortisation expenses.

Carrying value of oil & gas production assets

Risk identified	Our response
As at 31 December 2020, property, plant and equipment and intangible assets in the Group's oil and gas production activities amounted to MUSD 939, and accounted for 71% of the Group's non-current assets. The impairment loss recognized in financial year 2020 for production activity PP&E and intangible assets amounted to MUSD 448. We deemed that the impairment of non-current production activity assets was a key audit matter because of their material importance in the Group's financial statements. Furthermore, the determination of their recoverable value, based on the value of their expected discounted future cash flows, requires the use of assumptions, estimates and material assessments by Management, as indicated in Note 3.3 to the consolidated financial statements. Specifically, a sustained climate of low hydrocarbon prices would adversely affect the Group's results and, as a consequence, significantly impact the recoverable value of production activity assets. The Group deems that a permit generally constitutes a Cash Generating Unit (CGU). A CGU is a set of assets whose ongoing utilisation generates cash flows that are largely independent of the cash flows from the other asset groups. The Group performs impairment tests on those assets, the procedures for which are described in Note 3.3 to the consolidated financial statements. The main assumptions that Management takes into consideration when assessing recoverable value are, as mentioned in Note 3.3.2 to the consolidated financial statements, as follows: — the future price of hydrocarbons; — operating costs; — estimates of hydrocarbon reserves; — forecasts of produced, marketed volumes; — the discount rate after tax.	Our audit involved analyzing the indications of impairment identified by Management and, for assets subject to an impairment test, the method used to determine value in use (future discounted cash flows). Our work also consisted in assessing whether, in the event that the value thus obtained was lower than the net book value, an impairment loss had been recognized. To assess the relevance of Management's assumptions and the data included in the assessment models, we produced a comparative analysis of industry practices relating to hydrocarbon prices (in the short, medium and long term) and discount rates. In addition, we analysed the data underlying future cash flows used to determine the recoverable value of assets included in the tested CGUs: — the production profiles used were compared to reserves certified by independent appraisers; — assumptions of operating costs were corroborated with the levels of actual budgeted costs resulting from forecasts established by Management and presented to the Board of Directors; — we assessed whether the tax rates used were consistent with applicable tax regimes or prevailing oil contracts.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors held on March 30th 2021.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (Code de commerce), is included in the Group's management report, it being specified that, in accordance with the provisions of Article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein and this information must be reported by an independent third party body.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the Chief Executor, complies with the single electronic format defined in the European Delegated Regulation N° 2019/815 of 17 Decembre 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Établissements Maurel et Prom S.A. by the annual general meeting held on June 12, 2014 for KPMG and on June 14 2002 for International Audit Company.

As at December 31st 2020, KPMG and IAC were in the 7th year and 19th year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the 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 it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the audit of the consolidated financial statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards 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 consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this audit report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

The Statutory Auditors

French original signed by

Paris-La Défense, on the 2 April 2021

KPMG audit Département de KPMG S.A.
François Quédiniac
Partner

Paris, on the 2 April 2021

International Audit Company
Fabienne Hontarrede
Partner

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5.3 COMPANY FINANCIAL STATEMENTS AS AT 31 DECEMBER 2020

5.3.1 Balance sheet

Assets

(in thousands of euros)	Note	Gross	Depreciation, amortisation & Provisions	Net at 31/12/2020	Net at 31/12/2019
INTANGIBLE ASSETS	4	**4,704**	**(3,963)**	**741**	**1,950**
PROPERTY, PLANT AND EQUIPMENT	4	**1,836**	**(1,495)**	**341**	**452**
Equity interests	4	631,205	(451,564)	179,640	203,856
Other fixed financial assets	4	547	(170)	377	453
FIXED FINANCIAL ASSETS		**631,751**	**(451,734)**	**180,017**	**204,309**
FIXED ASSETS		**638,292**	**(457,193)**	**181,099**	**206,711**
Commodity inventory		11	(11)	-	-
Trade receivables and related accounts		170	(170)	-	182
Other receivables	5	384,077	(109,943)	274,135	197,362
Treasury shares		41,826	(34,010)	7,816	12,330
Cash instruments	5	37,373		37,373	84,285
Available funds	5	14,274	-	14,274	47,201
CURRENT ASSETS		**477,731**	**(144,133)**	**333,598**	**341,359**
Prepaid expenses		635	-	635	669
Translation adjustment for assets	5	14,317	-	14,317	18,220
TOTAL ASSETS		**1,130,975**	**(601,326)**	**529,649**	**566,959**

Liabilities

(in thousands of euros)	Note	Net at 31/12/2020	Net at 31/12/2019
Share capital		154,971	154,549
Additional paid-in capital		36,695	37,117
Legal reserve		15,455	11,331
Other reserves		788	895
Carry forwards		127,499	30,039
Income for the period		31,094	101,585
SHAREHOLDERS' EQUITY	4.9	**366,502**	**335,515**
Provisions for risks		2,586	4,320
Provisions for expenses		957	1,194
PROVISIONS FOR RISKS AND EXPENSES	4.10	**3,543**	**5,514**
Loans and other borrowings from financial institutions		-	-
FINANCIAL DEBT		**-**	**-**
Trade payables and related accounts		4,349	2,667
Tax and social security payables		5,390	7,010
Fixed asset liabilities and related accounts		1,612	1,612
Other debts	4.11	103,608	192,830
MISCELLANEOUS LIABILITIES		**114,958**	**204,118**
LIABILITIES		**114,958**	**204,118**
Prepaid income		-	
Translation adjustment for liabilities	4.7	44,646	21,812
TOTAL LIABILITIES		**529,649**	**566,959**

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5.3.2 Income

(in thousands of euros)	Note	Net at 31/12/2020	Net at 31/12/2019
Sales		21,503	19,144
Reversals on amortisation, depreciation and provisions		333	-
Other Operating Income		-	52
Transfers of expenses		-	-
OPERATING INCOME		**21,836**	**19,196**
Other purchases and external expenses		(11,814)	(17,752)
Taxes and charges		(634)	(333)
Wages and salaries		(7,093)	(10,556)
Social security contributions		(3,403)	(5,042)
Other operating expenses		(8,913)	(9,586)
OPERATING EXPENSES		**(31,857)**	**(43,269)**
Depreciation charges on fixed assets		(194)	(251)
Provisions for impairment of current assets		-	(218)
DEPRECIATION/AMORTISATION ALLOWANCES AND OPERATING PROVISIONS		**(194)**	**(469)**
OPERATING INCOME (LOSS)		**(10,215)**	**(24,542)**
SHARE OF INCOME OF JVS		**0**	**0**
Interest on other borrowings		(2,295)	(3,701)
Income from cash		1,247	3,905
INTEREST FROM BORROWINGS AND CASH		**(1,048)**	**204**
ALLOCATIONS TO AND REVERSALS OF PROVISIONS ON TREASURY SHARES		**(3,063)**	**(1,053)**
Credit losses on investments		(58,945)	-
Interest receivables		3,393	(1,864)
Reversals of provisions on securities and current accounts		112,495	248,583
Allocations to provisions on securities and current accounts		(145,575)	(261,925)
INCOME ON SECURITIES AND INVESTMENT-RELATED RECEIVABLES		**(88,632)**	**(15,206)**
FINANCIAL EXPENSES		**0**	**-**
DIVIDENDS RECEIVED		**142,325**	**135,734**
Foreign exchange gains and losses		(8,093)	3,387
Financial provisions for foreign exchange rate differences		(136)	(442)
Reversals of financial provisions for foreign exchange rate differences		442	-
EXCHANGE LOSS		**(7,786)**	**2,945**
FINANCIAL INCOME	4.13	**41,795**	**122,624**
CURRENT INCOME BEFORE TAX		**31,580**	**98,082**
Extraordinary income		276	57
Extraordinary expenses		-	-
Allocations to and reversals of provisions for extraordinary risks		-	1,310
Gains and losses on treasury shares		(1,285)	(115)
Proceeds from the disposal of other fixed assets		(2,728)	248
EXTRAORDINARY INCOME		**(3,737)**	**1,500**
Income tax		3,251	2,003
PROFIT OR LOSS		**31,094**	**101,585**

5.3.3 Appendices

NOTE 1 GENERAL INFORMATION

Établissements Maurel & Prom S.A. (the "Company") is domiciled in France. The Company's registered office is located at 51 rue d'Anjou, 75008 Paris, France. The consolidated financial statements were approved by the Board of Directors on 9 March 2021. The financial statements are presented in euros. Amounts are rounded off to the nearest thousand euros, except where otherwise indicated.

NOTE 2 SIGNIFICANT EVENTS

The year was marked by economic uncertainties related to the Covid-19 pandemic and the unprecedented scale of its effects on the global economic outlook. Against this backdrop, cost-reduction initiatives that began in March 2020 improved the Company's operating income.

The Company posted net income of €31 million, largely as a result of dividends from operations in Gabon via M&P West Africa S.A. for €130 million and from Seplat Plc for €10.4 million.

During the year the Company recapitalised its drilling subsidiary Caroil S.A.S. in the amount of €60 million to allow it to continue its expansion.

On 16 March 2020, the Group successfully rescheduled its debt. Under the terms of the signed amendments, the amount of the maturities to be paid in 2020 and 2021 has been halved, reducing the short-term portion of borrowings.

As a result of these measures, there are no liquidity problems and operations can therefore continue.

NOTE 3 ACCOUNTING POLICIES

The annual financial statements have been drawn up in accordance with accounting principles generally accepted in France and in particular with the provisions of the General Chart of Accounts resulting from French Accounting Standards Authority (ANC) Regulation 2018-07 of December 2018 amending ANC Regulation 2014-03. ANC Regulation 2017-03 regarding exploration expenses that could no longer be capitalised was applied early by the Company as from 1 January 2017.

Accounting policies were applied in compliance with the principle of prudence, in accordance with the following basic assumptions:

- going concern assumption;
- consistency of accounting methods;
- independence of fiscal years.

and in accordance with the general rules for preparing and presenting annual financial statements.

The basic method used to evaluate the items recorded in the accounts is the historical cost method. The main methods used are as follows:

Oil assets

Expenditures for the acquisition and allocation of mining permits are recorded as intangible assets and, during the exploration phase, amortised on a straight-line basis over the estimated duration of the permit or during the development phase, in line with the amortisation rate for the oil production facilities.

If the permit is withdrawn or the exploration fails, the remaining amortisation is recorded once.

Exploration studies and work, including geology and geophysics expenditure, are expensed in accordance with ANC Regulation 2017-03 of November 2017.

Only costs that specifically relate to identifying prospects such as exploration drilling are capitalised, and they are amortised once exploitation commences.

Drilling expenditure that does not result in a commercial discovery is expensed for the total amount incurred.

Provisions for extraordinary impairment or amortisation are booked when accumulated costs are greater than discounted future cash flow estimates or when technical difficulties are encountered. Impairments are determined per exploration permit.

Other property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are recognised at their acquisition cost.

Depreciation and amortisation expenses are calculated over the estimate life of the assets based on straight-line (SL) or declining balance (DB) methods as follows:

- fixtures and fittings: SL over 5 to 10 years;
- office and computer equipment: SL or DB over 3 to 5 years;
- office furniture: SL over 10 years;
- software: SL over 3 years.

Equity interests, fixed investments and related receivables

Equity interests are recognised at their acquisition cost. Receivables from equity interests are valued at their nominal value.

A provision is created when the net realisable value is lower than the acquisition cost. Inventory value, represented by value in use, is determined according to the equity capital and prospective profitability of the companies concerned.

For companies in the exploration phase, equity interests and related receivables are subject to a provision for exploration expenses as long as no decision to turn the project into a commercial development or a producing asset has been made. If proven reserves have been revealed, the value of the securities and receivables is limited to the amount of discounted future earnings at closing.

For other activities, provisions for impairment of equity interests and related receivables are determined by taking into account the financial performance of said equity interests less projected discounted future earnings, changes in net income or their expected resale value.

When losses surpass the value of securities and receivables, a provision for risks is recorded in the same amount.

For listed equity interests, the actual value is also determined by taking the share price into account.

Other fixed investments are valued at their purchase price or their market value, whichever is lower. This includes company treasury shares that have been subject to precise allocation.

Receivables

Receivables are recognised at their nominal value. A provision for impairment is recorded when there is a risk of non-payment.

Deferred expenses

Deferred expenses correspond to bond issue costs and bank costs amortised over the time that the principal is being repaid.

Foreign currency transactions

Expenses and income in foreign currencies are posted at their equivalent value in EUR at the transaction date.

Payables, external financing and receivables denominated in foreign currencies are shown on the balance sheet at their equivalent value in EUR at the closing rate. Any difference arising from the translation of foreign currency payables and receivables at that closing rate are recognised on the balance sheet under "Currency translation adjustments". A provision is booked for unrealised losses that are not offset.

Foreign currency liquidity is translated at the closing rate, and Currency translation adjustments are recorded in the income statement. When foreign currency cash is solely allocated to future investments (specific contracts) and isolated as such, future receipts and disbursements make a natural hedge from foreign currency profit or loss.

Provisions for risks and expenses

Provisions for risks and expenses are set up to cover various contingencies that could arise, and particularly risks related to subsidiaries, litigation and foreign exchange losses.

The Company's pension and similar benefit obligations are limited to paying contributions to general mandatory plans and to paying retirement benefits defined in the applicable collective bargaining agreement.

The actuarial method used is known as the projected unit credit method, which sees each year of service as giving rise to an additional unit of benefit. These calculations incorporate assumptions about mortality, staff turnover and projections of future salaries.

Translation of the establishments' annual financial statements

For independent entities whose functional currency is not the euro, annual financial statements are translated into the Company's reporting currency, namely the euro, according to the following principles:

- translation at the closing rate except for intra-company financing accounts, which are kept at the historic rate;
- translation of net income items at the average rate for the period.

NOTE 4 ADDITIONAL INFORMATION ON THE BALANCE SHEET AND INCOME STATEMENT

4.1 Intangible assets

(in thousands of euros)	Gross value	Impairment	Net value
Software at 31/12/2019	2,364	(414)	1,950
Gabon mining permit at 31/12/2019	3,518	(3,518)	-
TOTAL INTANGIBLE ASSETS AT 31/12/2019	**5,882**	**(3,932)**	**1,950**
Acquisitions	1,532		1,532
Write-offs	(2,710)		(2,710)
Depreciation and amortisation		(31)	(31)
TOTAL INTANGIBLE ASSETS AT 31/12/2020	**4,704**	**(3,963)**	**741**
Software at 31/12/2020	1,186	(445)	741
Gabon mining permit at 31/12/2020	3,518	(3,518)	-

Acquisitions during the period correspond to work in progress for new Group software.

Write-offs correspond to the overhaul of financial and HR software.

