

Sustainability Report



**EXPERT
PETROLEUM**

21

Sustainability REPORT 2021

**EXPERT
PETROLEUM**

XP release its Annual Sustainability Report for the 5th year in a row.

For the 5 years in a row, XP is pleased and proud to publish to the attention of all its stakeholders a comprehensive view about the development, performance, position and impact of our company's activities, related to environmental and social matters.

This sustainability report includes this year not only our operations in Romania (in Timiș and Țicleni area) but also in Ukraine with our newly started operations in Lviv.



ABOUT THE REPORT

Table of contents:

ABOUT THE REPORT 05
CEO STATEMENT 07

COMPANY PROFILE

COMPANY PRESENTATION 11
XP OPERATIONS 12
ECONOMIC PERFORMANCE 13

GOVERNANCE

GOVERNANCE STRUCTURE 15
RISK MANAGEMENT 16
COMPLIANCE 17

NON-FINANCIAL PERFORMANCE

HOW WE ARE MANAGING SUSTAINABILITY PERFORMANCE 19
WHAT IS IMPORTANT TO OUR STAKEHOLDERS 20
HEALTH, SAFETY AND SECURITY PERFORMANCE 22
ENVIRONMENTAL PERFORMANCE 29
HUMAN RESOURCE MANAGEMENT 44
COMMUNITY RELATIONS 55
SUPPLY CHAIN 56

APPENDICES

MEMBERSHIP 59
ABBREVIATIONS 60
GRI CONTENT INDEX 61



ABOUT THE REPORT

The information included in this report were established based on an extended materiality process which we conducted in Țicleni area and Timiș county In Romania and in Lviv in Ukraine where our main operations are. Within the process we took into consideration the GRI principles, the stakeholders' expectations and the most relevant sustainability topics of the Oil & Gas sector, identified based in international comparative analysis.

The aspects addressed by GRI G4 Oil and Gas Sector supplement and SASB standard where also included in the materiality process to determine in a correct manner the impact our activities have on the environment and community. Additionally, to better understand the topics which influenced or have the ability to influence significantly our performance and development, we conducted internal workshops and applied specific questionnaires. We continued to improve the details of our reporting, underling the most critical topics for our stakeholders and our business: such as management approach, policies, impact and risks, as well as key performance indicators.

Each material topic is presented in a separate sub-chapter, including information regarding the performance as much as possible of each company, and where possible in a consolidated way. For more details, the report contains references to other documents that can be found on the website www.expertpetroleum.com.

The previous Sustainability Report was published in 2021, reporting the results of the company's sustainability performance of 2020.

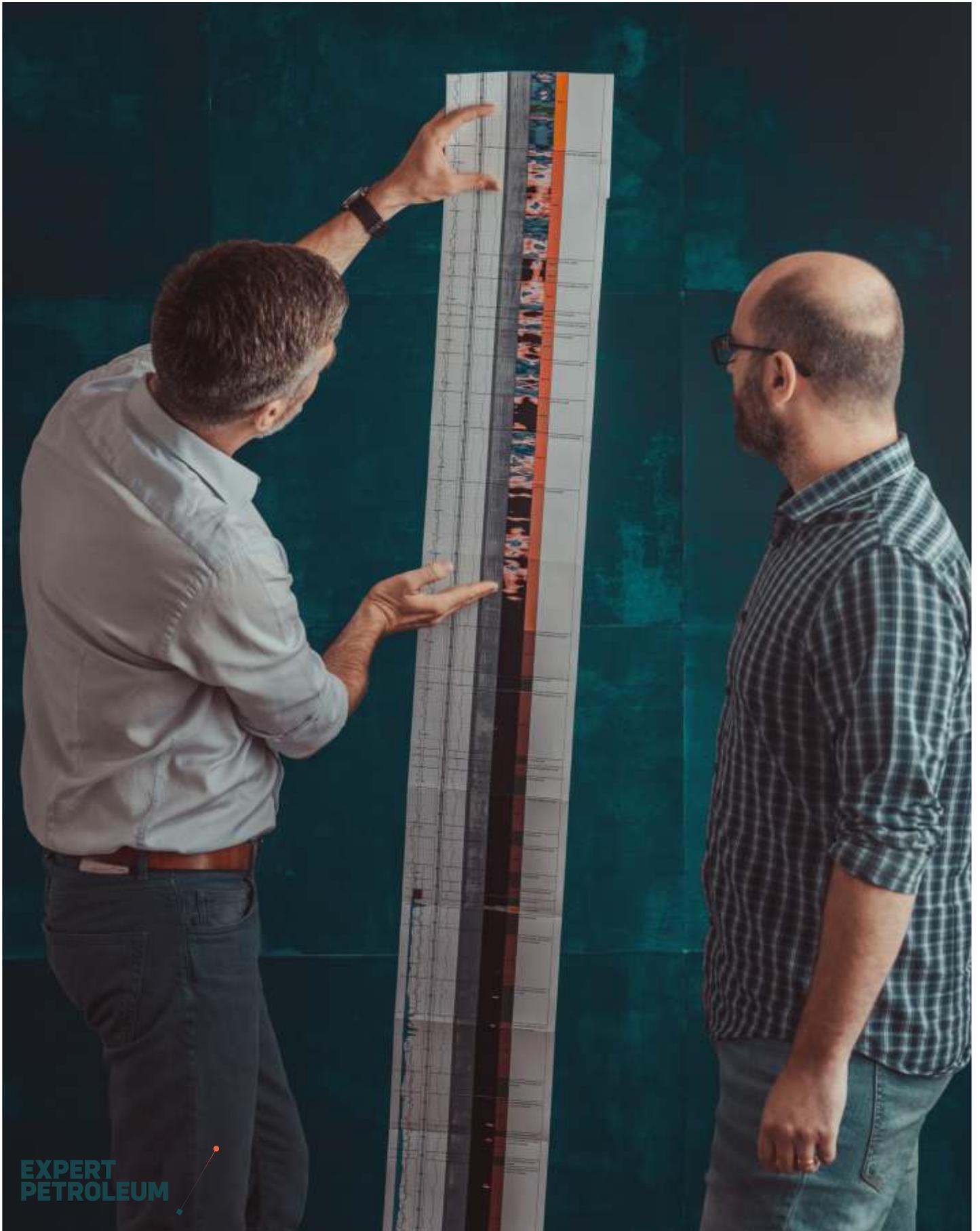
Contact details:

Main headquarter - Victoria Business Park B3 Building, 1st Floor DN1, Sos. Bucuresti-Ploiesti 73-81, District 1, Bucharest, Romania.

Reporting period: January 1st – December 31st, 2021.

Date of publication: June 20th, 2022

Assurance: The content of the report has not been audited by a third party through an assurance process. The existence of this report was verified by the Expert Petroleum Solutions SRL auditor, KPMG, in accordance with art. 492 of MPF Order No. 1938/2016



CEO STATEMENT

David MARTINON

DEAR READER,

The global Oil and Gas Industry is confronted with increased pressure to lower its environmental footprint. According to the objectives of the Paris Climate Conference and other similar inter-governmental agreements, the emissions from carbon dioxide and methane from the Oil and Gas operations must and can be reduced significantly, and the use of freshwater and other natural resources must be minimized. Regulatory frameworks like the EU Methane Regulation and voluntary initiatives such as UN SDG, OGMP 2.0, or the World Banks Zero Routine Flaring, are tangible evidence of the strong political and social persuasion.

It is therefore urgent, important and also economically sound to reduce now dramatically the environmental footprint of the mature oil and gas fields. Especially as these mature fields are the ones on which the Energy Transition is going to rely on in the next 20 years to provide the oil and gas needed while transiting to new forms of energy.



It is therefore urgent, important and also economically sound to reduce now dramatically the environmental footprint of the mature oil and gas fields.

Especially as these mature fields are the ones on which the Energy Transition is going to rely on in the next 20/30 years to provide the oil and gas needed while transiting to new forms of energy.

XP has built over the years unique proven practical and pragmatic knowledge about how to reduce this environmental footprint.

Within this fifth Annual Sustainability Report, we would like to continue to demonstrate our capabilities and report in a transparent way our performance as well as continue to engage in a dialogue with all our stakeholders.

Like the previous reports, the current one was developed in line with the latest EU requirements for reports on the social and environmental impacts of our activities and according to the Global Reporting Initiative Standards (Core option and G4 Oil and Gas Sector supplement).

The key take-aways of our 2021 Sustainability Performance are:

- **Economic performance:** We continue to have solid and sustainable financial to continue our growth and our investments.

- **Compliance:** In 2021, there have been no fines or sanctions imposed on XP for non-compliance with laws, regulations or acts of corruption.

- **Health, Safety and Security:** We continued to strive to achieve our objective of zero incident, unfortunately we recorded in 2021, 1 Loss Time Incident in Ticieni operations. All incidents have been thoroughly investigated to understand their root cause and valuable lessons learned out of the investigation have been communicated throughout the organization

- **Environmental Performance :**

- **Green House Gas Emissions:** Despite an increase in absolute number due to the Ukrainian operations addition to the reporting, Our scope 1 GHG Emissions Intensity has decreased in 2021 by 21% compared with 2020 as some significant upgrading works are being done in Timis 2021 and our Ukrainian operations came with a low intensity. In 2021 for the first time since we started to report and measure our scope 2 GHG Emissions in Romania in order to improve it in the years to come.

- **Hydrocarbon Spills:** in 2021, we had no serious spill in our operations incident recorded. More importantly, despite the increase of our activity (our boe production operated has increase by 40% with Lviv addition) we have both decrease the total number of spills vs 2020 (by minus 44%) and their impact on the environment as in 2021, 26% of the spills were classified as Serious vs 84% in 2020.

- **Energy Intensity:** In 2021 our Energy intensity was reduced by 25% mainly due to the addition of the Ukrainian operations in Lviv which have lower energy intensity and the electricity and natural gas consumption reduction in our facilities in Timis and Ticieni

- **Freshwater withdrawal:** Our Total freshwater withdrawal intensity has been reduced by 24% compare to 2020. The main contribution is due to our new Lviv operations with a low freshwater consumption and freshwater intensity as the rest of the operations stayed more or less constant after a big decrease in 2020.

- **Waste management:** In 2021 the total quantity of solid waste, both hazardous and non-hazardous, have shown an increase. But this is not due to a higher level of activity. It is in fact caused by the acceleration of our surface facilities optimization and decommissioning in Ticieni and Timis and also from the additional quantity of waste generated by the Lviv PEC.

- **Human Resources:** At the end of 2021, XP had 960 employees spread over 2 countries.(2 management offices and 3 production locations). 18% of our employees are women. We have hired 61 employees in 2021 and in average each employees has received around 17hours of training. All had a performance review.

You will find more details about all this and much more information in the report.





COMPANY PROFILE

**COMPANY
PRESENTATION**

We are an oil and gas operating service company. We are managing and investing in mature assets using fit for purpose state of the art technologies to enhance production and reserves, optimize the fields operations and reduce their environmental footprint. We are an efficient, transparent and reliable partner for oil and gas resource holders, striving for the highest standards of excellence for our employees, our shareholders and for the communities living in the area of our operations.



Our Values

The company culture has been built over time by everyone embracing these values which are now evidence.

People:

At the core of our operations are women and men who every day strive to have a positive impact on their community, the environment, without injuries and without reliability and quality incidents.

Integrity:

We do not compromise on ethical behavior and operational excellence. We always choose the right way, in a fair and transparent manner.

Sustainability:

We transform mature oil and gas fields to make them safer and greener and therefore more sustainable for a longer time

Results Oriented:

We are an agile company, empowering workers on the front line to have initiatives and be more efficient.

Innovation:

It's in our nature and value added to learn from the past and proactively challenge convention by think creatively and differently. From commercial to technical, we seek out new ways to operate.

XP OPERATIONS

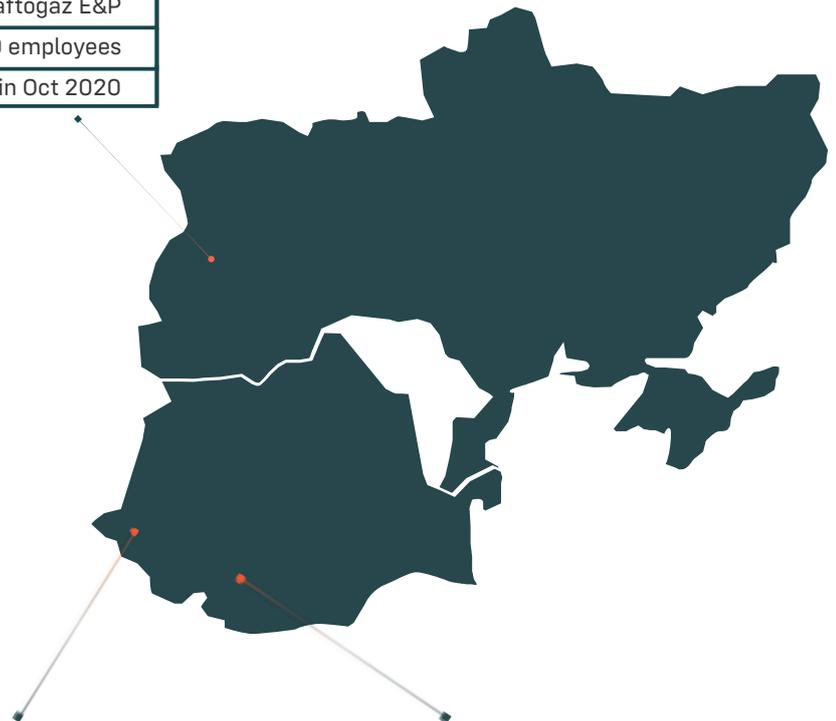
In 2020 we entered into the Ukraine market by signing a Production Enhancement Contract with Naftogaz Group to increase gas production on fields of JSC Ukrigasvydobuvannya in Western Ukraine. The first ever full-scale PEC in the history of Ukraine's oil and gas industry, will generate at least an additional 300 million cubic meters of gas within 5 years from 13 mature fields in Western Ukraine.

