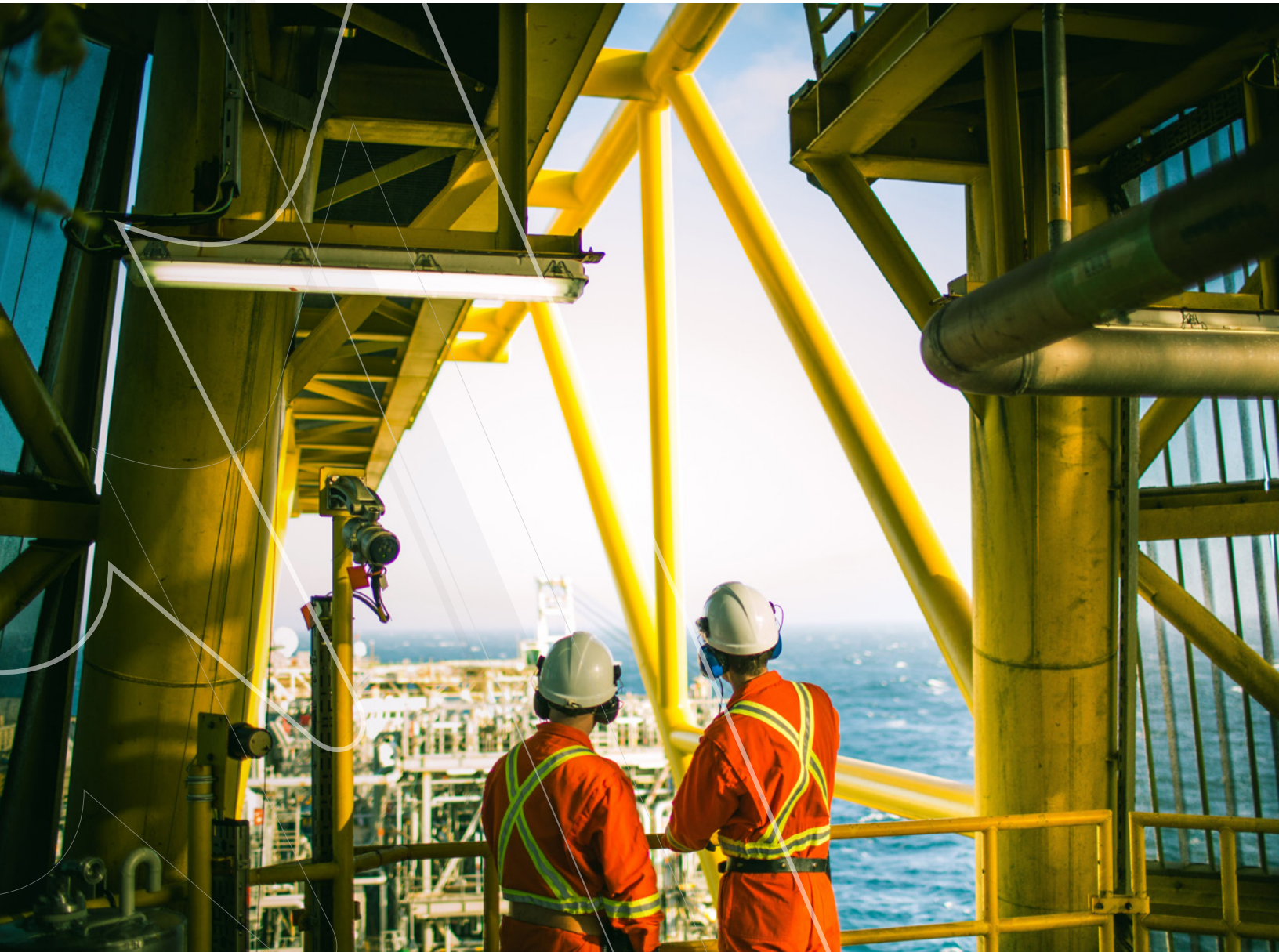


COLLABORATING FOR SAFETY AND ENVIRONMENTAL SUSTAINABILITY

A CONTINUOUS IMPROVEMENT PLAN FOR 2023 - 2025



OVERVIEW

In early 2020, offshore operators embarked on a collective continuous improvement journey. In addition to individual operator efforts to continue raising the bar on environment, health and safety performance, they saw an opportunity to work together to enhance information sharing and collaboration across the industry to facilitate continuous improvement in the Newfoundland and Labrador offshore oil and gas industry. They outlined a vision: that Atlantic Canada is the safest and most environmentally sustainable offshore oil and natural gas operating region in the world. This kicked off three years of collective work, through CAPP, to help facilitate the collective continuous improvement journey.

