TAILWIND ENERGY LTD OSPAR PUBLIC STATEMENT 2021

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Abbreviations

CHARM	Chemical Hazard Assessment and Risk Management)
CMAPP	Corporate Major Accident Prevention Policy
CNRI	Canadian Natural Resources (UK) Limited
BMS	Business Management System
boe	Barrels of Oil Equivalent
EEMS	Environmental and Emissions Monitoring System
EHS	Environmental, Health and Safety
EHSMS	Environmental, Health and Safety Management System
EMS	Environmental Management System
ENI	ENI UK Limited
E&P	Exploration & Production
FPSO	Floating Production and Storage Offshore
GHG	Green House Gas
ePON1	Electronic Petroleum Operations Notice 1
MAH	Major Accident Hazard
HMCS	Harmonised Mandatory Control Scheme
HOCNF	Harmonised Offshore Chemical Notification Format
HQ	Hazard Quotients
IVB	Independent Verification Body
KPI	Key Performance Indicator
NCP	Ninian Central Platform
NPAI	Not Permanently Attended Installation
OIW	Oil in Water
OPEP	Oil Pollution Emergency Plan
OPRED	Offshore Petroleum Regulator for Environment & Decommissioning
OSPAR	Oslo and Paris Commission
PFML	Petrofac Facilities Management Limited
t	Tonnes
SECE	Safety and Environmental Critical Elements
UKCS	United Kingdom Continental Shelf

1 Introduction

Under OSPAR Recommendation 2003/5 to Promote the Use and Implementation of Environmental Management Systems (EMS) by the Offshore Petroleum Regulator for Environment & Decommissioning (OPRED) requires all operators of offshore installations to produce a Public Statement to report their environmental performance. These Public Statements are prepared on an annual basis (covering offshore installation activities carried out during the previous calendar year) and made available to the public.

In accordance with the above requirement, this report presents Tailwind Energy Ltd and its affiliates (Tailwind) environmental performance for 2021 for the Conwy Platform located in the East Irish Sea from Q1 and Q2 (inclusive) only. The Conwy asset was divested to ENI UK Limited (ENI) on the 1st July 2021. Tailwind's other producing assets Gannet E, Bittern, and Guillemot West, North-West are reported by the host operator, Dana Petroleum (E&P) Ltd (Dana). The environmental reporting for Tailwind's Orlando asset is done by CNR International as facility host operator. The Evelyn field is being developed in 2022 by Tailwind as a single well subsea tie-back to Triton, and once in production will be reported by Dana, as facility host operator.

Petrofac Facilities Management Ltd (PFML) is the well operator for the Gannet E wells (GE01, GE02, GE03), the Evelyn well (EV01) and the Orlando well. All environmental reporting associated with these wells is included within the wider PFML Environmental Statement.

Table 1 Tailwind Assets

Field	Block	Field Operator	Export Host	Host Operator	Working Interest
Conwy[1]	110/12a	Tailwind[2]	Douglas	ENI	100%
Evelyn[3]	21/30f	Tailwind	Triton FPSO	Dana	100%
Gannet E	21/30c	Tailwind	Triton FPSO	Dana	100%
Orlando	3/3b	Tailwind	Ninian Central Platform	CNRI	100%
Bittern	29/1a, 1b	Dana	Triton FPSO	Dana	64.63%
Guillemot West, North-West	21/30a	Dana	Triton FPSO	Dana	10%
Columbus	23/16f, 11a	Serica Energy plc	Shearwater	Shell UK Ltd	25%

1. Conwy was divested to ENI on the 1st July 2021
2. ENI became operator on the 1st July 2021
3. Evelyn well (EV01) is suspended awaiting subsea tieback to Triton, with production is expected to start in Q3/4 2022

2 Tailwind Assets

Tailwind is an oil and gas company founded in 2016 focused on UK Continental Shelf and is the licence holder for the following assets:

Conwy

Tailwind was the operator for Block 110/12a (Licence No. P.1476) in the East Irish Sea, which contains the Conwy oil field and the Conwy facilities, a Not Permanently Attended Installation (NPAI) including an oil production, water injection pipelines and umbilical, constructed in May 2012.