Therefore in this report we will present also the 2021 performance and results for this PEC in Ukraine.

XP has been enhancing mature oil and gas assets since 2005. Currently we are operating three 15 years long Production Enhancement Contracts ("PEC") : One in the Western part of Romania, in Timiș county with OMV Petrom since 2013, another one in Țicleni area, with where we took over Petrofac's operations in 2016,

and finally in 2020 we have also been awarded a PEC with the Ukrainian National Gas Company (Naftogaz) in Lviv area, in the western part of Ukraine.

PEC Lviv
152 active wells
Producing 900 thscm/d of gas
Partner: Naftogaz E&P
150 employees
15 years contract started in Oct 2020



PEC Timiș
229 active wells
Producing 150 t/d of oil/gasoline and 140thscm/d of gas
Partner: OMV Petrom
271 employees
15 years contract started in Apr 2013

PEC Țicleni
209 active wells
Producing 330 t/d of oil/gasoline and 180thscm/d of gas
Partner: OMV Petrom
530 employees
Ex-Petrofac, acquired by XP in 2016
15 years contract started in 2010, extended 5 more years, until 2030

ECONOMIC PERFORMANCE

During 2021, Expert Petroleum has invested more than 15 million USD to enhance the operations of the mature oil and gas fields in Timiș, Țiclen and Lviv.

XP has a strong financial base that will allow sustainable operations and growth in the future.

Economic Performance XP

	UM	2019	2020	2021
Total production	BOE	2,156,496	1,957,992	3,668,432
Profit (loss) before tax	USD	(923,677)	4,206,357	20,919,483
Sales	USD	63,337,841	50,400,967	72,310,467
Direct economic value generated (DEVG)	USD	67,307,290	53,948,684	74,234,862
Economic Value Distributed (EVD)	USD	43,925,936	39,129,341	49,502,903
Economic Value Retained	USD	23.381,354	14,819,343	24,731,959

*Figures are stated and amended to present figures from statutory financial accounts, prepared in accordance with MFP 1882/2014"





GOVERNANCE

GOVERNANCE STRUCTURE

Our Romanian and Ukrainian operational companies are owned by Expert Petroleum SPV SARL, our holding company based in Luxembourg which is part of the GMS Holdings Group. In 2021, no significant changes regarding the organization's structure and ownership have occurred.

The Luxembourg holding company helps consolidate all the international subsidiaries and is the place where the board of Directors takes its decision. The Board of Directors is constituted of six directors, of which four represent the shareholders, two are independent directors and four of them are non-executives. They meet at least twice a year and receive monthly a detailed management report related also to sustainability aspects. They understand and appropriately monitor the company's strategic, operational, financial, and compliance risk exposures, and collaborate with management in setting risk appetite, tolerances, and alignment with strategic priorities. The Board of Directors advises the Management Team in the development of strategic priorities and plans that align with the mission of the organization and the best interests of stakeholders, priorities that have an appropriate short, mid, and long-range focus. The directors also actively monitor management's execution of approved strategic plans, as well as the transparency and adequacy of internal and external communication of strategic plans.

The Board of Directors reviews and approves company strategy, annual operating plans, and financial plans. It also monitors management execution against established budgets as well as alignment with the strategic objectives of XP. Furthermore, the Board of Directors also sets the ethical tenor for the company, while management adopts and implements policies and procedures designed to promote both legal compliance and appropriate standards of honesty, integrity, and ethics throughout the organization.

Our management team is headquartered in Bucharest, Romania and Lviv, Ukraine enabling thus effective communication, and active involvement with our teams in field and commitment towards the rapid adoption and implementation of potential updates related to our company corporate governance framework.

XP prepares and presents all financial statements and reporting following IFRS (International Financial Reporting Standards), and our financial statements are audited in accordance with International Standards on Auditing. Furthermore, we have set up an internal audit function. XP complies with all disclosure requirements under applicable law, regulations, and listing rules (fair disclosure). Shareholders are provided with information and documentation upon their request and as specified by applicable law.

RISK MANAGEMENT

As a company that operates in a sector that is going through ambitious challenges and a deep transformation, we embrace these challenges proactively and conduct our business by integrating into our decisional process a strong analysis of risks that can affect our activities in the short, medium and long term.

Our Board of Directors and Management Team are both involved in this crucial activity.

In this regard, we have established an operational excellence management system that includes practices and tools aligned with how we make business decisions to ensure the consistent identification and assessment of all risks. We identify, prioritize, mitigate, and manage the risks to provide for the safety and health of employees, contractors, customers and the public, and for the protection of the environment. We maintain a high sense of awareness and readiness. Hazards are systematically identified, risk assessments are conducted, and prevention and mitigation steps are put in place.

An important part of our HSSE management activities is the identification and evaluation of HSSE risks. In this sense, we periodically conduct risk evaluation assessments of the jobs, workplace, work equipment and work procedures. This evaluation process is modified each time the overall management system is updated.

In Romania, the result of this assessments is translated into a global risk index that express how much the company is exposed to HSS risks. Our objective is to maintain this index under 3.5 as required by national legislation.

In case the index value goes up to 3.5, this means that additional H&S measures are necessary to secure our people, communities and operation.

Plans exist to assure critical business information is backed up, and its effectiveness is tested and monitored. Emergency response plans are clearly documented, available and communicated with key stakeholders, and periodic drills are conducted.

We are also aware that engaging with our stakeholders can reduce social risks that may lead to delays or disruption to our activities. Thus, our stakeholder identification process is a key component of social risk assessment. Each of our companies is responsible for identifying stakeholders to understand their perspectives and concerns. The relationships with stakeholders and their priorities are considered to identify any potential points of collaboration or conflict. We then prioritize key stakeholders and develop an engagement plan to address concerns and maintain our focus on developing mutually beneficial relationships. By having an open dialogue, we identify and address the potential impacts associated with our operations.

Social risks for operated assets are assessed annually at each company's level. Priority risks that could affect business activities and performance for our operating assets are determined by likelihood and consequence.

COMPLIANCE

We manage our businesses with the highest standards of corporate ethics and with strict corporate governance systems that support compliance with all laws, regulations and internal requirements.

A process is in place to help drive consistency in the way we do things taking in account country and local legal requirements.

Legal and internal requirements are made clear and accessible to pertinent employees and contractors.

Employees and contractors report potential violations of legal or company policy without fear of reprisals.

Standards, procedures, preferred practices and guidance documents are developed, maintained and regularly updated as required.

We are conducting our business by promoting equal opportunities, transparency and mutual respect for all individuals without compromising on integrity.

In 2021 there have been no fines or sanctions imposed on XP for non-compliance with laws, regulations or acts of corruption.





NON-FINANCIAL PERFORMANCE

**HOW WE ARE
MANAGING OUR
SUSTAINABILITY
PERFORMANCE**



Our Operational Excellence Management System (OEMS) is the framework that support our operations management and our drive and commitment to create sustainable longterm value for all our stakeholders

Operational Excellence is Expert Petroleum's core capability to enhance the operations in mature oil and gas assets safely, reliably, sustainably and cost effectively.

Therefore, all of us at Expert Petroleum will strive each day to:

1. Demonstrate commitment and leadership at all organization levels and at all the time to conduct our business in a safe, secure, injury-free, environmentally responsible, and sustainable manner.
2. Comply with all laws and regulations applicable to our facilities and business activities
3. Identify hazards and threats to prevent, control or reduce risks to an acceptable level.
4. Minimize our impact on the environment through pollution prevention, reduction of emissions and efficient use of energy and natural resources.
5. Actively engage in stakeholder dialog to welcome the input of our employees and contractors, regulatory agencies, our communities, our customers, and other interested stakeholders.
6. Continuously learn from audit, near misses, incidents and best practices to improve the way we operate.

Our OEMS is the integrated framework set of principles specifically designed for our operations that will explain to everyone in the organization how to perform their tasks, assess and manage risks, set goals for improvement; and, rigorously audit our performance against objectives and compliance requirements.

Below is our 2021 actual performance against our 2021 Objectives and also our 2022 goals for improvement :

2021 Objectives	2021 Actual Performance	2022 Objectives
Maintain 100% regulatory compliance	100% compliance (Zero Fines or Penalties)	Maintain 100% regulatory compliance
Zero LTI	1 LTI	Zero LTI
Reduce GHG Intensity by 10%	-17%	Reduce GHG Intensity by 20%
Reduce spills intensity by 5%	-70%	Reduce Liquid spills intensity by 5%
Reduce Energy Intensity by 5%	-20%	No Major or Serious liquid spill
Reduction of Freshwater withdrawal intensity by 5%	+9%	Increase the Ratio of Minor spill vs Total spill above 2021
Reduce waste generation by 5%	+29%	Reduce Energy Intensity by 3%
		Reduction of Freshwater withdrawal intensity by 5%
		Track Hazardous solid waste generated intensity for baseline for future improvement

**WHAT IS
IMPORTANT
TO OUR
STAKEHOLDERS**

Since 2017, we have decided to publish each year a detailed Sustainability Report, making it a priority to maintain communication and continuous engagement with our stakeholders, presenting all the measures implemented for improving our economic, social and environmental performance. Thus, we conduct year a materiality assessment in order to identify the sustainability topic to be included in our report. An important step that we took in the process was the one regarding the identification and prioritization of the relevant stakeholders. The purpose of this activity was to establish the relevant stakeholders' categories based on two variables: our impact on stakeholders and the stakeholders' influence on XP.

Our Stakeholder categories:

Employees

Clients

Unions

Community

Public Authorities

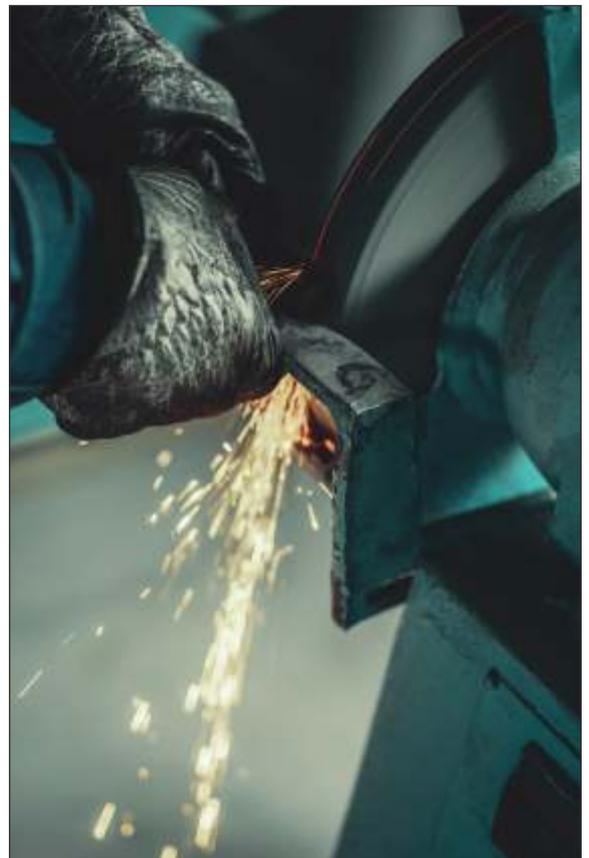
Suppliers

R&D institutes

Education institutions

Mass-Media

Peers



WHAT IS IMPORTANT TO OUR STAKEHOLDERS

We have conducted, an external analysis of the most important international reporting standards (GRI Standards and GRI G4 Supplement – Oil & Gas Sector Disclosures, IPIECA - Oil and gas industry guidance on voluntary sustainability reporting 2015, etc. and methodologies and relevant sector sustainability leaders at the global level, competitors and other similar companies. With this analysis we aimed to identify the list of the most important sustainability topics for the Oil and Gas sector and that could be potentially relevant for our activities. The list was included in our stakeholder consultation process through which we analyzed the identified topics against two variables: the importance to stakeholder and the impact of our activities on the environment, society and economy.

Our material topics:

Economic performance and indirect impact

Business Ethics

Risk Management

Supply Chain

Energy Management

Water Management

Emission Management

Spills Management

Transport management

Human Resource Management

Occupational Health and Safety

Community Relations

Ensuring security in operating areas and preparing for emergency

Climate Change

Waste Management

We plan to constantly seek feedback from our key stakeholders with respect to our sustainability approach performance and impact and so, to developed a yearly consultation program that will be the basis for our future sustainability report development process.

