



Zennor Petroleum Limited

OSPAR Public Statement 2020

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Table of Contents

Abbreviations	3
1. Introduction	4
2. 2020 UKCS Offshore Activities	5
3. Zennor's Environmental Management System	7
4. 2020 Environmental Performance Summary	9
5. Environmental Targets for 2021	11

Abbreviations

EEMS	Environmental Emissions Monitoring System
EHS	Environmental, Health and Safety
EHSMS	Environmental, Health and Safety Management System
EMS	Environmental Management System
GHG	Greenhouse Gases
ISO	International Organisation for Standardisation
LTI's	Lost Time Injuries
OGUK	Oil and Gas UK
OPRED	Offshore Petroleum Regulator for Decommissioning & the Environment
OSPAR	Convention for the Protection of the Marine Environment of the North-East Atlantic
TCFD	Task Force on Climate-Related Financial Disclosure
UKCS	UK Continental Shelf

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 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 1 st June each year.
1.2 Structure	<p>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 2020. The statement consists of the following:</p> <ul style="list-style-type: none">• Section 2: Abbreviations;• Section 3: Describes Zennor's activities in the UKCS during 2020;• Section 4: provides a summary of Zennor's ISO 14001-certified EHS Management System;• Section 5: Summarises Zennor's environmental performance during 2020 in relation to the environmental policy, objectives and targets, and relevant legislative requirements;• Section 6: Sets new environmental objectives and targets for 2021.

2. 2020 UKCS Offshore Activities

2.1

Zennor is 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 2.1).

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

The field development campaign offshore is being undertaken in phases. To date, the following work has been completed:

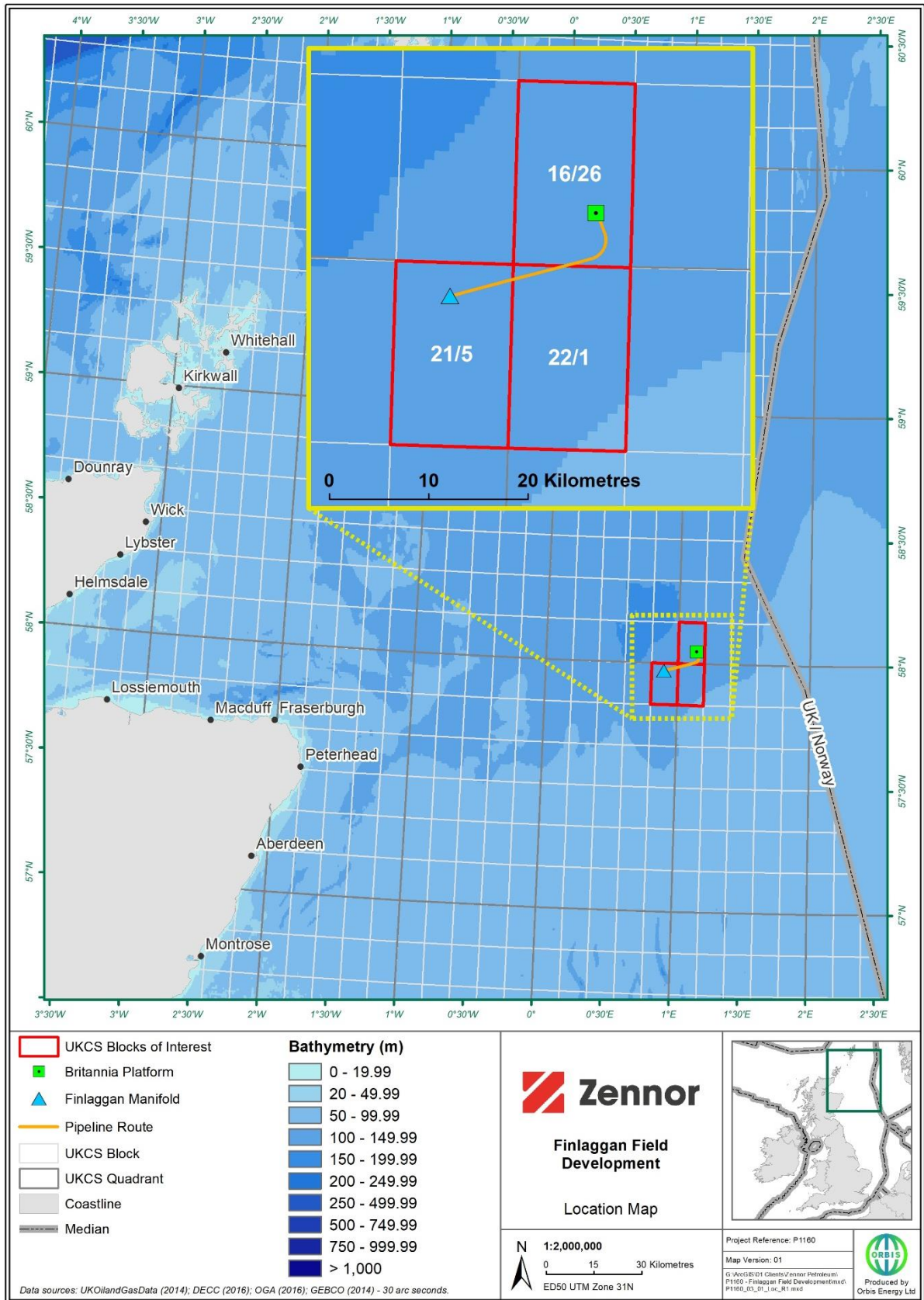
- During Q2 2018 to Q2 2019, the Finlaggan wells (21/05c- 21/05c-F1P and 21/05c- 21/05c-F2) were drilled and subsequently suspended ready for development re-entry at a later date;
- Between July and October 2019, Zennor completed the first installation phase of the Finlaggan pipeline system. This consisted 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;
- In 2020, the second installation phase of the Finlaggan pipeline system commenced. This consisted of pipeline hydrotesting activities, installation of the manifold, all pipeline system work within the Finlaggan 500m zone and installation of the spool tie-ins at Britannia.