4.2 Property, plant and equipment

(in thousands of euros)	Total
Gross value of fixtures and equipment at 31/12/2019	1,792
Amortisation at 31/12/2019	(1,340)
NET VALUE OF PROPERTY, PLANT AND EQUIPMENT AT 31/12/2019	**452**
Acquisitions	52
Disposals	-
Depreciation and amortisation	(163)
NET VALUE OF PROPERTY, PLANT AND EQUIPMENT AT 31/12/2020	**341**
Gross value of fixtures and equipment at 31/12/2020	1,836
Amortisation at 31/12/2020	(1,495)

4.3 Other fixed financial assets

(in thousands of euros)	Gross value	Impairment	Net value
Sundry deposits at 31/12/2019	639	(186)	453
TOTAL FINANCIAL ASSETS AT 31/12/2019	**639**	**(186)**	**453**
Acquisitions	-		-
Exits	(76)	-	(76)
Currency translation effect	(16)	16	0
Depreciation and amortisation			
TOTAL FINANCIAL ASSETS AT 31/12/2020	**547**	**(170)**	**377**
Sundry deposits at 31/12/2020	547	(170)	377

4.4 Equity interests

(in thousands of euros)	31/12/2019			Change		31/12/2020		
	Gross	Impairment	Net	Gross	Impairment	Gross	Impairment	Net
Seplat Plc	140,180		140,180			140,180		140,180
Cardinal Drilling Services Ltd	6,060	(6,060)				6,060	(6,060)	
Caroil S.A.S.	-	-		60,243	(60,243)	60,243	(60,243)	
M&P Assistance Technique International S.A.	278		278			278		278
Integra Oil S.A.S.	25,840	(25,840)				25,840	(25,840)	
M&P Italia S.r.l.	11,756	(11,756)		2,000	(2,000)	13,756	(13,756)	
M&P Angola S.A.S.	20,037		20,037		(20,037)	20,037	(20,037)	
M&P IberoAmerica S.L.	1,643		1,643			1,643		1,643
M&P Servicios Integrados U.W.	4		4		(4)	4	(4)	-
M&P Namibia S.A.S.	10,803	(10,803)				10,803	(10,803)	
M&P Mnazi Bay Holdings S.A.S.	19,722		19,722			19,722		19,722
MP East Asia S.A.S.	62,032	(62,032)				62,032	(62,032)	
MPEP BRM S.A.S	123,181	(123,181)				123,181	(123,181)	
M&P Colombia B.V.	92,431	(92,431)				92,431	(92,431)	
MP West Canada S.A.S.	32,883	(32,883)				32,883	(32,883)	
MPEP France S.A.S.	4,037		4,037		(4,037)	4,037	(4,037)	
M&P Amérique Latine S.A.S.	17,237		17,237			17,237		17,237
M&P Trading S.A.S.	500		500			500		500
M&P Services S.A.S.	100		100		(100)	100	(100)	
Other	255	(138)	117	(18)	(19)	237	(157)	80
TOTAL EQUITY INTERESTS	**568,979**	**(365,124)**	**203,856**	**62,225**	**(86,441)**	**631,205**	**(451,564)**	**179,640**

The Company recapitalised its subsidiary Caroil S.A.S. during the year to allow it continue its expansion. In particular, it waived the receivables held against it.

Saint-Aubin Exploration & Production Québec Inc and M&P Drilling Services were liquidated during the fiscal year.

4.5 Other receivables

(in thousands of euros)	31/12/2020	31/12/2019
Advances to group subsidiaries	370,703	345,949
Sucre Energy Ltd carry receivables	9,875	9,874
Prepayments to suppliers and debit notes to subsidiaries		
Miscellaneous receivables	3,500	3,500
TOTAL OTHER GROSS RECEIVABLES	**384,077**	**359,323**
Impairment	(109,943)	(161,961)
TOTAL OTHER NET RECEIVABLES	**274,135**	**197,362**

Advances to subsidiaries were as follows:

(in thousands of euros)	31/12/2019			Change		31/12/2020		
	Gross	Impairment	Net	Gross	Impairment	Gross	Impairment	Net
M&P Gabon S.A.				175,890	-	175,890		175,890
M&P Ibero America S.L.	45,858	-	45,858	16,806	-	62,664	-	62,664
MPEP Tanzania Ltd	37,502	-	37,502	(18,061)	-	19,441	-	19,441
MP West Canada S.A.S.	15,709	(15,709)	-	691	(691)	16,400	(16,400)	-
M&P Italia S.r.l.	7,098	(7,098)	-	8,611	(8,611)	15,710	(15,710)	-
M&P Angola S.A.S.	29,053	-	29,053	(14,014)	(15,039)	15,039	(15,039)	-
ISON holding S.l	13,211	(13,211)	-	-	-	13,211	(13,211)	-
MPEP France S.A.S.	7,904	-	7,904	2,842	(10,746)	10,746	(10,746)	-
M&P Services Integrados U.W.	3,777	-	3,777	5,273	(9,050)	9,050	(9,050)	-
M&P Namibia S.A.S.	2,783	(2,783)	-	3,282	(3,282)	6,065	(6,065)	-
M&P Colombia B.V	3,943	(3,943)	-	1,972	(1,972)	5,914	(5,914)	-
Caroil S.A.S	60,835	(49,816)	11,018	(55,494)	44,475	5,341	(5,341)	-
M&P Mnazi Bay Holdings S.A.S.	12,243	-	12,243	(7,115)	-	5,128	-	5,128
Intégra oil S.A.S.	3,691	(3,691)	-	-	-	3,691	(3,691)	-
M&P Services S.A.S.	1,325	-	1,325	1,705	(3,031)	3,031	(3,031)	-
Saint Aubin Energie Quebec Inc.	2,012	(2,012)	-	(1,343)	1,343	669	(669)	-
MPEP BRM S.A.S.	**182**	**(182)**	**-**	**7**	**(7)**	**189**	**(189)**	**-**
MP East Asia S.A.S.	11	(11)	-	5	(5)	16	(16)	-
M&P Drilling Services B.V.	58,527	(58,527)	-	(58,527)	58,527	-	-	-
M&P West Africa S.A.	31,253	-	31,253	(31,253)	-			-
M&P Trading S.A.S.	7,023	-	7,023	(7,023)	-		-	-
Others	2,008	(1,382)	627	500	11	2,508	(1,371)	1,138
TOTAL	**345,949**	**(158,366)**	**187,583**	**24,754**	**51,923**	**370,703**	**(106,443)**	**264,260**

4.6 Maturity of receivables

(in thousands of euros)	Total amount	Within one year	More than one year
Deposits and guarantees	377		377
Other receivables	274,135		274,135
TOTAL GROSS RECEIVABLES BY DUE DATE	**274,511**		**274,511**

4.7 Currency translation adjustments

Currency translation adjustments, for both assets and liabilities, pertain to remeasuring payables and receivables (mainly on current accounts and on the shareholder loan denominated in US dollars) at the closing rate, provisioned for the overall foreign exchange position in US dollars at fiscal year-end.

4.8 Cash instruments, available funds and bank loans

(in thousands of euros)	31/12/2020	31/12/2019
Interest-bearing short-term deposits		
Bank current accounts and other	14,274	47,201
SICAV (Investment Company with Variable Capital) and FCP (mutual funds)	37,373	84,285
Available funds	**51,647**	**131,486**
Bank loans	-	-
NET CASH	**51,647**	**131,486**
Treasury shares	7,816	12,330
Equity interests	**7,816**	**12,330**
NET CASH POSITION	**59,463**	**143,815**

As at 31 December 2020, Maurel & Prom held 4,559,335 treasury shares for a gross value of €42 million.

The comparison between the treasury shares' historic acquisition cost and their average cost at December 2020 led the Company to recognise an additional impairment loss, taking their net book value to €8 million.

The cash position changed over the period as follows:

(in thousands of euros)	31/12/2020
Income for the period	31,094
Canc. Net increase (reversals) of amortisation, depreciation and provisions	35,698
Canc. Non-cash flow impacts	(135,150)
CASH FLOW FROM OPERATIONS	**(68,358)**
Change in working capital requirement	(976)
I. CASH FLOW FROM/(USED IN) OPERATIONS	**(69,335)**
Acquisitions of intangible assets, net of transfers	(1,532)
Acquisitions of property, plant and equipment	(52)
Change in current accounts and group securities	(144,340)
Cash taken over at the time of the MPAT merger	-
Interest received from investments	1,247
Dividends received from Seplat and WAF	142,325
II. CASH FLOW USED FOR INVESTING ACTIVITIES	**(5,062)**
Decrease in financial liabilities	(1,630)
SHL interest payments	(2,295)
Dividend payments	-
Changes in equity and treasury shares	(1,872)
III. FINANCING FLOWS	**(5,798)**
IV. CHANGE IN CASH POSITION	**(80,194)**
V. CASH AT OPENING	**131,486**
VI. IMPACT OF EXCHANGE RATE FLUCTUATIONS	**355**
VII. NET CASH AT CLOSING	**51,647**

4.9 Shareholders' equity

(in thousands of euros)	31/12/2019	Appropriation of income	Income	Allocation of bonus shares	Currency translation adjustments	Dividends	31/12/2020
Share capital	154,549			422			154,971
Premiums	37,117			(422)			36,695
Legal reserve	11,331	4,124					15,455
Other reserves	895				(107)		788
Carry forwards	30,039	97,460					127,499
Income	101,585	(101,585)	31,094				31,094
SHAREHOLDERS' EQUITY	**335,515**		**31,094**		**(107)**		**366,502**

4.9.1 Employee share issues and bonus shares

The bonus share allocations are as follows:

Date of allocation decision	Vesting date [(a)]	Number of shares
03/08/2018	03/08/2021	157,700
01/08/2019	01/08/2021	385,150
01/08/2019	01/08/2022	385,150
06/08/2020	06/08/2021	578,916
06/08/2020	06/08/2022	578,916
06/08/2020	06/08/2023	578,916
TOTAL		**2,664,748**

(a) The minimum lock-in period for the shares held by beneficiaries is set at one year from the vesting date. All of these plans are subject to performance conditions.

4.9.2 Share buyback program

As at 31 December 2020, there were 201,261,570 company shares with a nominal value of €0.77 each, including 4,559,335 treasury shares (i.e. 2.27% of share capital for a gross value of €42 million at end-2020). Share capital stood at €154,971,408.90.

	Number of shares	Treasury shares	Liquidity agreement	Treasury stock
At 31/12/2018	**200 713 522**	**3 521 081**	**195,547**	**3,325,534**
— Buybacks		+1,200,000		+1,200,000
— Share distribution		-133,250		-133,250
— Liquidity agreement movements		+13,259	+13,259	
At 31/12/2019	**200,713,522**	**4 601 090**	**208,806**	**4,392,284**
— Share distribution		-92,766		-92,766
— Liquidity agreement movements		+51,011	+51,011	
— Capital increase	548,048	-		
AT 31/12/2020	**201,261,570**	**4,559,335**	**259,817**	**4,299,518**

4.10 Provisions for risks and expenses

(in thousands of euros)	31/12/2019	Allocation for the year	Write-backs for the year	31/12/2020
Foreign exchange risk	442	136	(442)	136
Retirement benefits	1,194		(237)	957
Other	3,877	1,000	(2,427)	2,450
TOTAL PROVISIONS	**5,514**	**1,136**	**(3,107)**	**3,543**

Other provisions mainly concern the share of certain subsidiaries' net negative assets.

4.11 Other debts

(in thousands of euros)	31/12/2020	31/12/2019
Shareholder loan	79,863	89,015
Debts to the Gabon subsidiary	-	83,724
Debts to other Group subsidiaries	22,613	17,694
Other accrued liabilities	1,132	2,396
TOTAL OTHER LIABILITIES	**103,608**	**192,830**

In December 2017, a shareholder loan was set up with PIEP for an initial amount of $100 million, with a second tranche of $100 million that can be drawn down at the Group's discretion. Repayment rescheduling was agreed on 16 March 2020.

The terms of this new facility are as follows:

Initial amount	US$100 million
Additional amount	US$100 million that can be drawn down at will
Maturity	December 2024
First instalment	December 2020
Repayment	17 quarterly instalments
Interest rate	LIBOR + 1.60%

Repayment of this loan began in 2020, with a payment of $2 million.

The change in debts to the Gabon subsidiary is as follows:

GABON DEBTS AT END-2019	(83,724)
Cash calls outflow	289,462
Sales inflow	(193,289)
Intercompany chargeback	13,941
Dividends received	121,695
Interest on current accounts	(1,843)
Foreign exchange effect on financing in USD	29,647
GABON DEBTS AT END-2020	**175,890**

4.12 Debt maturities

(in thousands of euros)	Total amount	Within one year	More than one year	More than five years
Trade payables and related accounts	4,349	4,349		
Tax and social security payables	5,390	5,390		
Fixed asset liabilities and related accounts	1,612	1,612		
Other debts	103,608	33,931	69,676	
TOTAL PAYABLES BY DUE DATE	**114,958**	**45,282**	**69,676**	

4.13 Sales

Company sales correspond exclusively to services and studies provided to the Company's subsidiaries, especially in Gabon and Angola, and towards M&P Trading.

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4.14 Financial income

(in thousands of euros)	Note	31/12/2020	31/12/2019
Interest on other borrowings	(a)	(2,295)	(3,701)
Income from cash	(b)	1,247	3,905
INTEREST FROM BORROWINGS AND CASH		**(1,048)**	**204**
ALLOCATIONS TO AND REVERSALS OF PROVISIONS ON TREASURY SHARES		**(3,063)**	**(1,053)**
Credit losses on investments	(c)	(58,945)	-
Interest receivables	(g)	3,393	(1,864)
Net reversals of net provisions on securities and current accounts	(d)	(33,080)	(13,342)
INCOME ON SECURITIES AND INVESTMENT-RELATED RECEIVABLES		**(88,632)**	**(15,206)**
FINANCIAL EXPENSES		-	-
DIVIDENDS RECEIVED	(e)	**142,325**	**135,734**
Foreign exchange gains and losses	(f)	(8,093)	3,387
Net reversals of financial provisions for foreign exchange rate differences		307	(442)
EXCHANGE LOSS		**(7,786)**	**2,945**
FINANCIAL INCOME		**41,795**	**122,624**

(a) Interest on the shareholder loan.
(b) Cash income from investment in SICAVs.
(c) Credit loss on 2018 investments would be equal to the waiver of M&P Amérique Latine S.A.S. (formerly M&P Peru Holdings S.A.S.) receivables.
(d) Provisions are allocated on the basis of value in use, taking into account the subsidiaries' net worth, where applicable.
(e) Dividends received from M&P West Africa S.A. for €130 million, M&P Trading S.A.S. for €1 million, M&P ATI for €0.9 million and Seplat Plc for €10.4 million.
(f) Currency differences are mainly attributable to the revaluation of cash in USD.
(g) Interest on the average annual outstanding amounts of subsidiary current accounts.

4.15 Income tax

Établissements Maurel & Prom S.A. is the parent company of the tax consolidation group comprising M&P West Africa S.A., M&P Amérique Latine S.A.S. (formerly M&P Peru Holdings S.A.S.), M&P Volney 5 S.A.S., M&P Angola S.A.S., MPEP BRM S.A.S., MPEP France, MP Namibia S.A.S., MP Mnazi Bay Holdings S.A.S., MP East Asia S.A.S., MP West Canada S.A.S., M&P Trading S.A.S., Caroil S.A.S.,M&P Services and MP ANJOU.

NOTE 5 ADDITIONAL INFORMATION

5.1 Financial risks

The Company's results are sensitive to various market risks, including EUR/USD foreign exchange risk, considering that a substantial portion of receivables and liabilities are denominated in US dollars.

The Company is also exposed to liquidity risk and interest rate risk. The Group's borrowing terms and conditions and the financing structure of the Company are described in the Financing paragraph of the year's Annual Report.

Successive treasury share repurchase plans have been put in place since 12 January 2005. As at 31 December 2020, the Company held 4,559,335 treasury shares for a gross carrying amount of €42 million, compared to a market value of €7.8 million. A provision was therefore established in the amount of €34 million. A 10% decrease in the value of these securities would have a negative impact of €1 million on the Company's net income.

5.2 Off-balance sheet commitments

To the best of the Company's knowledge, there are no exceptional events, litigation, risks or off-balance sheet commitments likely to adversely affect the Company's financial position, assets and liabilities, results or activities.

5.2.1 term loan ($600 million)

Maurel & Prom West Africa S.A., sole and whole owner of Maurel & Prom Gabon, took out a $600-million term loan on 10 December 2017. This loan is guaranteed by the parent company Établissements Maurel & Prom. The borrower also benefits from the financial support of the Group's main shareholder, PT Pertamina International Eksplorasi Dan Produksi (PIEP), should it fail to meet its payment obligations under this loan.

No Group assets have been pledged as collateral. However, restrictions on the use of certain bank accounts of Maurel & Prom Gabon and Maurel & Prom West Africa S.A. were specified in the event of default on this new loan.

Furthermore, under the terms of this loan, the Group has undertaken to meet certain financial ratios as at 30 June and 31 December of each year:

- ratio for the Group's consolidated net debt to EBITDAX (earnings before interest, taxes, depreciation, amortisation and impairment net of the impact of foreign exchange gains and losses and exploration costs) not to exceed 4.00:1.00, calculated over a 12-month period prior to the reference date;
- the Group's debt service cover ratio (DSCR) calculated over the six months preceding the reference date, to be higher than 3.50:1.00; and
- Group Tangible Net Worth, restated for the Group's oil and gas intangible assets, to exceed $500 million at each reference date.

These ratios were met in fiscal 2020.

