



ANASURIA
OPERATING COMPANY



2022 ANNUAL ENVIRONMENTAL STATEMENT

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RICHARD BEATTIE

CHIEF EXECUTIVE OFFICER

Being a safe and environmentally responsible operator is of paramount importance and lies at the heart of our company's vision. Our commitment to these principles helps protect our employees and also contributes to the long-term sustainability of our business. By adhering to strict safety and environmental guidelines, we minimise the likelihood of accidents, reduce potential liabilities, and maintain a positive reputation in the industry.

Our people are our greatest asset, and their well-being and safety are of utmost priority. By fostering a culture of safety and environmental responsibility, we empower our team to take ownership of their actions and make informed decisions that align with our company's vision. Furthermore, our dedication to environmental responsibility reflects our proactive approach to continually setting and reviewing environmental objectives. By consistently seeking innovative solutions to optimise resource use and reduce potential harm, we ensure a sustainable future for our business, stakeholders, and society at large. Our company's dedication to safety and environmental responsibility is not just a matter of compliance or risk management but rather a reflection of the values that define our corporate identity and drive our long-term success.

Be
Exceptional
Empowered
Authentic
Progressive



ENVIRONMENTAL RESPONSIBILITY

Anasuria Operating Company's (AOC) aims to be a safe and environmentally responsible operator and to provide a focused approach on promoting a strong culture and robust risk management. We are committed to achieving excellence in environmental performance across all of our operations.

AOC's Environmental Management System (EMS) ensures our activities are conducted in such a way to manage and mitigate our impact on the environment. The EMS has been designed to comply with the requirements of the International Organisation for Standardisation's Environmental Management System standard, ISO14001: 2015. In Q1 2023, AOC plan to be ISO14001: 2015 Certified.

As Installation Operator of the Anasuria Floating Production Storage and Offloading (FPSO) vessel, we are continually looking at ways to reduce the environmental impacts on our operations including reducing our emissions. Through our Emissions Strategy, AOC strives to achieve the intentions set out by our Net Zero Policy and deliver a net contribution towards UK and international carbon emissions reduction targets. AOC will also comply with regulations and meet the challenge of mitigating emissions whilst maintaining stable energy supplies.

We will publish our 2022 Annual Environmental Statement to the Offshore Petroleum Regulator for Environment & Decommissioning (OPRED) in line with the requirement under the Oslo and Paris Conventions (OSPAR) recommendation 2003/5. AOC's Annual Environmental Statement is a true representation of our environmental performance across our operations. Please note AOC's 2022 Environmental Statement Report covers the period June-December 2022. AOC became the Anasuria FPSO Installation Operator on the 10th June 2022.



HISTORY OF ANASURIA

The Anasuria FPSO vessel was installed to develop the Teal, Teal South, Guillemot A and Cook fields.

The Anasuria FPSO was the first purpose-built FPSO commissioned by Shell with production commencing in 1996. In 2016, Ping Petroleum UK PLC (wholly owned by Ping Petroleum) and Anasuria Hibiscus UK Limited (a wholly owned indirect subsidiary of Hibiscus Petroleum Berhard) completed a joint venture deal to purchase the FPSO. Anasuria Operating Company Limited (AOC) was founded as the joint operating company held equally by Ping and Hibiscus to be the Operator on the Anasuria Cluster.

In 2016, Petrofac was awarded a Facilities Management Contract for the FPSO associated cluster, with responsibility for the FPSO, wells and pipelines, with exception of the Cook field (Well Operator Ithaca Energy (UK) Limited).

Transfer of the Anasuria FPSO Installation and Pipeline Operator responsibilities from Petrofac to AOC was completed on 10th June 2022. The Well Operator for the Guillemot A, Teal and Teal South fields (not including Cook field) transferred from Petrofac to Exceed Torridon Ltd on the same date.



1994

Construction begins on the Anasuria FPSO by Mitsubishi Heavy Industries in Nagasaki, Japan.



1995

Anasuria FPSO prepares to be towed 12,545 nautical miles from Japan to the UK.



1996

Topsides, processing plant and mooring turret are installed at Tyneside, UK.



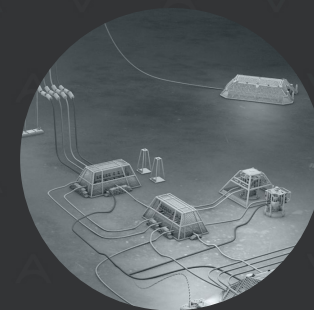
1996

Anasuria FPSO is towed to the North Sea and production begins ahead of schedule.



2016

Ping & Hibiscus complete a joint venture deal to purchase the FPSO. AOC is founded.



2018

AOC drill 1st well - GUA P2 side track.



2019

AOC drill 2nd well - GUA P1 side track.



2022

AOC become the Duty Holder for the FPSO assuming Installation and Pipeline Operator responsibilities.



ANASURIA CLUSTER

The Anasuria Cluster is located east of Aberdeen in the Central North Sea. The cluster incorporates the Teal, Teal South, Guillemot A and Cook fields. Anasuria gas is dehydrated and compressed prior to export, via the subsea Fulmar Gas Export pipeline system to St Fergus in north-east Scotland. Anasuria crude oil is exported via a shuttle tanker.

COMPRISING:	AOC INTERESTS
Teal	100%
Teal South	100%
Guillemot A	100%
Cook	38.6%

ANASURIA CLUSTER:

Producing assets with development and exploration potential based around the Anasuria FPSO.