The Conwy Platform is tied back to the ENI UK Limited (ENI) operated Douglas Complex in Block 110/13 via a 12km 8-inch diameter infield pipeline.

Tailwind is no longer the Licensee and Operator of the Conwy facilities and wells, following the sale of the asset to ENI who became Licensee and Operator on the 1st July 2021.

Orlando

Tailwind acquired Decipher Energy Limited in Q2 2021 this included operatorship of the Orlando field. The Orlando Field is located in the Northern North Sea approximately 127km east of Shetland, 17km from the UK/Norway Median Line and 11km north-east of the Canadian Natural Resources International (CNRI) operated Ninian Central Platform (NCP). The Orlando asset consists of a single producing well tied back to the Ninian Central Platform (NCP).

Tailwind is Licence Holder of the Orlando Field and is also the pipeline operator and Petrofac are the Well Operator.

The Orlando hydrocarbons are produced through an 8"/12", 11.5km long pipe-in-pipe production line to NCP and into the Orlando separator. Following separation, Orlando oil is routed via the Orlando metering package, to co-mingle with Brent oil upstream of the Brent oil heater/cooler. The fluids then pass through the Brent Low Pressure Separator, before leaving for export via the Strathspey metering package. Gas can be channelled to either fuel or to flare. NCP does not have gas export facilities, and gas is therefore used as either fuel gas or flared.

Triton (Bittern/Gannet E/Guillemot West / Guillemot North-West Fields)

The Triton Area consists of seven producing oil fields developed via common infrastructure in the UK Central North Sea, located approximately 190km east of Aberdeen. The seven fields currently producing oil and gas via the Triton FPSO, are Bittern, Guillemot West, Guillemot North-West, Gannet E, Clapham, Pict and Saxon. Dana Petroleum (E&P) Limited (Dana) and Waldorf Production UK Plc (Waldorf) are our partners in the Triton cluster. Dana currently operates the Triton FPSO along with the Clapham, Saxon, Pict and Guillemot West fields. Following the Tailwind transaction to acquire its interests in Triton, Dana now also operates the Bittern field.

Tailwind is Licence Holder of the Gannet E Field, with Dana as pipeline operator and Petrofac as well operator. Tailwind also is 100% Licence Holder of the Belinda/Evelyn discoveries with Petrofac as well operator.

The fluids produced from the Triton field are transported via a subsea pipeline to the Triton FPSO for onward processing and export. All environment reporting i.e. EEMS reporting, including chemical usage/discharge, oil discharge with produced water, emissions to air and waste generation is reported by Dana, as host operator and is not included in this report.

Triton (Evelyn Development)

The Evelyn Field Development Plan and Environmental Statement were approved by the Regulators and sanctioned by Tailwind in January 2021.

The Evelyn development consists of a single production well with a subsea tieback to Triton. Tailwind will deliver the Evelyn project through an operating partnership with Petrofac as well operator and Dana as pipeline operator. The Evelyn well was drilled and completed in Q3 2021. The subsea scope installations are planned for Q2 2022. The topsides modifications will be managed by Dana and completed during the 2022 Triton annual shutdown with first oil expected in Q4 2022.

Once on production in 2022, all Evelyn environment reporting i.e. EEMS returns including chemical usage/discharge, oil discharge with produced water, emissions to air and waste generation will be reported by Dana, as Triton operator.

Columbus

Tailwind has a 25% non-operated interest in the Columbus gas development project in the North Sea other participants are Serica Energy plc (50% interest, operator) and Waldorf Production UK Plc (25% interest). The Columbus well was drilled in Q2 2021 with the subsea tieback completed in Q3 2021. The Columbus fluids are produced via the Arran pipeline and are processed at Shearwater, operated by Shell UK Ltd.

3 Environmental Management System

Tailwind operates an integrated Environmental, Health and Safety (EHS) Management System, which has been developed to be consistent with the ISO 14001 model for health, safety and environmental management.

The management process is structured around the 'Plan, Do, Assess and Adjust' process, with a feedback loop to assure continual improvement in performance, as illustrated in Figure 3.1. This system provides the mechanism to implement Tailwind's standards throughout the business lifecycle.

