

ESG: A PEOPLE-LED APPROACH

Environmental, Social & Governance (ESG)

2022



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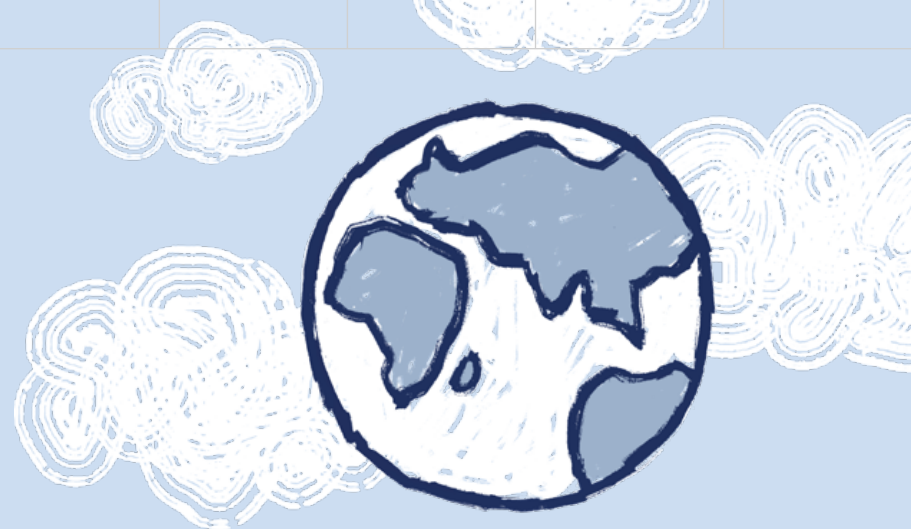


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2022 Highlights



Environmental

- Carbon intensity on Bruce, 16.4 kgCO₂/boe, lowest since taking over Operatorship
- Set emissions targets - 50% by 2030, Net Zero by 2050
- Developed and released Emissions Reduction Action Plan
- Developed a Methane Action Plan and committed to sign up to OGMP 2.0
- Supported Wave Energy technology, enhanced emissions monitoring and researched alternative fuels
- Independently verified our GHG emissions

Social

- Awarded Young Person Guarantee Employer status
- Increased organisational focus on Process Safety
- Raised awareness of D&I issues
- Awarded Silver award in OEUK Supply Chain Principles
- Completed over 11,600 training hours
- Donated £73,000 to charitable causes across the UK

Governance

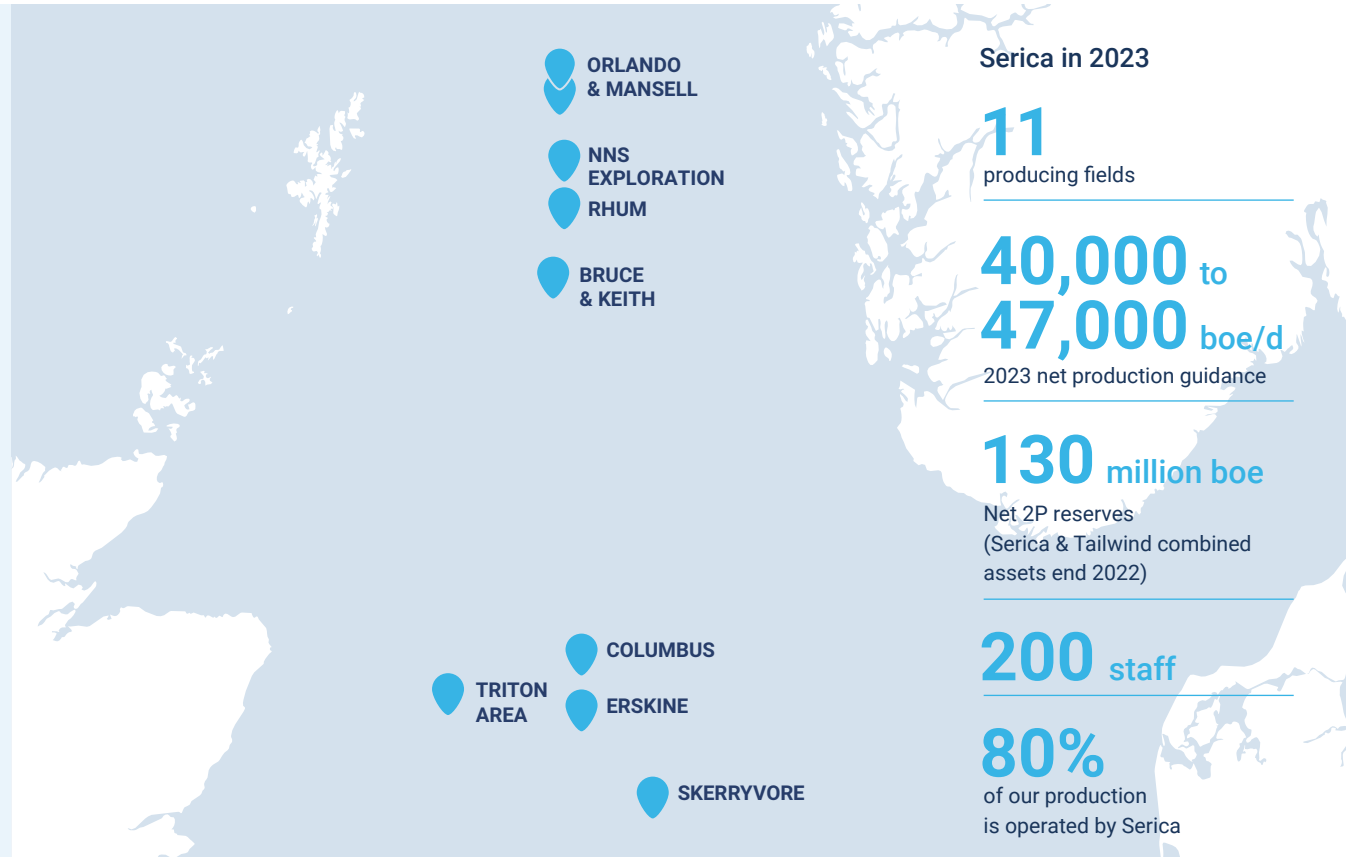
- Established a dedicated Board-level Sustainability Committee
- Enhanced alignment to TCFD recommendations
- Developed and rolled out new Code of Conduct training
- Added ESG Policy and Strategy to Operations Management System



An independent upstream oil and gas company with operations focused on the UK North Sea

Serica operates the Bruce, Keith and Rhum fields, producing around 40,000 boe per day (gross) through our operated Bruce platform, located in the Northern North Sea (NNS). In the Central North Sea (CNS), we operate the Columbus subsea producing well and are 18% equity holders of the producing Erskine field. In 2022 we drilled the North Eigg exploration well and carried out a well intervention campaign on Bruce wells.

In March 2023 Serica acquired Tailwind Energy, expanding our portfolio to include several producing assets in the Triton area in the CNS and the Orlando field in the NNS. Since the acquisition, our estimated 2P reserves have increased to 130 million boe and net Serica production for 2023 is estimated to be between 40,000-47,000 boe per day. We now employ over 200 people across London, Aberdeen and offshore.



Projects

Completed in 2022:



Bruce Well Intervention Campaign

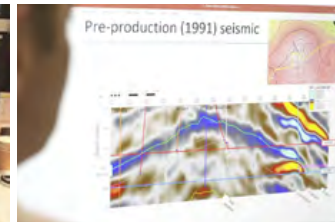


North Eigg Exploration Drilling

Future Projects:



Bruce Well Intervention Campaign



Bittern B1z Well



Gannet and Bruce Infill wells

Message from CEO



Mitch Flegg
CEO

Welcome to our fourth annual ESG Report, which highlights our ESG performance throughout 2022. Following the sharp rise in the cost of energy, brought about by a combination of the war in Ukraine and other events, there has been a shift in focus to security of energy supply. The cost-of-living crisis has highlighted how essential the energy industry is for the economic and societal prosperity of our country. Our brilliant, skilled people work tirelessly in office and offshore locations to produce the energy that powers, not just our homes, transport and industry, but the everyday products we need to live well.

We are proud to make a huge contribution to the UK economy. In 2022/23 alone our industry will add at least £28bn to the UK economy and provide 215,000 skilled jobs across the UK. The industry is committed to delivering Net Zero by 2050, but alongside expanding into cleaner energy sources like wind and hydrogen, the UK will continue to need oil and gas. The UK Climate Change Committee states that oil and gas will meet 50% of the UK's energy needs in the mid-2030s and in 2050 oil and gas will still provide 22% of the UK's energy needs.

40% of the UK's electricity comes today from gas fired power stations. In 2022, domestic gas production met 44% of the UK's total needs. This reduced our dependence on less environmentally friendly imports and played a part in inhibiting further price increases.

We are acutely aware of the environmental impacts of our business and wider industry and so our commitment to ESG has never been more important.

Our emissions reduction targets are set to align fully with those in the North Sea Transition Deal, setting nearer-term emission reduction milestones to achieve net zero emissions by 2050. In line with this, we have developed an Emissions Reduction Action Plan, and in 2022 we committed to funding future projects that will bring down our emissions and are commissioning studies into projects that make an impact further down the line.

Our efforts in ESG are seen across the Company, from sustainability suggestions made by our staff to the oversight of our ESG strategy and policy by the Board of Directors. I welcome the Board's decision to establish a Sustainability Committee whose remit is to focus on our ESG strategy, performance, risks and reporting. Again this year we have had ESG-specific KPIs linked to the remuneration of all staff, including myself. These have driven performance and significantly increased awareness in areas such as routine flaring, emissions reduction and waste.

I am delighted that we have recently completed the acquisition of Tailwind Energy, whose assets reduce our reliance on limited export routes and enable us to use our experience in improving environmental performance, delivering projects and extending the life of our assets.

I am happy to reaffirm Serica's commitment to the UN Global Compact and its ten principles. Our ESG report highlights the actions that we have taken to further integrate these into our culture, operations, and strategy.

ESG: a people-led approach

What do I mean by a people-led approach?

I mean that Serica's people have taken the mantle of ESG and owned it. From the huge challenge of providing affordable secure energy in a responsible way whilst we transition to lower carbon energy sources, to the wellbeing of our staff, contractors and communities, we have tapped into the hearts and minds of the people working at Serica and they've stepped up to the challenge.



Clara Altobell

Clara Altobell
VP ESG and Business Innovation

The climate change emergency facing all of us can seem immense and daunting, but we are seeing progress and our people-led approach has made a difference. The North Sea Transition Deal (NSTD) set clear targets for the basin; to halve emissions and eliminate routine flaring by 2030. Serica's Emissions Reduction Group set to work on meeting this challenge, identifying technology, equipment upgrades and new ways of working to achieve incremental reductions in emissions from our Bruce platform in line with the NSTD targets. These initiatives have now been formalised and integrated into our Emissions Reduction Action Plan, which provides a clear way forward to hit our targets. This is the product of engineers, environmental advisors, offshore workers as well as external technology providers, engineering consultants, the Net Zero Technology Centre and others working together to find solutions.

Our offshore ESG Champions identify and implement practical hands-on sustainability initiatives on the Bruce platform. These range from reducing waste and suggesting sustainable products to proposing the electric car scheme.

In March 2023, Serica acquired Tailwind Energy and along with it welcomed their talented and motivated workforce. With our newly enhanced team and portfolio of assets, we will continue to run our business in a sustainable and responsible manner.

We continue to extend our reach externally to engage with the expertise we need to progress. We have reduced the carbon intensity on our Bruce platform compared to last year and it is significantly lower than the average for a facility of its size and age. Our challenge is to continue this performance through emissions reduction and production efficiency improvements.

Socially, we work to enrich the experience of people working at Serica and look after our communities. Our staff-led committees are empowered to select issues and causes that they are passionate about and that make a difference. They are extremely active, effective and most of all fun! The energy that goes into the committees is evident from their results, helping the Mental Health Foundation, numerous sports clubs, food banks, cancer charities and the armed forces community.

