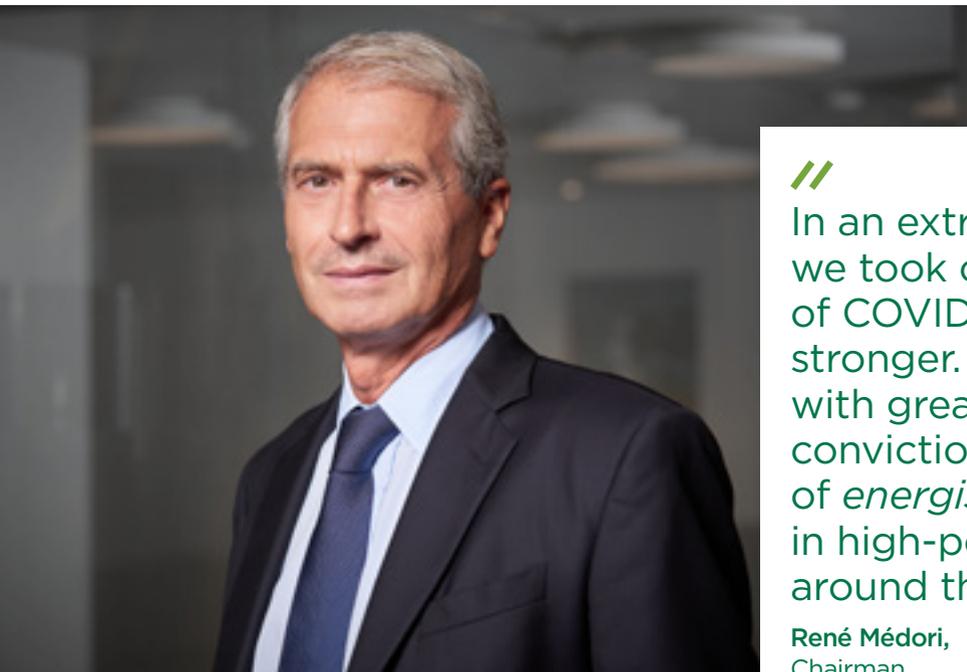


CHAIRMAN'S STATEMENT

We live in a world that needs reliable, affordable and increasingly sustainable energy solutions – nowhere more so than in the fast-growing parts of the world where Puma Energy is an established presence. This is an exciting opportunity at the heart of our current business, future growth and success.



Video link to:
René Médori's
Chairman's statement

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In an extraordinary year, we took on the challenge of COVID-19 and emerged stronger. We are accelerating with greater focus and conviction along our path of *energising communities* in high-potential countries around the world.

René Médori,
Chairman

Confronting COVID-19

2020 was an exceptional year dominated by the global COVID-19 pandemic. The human and economic impact around the world was immense. We faced many significant challenges, notably turmoil in the oil market, lockdowns in the countries where we operate and a collapse of the aviation market.

When I look at the year for Puma Energy as a whole, I would say that, because of the diversity of our portfolio, many of the countries and markets in which we operate have been less impacted than others in the industrialised world. That is not to underplay the pandemic, which of course has been a major event for everyone, our business included. It is simply to put it in a more Puma Energy-focused context. That context is one of an increasingly customer-led Company dedicated to fulfilling its core purpose of *energising communities* in selected high-potential countries around the world.

We are not everywhere, nor do we do everything. Our strategy and the focus of our investment, commitment and capabilities is to provide the right energy solutions for our customers and their communities in some very particular parts of the world.

Capitalising on the energy transition opportunity

The energy transition is a core part of this story and in recent years, we have seen a significant acceleration of commitment to and investment in renewable energy. Again, looking at it through our lens, much of the investment so far has been in areas of the world where we tend not to operate. In our countries of focus by contrast, from Puerto Rico to Ghana to Papua New Guinea, there is a growing need for sustainable energy solutions. We believe we are well placed to play a leading role in meeting this need. Our strategy makes this a central pillar of our future. Indeed, with the creation of our Future Energies business unit in 2020, we have taken a big step forward in this direction.

Enhancing our governance

When I joined Puma Energy as Chairman on 3 March 2020, I highlighted one of my key responsibilities as ensuring we continue to enhance our governance structures. This is a fundamental aspect of delivering on our strategy and achieving sustainable and profitable growth that benefits all stakeholders.