The key steps in this process can be described as follows:

1. Policies, Standards and Expectations

The system is driven by the Corporate Major Accident Prevention Policy (CMAPP), the EHS Policy (see Appendices A and B) and the HSE Plan, which sets out Tailwind's expectations and commitments to the prevention of major accident hazards and EHS performance. The policies provide a framework for establishing performance goals, from which targets are established.

2. Organise

Planning during the annual budget process defines work activities and resource needs for the forthcoming year. EHS roles and responsibilities are clearly defined. Commitment to EHS is visibly demonstrated through defined internal and external communication. Personnel have the competence and training to meet their responsibilities.

3. Plan

All potential hazards and risks associated with planned activities are identified, assessed and control measures identified. Plans to respond to emergencies and unforeseen events are in place.

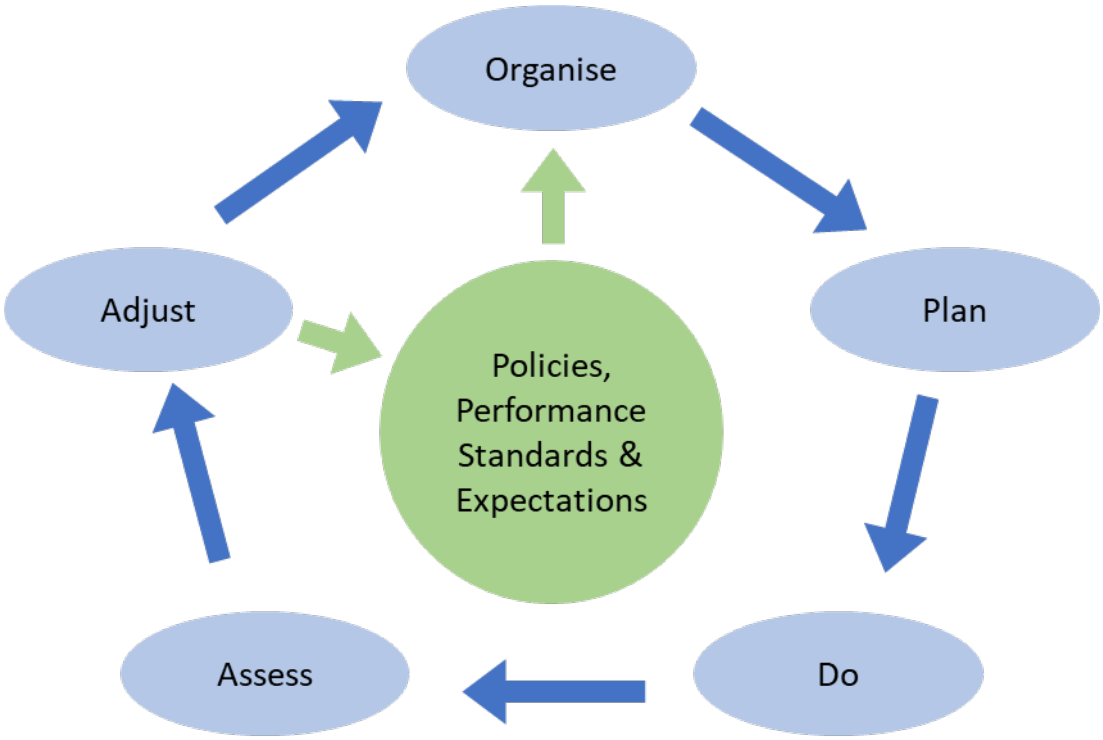
4. Do

Guidelines, bridging and interface documents and local operating procedures are in place so that risks are properly managed and that Tailwind's expectations and standards are delivered. Competent contractors are selected and managed. Significant changes made to the organisation, plant / equipment, guidelines or procedures are also subject to this risk review as part of the change management process.

5. Assess and Adjust

Routine monitoring is undertaken to assess EHS performance. Procedures for reporting and investigating incidents and non-compliances are in place. Audits, inspections and reviews are undertaken to check the effective functioning and continued suitability of the management system. Performance against standards is reported and reviewed and areas for improvement identified. Lessons learned and results from the audit, inspection and review process are fed back into the system to enable continual improvement.

Figure 3.1. The EHS Management Framework



As required by OSPAR Recommendation 2003/5, the Tailwind EMS has been independently verified by Lloyds Register in September 2020. The EMS review is undertaken every 2 years the next re-verification is scheduled for September 2022.