Making Serica an inclusive and diverse place to work where people feel a sense of belonging is a key mindset of the D&I committee. With a focus on awareness, training and learning, we have allied ourselves with external organisations such as AFBE UK, The Axis Network, the Armed Forces Covenant and Autism and Neurodiversity North Scotland. We have made considerable changes to our recruitment process to remove bias and conducted our second staff D&I survey.

Our proactive Education Committee has increased our outreach into schools, providing learning packs, healthy eating initiatives and volunteering through membership of Developing Young Workforce organisation (DYW). This has resulted in us becoming a 'Young Person Guaranteed Employer'. As a company we have encouraged more summer placement programmes and expanded our training opportunities with offshore staff taking university degrees and we've continued our Opito apprenticeship programme, offering huge career opportunities and training for young people.

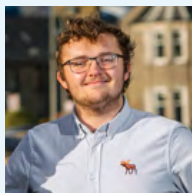
Finally, a company needs strong foundations and governance to be able to build and grow. As we have expanded the company, we have broadened the expertise of our Board, its committees and our policies. The Taskforce on Climate-related Disclosures (TCFD) is a reflection of the changing landscape and the expectations of investors, governments and external stakeholders. We have enhanced our TCFD reporting and use their guidance to check and improve our ways of working and governing.



Transparent Reporting

This report is a reflection of the Environmental, Social and Governance aspects of Serica as a business and the impact it has on our stakeholders. We align to several sustainability reporting frameworks and strive to report in a transparent and consistent manner. We conducted our first stakeholder engagement survey to inform our selection of material topics. This is also the first time our GHG emissions have been independently audited and verified.

In 2022 we further increased our alignment to TCFD, in advance of it becoming mandatory and have elected to complete the CDP survey, which opens in May 2023.



“This report conveys the steps we are taking and progress we are making as a responsible operator to produce energy in an environmentally and socially conscious way”

Johnny Pike
ESG Analyst



UN Sustainable Development Goals (UNSDGs)

We use the UNSDGs to influence the way we do business, to help us manage our environmental and social activities to ensure a positive contribution to each materially relevant goal. With guidance from the UNSDGs, we will continue to deliver essential energy whilst continuing to contribute to economic and social development of our workforce and the wider community.



UN Global Compact

We joined the UN Global Compact as a signatory in 2020 and have released two annual Communication on Progress (CoP) reports, in 2021 and 2022. We recognise the updated reporting requirements of the UN Global Compact and, in addition to this ESG Report, will be completing the new survey provided by the Compact.



Global Reporting Initiative (GRI)

In 2021, The Global Reporting Initiative, updated their reporting disclosures in the first major update to the standards since 2016. In our last ESG Report we proactively reported under the updated disclosures, despite it not being mandatory. For this report, we have built on our work from last year and further enhanced our disclosures so as to align closely to the standards. This report is prepared in accordance with the 2021 GRI Standards.



Sustainability Accounting Standards Board (SASB)

We have been reporting under the SASB framework since 2019. Now SASB has been consolidated under the IFRS Foundation and has established the International Sustainability Standards Board (ISSB). For this report, we have continued to report under the current Oil & Gas SASB standards and will monitor future reporting requirements closely.



Task Force on Climate-Related Financial Disclosures (TCFD)

Alignment with the recommendations is not currently mandatory for us, however we understand the need for greater transparency and increased demand for climate-related risk information. We have built on our TCFD reporting since 2020 and have further increased our alignment and disclosures against the recommendations. Alongside this report, we are releasing our TCFD Report.



Carbon Disclosure Project (CDP)

This year, we will be completing the comprehensive Oil & Gas Climate survey, which will be submitted shortly after this ESG Report is published. We will continue to disclose under the CDP on an annual basis.

Environmental

We control and operate the Bruce facilities and as such we focus most of our resources and efforts on managing and maintaining the operations, safety and environmental performance of this major producing hub. We provide around 5% of the UK’s domestic gas production, which is essential for power, heating and the UK’s energy security.

We have made progress in reducing the carbon intensity of the Bruce asset by producing our oil and gas with lower associated emissions per boe than in 2021 and significantly lower than the UK North Sea average carbon intensity. 2022 has been a pivotal year as we developed and submitted an Emissions Reduction Action Plan (ERAP) explaining how we will meet the GHG emissions reduction targets we have committed to in the North Sea Transition Deal and this now forms the basis of our company-wide push to deliver against those objectives.

We have made real progress on emissions reduction projects, such as temporary power and compressor upgrades, and we are using new technology to improve emissions monitoring and prediction.

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2022 Highlights

- Carbon Intensity on Bruce 16.4 kgCO₂/boe, lowest since taking over Operatorship
- Reduced routine daily flaring
- Set emissions targets – 50% by 2030, Net Zero by 2050
- Developed and released our Emissions Reduction Action Plan
- Improved monitoring and reporting of Scope 1, 2 and 3 emissions
- Developed a Methane Action Plan and committed to sign up to OGMP 2.0



We are committed to reducing greenhouse gas emissions whilst improving energy efficiency through a plan of actions, projects, and investments. We are fully aligned to the basin wide targets set out in the North Sea Transition Deal, which commits the UK oil and gas industry to reduce emissions in the UK North Sea basin. We are also supporters of the World Bank’s target of reaching zero routine flaring by 2030.

Emissions Reduction Targets

2018	Baseline
2025	10%
2027	25%
2030	50%
2050	NET ZERO

In 2022, we developed our Emissions Reduction Action Plan that sets out how we will achieve our emissions reduction targets on the Bruce facilities through a variety of equipment upgrade and efficiency projects. We are collaborating with industry partners to support low carbon technology projects that will help decarbonise the sector.

Our 2023 Bonus KPIs

Scope 1 CO₂ emissions under 200,000 tonnes

Total flaring volumes on Bruce under 5,000 tonnes



“Flaring and emissions are now part of our daily conversations and as a priority we seek out the causes of any excess flaring and fix them. At 16.4 kgCO₂/boe, carbon intensity on Bruce in 2022 was the lowest since Serica took over Operatorship, significantly lower than the UK North Sea average”

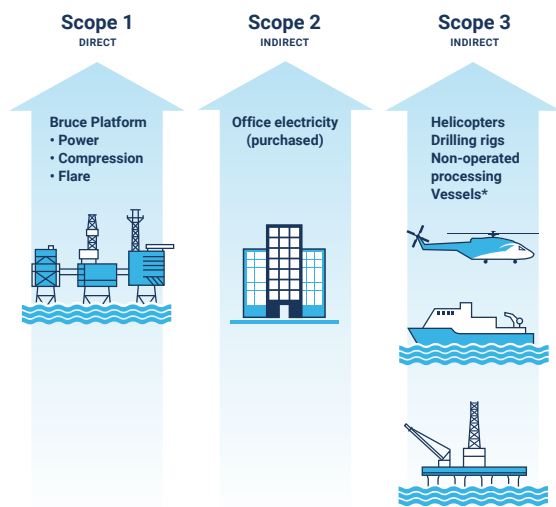
Ian Mackay
Bruce Offshore Installation Manager



Emissions Scopes and Boundaries

The Scope 1, 2 and 3 emissions that we report are consistent with the IPIECA guidelines for reporting GHG emissions, shown in the infographic below. Scope 1 emissions are those we operate and are fully under our control such as our Bruce Platform emissions reported under the Emissions Trading Scheme. Scope 2 are the emissions from electricity consumed in our offices. Scope 3 (equity share) includes emissions associated with assets operated by others or tied back to facilities operated by others (i.e. Columbus tied back to Shearwater). Scope 3 also includes emissions from supply vessels, helicopters, and drilling rigs used in our BKR operations or projects. IPIECA also defines Scope 3 emissions as those associated with the end use of our products or business travel, however we do not currently report these.

Definition and Allocation of GHG Emission Scopes



*Vessels such as Supply, Diving Support, Workovers, Emergency Response & Rescue

Scope 1 GHG Emissions - the Bruce Platform

We are the operator and 98% owner of the Bruce Platform located in the Northern North Sea, 150km east of the Shetland Isles. The platform generates its power from the natural gas it receives from the Bruce, Keith and Rhum fields. To process and transport the natural gas and oil exported to shore, energy is consumed in the form of fuel gas to power the gas compression process facilities and electrical power generation facilities on board the platform resulting in greenhouse gas emissions. Fuel gas consumption accounted for approximately 90% of total GHG emissions, produced gas flaring 7%, diesel fuel 2% and venting 1% in 2022. The source proportionality of GHG emissions has remained consistent since becoming the Operator in 2018.

As operator of the platform, we report 100% of the direct CO₂ emissions as our Scope 1 emissions. Our total Scope 1 emissions figure is derived from our UK Emissions Trading Scheme (ETS) reported emissions, which is 3rd party verified and authorised by the regulator. In 2022, our total Scope 1 CO₂ emissions were 218,567 tonnes with an associated carbon intensity of 16.4kg CO₂/boe.

Performance Against 2022 KPIs

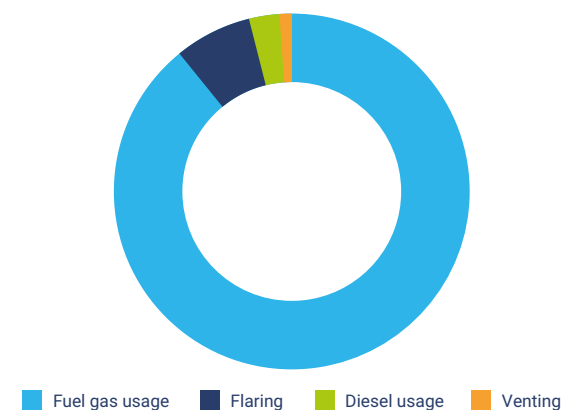
Scope 1 CO₂ emissions below 210,000 tonnes
218,567 tonnes (4% over)

Daily flare below 9.5 tonnes per day
9.0 tonnes per day

Total flare below 5,000 tonnes
5,851 tonnes (17% over)

Develop a Methane Action Plan
Done

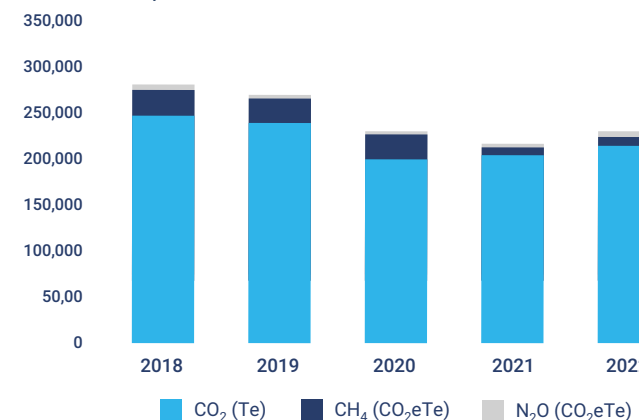
Proportion of Scope 1 CO₂ emissions



Carbon intensity (kgCO₂/boe)



Bruce platform total GHG emissions 2018-2022



Produced Gas Flaring

Produced gas flaring is a safety and operability requirement designed and built into oil and gas platforms. Since becoming the operator of the Bruce platform in November 2018, we have been motivated to reduce operational flaring to as low as practicable and have made positive progress so far. For 2022 operations, we set two flaring related KPIs:

1. Total flared quantity less than 5,000 tonnes
2. Routine operational gas flaring less than 9.5 tonnes per day

Due to abnormal shutdown and startup operations associated with managing the Rhum Field, the first target was exceeded by 17%. A total of 5,851 tonnes of produced gas was flared.

In terms of routine flaring, we bettered our target of reducing routine flaring to less than 9.5 tonnes per day, by achieving an average daily routine flaring total of 9.0 tonnes per day in 2022. We believe that this continued reduction is down to many factors including an increase in the visibility of daily flared volumes which are presented in our platform daily report. Additionally, increased awareness of the impacts of flared emissions in terms of CO₂, a cultural change in “what good looks like” and the continual improvement of well and plant operating practices have contributed to the decline in daily flared volumes.