Maurel & Prom West Africa S.A., Établissements Maurel & Prom S.A. and Maurel & Prom Gabon S.A. have also committed to maintaining a minimum consolidated amount of $100 million cash in their bank accounts, failing which Établissements Maurel & Prom S.A. would be forced to draw on the unused portion of the PIEP shareholder loan.

Établissements Maurel & Prom S.A. has agreed that the total dividend paid out per calendar year for a period of 24 months after drawdown will not exceed $15 million while guaranteeing that minimum working capital requirements agreed by the parties will be respected.

5.2.2 Subordination agreements with PIEP

Under the term loan of December 2017, the Group signed a subordination agreement pursuant to which some liabilities towards PIEP are subordinate to the repayment of the bank term loan.

5.2.3 Contractual commitments in Gabon

Under the terms of the agreement to acquire the Gabonese asset and subsequent amendments thereto entered into with the Gabonese government, Rockover and Masasa Trust in February 2005, Maurel & Prom is obliged to pay:

- 1.4% of production valued at the official sale price, paid monthly;
- a royalty amounting to $0.65 for every barrel produced from the date that total production in all licensed zones has exceeded 80 MMbbl (during the month of September 2019); and
- 5% on production from the sole Banio field, valued at the official sale price, when total production from this field exceeds 3.865 million barrels;
- 2% of total available production, valued at the official sale price, up to 30 MMbbl and 1.5% above this limit, based on production from operating permits with the Nyanga-Mayombé exploration permit. This commitment is recognised in expenses commensurate with production, knowing that production in the Banio field (the only Nyanga-Mayombé exploration permit to date) is currently suspended.

5.2.4 Contractual commitments in France

As part of the sale to MPEP France of the interests held by Établissements Maurel & Prom S.A. in the "Mios" research permit, Établissements Maurel & Prom S.A. agreed to remain jointly and severally liable with MPEP France for all obligations arising from the Farmout Agreement entered into with Indorama on 11 February 2019, including the obligation to pay related abandonment costs.

5.3 Company workforce

As at 31 December 2020, the Company has 46 paid staff members.

5.4 Executive remuneration

Principal Officers include the Chairman, executive management and members of the Board of Directors.

(in thousands of euros)	31/12/2020	31/12/2019
Short-term benefits	1,160	1,568
Share-based payment		254
TOTAL	**1,160**	**1,822**

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5.5 Related companies

(in thousands of euros)	31/12/2020	31/12/2019
Equity interests	631,205	310,813
Other receivables	370,703	535,914
ASSETS	**1,001,908**	**846,727**
Fixed asset liabilities	1,612	1,612
Other debts	22,613	166,448
Shareholder loan	79,863	87,336
LIABILITIES	**24,225**	**168,059**
Financial income	3,393	292
Dividends	142,315	85,595
Financial expenses	17	(23,226)
INCOME STATEMENT	**145,726**	**62,661**

5.6 Post-balance sheet events

To the best of Maurel & Prom's knowledge, there are no post-balance sheet events likely to adversely affect the Company's financial position, assets and liabilities, results or activities.

5.7 Subsidiaries and affiliates

Company	Currency	% held	Capital *(in stated currency)*	Shareholders' equity other than share capital *(in stated currency)*	Gross carrying amount of securities held *(in €)*	Impairment	Net carrying amount of securities held *(in €)*	Gross loans and advances granted[a] *(in €)*	Dividends received	Sales for the previous fiscal year *(in stated currency)*	Net income for the previous fiscal year *(in stated currency)*
M&P Trading S.A.S.	EUR	100%	500,000	10,384,286	500,000	-	500,000	(270,637)	1,000,000	212,097,802	9,961,377
MPEP France S.A.S	EUR	100%	4,037,000	-17,010,302	4,037,000	(4,037,000)	-	10,745,728		173,204	(12,862,474)
M&P Services S.A.S.	EUR	100%	100,000	-164,175	100,000	(100,000)	-	3,030,603	-	1,199,412	(156,834)
Caroil S.A.S	EUR	100%	5,000,000	-10,750,506	60,243,489	(60,243,489)	-	5,707,019	-	12,179,271	(15,761,733)
M&P West Africa S.A.	EUR	100%	80,000	11,381,942	80,000	-	80,000	(3,749,188)	130,000,000	None	128,577,676
M&P Assistance Technique International S.A.	EUR	100%	195,270	1,356,571	277,714	-	277,714	(457,394)	936,067	12,705,747	416,677
M&P Angola S.A.S.	EUR	100%	20,037,000	-44,579,544	20,037,000	(20,037,000)	-	15,038,844	-	33,306,450	(54,602,614)
M&P Namibia S.A.S.	EUR	100%	1,500,000	-1,416,119	10,802,738	(10,802,738)	0	6,064,990	-	None	(1,346,998)
MPEP Tanzania Ltd	USD	100%	15	-5,198,217	10	-	10	19,440,946	-	34,998,921	16,455,649
MP Mnazi Bay Holdings	EUR	100%	10,000,000	113,631	19,722,217	-	19,722,217	5,127,773	-	None	236,852
MP East Asia S.A.S.	EUR	100%	37,000	-58,203	62,032,166	(62,032,166)	-	15,993	-	None	(5,339)
MPEP BRM S.A.S.	EUR	100%	37,000	-2,984,308	123,181,382	(123,181,382)	-	189,455	-	None	(2,074,899)
MP West Canada S.A.S.	EUR	100%	65,293	-16,596	32,882,745	(32,882,745)	-	16,400,347	-	None	(5,217)
M&P Amérique Latine	EUR	100%	17,237,000	890,169	17,237,000	-	17,237,000	(18,135,513)	-	None	425,588
M&P Colombia B.V.	USD	50%	61,000	-5,426,444	92,430,958	(92,430,958)	-	5,914,427	-	None	(2,058,316)
M&P Ibero America S.L.	EUR	80%	2,053,750	-3,889,955	1,643,000	-	1,643,000	62,664,011	-	None	(2,714,990)
M&P Servicios Integrados U.W.	EUR	100%	5,389	-9,193,968	4,311	(4,311)	-	9,049,840	-	None	(4,056,112)
M&P Italia S.r.l.	EUR	100%	128,572	1,246,378	13,756,245	(13,756,245)	-	15,709,705	-	None	(1,204,291)
Seplat Plc	USD	20%	1,834,000	N.C	140,180,414	-	140,180,414	8,386	10,379,389	N.C	N.C
Cardinal Drilling Services Ltd[b]	USD	40%	N.C	N.C	6,059,688	(6,059,688)	-	-	-	N.C	N.C
Integra Oil S.A.S.[b]	USD	10%	37,000	N.C	25,839,793	(25,839,793)	-	3,691,399	-	N.C	N.C

(a) Including accrued interest.
(b) No information available.

5.4 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

This is a translation into English of the Statutory Auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users. This Statutory Auditors' report includes information required by European Regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended December 31st 2020

Ladies and Gentlemen,

Opinion

In compliance with the engagement entrusted to us by your General Shareholders' Meeting, we have audited the accompanying financial statements of Établissements Maurel & Prom S.A. for the year ended December 31st 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31st 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the audit of the financial statements section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1st, 2020 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5 [(1)] of Regulation (EU) No 537/2014 or in the French Code of Ethics (code de déontologie) for Statutory Auditors.

Justification of Assessments – Key audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Valuation of equity shares and related receivables

Key audit matter	Our response
The equity shares and related receivables on the balance sheet as at 31 December 2020 for a net amount of MEUR 444 represent 84% of the company's assets. As indicated in Note 3 to the financial statements, for companies in the exploration phase, a provision covering exploration expenditures is recognized for equity investments and related receivables in the absence of a decision to launch business development or production. If there is evidence of proven reserves and for companies with an oil production activity, the value of equity investments and related receivables is limited to the amount of discounted future income at closing. For other activities, provisions for depreciation of equity shares and related receivables are determined taking into account the financial performance of the equity mainly derived from discounted cash flow, evolution of income or their probable resale value. For listed investments, the value in use is determined by taking also into consideration the stock exchange price. In this context, and due to the uncertainties inherent in certain items, including the likelihood of the forecasts being realised, we considered that the correct valuation of equity investments and related receivables was a key audit matter.	In order to assess the reasonableness of the present value estimates of equity investments, on the basis of information provided to us, our work consisted mainly in verifying that Management's estimates were based on an appropriate justification of the valuation method and figures used and, depending on the equity investments in question, in: – verifying that the equity selected is consistent with the accounts of the entities that have been the subject of an audit or analytical procedures and that the adjustments made are based on probative documentation; – verify the accuracy of the stock exchange prices used; – obtaining the cash flow forecasts prepared by Management for the activities of the entities concerned; – verifying the consistency of the assumptions used by Management with the data obtained from independent experts' reports; – verifying the reasonableness of the main underlying data used to estimate discounted future income, including oil reserves, forecast sales prices, and discount and inflation rates; – verifying that the value issued from the cash flow forecasts has been adjusted based on the amount of debt of the entity under consideration. In addition to assessing the present value of the equity investments, our audit also included: – assessing the recoverability of related receivables with regard to the analyses performed on the equity investments; – verifying that a provision for contingencies has been recognised if the Company is required to bear the losses of a subsidiary with negative net equity.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to shareholders. With regard to the events which occurred and the elements known after the date of closing of the accounts relating to the effects of the crisis linked to Covid-19, the Management indicated to us that they will be subject of a communication to the General meeting called to approve the accounts.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-4 of the French Commercial Code (Code de commerce).

Information relating to corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 225-37-3 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlling and controlled companies. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a public takeover bid or exchange offer, provided pursuant to Article L. 225-37-5 of the French Commercial Code, we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of Managing Director, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Établissements Maurel & Prom S.A. by the annual general meeting held on June 12, 2014 for KPMG and onJune 14, 2002 for International Audit Company.

As at December 31st 2020, KPMG and International Audit Company were in the 7th year and 19th year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the audit of the financial statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards 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.

As specified in Article L. 823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the

date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;

– evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

The Statutory Auditors

French original signed by

Paris-La Défense, on the 2 April 2021

KPMG audit Département de KPMG S.A.
François Quédiniac
Partner

Paris, on the 2 April 2021

International Audit Company
Fabienne Hontarrede
Partner

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5.5 FIVE-YEAR FINANCIAL SUMMARY

(in euros)	31/12/2016	31/12/2017	31/12/2018	31/12/2019	31/12/2020
I. Financial position at the end of the fiscal year					
a) Share capital	150,412,041	150,412,041	154,549,412	154,549,412	154,971,409
b) Number of shares issued	195,340,313	195,340,313	200,713,522	200,713,522	201,261,570
II. Total income from operating activities					
a) Sales (exclusive of tax)	16,144,493	17,942,804	18,169,332	19,144,180	21,502,854
b) Income before tax, amortisation, depreciation and provisions	(68,347,851)	33,478,240	22,377,263	113,578,198	63,540,893
c) Income tax	63,838	3,685,518	(521,146)	2,002,613	3,250,757
d) Income after tax, amortisation, depreciation and provisions	-37,492,782	22,971,076	16,912,001	101,584,565	31,093,673
e) Distributed profits [(a)]	-	-	7,849,650	-	-
III. Earnings per share					
a) Income after tax, but before amortisation, depreciation and provisions	(0.350)	0.153	0.114	0.556	0.300
b) Earnings after tax, amortisation, depreciation and provisions	(0.192)	0.118	0.084	0.506	0.154
c) Net dividend per share [(a)]	0,00	0,00	0,04	0,00	0,00
IV. Personnel					
a) Number of employees	30	30	30	44	46
b) Total payroll	5,750,170	5,845,096	7,678,612	10,555,816	7,093,177
c) Sums paid for employee benefits (social security, welfare schemes, etc.)	3,547,316	3,467,000	3,460,293	5,042,338	3,402,540

(a) Amount payable for the fiscal year indicated, paid in the following fiscal year.

6 INFORMATION ABOUT THE COMPANY AND ITS SHARE CAPITAL

Information about the company

Company name: Établissements Maurel & Prom.

APE Code: the Company's APE code (French Business Code) is 7010Z (Registered office activities).

Trade and Companies Register: the Company is registered in the Paris Trade and Companies Register *(Registre du Commerce et des Sociétés de Paris)* under number 457 202 331.

Legal Entity Identifier (LEI): 969500ZTYI9C1C594X25.

Company's date of incorporation (registration in the Trade and Companies Register): 10 December 1919. The Company is incorporated under French law.

Company duration: 99 years, unless dissolved early or extended. Initially intended to run until 31 December 2018, the Company's duration was extended, by decision of the shareholders at the Extraordinary General Shareholders' Meeting of 13 October 2014, to 99 years from the date of the meeting, i.e. until 13 October 2113.

Since 14 June 2007, Maurel & Prom has been a public limited company *(société anonyme)* with a Board of Directors, governed by the French Commercial Code (in particular by the provisions of Articles L. 225-17 et seq. of the Code), as well as by all other laws and regulations applicable to it.

Registered office: 51, rue d'Anjou – 75008 Paris, France. Tel.: +33 (0)1 53 83 16 00/Fax: +33 (0)1 53 83 16 04.

6.1 SHARE CAPITAL

6.1.1 Share capital and authorisations to increase the share capital

6.1.1.1 Subscribed capital

As at 31 December 2020, the Company's share capital was €154,971,408.90 (one hundred and fifty-four million nine hundred and seventy-one thousand four hundred and eight euros and ninety euro cents), divided into 201,261,570 (two hundred and one million two hundred and sixty-one thousand five hundred and seventy) fully paid-up shares with a nominal value of €0.77 (seventy-seven euro cents) each.

Each share confers a right to the Company's profits and assets in proportion to the share of the capital that it represents. Maurel & Prom's share capital may be increased, reduced or amortised under the terms and conditions governed by law, as the articles of association make no specific provision for this (see section 6.2.5. of this universal registration document).

6.1.1.2 Authorised capital

Capital increase authorisations and delegations granted by the Company's General Shareholders' Meeting in effect as at 31 December 2020, as well as their potential use during the fiscal year ended 31 December 2020, are described in the tables shown in section 3.6 of this universal registration document.

6.1.2 Treasury shares held by the issuer or on its behalf, or by its subsidiaries – Share repurchase plan

6.1.2.1 2020 share repurchase

Authorities granted by the General shareholders' meetings of 13 June 2019 and 30 June 2020

Authority granted to the Board of Directors by the combined (Ordinary and Extraordinary) General Shareholders' Meeting of 13 June 2019 (resolution fifteen) was renewed by the combined (Ordinary and Extraordinary) General Shareholders' Meeting of 30 June 2020 (resolution fifteen).

The share repurchase plan adopted on 30 June 2020 can be summarised as follows:

- the Board of Directors has the authority to purchase, hold or transfer shares of the Company, within the limit of the number of shares representing 10% of the share capital at any time (this percentage applying to share capital adjusted for transactions affecting it subsequent to the General Shareholders' Meeting) or 5% if it pertains to shares purchased to be retained and subsequently used as payment or exchange in a merger, demerger, capital contribution or external growth transaction;
- where the shares are redeemed to boost liquidity, the number of shares used to calculate this 10% limit corresponds to the number of shares purchased, less the number of shares resold over the term of this authority;
- the maximum purchase price must not exceed €5 per share. This price may be adjusted in the event of transactions relating to the share capital, such as the incorporation of reserves followed by the creation and allocation of bonus shares and/or the splitting or reverse splitting of shares;
- the maximum value of funds designated for the repurchase plan is €100,446,761 (calculated on the basis of the share capital at 30 April 2020);
- the authority is granted for a period of 18 months, beginning on 30 June 2020 and expiring on 30 December 2021;
- the authority cannot be used in a public offering of Company shares.

The purposes of the share purchase plan are as follows:

- to honour obligations under share option plans, under bonus share allocations or other share allocations or sales of shares, including under the employee shareholding or savings plan (or similar), to employees and/or corporate officers of the Company and companies or economic interest groups related to it in accordance with applicable law and regulations, or as part of profit-sharing in the Company's growth;
- to honour obligations relating to transferable securities conferring access to Company shares, by any means, immediately or in the future (including any hedging transactions by virtue of the Company's obligations relating to such transferable securities);
- to support the market for Company shares under a liquidity agreement in accordance with market practice authorised by the French Financial Markets Authority (AMF);
- to hold shares for subsequent use as exchange or payment in a potential merger, demerger, capital contribution or external growth transaction;
- to cancel all or part of the shares repurchased.