4 Overview of 2021 Activities - Conwy

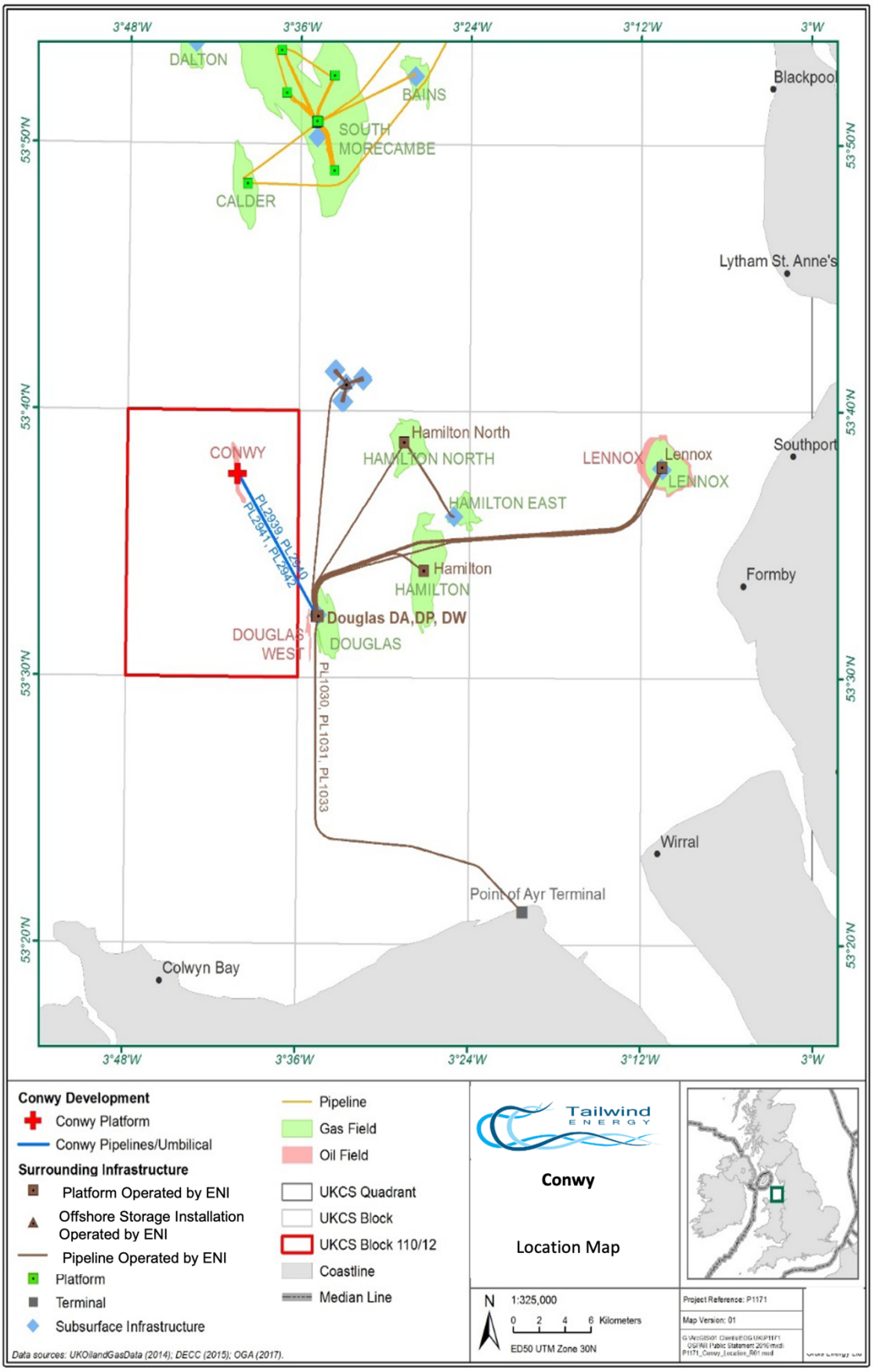
Tailwind's 2021 operated offshore activities comprise production operations at the Conwy field in Block 110/12a in the East Irish Sea see Figure 4.1.