From left to right Bruce platform HP Flare tip, manifold and LP Flare tip



“We will join the Oil & Gas Methane Partnership, an oil and gas sector gold standard framework to improve the accuracy and transparency of methane emissions reporting”

Angus Laurie
Environmental and Compliance Advisor



Methane Emissions

Methane has a much higher global warming potential than carbon dioxide over a 100-year time period and is therefore much more damaging to the environment. That’s why a key component of our asset’s Emissions Reduction Action Plan is measuring and minimising methane emissions. In collaboration with peers and technology providers we are working on a range of methane monitoring measures.

Currently methane emissions from the Bruce asset are determined by calculation methods based on five prime sources: imperfect combustion from flaring produced gas in the high pressure (HP) and low pressure (LP) flares, imperfect combustion from consuming fuel gas and diesel in turbines and engines, vented emissions due to process plant design and fugitive emissions. We are committed to the international methane source reporting principles of the Oil & Gas Methane Partnership (OGMP) 2.0 to a site level, and transparent sharing of performance data and aim to achieve Levels 4/5 by:

- Conducting regular gas turbine exhaust sampling for any unburned hydrocarbons to evaluate equipment operations and improve reporting accuracy
- Completing technical assessment work on flare combustion efficiency utilising site-specific process and weather data to evaluate flare system operations and improve reporting accuracy
- Undertaking site-level top-down methane survey utilising SeekOps/FlyLogix remote piloted aircraft flown from the Shetland Isles
- Utilising real-time performance data from the Predictive Emissions Monitoring System developed with Siemens Energy on gas turbines to evaluate and optimise asset operations

At the end of 2022, Bruce platform methane emissions totalled 396 tonnes (11,099 tonnes CO₂e). In 2022, our methane intensity was 0.03%, per the OGCI method. This is considered low in the North Sea.

Emissions Reduction Action Plan (ERAP)

In line with the North Sea Transition Authority's (NSTA) Stewardship Expectations #11, our ERAP highlights the plan of actions, projects, and investments which we plan to undertake to reduce GHG emissions from the Bruce platform and to help us meet the targets set out in the North Sea Transition Deal.

To reduce greenhouse gas whilst improving energy efficiency, we are prioritising three components:

- (1) Reduce energy consumed from fuelling gas compression processes to support a more efficient means of processing and transportation by revamping all gas compression
- (2) Re-use energy created from fuelling the generated power by assessing, collaborating, and deploying innovative solutions
*recovered energy generation technology (i.e. waste heat recovery)
- (3) Recycle energy currently wasted from produced gas flaring by capturing and re-processing for export
* A credible alternative to retrofitting recovered energy generation is right-sizing and up-grading more efficient (electrical) main power generators

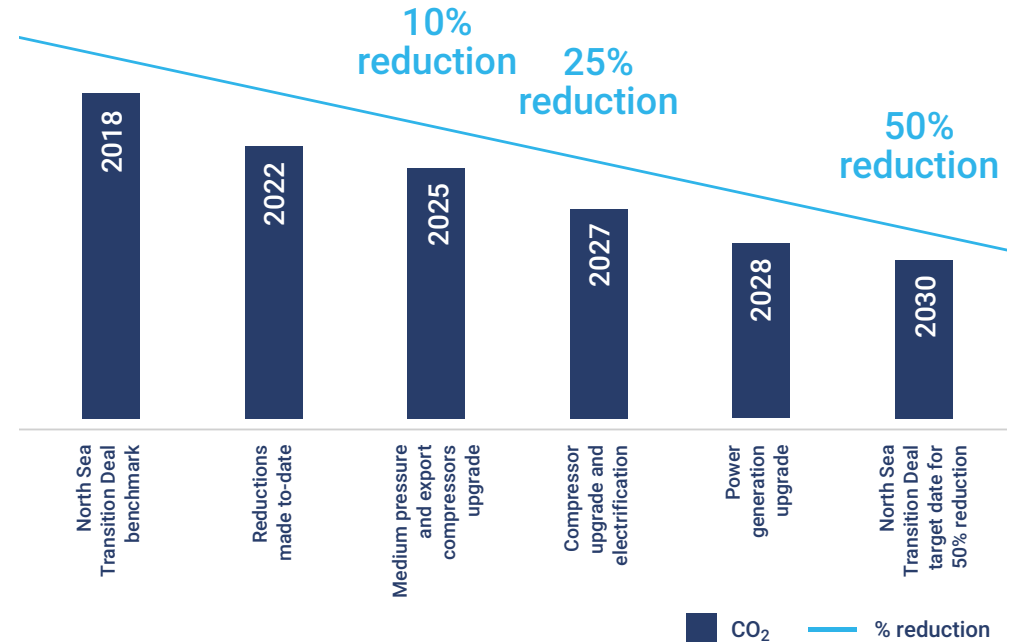


Several projects to reduce emissions, improve asset energy efficiency and extend the life of the asset are progressing, at various stages of project definition. These are summarised below.

During 2022 temporary high-voltage power facilities have been engineered and designed to be installed in early 2023 to lower emissions from diesel consumption during the planned 2023 maintenance outage, and in future expected maintenance outages in 2025 and 2027. Utilising temporary power facilities is expected to reduce GHG emissions by around two thousand tonnes per year during planned outages.

Engineering activity is progressing to upgrade the primary and secondary gas compression facilities to install more efficient designs to lower emissions from fuel gas consumption. The new replacement equipment is on order, expected to be delivered in late 2024 and will be installed offshore in early 2025. Operating more efficient gas compression process plant is expected to reduce GHG emissions by 10,000 - 15,000 tonnes per year, once commissioned.

We are currently evaluating the technical and economic feasibility of three other activities, including upgrading the tertiary gas compression facility, potentially including its electrification from the main power generators and assessing generating (electrical) power from waste heat using recovered energy generation technology and installing Flare Gas Recovery facilities.



“Our drive to reduce emissions and increase efficiency, is outlined in our Emissions Reduction Action Plan. Some excellent ideas have resulted in emission savings, and we need to keep innovating to improve our environmental performance”

Matthew Neal
Energy Transition Engineering Advisor

Energy Efficiency

The Bruce Platform consumes approximately 5% of the energy produced to process and transport oil and gas production from the Bruce platform. Driving lower energy intensity over the remaining life of the asset goes hand in hand with delivering energy security with rigorous emission reductions. The UKCS energy intensity average is around 8%.

At the end of 2022, we qualified for the UK Government's Energy Savings Opportunity Scheme (ESOS) third compliance period as a large undertaking registered in the UK. This principally involves:

- Analysing the Company's Bruce asset energy consumption and energy efficiency.
- Identifying ways to improve Serica/Bruce asset energy efficiency
- Recommending practical and cost-effective energy saving measures for the company
- Identifying the estimated costs and benefits of energy saving opportunities

How We Monitor Our Emissions

We understand that having access to a more detailed picture of where our emissions are coming from can help identify ways to reduce and minimise operational emissions.

OPEX.AI

This is a cloud-based system that utilises artificial intelligence (AI). The tool takes data directly from turbine meters and calculates the emissions for each turbine in real time. The data is then presented on dashboards, allowing our teams to analyse the findings and investigate where any fluctuations in emissions are coming from.

Emissions Insight

We developed a system, alongside Xodus, to replicate the ETS calculation process on a daily basis, rather than monthly, as is industry practice. We have been able to automate much of the process by utilising PI tags on our meters offshore to directly communicate to the system to enable daily "real-time" figures. The CO₂ emission figures have been identical to our UK ETS figures for 2022 which gives reassurance that both systems are working accurately. Emissions Insights is mostly used as an assurance tool to assist in the ETS process each month. We are still working with Xodus to modify the tool to best suit our needs and have added functions such as carbon intensity.

Predictive Emission Monitoring System (PEMS)

Following a technical presentation by Siemens on a newly developed Predictive Emissions Monitoring System (PEMS), we worked with them on the development and deployment of the system for our compression and power generation packages. PEMS was successfully implemented in late 2022 and provides us with the ability to remotely monitor the emissions of the gas turbines, including nitrous oxide, carbon monoxide and dioxide along with predictive maintenance indicators. It does this by using real-time equipment data feeding into the manufacturer's model of the combustion going on within the engine and producing a predictive output of the emissions. Our next steps are to improve the system and validate through real offshore sampling.

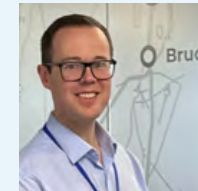
Stack Emissions

It is a regulatory requirement to undergo stack emissions monitoring on an annual basis. This forms part of the conditions of our Pollution Prevention Control (PPC) permit and focuses on turbines and compressors. We contract a third party to carry out the sampling of NO_x, SO₂ and CO in our combustion

equipment. We currently only have one sampling port for four machines but there are plans to install sampling ports on each of the other three machines in 2023. This will give a more accurate representation of our emissions per machine, rather than using one as a proxy for all of them. The result of the sampling is then used to calculate the actual emissions of each of the aforementioned compounds to give a realistic figure rather than using default emissions factors.

Improving reporting

In line with the industry standard accuracy principle we have changed how we report our UK ETS emissions, going from a weekly analysis of fuel and flare data to a daily analysis, giving an even more accurate depiction of our daily emissions.



“Serica Energy were early adopters of Predictive Emissions Monitoring technology and are ‘ahead of the curve’ on this important field, something that has been welcomed by the regulator”

Andrew Wood
Rotating Equipment Engineer

Scope 3 Emissions

Serica recognises the importance of monitoring, accurately reporting, and reducing our Scope 3 emissions. The GHG Protocol (2022) define Scope 3 emissions as all indirect emissions (not included in Scope 2) that occur within the value chain of a company. At Serica, these include emissions associated with non-operated producing assets, drilling rig operations, materials supply and marine and aviation transportation.

Serica Scope 3 Emissions (tonnes CO₂)

Operation	2020	2021	2022
BKR Platform	9,016	8,867	8,063
BKR Well Ops	6,180	15,103	3,865
Columbus	0	12,926	7,833
Erskine	6,612	4,857	6,060
North Eigg	0	0	20,498
Total	21,808	41,753	46,319

BKR Logistical Operations

To maintain our operations, we use a variety of contracted equipment, vessels and transport. The Scope 3 emissions associated with our BKR operations include those from Platform Supply Vessels (PSVs), Helicopters used to transport our teams to and from the platform, Emergency Response and Rescue Vessels, their relieving vessels and emissions from Diving Support Vessels.

In 2022, we worked to further improve the monitoring and reporting of Scope 3 emissions by working with our contracted aviation and vessel companies to receive fuel usage data more frequently to accurately track the indirect emissions associated with our activities. In 2023, we want to continue to improve our Scope 3 data collection to ensure accuracy and integrity.

BKR Operations Scope 3 Emissions (tonnes CO₂)

Operation	2022
Platform Supply Vessels	2,397
Helicopters*	1,949
Emergency Response and Relieving Vessels	1,863
Diving Support Vessels	1,854

* It should be noted that some double accounting may occur when calculating the emissions associated with helicopter usage. This is due to some helicopters being used to transport crews to both the Bruce platform and the North Eigg drilling vessel. Data for these trips is not currently split between the two destinations.

Scope 3 Emissions: BKR Logistics and Well Operations (tonnes CO₂)



Working with our Supply Chain to Reduce our Footprint

We recognise that the environmental impact of an organisation's supply chain can often be on par or bigger than an organisation's direct environmental footprint. That is why, as an organisation with a large supply chain, we are committed to collaborating with the companies we work with to lower emissions.

Since mid-2021, we have been sharing our main Platform Supply Vessel (PSV) with the operator of the GP-III FPSO. Not only has this agreement resulted in greater efficiencies for both operators, but it has also helped us reduce sailing times by 2-3 days per week, helping us reduce diesel usage. We estimate this arrangement has reduced our Scope 3 emissions in relation to vessel sharing by over 1,500 tonnes of CO₂ compared to 2021.

Like all offshore operators in the North Sea, Serica utilises helicopters to transport our personnel to and from the platform. In 2022, we altered our aviation contract to utilise a different model of helicopter, that is lower emitting compared to the previous helicopter. Under our new contract Serica will utilise the H175 helicopter for three days per week and the S92 for two days. By using the H175 helicopter, we estimate a saving of 0.2 tonnes of CO₂ per hour, compared to using the 292.