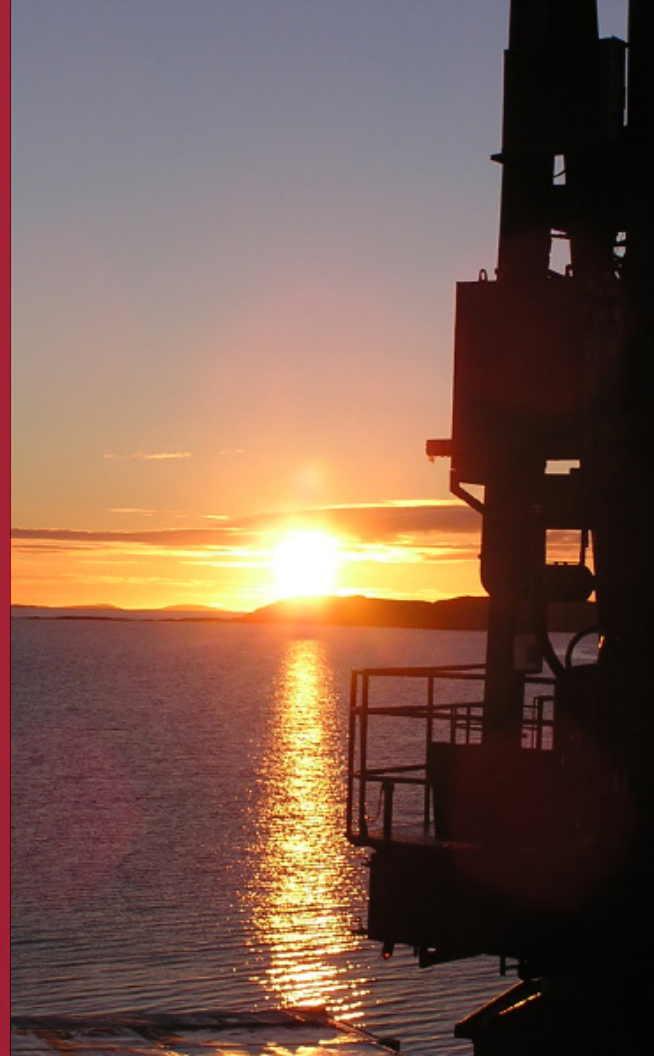
In late 2022, leaders from offshore operating companies in Newfoundland and Labrador came together to re-validate the vision and purpose of the Collaborating for Safety and Environmental Sustainability initiative, and outline new objectives to guide the initiative in 2023 and beyond.

The purpose of this document is to summarize key achievements from 2020 to 2022 and set the stage for the next phase of Collaborating for Safety and Environmental Sustainability.



VISION

Atlantic Canada is the safest and most environmentally responsible offshore oil and natural gas operating region in the world.



PURPOSE

To enhance collaboration and information sharing across the offshore oil and natural gas industry, and facilitate continuous improvement in support of safe, responsible and reliable operations.