We are determined to continuously improve our reporting practices and we would appreciate your feedback on this report, so we encourage you to share your opinions regarding this publication or any other sustainability related aspect of our activity at info@expertpetroleum.ro.com.



HEALTH, SAFETY AND SECURITY PERFORMANCE

We try to decrease risks and limit the possible impact of any occurrence, with the purpose of continually improving our health safety and security performance and achieving our ultimate goal of ZERO INCIDENTS.

All our operations are conducted under the principles established by our Operational Excellence Management System (OEMS) that guides us in implementing the highest standards and best practices in health, safety and security.

Our OEMS, as been adapted to our needs using industry specific methodologies and instruments such as the Guidelines of International Association for Oil & Gas Producers - IOGP). Furthermore, our OEMS is certified ISO 45001 which is an ISO standard for management systems of occupational health and safety, published in March 2018. The goal of ISO 45001 is the reduction of occupational injuries and diseases, including promoting and protecting physical and mental health.

The 10 elements of our OEMS are:

- 1. Leadership and accountability _____
- 2. Organization and competencies _____
- 3. Compliance _____
- 4. Risk management _____
- 5. Operations _____
- 6. Engineering, Technology and knowledge management _____
- 7. Near Misses, Incidents and Accidents _____
- 8. Contractor Management _____
- 9. Community and Stakeholder relations _____
- 10. Assesement and Improvement _____

HEALTH, SAFETY AND SECURITY PERFORMANCE

Our OEMS is composed by different procedures that are strictly implemented by all our employees and contractors.

These procedures are updated following our yearly analysis related to Health, Safety and Security (HSS) performance. Furthermore, each time an accident occurs, we deeply investigate all the possible root causes and, if necessary, our procedures are improved accordingly with the findings of the investigation process.

We have established also specific indicators related to occupational health, safety and security that helps us to monitor our performance and understand where it is necessary to intervene with improvements. These indicators are reported monthly through a specific management tool. This tool is used also for reporting purposes, as it is designed to allow data collection regarding all types of hazards, unsafe working conditions and behaviours. We keep evidence of the areas where risks have been identified that could generate work accidents or occupational diseases with serious, irreversible consequences, respectively death or disability. These areas were brought to the attention of the workers. Actions to implement the measures established following the risk assessment for high and specific risk areas have a priority in the prevention and protection plan. To maintain our management connected to the activities run in all production facilities, we implemented a program called "Management Walk-Around" ("MWA"), gaining also insight on the correlations between the HSS data recorded and the actual status in the field. MWA is basically an assessment led by a manager or supervisor, and it involves an open and constructive dialogue with staff at all levels, hazard awareness, safe behavior, employee's perception about Management commitment, Golden Rules and Life Saving Rules. Based on the results of the assessment conducted in relation to work practices and conditions, and employees' approach and understanding of the risks associated with assigned work tasks, XP identifies recognition practices and the areas where improvements need to be made to achieve the HSS goal of ZERO Incident

In 2021, the management of XP, including the general manager, have conducted a total of 517 assessments of this type (266 in Timiș and 249 in Țicleni and 2 MWA in Lviv PEC).

During 2021, we have reviewed and updated the specific working procedures related to COVID-19 pandemic in order to fully comply with legal requirements and also to match our specific internal requirements. Working and health & safety procedures for our maintenance and workover department have also been under thorough review process to ensure identification and hazards and associated risk, correct usage of personal protective equipment, verification of the work processes to ensure effective implementation of the health and safety procedures.

As per our annual HSSE plan, a set of audits and inspections have been conducted during 2021.

In PEC Timis we have done no less than 24 Quality Checks on Toolbox Talks and Job Safety Analysis. A number of 10 internal audits were performed to check on compliance with: civil works, transportation standard, PTW standard, H&S legal requirements, contractors management and wells integrity. Authorities have also been regularly auditing our operations and facilities. National Environmental Guard has been on two inspections ISO surveillance audits have been successfully completed and ISO certifications maintained. SEVESO authorities have also completed 2 audits on our Degasination Tankfarm together with the Emergency Inspectorate. The Annual 3rd Party HSSE MS audit was performed and audit score has improved from 78 in 2020 to 79 in 2021.

In PEC Țicleni XPS team has done 15 internal audits. 9 of them were in relation with Contractor Management standard requirements and 6 audits were conducted at our WO rigs to check on H&S as well as API certification requirements. A total of 3 external audits were performed. The SEVESO authorities performed one inspection in our Parcul Mare Tankfarm and the inspection found no non-compliances. The annual 3rd Party HSSE MS audit shown a 1 point improvement from 78 to 79 in 2021 vs 2020.

Health Performance

The supervision of the workers' health condition is ensured by the occupational medicine doctors of the MEDICOVER company in Romania and a local medical services company in Lviv area, in Ukraine. Workers benefit from the health supervision at regular intervals. Medical examinations are performed based on the identification sheets of occupational risk factors prepared by specialists in the field of Occupational Health and Safety.

During 2021, a number of 1,699 medical examinations were performed.

The medical examinations included: medical examinations at employment, periodic medical examination, re-evaluations at 1, 3, 6 months or at other time intervals. Checks are performed on time for all workers. Those who exceed the due date are not accepted for work.

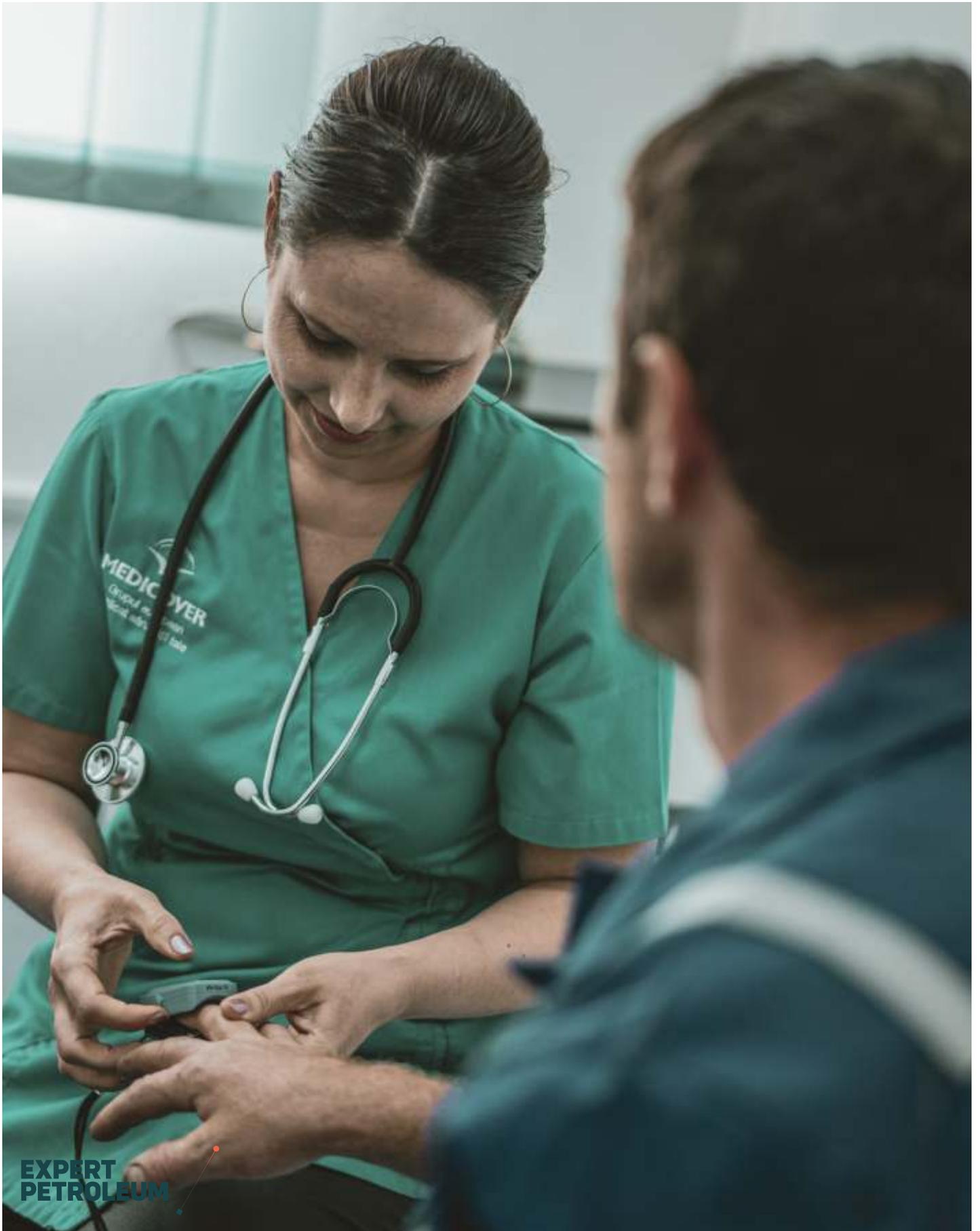
Together with our medical services contractor, we have implemented different health campaigns among our employees:

- First aid campaign;
- Diabetes awareness and prevention measures;
- Flue vaccination campaign;
- Multiple campaigns regarding measures to combat the spread of SARS 2 virus;
- Fit to work – awareness campaign.

As for COVID-19, we had a total of 108 Employees tested positive and 584 fully vaccinated employees. No loss production or business disruption occurred due to COVID-19 related issues.

COVID-19 pandemic protection measures

- Permanent information through morning reports, by email or through workplace managers regarding new universally valid regulations and precautions measures.
- Equipment with protective masks.
- Installation of dispensers with disinfectants and provision of anti-vacuum approved disinfectants in all locations.
- Limiting access to common areas in compliance with the rules of social distance in these areas.
- Establishing thermometry points in our operations.
- Supplementation of the amount of hygienic and sanitary materials.
- Analysis of the actions undertaken in the CSSM meetings.
- Prohibition of access to the unit for people with symptoms of infection.
- Ventilate the spaces at least once a day.
- Periodic disinfection of the unit's machines.
- Avoid using air conditioning systems.
- As much as possible, the documents inside the company circulate in electronic format, with electronic signatures.
- Prepared own OSH instructions for the prevention of contamination with SARS VOC 2 virus.
- Instructions for use infrared thermometer, use of masks, use of disinfectant.
- We revised the Emergency Response Plan with issues and scenarios related to SARS VOC 2 contamination.
- A continuity plan of the activity was drawn up in case of infection of the workers in the critical points.
- Permanent distribution of chlorine in locations for cleaning work surfaces and floors.
- Risk assessment and PPP specific to epidemiological contamination conditions.



SAFETY PERFORMANCE

In PEC Timis we have performed a number of 5 safety campaigns: Life Saving Rules and H2S; Taking Shortcuts; Lock-Out Tag-Out; Shift Handover, and finally Environmental Aspects Awareness. A number of 116 Near-miss reports were recorded in 2021. This was a substantial increase compared to the 56 Near-miss reports in 2020.

No LTI occurred in 2021.

In PEC Ticleni we had an improvement in Near Miss reporting – 36 NM were recorded in 2021 vs 19 NM in 2020. but this still low. Furthermore we recorded an undesired event as we had one Loss Time Injury incident. One of our coworkers had one of his fingers amputated while handling the hydraulic power tong of the WO rig. He has recovered after the injury and was able to return to his normal duties after 62 days. A prompt and meticulous Incident investigation took place following the incident. Root Causes were identified and a consistent Action Plan was put in place. One of the positive consequences resulted from the investigation was the fact that all XP WO Rig had a serious upgrade on their hydraulic command system to allow for a better control and simplified rig up/rig down of the rig hydraulic tongs.

One High Potential (HiPO) incident occurred in February 2021. It involved one of our WO rigs. While rig was pulling out of the hole the tubing string, the hook of the rig came loose from the travelling block and fell in the rig floor. No personnel was injured and no other material damage occurred. The incident triggered a STOP WORK and safety stand down for all our rigs until cause was identified and other equipment was inspected and could safely return to operation. Complete investigation and action plan has been put in place after the incident.

During 2021 we also conducted 5 Safety Campaigns, as follows: Lifting Operations, Taking Shortcuts, Safety Leadership, Incidents and Accidents reporting and H2S Safety. All safety campaigns included a test to allow for knowledge verification of the participants. A total of 3 investigations have been performed during 2021 under our “Mining the Diamond” incident investigation campaign.

AS for the H2S readiness, all locations were assessed and employees provided with H2S personal detectors and escape masks. Specific H2S training has also been performed with all field personnel.

In PEC Lviv our Operational Excellence Management System has been implemented in order to ensure high performance and safety awareness from our employees. Life Saving Rules were presented and a training and implementation process started. In parallel we have begun to develop our own HSSE Incident Reporting tool called XPlorer. Our XPlorer allows for easy reporting and monitoring of incident and actions derived from them being user friendly custom designed for our needs. Besides Incident Management, XPlorer will also help us keep track and manage Audits and Inspections and our Environmental KPI's; The XPlorer platform is planned to go live in Q2 of 2022.

No LTI occurred in PEC Lviv even though we had more than 526 000 working hours.

However, one HiPo incident occurred in our operations on March 2021. It involved our WO contractor. While performing routine operation the Kelly of the rig fell off from the rig floor and landed next to a mud tank and to the rig substructure. No other damage or loss of equipment was recorded but the activity has been stopped until all safety checks have been performed. Incident has been investigated and actions to prevent reoccurrence have been addressed.

