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1. Introduction

1.1 Purpose

The Offshore Petroleum Regulator for Decommissioning & the Environment (OPRED) require all offshore operators to produce a Public Statement to report their environmental performance under OSPAR Recommendation 2003/5 to promote the use and implementation of Environmental Management Systems (EMS) by the offshore industry. These statements must be prepared on an annual basis (covering offshore installation activities carried out during the previous calendar year), made available to the public and copied to OPRED by 1st June each year.

1.2 Structure

This Public Statement outlines the environmental performance of Zennor Petroleum Limited and its operating subsidiary companies (collectively referred to hereafter as 'Zennor') relating to their UK Continental Shelf (UKCS) oil and gas operations during 2019. The statement consists of the following:

- **Section 2:** Abbreviations;
- **Section 3:** Describes Zennor's activities in the UKCS during 2019;
- **Section 4:** provides a summary of Zennor's ISO 14001-certified EHS Management System;
- **Section 5:** Summarises Zennor's environmental performance during 2019 in relation to the environmental policy, objectives and targets, and relevant legislative requirements;
- **Section 6:** Sets new environmental objectives and targets for 2020.

2. Abbreviations

2.1	BOP	Blowout Preventer
	EHS	Environmental, Health and Safety
	EHSMS	Environmental, Health and Safety Management System
	EMS	Environmental Management System
	ISO	International Organisation for Standardisation
	LTI's	Lost Time Injuries
	OPRED	Offshore Petroleum Regulator for Decommissioning & the Environment
	OSPAR	Convention for the Protection of the Marine Environment of the North-East Atlantic
	ROV	Remotely Operated Vehicle
	UKCS	UK Continental Shelf

3. 2019 UKCS Offshore Activities

3.1

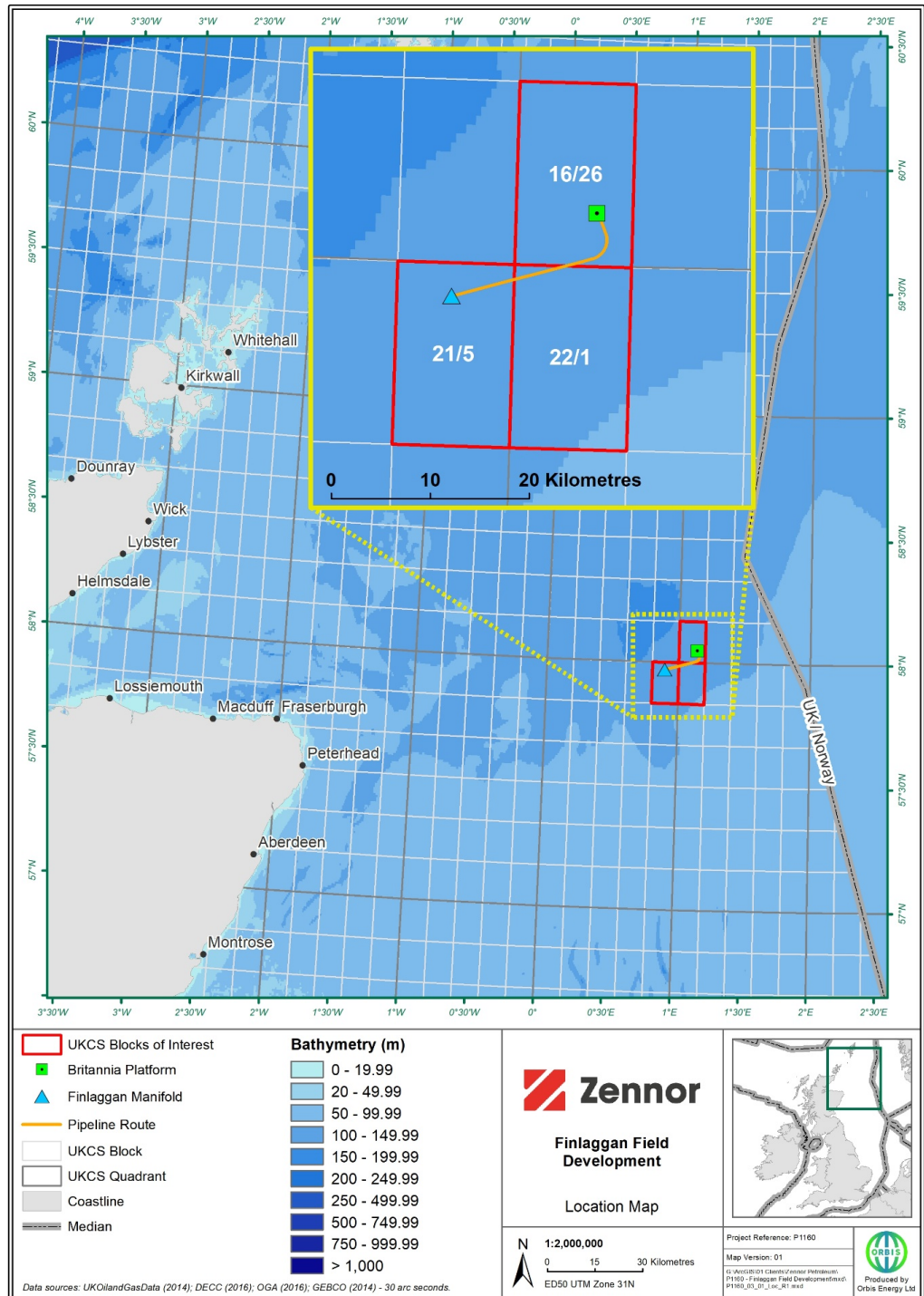
Zennor is in the process of developing the Finlaggan gas condensate field in Seaward Production Licence P2013, located within UKCS Block 21/05c in the central North Sea, approximately 167 km from the Aberdeenshire coastline (see Figure 3.1).