The remainder of the field development work is due to be completed in 2021, with first production targeted for Q4 2021.

This Public Statement focuses on the environmental performance of the pipeline system work completed in 2019 and 2020 as reported via the Environmental and Emissions Monitoring System (EEMS).

The environmental performance of the drilling operations was reported in Zennor's 2019 OSPAR Public Statement.

Figure 2.1. Finlaggan Field Development Location



3. Zennor’s Environmental Management System

3.1 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 2021. The Zennor EHS policy statement is displayed in Figure 3.1.


3.2 Progress against 2020 Objectives & Targets

Zennor’s 2020 environmental targets and their corresponding status as of January 2021 are detailed in Table 3.1 below.

Table 3.1. Zennor’s 2020 Environmental Targets

Management System Requirement	Targets	When	Status
Management Systems	Review management system requirements and Implement any additions identified	Q2	Completed and issued 06/04/20
	Review EHSMS against new 45001 standard	Q1	Completed
	Develop policy for defining and reducing GHG emissions from operations	Q2	EHS Policy updated. Further actions being developed as part of carbon offset programme and TCFD compliance.
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	EHS Policy updated to include commitment to meeting OGUK Visions 2035 net zero plan. Further actions being developed as part of carbon offset programme and TCFD compliance.
Performance Targets	Zero LTI’s	Q4	Achieved
	Zero hydrocarbon and chemical spills from Operations	Q4	Achieved

Figure 3.1. 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 2021

4. 2020 Environmental Performance Summary

4.1 Emissions and Discharges

Table 4.1 provides a summary of the emissions and discharges resulting from the Finlaggan pipeline system work completed in 2019 and 2020, as reported via EEMS.