Our Materials and Logistics team also continued to limit deliveries to our warehouses. In 2022, deliveries to our Peterhead warehouse were limited to once per week for four suppliers. Not only does this limit traffic congestion and help our suppliers plan their deliveries more efficiently, it also helps reduce diesel usage. Our team calculated that mileage saved from the four vendors for the year was 10,329 miles, we estimated that this also stopped 3.85 tonnes of CO₂ from being emitted. In 2023, our Material and Logistics team is planning to work with suppliers to identify additional improvement opportunities associated with warehouse delivery.



North Eigg Exploration Well

In 2022 we drilled the North Eigg exploration well using the Transocean PBLJ drilling rig. We worked with contracted companies to record fuel usage emissions generated from drilling operations and helicopter flights, as well as anchor handling, emergency response and supply vessels. In total the North Eigg well generated approximately 20,500 tonnes of CO₂. The well was not tested and so no hydrocarbons were flowed or flared.

Columbus Field

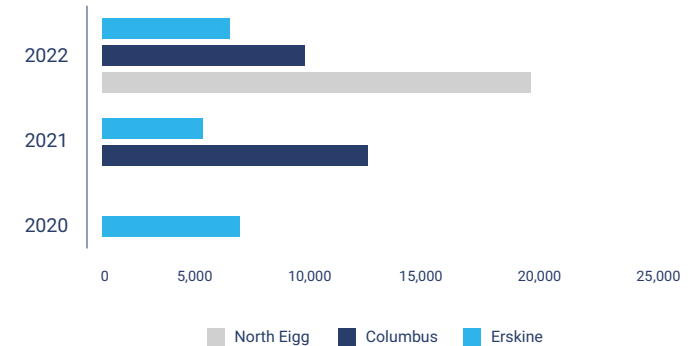
We are the operator of the Columbus well, which ties back to the Shearwater platform operated by Shell UK. In 2021 the Scope 1 emissions were associated with testing the newly drilled Columbus well, with production from when it came on stream in late 2021 being reported as Scope 3. In 2022, Scope 3 emissions are based on a full year of production. The emissions associated with Columbus are determined on a pro-rata share of the fuel gas and flare gas on the Shearwater platform converted to CO₂ using the standard EEMS conversion factors and applying our equity share of 50%.

Erskine Field

We have an 18% non-operated interest in the Erskine Field. The field produces natural gas and condensate liquid from a normally unattended installation (NUI), operated by Ithaca Energy and the fluids are processed and exported through a dedicated Erskine Processing Module (EPM) located on the Lomond platform, operated by Harbour Energy.

Ithaca Energy reports Erskine NUI's GHG emissions as their Scope 1 on an operational control basis. Emissions associated with NUI operations are due to diesel consumption, fugitives and venting. Serica reports these as Scope 3, based on our 18% equity share, which equalled a total of just 95 tonnes of CO₂. For this year's report, we have worked with Harbour Energy to source fuel and diesel consumption and flaring data from the Lomond platform associated with Erskine Processing Model. It is assumed that the EPM's share of diesel usage on Lomond platform is 25% of total diesel consumption. Our equity share of the associated emissions from the EPM on Lomond is 5,865 tonnes of CO₂.

Scope 3 Emissions: Columbus, Erskine and North Eigg (tonnes CO₂)





Reducing the Impact of getting to the Office

Our Blended Work policy allows our onshore teams the flexibility to work from home or the office. To support emissions reduction when commuting to work, we offer a Cycle to Work and an electric car salary sacrifice scheme, allowing our teams to have access to low carbon alternatives at a more affordable price. In 2022, our Aberdeen office also had shared electric car charging points installed, making it easier for personnel with electric/hybrid vehicles to charge their cars whilst at work.

Scope 2 Emissions

Scope 2 emissions refer to the indirect GHG emissions generated from purchased or acquired electricity, steam, heat, and cooling (GHG Protocol, 2022). We calculate this by taking monthly electricity invoices for our London and Aberdeen offices and converting the energy usage (KWh) into CO₂ and CO₂e using conversion factors set out in the "Greenhouse gas reporting: conversion factors 2022" (Department for Energy Security and Net Zero [DESNZ], 2022). In 2022, our total Scope 2 emissions totalled 20.5 tonnes of CO₂ (20.7 tonnes of CO₂e). This represents an increase of approximately 18% from 2021, which we believe is due to an increase in the number of staff using our office facilities after Covid-19 restrictions were fully lifted.

Serica Scope 2 Emissions (tonnes CO₂e)



Industry Engagement

We actively encourage knowledge sharing and collaboration within our sector and see the benefits that this can have on reducing emissions across the industry. To support this approach we actively participated as steering group members of the OEUK Atmospheric Technical Group and NSTA ESG forum as well as presenting at and participating in emissions and decarbonisation events, including:

- The Energy Transition Zone
- The OEUK HSE Conference
- OEUK Breakfast Briefing
- AFBE UK Real Projects
- The E-Reps Network
- The Petroleum Economist

Working with Regulators

We have a transparent working relationship with UK Regulators such as HSE, OPRED DESNZ and the NSTA. We view our relationships with Regulators as working towards our common goals to reduce emissions, reduce pollution, maximise economic recovery from the basin and improve safety and environmental standards. The Regulatory Permits, Licensing, Consents and Applications process overseen by the Regulator facilitates partnership with our Statutory Consultees. These Statutory Consultees review and comment on Serica's environmental permit applications and through this process of review and engagement consultee comments are incorporated into our planning for future projects and day-to-day operations. We also play an active role in guiding future policies by sharing our experience and expertise.



JOHNNY PIKE
ESG ANALYST
SERICA ENERGY

SERICA'S ESG
JOURNEY SO
FAR

SERICA ENERGY

WEDNESDAY OCTOBER 5TH
www.erepsnetwork.com

INSIGHTS 10.10
Speaker



We generate waste from a variety of sources; the general waste associated with life on the Bruce platform, by-products of maintenance and upgrades, and packaging used for equipment and deliveries. As champions of the circular economy, we are continually seeking ways to reduce waste across our operations.

In 2022, when we identified packaging as a prime generator of waste, we engaged with our key suppliers to see how a step change improvement in waste reduction could be made.

We use performance dashboards to present our waste metrics regularly to Serica's Board and the wider organisation including the HSE Committee, Business Performance and Onshore Safety meetings. Waste performance-related KPIs linked to employee and executive directors' remuneration encourage individuals to focus on increasing recycling and minimising the generation of waste across all elements of our business.



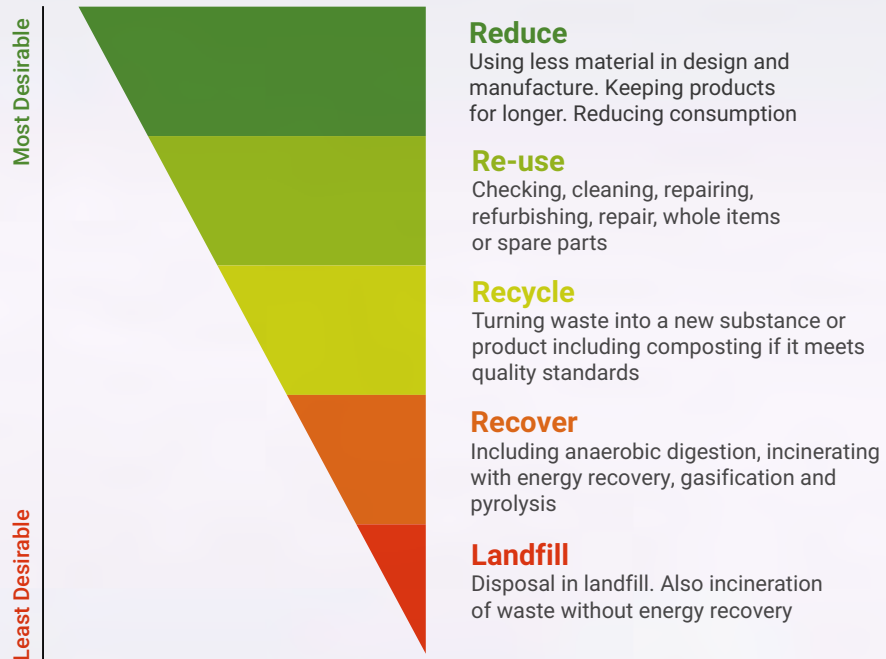
Waste Management at Serica

Waste segregation offshore is managed in alignment with The Merchant Shipping (Prevention of Pollution by Sewage and Garbage from Ships) Regulations 2008, which prohibits the disposal of solid waste at sea.

We are acutely aware that if any waste enters the marine environment, it has the potential to directly impact the marine ecosystem and biodiversity. Any unauthorised loss of solid waste to sea or dumping is reported to the Regulator as a Petroleum Operation Notification 2 (PON2). Any release of unpermitted liquid waste such as chemicals or hydrocarbons is reported as a Petroleum Operation Notification 1 (PON1). Waste Management on the Bruce Platform is conducted in accordance with our OMS document "How to Manage Waste".

All waste and the associated duty of care is managed by a dedicated waste handling specialist contractor. They use only UK-registered disposal routes that meet regulatory requirements. To ensure standards are being maintained we plan to audit our waste management contractor during 2023.

Aiming to Achieve Zero to Landfill: The Waste Hierarchy



“We have made great strides in our waste management this year, reducing waste-to-landfill by 98% since 2018. Now we’re focusing further up the waste hierarchy. How do we reduce volumes of waste-to-energy? How do we increase recycling or better still, remove waste before it even reaches our platform? We look forward to solving these challenges”

Elise Murray,
Assistant Environmental and Compliance Advisor



Waste Performance in 2022

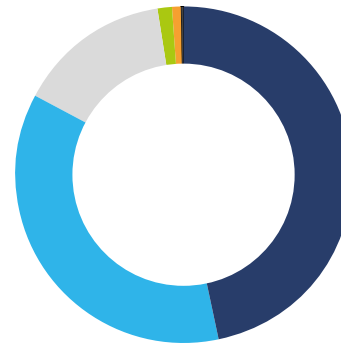
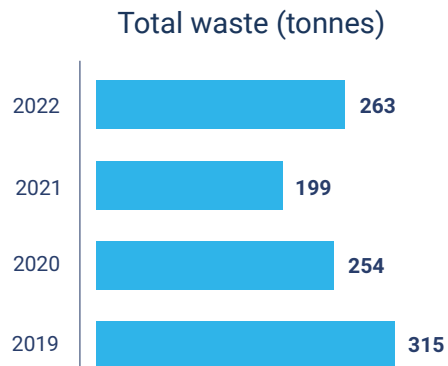
We met our 2022 target, of keeping the volume of total general waste generated on the Bruce platform to 90 tonnes.

Our total waste levels in 2022 were 263 tonnes, commensurate with our return to pre-Covid levels of personnel on board and operational activity. Our waste management process ensured that less than 1% of this waste ended up in landfill.

Our recycling rate was 47%, which was lower than our 60% target. However, 83% of waste was reused, recycled or sent to waste to energy. For 2023 we have set a target to have in excess of 90% of waste reused, recycled or sent to waste-to-energy.

In March, approximately 29 tonnes of surplus chemicals were sent onshore from the platform, treated and then processed as waste as they were no longer required. We investigated the cause and lessons learned were shared within the organisation to avoid this happening in the future.

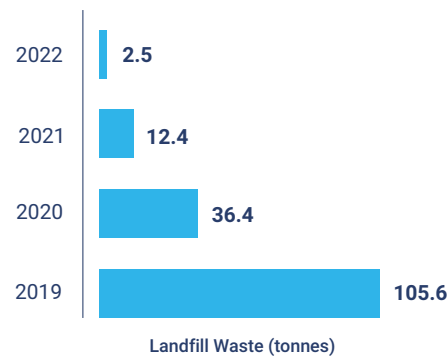
We continued to reduce waste sent to landfill from 12.3 tonnes in 2021, to 2.4 tonnes in 2022, a reduction of 80%. In 2023, our areas of concentration include reducing excessive packaging, minimising non-recyclable materials where possible and engaging with our suppliers to understand how we can work together to reduce unnecessary waste.