On 1st July 2021 the Conwy asset was divested to ENI who are now the licence holder and operator of the Conwy platform.

Conwy reservoir fluids are produced from three wells at the Conwy NPAI and transported via a subsea pipeline to the Douglas Facilities for onward processing and export. Douglas provides Conwy with power via an umbilical and water via a subsea pipeline for reinjection back into Conwy for pressure maintenance and to maximise oil recovery.

A summary of the environmental performance pertaining to these activities is detailed in Section 5.

Figure 4.1. Location of the Conwy NPAI and Associated Infrastructure



5 Summary of 2021 Environmental Performance (Conwy)

The potential environmental impacts associated with Tailwind's 2021 offshore activities and production operations at the Conwy field are as follows:

- Chemical use and discharges as regulated under The Offshore Chemical Regulations 2002 (as amended); and
- Waste generated on the Conwy NPAI.

The Conwy asset produced a total of 1.19 tonnes of waste material of which 0.55 tonnes of Category I and 0.64 tonnes of Category II; 0 (zero) Category III waste was produced (see Table 5.1. below). Sodium chloride brine was used during 2021 for well annulus top-up with 0 discharge, see table 5.2.

The Conwy infrastructure refers to both the NPAI and pipeline infrastructure (comprising a production pipeline, water injection pipelines, associated risers and a control / power / chemicals umbilical).

Power supply to the Conwy NPAI is via a power cable from the Douglas facilities. Atmospheric emissions from the Conwy NPAI are negligible.

5.1 Conwy NPAI

Table 5.1. Environmental Performance Data from Conwy NPAI

Category	Reuse (t)	Recycling (t)	Waste to Energy (t)	Incinerate (t)	Landfill (t)	Other (t)	Total (t)
Group I - Special							
Chemicals / Paints	0	0	0	0.45	0	0	0.45
Drums / Containers	0	0	0	0	0	0	0
Oils	0	0	0	0	0	0	0
Miscellaneous Special Waste	0	0	0	0.10	0	0	0.10
Sludges / Liquids / Tank Washings	0	0	0	0	0	0	0
Sub Total	0	0	0	0.55	0	0	0.55
Group II - General							
Chemicals / Paints	0	0	0	0	0	0	0
Drums / Containers	0	0	0	0	0	0	0
Scrap Metal	0	0	0	0	0	0	0
Segregated Recyclables	0	0.64	0	0	0	0	0.64
General Waste	0	0	0	0	0	0	0
Sludges / Liquids / Tank Washings	0	0	0	0	0	0	0
Sub Total	0	0.64	0	0	0	0	0.64
Group III - Other							
Asbestos	0	0	0	0	0	0	0
Radioactive materials (exc. NORM)	0	0	0	0	0	0	0
Clinical	0	0	0	0	0	0	0
Explosives	0	0	0	0	0	0	0
Sub Total	0	0	0	0	0	0	
Total	**0**	**0.64**	**0**	**0.55**	**0**	**0**	**1.19**

Figure 5.1 Conwy Waste (tonnes)