Table 4.1. Zennor's 2020 UKCS Reportable Emissions and Discharges

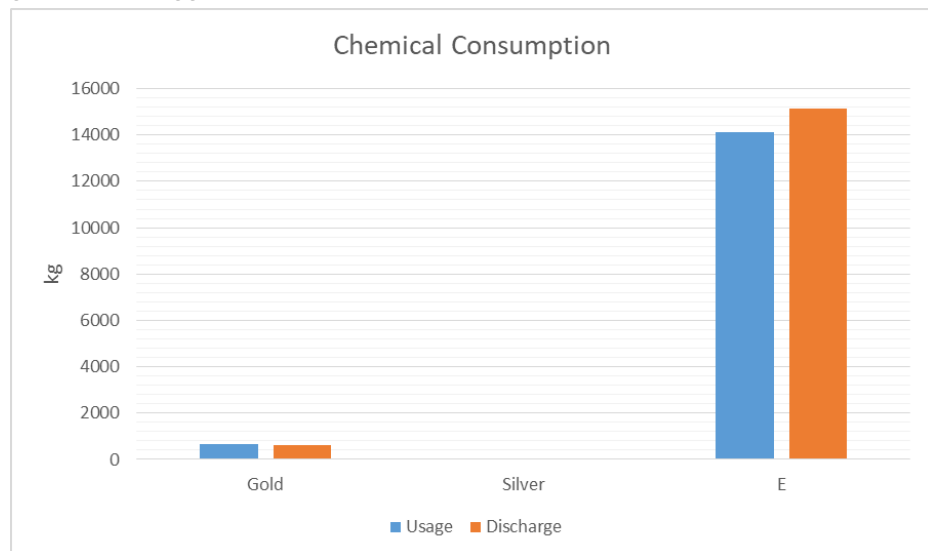
Environmental Indicator	Units	2019 / 2020 Record
Environmental Incidents		
Chemical Release	No. Incidents	0
Hydrocarbon Release	No. Incidents	0
Chemical Consumption ¹		
Gold (use / discharge)	kg	641.175 / 636.485
Silver (use / discharge) ¹	kg	0 / 1.8
E (use / discharge)	kg	14,133.29 / 15,156.65
SUB (use / discharge) ²	kg	0 / 1.8

¹ This Silver band product was already present in the riser and its use was historically recorded by the Britannia platform operator, hence only the discharge of the product when the Finlaggan spools were connected is recorded here.

² Only one SUB chemical was discharged, which was the historically used Silver band product.

The chemical consumption data is also displayed graphically in Figure 4.1. It can be seen from this that the vast majority of chemicals used and discharged (96%) were Offshore Chemical Notification Scheme (OCNS) category E products, all of which were PLONOR (pose little or no risk to the environment).

Figure 4.1. Finlaggan Chemical Consumption (29/08/2019 – 30/09/2020)



4.2 Deposits

Table 4.2 provides a summary of the deposits placed on the seabed during the Finlaggan pipeline system work, as reported via EEMS for the period from 25 July 2019 to 30 September 2020.

Table 4.2. Zennor's 2020 UKCS Reportable Deposits

Nature of Deposit	Quantity	Area of Seabed Impacted	Fate of Deposit
Clean Inert Rock Material	94,792 tonnes	68,280 m ²	Permanent
Mattresses (6m x 3m x 0.15m)	91	1,729 m ²	Permanent
Mattresses (6m x 3m x 0.3m)	39	742 m ²	Permanent
25kg Hessian Bags Containing Grout	365	16 m ²	Permanent

5. Environmental Targets for 2021

5.1 Zennor's 2021 Targets

Zennor's 2021 environmental targets are detailed in Table 5.1 below. Once first production is achieved at Finlaggan, emissions and discharges relating to production operations will be at the host facility (Britannia). As the Britannia platform is operated by Harbour Energy, there are few opportunities for Zennor to make direct improvements in the asset's environmental performance. The 2021 targets listed in Table 5.1 are therefore focused on improvements to Zennor's overall environmental management and performance across operated and non-operated assets. No further offshore operations are currently planned by Zennor in 2021.

Table 5.1. Zennor's 2021 Environmental Targets

Management System Requirement	Targets	When
Management Systems	Develop contractor selection and management procedures to address climate change and governance/ABC issues	Q1
Measuring & Monitoring Performance	Investigate adding methane to GHG emissions reporting for all assets.	Q1
Performance Targets	Prepare and finalise TCFD compliance report	Q2
	No LTI's or spills at Finlaggan	Q4