Waste disposal in 2022



Our ongoing commitment to reducing waste to landfill



Our 99.5% score over four skip audits proves waste segregation is working

Waste Audits

Our waste management contractor carries out site inspections on the Bruce platform at least every 18 months to ensure compliance and paperwork accuracy. These visits are designed to assist with self-verification of waste issues and include checking site conformance with our procedures on managing waste.

Each visit generates an audit report which is reviewed by our HSEQ team to identify any improvement actions. Our 2022 audit highlighted areas for improvement and areas of strength, such as waste reduction, waste awareness and involving our teams in improvement activities.

Waste segregation is an important issue and our contractor conducts spot checks on skips when they come onshore, tipping out the contents of a general waste skip to establish the percentage of recyclable waste. Four such audits were conducted in 2022 and our offshore team received an average compliance score of 99.5%, meaning that 99.5% of waste audited was correctly segregated, highlighting the success of our continued efforts to train staff.

Our Bruce ESG Champions Committee was formed in 2021 and is made up of members of our offshore team who work together to generate and implement initiatives to help lower emissions, improve efficiency, reduce waste, and promote wellbeing offshore. In 2022, the group was pivotal in implementing initiatives to reduce waste such as a reusable water bottle scheme, a digital newspaper service and trials of reusable alternatives.



Reducing Plastic Water Bottle Usage

In 2021 we sold over 5,300 bottles of water on our platform. Our Offshore Champions came up with solutions which we have now implemented including:

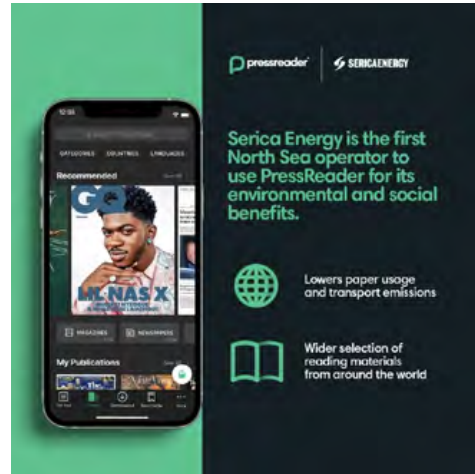
- Provision of personalised, reusable bottles for our core crew
- Purchase of a faster flowing, contactless cold water dispenser
- Adding mineral filters to further improve the quality and taste of the water

By the end of 2022, we had reduced the number of bottles sold by 2,400 and work continues to reduce that number.



Providing Access to Thousands of Publications Worldwide via Digital News

Thanks to another ESG Champion initiative in 2022, Serica became the first North Sea Operator to offer the PressReader digital newspaper and magazine service on an offshore platform. Historically magazines sent to the platform, once read, were shipped onshore for recycling. PressReader has reduced paper waste and the associated logistics whilst providing our offshore teams with 24/7 access to thousands of publications.



A Suggestion, a Simple Fix, and a Great Result

Every member of our team is encouraged to use our digital suggestion box, the 'ESG Ideas Button' to put forward bright ideas.

Many of those suggestions have come to fruition including one which aimed to cut out the use of polythene bags at our offshore shop. By providing reusable fabric bags in each cabin, we cut out 2,000 bags per annum; an entire waste stream eliminated as a result of one good idea.



Upcycling IT Equipment to Reduce E-Waste

We upgrade our laptops at Serica every three to four years. In 2022, instead of sending old laptops to be recycled, we looked to see if they could be put to better use. We managed to repurpose 15 laptops by donating them to charities, including Outfit Moray, HorseBack UK and a local sports team. As more laptops are changed out we hope to be able to continue to find ways of using our unwanted equipment and help organisations that could benefit.



Our operations are located in Northern part of the UK North Sea where there is an abundance of wildlife and associated habitats. We have over 130 people living and working on our Bruce platform and utilise an extensive network of pipelines, wells and subsea infrastructure. It is imperative that our operations do not adversely affect local biodiversity, so we continually look for ways to lower our impact on the marine environment. In addition to strict management of any discharges to sea and chemical usage, we have introduced other measures, such as reducing marine traffic through combined vessel campaigns and decreasing plastic usage offshore.

Water Usage

The North Sea is not in a region of high baseline water stress. We mainly use seawater for our offshore operations, for cooling equipment or firewater, and most of this water is pumped back into the sea with little change to its composition. We estimate that we use approximately 34 million tonnes of seawater for cooling every year.

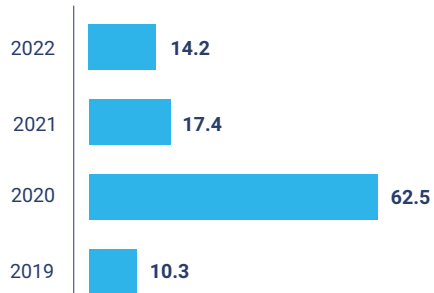
Fresh water is used for drinking water and domestic use on the Bruce platform and the vast majority is produced by desalinating sea water via a Reverse Osmosis (RO) unit. Some potable (fresh) water is sent to the platform, to supplement water for drinking and domestic purposes, which amounted to 1,139 tonnes in 2022.



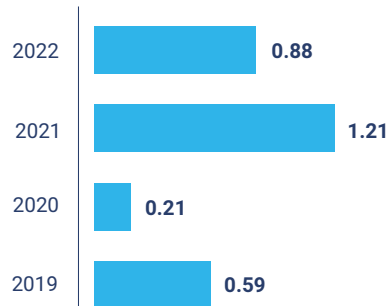
Discharges to Sea

Production wells tied into the Bruce platform mainly produce gas, with a small volume of crude oil, condensate and water. Following separation and clean-up, oil and gas is exported and produced water is cleaned to a permissible oil in water concentration, using a de-oiler package, and then discharged overboard. Historically we would inject this water into a dedicated water injection well, but due to operational problems, we were unable to do so in 2022.

Average concentration of oil in water (mg/litre)



Amount of oil in produced water discharged to sea (tonnes)



We closely monitor the concentrations of oil in water and total mass of oil discharged to sea, targeting less than 9mg/litre. If we exceed this, our operations team will investigate and rectify the situation as soon as possible. Reasons could be plant instability, demulsifier concentrations or equipment issues. In 2022, our permitted oil in water consent was 30mg/litre and we achieved an actual average oil in water concentration of 14.2mg/litre. A total of 62,298m³ of produced water was discharged which resulted in a total of 0.88 tonnes of oil being discharged to sea in the year.

Discharge data is recorded and reported to the Offshore Petroleum Regulator for Environment and Decommissioning (OPRED) on a monthly basis, as per the conditions of the Oil Discharge Permit under the Offshore Petroleum Activities (Oil Pollution Prevention and Control) Regulations 2005 (OPPC permit). During 2022 we were required to update our permit as a result of the delay in reinstatement of the water injection system.

In 2023 we will continue our work to reinstate the water injection system, in the form of a well intervention campaign and pump optimisation. This would reduce the amount of oil discharged to sea and the waste produced from changing out filters on our de-oiler package.

Unplanned or accidental releases of oil or chemicals to sea can occur. In 2022 we submitted two Petroleum Operation Notifications 1 (PON 1s) in relation to Bruce operations, which accounted for 0.002 tonnes of oil unintentionally discharged from the Bruce platform. We had four Chemical Non-Compliance Reports (NCR) on the Bruce Platform, resulting in the release of 0.1 tonnes of chemicals being released to sea. A further two PON 1s were submitted, regarding the release of 1.34 tonnes of chemicals in relation to our drilling and subsea projects.



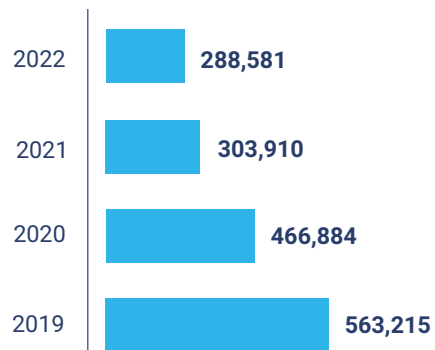
“Our first 2023 well intervention campaign will start on work to reinstate our water injection well which will eliminate routine oil in water discharges to sea”

Danielle Whiteley
Senior Petroleum Engineer

Chemical Use

In 2022 we used 288,581 kgs of chemicals on the Bruce platform. The use and discharge of chemicals in the UKCS is regulated under the Offshore Chemical Regulations (OCR) (2002) as amended in 2011. The use of chemicals regulated under the OCRs require risk assessment and approval for their use and discharge. All chemicals that are regulated under the OCRs have been tested to evaluate their toxicity, bioaccumulation, and biodegradation, and are ranked according to their potential to cause harm to the receiving environment. The most hazardous chemicals carry a substitution (SUB) warning label. We are committed to working to reduce the number of SUB chemicals across our operations.

Total chemical usage in operations (kg)



Environmental Impact Assessments

The Environmental Impact Assessment (EIA) process is a key component of the UKCS licensing, consenting, and permitting process. Impacts, including those on the physical and ecological environment, are examined in both Environmental Statements and in EIA Justifications accompanying permit applications. We always aim to operate in full compliance with these requirements and information on potential impacts to IUCN Red List species are assessed during the environmental assessment process.

Activities with the potential to result in environmental impacts will only commence once any planned mitigations have been submitted to and approved by the Regulator.

Testing Technologies that Promote Habitat Growth

We have partnered with Arc Marine to test their innovative Marine Mats, that are designed to minimise any negative impact on the marine environment and to encourage marine habitat growth.



Technology and digital innovation are key to unlocking an accelerated transition. They can help us, and the wider industry, reduce emissions and lower environmental impacts. We understand the importance of investment and collaboration in this space and are members and partners in technology organisations such as the Net Zero Technology Centre. This chapter will highlight our approach to technology and innovation and some of the projects that we are currently involved in.

Net Zero Technology Centre

In 2022, Serica continued to be a proud and active partner of the Net Zero Technology Centre (NZTC) along with other Operators, technology companies, and Government. The aim of the NZTC is to accelerate the energy transition by supporting the development and deployment of innovative technology to increase the affordability of reaching net zero emissions. In 2022, Serica committed a total of £500,000 cash and benefit-in-kind to the following NZTC related projects.

Flare Gas Combustion Efficiency Project

When gas is flared on oil and gas platforms the combusted emissions take the form of carbon dioxide. However, if the process is not fully efficient, some of the gas may not be combusted and small amounts can be released in the form of methane, which is more harmful to the environment than carbon dioxide. The intent of the Flare Gas Combustion Efficiency Project is to technically evaluate the combustion efficiency of the Bruce flare systems to potentially enable improvement through optimisation, and more accurate emissions reporting, aligned with the principles of OGMP 2.0.

In 2022, Serica committed a total of £500,000 cash and benefit-in-kind to NZTC related projects

Alternative Fuel Gas Turbines Project

More than 70% of emissions associated with upstream oil and gas production are generated by turbines, running primarily for power generation, using natural gas and diesel fuels. This project investigates the practicalities of switching gas turbines to low or zero carbon fuels. It covers health and safety implications, technical feasibility and logistics of supply. This includes testing gas turbines on alternative fuels and different fuel blends.

Wave Energy Project

During 2022 Serica were pleased to provide funding and technical support to assist Mocean Energy and Verlume in the development of their wave-to-energy technology. This innovative and pioneering technology creates electrical power by converting renewable wave energy. It has the capability to support subsea infrastructure operations with control, remote communications and reliably incorporates subsea battery power systems in a tough marine environment.

Pilot sea trials of the blueX prototype will take place offshore Orkney in the first half of 2023 and we look forward to collaborating with the companies involved to assess and plan for potential 1st field deployment during 2024.