DISTANCE TO ABERDEEN:

127km

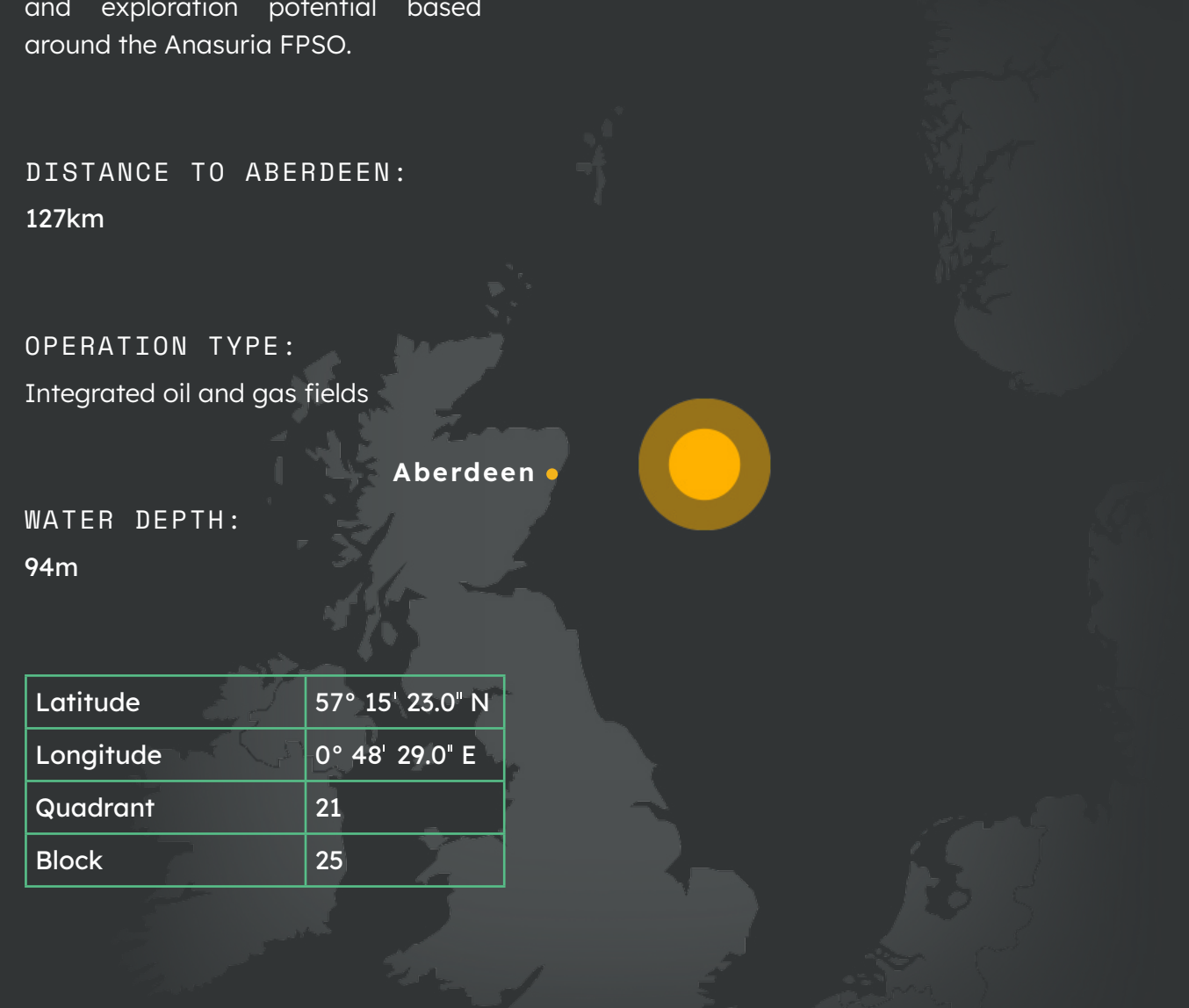
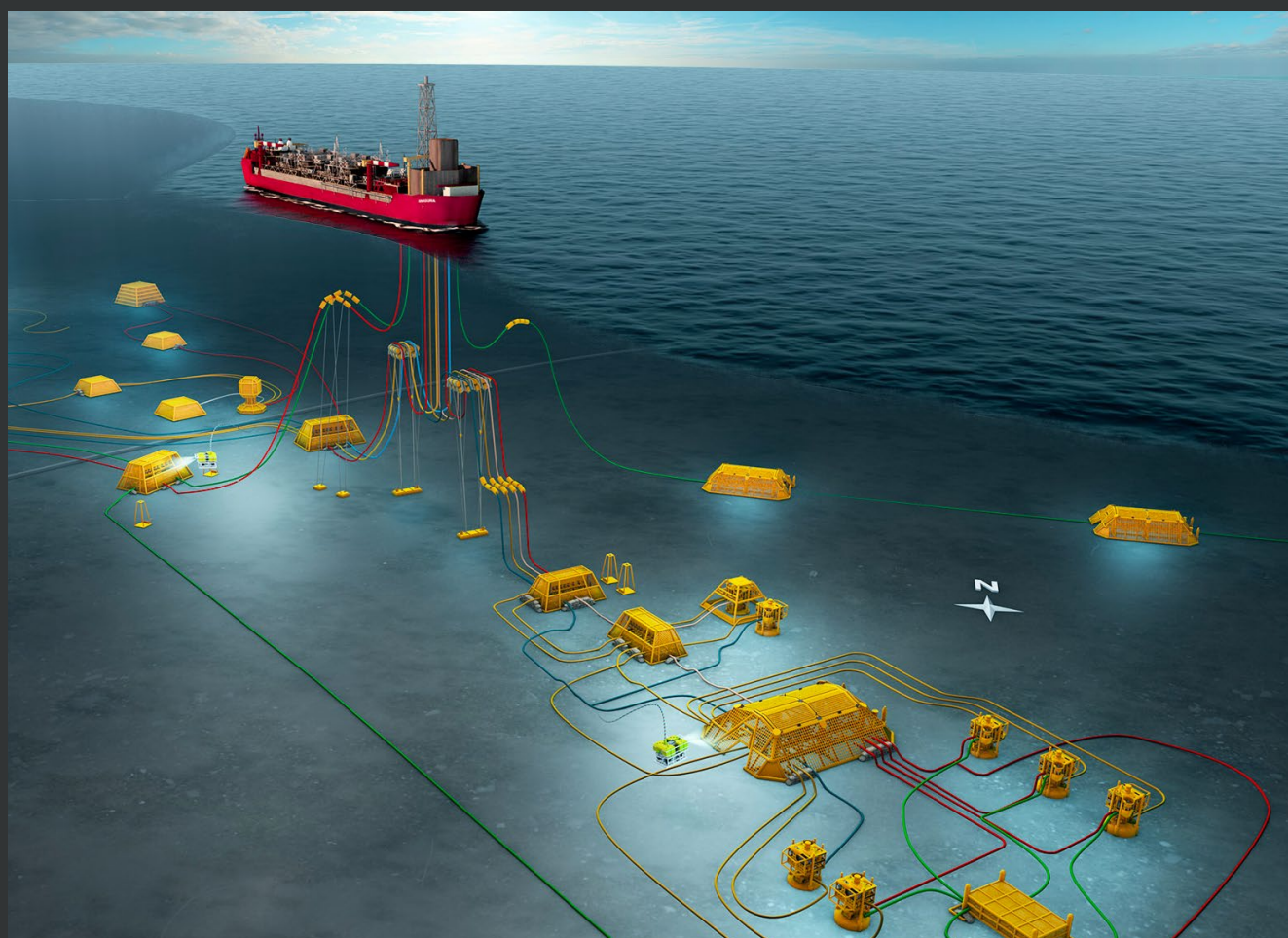
OPERATION TYPE:

Integrated oil and gas fields

WATER DEPTH:

94m

Latitude	57° 15' 23.0" N
Longitude	0° 48' 29.0" E
Quadrant	21
Block	25





ENVIRONMENTAL OBJECTIVES AND TARGETS

Each year several key environmental objectives are set. These objectives help achieve continual improvement in environmental performance.

2022 Objectives	2022 Achievements
Develop a Net Zero Strategy Road Map for Anasuria.	Net Zero Strategy Road Map developed for Anasuria which identified a number of emission reduction projects and measures that could be implemented on the asset.
Implement Emission & Environmental Management meetings on a monthly basis.	AOC launched the first meeting as Installation Operator in August 2022 and successfully met each month thereafter.
Develop an AOC Emissions Strategy.	Emissions Strategy developed, rolled out and uploaded to our Business Management System (BMS) in November 2022. This was also delivered to the North Sea Transition Authority (NSTA).
Develop an asset Emission Reduction Action Plan (ERAP).	AOC successfully awarded the vendor to support AOC in developing Anasuria's ERAP end of 2022 with intent to deliver the ERAP to NSTA in Q1 2023.
ISO14001: 2015 Certification	The ISO14001: 2015 offshore and onshore audit of our EMS are scheduled for January & February 2023.

2023 Objectives
ISO14001: 2015 Certification
Develop an asset Emission Reduction Action Plan (ERAP)
Develop methodology for methane monitoring and quantification

ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

AOC is committed to protecting the environment and how it manages its activities to minimise potential impacts. AOC's Environmental Management System (EMS) ensures our activities are conducted in such a way to manage and mitigate our impact on the environment. AOC's EMS enable the aims of the of the Company's Health, Safety and Environment (HSE) Policy and Net Zero Policy to be achieved.

The scope of the EMS is the management of safety and environmental aspects related to AOC's position as Installation and Pipeline Operator. Within the EMS, the framework of policies, standards and procedures that ensures the HSE objectives can be achieved. AOC's EMS follows a four-tier structure as detailed in the figure below.

Our EMS has been externally verified in 2022 and meets the requirements of OSPAR Recommendation 2003/5. The EMS has been designed to comply with the requirements of ISO14001: 2015. In Q1 2023, AOC's EMS intends to be ISO14001: 2015 Certified.

AOC applies the ISO14001: 2015 standard to all operations when we became Installation and Pipeline Operator in June 2022 . Where a third party is contracted to execute and manage offshore oil and gas activities on behalf of AOC, the responsibility for environmental management is delegated to those parties through contractual agreements.

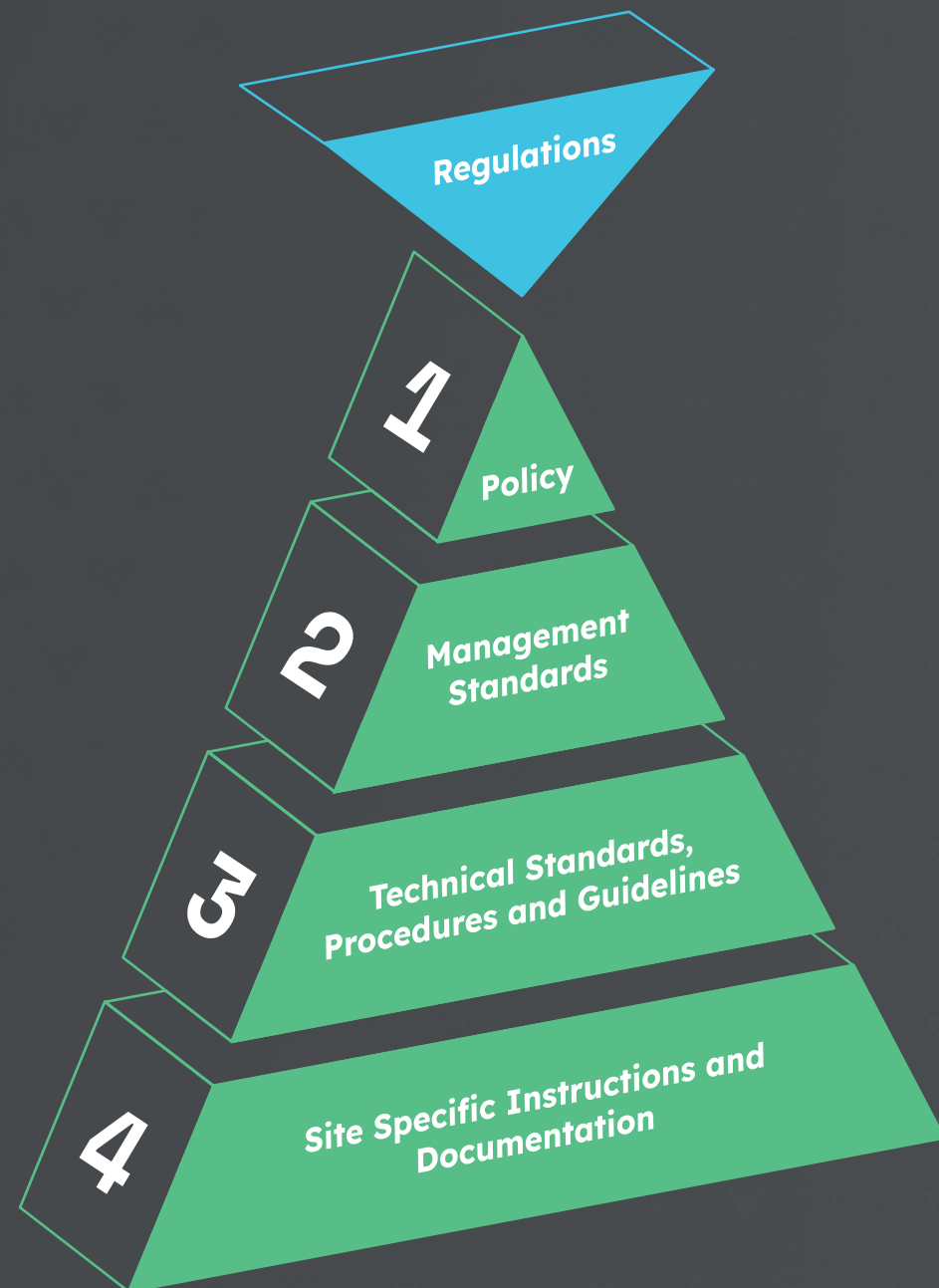
AOC's EMS provides assurance that all AOC activities are managed in a safe and environmentally responsible way and conducted in accordance with the Company's HSE Policy and Net Zero Policy.