KEY COLLECTIVE ACCOMPLISHMENTS 2020 – 2022*

- Planned and co-hosted an Offshore Environmental Forum to advance information sharing among industry, regulators, Indigenous groups, the fishing industry and others.
- Increased engagement with the fishing industry, including holding an oil spill communications tabletop exercise; learnings from the session were applied to develop a series of oil spill radius maps to enhance communications.
- Produced a series of eight videos focusing on research related to offshore emissions reduction opportunities.
- Conducted a survey of the NL offshore workforce to better understand safety perceptions, and developed a plan to implement recommendations arising from the survey.
- Held an offshore climate policy workshop for members to facilitate information sharing and gather input.
- Successfully planned and co-hosted a Spill Prevention and Response Forum to improve understanding of spill prevention and response, as well as research and new technology in the area.
- Developed a safety-sharing portal for members and their contractors to encourage sharing of offshore safety-related information.
- Produced six safety moment videos to provide easy-to-access content members and their contractors can use to enhance the sharing of safety-related information.
- Held five workshops with the oil and gas contractor community to enable collaboration and information-sharing on topics including the roll out of the safety and sustainability plan, mechanisms for sharing information, collaboration and opportunities for improvement, common safety indicators and tracking, and life-saving rules.
- Published seven Industry Best Practices relevant to the plan and adopted by the Canada-Newfoundland and Labrador Offshore Petroleum Board as Codes of Practice.
- Conducted the Spill Response Capability Assessment of the NL Offshore area.
- Developed a regional best practice on source control in well planning for subsea wells.

*Reflects the collaborative work in this initiative, through CAPP, but does not reflect individual operator safety and sustainability programs.

OBJECTIVES AND FOCUS AREAS:



THE FOLLOWING OBJECTIVES HAVE BEEN ESTABLISHED FOR 2023 - 2025 AS PART OF THIS INITIATIVE.

- Enhance safety and environmental protection through the transition to performance-based regulations, including leadership in developing common approaches to managing risk and information sharing:
 - New performance-based regulations for the offshore are expected to be promulgated in 2023. Offshore operators are preparing for the transition by working towards a common understanding on risk management principles and appropriate tools to assess risk and their application. Identifying and implementing best practices in risk management can lead to continuous improvement opportunities for operators' safety and environmental programs.
 - To continue efforts begun in 2022 to facilitate and encourage information sharing, CAPP and offshore operators will continue to add safety alerts to the new safety share site and produce new safety moment videos for use by operators and contractors. CAPP will also continue facilitating workshops with the contractor community to build collaborative information-sharing opportunities.
- Collaborate to evolve industry's collective understanding of current and future oil and gas industry workforce recruitment and retention challenges:
 - Ensuring safe and reliable offshore operations is a top priority for companies operating in NL and having access to a highly skilled and competent workforce is key. Collaborating to improve understanding of and work toward addressing potential recruitment and retention challenges will help ensure that NL's industry is well positioned for the future.
- Mitigate potential impacts of oil and gas activity through effective communication with other ocean users and through enhanced spill preparedness:
 - Building on efforts undertaken in 2020-2022, offshore oil and gas operators are committed to continue enhancing communications with the fishing industry, including working to disseminate information on the use of dispersants in spill response.
 - While offshore operators are focused on preventing spills, being prepared to respond is also critical. Facilitating collaboration towards integration of dispersants into spill-response planning and working with researchers to advance spill-response research will support enhanced preparedness.
- Support industry and stakeholder collaboration and education related to emission-reduction efforts to enhance communications and support governments in achieving net-zero goals:
 - Offshore operators are working diligently to reduce emissions through operational efficiencies and investments in research and technology. Extensive research is taking place through Energy Research and Innovation NL, the NL offshore industry's collaborative research and development organization, and by individual operators.
 - While CAPP does not play a direct role in research or specific emissions-reduction efforts, facilitating collaboration and dialogue amongst local stakeholders and assessing opportunities for additional outreach to support emissions-reduction efforts are priorities.