Number of securities and proportion of capital that the issuer directly or indirectly holds

As at 31 December 2020, the Company held 4,559,335 treasury shares, or 2.27% of the share capital. The breakdown of securities held by the Company by objective as at 31 December 2020 is as follows:

- 259,817 shares, or around 5.70% of treasury shares (representing approximately 0.13% of the Company's share capital), were held under a liquidity agreement;
- 3,599,518 shares, or around 78.95% of treasury shares (representing approximately 1.79% of the Company's share capital), were held as part of the Company's share retention objective with a view to their subsequent use as payment or exchange in potential external growth transactions; and
- 700,000 shares, or around 15.35% of treasury shares (representing approximately 0.35% of the capital), are allocated for cancellation.

During the fiscal year ended 31 December 2020, no shares were cancelled.

6.1.2.2 Report on previous plans

Situation at 31/12/2020	
Percentage of capital held as treasury shares	2.27%
Number of shares cancelled in the past 24 months (133,250), i.e.	0.07%
Number of shares held in portfolio	4,559,335
Carrying value of the portfolio	€41,826,266.08
Market value of the portfolio (based on the weighted average share price in December 2020 of €1.7144)	€7,816,357.14

From 1 January to 31 December 2020, no repurchased shares were reallocated.

During the year just ended, the Company made use of its share repurchase plan through its liquidity agreement.

The report on the completion of repurchase plans between 1 January and 31 December 2020 under the liquidity agreement with an investment services provider is as follows:

	Cumulative gross flows [a]		Positions opened on the date that the plan was published			
	Purchases	Sales/ transfers	Open buy positions		Open sell positions	
Number of securities	908,709	857,698	-	-	-	-
Average maximum term	-	-	-	-	-	-
Average transaction price	1.9179	1.9290	-	-	-	-
TRANSACTION AMOUNTS	**1,742,813**	**1,654,499**	**-**	**-**	**-**	**-**

(a) Total gross flows include cash purchases and sales as well as exercised or expired options and futures.

The Company did not repurchase any shares in fiscal year 2020.

6.1.2.3 Description of the share repurchase plan pursuant to Articles 241-1 et seq. of the General Regulations of the French Financial Markets Authority (AMF)

Legal framework

The plan is implemented in accordance with the provisions of Articles L. 22-10-62 *et seq.* of the French Commercial Code, Regulation (EC) No. 596/2014 of the European Parliament and Council of 16 April 2014, EU delegated act No. 2016/1052 of the European Commission of 8 March 2016 and the General Regulations of the French Financial Markets Authority (AMF).

Objectives of the new repurchase plan submitted to the General Shareholders' Meeting of 18 May 2021

At the combined (Ordinary and Extraordinary) General Shareholders' Meeting of 18 May 2021, shareholders will be asked to renew the authorization granted by the combined (Ordinary and Extraordinary) General Shareholders' Meeting on 30 June 2020.

The purposes of the new plan will be:

- to honour obligations under share option plans, under bonus share allocations or other share allocations or sales of shares, including under the employee shareholding or savings plan (or similar), to employees and/or corporate officers of the Company and companies or economic interest groups related to it in accordance with applicable law and regulations, or as part of profit-sharing in the Company's growth;
- to honour obligations relating to transferable securities conferring access to Company shares, by any means, immediately or in the future (including any hedging transactions by virtue of the Company's obligations relating to such transferable securities);
- to support the market for Company shares under a liquidity agreement in accordance with market practice authorised by the French Financial Markets Authority (AMF);
- to hold shares for subsequent use as exchange or payment in a potential merger, demerger, capital contribution or external growth transaction; and
- to cancel all or part of the shares repurchased.

The repurchase plan is intended to enable any market practices authorised or to be authorised by market authorities to be implemented, and more generally, to complete any other transaction or purpose that complies with the laws and regulations in force or that may eventually be applicable.

Number of securities and proportion of capital that the issuer holds directly or indirectly

As at 28 February 2021, the Company held 4,531,939 treasury shares representing 2.25% of the share capital. The breakdown of securities held by the Company by objective as at 28 February 2021 is indicated below:

- 232,421 shares, or around 5.13% of treasury shares (representing approximately 0.12% of the Company's share capital), were held under a liquidity agreement;
- 3,299,518 shares, or around 72.81% of treasury shares (representing approximately 1.64% of the Company's share capital), were held as part of the Company's share retention objective with a view to their subsequent use as payment or exchange in potential external growth transactions; and
- 1,000,000 shares or around 22.07% of treasury shares (representing approximately 0.50% of the capital) are allocated for cancellation.

Maximum share of capital, maximum number and characteristics of securities, maximum purchase price

Securities concerned

The repurchase plan concerns company shares (ISIN code FR0000051070) traded on Euronext Paris (compartment B – Midcap) under Legal Entity Identifier (LEI) 969500ZTYI9C1C594X25.

Maximum share of capital

No more than 10% of the total number of shares making up the Company's share capital may be purchased (i.e. 20,126,157 shares as at the date of this publication), it being specified that:

- this limit refers to the Company's share capital which may, if necessary, be adjusted to account for subsequent transactions affecting the share capital that take place after the General Shareholders' Meeting of 18 May 2021. Under no circumstances may the purchases made by the Company cause it to directly or indirectly hold more than 10% of its share capital;
- the number of shares purchased by the Company to retain for use as payment or exchange in a merger, demerger or capital contribution may not exceed 5% of its share capital (i.e. 10,063,078 shares as at the date of this publication).

Purchase price

The Company may not pay more than €5 per share (excluding acquisition costs) for its treasury shares. Consequently, the maximum amount of funds that the Company may use for this repurchase plan is €100,630,785 (excluding acquisition costs).

Repurchase procedures

These shares may be purchased, sold, transferred, allotted or exchanged one or more times under the terms and conditions set forth by law and/or applicable regulations by any means, in particular on regulated markets, multilateral trading facilities (MTF) or via systematic internalisers or over the counter, including purchases or sales in blocks, by using options or any financial instrument (including derivatives), in all cases, either directly or indirectly through the intermediary of an investment services provider, in accordance with applicable law and regulations on the date of the transactions considered.

These transactions may occur at any time except during periods of public offerings for the Company's shares.

Duration of the repurchase plan

The duration of this share repurchase plan is 18 months from the General Shareholders' Meeting of 18 May 2021, i.e. until 18 November 2022.

6.1.3 Share capital history

The table below shows the change in the Maurel & Prom's share capital during fiscal years 2018, 2019 and 2020.

Date and transaction		Change in capital		Share capital after transaction	Total number of shares outstanding
		Nominal value of the transaction	Number of shares		
24/04/2018	Capital increase following a bonus share award plan	€689,150	895,000	€151,101,191.01	196,235,313
24/04/2018	Cancellation of treasury shares	€(689,150)	(895,000)	€150,412,041.01	195,340,313
12/12/2018	Capital increase in cash reserved for Rockover Energy Limited	€4,137,371	5,373,209	€154,549,411.94	200,713,522
01/08/2019	Capital increase following a bonus share award plan	€102,603	133,250	€154,652,014.44	200,846,772
01/08/2019	Cancellation of treasury shares	€(102,603)	(133,250)	€154,549,411.94	200,713,522
22/04/2020	Capital increase following a bonus share award plan	€138,600	180,000	€154,688,011.94	200,893,522
06/08/2020	Capital increase following a bonus share award plan	€283,397	368,048	€154,971,408.90	201,261,570

To the Company's knowledge, none of its shares has been pledged.

6.1.4 Potential capital dilution

The table below shows the maximum potential dilution[(a)] of the Company's share capital resulting from the allocation of free shares at 31 December 2020.

Capital as at 31 December 2020	€154,971,408.90	201,261,570 shares

	Issue date	Vesting date	Number of potential shares	Potential dilution
Free shares	03/08/2018[(a)]	03/08/2021	157,700.00	0.08%
	01/08/2019[(a)]	01/08/2021	385,150.00	0.19%
	01/08/2019[(a)]	01/08/2022	385,150.00	0.19%
	06/08/2020[(a)]	06/08/2021	608,000.00	0.30%
	06/08/2020[(a)]	06/08/2022	608,000.00	0.30%
	06/08/2020[(a)]	06/08/2023	608,000.00	0.30%
TOTAL BONUS SHARES	**-**	**-**	**2,752,000**	**1.37%**

(a) The definitive allocation of performance shares will be subject to the completion of a condition of presence and certain performance criteria defined annually by the Board of Directors.

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6.2 ARTICLES OF ASSOCIATION AND BYLAWS

The following information:

- corporate purpose;
- provisions relating to administrative and management bodies;
- terms and conditions for exercising voting rights – double voting rights;
- disposal and transfer of shares;
- procedure for modifying shareholders' rights;
- shareholders' meeting notices and conditions of admission;
- statutory thresholds;
- rights and obligations attached to each share class;

is included in the Company's articles of association available at: www.maureletprom.fr.

In addition to the amendments to the Company's articles of association relating to share capital in the last three fiscal years, no other changes to the articles of association were approved by the Company's general shareholders' meeting.

6.2.1 Corporate purpose

The Company's corporate purpose is described in Article 3 of its articles of association. The Company has the following purpose, both in France and abroad:

- the management of all shares and membership rights and, to this end, the acquisition of interests in any company, group or association, particularly by way of purchase, subscription and contribution, as well as the sale in any form of said shares or membership rights;
- the prospecting and exploitation of all mineral deposits, particularly liquid or gaseous hydrocarbon deposits and related products;
- the leasing, acquisition, transfer and sale of all wells, land, deposits, concessions, operating permits and prospecting permits, either on its own account or on behalf of third parties, whether by participation or otherwise, and the transportation, storage, processing, transformation and trading of all natural or synthetic hydrocarbons, all liquid or gaseous products or by-products of the subsoil, and all minerals or metals;
- the acquisition of any buildings and their management or sale;
- the trading in all products and commodities;
- generally speaking, the Company's direct or indirect participation in all commercial, industrial, property, agricultural and financial transactions, in France or other countries, either by the formation of new companies or by the contribution, subscription or purchase of shares or membership rights, merger, joint venture or otherwise, and generally all transactions of any kind whatsoever directly or indirectly related to these activities and likely to facilitate development or management.

Provisions relating to administrative and management bodies

At its meeting of 10 December 2020, the Company's board of directors updated the internal rules. These internal rules reprise and detail certain articles in the articles of association, including membership of the board and the concept of independent director, the operating rules, missions, rights and obligations incumbent on directors laid down in a charter, the appointment and role of observers and the membership and remits of the audit committee, investment and risk committee, and CSR, appointments and remuneration committee.

Furthermore, following the legal and regulatory provisions regarding the restrictions or prohibitions of members of the Board of Directors from trading in the Company's shares, the Company has a Code of Conduct to prevent insider trading and transactions which has been updated to take account of the amendments resulting from the entry into force of European Regulation No. 596/2014 of the European Parliament and Council of 16 April 2014 on market abuse (see section 3.2.2.4 (A) of this universal registration document).

The internal rules and the Code of Conduct are available on the Company's website (www.maureletprom.fr).

6.2.2 Rights, privileges and restrictions attached to each class of shares in issue

At all general shareholders' meetings, every shareholder who is a member of such meetings has as many votes as the shares that he/she owns or represents, without any limitations other than those arising from statutory provisions.

Each share entitles the holder to one vote. A double voting right is conferred upon the holders of fully paid-up registered shares who are able to prove that they have been shareholders for at least four years without interruption (Article 11, paragraph 7). Furthermore, in the event of a capital increase through the capitalisation of reserves, profits or issue premiums, the double voting right is conferred – immediately upon the issue of any registered shares allocated free of charge – to a shareholder who had old shares benefiting from this same entitlement.

This double voting right will automatically lapse in respect of any shares that were able to be converted into bearer shares or transferred, but it may be reinstated if the new holder of the shares can prove that he/she has been their registered holder for at least four years.

Nevertheless, any transfer from registered share to registered share following an *ab intestate* or testamentary succession or division of jointly owned assets or joint property as between spouses shall not interrupt the above four-year period or shall retain the acquired right. The same applies in the case of inter vivos gifts between living persons in favour of a spouse or relative entitled to inherit.

The double voting right may be cancelled by decision of the Extraordinary General Shareholders' Meeting after ratification by the special meeting of beneficiary shareholders.

Details of double voting rights are given in the share ownership tables in section 6.3 of this Universal Registration Document.

6.2.3 Necessary procedures for modifying shareholders' rights

Any amendment to the Company's articles of association must be decided or authorised by the extraordinary general shareholders' meeting, acting with the quorum and majority required by the provisions of Article L. 22-10-31 of the French Commercial Code.

6.2.4 Disclosures of threshold

In addition to the thresholds set forth in applicable laws and regulations as defined in Article L 233-7 of the French Commercial Code regarding crossing legal and regulatory thresholds, the Company's articles of association require that statutory threshold crossings be disclosed. Any individual or legal entity, acting alone or in concert, that comes to directly or indirectly hold a number of shares representing a percentage of the capital or voting rights equal to or greater than 2%, or a multiple of 2%, as long as it does not hold, alone or in concert, a total number of shares representing more than two-thirds of the Company's capital and voting rights, must inform the Company of the total number of shares conferring entitlement to the Company capital that it owns, by registered mail with acknowledgement of receipt sent to the registered office within a period of five trading days from the date on which the aforementioned ownership thresholds are exceeded.

At the request, recorded in the minutes of the General Shareholders' Meeting, of one or more shareholders holding at least 2% of the Company's capital or voting rights, any failure to comply with this disclosure obligation shall be penalised, with respect to the shares exceeding the percentage that should have been declared, by withdrawal of the right to vote at any General Shareholders' Meeting that may be held until the end of a two-year period after the date on which the notification was formally recorded.

The same duty of disclosure applies, with the same time scale and under the same conditions, each time the fraction of share capital or voting rights held by a shareholder falls below one of the thresholds mentioned above.

To calculate the thresholds mentioned above, account is taken of the shares and voting rights held, as well as comparable shares or voting rights – even if the person concerned does not personally hold shares or voting rights in another manner – in accordance with Article L. 233-9 of the French Commercial Code, and they are divided by the total number of shares comprising the Company's capital and the total number of voting rights attached to those shares. The total number of voting rights is calculated on the basis of all shares to which voting rights are attached, including shares not eligible for voting rights.

In order to identify the owners of bearer shares, the Company is at all times entitled, in accordance with the conditions and the methods laid down by the legal and regulatory provisions, to request that the central depository keeping its share issue account disclose the identity of the owners of shares conferring immediate or future voting rights at General shareholders' meetings, as well as the number of shares held by each of them and, if applicable, any restrictions relating to the shares.

6.2.5 Provisions of the articles of association reinforcing the laws governing changes to the share capital

The Company's share capital may only be changed in accordance with the laws and regulations in force, namely Articles L. 225-127 *et seq.* and L. 22-10-49 et seq. of the French Commercial Code.

The law takes precedence over any provision of the articles of association, charter or internal rules in matters concerning changes to the Company's share capital.

6.2.6 Disposal and transfer of shares

Subject to the legal and regulatory provisions, the shares are freely transferable. The shares are registered in an account and are transferred by means of a transfer from one account to another.

6.3 SHAREHOLDER STRUCTURE

6.3.1 Current shareholder structure

6.3.1.1 Composition

At 31 December 2020, the capital and voting rights of the Company were distributed as follows:

At 31/12/2020	Number of share	% of capital	Number of exercisable voting rights	% of exercisable voting rights out of 197,203,194	% of theoretical voting rights out of 201,762,529
PIEP	143,082,389	71.09%	143,082,389	72.76%	70.92%
Institutional investors	9,941,904	4.94%	9,941,904	6.4%	4.93%
Public and other	42,620,489	21.18%	43,095,149	20.44%	21.36%
Maurel & Prom (treasury shares)	4,559,335	2.27%	-	-	2.26%
Employees	1,057,453	0.53%	1,083,752	0.4%	0.54%
TOTAL	**201,261,570**	**100%**	**197,203,194**	**100%**	**100%**

Exercisable voting rights = the total number of shares which have exercisable voting rights attached, not including the voting rights attached to shares that are not eligible for voting rights (including treasury shares).
Theoretical voting rights = the total number of voting rights attached to the total number of shares, including treasury shares without voting rights. In accordance with the regulation applicable to threshold crossings, the ownership thresholds relating to voting rights are calculated on the basis of theoretical voting rights (and not exercisable voting rights).