Besides the Life Saving Rules there were two other safety campaigns: Permit to Work and Defensive Driving the latter being performed by a certified 3rd party training provider.

Safety Performance

Expert Petroleum SRL (Timis)

	2019		2020		2021	
	Employees	Contractors	Employees	Contractors	Employees	Contractors
Fatalities	0	0	0	0	0	0
Lost workday injuries	0	1	0	0	0	0
Lost workdays (calendar days)	0	40	0	0	0	0
LTIR per one million hours worked	1.28	0	0	0	0	0
Hours worked	587,754	190,872	587,754	506,325	476,569	149,769

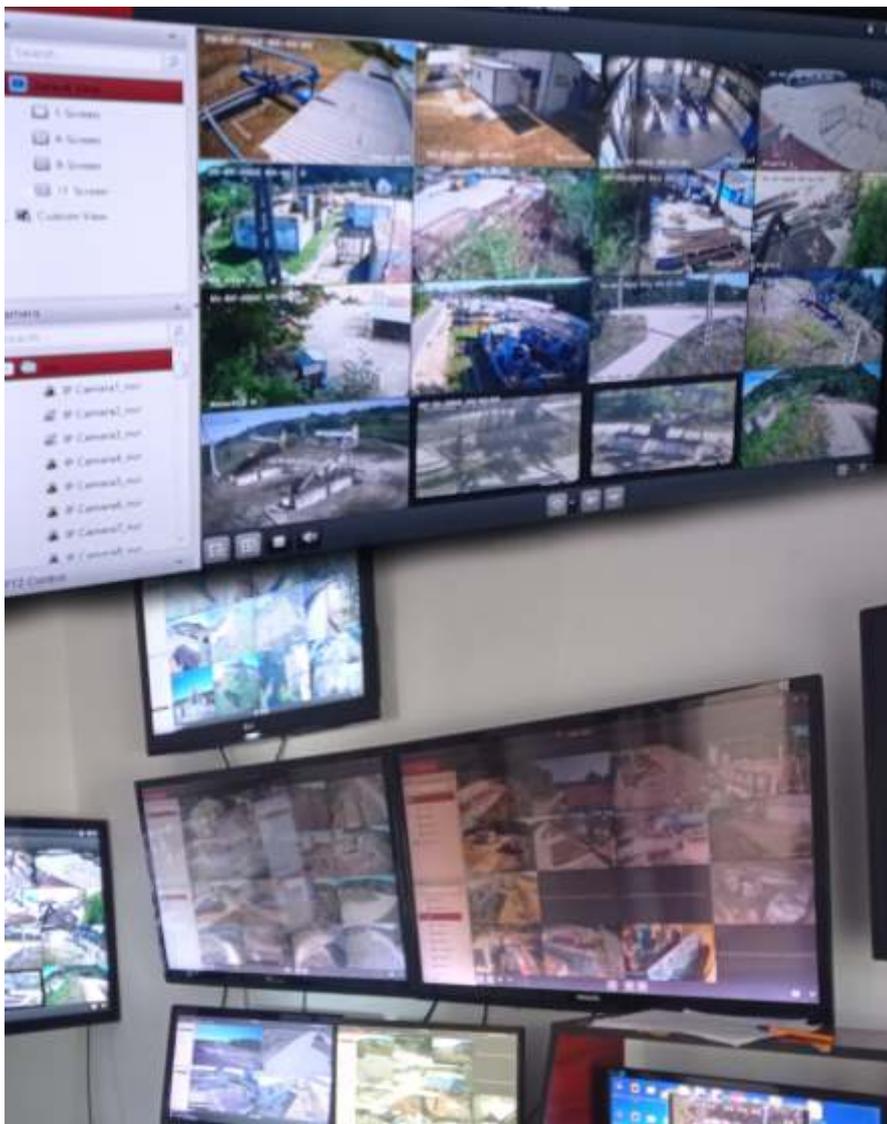
Expert Petroleum Solutions SRL (Ticleni)

	2019		2020		2021	
	Employees	Contractors	Employees	Contractors	Employees	Contractors
Fatalities	0	0	0	0	0	0
Lost workday injuries	2	0	1	0	1	0
Lost workdays (calendar days)	97	0	179	0	62	0
LTIR per one million hours worked	1.55	0	0.91	0	0.97	0
Hours worked	975,452	316,237	896,484	197,558	848,951	186,063

Expert Petroleum Ukraine LLC (Lviv)

	2019		2020		2021	
	Employees	Contractors	Employees	Contractors	Employees	Contractors
Fatalities	n/a	n/a	n/a	n/a	0	0
Lost workday injuries	n/a	n/a	n/a	n/a	0	0
Lost workdays (calendar days)	n/a	n/a	n/a	n/a	0	0
LTIR per one million hours worked	n/a	n/a	n/a	n/a	0	0
Hours worked	n/a	n/a	n/a	n/a	311,303	215,589

Security Performance



In all our facilities the security services are provided by a 3rd party selected after a comprehensive contractor qualification and selection process. The security services are made of pedestrian guards, mobile patrols and Dispatch Room.

On yearly basis, XP is allocating resources to upgrade and extend our CCTV coverage in order to have all working points fully covered under the video surveillance system.

Our main challenged in terms of security consist of thefts. In particular Oil thefts, predominantly in Ticleni and minor thefts – targeting and small metal equipment or parts - such as abandoned pipelines, fencing of the wellhead or electrical cables.

During 2021 we had a total of 58 security incidents: 30 incidents in Timis, 25 in Ticleni and 3 in Lviv. Compared with 2020, there was an increase from the total of 29 incidents recorded in 2020.

The main cause for the increase of thefts were the attempts to steal oil from our oil transportation pipeline from Ticleni.

All the thefts are normally quickly identified thanks to our online pipeline monitoring system which alerts our employees whenever a decrease in pressure occurs along the pipeline.

From a legal compliance point of view, all of our security plans have been approved b the local authorities.

Security Incidents

	2019	2020	2021
PEC Timis	42	8	30
PEC Ticleni	22	20	25
Pec Lviv	n/a	n/a	3
Total	64	28	58

ENVIRONMENTAL PERFORMANCE

Our main value proposition to our partners while investing in and enhancing mature oil and gas fields, alongside increasing the production is also to reduce dramatically the environmental footprint of their fields. We are guided by our Operational excellence Policy that expresses our commitment to minimize our impact on the environment through pollution prevention, reduction of emissions and efficient use of energy and natural resources.

To do so, we have built strong capabilities internally with dedicated engineers who based on an inventory audit determine and environmental footprint base line of the current operations , then put in place a fast track action plan made of fit for purpose cost-effective solutions in design, processes, infrastructure, SOP's, and IT solutions to reduce Green House Gas emissions (in particular methane), hydrocarbon spills, to decrease energy intensity, and reduce freshwater withdrawal intensity and the waste generated by the operations.

Furthermore In all our operation is implemented our Environmental Management System (EMS) in accordance with the ISO 14001 standard and an Energy Management System compliant with ISO 50001 standard. Our EMS is periodically audited, both internally and externally. We conduct regular internal audits in all our operations and for each non-conformity resulted from these internal audits, we establish the causes, corrective and preventive measures and responsibilities.

The objectives of the EMS are to provide principles, standards and guidelines to ensure:

- Compliance with legal environmental requirements, as well as our Operational Excellence Management System and voluntary initiatives adhered by the company.
- Environmental aspects are taken in consideration with each operations, by assessing average risk levels and developing management measures to ensure that risks are fully mitigated or kept below an acceptable level;
- Continuous improvement to reduce our operations environmental footprint.

For each environmental aspect important to our operations, such as GHG emissions, spills, energy intensity, water and waste, we have established a set of KPIs that are constantly monitored and reported to the management in order to establish the necessary measures that help us to improve our environmental performance. These are what we are reporting below in this sustainability report.

Examples of our overall performance and results in the fields we operate can be found in "Stories" section on our website!

GREEN HOUSE GAS EMISSIONS MANAGEMENT AND PERFORMANCE

The Oil and Gas Industry is confronted with increased pressure to lower its environmental footprint. According to the objectives of the Paris Climate Conference and other similar inter-governmental agreements, the emissions from carbon dioxide and methane from the oil and Gas operations must and can be reduced significantly. Regulatory frameworks like the EU Methane Regulation and voluntary initiatives such as UN SDG, OGMP 2.0, or the World Banks Zero Routine Flaring, are tangible evidence of the strong political and social persuasion.

XP is committed to reduce its scope 1 and scope 2 GHG emissions intensities

Since 2013 we have reduce our scope 1 GHG emissions intensities by -84 % from an Intensity of 1.3 tCO₂eq/boe to the intensity level of 0.21 tCO₂eq/boe

Scope 1 Green House Gas emissions in 2021 are 111,032 tCO₂eq.

To achieve this we have establish an emission baseline at takeover and identified and prioritize areas for improvement based on production needs and technology gaps;

We then put in place cost-effective solutions in design, processes, infrastructure, SOP's and IT solutions such as:

- Installing Gas to Power
- Replacing old heaters or boilers with new fit for purpose and efficient boilers
- Implementing regular Laser Methane detection campaign,
- Real-time monitoring system pipeline pressure to reduce leaked volume with a faster detection, intervention and repair

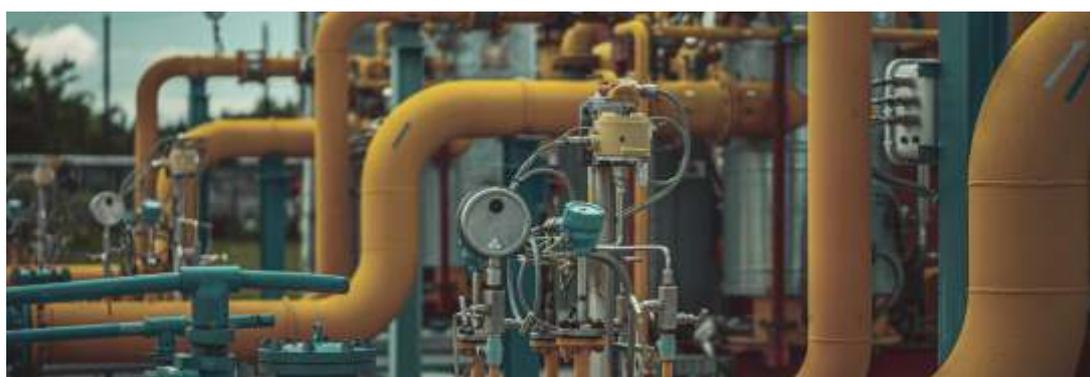
Our scope 1 GHG Emissions Intensity has decreased in 2021 by 21% compared with 2020

Scope 1 GHG Emissions Intensity [t CO ₂ eq.]			
	2019	2020	2021
PEC Timiș	0.416	0.645	0.383
PEC Țicleni	0.113	0.107	0.101
PEC Lviv	n/a	n/a	0.234
Total Scope 1 GHG Emissions intensity	0.223	0.271	0.214

However despite a reduction in our legacy operations, our absolute scope 1 GHG emissions has increase by 47% in 2021 vs 2020 as we took over new operations in Lviv Ukraine

Scope 1 GHG Emissions [t CO2 eq.]

	2019	2020
PEC Timiş	46,143	55,060
PEC Ţicleni	22,134	20,722
PEC Lviv	n/a	n/a
Total Scope 1 GHG emissions	68,277	75,782



These results can be explained in detailed as followed:

Volume of gas flared [m³]

	2019	2020	2021
PEC Timiş	402,400	60,700	595,855
PEC Ţicleni	26,200	0	0
PEC Lviv	0	0	0
Total	428,600	60,700	595,855

Volume of fugitive gas or vented [m³]

	2019	2020	2021
PEC Timiş	2,171,840	2,967,320	1,358,341
PEC Ţicleni	75,377	26,520	6,914
PEC Lviv	n/a	n/a	2,563,110
Total	2,247,217	2,993,840	3,928,365



In Timis the flared gas has increased significantly in 2021 due to an unexpected increased pressure in the gas delivery & transportation pipeline over the summer period which was above our gas distribution pipeline operating pressure. We had to shut-in free gas producing wells in order to avoid even more quantity of gas being flared. This increase of gas flared has been however largely compensated by a 54% reduction in volume of gas leaked (fugitive) and vented. This was a direct result of the previous year LDAR program, pipelines replacement together with faster reaction time for leaks identification and repair (See Hydrocarbon Spills management and performance section below) which allowed us to reduce dramatically quantities of fugitive gas.

The GHG Intensity in Timis has shown a significant improvement with a 41% reduction despite the production decline, mainly due to the reduction in gas vented, as mentioned above.

In Ticleni, we had zero flaring in our operations for the second year in a row. The absolute emission quantity has dropped by 15% in 2021 vs the result of 2020. This result is due to our boiler optimization program where we reduced the number of boilers in use and also closely monitoring the use of boilers for oil treatment in conjunction with chemical oil treatment and taking into consideration local weather conditions. Having in place newer more efficient Laser Methane Gas Detectors allowed for faster leak identification in our pipelines. The new detectors have an increased range of 100m distance versus the older model which was limited to 35m in distance. Results are proving to be encouraging as the reduction is 74% (but we need to observe that quantities of vented gas are significantly smaller in Ticleni compared to our two other PECs.)