The development concept for Finlaggan comprises a subsea manifold and two production wells tied back via a production pipeline and umbilical to Chrysaor's Britannia platform located in UKCS Block 16/26a, approximately 17 km to the north east of Finlaggan. Reservoir fluids will be processed on the Britannia platform and exported to shore via existing infrastructure.

As part of the field development project, during Q2 2018 to Q2 2019, Zennor drilled two appraisal wells in the Finlaggan field (21/05c- 21/05c-F1P and 21/05c- 21/05c-F2) using the Paul B. Loyd Jr semi-submersible drilling rig. The wells were spudded on 04th July 2018 and the rig departed the Finlaggan location on 19th May 2019. On completion of the drilling campaign, the wells were suspended ready for development re-entry at a later date.

In addition, between July and October 2019 Zennor completed the first installation phase of the Finlaggan pipeline system. This consisted of pipelay, trenching and umbilical lay operations, installation of the subsea isolation valve and all pipeline system work within the Britannia 500m zone apart from installation of the spools. However, as work on the pipeline system is still ongoing, this Public Statement focuses on the environmental performance of the drilling operations only.

Figure 3.1. Finlaggan Location



4. The Environmental Management System

4.1 EHS EMS


Zennor's EHS Management System establishes the main requirements and provides the framework for managing EHS issues within the business. It ensures the following:

- Compliance with company policy and legislation;
- Clear assignment of responsibilities;
- Efficient and cost-effective planning and operations;
- Effective management of EHS risks;
- Continual improvement.

The only facility under active Zennor management is the main office in Guildford. All other operations are managed through contractors on contractor's vessels and facilities and using the facility specific management system and procedures. For these activities, Zennor's role is primarily contractor selection and management with interfaces between management systems defined in appropriate interface/bridging documents.

The EHS Management System is designed to meet the requirements of UK and international models for health, safety and environmental management (e.g. HS (G) 65, ISO14001, OHSAS 18001, IOGP) and the common framework for management systems introduced by the International Standards Organisation. It is based on the concept of Plan-Do-Check-Act and provides an iterative process with the aim of continual improvement. The EMS was last certified to ISO 14001 in April 2019 and the last surveillance audit was carried out in January 2020. The Zennor EHS policy statement is displayed in Figure 4.1.

Figure 4.1. Zennor EHS Policy Statement



Environmental, Health and Safety Policy Statement


It is the policy of Zennor Petroleum Limited to manage all the activities and operations of the Zennor Group (collectively "Zennor") in a responsible manner that protects the health and safety of its employees, contractors and public, but also minimises adverse impacts on the environment.

To accomplish this we will:

- *Ensure that all personnel, whether employees or contractors, are aware of their delegated environmental, health and safety responsibilities and are properly trained to undertake these.*
- *Provide the resources necessary to implement this policy and to develop and maintain our EHS systems.*
- *Ensure that environmental, health and safety protection command equal prominence with other business considerations in the decision making process.*
- *Design and manage our activities to prevent pollution, minimise environmental and health impacts and provide work places where safety hazards have been fully assessed and appropriately mitigated.*
- *Encourage use of the best available techniques to reduce the environmental impact of our operations, particularly with regard to the efficient use of energy and materials, the minimisation of waste and the prevention of pollution.*
- *Commit to continual improvement of our EHS performance by setting objectives and targets and performing regular audits and reviews.*
- *Ensure that appropriate contingency plans and resources are in place to respond to incidents and emergencies.*
- *Ensure that all our operations comply with legislative requirements and associated codes of practice and guidance.*
- *Communicate and consult with stakeholders and the public and have regard for their interests when planning activities.*
- *Conduct regular audits of our EHS management system to ensure that it is being observed and to seek improvements within the system.*
- *Act with integrity at all times.*

Zennor acknowledges the global threat posed by climate change and recognises the need to reduce greenhouse gas (GHG) emissions. We accept our responsibility to comply with emerging climate change legislation, regulation and industry best practice, including the UK "Net Zero" requirement by 2050. We will reduce our GHG emissions as far as is reasonably practical through appropriate initiatives. Assessing the contribution of our operations to greenhouse gas emissions is part of our environmental impact assessment process for all operations.

Responsibility for compliance with our EHS policy and standards lies with the Managing Director, line management and all staff who are engaged in work on our behalf.