AOC'S EMS FRAMEWORK

17 AOC Standards

The AOC EMS is implemented on the Anasuria FPSO and within the AOC onshore support team. The AOC EMS Framework is represented as a pyramid consisting of the following four levels



Key Policies

- Health, Safety & Environment
- Corporate Major Accident Prevention
- Net Zero
- Security

Management Standards

1. Leadership Commitment and Accountability
2. Risk Management
3. Management of Change
4. Safe Operations
5. Environmental Stewardship
6. People, Behaviour, Training and Competency
7. Integrity Management
8. Crisis and Emergency Preparedness
9. Third Party Services
10. Wells, Pipelines and Subsea
11. Engineering Management
12. Stakeholder Engagement
13. Compliance Management
14. Assessment, Assurance and Improvement
15. Incident Reporting, Investigation and Learning
16. Information Management and Document Control
17. Security Management Standard

Technical Standards, Procedures and Guidelines

Management System Procedures e.g. Risk Assessment; Management of Change (MOC)
Technical standards to establish baselines for IT and OT security etc..

Site Specific Instructions and Documentation

- Anasuria Operations Safety Case
- Oil Pollution Emergency Plans
- Interface Documents
- Environmental Statements



PLAN-DO-CHECK-ACT

In line with the EMS and with ISO14001: 2015 requirements, the EMS follows the basic structure of 'Plan-Do-Check-Act' as shown below. Continually following each step allows environmental management to result in improving environmental performance.

Our OSPAR 2003/5 EMS verification took place in March 2022 (before Installation and Pipeline Operator Transition) resulting in no weaknesses and only one observation being recorded. "The assessor was genuinely impressed with much that they encountered during audit".

PLAN DO CHECK ACT

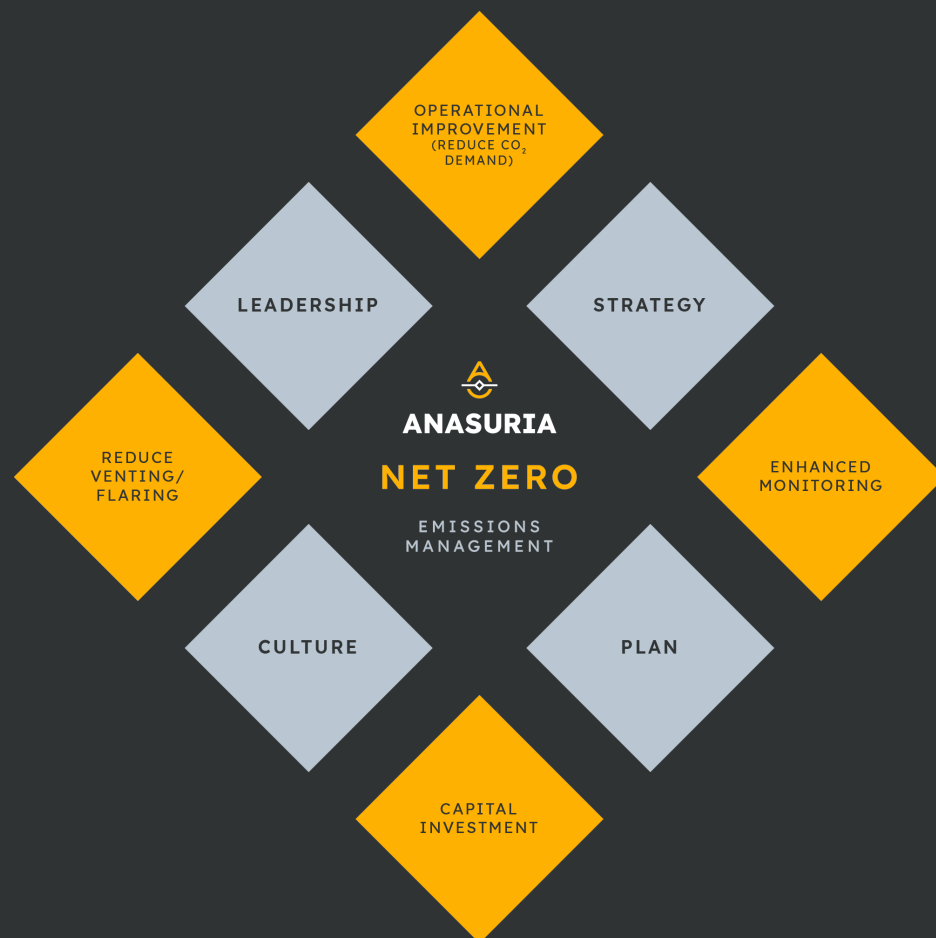




OUR EMISSIONS STRATEGY

As we transition towards a sustainable future, achieving net zero emissions is a critical goal that requires strong leadership, a clear strategy, a supportive culture, and effective planning.