In Lviv, we have focussed our first year to create an emissions inventory to identify emission sources put in place an ambitious GHG reduction plan which we believe will reduce our scope 1 GHG emissions intensity by more than 60% within the next 2 years. After having quickly fixed some of the easy to be fixed source of emissions identified by the LDAR , some of the more substantial solution to be implemented include :

- The purchase of a mobile well test separator that will allow for well clean-up after intervention without gas vented as it was performed in the past.
- The automation of the gas separator water discharge drainage system which is currently done manually and create important amount of gas being vented in our facilities.
- The purchase of a Laser Methane Gas Detector

In 2021 for the first time since we started to report and measure our scope 2 GHG Emissions in Romania in order to improve it in the years to come.

Our GHG Intensity taking into account Scope 1 and Scope 2 Emissions for 2021 (excluding PEC Lviv where data is not yet available) is: 0.24tCO₂eq/toe which means that Scope 2 emission account for a 0.03 increase in our GHG Intensity.

GHG Emissions Scope 2 [t CO₂ eq./]

	2019	2020	2021
PEC Timiș	n/a	n/a	7,536
PEC Țicleni	n/a	n/a	5,087
PEC Lviv	n/a	n/a	n/a
Total GHG Scope 2 emissions	n/a	n/a	12,623

Scope 2 GHG Emissions Intensity [t CO₂ eq./ toe]

	2019	2020	2021
PEC Timiș	n/a	n/a	0,09
PEC Țicleni	n/a	n/a	0,03
PEC Lviv	n/a	n/a	n/a
Total GHG Scope 2 emissions intensity	n/a	n/a	0,05

Finally below our reporting for Other Emissions:

Other GHG Emissions [t CO₂ eq./ toe]

		2019	2020	2021
PEC Timiș	SO ₂	0.0032	0.0023	0.0020
	Nox	23.2302	16.0418	15.5336
	NM-VOC	147.1702	200.2811	92.6463
	CO	8.2004	3.4431	5.9571
	Particulates	0.3055	0.2069	0.1843
PEC Țicleni	SO ₂	0.0022	0.0023	0.0017
	NOx	45.0015	44.61636	37.0136
	NM-VOC	27.6650	24.9913	19.3817
	CO	17.0128	16.8094	13.9515
	Particulates	0.6911	0.6953	0.5635
PEC Lviv	SO ₂			0.0540
	NOx			48.7540
	NM-VOC			0.051-
	CO			69.8130
	Particulates			0.0550

HYDROCARBON SPILLS MANAGEMENT AND PERFORMANCE

We are working continuously to reduce our operational footprint, upgrade our infrastructure and perform preventive maintenance of our assets in order to significantly reduce as much as possible oil and gas spills.

To achieve this goal, we have developed an Environmental Incident Reduction Plan, which includes both technical and organizational measures to reduce both the number of incidents and the amount of fluid leaked.

By this plan, the risks of spills are mitigated through preventive actions such as:

- Proper wells design and construction to ensure a complete seal from the external environment.
- Pipeline for pumping hydrocarbon from wells to parks, between parks or from parks to warehouses are protected against corrosion by introducing corrosion inhibitors into the pumping system they are also replaced regularly based on age, corrosion check and leaks trends.
- Also, for pipes built in recent years, corrosion-resistant materials such as high-density polyethylene or fiberglass have been used.
-

The plan also takes into account measures to reduce the environmental impact in case a spill happens:

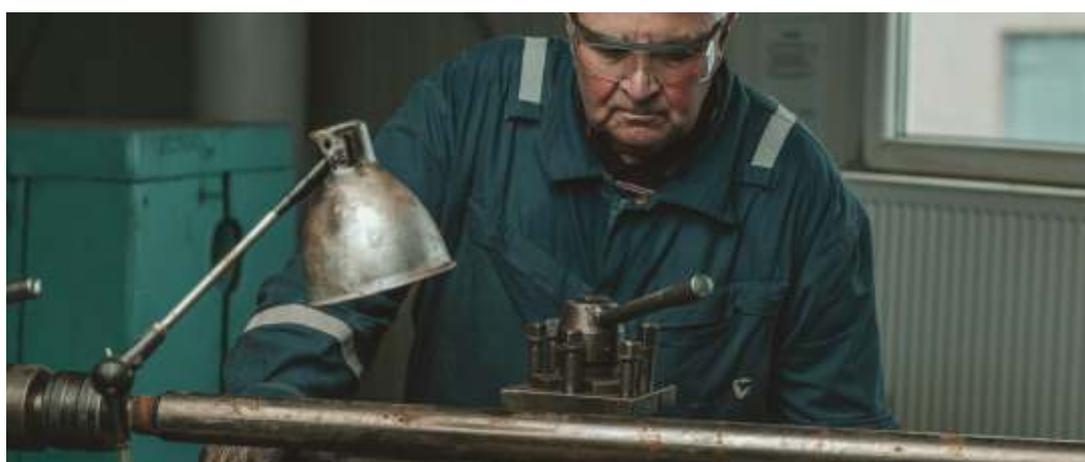
- In the well, spills are captured in the cellar of the well, an underground, concrete basin. In unusual and emergency situations, any discharges from the cellar are taken inside the dam area around the well.
- For the Pipelines, we have developed an internally a real-time leak monitoring system that improves intervention time and also analyses the trend to help us predict future problem areas where we can do preventive maintenance.
- On long pipes, sectioning valves are mounted to insulate a certain section of the pipe in case of accidental damage. In areas where oil or salt water pipes cross watercourses, the pipes are mounted in protection tubes connected to leak observation chambers. The pipeline section that crosses the watercourse is provided, at the ends, with sectioning valves that can be closed manually in case of damage to avoid the influx of oil product on the damaged section.
- In the parks and oil deposits, each tank is provided with a dammed area which, in accidental or emergency situations, can contain more than the oil volume in the tank. The hydrocarbon will be then drained in the park's decanter.

SPILLS MANAGEMENT In 2021, we had no serious spill in our operations incident recorded. More importantly, despite the increase of our activity (our boe production operated has increase by 40% with Lviv addition) we have both decrease the total number of spills vs 2020 (by minus 44%) and their impact on the environment as in 2021, 26% of the spills were classified as Medium vs 84% in 2020. This clearly demonstrate the effectiveness of our Environmental Incident Reduction Plan described above. For each spill, the environmental authorities were notified in less than 24 hours, consequently no environmental regulatory breach was registered and no penalty has been imposed by the authorities, as they considered that we properly managed the incidents

The spill intensity also dramatically decrease thanks to Timis progress and Lviv lo

Number of spills

PEC Timis	2019	2020	2021
Serious Incident	0	0	0
Medium Incident	410	223	39
Minor Incident	2	6	64
PEC Ticleni	2019	2020	2021
Serious Incident	0	1	0
Medium Incident	20	27	5
Minor Incident	84	42	66
PEC Lviv	2019	2020	2021
Serious Incident	n/a	n/a	0
Medium Incident	n/a	n/a	0
Minor Incident	n/a	n/a	4
Overall	2019	2020	2021
Serious Incident	0	1	0
Medium Incident	430	250	44
Minor Incident	86	47	124
Total	516	298	168



Spills Intensity [spills / boe]

	2019	2020	2021
PEC Timis	51.59	37.16	15.42
PEC Ticleni	7.8	5.2	5.9
Pec Lviv	n/a	n/a	0.002
Overall Spills Intensity	23.97	15.21	7.10

ENERGY INTENSITY MANAGEMENT AND PERFORMANCE

Decreasing our energy intensity represents a crucial objective economically as well as from an environmental point of view.

To achieve this objective, we have established a detailed Energy Management System (EMS) certified according to ISO 50001:2011 standards that allow us to improve our operational performance and reduce our environmental impact.

For an effective energy management, annually, we realize an analysis of our energy consumption to identify and prioritize the opportunities to improve our energy performance. The results of the energy analysis help us to establish the objectives and targets related to the energy intensity of our operations that are detailed within our Energy Management Plan. In this plan are established measures, deadlines, resources and responsibilities. The implementation of the Energy Management Plan is annually monitored to determine if the objectives are achieved.

Since 2014 we have decreased our Energy Intensity by -66%

Our main measures to achieve this reduction has been to:

- Replaced old transformer by a more efficient and fit for purpose ones
- A complete transition to LED lighting
- Water injection optimization project consisting of local injection done to eliminate long water transportation,
- More energy efficient pumps put in place that generated less electricity consumption and higher water injection rates.
- All pump motors or high-power fans are fitted with VFDs or VSDs
- Focus on reactive power management.
- Boiler optimization program - replace old and/or oversized with new, efficient boilers with the right capacity for the local needs.



2021 results are presented below

Due to oil treatment and transportation process optimization that modernized boiler in 10GK station and allowed for the boiler in Park 46 and IPROM Station to be decommissioned in Ticleni but also due to less gas produced in Pordeanu field (Timis) which was used to supply the Gas to Power. This is an encouraging result that prove that our investment and action to reduce our energy intensity are paying off.

In 2021 our Energy intensity was reduced by 25% mainly due to:

1)the addition of the Ukrainian operations in Lviv which have lower energy intensity due to the fact that they are gas fields we are operating with low electricity consumption as there is no artificial lift pumps to power but higher natural gas consumption for gas compression and facilities heating.

2)The electricity consumption in our facilities in Timis and Ticleni which continued its decreasing trend thanks to the investments programs made in the previous years.

3)The reduction in Timis and inTicleni of the natural gas consumption by 17% vs 2020.

Energy Consumption [GJ]

PEC Timis	2019	2020	2021
Electricity	101.027	91.918	91.903
Natural Gas	370.520	285.534	239,819
Liquefied Petroleum Gas	24.234	14.941	18,145
Petrol/Gasoline (vehiclefuel)	269	248	164
Diesel (vehicle fuel)	10.385	8.245	7585
Total energy consumption	506.438	400.888	357,916

PEC Ticleni	2019	2020	2021
Electricity	70.457	65.072	62.203
Natural Gas	351.996	342.108	281.962
Liquefied Petroleum Gas	-	-	-
Petrol/Gasoline (vehiclefuel)	253	232	249
Diesel (vehicle fuel)	14.763	13.874	14.724
Total energy consumption	437.471	421.289	359.138

PEC Lviv	2019	2020	2021
Electricity	-	-	3882
Natural Gas	-	-	402.237
Liquefied Petroleum Gas	-	-	-
Petrol/Gasoline (vehiclefuel)	-	-	2.210
Diesel (vehicle fuel)	-	-	4.904
Total energy consumption	-	-	413.233

Overall	2019	2020	2021
Electricity	171,485.58	156,991.68	157,988
Natural Gas	722,517.00	627,643.37	924,018
Liquefied Petroleum Gas	24,234.21	14,941.87	18,145
Petrol/Gasoline (vehiclefuel)	523.47	481.15	2,623
Diesel (vehicle fuel)	25,149.05	22,120.19	27,213
Total energy consumption	943,909.31	822,178.26	1,129,987

ENERGY INTENSITY COEFFICIENT (%)

PEC Timis	2019	2020	2021
PEC Timis	19.88	21.30	14.49
PEC Ticleni	7.60	7.40	7.39
Pec Lviv	n/a	n/a	3.86
Overall	11.75	11.65	8.69

FRESHWATER WITHDRAWAL MANAGEMENT AND PERFORMANCE

Freshwater is a vital resource for the development of XP's operation as well as for the communities in the areas we carry out our activities. Freshwater is used not only for domestic purposes like washing, cleaning tubulars, drinking.... but also for industrial purposes in our processes such as boiler for oil treatment, makeup water for workovers, cooling towers for gaz compressions, fire fighting....

All wastewater from our facilities is managed according to the Environmental Management Plan to ensure that effluent discharge complies not only with legal local requirements but also with our own standard. The technological wastewater coming from the washing of the installations, the condensation coming from the steam produced within the boiler battery and possible leaks from the equipment, are collected through our internal sewage systems and directed to the decanters. The formation water is used for technological or residual injection. The injection of formation water is made through the related injection distributors or directly from parks/tanks farms to the injection wells. In decanters, technological wastewater is mixed with field water, following their flow (injection).

All the formation produced water is reinjected by either technological or residual reinjection. The quantities of formation water injected are measured daily.

Since 2014 we have decreased our Freshwater Withdrawal by -89% from 4.64m³/toe to 0.53m³/toe

Our main measures to achieve this reduction has been to:

- Downsizing the parks inventory, thus eliminating boilers from surface facilities;
- Replacing old energy-intensive boilers, heaters and old water-cooling towers with more efficient equipment;
- Repairing or replacing water pipelines and hydrant systems where leaks were recorded.



2021 results are presented below where leaks were recorded.