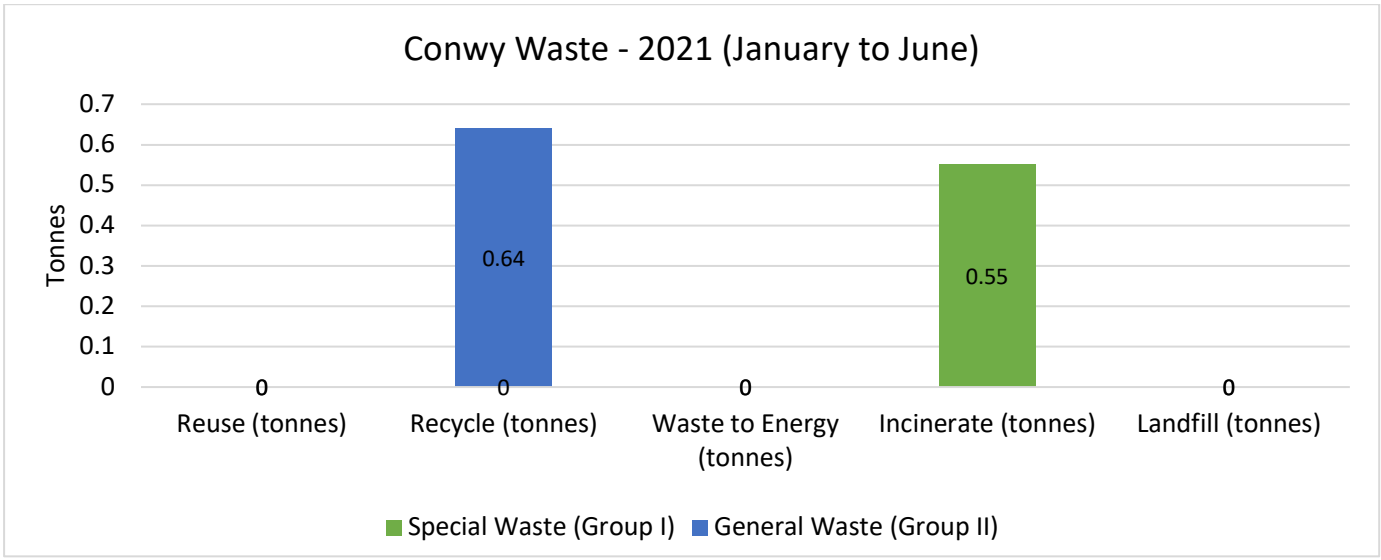


Table 5.2. Chemical usage

Environmental Indicator	Conwy NPAI	
Chemical Performance	**Use (kg)**	**Discharge (kg)**
Blue	0	0
Gold	0	0
E [1]	930	0

1. Substance is readily biodegradable and is non-bio accumulative.

The only chemical used during Q1 and Q2 2022 was Sodium chloride brine this was used for well annulus top-up only and it was contained within the A annulus i.e. no chemical discharge to sea. Sodium chloride brine is benign and biodegradable.

The environmental indicators above (Blue, Gold and E) refer to the hazard assessment of offshore chemicals based on the OSPAR Harmonised Mandatory Control Scheme (HMCS). Chemicals are ranked according to their calculated Hazard Quotients (HQ) (see Table 5.3) by the CHARM (Chemical Hazard Assessment and Risk Management) mathematical model, which uses toxicity, biodegradation and bioaccumulation data provided by suppliers on the HOCNF form.

Table 5.3 HQ Colour Banding

Minimum HQ value	Maximum HQ value	Colour banding	
>0	<1	Gold	
≥1	<30	Silver	
≥30	<100	White	Lowest hazard ↓
≥100	<300	Blue	Highest hazard
≥300	<1000	Orange	
≥1000		Purple	

5.2 Accidental Releases

Oil or chemical release incidents are reported to OPRED in accordance with the electronic Petroleum Operations Notice 1 (ePON1) system.

Tailwind confirms that no oil or chemical release incident occurred at the Conwy NPAI during its period of ownership since November 2018.

6 Non-Compliance

There were no non-compliance notifications reported in 2021.

7 Progress against 2021 EMS Objectives and Targets

The progress against the EMS targets and objectives in place for Tailwind's activities is reported in **Error! Reference source not found.**

Issue	Objective	Targets	Progress / Status
Legislative and Regulatory Compliance	OSPAR	OSPAR Annual Public Statement	Completed
	OPEP	Review of Orlando OPEP	Orlando OPEP updated by Petrofac to include Tailwind as the new Field owner and operator. Updated with dispersant efficacy results, updated to Rev 6 of OPEP Guidance Notes
	Permits	Ensure all appliable permits are updated and in place	All permits submitted and approved by OPRED
	OPEP Training	Ensure all nominated Duty Managers have up to date OPEP training.	OPEP Level 2 training completed by all Duty Managers (October 2021)
Emergency Response	Oil spill exercise	Onshore - 1 full oil spill exercise via the Petrofac Virtual IMT.	Completed, however Due to availability of key personnel the emergency response exercise was undertaken in January 2022.
Oil in water discharges at Triton	Reduce OIW discharges	Support Operator with OIW reduction initiatives.	Control measures are being implemented by Dana and monitored closely by OPRED.
Carbon Intensity	Reduce GHG intensity (kg CO2e/boe)	Investigate and develop strategies for lowering Tailwind carbon intensity	All Tailwind production of hydrocarbon are processed at host facilities operated by others.
Net zero strategies	Further Tailwind Net Zero strategy	Investigate Carbon neutral initiatives and company strategies to offset and sustainably lower our carbon emissions	Tailwind works proactively with our host installation operators to understand and support the emissions reduction plans they have developed, and we track their progress. In addition, in 2021 Tailwind commenced reviewing several options to move to carbon neutrality and plan to develop this further in 2022.