At AOC we also want to create an environment where employees at all levels are engaged and motivated to contribute to the company's sustainability goals. This will be achieved through education and training, open communication, and recognition of employees who make a positive impact.



NET ZERO POLICY

AOC is committed to reducing carbon intensity and carbon footprint from operational improvement, maximising energy efficiency in all our operations and conducting our business in an environmentally responsible and sustainable manner.

AOC CEO, COO and Management Team are ultimately responsible to the AOC Board of Directors, external stakeholders and Regulatory bodies for the environmental performance of the business and meeting the objectives of this Policy.

AOC is committed to continual improvement of energy and emissions performance which involves:

- ◆ Identifying areas for improvement in both operations and planning and implementing the Emission Reduction Action Plan to reduce emissions and improve energy performance
- ◆ Reducing emission and energy consumption through a structured approach to monitoring and recording emissions and energy use as per AOC's Emissions Strategy
- ◆ Creating and promoting a strong and proactive culture of environmental leadership by increase of stakeholder and employee engagement
- ◆ Complying with the applicable environmental laws, regulations and standards
- ◆ Setting objectives and targets that aid continual improvement, monitoring of performance
- ◆ Implementing transparent environmental monitoring, reporting and sharing of operational performance to aid enhanced environmental performance
- ◆ Critical review of all investment opportunities and projects to ensure that appropriate emissions reduction criteria is used to approve and execute all projects
- ◆ Continuous review of the standards, expectations and targets to ensure their suitability and effectiveness
- ◆ Engagement and involvement of employees and contractors to enable them to proactively support the implementation of this Policy
- ◆ Involvement of any third-party contractors and suppliers to ensure that the high standards of the environmental performance is delivered
- ◆ Ensuring that this Policy is shared with all employees and stakeholders

Richard Beattie
CEO

Peter Kavanagh
COO

ANASURIA FPSO

The environmental permits in place for the Anasuria FPSO are associated with oily water discharges to sea, offshore chemical use and discharge, and atmospheric emissions from power generation and flaring.

ATMOSPHERICS EMISSIONS

Emissions of Carbon Dioxide (CO₂), Methane (CH₄), Nitrogen Oxides (NO_x), Sulphur Oxides (SO_x), Carbon Monoxide (CO), Nitrous Oxide (N₂O) and Volatile Organic Compounds (VOCs) are monitored and reported on a CO₂ equivalent basis. AOC are required to report their emissions annually under the UK Emissions Trading Scheme (UKETS), and all atmospheric emissions are reported to OPRED via the Environmental Emissions Monitoring System (EEMS) and Emissions Trading Scheme Workflow Automation Project (ETSWAP) on an annual basis.

The Anasuria FPSO has continued to reduce its atmospheric emissions and carbon intensity since 2018 as illustrated in Figure (1.B). Emission reduction measures at the Anasuria FPSO have included operational improvement, reduced flaring and venting, operational efficiency and enhancing our emissions monitoring.

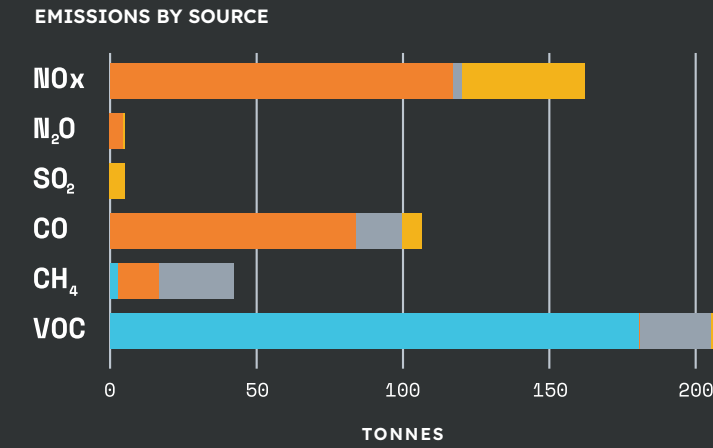
The main source of atmospheric emissions from our operations is the combustion of fuel gas for power generation. In between June - December 2022, fuel gas combustion contributed 75% of the 50,917.51 total tonnes of CO₂ emissions reported. Other emissions sources include flaring, which contributed 13%, and the combustion of diesel, which contributed 12%, as shown in Figure (1.C). The totals of our non-CO₂ atmospheric emissions are shown in Figure (1.A).

There are three hydrofluorocarbon (HFC) refrigerant compounds (HFC-134a, HFC-404a and HFC-417a) and one common mixture containing HFCs (R448a, HC-600a and R407f) in use on the Anasuria FPSO. The FPSO refrigerant inventory and emissions emitted to atmosphere are monitored and reported via EEMS on an annual basis, as shown in Table 1.A. A total of 2.36 tonnes CO₂ equivalent of HFC was emitted to atmosphere.

Please note data presented in this section covers June - December 2022 only.