The breakdown of the Company's capital during the previous fiscal years is shown in the tables below.

The ownership thresholds relating to voting rights are calculated on the basis of theoretical voting rights (and not exercisable voting rights).

As at 31 December 2019, the capital and voting rights of the Company were distributed as follows:

At 31/12/2019	Number of share	% of capital	Number of exercisable voting rights	% of exercisable voting rights out of 196,644,890	% of theoretical voting rights out of 201,245,980
PIEP	143,082,389	71.29%	143,082,389	72.76%	71.10%
Institutional investors	12,585,200	6.27%	12,585,200	6.4%	6.25%
Public and other	39,686,144	19.77%	40,196,803	20.44%	19.97%
Maurel & Prom (treasury shares)	4,601,090	2.29%	-	-	2.29%
Employees	758,699	0.38%	780,498	0.4%	0.39%
TOTAL	**200,713,522**	**100%**	**196,644,890**	**100%**	**100%**

Exercisable voting rights = the total number of shares which have exercisable voting rights attached, not including the voting rights attached to shares that are not eligible for voting rights (including treasury shares).
Theoretical voting rights = the total number of voting rights attached to the total number of shares, including treasury shares without voting rights. In accordance with the regulation applicable to threshold crossings, the ownership thresholds relating to voting rights are calculated on the basis of theoretical voting rights (and not exercisable voting rights).

At 31 December 2018, the capital and voting rights of the Company were distributed as follows:

At 31/12/2018	Number of share	% of capital	Number of exercisable voting rights	% of exercisable voting rights out of 197,717,685	% of theoretical voting rights out of 201,238,766
PIEP	141,998,480	70.75%	141,998,480	71.81%	70.56%
Institutional investors	19,672,509	9.8%	19,782,939	10.01%	9.83%
Public and other	33,955,887	16.92%	34,299,401	17.35%	17.04%
Maurel & Prom (treasury shares)	3,521,081	1.75%	-	-	1.75%
Employees	1,565,565	0.78%	1,636,865	0.83%	0.81%
TOTAL	**200,713,522**	**100%**	**197,717,685**	**100%**	**100%**

Theoretical voting rights = total number of voting rights attached to the total number of shares, including treasury shares without voting rights. In accordance with the regulation applicable to threshold crossings, the ownership thresholds relating to voting rights are calculated on the basis of theoretical voting rights (and not exercisable voting rights).

6.3.1.2 Shareholders with more than 5% of capital

To the Company's knowledge, as at 31 December 2020 and as at the date of this Universal Registration Document, only PIEP holds more than 5% of the share capital and/or voting rights of the Company.

6.3.1.3 Legal disclosure thresholds

Between 1 January 2020 and the date of this Annual Report, the Company was not notified of any disclosures of crossing legal thresholds. No statements of declaration of ownership disclosure thresholds were published by the French Financial Markets Authority.

6.3.1.4 Voting rights of the main shareholders exceeding their share of capital

In accordance with Article 11, paragraph 7 of the Company's articles of association, "Rights and obligations attached to shares", "a double voting right is granted to fully paid-up shares for which registration in the name of the same shareholder in the Company's registers can be proven for at least four uninterrupted years from the date on which they were fully paid up".

6.3.2 Dividends

In accordance with Article 243 bis of the French General Tax Code, it is hereby specified that no dividends were paid out in respect of fiscal 2019. The combined Ordinary and Extraordinary General Shareholders' Meeting of 13 June 2019 had approved the distribution of a dividend for fiscal year 2018 of €0.04 per share, which is an aggregate paid dividend amount of €7,849,650 calculated based on the number of shares eligible for a dividend payment on the payment date. The ex-dividend date was 17 June 2019 and the payment date was 19 June 2019.

No dividend was distributed for the fiscal year ended 31 December 2017.

In its meeting of 9 March 2021, the Board of Directors decided to put forward a proposal to the combined (Ordinary and Extraordinary) General Shareholders' Meeting called to approve the financial statements for the fiscal year ended 31 December 2020 that no dividend be distributed in respect of that year.

6.3.3 Control of the issuer exercised by one or more shareholders

6.3.3.1 Control of the issuer exercised by one or more shareholders

Since the first settlement of securities tendered as part of the takeover bid initiated by PIEP for Company securities on 1 February 2017, control of the Company has been held by PIEP. As at 28 February 2021, PIEP held 71.09% of the Company's share capital, 70.92% of theoretical voting rights and 72.56% of exercisable voting rights.

It should be noted that as at the date of this universal registration document, the organisation and operating procedures of the Board of Directors and its special committees, the number of independent directors (making up more than one-third of the Board, which ensures there are no conflicts of interest and regularly conducts assessments, two-thirds of the Audit Committee, two-thirds of the CSR, appointments and remuneration committee and half of the investment and risk committee), the chairmanship of all Board committees by independent directors, the separation of the offices of Chairman and Chief Executive Officer (with this office being held by a person outside PIEP) and compliance with the internal rules and the AFEP-MEDEF Code all contribute to the oversight of the Company's control by PIEP.

6.3.3.2 Agreements known to the issuer, the implementation of which could result in a change in control

To the Company's knowledge, there are no agreements between its shareholders or clauses in any agreement providing for preferential terms for the sale or purchase of Maurel & Prom shares affecting 0.5% or more of the share capital or voting rights of the Company, the implementation of which could result in a change in control of the Company.

6.4 RELATED-PARTY TRANSACTIONS

The breakdown of related-party transactions as referred to by standards adopted in accordance with European Regulation No. (EC) 1606/2002 concluded by Group companies during fiscal years 2018, 2019 and 2020 are shown in Note 6.4 of the notes to the consolidated financial statements (see section 5.1.4 of this universal registration document). These transactions mainly concern equity associates and non-consolidated companies.

6.5 REGULATED AGREEMENTS AND COMMITMENTS

6.5.1 Regulated agreements and commitments

Regulated agreements within the meaning of Articles L. 225-38 *et seq.* of the French Commercial Code are shown in the Statutory Auditors' special report in section 6.5.2 below.

The Board of Directors conducted the annual review of regulated agreements and commitments during its meeting of 9 March 2021.

6.5.2 Special report of the Statutory Auditors on regulated agreements

General Shareholders' Meeting called to approve the financial statements for the fiscal year ended 31 December 2020.

To the General Shareholders' Meeting,

In our capacity as Statutory Auditors of your Company, we hereby present our report on the regulated agreements.

It is our responsibility to inform you, on the basis of information provided to us, of the characteristics, essential terms and conditions, and reasons for the company's interest in the agreements of which we have been advised, or which we have discovered during our mission, without commenting on their usefulness or validity, or identifying the existence of other such agreements. It is your responsibility, under the provisions of Article R. 225-31 of the French Commercial Code, to assess the benefits of entering into these agreements when they are submitted for your approval.

Where applicable, we are also required to inform you, in accordance with Article R. 225-31 of the French Commercial Code, about the continuation during the past fiscal year of agreements previously approved by the General Shareholders' Meeting.

We planned and performed our audit in compliance with the professional guidelines issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*). Those guidelines require that we verify that the data and disclosures provided to us are consistent with the documents on which they were based.

Agreements submitted for the approval of the General Shareholders' Meeting

We hereby inform you that we have not received notice of any agreement that has been authorised and entered into during the past fiscal year that requires submission for the approval of the General Shareholders' Meeting pursuant to the provisions of Article L. 225-38 of the French Commercial Code.

Agreements already approved by the General Shareholders' Meeting

Agreements approved in previous fiscal years whose implementation continued during the past fiscal year

Pursuant to Article R. 225-30 of the French Commercial Code, we have been informed that the following agreements, already approved by the General Shareholders' Meeting in previous fiscal years, continued to be implemented during the past fiscal year.

Conclusion of a shareholder loan with PIEP

Nature and purpose

At its meeting of 23 November 2017, your Board of Directors authorised a shareholder loan between your company and PT Pertamina Internasional Eksplorasi dan Produksi (PIEP).

Persons concerned

The company PIEP, a shareholder with more than 10% of your company's share capital, and Mr. John Anis, Mr. Daniel Purba, Mr. Harry Zen and Mrs. Ida Yusmiati, directors of your company and officers within PIEP and/or its parent company, PT Pertamina (Persero).

Terms and reasons justifying the interest of this agreement

On 11 December 2017 your Company concluded a shareholder loan for the initial amount of USD 100m (with a second tranche of USD 100m), which may be drawn down at your company's discretion. This loan is repayable in 17 quarterly instalments starting in December 2020 and bears interest at the annual rate of LIBOR +1.6%.

As at 31 December 2020, the amount drawn by your company was USD 100m.

This agreement is part of your company's debt refinancing transaction of December 2017 and is being used to repay all of its old credit facilities.

Conclusion of a subordination agreement with PIEP

Nature and purpose

At its meeting of 23 November 2017, your Board of Directors authorised an agreement to subordinate the debts of your company, in particular those resulting from the shareholder loan granted by PT Pertamina Internasional Eksplorasi dan Produksi (PIEP).

Persons concerned

The company PIEP, a shareholder with more than 10% of your company's share capital, and Mr. John Anis, Mr. Daniel Purba, Mr. Harry Zen and Mrs. Ida Yusmiati, directors of your company and officers within PIEP and/or its parent company, PT Pertamina (Persero).

Terms and reasons justifying the interest of this agreement

In view of the commitments made by your company under the USD 600m credit agreement entered into with a banking pool on 10 December 2017, the conclusion of the shareholder loan entered into with PIEP, as described above, required conclusion of a commitment to subordinate this loan to the USD 600m credit agreement. This subordination agreement was signed on 11 December 2017.

The conclusion of this subordination agreement is a consequence of the PIEP shareholder loan.

Agreements authorised during the past fiscal year

We have also been informed of the continuation, during the past fiscal year, of the following agreements, previously approved by the General Shareholders' Meeting of 30 June 2020, on the Statutory Auditors' special report of 22 April 2020.

Conclusion of an amendment to the shareholder loan with PIEP

Nature and purpose

At its meeting of 2 March 2020, your Board of Directors authorised the entering into an amendment to the shareholder loan between your company and PT Pertamina Internasional Eksplorasi dan Produksi (PIEP). This amendment has been signed on 16 March 2020.

Persons concerned

The company PIEP, a shareholder with more than 10% of your company's share capital, and Mr. John Anis, Mr. Daniel Purba, Mr. Harry Zen and Mrs. Ida Yusmiati, directors of your company and officers within PIEP and/or its parent company, PT Pertamina (Persero).

Terms and reasons justifying the interest of this agreement

The purpose of the Amendment is to amend the amortization schedule of the PIEP shareholder loan initially entered into in December 2017, by reducing the instalments from 2020 to 2023, without modifying the amount borrowed.

The PIEP shareholder loan bears interest at the annual rate of LIBOR +1.6%, which has not been modified by the amendment. It is specified that the total amount of your company's commitments under the terms of the PIEP shareholder loan, as amended by the Amendment, is approximately EUR 1.6m of additional interests compared to the interests arising from the PIEP shareholder loan prior to the Amendment.

This Amendment is made in the context of the conclusion of an amendment to the USD 600m bank facility agreement entered into on 10 December 2017 between Maurel & Prom West Africa SA (as borrower, subsidiary of your company) and MUFG Bank, LTD, Hong Kong Branch (formerly known as The Bank of Tokyo-Mitsubishi UFG, LTD., Hong Kong Branch) (as agent), and allows your company to maintain ample liquidity and better adapt debt repayments to cash flow generation and investment profile.

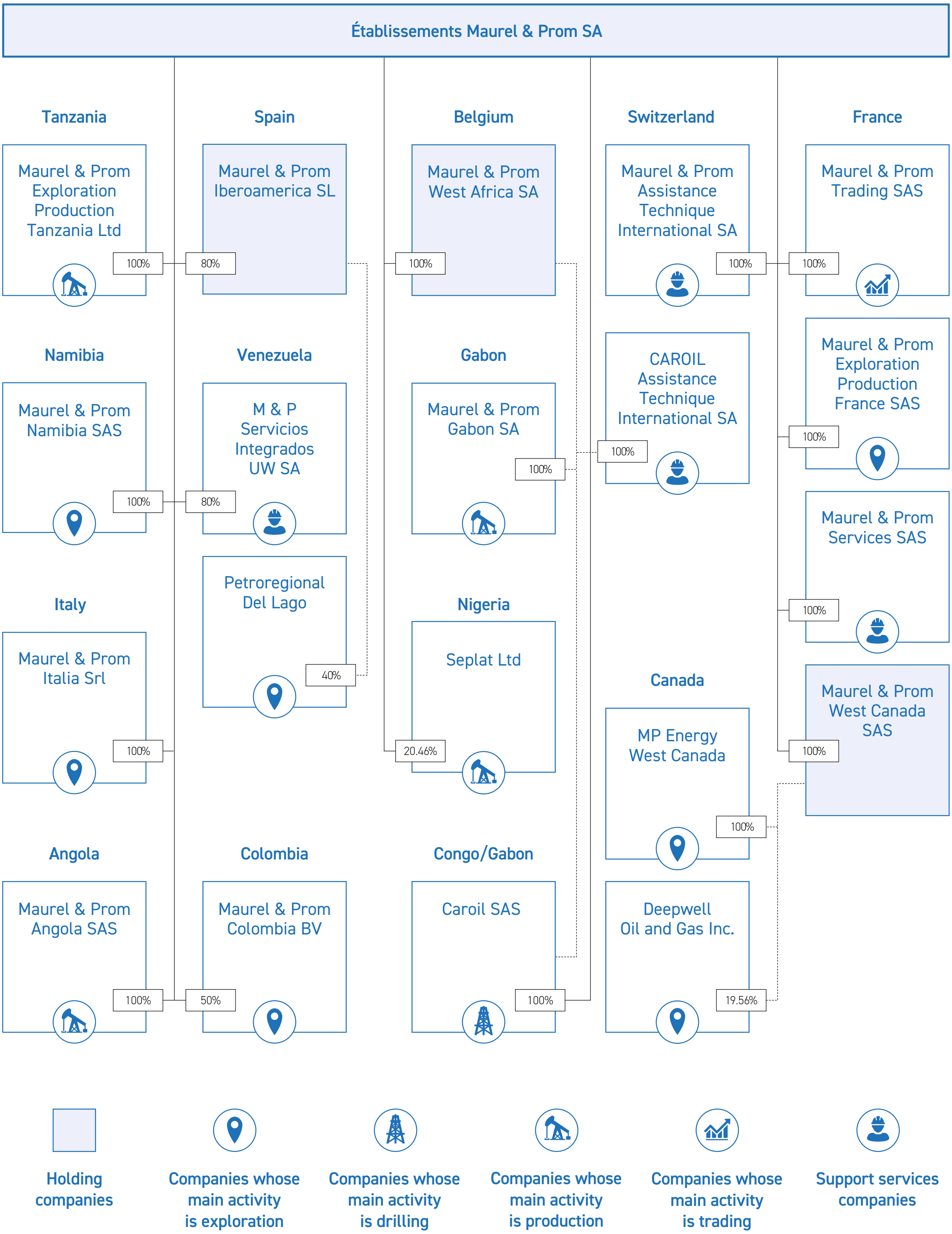
The Statutory Auditors

Paris-La Défense, 2 April 2021	Paris, 2 April 2021
KPMG audit Department of KPMG S.A	International Audit Company
François Quédiniac Partner	**Fabienne Hontarrede** Partner

7 ADDITIONAL INFORMATION

7.1 ORGANISATION CHART

7.1.1 Organisation chart of the main Group entities



7.1.2 List of all incorporated Group entities in 2020

Pursuant to the OECD recommendation under Action 13 of its Base Erosion and Profit Shifting (BEPS) Project and to the Accounting Directive 2013/34/EU of the European Parliament and Council of 26 June 2013 relating to the annual financial statements, consolidated financial statements and related reports of certain types of undertakings (the "Accounting Directive"),the Group has included country-by-country reporting in its legal organisation chart with an overview of the breakdown of income, taxes and activities by tax jurisdiction.