8 Proposed 2022 Objectives and Targets

Tailwind has in place a number of HSE objectives and targets, which aim to improve environmental performance during offshore activities in 2022; these are summarised in Table 8.1 below.

Table 8.1. 2022 Objectives and Targets

Issue	Objective	Targets
Legislative and Regulatory Compliance	EMS ISO 14001:2015 Audit	Undertake independent review of Tailwind's Environmental Management Systems against OSPAR recommendation 2003/5 by Lloyds Register
	OPEP	Review of Orlando OPEP
	Evelyn and Gannet E Development	PWAs and Environmental applications in place before the commencement of works
	Update Environmental Management Standard in line with EMS audit review	Review and update EMS documents.
Emergency Response	Oil spill exercise	Onshore – 1 full oil spill exercise via the Petrofac Virtual IMT.
Oil in water discharges at Triton	Reduce OIW discharges	Support Operator with OIW reduction initiatives.
Carbon Intensity	Reduce GHG density ratio (kg CO2e/boe)	Continue to investigate and develop strategies for lowering Tailwind carbon intensity.
Net zero strategies	Further Tailwind Net Zero strategy	Investigate Carbon neutral initiatives and company strategies to offset and sustainably lower our carbon emissions

Appendix A: CMAPP

Tailwind Mistral Ltd
Corporate Major Accident Prevention Policy (CMAPP)

This CMAPP sets out the overall aims and arrangements for controlling the risk of a major accident in Tailwind's operated assets. This CMAPP applies to all operations undertaken by Tailwind and will be communicated by Tailwind's Management Team to those persons involved in, or affected by, such operations.

Tailwind will:

- *Continue to support the objectives set out in Tailwind's Environmental, Health and Safety (EHS) Policy with the goals of no accidents, no harm to people and no damage to the environment.*
- *Ensure that major accident hazards with the potential to impact people, the environment and asset integrity are identified, assessed and managed for all activities under the control of both Tailwind and Tailwind's contractors.*
- *Promote and encourage a strong safety culture through:*
    - *Regular offshore visits by senior management,*
    - *Behavioural safety and team building workshops,*
    - *Feedback from senior management on safety performance and audit/inspection results,*
    - *Encouraging participation and suggestions from the workforce for improving safety performance, working conditions and other offshore activities,*
    - *Implementing an Open Door Policy to encourage reporting of concerns that the workforce feel are not being addressed,*
    - *Appointment of Safety Representatives and holding regular meetings to discuss issues, concerns, major accident hazards and potential changes to operations,*
    - *Recognition and rewarding commitments and actions intended to, and/or, deliver improved safety performance.*
- *Operate an effective system to ensure the competency of all personnel in key roles performing safety and environmental critical tasks.*
- *Have systems in place to effectively select and manage contractors, and confirm the competence of their personnel and suitability of their management systems.*
- *Identify safety and environmental critical elements (SECEs) for credible major accidents and:*
    - *Ensure SECEs are designed to survive any incident they are controlling/mitigating or fail to a state that achieves the desired aim,*
    - *Have performance standards with defined functionality, availability, reliability, survivability and interdependence (FARSI),*
    - *Through the establishment of major accident management key performance indicators (KPIs), ensure that SECEs are maintained and their performance monitored to ensure they continue to meet the defined performance standards.*
- *Manage major accident hazards (MAHs) through prevention which is controlled by:*
    - *Use of competent persons and a robust decision making process,*
    - *Asset integrity management, involving inspection, pro-active maintenance and repair,*

- *Monitoring and maintenance of SECEs,*
- *Regular review of performance standards,*
- *Change management, involving the identification of impacts to MAHs, SECEs and performance standards, and the implementation of additional controls,*
- *Auditing the management of MAHs,*
- *Implementing a written verification scheme; reviewing assurance activities with Independent Verification Body (IVB).*