1.A

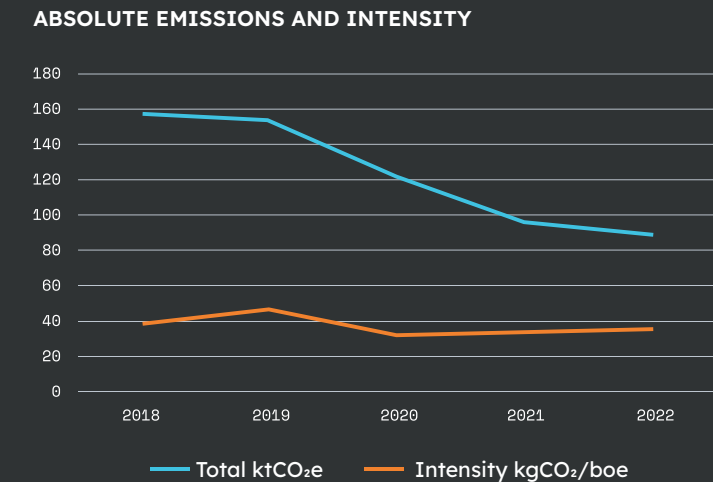


Tonnes	NOx	N ₂ O	SO ₂	CO	CH ₄	VOC
Vent (t)	0	0	0	0	3.06	179.84
Fuel Gas (t)	144.02	3.09	0.18	84.36	12.93	0.51
Flare (t)	2.88	0.19	0.03	16.07	23.99	23.99
Diesel (t)	41.09	0.43	3.7	6.54	0.11	1.12

Table 1.A

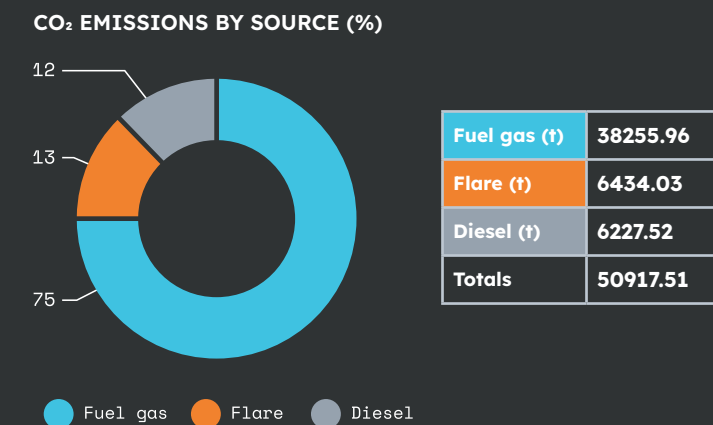
	HFC - 134a	HFC - 404a	HFC - 417a	R448a	HC - 600a	R407f	Totals
FPSO F-Gas Inventory (kg)	1.61	0.46	30.4	1.7	0.3	23	57.47
Emitted to Atmosphere (kg)	0	0	0	1.7	0	0	1.7
CO ₂ eq (t)	0	0	0	2.36	0	0	2.36

1.B



From 2018-2022, the Anasuria FPSO has reduced its absolute emissions of CO₂e by 44%

1.C





WATER DISCHARGES

Produced water created during the extraction of oil and gas is separated from hydrocarbons during processing. The produced water is treated prior to discharge to sea, but still contains residual oil. Residual oil in water concentrations are monitored and reported in accordance with the Offshore Petroleum Activities Oil Pollution Prevention and Control (OPPC) Regulations 2005, and returns are required to be reported to OPRED via EEMS monthly returns. Any exceedance of the legal monthly average limit of 30mg/l of oil must be reported to the Regulator (OPRED).

The average Oil in Water concentrations over both Produced Water Flash Drum (PWFD) and slops discharges (residual water which has settled from any of the crude oil tanks) for the period of June-December 2022 can be seen in Figure (2.A). The total volume of water discharged over the period of operation was 634,201 m³. The total volume of oil discharged was 8.65 tonnes, equating to 0.013% of the total mass of all the produced water discharged.

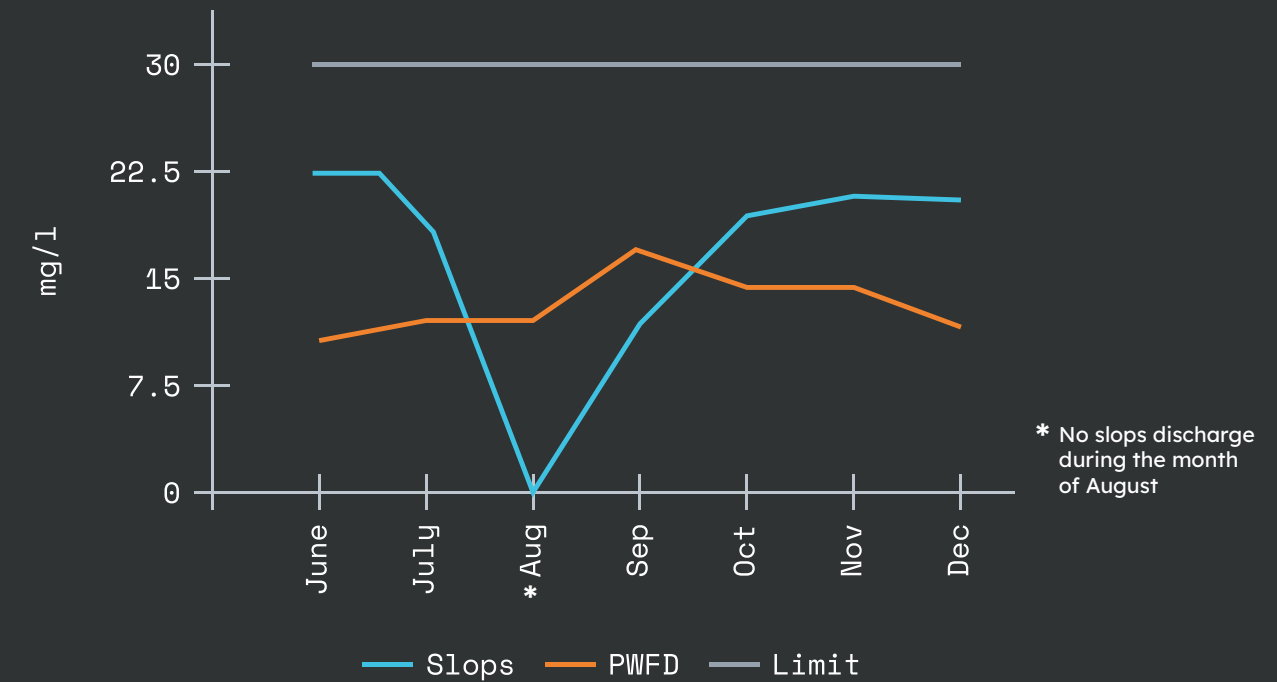
CHEMICAL USE AND DISCHARGE

The chemicals that we select, use and discharge during our operations are regulated under the Offshore Chemical Regulations (OCR) 2002. In accordance with these Regulations, chemical usage and discharges are monitored and reported to ensure they stay within permitted limits, with the relevant returns being submitted via EEMS on a quarterly basis. Figure (2.B, 2.C) shows our total chemical use and discharge between the period June - December 2022. In total, 214,469kg of chemicals were used and 123,606 kg discharged.