Tax Jurisdiction	Resident incorporated entity	Abbreviation entities	Registered office	Conso-lidated entity	Mining rights owned or managed	Hydro carbon sales	Liquid and gas hydro-carbon exploration	Technical drilling services	Admini-strative and manage ment services	Group internal financing	Shares or other equity instruments held	Trading	Dormant activities	Other
Angola	Maurel & Prom Angola S.A.S.	M&P Angola	Paris, France	✓	✓	✓	✓							
Belgique	Maurel & Prom West Africa S.A. (registered office)	M&P WAF	Brussels, Belgium	✓							✓			
Brésil	MP Oleo & Gas do Brazil	MP Oleo Gas	Paris, France										✓	
Canada	Saint-Aubin Énergie Québec Inc (Gaspesie)	MPEQBEC	Montréal, Canada	✓	✓		✓							
Canada	Saint-Aubin Exploration & Production Québec Inc (Anticosti)	SAEPQBEC	Montréal, Canada		✓		✓							e
Canada	MP Energy West Canada Corp. (Sawn Lake)	MPEWC	Calgary, Canada	✓	✓		✓							
Canada	Deep Well Oil & Gas, Inc	DW	Edmonton, Alberta, Canada	✓	✓		✓							
Colombia	Maurel & Prom Colombia BV	MPCBV	Rotterdam, Netherlands	✓	✓		✓							
Colombia	Établissements Maurel & Prom S.A. (Bogota- based South American company)	SURAMER	Paris, France	✓				✓						
Colombia	Caroil S.A.S (Colombia based)	Caroil	Paris, France	✓				✓					✓	
Congo	Caroil S.A.S (Congo based)	Caroil	Paris, France	✓				✓						
Spain	Maurel & Prom Ibero- america S.L.	M&P Spain Ibero-	Madrid, Spain	✓							✓			
France	Établissements Maurel & Prom S.A (registered office)	EMP	Paris, France	✓	✓				✓	✓	✓			
France	Maurel & Prom West Africa S.A. (France based)	M&P WAF	Brussels, Belgium	✓							✓			
France	Maurel & Prom Amérique Latine S.A.S.	M&P Amérique Latine	Paris, France	✓										✓
France	Maurel & Prom Exploration Production BRM S.A.S. (registered office)	MPEP BRM	Paris, France	✓	✓		✓							
France	Maurel & Prom Mnazi Bay Holdings S.A.S.	M&P MB Holdings	Paris, France	✓							✓			
France	Caroil S.A.S (registered office)	Caroil	Paris, France	✓							✓			

Tax Jurisdiction	Resident incorporated entity	Abbreviation entities	Registered office	Conso-lidated entity	Mining rights owned or managed	Hydro carbon sales	Liquid and gas hydro-carbon exploration	Technical drilling services	Admini-strative and manage ment services	Group internal financing	Shares or other equity instruments held	Trading	Dormant activities	Other
France	MP West Canada S.A.S.	MP West Canada	Paris, France	✓							✓			
France	Maurel & Prom Exploration Production France S.A.S. (Mios)	MPEP France	Paris, France	✓	✓	✓	✓							
France	Maurel & Prom Volney 5 S.A.	M&P Volney 5	Paris, France										✓	
France	Maurel & Prom Services S.A.S	M&P Services	Paris, France.	✓					✓					
France	Maurel & Prom Anjou 1 S.A.S.	M&P Anjou1	Paris, France										✓	
France	Integra Oil S.A.S	Integra Oil	Paris, France		✓						✓			b
France	Maurel & Prom Trading S.A.S.	M&P Trading	Paris, France	✓								✓		
Gabon	Maurel & Prom Gabon S.A	M&P Gabon	Port-Gentil, Gabon	✓	✓	✓	✓							
Gabon	Caroil S.A.S. (Gabon based)	Caroil	Port-Gentil, Gabon	✓				✓						
Gabon	Caroil S.A.	Caroil	Port-Gentil, Gabon										✓	
Gabon	Maurel & Prom Exploration Production Gabon S.A.	MPEP Gabon	Port-Gentil, Gabon		✓								✓	
Gabon	Maurel & Prom Developpement Gabon S.A.	M&P dev Gabon	Port-Gentil, Gabon		✓								✓	d
Luxem-bourg	ISON holding S.a.r.l.	ISON	Luxembourg, Luxembourg		✓						✓			a
Myanmar	MP East Asia S.A.S.	MP East Asia	Paris, France		✓		✓							
Namibia	Maurel & Prom Namibia S.A.S.	M&P Namibia	Paris, France	✓	✓		✓							
Nigeria	Seplat Plc	Seplat	Lagos, Nigeria	✓	✓	✓	✓							
Nigeria	Cardinal Ltd	Cardinal	Nigeria					✓						
Uganda	Caroil S.A.S. (Uganda based)	Caroil	Paris, France	✓									✓	
Nether-lands	M&P Drilling Services B.V.	MPDS	Amsterdam, Netherlands							✓	✓			e
Sicily	Maurel & Prom Italia S.r.l	M&P Italia	Ragusa, Sicily	✓	✓		✓							
Switzerland	Maurel & Prom Technique Interna- tional S.A.	MPATI	Genèva, Switzerland Assistance	✓					c					
Switzerland	Caroil Assistance Technique International S.A.	CATI	Genèva, Switzerland	✓					c					
Tanzania	M&P Tanzania Ltd	M&P Tanzania	Dar Es Salaam, Tanzania										✓	d
Tanzania	M&P Exploration Production Tanzania Ltd	MPEP Tanzania	Dar Es Salaam, Tanzania	✓	✓	✓	✓							

Tax Jurisdiction	Resident incorporated entity	Abbreviation entities	Registered office	Conso-lidated entity	Mining rights owned or managed	Hydro carbon sales	Liquid and gas hydro-carbon exploration	Technical drilling services	Admini-strative and manage ment services	Group internal financing	Shares or other equity instruments held	Trading	Dormant activities	Other
Tanzania	Cyprus Mnazi Bay Limited	CMBL	Nicosia, Cyprus	✓	✓	✓	✓							
Tanzania	Etablissements Maurel & Prom S.A. (Tanzania based)	EMP BRM	Paris, France	✓	✓		✓							
Tanzania	Caroil S.A.S (Tanzania based)	Caroil	Paris, France	✓									✓	
Venezuela	Petro- regional Del Lago (PRDL)	PRDL	Caracas, Venezuela	✓	✓	✓								
Venezuela	M&P Servicios Integrados UW SA	M&P SIUW	Caracas, Venezuela	✓					✓					

This list also fulfils the reporting obligations required under the EU Single Accounting Directive 2013/34/EU.

a: Since 2012, the Company has held an 18.64% stake in ISON Holding Sarl, a company incorporated under Luxembourg law. This company manages interests in gold-mining activities in Mali and owns New Gold Mali (NGM) and Tichit.

b: In 2015, the Company received US$9 million plus a 10% stake in that holding company, which owns assets in Venezuela, along with pre-emptive rights on 50% of the dividends as payment for its receivable against the Intégra Oil group.

c: Maurel & Prom Assistance Technique International and Caroil Assistance Technique International are dedicated exclusively to managing the majority of the personnel involved in to the Group's international activities.

d: These dormant entities were still in the process of liquidation at 31 December 2020.

e: These entities were liquidated during the last fiscal year.

7.1.3 Overview of the breakdown of activities, income and taxes by tax jurisdiction

The information presented in this section includes estimated corporate information (as the company financial statements of the Company's subsidiaries had not all been approved on the closing date of the Group's consolidated financial statements, these cannot be considered final) for fiscal year 2020, for entities held directly or indirectly at more than 40%, converted into euros at an average rate for the fiscal year for the income statement information, and at the closing date for the balance sheet information. This information differs from the consolidated financial statements to the extent that it is taken from the financial statements prepared according to local accounting standards and aggregates non-eliminated intra-Group operations. The allocation of sales to related parties reflects the presentation of segment information. This information has been prepared in accordance with the proposed amendment to the Accounting Directive presented by the European Commission in April 2016 regarding the communication of information relating to income tax by certain companies and branches.

Overview of the breakdown of activities, income and taxes by tax jurisdiction

Tax jurisdiction	In thousands Currency	External sales	Related-party sales	Total sales	Profit (loss)	Tax	Pre-tax profit (loss)	Income and production right tax liability paid (+) or repaid (-)	Income and production right tax liability payable	Share capital	Number of employees	Property, plant and equipment
Angola	USD	38,975	-	38,975	(21,664)	(3,450)	(18,214)	25,043	-	-	-	25
Belgium	USD	-	-	-	392	-	392	-	-	94	-	-
Canada	CAD	-	-	-	406	-	406	-	-	12,135	-	14,900
Colombia	USD	-	-	-	(1,535)	(11)	(1,524)	264	-	61	5	6
Congo	USD	212	-	212	(357)	(1)	(357)	1	-	-	-	22
Spain	EUR	-	-	-	(2,715)	-	(2,715)	-	-	64	-	-
France	USD	14,913	255,896	270,809	144,206	(1,204)	145,410	-	-	253,872	51	13,171
Gabon	USD	232,616	7,855	240,471	(79,702)	(17,138)	(62,564)	34,023	1,527	124	304	492,046
Namibia	USD	-	-	-	(1,720)	-	(1,720)	-	-	-	-	-
Netherlands	USD	-	-	-	68,473	-	68,473	-	-	-	-	-
Sicily	EUR	-	-	-	(1,204)	-	(1,204)	-	-	2,300	2	526
Switzerland	EUR	-	18,946	18,946	579	(91)	670	-	-	284	54	-
Tanzania	USD	43,033	-	43,033	20,167	(7,968)	28,135	5,560	7,441	38	85	38,695
Venezuela	EUR	-	-	-	(4,471)	-	(4,471)	-	-	5	18	313
GRAND TOTAL		**329,749**									**519**	

(a) Swiss employees are on expatriate contracts and work at the Group's operating subsidiaries.

7.2 CONTRACTUAL FRAMEWORK APPLICABLE TO THE GROUP'S ACTIVITIES

Permits and agreements, the terms of which vary depending on the host country and pursuant to which Group entities own oil and/or gas operating interests, are generally granted by (in the case of permits, licences and concessions) or entered into (in the case of agreements) with a government or national company.

Today, production sharing contracts (PSCs) typically govern most of the permits held in M&P's portfolio, concessions being the minority.

PSCs define the terms and conditions for sharing oil and/or gas production and lay the foundations for collaboration between the oil operator (composed of one or more companies) holding the permit (or licence) and the host country, which may be represented by a national hydrocarbon company. For instance, the host country (or its national company) may participate in operational decision-making (usually specified by a joint operating agreement), in the production sharing calculation or in cost accounting. The oil operator (or operators) undertakes to perform all oil operations, from exploration and exploitation to development. In exchange, the oil operator (or operators) receives a percentage of production (cost oil), the sale of which enables it to cover all costs incurred under the allocated permit (or licence). Lastly, the balance of production (profit oil) is shared between the oil operator (or operators) and the host country (or its national company), based on the production level achieved.

While the contractual framework of the PSC is relatively elaborate, the concession model itself simply grants full ownership of the assets, facilities and all production to the oil operator (or operators), which always assumes the risks in exchange for a royalty paid to the host country (or its national company), calculated on production, and taxes paid on the profits generated. Depending on local regulations, other taxes may be applied.

Throughout the life of a permit (or licence), partners and local authorities, assisted by international audit firms, regularly audit the costs incurred and declared by the oil operator to the joint ventures of the block concerned.

Hydrocarbon exploration and production are subject to authorisations from the local public authority that differentiate between several specific and limited time periods for each activity. In practice, the operator has a limited period in which to conduct seismic interpretations of an area (which may be extended if the operator considers it necessary and provides justification thereof) or to perform a certain number of required drilling operations. Failure to comply with these obligations could result in local authorities withdrawing the operator's permit (or licence).

Lastly, the Group pays taxes based on the income generated from its oil and gas production and sales activities. Depending on the host country, the Group's oil and gas production and sales may be subject to other forms of taxation.

7.3 MATERIAL AGREEMENTS

Apart from the agreements below and those signed in the course of its normal activities, the Company has not entered into any significant agreements in the last two fiscal years.

7.3.1 Financing

On 12 December 2017, the Company had announced the strengthening of the Group's financial structure, thereby reaffirming the backing of PIEP in the Company's growth strategy. This strengthening was largely due to the refinancing of the Company's entire debt on favourable terms and to the rescheduling of repayments over a seven-year period, including a two-year grace period, under a $600-million term-loan entered into with a banking syndicate ("term loan") and a $200-million shareholder loan from PIEP ($100 million of which has been drawn) ("shareholder loan"). It gave the Company increased financial flexibility in view of potential developments in Africa and Latin America. For more details, please refer to the 2017 Annual Report (chapter 5 of the financial statements; Notes 4.4, 5.2.1 and 6.5.3).

On 16 March 2020, the Company announced it had signed amendment to both the term loan and the shareholder loan aimed at reducing the maturities of its two loans over 2020 and 2021. This would allow it to maintain sufficient liquidity and better adapt its debt repayments to cash flow generation and the investment profile (chapter 1 – 1.3.3).

7.3.2 Acquisitions

In line with its growth and development strategy, in 2018 the Group acquired assets in Africa and Latin America, for which payments and administrative approvals continued in 2019 (see section 7.3.2 of the 2019 universal registration document).

7.3.3 Crude oil trading

Through its wholly owned subsidiary "Maurel & Prom Trading", the Group now trades the crude oil produced by M&P Gabon and M&P Angola. In the long run, this entity will market all the crude volumes produced by the Group, allowing M&P to maximise value creation. This new method of trading by Maurel & Prom Trading has been approved by the Group's banking consortium. In 2020, Maurel & Prom Trading traded 770,000 tonnes of crude oil (all qualities combined).

7.3.4 Other material agreements

Under the Ezanga PSC, the Gabonese Republic has a right of entry once an Exclusive Development Authorisation is granted. On 6 June 2019, Maurel & Prom Gabon, as Operator of the Ezanga block (with a 80% stake), signed a joint operating agreement with its partners Gabon Oil Company (12.5% stake) and Tullow Oil Gabon (7.5% stake), governing respective rights and obligations with regard to oil operations under Ezanga PSC No. G4-244. This type of agreement is standard in the oil industry and is based on the AIPN (Association of International Petroleum Negotiators) model. Specifically, it allows the Operator to issue cash calls to its partners so that they can jointly finance oil operations in the appropriate proportions.

This joint operating agreement formalised the entry of Gabon Oil Company (Gabon's national oil company) into the Ezanga Contractor, also formalised by amendment 3 to the Ezanga PSC signed by the partners and the Gabonese Ministries of Petroleum and the Economy.

The agreement also allowed Gabon Oil Company firstly to repay the investments Maurel & Prom Gabon had made in its name over the course of 2018 and in the first half of 2019 amounting to $45 million (after which Gabon Oil Company's participation in the financing of the joint operations was through cash calls issued by the operator following the entry into force of the joint operating agreement) as consideration for a rebate by Maurel & Prom Gabon for an equivalent share of oil production (713,000 barrels), and secondly to place in an escrow account the sum of $43 million representing the balance of the receivable held by Maurel & Prom Gabon against Gabon Oil Company for investments made between 2014 and 2017, so that Gabon Oil Company could perform an audit on these incurred costs. As that audit ended in the rejection of the costs borne by the Operator, and under the terms of the various settlement agreements between Maurel & Prom Gabon and Gabon Oil Company, an independent expert at the Paris International Chamber of Commerce was appointed (see section 7.8.3).

7.4 RESTRICTION ON THE USE OF CAPITAL WITH A SIGNIFICANT IMPACT ON OPERATIONS

With the exception of the limits set out above, the Company has made no commitments with a significant impact on operations that would restrict the use of capital.

7.5 PROPERTY, PLANT AND EQUIPMENT

With the exception of one building located in Gabon, no company in the Group owns any buildings.