- *Tailwind have established an HSE Committee that meet regularly to ensure continuous monitoring of HSE performance and adequacy/effectiveness of the EHS managements systems.*
- *The HSE Committee:*
  - *Meet quarterly to formally review HSE performance,*
  - *Review monthly HSE Reports,*
  - *Undertake annual review of the CMAPP,*
  - *Ensure all potential major accidents associated with Tailwind's operations have been identified and are being suitably managed at all levels,*
  - *Review all KPIs, both leading and lagging, and whether the CMAPP is being implemented correctly,*
  - *Share industry good practice with respect to the prevention of major accidents and use this knowledge as part of Tailwind's continuous improvement,*
  - *Ensure that the EHS management system and other company systems continue to reflect the CMAPP,*
  - *Act quickly and decisively to address any identified shortfalls or improvement opportunities.*
- *Hold tripartite discussions (between the competent authority, duty holders and Tailwind HSE representatives) for any change relating to the management of MAHs; implement appropriate actions arising from these discussions.*
- *Implement processes to reliably collect and securely store data which can be used for historical analysis.*
- *Report all incidents (including near misses); investigate events and possible outcomes; establish the root and contributory causes and take action to avoid similar incidents in the future.*
- *Establish an annual audit programme to address:*
  - *Compliance with the EHS Policy and the CMAPP,*
  - *Compliance with regulatory requirements (including safety cases),*
  - *EHS policies, goals, procedures and organisational capabilities,*
  - *Management of asset integrity,*
  - *Management of major accident hazards.*

The frequency of audits will be commensurate to the hazards and risks of Tailwind's business activities. The audit programme will underpin continuous improvement in the control of major accident hazards.

- *Have systems, personnel and resources in place to enable command and control of major accidents utilising emergency management and response plans. All personnel directly involved in the management of major accidents will be trained and assessed for their roles,*
- *Undertake senior management reviews and establish improvement action plans annually (or at other more frequent intervals if required by the HSE Committee, change management or review/audit finding) as defined within the company's EHS management system. These reviews include:*
  - *The EHS Policy,*

- *The continued applicability, implementation and effectiveness of the company's EHS management system,*
- *The company's EHS goals and objectives,*
- *The availability and capability of resources (competent personnel, systems, procedures, hardware), necessary to ensure the effective management of major accident hazards,*
- *Results of performance monitoring, incident investigations, comments from the workforce and results of internal and external audits.*

The Chief Executive Officer has prime accountability for ensuring this CMAPP is suitable, implemented and operated as intended.

Signed by CEO, COO and HSE Manager

Appendix B: EHS Policy

Environmental, Health and Safety Policy

Tailwind Energy Ltd conducts its business with a commitment to safeguard the environment and human health. Good environmental, health and safety performance is critical to the success of our business and is the responsibility of every person working for and on behalf of Tailwind Energy Ltd.

In furtherance of this policy, Tailwind Energy Ltd will:

- *Comply with UK laws, legislations, industry standards and good industry practice in relation to safeguarding the health and safety or our personnel and the environment.*
- *Assess and control environmental, health and safety risks, including the management and control of major accident hazards, as an integral part of business planning, development, operations and decision-making.*
- *Maintain safe and healthy workplaces for all personnel working for Tailwind or on our behalf.*
- *Promote a positive EHS culture through leadership commitment, personal accountability, communication, and engagement with key stakeholders*
- *Conduct business and apply management systems in a manner designed to comply with all applicable environmental, health and safety laws, regulations and other requirements, applying responsible standards where such laws or regulations do not exist.*
- *Provide leadership, professional personnel, training, support and other resources necessary for the implementation of environmental, health and safety programmes that are designed to ensure each individual is aware of, and competent to, undertake their responsibilities.*
- *Support the objectives and contribute to the UK Governments Net Zero strategy approach to making the UKCS Net Zero by 2050,*
- *Communicate openly and honestly with our customers, employees, contractors, partners, appropriate regulatory authorities, the community and public interest groups regarding significant environmental, health or safety matters.*
- *Strives to continuously improve and enhance our environmental, health and safety performance, through performance objectives, audits and assurance activities.*

Steve Edwards

Chief Executive Officer

Tailwind Energy Ltd *January 2022*