CONCLUSION

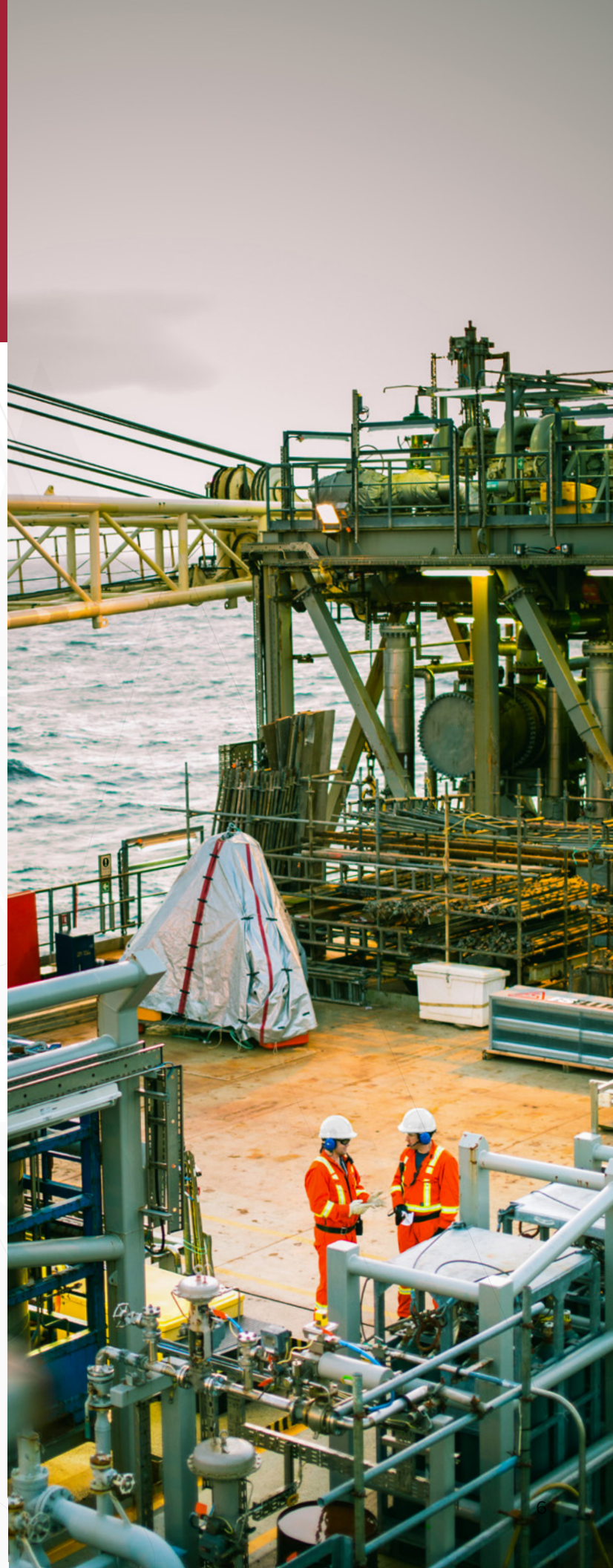
Collaborating for Safety and Environmental Sustainability is a living document which will continue to be reviewed and revised.

For this phase of Collaborating for Safety and Environmental Sustainability, progress will be measured based on an assessment of whether or not the following indicators were achieved:

- Demonstration of increased collaboration and communication amongst operators and between operators and other stakeholders, thereby enhancing safety and incident prevention.
- The identification of collective opportunities to work together to overcome potential future workforce recruitment and retention challenges.
- Enhancements to spill response capability and related communications with the fishing industry.
- Better communications around industry efforts to reduce greenhouse gas emissions.

Offshore operators are committed to building on the collective progress that was achieved during the first phase of Collaborating for Safety and Environmental Sustainability, and carrying that momentum into the next phase of this initiative.

In addition to the objectives and focus areas outlined in this plan, individual operators each have their own comprehensive health and safety management systems. These systems incorporate all policies and programs related to safety and environmental protection into their business processes and continuously identify opportunities for improvement.



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The Canadian Association of Petroleum Producers (CAPP) represents companies, large and small, that explore for, develop and produce natural gas and crude oil throughout Canada. CAPP's member companies produce about 80 per cent of Canada's natural gas and crude oil. CAPP's associate members provide a wide range of services that support the upstream crude oil and natural gas industry. Together CAPP's members and associate members are an important part of a national industry with revenues from oil and natural gas production of about \$101 billion a year.

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CALGARY

2100, 350 - 7 Avenue SW
Calgary, Alberta, Canada
T2P 3N9

ST. JOHN'S

1004, 235 Water Street
St. John's, Newfoundland and Labrador, Canada
A1C 1B6

OTTAWA

1000, 275 Slater Street
Ottawa, Ontario, Canada
K1P 5H9

VICTORIA

360B Harbour Road
Victoria, British Columbia, Canada
V9A 3S1



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