Water consumption [megalitres]

		2019	2020	2021
PEC Timis	Freshwater	71.40	52.81	57.28
PEC Ticleni	Freshwater	295.06	182.13	177.8
PEC Lviv	Freshwater	n/a	n/a	5.3
Total water consumption	Freshwater	366.46	234.94	240.38

Freshwater withdrawal intensity [m³/toe]

	2019	2020	2021
Expert Petroleum SRL	0.82	0.57	0.68
Expert Petroleum Solutions SRL	1.51	0.94	1.02
Expert Petroleum Ukraine LLC	n/a	n/a	0.002
Overall Freshwater withdrawal intensity	1.19	0.75	0.57

In 2021 in Timiș we registered a slight increase in water consumption from 52.81 megaliters to 57.28 megaliters. The main reason for this increase was leaks on the freshwater pipeline grid. In Timis we have a widespread pipeline network which is highly corroded in some portions. Due to difficult access in the terrain, it caused larger response time for leak identification and remedial works. The increase in freshwater consumption correlated with a production decline led to a Freshwater withdrawal intensity increase from 0.57m³/toe in 2020 to 0.68m³/toe in 2021 (19% increase).

In Ticleni we continued the reduction trend for freshwater consumption. Over the past three years we achieved a 40% reduction from 295.06 megaliters to 177.8 megaliters. This is due to a careful monitoring of daily use and consumption. We put in place accurate metering system and real time pressure monitoring, that allowed quick identification of losses and immediate remedial. Equally important contribution to consumption reduction was the boiler optimization program where oversized or obsolete boilers have been eliminated and facilities downsized.

Our Total freshwater withdrawal intensity has been reduced by 24% compare to 2020. A large contribution is due to our new Lviv operations with a low freshwater consumption and freshwater intensity.

**WASTE
MANAGEMENT**

Our operations generate non-hazardous and hazardous wastes, recyclable or non-recyclable. The waste management is governed by a specific internal procedure that is strictly applied by our workers. This procedure allows an efficient management and recovery of the generated wastes, in accordance with the regulations in force

Our procedure adopts the following principles:

■ avoiding the generation of waste and acting in order to prevent its occurrence;

■ minimizing its degree of danger;

■ recovery of waste, acting either for reuse or recycling;

■ final disposal of waste in an environmentally friendly manner.



For the waste generated on site, the following rules are observed:

- prohibiting the mixing of different categories of hazardous waste or hazardous waste with non-hazardous waste;
- selective collection of waste for reuse / recycling / disposal;
- avoiding the generation of additional pollution through uncontrolled discharges / abandonment of waste in the environment;
- facilitating the timely taking of the necessary measures for the disposal of waste to proceed according to the legal provisions;
- record of types, quantities of waste and routes followed by waste.

Our main waste sludge, drilling mud, paraffin, used oils, contaminated soil, iron scraps and household waste.

To minimize the quantities of waste generated by the production activity we concentrate our efforts on:

- The reduction of raw materials losses and materials uses by observing the prescriptions and technological specifications;
- Carrying out the preventive maintenance program in order to reduce the losses due to technical defects/incidents;
- use of the "first come - first served" rule for the raw materials used.

All categories of waste generated from our operations are inventoried at work point level. Temporary storage of waste is done by categories in established points and locations. There is a concern for the elimination in the shortest time from the place of production and their transport to the established locations.

Recovery/ disposal of various categories of waste is based on contracts with authorized economic operators for this type of activity. There are contracts for household waste, for packaging and packaging waste, metal waste, used oil.

Regarding oil sludge from reservoir, tailings and sludge battles are processed through authorized contractors.

The hazardous, solid waste resulting from the sludge processing, as well as the contaminated soil from the abandonment of the wells or from environmental incidents are transported by a specific contractor and stored at the Temporary Storage Platform. The next phase in the elimination of hazardous solid waste resulting from processing and infested soil from environmental incidents and objective abandonment of our operations is bioremediation. Microbiological treatment will take place to reduce the hydrocarbon content in the contaminated soil.

WASTE -PEC Timis	2019	2020	2021
Sewage (generated) [m3]	0	18,452	0
Total solid waste disposed (inert/non-hazardous) [kg]	246,010	98,127	93,289
Total hazardous solid waste disposed [kg]	505,420	103,510	870,060
Total hazardous liquid waste disposed [l]	0	440	0
Total Waste Recycled [kg]	36,860	34,730	162,936

WASTE -PEC Ticleni	2019	2020	2021
Sewage (generated) [m3]	5,475	5,490	3.553
Total solid waste disposed (inert/non-hazardous) [kg]	227,060	187,660	168.540
Total hazardous solid waste disposed [kg]	787,460	412,075	446.720
Total hazardous liquid waste disposed [l]	0	30,000	0
Total Waste Recycled [kg]	183,740	635,225	187.760

WASTE - PEC Lviv	2019	2020	2021
Sewage (generated) [m3]	n/a	n/a	422
Total solid waste disposed (inert/non-hazardous) [kg]	n/a	n/a	238,810
Total hazardous solid waste disposed [kg]	n/a	n/a	0
Total hazardous liquid waste disposed [l]	n/a	n/a	28,093
Total Waste Recycled [kg]	n/a	n/a	0

OVERALL WASTE	2019	2020	2021
Sewage (generated) [m3]	5,475	23,942	3,975
Total solid waste disposed (inert/non-hazardous) [kg]	473,070	285,787	500.639
Total hazardous solid waste disposed [kg]	1,292,880	515,585	1,316,780
Total hazardous liquid waste disposed [l]	0	30,440	28,093
Total Waste Recycled [kg]	1,771,425	855,754	1,849,487

In 2021 the total quantity of solid waste, both hazardous and non-hazardous, have shown an increase. But this is not due to a higher impact of our activity. It is in fact caused by the acceleration of our surface facilities optimization and decommissioning in Ticleni and Timis and also from the additional quantity of waste generated by the Lviv PEC.

In Timis we have started a project of capital repairs on one of the main oil storage tanks in Satchinez fact that generated a consistent quantity of sludge that had to be eliminated while cleaning the tank for preparation of repairs. Another reason in Timis was the elimination of secondary waste storages in scattered in other facilities and relocating all in a single waste storage in Satchinez Tankfarm. This program generated elimination of several tanks of waste that contained sludge and other hazardous materials.

PREPARING FOR EMERGENCIES

While we continuously try to improve our Health, Safety, Security and Environmental Performance and decrease risk to the minimum to achieve our ultimate goal of ZERO INCIDENTS, we also have to be prepared for any incident to react in a orderly end efficient manner to reduce any impact on our people, assets, the environment and the community around our operations.

Any incident in our operations that is improperly managed can have a significant impact on employee health and safety, the environment and community relations and potentially on the company's sustainability.

We have therefore put in place a solid Emergency Management Plan (EMP) to describe the emergency response procedures involving services, operations and equipment within our operations. The plan is developed to ensure staff can respond to an emergency in a safe, efficient and responsible manner.

The plan describes the types and levels of emergencies, including examples, and describes the function and purpose of emergency command and response centers.

With this plan, we are able to establish a systematic management of emergency and crisis situations to be prepared in case of unplanned events in order to minimize the risk and diminish the impact when an unplanned event has to be controlled. Also, the EMP has the scope to ensure the safe operation of production facilities, with concern for the environment, public safety, government regulations and internal regulations; prevention and/or location of damages, work accidents, with appropriate technical-organizational means and to avoid losses of people and materials by knowing how to act in case of alarm

In case of incident, emergency or crisis, the key priorities are the following:

- saving lives
- minimizing the damage of the environment;
- ENSURING THE SECURITY OF OPERATING AREAS AND PREPARING FOR EMERGENCIES
- protection of assets and information from further damage;
- minimizing business interruption;
- minimizing financial liability;
- protection of our reputation.

In 2021 we continued to bring the attention of our employees to the EMP through the organization of specific training activities. We also regularly verified the effectiveness of the measures included in the plan, as well as the level of knowledge among the employees, through the organization of emergency drills.

In particular in 2021 we organized in 3 emergency drills in Ticleni, 12 in Timis and 8 PEC Lviv. The number of drills still had to be kept at a minimum practicable due to COVID-19 restrictions. The aim was to reach the objective regarding the number of simulations, but these were organized with a smaller number of people involved than in previous years. Another outcome of these simulations is the identification of possible needs for plan revisions. Our drills this years also incorporated H2S scenarios, especially in Timis and Ticleni where H2S is present in most of the fields.

Furthermore, we had some inspection from public authorities about our emergency plans in our production facilities. In 2021, we had 4 inspections in Timiș, 2 in Ticleni and 2 in PEC Lviv, Ukraine. All inspections were compliant.



EXPERT
PETROLEUM

**HUMAN
RESOURCE
MANAGEMENT**

As business with long term sustainable goals we are concerned about our employees' well-being and take all necessary precautions to protect their health and safety.

This includes the prevention and mitigation of professional risks and the creation of a work environment based on equal opportunities and mutual respect, as well as promoting transparency, in which anyone can freely express their opinions without fear of retaliation.



Our human resources management comprises a set of internal procedures and regulations dealing in detail with specific processes such as staff recruitment, training, rights and obligations, work conduct and other relevant aspects of working in our company. All these documents are mandatory for our employees who need to comply with these procedures, being encouraged to inform the management of any proposal of improvement considered necessary.

In 2021, we had two management office one in Bucharest, and another one in Lviv and 3 main areas of operations (Timis, Ticleni and Stry in Ukraine) In total at the end of 2021 we had 960 employees.

XP Employees	2018	2019	2020
PEC Timis	341	319	272
PEC Ticleni	614	592	537

XP Contractor Employees	2018	2019	2020
PEC Timis	157	101	77
PEC Ticleni	144	104	104

Number of employees – PEC Ticleni

	2019	2020	2021
Total number of employees	592	537	512
<i>of which women</i>	120	109	97
Total number of employees with ILC, undetermined period, full time	592	536	508
<i>of which women</i>	120	109	97
Total number of employees with ILC, undetermined period, part time	4	4	4
<i>of which women</i>	0	0	0
Total number of employees with ILC, determined period, full time	0	1	0
<i>of which women</i>	0	0	0
Total number of employees with ILC, determined period, part time	0	0	0
<i>of which women</i>	0	0	0

Number of employees – Timis

	2019	2020	2021
Total number of employees	319	272	270
<i>of which women</i>	57	47	48
Total number of employees with ILC, undetermined period, full time	318	270	268
<i>of which women</i>	57	47	47
Total number of employees with ILC, undetermined period, part time	1	1	1
<i>of which women</i>	0	0	0
Total number of employees with ILC, determined period, full time	1	1	1
<i>of which women</i>	0	0	0

Number of employees – PEC Lviiu

	2019	2020	2021
Total number of employees	n/a	n/a	178
<i>of which women</i>	n/a	n/a	23
Total number of employees with ILC, undetermined period, full time	n/a	n/a	178
<i>of which women</i>	n/a	n/a	23
Total number of employees with ILC, undetermined period, part time	n/a	n/a	0
<i>of which women</i>	n/a	n/a	0
Total number of employees with ILC, determined period, full time	n/a	n/a	0
<i>of which women</i>	n/a	n/a	0
Total number of employees with ILC, determined period, part time	n/a	n/a	0
<i>of which women</i>	n/a	n/a	0



Like every company that activates in the Oil & Gas industry, Expert Petroleum tries to adapt to an ever-changing workforce market. The decreasing trend of our headcount is due to a continuous modernization and automation process started back in 2014 and showing the efficiency progress registered. This demonstrates our continuous focus on efficiency programs but also the level of the maturity of the company.

Due to legislative changes at the national level on the Retirement Law, the number of retirement applications (based on age) has risen from 4 to 30 (anticipatory request). We managed to convert this challenge into an opportunity by bringing unexperienced employees that were qualified and mentored by the one about to retire.



New employee hires – PEC Timis

		2019	2020	2021
New employee hires	number	11	19	18
<i>of which women</i>	number	0	2	6
<i>out of which under 30 years</i>	number	0	1	3
<i>out of which between 30-50 years</i>	number	0	1	1
<i>out of which over 50 years</i>	number	0	0	2

New employee hires – PEC Ticleni

		2019	2020	2021
New employee hires	number	6	2	16
<i>of which women</i>	number	0	0	4
<i>out of which under 30 years</i>	number	0	0	1
<i>out of which between 30-50 years</i>	number	5	1	13
<i>out of which over 50 years</i>	number	1	1	2

New employee hires – Lviv

		2019	2020	2021
New employee hires	number			27
<i>of which women</i>	number			10
<i>out of which under 30 years</i>	number			5
<i>out of which between 30-50 years</i>	number			21
<i>out of which over 50 years</i>	number			1

Employee turnover – PEC Timis

		2019	2020	2021
New employee hires	number	32	66	20
<i>of which women</i>	number	6	12	5
<i>out of which under 30 years</i>	number	0	3	1
<i>out of which between 30-50 years</i>	number	7	13	0
<i>out of which over 50 years</i>	number	25	50	4

Employee turnover – PEC Ticleni

		2019	2020	2021
New employee hires	number	28	57	42
<i>of which women</i>	number	8	13	13
<i>out of which under 30 years</i>	number	0	0	0
<i>out of which between 30-50 years</i>	number	9	9	12
<i>out of which over 50 years</i>	number	19	48	30

Employee turnover – PEC Ukraine

		2019	2020	2021
New employee hires	number	n/a	n/a	7
<i>of which women</i>	number	n/a	n/a	4
<i>out of which under 30 years</i>	number	n/a	n/a	2
<i>out of which between 30-50 years</i>	number	n/a	n/a	5
<i>out of which over 50 years</i>	number	n/a	n/a	0



TRAINING AND DEVELOPMENT

Investing in our people training and development is an important element of our strategy of ensuring a robust performance and growth of our company.