Martin Rowe
Managing Director
Zennor Petroleum Limited
January 2020

**4.2
Progress
against
2019
Objectives
& Targets**

Zennor's 2019 targets and their corresponding status as of the 21st May 2020 are detailed in Table 4.1 below.

Table 4.1. Zennor's 2019 Targets

Management System Requirement	Targets	When	Status
Management Systems	Review management system requirements as part of close out and review of Finlaggan drilling programme and to cover field development and suspended wells.	Q2	Closed.
Plans, Objectives & Targets	Finlaggan Development Project EHS Plan.	Q1	Closed.
Risks and Environmental Aspects	Risk assessment process defined for Finlaggan Development Project.	Q1	Closed.
Measuring & Monitoring Performance	Finlaggan development drilling consents register in place and being monitored.	On-going to Q2	All consents in place and register closed following completion of drilling.
	Finlaggan development project consents register in place and being monitored.	On-going to Q2	In place and being tracked.
	Finalise and close out regulatory reporting for Finlaggan Development Drilling.	Q2	Regulatory reporting completed and project closed.
Performance Targets	Zero LTI's.	Q2	No LTI's.
	Zero hydrocarbon and chemical spills.	Q2	3 small spills: 0.28 kg of hydraulic fluid from the Remotely Operated Vehicle (ROV); 0.62 kg hydraulic fluid from ROV; 0.08 kg of Stackmagic Blowout Preventer (BOP) hydraulic fluid.
Audits	100% completion of audit programme and actions.	Q4	Audit programme completed and closed.

5. Environmental Performance Summary

5.1 Emissions and Discharges

Table 5.1 provides a summary of the emissions, discharges and wastes generated from the Finlaggen drilling operations.

Table 5.1. Zennor's 2019 UKCS Reportable Emissions, Discharges & Waste

Environmental Indicator	Units	2019 Finlaggen Well
Drilling Activities		
Wells Drilled	No. of Wells	2
Fuel (Diesel) Consumption ¹	Tonnes	5,782
Well Testing (Gas) Consumption	Tonnes	3,314.17
Well Testing (Oil) Consumption	Tonnes	1,479.03
Environmental Incidents		
Chemical Release	No. Incidents	3
Hydrocarbon Release	No. Incidents	0
Atmospheric Emissions From Diesel Consumption²		
CO ₂	Tonnes	18,502.4
CO	Tonnes	90.78
NO _x	Tonnes	343.46
N ₂ O	Tonnes	1.28
SO ₂	Tonnes	23.12
CH ₄	Tonnes	1.04
VOC	Tonnes	11.56
Atmospheric Emissions From Flaring² (Gas)		
CO ₂	Tonnes	9279.68
CO	Tonnes	22.20
NO _x	Tonnes	3.98
N ₂ O	Tonnes	0.268
SO ₂	Tonnes	0.0424

CH ₄	Tonnes	149.14
VOC	Tonnes	16.57
Atmospheric Emissions From Flaring² (Oil)		
CO ₂	Tonnes	4732.90
CO	Tonnes	26.62
NO _x	Tonnes	5.47
N ₂ O	Tonnes	0.12
SO ₂	Tonnes	0.019
CH ₄	Tonnes	36.98
VOC	Tonnes	36.98
Chemical Consumption³		
Gold (use / discharge)	kg	106,628 / 12,195
A (use / discharge)	kg	50,760 / 0
C (use / discharge)	kg	0 / 0
D (use / discharge)	kg	26,238 / 9,353
E (use / discharge)	kg	77,37,937 / 750,375
SUB (use / discharge)	kg	87,316 / 2,537
Waste Generated		
Drill Cuttings Discharged to Sea	Tonnes	11,90.098
Drill Cuttings Shipped to Shore	Tonnes	2,044.79
Waste Stream Discharged from Well Bore Clean-up (before well test)	m ³	0
Well Clean-up (after well test)	m ³	458.079
Weight of Dispersed Oil Discharged from Well Clean-up (after test)	Tonnes	0.0051

¹Diesel consumed by the Paul B. Loyd, Jnr semi-submersible drilling rig during the drilling of the Finlaggan wells.

²Atmospheric emissions have been calculated using Oil and Gas UK emission factors.

³Chemical products with a substitution warning can also be recorded as E, D, C and Gold.

6. Environmental Objectives and Targets for 2020

6.1 Zennor's 2020 Targets

Table 6.1. Zennor's 2020 Targets

Management System Requirement	Targets	When
Management Systems	Review management system requirements prior to production operations at Finlaggan. Implement any additions identified.	Q2
	Review EHSMS against new 45001 standard.	Q1
Measuring & Monitoring Performance	Define baseline GHG emissions per barrel of production (carbon intensity). Develop policy to define how the Company will reduce GHG emissions going forward in line with Vision 2035 and 2050 Net Zero requirements.	Q2
Performance Targets	Zero LTI's	Q4
	Zero hydrocarbon and chemical spills from operations.	Q4
Audits	Compliance audit during Greenwell appraisal drilling.	Q4
	Project Compliance Audit.	Q3
	EHSMS Audit.	Q4