Finding Innovative Ways to Re-use Existing Oilfield Equipment

During 2022 we identified an opportunity to reduce both emissions and mobilisation costs by applying campaign-wide thinking across a series of well-related worksopes. These recognised operational synergies resulted in:

- a multi-well, multi-operator vessel campaign to fully decommission two subsea wells at our Columbus field
- inspection of several legacy wells at our Keith Field in the Northern North Sea

“We used the latest survey technology via an ROV to make photo-quality 3D scans of Keith wells, verifying the wellhead type, its critical profiles and dimensions. These 3D scans were assessed alongside mechanical checks using pre-manufactured templates from the assumed wellhead manufacturer drawings, allowing our team to accurately plan future rig-based well decommissioning on wells that were drilled during the 1970s. This is an excellent example of re-using pre-existing oilfield equipment, rather than new manufacture”



Alex Pirie
Wells Manager

Technology Leadership Board

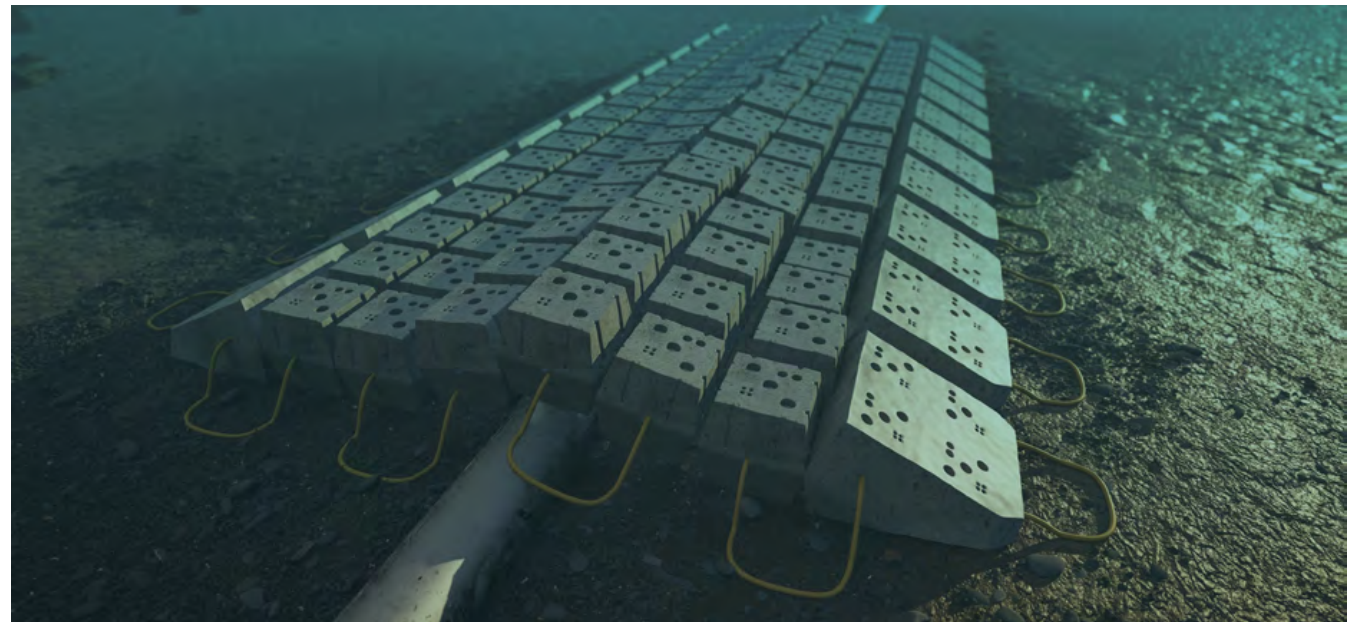
In 2022, our VP ESG and Business Innovation, Clara Altobell, became a Board Member of the Technology Leadership Board. The mission of the Board is to drive the development and deployment of new and existing technology to help the UKCS maximise economic recovery and achieve a net zero basin by 2050. The group collaborate with companies across the industry and regulators to support their work.



Subsea Eco-Mattresses

Pipelines and cables on the seabed require protection that has historically been provided by concrete mattresses. A new technology 'Marine Matts' is designed to provide a lower-carbon alternative to pipeline protection. They aim to provide reliable protection to infrastructure whilst minimising impacts to the seabed and surrounding habitats by utilising their Nature Inclusive design principles. Through our relationship at the NZTC, Serica has partnered with Arc Marine, a UK-based eco-engineering company, to collaborate and undertake research and development activities to understand the effectiveness of their Marine Matts.

As part of our agreement with Arc Marine, Serica will contribute engineering support and vessel time to lay a number of Arc Marine's Marine Matts on the seabed to test their effectiveness in the future.



WINTOG Programme

We recognise the import role collaboration and partnerships bring in helping to deliver North Sea emissions reduction targets and advance technology. Offshore electrification of oil and gas platforms utilising Floating Offshore Wind is one way of decarbonising the sector.

We have partnered with Offshore Renewables Energy Catapult, NZTC and other North Sea Operators to jointly evaluate the technical, operational, commercial and regulatory requirements of an 'Off-Grid' solution.

Digital Innovation

Digital innovation is all about using data and technology to improve business processes and achieve better performance. By embracing digital, we can use data to gain better insight into how our business is performing, make better decisions, avoid potential problems, and optimise or automate processes to streamline how we work.

Serica uses a portfolio of digital tools and a data landscape covering all business disciplines, from Engineering and Operations to HSEQ and Supply Chain Management. We are constantly looking for opportunities to improve how we work and recognise that digital innovation is an important part of this. With this in mind, we have two main aims:

- To make sure Serica is equipped with the tools to help fulfil its business strategy and plans, enabling the company to use technology to work smarter, be safer, and maintain and its position as a leading mid-tier E&P company in the UK North Sea.
- To ensure sustainability as the business evolves. Serica is actively looking to expand its portfolio in the North Sea, through development and further asset acquisitions, and it is important that digital solutions we adopt give us agility, flexibility and scalability.



To help us to plan and deliver improvements, we have defined various strategic themes for our digital programme:

- Modern data platform - Data is at the heart of digital innovation, supporting business insight and decision making. To get the most from digital we need to be confident about the quality and completeness of our data. A modern data platform allows us to manage enterprise-wide data, making sure it is well controlled, accessible for relevant systems and processes, and properly protected to avoid loss or damage.
- Connectivity - Wireless connectivity is part of the digital plumbing which allows us to collect and utilise data, whether for operational surveillance, analytics, maintenance execution, integrity management, control of work, HSE reporting, or remote collaboration.
- Workflow automation – Digitising and automating processes helps us to improve the quality and efficiency of many of our activities. By digitising manual and paper-based activities, we can avoid a lot of time-consuming 'busy work'.
- Digital worker – Putting digital technology in the hands of our offshore technicians improves how we operate, streamlining many day-to-day activities. Direct access to core tools and data helps us to complete related work-scopes efficiently.
- Digital asset – Smart technology and the 'Internet of Things' (IoT) gives us insight into the status of our assets, helping us to optimise performance, improve reliability and improve safety. 'Digital twin' technology enhances our ability to manage and maintain our assets, improving reliability, uptime and sustainability.

Underpinning these themes is an effective information security control framework to protect our systems and data against key risks. We continually review our framework to make sure it is fit for purpose and our programme for 2023 includes various assurance-related activities as well as specific improvements to update and strengthen some of our controls.

Energy Transition Zone (ETZ Ltd)

The ETZ is a not-for-profit organisation with a vision of transforming the Northeast of Scotland into an international leader of energy transition activities and a key exporter of energy transitions services and job skills. Serica has been an active supporter and member of the Energy Transition Zone since its inception.

In 2022 we were proud to champion a number of ETZ programmes on areas such Rotating Equipment Efficiency and Marine/Aviation Logistics emissions. The programmes aim to aid operators in reducing their greenhouse gas emissions by connecting operators with a variety of innovative service providers giving them a platform for the service providers to pitch their innovative existing tools and services to operators. After each pitch, operators were able to give feedback on the presentations, which was fed back to the service providers. In 2023 we will continue to work with the ETZ to champion their initiatives.



ETZ Ltd Greenhouse Gas Emissions Reduction Programme Champion

“The greenhouse Gas Emissions Reduction Programme is of paramount importance to industry. Producing oil and gas of a lower carbon intensity than imports is crucial to ensure energy security to the supply of the UK. The programme brings together supply chain companies and operators in the North East of Scotland to raise awareness of ideas and challenges while highlighting any new opportunities”

Clara Altobell
VP ESG and Business Innovation, Serica Energy

Social

We have embraced the social aspects of ESG, caring for the people who work for us and providing support in the communities where we live, work and operate. For Serica, this encompasses our staff, contractors and suppliers, as well as schools, universities, charities and organisations in London, Aberdeen and areas in the UK where our teams have a connection.

We work in a hazardous industry, hence the health, safety and wellbeing of our workers is of paramount importance. We manage this through rigorous process, training and fostering a culture of accountability and responsibility. Personal growth through education and development is encouraged and many of our staff, on and offshore, are pursuing further education qualifications funded by the company.

Our people-led approach continues through our Charity, Diversity and Inclusion, ESG Champions and Education committees. These are staff-run and select and support activities and causes that they believe are most important, providing the energy and commitment to achieve results. We have provided fundraising support, donations, organised events and outreach activities, ranging from donating sports equipment to local youth teams to working with schools to support an understanding of how mathematics is applied to conducting interviews with those about to embark upon their own careers.

Our commitment to fostering greater diversity and inclusion within the company promotes a sense of belonging and we recognise the benefits it brings when people bring their true selves to work.

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2022 Highlights

- Increased focus on process safety to develop a common, business-wide understanding
- Engaged with our Elected Safety Reps on Bruce to help support and promote their role
- Promoted physical and mental wellbeing through VP Go and Rigrun participation and partnering with Mental Health Foundation
- Streamlined and enhanced our Operations Management System

We recognise and prioritise our duty to act responsibly and protect the health, safety and wellbeing of staff and contractor personnel working in support of our operations.

We achieve this by managing operations in such a way that puts people first through a process of engagement, communication, and training. This reinforces a common understanding that everyone has a vital role to play in maintaining safe operations and the consistent application of the principles of risk management and process safety.

Underpinning this approach is our HSEQ Policy and a visible management commitment that fully empowers all personnel to stop work if they believe there is a potential health, safety or environmental risk.

Our 2022 HSEQ Plan

The themes in our 2022 HSEQ Plan were focused on continuous improvement across our operations. We maintained industry alignment through use of the quarterly themes developed and provided by Step Change in Safety. The 2022 focus areas were:

- Q1 Process Safety Fundamentals
- Q2 Human performance and Factors
- Q3 Prevention of personal injuries
- Q4 Mental Health Awareness

Health and Safety Targets

To help us achieve the objectives in our HSEQ Plan, we employ a suite of metrics which are designed to monitor performance and promote behaviours that support improved HSEQ performance.

2022's targets focused on minimising reportable injuries and releases and improving workforce engagement through offshore leadership visits.

Performance against these targets is measured monthly and progress reported to the Board via our HSE Committee. Annual HSEQ performance is also directly linked to our staff and executives' annual bonuses. These targets were:

- **0 Reportable injuries**
- **0 Reportable releases**
- **Average participation in our Safety Observation Programme of 80%**
- **10 Leadership visits offshore**
- **Rectification of 25 volatile hydrocarbon leaks and seeps**

We utilise regular safety meetings, both offshore and onshore, to allow our teams to come together and learn about our performance. By highlighting our performance, it allows us to spark constructive conversations to build on our efforts and understand where we can improve and implement change.



“Our success is dependent on knowing our risks and how to manage them. The ongoing development of our Operations Management System and the continuous commitment of our teams has been fundamental to this objective”

Craig Robertson
HSEQ Manager



Health and Safety Performance

Bruce, Keith and Rhum

As shown below, performance against our Health and Safety targets was mixed in 2022:

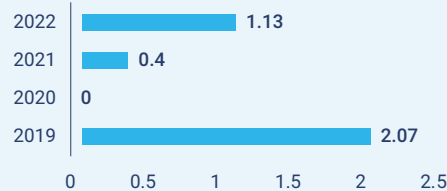
- 0 Reportable Injuries: 2 recordable injuries were sustained
- 0 Reportable releases: 3 reportable releases were recorded
- Average participation in our Safety Observation Programme of 80%: 86% participation achieved
- 10 Leadership visits offshore: 7 Leadership visits were conducted. Due to Covid-19 restrictions still present into 2022, we were happy with the number of visits that were able to be carried when restrictions were lifted.
- Rectification of 25 volatile hydrocarbon leaks and seeps: 34 in total were rectified

We are proud of the open and honest reporting culture on Bruce, achieving consistently high levels of participation in our Safety Observation Programme covering nearly 640,000 hours of work. However, we also recognize that there were two ROGI* reportable injuries where personnel were restricted from performing their normal duties for over seven days. Both incidents were subject to thorough investigations and the lessons learned shared with relevant parties across the organisation.