The Company's registered office is under a commercial lease signed on 31 January 2013 for the offices at 51, rue d'Anjou, 75008 Paris. It expires on 31 January 2022 after a nine-year period.

The Group is co-owner, with its associated companies, of the equipment and facilities needed to produce hydrocarbons at the fields it operates for the duration of their exploitation, as well as certain pipelines used to deliver crude oil to the point of extraction.

7.6 RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES

The Group does not conduct research and development and does not own any patents or significant licences.

7.7 THIRD-PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF INTEREST

Any information relating to the Group's hydrocarbon reserves and resources provided in this universal registration document is based on certifications or assessments by independent appraisers, whose names are given in section 1.1.1 of this report.

7.8 LEGAL PROCEEDINGS AND ARBITRATIONS

The main disputes in which the Company or its subsidiaries are involved are described below.

Beside these disputes, no other governmental, legal or arbitration proceeding exists, including any proceeding of which the Company is aware, whether pending or threatened, that could have or that has had a significant impact on the financial position or profitability of the Company and/or the Group over the course of the last twelve months.

7.8.1 Jointly interested parties Rolland & Graff litigations

.By writ dated 7 March 2016, the jointly interested parties Graff & Rolland and Vintage Investment Club commenced proceedings against Pacifico, Maurel & Prom and MPI in the Paris Commercial Court seeking to establish that Pacifico "had allegedly filed a takeover bid on MPI and Maurel & Prom prior to the combined general shareholders' meetings of each of these two companies", which was done in application of Article 234-1 of the General Regulations of the AMF, and therefore to "cancel MPI's and Maurel & Prom's combined general shareholders' meetings held on 17 December 2015" that approved the merger between the Company and MPI, as well as Maurel & Prom's general shareholders meetings of 18 June 2015, 13 October 2014 and 12 June 2014. Damages are also sought from Maurel & Prom both personally and as successor in interest to MPI in the amount of €1,000,000, and from Pacifico. In a ruling handed down on 20 December 2019, the Paris Commercial Court dismissed all the claims of the jointly interested parties, Graff & Rolland and Vintage Investment Club. The plaintiffs have appealed this decision.On 18 March 2021, the Paris Court of Appeal rejected the claim on the grounds that the action was brought after the limitation period had expired.

7.8.2 Golden Palm arbitration

On 17 March 2017, the Group received official notification that a request for arbitration proceedings had been initiated against it by Golden Palm and PIA (it being specified that PIA was a joint shareholder of MP Iraq – which went on to become Middle East Petroleum Investors (MEPI) – and "partner" on this project), which claimed that the Group owed them the sum of approximately €33.3 million as payment for an oil project in Iraq that was never completed. The Group deemed the claims issued by Golden Palm and PIA to have no legal basis and therefore intended to vigorously defend its legitimate interests. The situation as at the date of this this universal registration document is that Golden Palm and PIA (the claimants) eventually decided to end the arbitration proceedings and thus requested from the ICC (International Chamber of Commerce) that the case be withdrawn. However, on 13 March 2019, MEPI summoned the company before the Paris Commercial Court claiming an amount of €70 million. Under the terms of a ruling delivered on 13 March 2020, the Paris Commercial Court upheld Maurel & Prom's claims, declaring that it was not the competent court to hear the action brought by MEPI against Maurel & Prom and a former senior executive. In particular, it ruled that MEPI was bound by the arbitration clause contained in the partnership agreement signed by the parties, even if it was not a signatory to that agreement. Consequently, if MEPI wanted to pursue the claim, said claim would have to be brought before an arbitration court.MEPI appealed this ruling for which a judgement will be rendered on 20 May 2021.

7.8.3 "GOC" dispute

In June 2019, GOC paid into an escrow account the sum of $43 million corresponding to the carry debt for the period 2014/2017. GOC had agreed to repay this amount to MPG subject to an audit of oil costs. After the audit was completed at the end of December 2019, GOC challenged a portion of the carry debt via a "monetary exception" in the amount of $12.9 million, and issued a "reserve" on the balance of $30.5 million. MPG disputed the validity of the monetary exception and the reserve; no amicable resolution was reached. On 10 June 2020, MPG initiated expert proceedings under the aegis of the International Chamber of Commerce (ICC). At the end to these proceedings, the expert stated in his report of 18 November 2020 that the reserve did not constitute a valid challenge of the carry debt and that the monetary exception was without basis. On 26 November 2020, GOC filed a request for arbitration with the ICC, in which it challenged the carry debt almost in its entirety and claimed that the escrowed amount was thus ultimately to be released almost entirely in its hands. MPG responded to the request for arbitration on 5 February 2021; the arbitral tribunal is currently being constituted. Following the receipt of the expert report on 18 November 2020, MPG asked for the funds to be released from escrow. GOC objected and used the arbitration proceedings that it initiated to claim that the sum of $30.5 million was still under challenge and that there were irregularities with the expert procedure. On 14 December 2020, the bank holding the funds in escrow refused to release them. By order of the President of the Paris Judicial Court dated 15 January 2021, MPG obtained approval to summon the escrow bank and GOC before the Paris Judicial Court at the hearing of 16 March 2021 for the purpose of obtaining the immediate release of the funds from escrow into its hands for the entire carry debt. By judgement of 29 March 2021, the Paris Judicial Court accepted jurisdiction (thereby rejecting the jurisdictional objections raised by GOC in favor of the arbitral tribunal and the Paris Commercial Court) but rejected MPG's application to have the funds released immediately. The Paris Judicial Court considered that the escrowed amounts were still under challenge, materialized by the arbitration proceedings initiated by GOC. The Group considers all of GOC's allegations, whether before the arbitral tribunal or the Paris Judicial Court, entirely groundless. The Group therefore intends to vigorously defend all of its legitimate interests.

7.9 PAYMENTS MADE TO GOVERNMENTS OF COUNTRIES WHERE EXTRACTIVE ACTIVITIES ARE CARRIED OUT

7.9.1 Preparation basis

The publication of this information was made compulsory for the extractive industries by Transparency Directive 2004/109/EC of 15 December 2004, transposed into French law by Law 2014/1662 of 30 December 2014.

This information was established on the basis of specific consolidated reporting which listed, per project, payments made to each government authority in countries where extractive activities were carried out.

"Projects" mean operating activities governed by a set of agreements that are significantly linked to one another (i.e. permits governed by the same exploration and production sharing contract) and constitute the basis of payment obligations.

"Authorities of each government" mean any national, regional or local authority of a government or territory, or any administration, agency or controlled undertaking.

"Payments" mean disbursements and payments in kind made in respect of each of the following payment categories:

A: Royalties, contributions or taxes levied on income (excluding taxes or levies on consumption, such as value added tax, personal income tax or sales tax).

B: Signature, discovery or production premiums; licence rights, rental fees, entry rights or other licence and/or concession considerations.

C: Payments for infrastructure improvements.

D: Production rights and taxes levied on company benefits.

The other categories provided for in the directive are not included as they have no purpose here. In the case of Gabon, payments are related mainly to the Ezanga permit.

These different categories correspond to the level of information required by law. In cases where the payment amounts per project or category are not material, a grouping was made.

7.9.2 Breakdown of sums paid in 2020

Sums paid in fiscal year 2020 to governments of countries in which the Maurel & Prom Group operates are presented below:

(In US$ thousands)	Taxes and contributions (A)	Premiums and rights (B)	Subsidies (C)	Production rights (D)	Total payments to governments
Gabon	37,914		1,789	33,640	73,344
Tanzania (Mnazy Bay)	6,681	-	56	5,560	12,297
Colombia	264				264
Angola	4,353			20,690	25,043
TOTAL	**49,212**	**-**	**1,845**	**59,890**	**110,948**

When eligible payments are paid in full by M&P as an operator on behalf of its partners, the amounts reported in this declaration are presented on the basis of operator data and not proportionally.

7.10 DOCUMENTS AVAILABLE TO THE PUBLIC

In compliance with the recommendations of the French Financial Markets Authority, the Company's articles of association and internal regulations are available on the Company website, www.maureletprom.fr. In addition, like the minutes of general shareholders' meetings, Statutory Auditors' reports and other corporate documents related to Maurel & Prom, they may be consulted at the Company's registered office: 51, rue d'Anjou – 75008 Paris, France.

The nature of these documents and the conditions for delivering or making them available are established by the applicable laws and regulations.

Information about the Company is also available on the Company's website, www. maureletprom.fr, which allows shareholders, employees and the general public to access an overview of the Group and its key financial information, such as results, press releases on sales, results of operations, and other important events in the life of the Company or of the Group, annual reports (including the Company and the Group's historical financial information) filed with the French Financial Markets Authority, as well as their updates where applicable, interim reports, presentations to analysts, share prices, key figures, information on shareholders and corporate governance and all other significant events concerning the Company and the Group. A copy of these documents and information can also be obtained from the Company's registered office.

In compliance with Article 221-3 of the French Financial Markets Authority's General Regulations, the regulated information (defined in Article 221-1 of the AMF's General Regulations) is made available on the Company's website. It remains there for at least five years, with the exception of universal registration documents and interim financial reports, which remain there for at least 10 years.

Lastly, the statements of declaration of ownership disclosure thresholds are published on the French Financial Markets Authority's website: www.amf-france.org.

For information:
Press, shareholder and investor relations
Tel: +33 (0)1 53 83 16 45
Email: ir@maureletprom.fr

7.11 STATUTORY AUDITORS

	Date of first appointment	Term of current appointment	Expiry of appointment
Statutory Auditors			
International Audit Company 46, rue du Général Foy 75008 Paris, France	General Shareholders' Meeting of 14 June 2002	6 years from 30 June 2020	At the close of the General Shareholders' Meeting called to approve the annual financial statements as at 31 December 2025
KPMG S.A. Tour EQHO 2, avenue Gambetta 92066 Paris-La Défense Cedex, France	General Shareholders' Meeting of 12 June 2014	6 years from 30 June 2020	At the close of the General Shareholders' Meeting called to approve the annual financial statements as at 31 December 2025

7.12 INCORPORATION BY REFERENCE

In accordance with the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129, the following information is incorporated by reference in this universal registration document:

1 – For fiscal year ended 31 December 2019: the consolidated financial statements, parent company financial statements, Statutory Auditors' Reports relating thereto, the review of the financial position and other matters relating to the Company's financial statements that were included in the 2019 universal registration document filed with the French Financial Markets Authority on 30 April 2020 under number D. 20-0426;

2 – For fiscal year ended 31 December 2018: the consolidated financial statements, parent company financial statements, Statutory Auditors' Reports relating thereto, the review of the financial position and other matters relating to the Company's financial statements that were included in the 2018 Annual Report filed with the French Financial Markets Authority on 30 April 2019 under number D. 19-0440.

7.13 STATEMENT BY THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTATION DOCUMENT AND ITS UPDATING

Olivier de Langavant, the Company's Chief Executive Officer, is responsible for the financial information and the universal registration document.

His contact details are as follows:

Olivier de Langavant, Chief Executive Officer
Établissements Maurel & Prom
51 rue d'Anjou, 75008 Paris, France
Tel.: +33 (0)1 53 83 16 00, Fax: +33 (0)1 53 83 16 04

Olivier de Langavant, Chief Executive Officer of Établissements Maurel & Prom,

"I hereby certify that the information contained in this universal registration document is, to my knowledge, accurate and does not contain any omission that could affect its scope.

I also hereby certify, to my knowledge, that the financial statements have been prepared in compliance with applicable standards in France and accurately represent the assets, financial position and earnings of the Company and all companies included in the consolidation, and that the management report included in this universal registration document presents a true and fair view of the progress of the business, earnings and financial position of the Company and of all companies included in the consolidation and that it describes the main risks and uncertainties they face.

I have obtained a completion of work letter from the Statutory Auditors in which they indicate that they have verified the financial data and the financial statements contained in this universal registration document and have read the universal registration document in its entirety."

7.14 GLOSSARY

$
US dollar(s)

€
Euro(s)

AEDE
Exclusive Development and Production Authorisation

AEE
Exclusive Development Authorisation

ANH
National Hydrocarbons Agency

bbl
Barrel

bbl (barrel)
Unit of volumetric measurement of crude oil, which is 159 litres (42 US gallons). One tonne of oil contains approximately 7.5 barrels

bopd
Barrels of oil per day

boe
Barrels of oil equivalent

boepd
Barrels of oil equivalent per day

boepd
Barrels of oil per day

Brent
Class of North Sea oil

EPSC
Exploration and production sharing contract

Block Sale
Sale of 47,916,026 shares held by Pacifico S.A., representing 24.53% of Maurel & Prom's capital, to PT Pertamina (Persero) or to one of its subsidiaries

PSC Production Sharing Contract
Contract signed by the government and the company operating under the permit. This contract determines all the rights and obligations of the operator, in particular the percentage of cost oil (so that the operator can be reimbursed for exploration and development costs borne by the operating company) and the share of the profit oil (remuneration)

EBITDA (Earnings before interest, taxes, depreciation and amortisation)
This Intermediate Management Balance corresponds to sales net of purchases of consumables and services, taxes and personnel expenses

EBITDAX
EBITDAX is equal to earnings before interest, tax, amortisation and depreciation and before the impact of exchange gains and losses

Drilling
Drilling consists of creating a passage through the surface of the earth in order to take samples from the subsoil or extract fluids. Originally, drilling was always performed vertically. Today, however, when drilling cannot be done vertically, it is done at an angle, whether directed or not towards specific objectives, as in downhill deviated drilling

Bcf
Billion cubic feet

HSE
Health, Safety and Environment

Mbbl
Thousands of barrels

Mboe
Thousand barrels of oil equivalent

Mcf
Thousand cubic feet

M
Million(s)

MMbbl
Million barrels

MMboe
Million barrels of oil equivalent

MNm³
Million normal cubic meter

MMcf
Million cubic feet

MMcfd
Million cubic feet per day

MPI
Public limited company with its registered office at 51, rue d'Anjou, 75008 Paris, and listed in the Paris Trade and Companies Register (RCS) under number 517 518 247, merged with Établissements Maurel & Prom S.A

MW
Megawatt

Oil pipeline
Pipeline for transporting fluids

OML
Oil Mining Licence

Takeover bid
Takeover bid initiated by PIEP, a wholly owned subsidiary of the Indonesian company PT Pertamina (Persero), on Maurel & Prom shares, which opened on 15 December 2016 and was completed on 9 February 2017

Operator
Company responsible for the operations on an oil field

cf
Cubic feet

cfpd
Cubic feet per day

PIEP
PT Pertamina Internasional Eksplorasi dan Produksi, an Indonesian company with its registered office at Patra Jasa Office Tower 3A Fl., Jalan Gatot Subroto, Kav. 32-34, Jakarta South 12950, Indonesia

Annual production
Production available for sale (after oil taxes)

Production available for sale after oil taxes (entitlements)
Maurel & Prom's net share of production after royalties and oil taxes. This is the production sold

Maurel & Prom production share net of royalties
Maurel & Prom production share minus royalties

Maurel & Prom production share/working interest
Operated production less the partners' share

Operated production
The total production of a field, before production sharing

RCF
Revolving Credit Facility of $650 million, based on an initial tranche of $400 million and a $250-million accordion feature until 31 December 2016, which may be drawn down on two occasions under certain conditions, agreed on 18 December 2014 by the Company with a consortium of four international banks (Natixis, BNP Paribas, Crédit Agricole Corporate & Investment Bank, and Standard Chartered Bank)

Royalties
Oil taxes paid in kind, corresponding to a percentage of a field's production

Internal regulations
Internal regulations of the Company's Board of Directors and its special committees

Assessed reserves
Maurel & Prom's share of reserves, as assessed by an independent appraiser, after deducting royalties in kind, and before the taxes applicable to each type of contract (production sharing, concession)

Net reserves
The proportion of total reserves from fields reverting to the Company (according to its interest share), taking into consideration the stipulations of the production sharing contract for the cost oil and profit oil

Reserves net of royalties
The total reserves of a field after deducting royalties

1P reserves (proved)
Gas and oil reserves "reasonably certain" to be recovered using current technology, at current prices, with current commercial terms and government consent. In the industry, these are known as 1P reserves and designated "P90" because they have at least a 90% probability of being recovered