Our goal is to keep our company productive and healthy, to attract and retain talents, to develop our leadership, and to improve employee performance.



Our organization conducts frequent professional evaluations of its employees in order to properly monitor the efficiency of each employee's actions and give a constructive feedback to continuously improve each one performance.

We devote great attention to the recruitment and training processes to ensure that each employee is at the right place and developed at his full potential.

Starting with 2020 and continuing in 2021 our focus on employee safety during the COVID-19 pandemic allowed us to increase the utilization of online and computer-based training, while ensuring the competency levels remained at high levels.

We made sure that all mandatory training is performed in order to maintain company licenses and certifications as required by applicable laws.

Expert Petroleum employees are required to complete an introductory HSSE training to reinforce our core HSSE values. Employees involved in certain activities, depending on job position, receive additional training mostly administered in-house, through our HSSE representatives, to ensure that they have the competencies required to execute their duties safely and responsibly. There are also specialty job functions who receive specific training such as Well Control, Electrical Safety, Mechanical Lifting, etc.

All Expert Petroleum contractors and sub-contractors are actively involved in the above-mentioned training programs to obtain a high-level overview of our safety culture and performance, being also advised to be observant of XP's safety practices whilst working on our sites.

If prior COVID-19 pandemic almost 100% of the training was done in person, in 2021 we estimate that we had around 70% of training in online environment and remaining 30% as in-person training.

Certain training and certification items have a validity higher than one year, hence the variation in training hours from one year to another. Also, our HR representatives have meetings and exchange experience with similar oil and gas organizations, as well as with HR professionals from CIPD (Chartered Institute of Personnel and Development), a professional association for human resource management professionals. Thus, our employees get continuous updates on common best practices and ensure relevant benchmarking.

Average no. of training hours – PEC Timis

	2019	2020	2021
Average number of training hours per employee	50	10	17
Average number of training hours for women	42	8	8
The average number of training hours for men	52	10	19
The average number of training hours for Management	35	16	16
The average number of training hours for administrative personnel	50	24	20
The average number of training hours for workers	55	10	18

Average no. of training hours – PEC Ticleni

	2019	2020	2021
Average number of training hours per employee	52	14	22
Average number of training hours for women	40	6	10
The average number of training hours for men	51	11	25
The average number of training hours for Management	40	19	20
The average number of training hours for administrative personnel	45	22	24
The average number of training hours for workers	58	16	22

Average no. of training hours – PEC Lviv

	2019	2020	2021
Average number of training hours per employee	n/a	n/a	11
Average number of training hours for women	n/a	n/a	5
The average number of training hours for men	n/a	n/a	9
The average number of training hours for Management	n/a	n/a	6
The average number of training hours for administrative personnel	n/a	n/a	4
The average number of training hours for workers	n/a	n/a	3

Performance review – Expert Petroleum SRL

	2019	2020	2021
% of employees who benefited from evaluation programs	100	100	100
<i>out of which women</i>	100	100	100
<i>out of which employees Management</i>	1.25	1.47	1.57
<i>out of which administrative personnel</i>	16.14	14.5	7.95
<i>out of which workers</i>	82.61	84.03	90.48

Performance review – Expert Petroleum Solutions SRL

	2019	2020	2021
% of employees who benefited from evaluation programs	100	100	100
<i>out of which women</i>	100	100	100
<i>out of which employees Management</i>	3	3	3
<i>out of which administrative personnel</i>	21	21	21
<i>out of which workers</i>	76	76	76

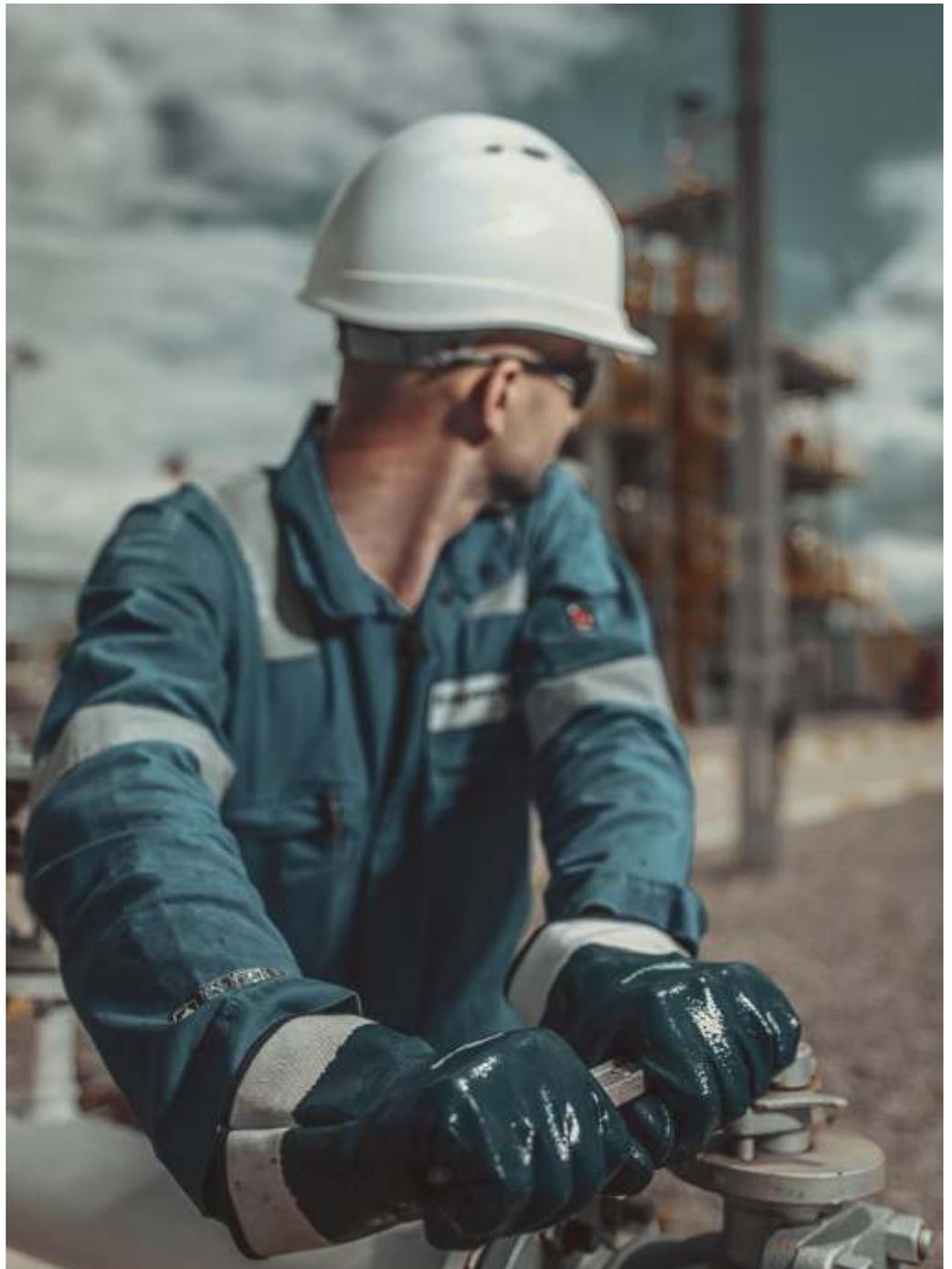
Performance review – Expert Petroleum Ukraine

	2019	2020	2021
% of employees who benefited from evaluation programs			100
<i>out of which women</i>			100
<i>out of which employees Management</i>			6
<i>out of which administrative personnel</i>			8
<i>out of which workers</i>			86

HUMAN RIGHTS

Respecting and promoting human rights is a non-negotiable part of our business.

The specific provisions of our Internal Regulation are complemented by the Collective Bargain Agreements and individual labor contracts that we negotiate and sign with our employees, which contains specific clauses referring to respect of human rights, non-discrimination, prohibition of child and enforced labor, and freedom of association and the right to engage in collective bargaining, health & safety, anti-corruption etc..



FREEDOM OF ASSOCIATION

It is our obligation and principles to ensure that our employees are free to form and participate in associations of any type and to engage independently in any legal and lawful activity. It is also a right that we consider is essential to the concept of human rights. We ensure a healthy work environment for all our employees while offering comprehensive packages of benefits in conformity with their expertise level and performance. All these benefits and regulations are comprised within the Collective Bargaining Contract that all permanent employees have adhered to. At XP level operates 1 labor syndicate having 4 branches in our operated regions, that oversee that the concerns of all employees are appropriately addressed, their representatives being actively involved in the negotiation of the Collective Bargaining Contract. These organizations enable a constant dialogue between management and our

people and through the Management Walk-Around Program we succeed in keeping a close relationship with our employees from all functions. Local trade unions represent more than 90% of our employees.

Our Collective Bargaining Contract contains well defined and clearly communicated standards of compliance. This reflects our core values of Integrity and Respect and empowers all our employees to conduct business ethically.

We developed a number of channels for our employees to anonymously report suspected violations of the Code of Conduct, Internal Regulations, laws, and processes, as well as other problems such as labor practices, discrimination, conflicts of interest, unethical behavior, and so on.

As a result, we established a whistleblower mechanism, complete with a private e-mail address accessible only by a member of our

senior management team in responsibility of ensuring that our governance systems are always followed.

Any employee who files a complaint or reports a violation of the rules will obtain written confirmation from a management representative, ensuring that no repercussions will be imposed. The person submitting a complaint is informed regarding the investigation of the issue addressed and measures are taken to not impair confidentiality along the entire process.



COMPLAINTS

The complaint methodology requires the secretariat to provide the necessary support to employees so that they can lodge their complaints in writing, which are registered and answered within 30 days as set out in the rules of procedure.

The answer is formulated by the HR department after consulting the managers responsible for the department concerned in the letter. If necessary, an internal group is formed to elucidate all the circumstances and provide an answer that benefits both the employee and the company.



EQUAL OPPORTUNITIES

2021 – XP continues to provide a diverse and equitable environment that upholds our core values of collaboration and respect, and provides all employees opportunities for growth and development!

Consistent with our Code of Conduct, XP aims to ensure that applications for employment from everyone are given full and fair consideration and that everyone is given access to training, development and career opportunities.

We provide equal opportunity in recruitment, career development, promotion, training and reward for all employees, regardless of gender, ethnicity, sexual orientation or physical abilities.

XP has long understood the importance of diversity and inclusion within its workforce because of the wide range of stakeholders we connect with. We maintain and apply throughout our organization the principle of equal opportunities and fair treatment. Therefore, any form of discrimination is unacceptable, whether it is direct or indirect, based on sex, sexual orientation, genetic characteristics, age, membership nationality, race, ethnicity, religion, political option, social origin, disability, situation or material responsibility, membership or trade union activity. Our internal procedures establish that each manager has the responsibility to ensure compliance with the law and the decisions of XP within their sector and that there is no discrimination on any criterion or sexual harassment.

During the reporting period, there were not registered any discrimination incidents.

Employee Diversity - Expert Petroleum SRL

	2019	2020	2021
Total number of employees	319	270	270
out of which women	57	47	48
out of which men	262	225	222
out of which under 30 years	11	13	13
out of which between 30-50 years	156	135	131
out of which over 50 years	152	124	126

Employee Diversity - Expert Petroleum SRL²

	2019	2020	2021
Total number of employees	592	537	512
out of which women	120	109	97
out of which men	472	428	415
out of which under 30 years	2	1	1
out of which between 30-50 years	309	264	223
out of which over 50 years	281	272	288

Employee Diversity - Expert Petroleum SRL³

	2019	2020(Q4)	2021
Total number of employees		158	178
out of which women		17	23
out of which men		141	155
out of which under 30 years		18	21
out of which between 30-50 years		92	105
out of which over 50 years		48	52



EXPERT
PETROLEUM

COMMUNITY RELATIONS

We understand that success means achieving positive impact both with the results of the activity we deliver and through the relationships and practices that get the job done. For this, we are committed to leverage the resource development that we can redirect to the communities, increasing our involvement in social investments and interventions.

We strive not just to work ethically, but also to take proactive efforts to assist individuals and communities share in the advantages and possibilities that our work provides. We want to have a good social effect everywhere we work.

During the winter season, for example we assist local public authorities with snow removal by employing our company's trucks and equipment.

As education is one of the challenges Romania has ahead, our human resources team in Romania, working with various NGO's, helped creating new basis for the education system in Romania by being part of the selection teams for various educational programs organized for school principals such as mini-MBA, managing emotions in the classroom, "School of Trust". Members of our HR team coached various school teachers for the contest they had to attend for getting a principal position within the school they have applied to, based on the new methodology issued by the Education Ministry. Some of our HR team members act as mentors for school principals attending the mini-MBA program.

Based on dialogue and needs assessment done within the community, in Letnya - Ukraine our team has installed a new heating system in Letnya primary school. Our team took care and refurbished the park for kids learning there. Ukrainian team assumed Saint Nicholas's role and offered gifts to all children in Letnya primary school.