Offshore chemicals are hazard assessed on the basis of the OSPAR Harmonised Mandatory Control Scheme (HMCS). The CHARM (Chemical Hazard Assessment and Risk Management) model calculates a Hazard Quotient (HQ) for each substance based on the risk it poses to the receiving environment, which is then converted into a colour banding. Gold CHARM category chemicals (least hazardous) make up the majority of the chemicals used on the Anasuria FPSO as illustrated in Figure 2.B. Other less harmful OCNS chemicals used are categorised as E and D. Chemicals classed as more hazardous include Silver, White and C categories. Only one White category chemical (Biocide) is used on the FPSO. Three chemicals with a substitution (SUB) warning were used during our June - December 2022 operations. SUB chemicals are continually being reviewed to identify more environmentally friendly alternatives and wherever possible these chemicals are replaced. Ongoing chemical management aims to continue to minimise the impact of chemicals on the environment.

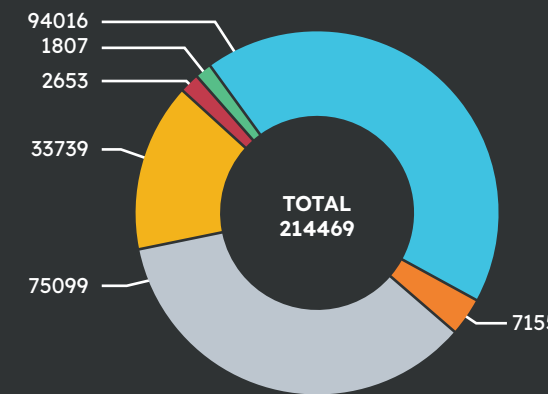
2.A

OIL IN PRODUCED WATER DISCHARGE CONCENTRATION



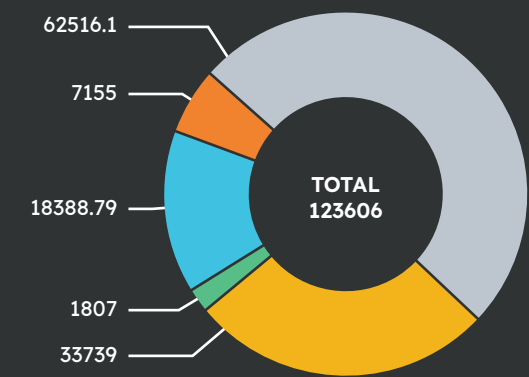
2.B

CHEMICAL USE (KG)



2.C

CHEMICAL DISCHARGE (KG)



	Gold	Silver	White	E	C	D	Total
Used	94016	7155	75099	33739	2653	1807	214469
Discharged	18388.79	7155	62516.1	33739	0	1807	123606



WASTE

The waste we generate during our offshore operations is shipped to shore and has a number of potential disposal routes. These include recycling, reuse, incineration, landfill, and waste to energy. Between June-December 2022, 122.59 tonnes of waste from the Anasuria FPSO were managed onshore. Of this waste, 53.86% was recycled (includes metal), 24.2% went to waste to energy, 0.46% was incinerated, 18.91% sent to landfill, and 2.58% managed in other ways. These disposal routes are charted in Figure (3.A).

PON1 NOTIFICATION

PON1 Details	Oil/Chemical Type	Discharge (t)
PON1/1798 reported in September 2022 - subsea leak	Hydraulic Fluid	0.264

PON 10 NOTIFICATION DETAILS

Permit	Non - Compliance	No.
Consent to Locate (Part 4A of the Energy Act 2008)	PON10 (IRS/2022/1987/PON10) reported in November - breach related to consent condition and marking schedule condition relating to subsidiary lights	1

OPPC NOTIFICATION DETAILS

Permit	Non - Compliance	No.
OPPC (Oil Pollution Prevention and Control Regulations 2005)	OPPC (IRS/2022/1533/OPPC) reported in July - oil in water overboard greater than 100 mg/l during permitted discharge of produced water.	1
OPPC (Oil Pollution Prevention and Control Regulations 2005)	OPPC (IRS/2022/1662/OPPC) reported in August - bi-annual sample not obtained as per OPPC permit condition while SLOPS tank out of service.	2
OPPC (Oil Pollution Prevention and Control Regulations 2005)	OPPC (IRS/2022/1965/OPPC) reported in October - oil in water overboard greater than 100 mg/l during permitted discharge of produced water.	3