2P reserves (probable)
Gas and oil reserves "reasonably probable" of being recovered using current technology, at current prices, with current commercial terms and government consent. In the industry, these are known as 2P reserves and designated "P50" because they have at least a 50% probability of being recovered

3P reserves (possible)
Gas and oil reserves defined as "having a chance of being developed under favourable circumstances". In the industry, these are also known as 3P reserves and designated as "P10" because they have at least a 10% probability of being recovered

2D/3D seismic survey
Geophysical surveying method consisting of sending sound waves into the subsoil and recording their propagation, thus making it possible to obtain information on the structure of the subsoil. They may be in 2 or 3 dimensions

tCO_2e
Tonne of carbon dioxide equivalent

Toe
Tonne of oil equivalent

TSR
Total shareholder return ("TSR") is the measure of value creation for shareholders, taking into account the change in share price as well as dividends paid over the period

7.15 CROSS-REFERENCE TABLES

7.15.1 Appendix 1 of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129

Title	Corresponding sections of the Annual Report
1. Persons responsible, third-party information, reports by experts and approval by the competent authority	
1.1 Persons responsible	7.13
1.2 Statement by the persons responsible	7.13
1.3 Statements by experts and declarations of any interest	7.7
1.4 Certification of third-party information	4.4
1.5 Filing of the universal registration document with the AMF	p.1
2. Statutory Auditors	
2.1 Name and address of the Statutory Auditors	7.11
2.2 Information on the resignation of the Statutory Auditors	NA
3 Risk factors	
3.1 Description of the issuer's main risks	2
4 Information about the issuer	**6**
4.1 Corporate and trade name of the issuer	6
4.2 Place and number of registration, Legal Entity Identifier (LEI)	6
4.3 Date of incorporation and term	6
4.4 Registered office, legal form, applicable legislation, country of origin, address and telephone number of registered office, website	6
5. Business overview	**1.2**
5.1 Main activities	1.2
5.1.1 Nature of the transactions carried out and main activities	1.2
5.1.2 New products and/or main services launched on the market	1.2
5.2 Main markets	1
5.3 Significant events in the development of activities	1.1.2; 1.2; 1.4
5.4 Strategy and objectives	1.4
5.5 Dependence on certain patents, licences, industrial, commercial or financial contracts or new manufacturing processes	2.1.5
5.6 Competitive position	1.1.4
5.7 Investments	
5.7.1 Significant investments made over the last three fiscal years	5.1
5.7.2 Significant investments either under way or for which firm commitments have been made	1.3.5
5.7.3 Information regarding joint ventures and undertakings in which the issuer holds an equity interest that may have a material impact on the valuation of its assets and liabilities, financial position or profits and losses	5.1 (note 2.4)
5.7.4 Description of environmental issues that may affect the use by the issuer of its property, plant and equipment	2.4.3; 4.2

Title	Corresponding sections of the Annual Report
6. Organisational structure	
6.1 Brief description of the Group and the issuer's place in the Group	1.1; 7.1.1
6.2 List of main subsidiaries	5.1 (note 2.3); 7.1.2
7. Review of the financial position and results	
7.1 Financial position	1.3
7.1.1 Development and results of the issuer's activities and position	1.3.1
7.1.2 Probable future development of the issuer's activities and research and development activities	1.3.1; 7.6
7.2 Operating income (loss)	
7.2.1 Significant factors materially affecting operating income	5.1
7.2.2 Explanation of changes in net sales or net income during the last three financial years	1.3.1; 5.1
8. Cash and capital	
8.1 Information concerning capital resources	5.1
8.2 Cash flows	5.1.4
8.3 Borrowing requirements and funding structure	1.3.3; 5.1.4 (note 4)
8.4 Restrictions on the use of capital resources that have materially affected or could materially affect activities	7.4
8.5 Significant investments or investments for which firm commitments have been made	5.1
9. Regulatory environment	**7.2**
10. Information about trends	
10.1 Main trends having affected production, sales and inventories, costs and sale prices since the close of the last fiscal year	1.2; 1.3 et 1.4
10.2 Known trends, uncertainties, demands, commitments or events likely to materially affect the outlook for the current fiscal year	1.4
11. Forecasts and estimates of sales and investment budgets	**NA**
12. Administrative, management and supervisory bodies and executive management	
12.1 Information regarding members of the administrative and management bodies	3.2.1; 3.2.2
12.2 Conflicts of interest, commitments relative to appointments, restrictions on disposals of interests in the issuer's share capital	3.2.2.5 A)
13. Remuneration and benefits	
13.1 Remuneration paid and benefits in kind granted by the issuer and its subsidiaries	3.2.3; 5.1 (note 6.7); 5.3 (note 5.4)
13.2 Sums provisioned or recognised for pensions, retirement or other benefits	3.2.3; 5.1 (note 3.10)

Title	Corresponding sections of the Annual Report
14. Operations of administrative and management bodies	
14.1 Expiry date of current terms of office and date on which office was taken	3.2.1
14.2 Contracts with the issuer or its subsidiaries granting benefits under the terms of such contracts	3.2.2.4 D)
14.3 Information about the issuer's Audit Committee and remuneration committee	3.2.2.2
14.4 Compliance with the applicable corporate governance regime	3.1
14.5 Potential material impacts on corporate governance	NA
15. Employees	
15.1 Number of employees at the close of the last three fiscal years, if material; breakdown by main category of activity and geographic location	4.1.1.1
15.2 Employee shareholding and stock options	4.1.4; 6.3.1
15.3 Agreements stipulating an employee shareholding in the capital of the issuer	4.1.4
16. Major shareholders	
16.1 Ownership interests exceeding the disclosure thresholds (known ownership interests) at the date of the registration document or an appropriate statement attesting to the lack thereof	6.3.1.2
16.2 Voting rights of the main shareholders exceeding their share of capital	6.3.1.4
16.3 Control of the issuer exercised by one or more shareholders	6.3.3.1
16.4 Agreement known to the issuer, the implementation of which could subsequently result in a change in its control	6.3.3.2
17. Related-party transactions	
18. Financial information concerning the issuer's assets and liabilities, financial position and profits and losses	
18.1 Historical financial information	7.12
18.1.1 Audited historical financial information	7.12
18.1.2 Change in accounting reference date	NA
18.1.3 Accounting standards	5.1 (note 1.2)
18.1.4 Change in accounting standards	NA
18.1.5 Audited financial information in accordance with domestic accounting standards	5.2
18.1.6 Consolidated annual financial statements	5.1
18.1.7 Date of the latest financial information	31 December 2020
18.2 Interim and other financial information	NA
18.3 Audit of historical annual financial information	5.2; 5.4
18.3.1 Audit of the historical annual financial information	7.2
18.3.2 Sources of the financial information appearing in the universal registration document and not taken from the issuer's certified financial statements	NA
18.4 Pro forma financial information	NA
18.5 Dividend policy	6.3.2
18.6 Legal and arbitration proceedings	7.8
18.7 Material changes in the issuer's financial position	5.1 (note 6.9)

Title	Corresponding sections of the Annual Report
19. Additional information	
19.1 Share capital	6.1.1
19.1.1 Subscribed capital and share information	6.1.1.1
19.1.2 Shares not representative of capital	NA
19.1.3 Shares held by the issuer or its subsidiaries	6.1.2
19.1.4 Securities conferring future access to the issuer's share capital	NA
19.1.5 Conditions governing any right of acquisition and/or any bond attached to capital subscribed but not issued, or to any capital increase	3.6
19.1.6 Capital of any Group member subject to an option	NA
19.1.7 History of the issuer's share capital over the last three fiscal years	6.1.3
19.2 Articles of Association and Bylaws	
19.2.1 Corporate purpose of the issuer, registration number	6.2.1
19.2.2 Rights, privileges and restrictions attached to each class of shares in issue	6.2.2
19.2.3 Provisions of the issuer's Articles of Association, charter or articles of association which could delay, defer or prevent a change in its control	3.6
20. Material agreements (other than agreements entered into in the ordinary course of business)	**7.3**
21. Documents available	**7.10**

7.15.2 Annual financial report

Items required by the French Monetary and Financial Code and General Regulations of the French Financial Markets Authority (AMF)	Corresponding sections of the Annual Report
1. Parent company financial statements	**5.3**
2. Consolidated financial statements	**5.1**
3 Management report (French Monetary and Financial Code)	
3.1 Article L. 225-100-1 of the French Commercial Code:	
3.1.1 Analysis of changes in business	1.3
3.1.2 Analysis of results	1.3
3.1.3 Analysis of financial position	1.3
3.1.4 Key performance indicators of a financial and non-financial nature relating to the Company's specific business, including information on environmental and personnel matters	1.3; 4; 5
3.1.5 Main risks and uncertainties	2
3.1.6 Financial risks related to the effects of climate change and measures taken by the Company to reduce them by implementing a low-carbon strategy in all areas of its business	2.4.3
3.1.7 Internal control and risk management procedures	2.6
3.1.8 Hedging objectives and policy; the Company's exposure to price, credit, liquidity and cash flow risks	2.1; 5.1.5 (note 5)
3.2 Article L. 225-211 of the French Commercial Code:	
3.2.1 Buyback and resale by the Company of its own shares	6.1.2

Items required by the French Monetary and Financial Code and General Regulations of the French Financial Markets Authority (AMF)	Corresponding sections of the Annual Report
4. Declaration by the party responsible for the annual financial report	**7.13**
5. Statutory Auditors' Report on the parent company financial statements	**5.4**
6. Statutory Auditors' Report on the consolidated financial statements	**5.2**
7. Statutory Auditors' fees	**5.1.4 (note 6.8)**
8. Board of Directors' report on corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code	**7.15.4**
9. Statutory Auditors' Report on the corporate governance report	**5.4**

7.15.3 Management report

Items required by the French Commercial Code, Monetary and Financial Code, General Tax Code and General Regulations of the French Financial Markets Authority (AMF)	Corresponding sections of the Annual Report
1. Position and business activities	
1.1 Position and business activities of the Company and Group during the fiscal year just ended	1.2
1.2 Results of the Company and Group's business activities	1.3
1.3 Analysis of changes in business, earnings and financial position	1.3
1.4 Key performance indicators of a financial and non-financial nature	1.3; 4; 5
1.5 Significant events occurring between the balance sheet date and the date on which the management report was prepared	5.1 (note 6.9)
1.6 Foreseeable changes in the Company and Group	1.4
1.7 Research and development activities	7.6
1.8 Significant shareholdings or takeovers during the fiscal year in companies having their registered offices in France	NA
2. Shareholder structure and capital	
2.1 Shareholder structure and changes during the fiscal year	6.3.1
2.2 Employee share ownership	6.3.1.1
2.3 Buyback and resale by the Company of its own shares	6.1.2
2.4 Name of controlled companies and percentage stake in the company held	5.1 (note 2.3); 7.1.2
2.5 Transfer or disposal of shares to reduce cross-shareholdings	NA
2.6 Amount of dividends and other distributed income paid during the previous three fiscal years	6.3.2
2.7 Adjustments in the event of issues of transferable securities conferring access to capital	NA
2.8 Adjustments in the event of the existence of stock options	NA
2.9 Information about stock option plans granted to corporate officers and employees	NA
2.10 Prohibition on the exercise of stock options or obligation to hold shares resulting from the exercise of options by executive corporate officers	NA
2.11 Information about the allocation of bonus shares to corporate officers and employees	3.2.3.1 B); 6.1.5
2.12 Obligations on the part of executive corporate officers to retain shares allocated free of charge	3.2.3.1 B

Items required by the French Commercial Code, Monetary and Financial Code, General Tax Code and General Regulations of the French Financial Markets Authority (AMF)		Corresponding sections of the Annual Report
3.	**Risk factors and internal control**	
3.1	Description of the main risks and uncertainties	2
3.2	Financial risks related to the effects of climate change and measures taken by the Company to reduce them through the introduction of a low-carbon strategy	2.4.3; 4.2.2
3.3	Hedging objectives and policy; the Company's exposure to price, credit, liquidity and cash flow risks	2.1; 5.1.5 (note 5)
3.4	Internal control and risk management procedures relating to the preparation and processing of financial and accounting information	2.6
4.	**Corporate social and environmental information**	
4.1	Statement of non-financial performance	7.15.5
4.2	Duty of care plan and report on its effective implementation	NA
4.3	Information about facilities classified as Seveso high threshold	NA
5.	**Other information**	
5.1	Information about supplier and customer payment terms	2.1.3
5.2	Changes in the presentation of the parent company financial statements and assessment methods	5.1
5.3	Reference to existing branches	NA
5.4	Sumptuary expenditure	NA
5.5	Reinstatement of excessive overhead costs	NA
5.6	Injunctions or financial sanctions for anti-trust practices	NA
5.7	Transactions carried out on Company shares by senior managers or persons with close links with those managers	3.2.2.4 C)
5.8	Inter-company loans	NA
5.9	Payments made to the authorities of each state or territory in which extractive activities are carried out	7.9
6.	**Appendices to the management report**	
6.1	Board of Directors' Report on Corporate Governance	7.15.4
6.2	Table of results for the last five fiscal years	5.5
6.3	Opinion of the independent third-party body responsible for verifying the information provided in the statement of non-financial performance	4.4
6.4	Statutory Auditors' report on the parent company financial statements	NA

7.15.4 Report on Corporate Governance

Items required by the French Commercial Code		Corresponding sections of the universal registration document
1.	**Remuneration**	
1.1	Description of the remuneration policy for executive corporate officers and draft resolutions pertaining thereto	3.2.3
1.2	Total remuneration and benefits of any kind paid to each corporate officer by the Company, the companies that it controls and its holding company during the fiscal year	3.2.3.1
1.3	Commitments of any kind entered into by the Company for the benefit of its corporate officers corresponding to remuneration components, compensatory payments or benefits due or that may become due as a result of taking up, terminating or changing their duties or subsequent to the exercise thereof	3.2.3.1
1.4	Suspension, if applicable, of directors' fees for failure to comply with gender parity rules	NA
1.5	Reference to resolutions adopted during an ex-ante vote	3.2.3.1 A)
2.	**Governance**	
2.1	List of all terms of office and duties carried out in any company by each corporate officer during the fiscal year	3.2.1.1 A)
2.2	Agreements between a corporate officer or shareholder holding more than 10% of the voting rights and a Company subsidiary	3.3
2.3	Table summarising delegations of power currently in force granted by the General Shareholders' Meeting for capital increases	3.7
2.4	General management organisational procedures	3.2.1
2.5	Composition, preparation conditions and organisation of the work of the Board of Directors	3.2.1; 3.2.2
2.6	Diversity policy applied to members of the Board of Directors, gender balance on the operating committee and results in terms of gender balance in 10% of the most senior positions	3.2.1.1 A)
2.7	Restrictions on the powers of the Chief Executive Officer	3.2.2.3
2.8	Reference to a Corporate Governance Code, application of the "comply or explain" principle and location where the Code may be consulted	3.1
2.9	Specific procedures for shareholder participation in general meetings	3.4.2
3.	**Factors likely to have an impact in the event of a takeover bid or public exchange offer**	**3.5**

7.15.5 Statement of non-financial performance

Items required by the French Commercial Code		Corresponding sections of the universal registration document
1.	**Business model**	**1.1.3**
2.	**Main information categories**	
3.1	Social consequences of business activities	4.1
3.2	Environmental consequences of business activities	4.2; 4.3
3.3	Impact of business activities with regard to respect for human rights	4.1.8
3.4	Impact of business activities with regard to anti-corruption efforts and tax avoidance	4.3.1, 4.3.2
3.	**Other regulatory issues**	
3.5	Consequences on climate change of the Group's business and the use of the goods and services it produces	4.2.5
3.6	Corporate commitments to promote sustainable development	4.1; 4.2
3.7	Circular economy	4.2
3.8	Combating food waste	NA
3.9	Combating food insecurity	NA
3.10	Respect for animal welfare and for responsible, fair and sustainable food	NA
3.11	Collective bargaining agreements entered into by the Company and their impact on the Company's economic performance and employee working conditions	4.1.7.4
3.12	Action taken to combat discrimination and promote diversity and measures to support people with disabilities	4.1.1.3

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