In this spirit, the Board was very active in 2020. Ordinarily we have four Board meetings a year. However, 2020 saw us hold two extraordinary Board meetings, six meetings in all, as we focused on major issues and changes in a remarkable, transformative year for our business.

CHAIRMAN'S STATEMENT



We also took a major step forward in enhancing our governance with the launch of our environmental, social and governance (ESG) framework. We are now ensuring it is embedded in every facet of Puma Energy's operations and gathering examples and data from across our business to show that commitment in action.

We strengthened and expanded the role of the Audit Committee. We now have a more systematic view of the entire audit landscape.

The Remuneration Committee continued its focus on aligning the compensation of Puma Energy's senior leadership to the strategic goals and performance of the business. Through the year, there was a particular emphasis by its shareholders and Board on supporting Puma Energy's ongoing transformation and the related imperative to retain and attract the very best talent.

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Accelerating our transformation

Alongside dealing with the unprecedented challenges of COVID-19, we also pressed on with, and indeed accelerated, our strategy. We implemented change at a faster pace across the three pillars of our transformation framework: operational excellence, focused growth and new business development. We undertook a major reorganisation of our operating model to form three customer-focused business units -

Downstream, Infrastructure and Future Energies - supported by global functions. We slimmed down our Executive Committee by a third, to create a leadership structure designed for agile, efficient and effective management. We accelerated the refocusing of our portfolio onto key markets, with divestments of assets within non-core countries.

We now have a clear strategic plan endorsed by the Board and the organisation and leadership to implement it.

Engaging closely with our shareholders

The level of engagement with our two main shareholders was also very high, as indeed was their support for the business. I would like to take this opportunity to thank Trafigura and Sonangol for their strong and continued backing of Puma Energy. In particular, we greatly appreciate the price adjustment support our core supplier shareholders Trafigura and Sonangol provided in the second quarter of 2020. This was key in enabling us to weather the worst of the COVID-19 storm.

Looking on the bright side, the rollout of vaccines makes the future for everyone less perilous and uncertain. However, I do not underestimate the extent of the crisis and its impact that we faced this year, nor the risks that remain in 2021 and beyond, but

I do believe Puma Energy is increasingly well placed to navigate these risks and challenges through decisive leadership and an appropriate strategy and plan.

Leading us through

Our CEO Emma and her team have done a tremendous job in leading Puma Energy through all the challenges and uncertainties. They were very quick to accelerate the strategy together with a substantial programme of cost reductions, backed by the Board. The highly transparent, collaborative and dynamic style of the senior leadership team and the high degree of engagement with both the Board and employees have been key in enabling Puma Energy to bring stakeholders with them on their journey and achieve ongoing buy-in and support.

Starting to see the benefits

We are starting to see the benefits of the acceleration. It is about much more than just driving down and managing our costs. The focus is on driving up, in a concerted way, how we choose to work with partners, customers and communities to energise them in the short and long term. We now have a simpler, sharper operating model focused on excelling for our customers and growing value for our stakeholders. We are emerging from COVID-19 stronger, leaner and fitter.

CHAIRMAN'S STATEMENT



We are starting to see the benefits of the acceleration of our strategy. It is about much more than just driving down and managing our costs. The focus is on driving up how we energise partners, customers and communities.

Board changes

During 2020, José Larocca stepped down from the Board and I would like to thank him for his contribution and wish him well for the future. We welcomed Hadi Hallouche as a new Board member and look forward to continuing to work closely with him.

Recognising our great people

The whole team at Puma Energy has been outstanding. I would like to thank all our people who have shown such resilience, verve and dedication in continuing to deliver for our customers, while facing often extremely tough challenges, and at the same time doing so much to keep transforming Puma Energy for the better.

Strengthening our balance sheet

In June 2020, we completed the sale of our Australian fuels business for AU\$425m and we continue to target further proceeds from non-core divestments during 2021. This along with significant cost reductions and a range of operational improvements means that during 2020, we were able to prepay US\$300m of the three-year term loan that falls due in May 2021.

With my fellow Board members, I have been evaluating a range of options to address the weakness of our balance sheet and expect to determine a course of action during the first quarter of 2021.

Looking ahead

I am proud to say we are a business that plays a critical part in the lives of people, businesses and communities around the world. Looking ahead, we are intent on playing an increasingly valuable and welcome role as we continue to accelerate our strategy and go further, faster in *energising communities* around the world.

René Médori,
Chairman