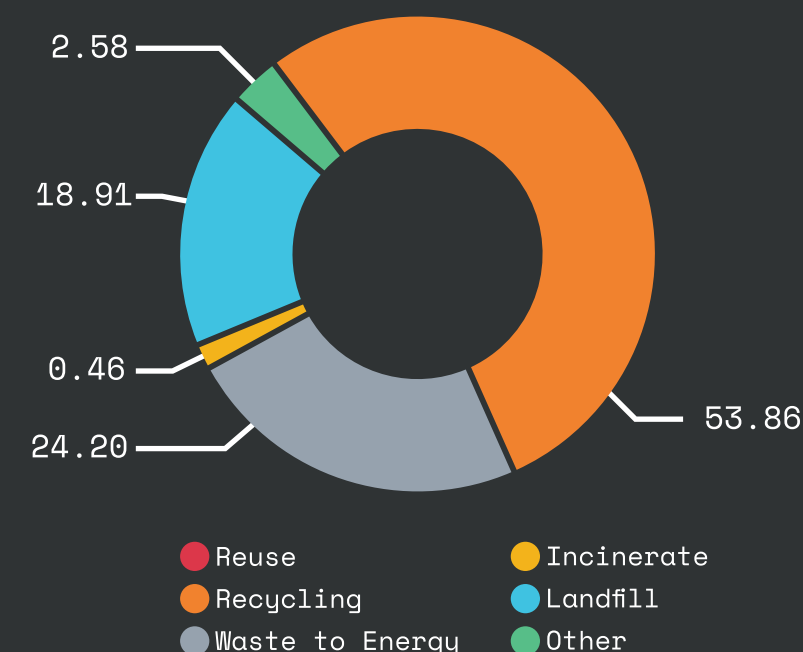
REPORTS AND NOTIFICATIONS

During June-December 2022, AOC reported one PON1 Notification for an unplanned release of chemicals to sea. There was one subsidiary lights failure reported as a PON10 and a total of three OPPC Non-Compliance Notifications (NCN) were submitted during this period.

LESSON LEARNED

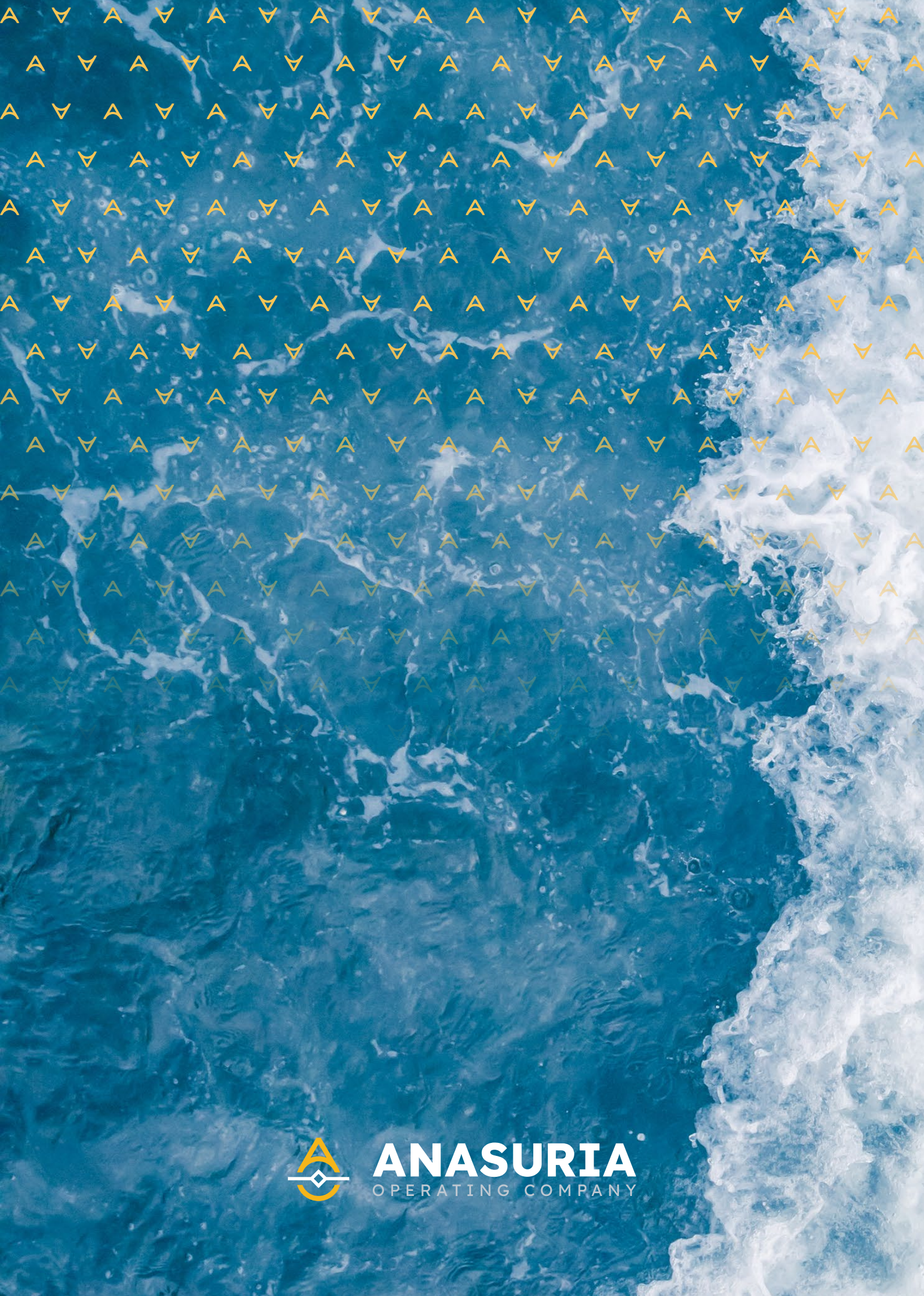
AOC have implemented a series of improvements to Anasuria over boarding discharge procedures and formal roll out in response to a non-compliance event which occurred in 2022 prior to duty holder transition.

3.A WASTE MANAGEMENT (%)



This Annual Environmental Statement is written in compliance with the requirements set out in the OSPAR Recommendation 2003/5 to Promote the Use and Implementation of Environmental Management Systems (EMS) by the Offshore Industry as implemented by the Department for Energy, Security, & Net Zero (OPRED). Thus requires all Operators of offshore installations to produce an annual Public Statement to report their environmental performance.

In accordance with the above requirement, this report presents Anasuria Operating Company Limited (AOC) environmental performance from June-December 2022. Transfer of the Anasuria FPSO Installation and Pipeline Operator responsibilities from Petrofac to AOC was completed on 10th June 2022. The Well Operator for the Guillemot, Teal and Teal South fields (not including the Cook field) transferred from Petrofac to Exceed Torridon Ltd on the same date.



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