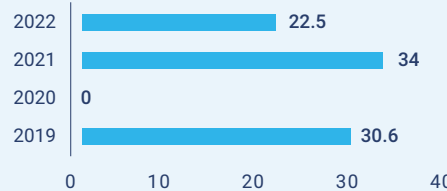
There were also three releases of hydrocarbon fluids which were reportable due to the volume released. Two of these releases were lubricating oil, and all three had no potential for escalation to a more serious event. Balanced against this metric, is a concerted effort to address any identified leak or seep of volatile hydrocarbons before they deteriorate. In 2022 our teams managed to remediate thirty-four, higher than our target of 25.

*Report of an Oil and Gas Incident (ROGI)

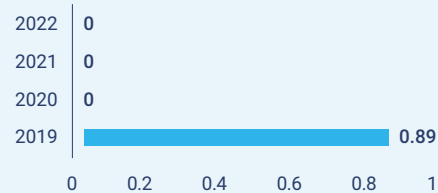
Total Recordable Injury Rate (TRIF) per 200,000



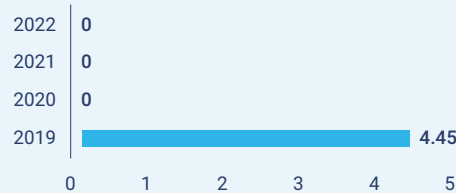
Near Miss Frequency Rate (NMFR) per 200,000 hours



Total Lost Day Rate DAFWC per 200,000 hours



Total Lost Time Injury Rate (LTIR) per 1,000,000 hours



Projects

Health and safety performance on our projects improved in 2022, with vessel-based activities in particular showing some exemplary performance. However, the North Eigg exploration well was challenging with several changes required to the programme and some concerning incidents, including harm to personnel, in the form of a dislocated shoulder, and an OCR non-compliance submission due to the discharge of 43 tonnes of surplus water-based mud to the sea. Although the water-based mud was a permitted substance, the discharge was not in line with the terms and conditions of the chemical permit. As with all incidents, these were thoroughly investigated, and recommendations proposed to prevent a recurrence on future projects.

Working to improve our performance

Bruce Elected Safety Representatives

The Elected Safety Representatives (ESRs) on our Bruce platform provide us with welcome feedback and an invaluable link to the wider workforce. In 2022 we worked with the safety representative community to enforce their value to the company, ensure they had the resources required to excel, and to enhance both their visibility and standing amongst our workforce. We now have an increased group of 18 ESRs comprised of both staff and contractors, a charter developed by the ESRs, and have made efforts to increase their visibility offshore. In January 2023, we held our first ESR offsite meeting, which was attended by 7 ESRs, our VP Operations, 2 Bruce Offshore Installation Managers (OIMs), and a representative from the Health and Safety Executive.

Health & Safety Observation Programme

We recognise that good HSE performance needs high levels of engagement, which is why we actively encourage all offshore



personnel to participate in our Safety Observation Programme. The aim of the programme is to provide a mechanism by which positive behaviours can be identified and shared, with individuals and teams commended, but also to empower personnel to identify, and intervene as necessary, when they feel a situation or behaviour presents a risk. Participation in the programme remained high in 2022, with an average of 86% of personnel engaging in the programme each week, exceeding our internal target of 80%.

Covid-19

COVID-19 continued to present challenges during the first half of 2022. This was exacerbated by the need to maintain strict pre-mobilisation testing and isolation procedures for those working in the offshore community, which contrasted sharply with the easing of Covid restrictions across the wider community onshore.

The measured relaxation of such controls, and the eventual removal of pre-mobilisation testing in July, contributed to there being no COVID-19 related issues on Bruce throughout the remainder of the year.

HSE Training at Serica

To ensure we provide staff with suitable information, instruction and training relevant to their duties and responsibilities, Serica's Training Committee meets monthly, and each Serica employee has a training matrix assigned to their role.

Incident investigations are a fundamental process which supports the continuous improvement of our HSEQ performance. In 2022, we refreshed our incident investigation training to ensure that our team are skilled in identifying the root causes of accidents and near misses and making effective recommendations to prevent their recurrence.

Recognising the benefit of developing a common understanding of what process safety and major accident hazards are across the whole business, we focused a section of our onshore team safety meetings on process safety. We also worked with Salus Technical on an online Process Safety Awareness course which has been mapped against

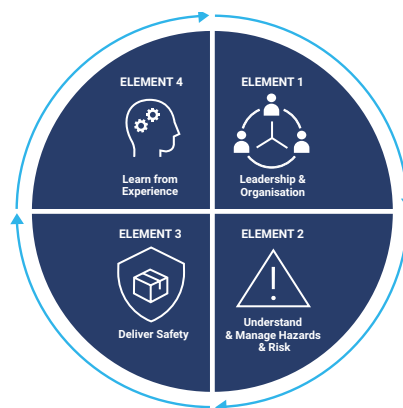
IChemE's process safety competence matrix and is an industry first. The course will be rolled out in 2023 and we believe it will provide an excellent foundation on which to build further process safety training.

Operations Management System (OMS)

Serica's OMS provides a framework for an integrated and systematic approach to Health, Safety, Environmental and Quality management.

The structure and content of the OMS recognises the principles of HSG65 (Managing for health and safety), ISO 45001 (Occupational Health and Safety Management Systems) and ISO 14001 (Environmental Management Systems) and provides a mechanism by which risks to the health and safety of personnel and the environment are reduced to As Low as Reasonably Practicable (ALARP).

A project to revise and simplify our OMS gathered pace throughout 2022 with the restructuring of the management system (from eight elements to four) and a reduction in the quantity of documents held through a process of assessment, streamlining and integration.



The initial focus of the Project Team was ensuring that the documentation we have relating to Risk Management and Major Accident Hazards was improved with clear roles and responsibilities defined. Work is now in progress across all 4 elements, supported by a bespoke Computer Based Training (CBT) modules to promote a common understanding of both structure and content.



Crisis Management and Emergency Response

Throughout 2022 we continued our programme of emergency response exercises in support of our offshore operations. The scope of these exercises embraced a broad range of topics covering platform-based major accident hazard scenarios as well as campaign-specific exercises covering our diving, drilling and light well intervention activities.

Our capacity to work collaboratively with external organisations was further tested in October 2022 when we fulfilled our regulatory obligation to conduct an OPRED assessed Tier 3 exercise. These formally assessed 3-yearly exercises are designed to stress-test the application of our oil pollution emergency plans (OPEP) in response to a potential oil pollution incident and demonstrate our ability to work collaboratively with participating government bodies.

As with all exercises conducted there are learning outcomes identified. This is a critical dimension to any exercise because it enables us to identify, assess and implement improvement opportunities.

Well Integrity

Serica follows best practice for managing the integrity of our wells through proactive monitoring and preventative maintenance. Our teams use IBM Maximo® to raise work orders for planned wellhead/xmas tree maintenance and testing. During annual maintenance and inspection programmes, Parsable Connected Worker® allows real time recording of results via an EX rated tablet. This avoids manual transfer of data and potential human error. Both systems integrate with SafeWells® well integrity system allowing automatic update of data. Working with these systems helps Serica manage our wells safely and responsibly throughout their lifecycle.

Asset Life Extension

In 2023, the phase 1 Bruce facilities will be starting to operate beyond their original design life and as we seek to extend the operation of the facilities to 2035 and possibly beyond, we must make sure our facilities remain fit for purpose.

Several studies and activities have been undertaken over the last three years in support of extending the operating life of the asset:

- Life extension studies for the platform jackets and pipelines.
- Developing a strategy for operating and upgrading the BKR facilities so that they are fit for purpose for the remainder of its anticipated operational life.
- Subsequent review to understand the potential projects required to achieve this and identify potential bottlenecks.
- Review of requirements to meet North Sea Transition Deal emissions targets.

In 2022 these were enhanced by a Safety Case Asset Life Extension Review with the aim of consolidating the work to date and supporting operation into the asset life extension phase. This will provide a consolidated view of the asset life extension work and allow the Safety Case to be updated to demonstrate how Serica will manage the operation of the Bruce through the asset life extension phase.



Wellbeing

Monthly Health Campaigns

Throughout 2022 Serica's HSEQ team raised awareness of common health issues by issuing monthly health promotions provided by International SOS. These not only raise awareness of common health issues but also provide advice on how you can reduce the risk of contracting certain illnesses or ailments. Health promotions in 2022 included alcohol awareness, obesity, skin health and cancer awareness.

Mental Health

To support the mental health and wellbeing of personnel Serica provides staff with access to various mental health support services including mental health resources, face to face and remote counselling services, as well as the provision of additional information and resources via a dedicated online Wellbeing Hub.

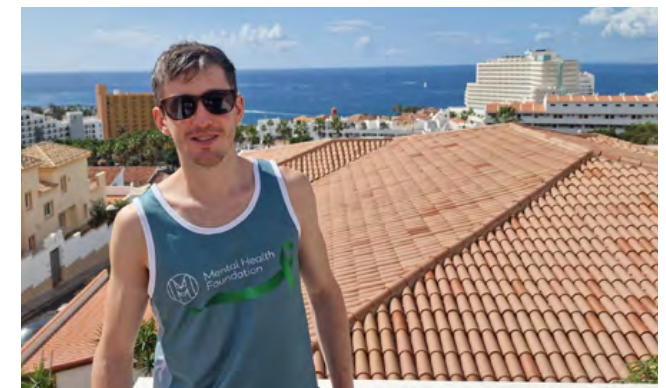
There are also a number of trained volunteer Mental Health First Aiders to provide support for offshore and onshore employee and contractor personnel.

In 2023, we hope to develop our partnership with the Mental Health Foundation, support their work, and release a Mental Health e-learning module to further increase understanding of mental health issues and the support that is available.

Encouraging our Teams to get up and get Active

Encouraged by the success of RigRun offshore we joined the Virgin Pulse "VP GO" challenge for the first time in 2022, with a focus on our onshore personnel. VP GO is a wellbeing programme designed to help participants take small steps toward improving their health through friendly competition and engaging learning experiences.

The main event, the Destination GO challenge, was a 9-week activity challenge where individuals and teams could compete with co-workers to see who can get the most steps while trekking across the globe.





Diversity and Inclusion

2022 Highlights

- Continued organisational learning on topics such as Neurodiversity and LGBTQ+ in the workplace
- Built strong relationships with external groups such as the AFBE UK, the AXIS Network, Autism Neurodiversity North Scotland and Four Pillars
- Continued to update our Recruitment Policy, job descriptions and adverts
- Promoted external initiatives such as mentoring opportunities with the AXIS Network

We have developed a D&I strategy to create and maintain a company culture that is inclusive and attracts diversity. We recognise that as well as being the right thing to do, it also benefits us as an organisation, through diversity of thought and experience and benefits the people who work for us by fostering a feeling of belonging.

Throughout 2022, we continued to build on the foundations of work completed to date to understand, empower, educate and enrich our organisation.



“2022 has been another progressive year on our D&I Journey. This year our Committee focused on building relationships, increasing awareness and reviewing our practices”

Carol Stewart
North Sea Business Manager/D&I Committee Chair

Training to Build Awareness

In 2021, we developed and launched a bespoke D&I training e-module that is mandatory for all staff and contractors and so was taken by all new-joiners in 2022. The purpose of the training is to expose our people to contemporary D&I related issues and regulations and also highlight our expectations in terms of behaviours when working at Serica.

Unconscious bias training aims to help people in the workplace understand harmful biases that they may not be aware of and reduce the impact of those biases on their interactions with others. In 2022, we continued to run unconscious bias training amongst our teams both on and offshore.