SUPPLY CHAIN

We consider supply chain management as an important area where to integrate sustainability principles of fairness, transparency and non-discrimination.



Within our company, we have established a specific department that carries out all the procurement activities - Supply Chain Management (SCM) department. The department works for our operations in Țicleni, Timiș and Lviv. The main activities of the SCM department are to ensure materials and services necessary for our company, ensuring the respect of certain requirements, like product quality, availability, delivery deadline and payment terms. The department is fulfilling our needs in terms of procurement, inventory management, warehouse, logistics and commercial aspects. Having in view the role of the SCM Department and the important impact on our company regarding the "Total Cost of Ownership", it is necessary to ensure a continuous improvement of its activities. The SCM Department is continuously looking for improvement in order to achieve the best business results through a cost-effective procurement and to identify saving opportunities. For this purpose, they are striving to drive down procurement costs, improve supplier terms and decrease product prices without affecting the product's quality. A cost-effective procurement process supports our organization to generate significant amounts of savings every year.

The SCM department is responsible for organizing auditing processes for all new potential suppliers to identify any potential risk for our company prior to signing a contract or agreement. By this process, we assess the level of compliance with the company's policies and internal regulation, in particular the environmental and social aspects. Only providers that fulfill these requirements are selected.

SUPPLY CHAIN

The management also carries out initiatives focused on creating a transparent, strong and long-term business relationship with the suppliers of XP, with the purpose of strengthening our risk management processes, as well as ensuring that no disruptions in our supply chain arise nor that several dynamics such as price, orders, deliveries variations are not flattened to an acceptable level.

We specify within our contracts the mandatory standards and regulations that suppliers must respect regarding human rights, labor rights, safety, health and environmental management, by the case.



The local expenditures for goods and services in 2021 amounted over \$ 23.4mn compared with \$21.8 mn in 2020

During 2021 significant changes regarding our supply chain have not intervened. For both of our operation sites, the local expenditures for goods and services in 2021 amounted over \$ 23,394,000 mn compared with 21,782,670 mm in 2020. During 2021 we have cooperated with 380 suppliers all over Romania (367 local suppliers in 2020) and took appropriate measures to monitor the contract implementation in order to avoid the appearance of any nonconformity. We have increased our portfolio by 63 new suppliers of materials and services and we are in a continuous market search to identify the best 'quality and cost-effective' solutions for XP.

The local expenditures for goods and services in 2021 amounted over \$ 23.4mn compared with \$21.8 mn in 2020.[1]."



APPENDICES

MEMBERSHIP

Expert Petroleum is a member of the Romanian Oil and Gas Employers' Organization (FPPG).

Members of this Federation are petroleum concession agreements titleholders, representing 98% of Romania's oil and gas production, the oil and gas TSOs and dedicated service providers.

Expert Petroleum endorses the mission of the Chartered Institute of Personnel and Development (CIPD) which is focused on human resource management professionals, and our HR team attends the meetings and other events organized through CIPD



ABBREVIATIONS

BoD	Board of Directors
BOE	Barells of Oil Equivalent
CBA	the Collective Bargaining Agreement
CIPD	Chartered Institute of Personnel and Development
CO ₂	Carbon Dioxide
CO ₂ eq	Carbon dioxide equivalent
EU	European Union
F&V	Flared & Vented
GHG	Greenhouse Gas
GJ	Gigajoule
GRI	Global Reporting Initistives
HiPo	Hight Potential
HR	Human Resources
HSPS	Hydraulic submersible pumps
HSS	Health, Safety and Security
HSSE	Health, Safety, Security and Environment
IFRS	International Financial Reporting Standards
IOGP	International Association of Oil & Gas Producers
IPIECA	International Petroleum Industry Environmentak Conservation Association
ILC	Individual Labor Contract
Kg	Kilogram
l	liters
LTI	Lost time incident
LTIR	Lost time injury rate
m ³	Cubic meter
MPF	Ministry of Public Finance
MWA	Management Walk-Around
No	Number
PEC	Production Enhancement Services Contracts
SCE	Safety Critical Elements
SCM	Supply Chain Management
SHL	Stepping Handling and Lifting
SIMOPS	Simultaneous Operations
toe	Tonne of oil equivalent
USD	American Dollar
XP	Expert Petroleum

GRI Content INDEX

GRI Indicator	General description	Reference	Comments	
GRI 102: General Disclosures	Organizational profile			
	Disclosure 102-1	Name of the organization	P05	
	Disclosure 102-2	Activities, brands, products and services	P11	
	Disclosure 102-3	Location of headquarters	P05	
	Disclosure 102-4	Location of operations	P12	
	Disclosure 102-5	Ownership and legal form	-	
	Disclosure 102-6	Markets served	P12	
	Disclosure 102-7	Scale of the organization	P13; P44	
	Disclosure 102-8	Information on employees and other workers	P46	
	Disclosure 102-9	Supply chain	P56; P57	
	Disclosure 102-10	Significant changes to the organization and its supplychain	-	
	Disclosure 102-11	Precautionary Principle or approach	P16	
	Disclosure 102-12	External initiatives	-	
Disclosure 102-13	Membership of associations	P59		
Strategy				
Disclosure 102-14	Statement from senior decision-maker	P07; P08		
Etics and integrity				
Disclosure 102-16	Values, principles, standards, and norms of behaviour	P17		
Governance				
Disclosure 102-18	Governance structure	P15		
Disclosure 102-22	Composition of the highest governance body and its committees	P15		

GRI Content INDEX

GRI 102: General Disclosures	GRI Indicator	General description	Reference	Comments
	Stakeholder engagement			
	Disclosure 102-40	List of stakeholder	P20	
	Disclosure 102-41	Collective bargaining agreements	P51	
	Disclosure 102-42	Identifying and selecting stakeholders	P20	
	Disclosure 102-43	Approach to stakeholder engagement	P20	
	Disclosure 102-44	Key topics and concerns raised	P21	
	Reporting practice			
	Disclosure 102-45	Entities included in the consolidated financial statements	P05	
	Disclosure 102-46	Defining report content and topic Boundaries	P05	
	Disclosure 102-47	List of material topics	P21	
	Disclosure 102-48	Restatements of information	-	
	Disclosure 102-49	Changes in reporting	P21	
	Disclosure 102-50	Reporting period	P05	
	Disclosure 102-51	Date of most recent report	P05	
	Disclosure 102-52	Reporting cycle	-	
	Disclosure 102-53	Contact point for questions regarding the report	-	
	Disclosure 102-54	Claims of reporting in accordance with the GRI Standards	P05	
	Disclosure 102-55	GRI content index	-	
	Disclosure 102-56	External assurance	P05	

GRI Content INDEX

GRI Indicator	General description	Reference	Comments
---------------	---------------------	-----------	----------

GRI 200: Economic standard series

Economic performance

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P17	
Disclosure 103-3	Evaluation of the management approach	P17	

GRI 201: Economic Performance

Disclosure 201-1	Direct economic value generated and distributed	P13	
------------------	---	-----	--

Procurement practices

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P22	
Disclosure 103-3	Evaluation of the management approach	P22	

GRI 204: Procurement practices

Disclosure 204-1	Proportion of spending on local supplies	P57	
------------------	--	-----	--

Anti-corruption

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P24	
Disclosure 103-3	Evaluation of the management approach	P24	

GRI 205: Anti-corruption

Disclosure 205-3	Confirmed incidents of corruption and actions taken	P17	
------------------	---	-----	--

GRI Content INDEX

GRI Indicator	General description	Reference	Comments
---------------	---------------------	-----------	----------

Anti-competitive behaviour

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P27	
Disclosure 103-3	Evaluation of the management approach	P27	

GRI 206: Anti-competitive behaviour

Disclosure 206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	-	
------------------	---	---	--

GRI 300: Environmental Standards Series

Energy

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P29	
Disclosure 103-3	Evaluation of the management approach	P29	

GRI 302: Energy

Disclosure 302-1	Energy consumption within the organization	P36	
Disclosure 302-3	Energy intensity	P36	

Water

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P34	
Disclosure 103-3	Evaluation of the management approach	P34	

GRI 103: Water

Disclosure 303-1	Interactions with water as a shared resource	P38	
Disclosure 303-5	Water consumption	P39	

GRI Content INDEX

GRI Indicator	General description	Reference	Comments
---------------	---------------------	-----------	----------

Emissions

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P38	
Disclosure 103-3	Evaluation of the management approach	P38	

GRI 305: Emissions

Disclosure 305-1	Direct (Scope 1) GHG emissions	P30	
Disclosure 305-4	GHG emissions intensity	P30	
Disclosure 305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	P30	

GRI G4: Oil&Gas Sector Disclosures

Disclosure OG6	Volume of flared and vented hydrocarbon	P30	
----------------	---	-----	--

Waste

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P40	
Disclosure 103-3	Evaluation of the management approach	P40	

GRI 306: Effluents and Waste

Disclosure 306-3	Waste generated	P41	
Disclosure 306-3	Significant spills	P41	

Waste

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P42	
Disclosure 103-3	Evaluation of the management approach	P42	

GRI 307: Environmental Compliance

Disclosure 307-1	Non - compliance with environmental laws and regulations	P17; 29	
------------------	--	---------	--

GRI Content INDEX

GRI Indicator	General description	Reference	Comments
---------------	---------------------	-----------	----------

GRI 400: Social standards Series

Employment

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P42;44	
Disclosure 103-3	Evaluation of the management approach	P42;44;46	

GRI 401: Labor Management Approach

Disclosure 401-1	New employees hires and employee turnover	P46;49;46	
Disclosure 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	-	
Disclosure 401-3	Parental leave	-	

Labor Management Relations

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P48	
Disclosure 103-3	Evaluation of the management approach	P48	

GRI 402: Labor Management Approach

Disclosure 402-1	Minimum notice periods regarding operational changes	-	
------------------	--	---	--

Occupational Health and Safety

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P50	
Disclosure 103-3	Evaluation of the management approach	P50	

GRI Content INDEX

GRI Indicator	General description	Reference	Comments
---------------	---------------------	-----------	----------

GRI 400: Social standards Series

GRI 403: Occupational Health and Safety

Disclosure 403-1	Workers representation in formal joint management - worker health and safety committees	P22	
Disclosure 403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	P22	
Disclosure 403-4	Worker participation, consultation, and communication on occupational health and safety	-	
Disclosure 403-5	Worker training on occupational health and safety	P24	
Disclosure 403-6	Promotion of worker health	P24	
Disclosure 403-9	Work-related injuries	P26	

Training and Education

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P48	
Disclosure 103-3	Evaluation of the management approach	P48	

GRI 404: Training and Education

Disclosure 404-1	Average hours of training per year per employee	-	
Disclosure 404-2	Programs for upgrading employee skills and transition assistance programs	P48	
Disclosure 404-3	Percentage of employees receiving regular performance and career development reviews	P49	

Diversity and non - discrimination

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P50	
Disclosure 103-3	Evaluation of the management approach	P50	

GRI Content INDEX

	GRI Indicator	General description	Reference	Comments
GRI 405: Diversity and Equal Opportunities	Disclosure 405-1	Diversity of governance bodies and employees	P53	
	Non - discrimination			
GRI 103: Management Approach	Disclosure 103-1	Explanation of the material topic and its boundary	P21	
	Disclosure 103-2	The management approach and its components	P53	
	Disclosure 103-3	Evaluation of the management approach	P53	
GRI 406: Non-discrimination	Disclosure 406-1	Incidents of discrimination and corrective actions taken	P53	
	Human Rights Assessment			
GRI 103: Management Approach	Disclosure 103-1	Explanation of the material topic and its boundary	P21	
	Disclosure 103-2	The management approach and its components	P50	
	Disclosure 103-3	Evaluation of the management approach	P50	
GRI 412: Training and Education	Disclosure 412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	P50	
	Local Communities			
GRI 103: Management Approach	Disclosure 103-1	Explanation of the material topic and its boundary	P21	
	Disclosure 103-2	The management approach and its components	P55	
	Disclosure 103-3	Evaluation of the management approach	P55	
GRI 413: Local Communities	Disclosure 413-1	Operations with local community engagement, impact assessments and development programs	P55	
	Disclosure 413-2	Operations with significant actual and potential negative impacts on local communities	P55	

GRI Content INDEX

GRI Indicator	General description	Reference	Comments
---------------	---------------------	-----------	----------

Socio - Economic Compliance

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P56	
Disclosure 103-3	Evaluation of the management approach	P56	

GRI 419: Non-discrimination

Disclosure 419-1	Non-compliance with laws and regulations in the social and economic area	P17	
------------------	--	-----	--

Asset integrity and process safety

GRI 103: Management Approach

Disclosure 103-1	Explanation of the material topic and its boundary	P21	
Disclosure 103-2	The management approach and its components	P57	
Disclosure 103-3	Evaluation of the management approach	P57	

GRI G4: Oil&Gas Sector Disclosures

Disclosure OG13	Number of process safety events, by business activity	-	
-----------------	---	---	--

**EXPERT
PETROLEUM**



EXPERT PETROLEUM

Victoria Business Park Clădirea B3, Etaj 1
Dn1, Șos. București - Ploiești 73 - 81 Sector 1
București, România

+40 374 200 647
+40 314 326 225
info@expertpetroleum.com

expertpetroleum.com