Throughout the year we built relationships with external charities and D&I resource groups who provided information sessions on a variety of D&I related topics to help give our people a deeper understanding of issues and how they can act to help ensure that we maintain an inclusive organisation. We organised sessions on Autism & Neurodiversity, LGBTQ+ terminology awareness and the Ethics of Ethnic Diversity. All of these sessions were well attended by onshore and offshore staff and senior managers. The sessions were recorded and placed on our internal D&I hub so they can be watched or referenced at any time. In 2023, we will look for more opportunities to provide greater insight into relevant D&I topics, through training and awareness sessions.



**Diversity
& Inclusion**
SERICA ENERGY

Recruitment

We commit to providing equal opportunities to all employees and potential employees in line with our Equal Opportunities and Dignity at Work policy. All employees and candidates will receive equal treatment regardless of age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin and sex or sexual orientation.

In 2022, we continued to work on minimising any biases associated in our recruitment process by working with external groups such as AFBE UK, Autism & Neurodiversity North Scotland and Four Pillars, who reviewed our recruitment policy, interview questions, and job descriptions/adverts. In 2022 we:

- Committed to 'blind reviews' of applications for job vacancies, all identifiers from CVs and Cover Letters were removed, following successful trials
- Redesigned our vacancy adverts/descriptions by removing non-essential educational and behavioural requirements, we are also currently undertaking the same process for incumbent job descriptions
- Ran all new and current job descriptions and vacancy adverts through a gender de-coder to ensure gender neutral language is being used
- Utilised our relationships with groups such as AFBE UK and the Armed Forces Covenant and posted vacancy adverts through their associated websites

The above list notes only some of the actions taken in this area. In 2023, we will continue to work with external groups and implement any necessary changes to our recruitment process and practices.



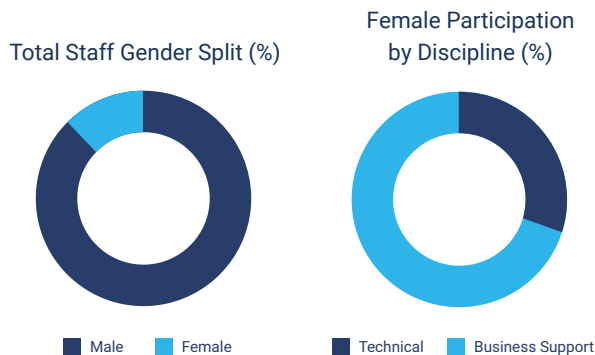
The Equal Pay Gap

Serica's reward philosophy applies a pay and grading model to the various different roles within our business to ensure that our pay is internally fair and externally competitive. Our pay and grading model allow an accurate comparison of roles and reward against others in the market and guides our decisions in relation to reward.

Our HR model sorts roles into discipline areas. Within those, a grade structure pinpoints the complexity of roles, know how, problem solving, level of autonomy and accountability required to fulfil each role. This structure guards against a lack of parity within particular roles that could arise from bias such as gender. Our salaries associated with each of the families, disciplines and grades fall within a broad band structure.

On an annual basis, Serica chooses to input its annual reward data into the Korn Ferry Reward survey. This compares Serica's reward data with over 100 other oil and gas companies to generate a benchmark report detailing our external competitiveness and our internal equity. Any anomalies in relation to internal equity are investigated and, where appropriate, corrections are made.

The continued completion of this survey shows our commitment to gender equality and eliminating gender bias across the organisation. The survey completed in 2022, found that there were no disparities between men and women undertaking the same roles.



Gender Pay Gap

The gender pay gap refers to the difference between the average (mean and median) earnings of men and women across an organisation's workforce. In the United Kingdom, an employer who has a headcount of 250 or more staff must comply with regulations on gender pay gap reporting. Although reporting for Serica is not mandatory we have, since 2021, undertaken an annual review of gender pay and equal pay gaps. We felt it important to carry out this exercise to understand any pay gaps that may be present, compare to peers and implement changes to minimise any gender pay gaps from occurring.

By the end of 2022, Serica had a total of 182 employees, 159 male and 23 female. In total, female employees made up 12.6% of our workforce. All our female staff in 2022 were based onshore, which made up 32% of our onshore workforce. Of our female workforce, 30% have roles in our technical team and 70% in our business support unit. In April 2022, we conducted our review which is compared to April 2021 below:

Metric	2022	2021
Mean gender pay gap	25%	22%
Median gender pay gap	4%	18%
Mean bonus gap	27%	-18%
Median bonus gap	-18%	-10%

The mean gender pay gap for pay within Serica in April 2022 was around 25% higher for men than for women. We have fewer women working at the most senior levels within our organisation where pay and bonuses are higher. This results in a gap between mean and median pay and bonuses for men and women. We also have many more men than women working in offshore roles which attract higher levels of pay.



Our Affiliations

We have built good working relationships with a number of charities and resource groups who help provide D&I related advice. We believe in two-way relationships and have worked with these groups to support them as well as receive help from them.

Association for Black and Minority Ethnic Engineers (AFBE UK)

AFBE-UK

In 2022, we were proud to renew our membership to the Association for Black and Minority Ethnic Engineers (AFBE) UK. AFBE UK work to increase the number of ethnic minority people who choose to pursue a career in the engineering industry.

As well as using their expertise for feedback on our recruitment practices and utilising their recruitment platform to advertise job vacancies we have also worked with AFBE UK on their Real Projects programme and sponsored access to Key Facts Energy to their members, more information on that can be found in the Quality Education Chapter of the report.

We hope to continue to work with AFBE UK on their education and D&I initiatives in 2023.



Clara Altobell and Johnny Pike with Dr Ollie Folyan, Chair ABFE-UK Scotland



Autism and Neurodiversity North Scotland (A-ND)



Formerly known as Grampian Autistic Society, A-ND provide support to autistic individuals, their families and wider support networks, offering support to over 150 individuals across North East Scotland. A-ND supported Serica's celebrations of Neurodiversity Celebration Week and hosted a session on Neurodiversity in the workplace and have also provided valuable advice on how we should celebrate and promote these events.

We were also proud to support their sensory bus project, where Serica's Charity and D&I Committees collaborated to donate £10,000 towards the project. "Binky" the sensory bus will provide mobile support for families across the Northeast, whilst providing a safe space for young neurodivergent people to have fun and relax.



AXIS Network



Serica continues to be a proud signatory of the AXIS Pledge and has reaffirmed its commitment to attracting, retaining and developing a diverse workforce.

In 2022, Serica's Vice President of Operations, Mike Killeen spoke at an AXIS Network event on our approach to flexible working. We look forward to continuing our work with the AXIS Network and are keen to engage with to understand how we can further get involved.



Armed Forces Covenant



We are a committed Armed Forces Friendly Employer and are proud signatories of the Armed Forces Covenant. Reservists and veterans bring a variety of transferable skills and qualities to the civilian workplace, developed throughout their military careers and at Serica we are fortunate to have such people already in our teams. As signatories of this pledge, we have confirmed our support to our workforce and their families. We also try to help those looking for employment get the help, advice, and opportunity to have a career in our industry.

We have an active internal Veterans Support Network that was established to support anyone in our team with current or previous links to the armed forces. The Veterans Support Network investigates ways that we can further support our own staff and those leaving the armed forces to enter civilian life. The group also have a budget that they can dedicate to support various military related causes, more information on this can be found in the Community Engagement chapter of this report. We fully support the UK Reserve and Auxiliary Forces and ensure that any employees who are members are not disadvantaged by a request to serve with the Armed Services.

2022 INCLUSION CALENDAR



FEBRUARY

11 International Day of Women and Girls in Science

This Day is an opportunity to promote full and equal access to and participation in science for women and girls. At present, only around 30 per cent of all female students select STEM-related fields in higher education.

MARCH

17 Zero Discrimination Day

Zero Discrimination Day is an opportunity to join together against discrimination and celebrate everyone's right to live a full and productive life with dignity.

8 International Women's Day

IWD is a global day celebrating the social, economic, cultural and political achievements of women. The day also marks a call to action for accelerating gender parity.

2-27 Neurodiversity Celebration Week

Neurodiversity is the idea that there are natural variations in the way that people think and process information. This week is about celebrating neurodiversity whilst challenging stereotypes and misconceptions about autism and learning disabilities.

APRIL

2 Autism Awareness Day

1 in 100 people live with Autism, Autism Awareness Day looks to raise awareness of not only the challenges that this brings but also the opportunities that diverse behaviours can bring.

MAY

4-9 Deaf Awareness Week

In the UK, there are over 10 million people living with some form of hearing impairment. Deaf Awareness Week is about promoting the positive aspects of living with deafness and aims to raise awareness of the isolation that deaf people can sometimes experience and promote the importance of social inclusion around the deaf community.

12 Global Accessibility Day

Global Accessibility Day highlights digital accessibility, which is the ability of a website, mobile application, or electronic document to be easily navigated and understood by a wide range of users, including users who have visual, auditory, motor, or cognitive disabilities.

JUNE

LGBTQ+ Pride Month

June is the month chosen to celebrate pride as it was the month of the Stonewall riots, the protests that changed gay rights for a lot of people in America and beyond. Pride month is about teaching acceptance, education in Pride history and continuing to move forward in equality.

25 Armed Forces Day

Armed Forces Day is a chance to show our support for the people who make up the Armed Forces community: from currently serving troops to Service families, veterans, and cadets.

SEPTEMBER

8 World Literacy Day

This day represents an opportunity to support and reflect on the world's literacy challenges.

23 International Day of Sign Languages

This is an opportunity to support and protect the linguistic identity and cultural diversity of all deaf people and other sign language users.

OCTOBER

Black History Month

The main aims of Black History Month are to educate and celebrate the achievements and contributions of black people not just in the UK but throughout the world.

NOVEMBER

11 Armistice Day

The Armistice was an agreement to end the fighting of the First World War as a prelude to peace negotiations, which began at 11am on 11 November 1918.

To this day the UK mark Armistice Day around the United Kingdom with a two-minute silence at 11am on the 11th day of the 11th month.

15 Remembrance Sunday

Remembrance Day is where we take the time to look back and remember those who lost their lives as a result of conflict and terrorism.

16 International Men's Day

We recognise the importance of celebrating and promoting positive male role models. It is equally important to focus on men's health and wellbeing whilst raising awareness of men's health issues.

DECEMBER

3 International Day of People with Disabilities

It is important to spread the word on disability issues and raise support for the dignity, rights, and well-being of persons with disabilities within the workforce.



Our Diversity & Inclusion Calendar

In 2022, our D&I Inclusion Calendar highlighted 16 celebration/awareness days, such as International Women's Day, Autism Awareness Day, Pride Month, Black History Month and Armed Forces Day.

The calendar's aim is to celebrate diversity and inclusion in the workplace and in our wider lives and communities. We have been delighted to have received great engagement from our teams when celebrating these days and offered themed materials, training opportunities, such as sign language training, and awareness sessions.

For 2023 we have developed our D&I calendar to concentrate on 6 celebration days/months that relate to the groups where we have built strong relationships. We hope to work with these groups to promote and raise awareness of our chosen events.



Menopause Policy



We recognise that those experiencing symptoms of the menopause may need additional consideration, support and adjustments made to their working life, before (perimenopause), during and after the menopause.

That is why in 2022, we developed and implemented our Menopause Policy which sets out guidelines for employees on providing the right support to manage menopausal symptoms at work and recognises that there is no 'one-size-fits-all' solution. It is intended as a support guide for all workers to proactively make adjustments where necessary to support those experiencing the menopause and to ensure the workplace does not contribute negatively to making symptoms worse.

In line with this, in 2022 we signed the Menopause Workplace Pledge, which commits us to:

- Recognising that the menopause can be an issue in the workplace and women need support
- Talking openly, positively and respectfully about the menopause
- Actively supporting and informing employees affected by the menopause

2022 Highlights

- Awarded Silver Supply Chain Principles award by OEUK
- 93% spend on UK based suppliers
- Participated in a number of industry initiatives and workshops
- Supporters of the Energy Services Agreement

Our people drive our operations and are at the root of our success. In return we endeavour to provide a safe, high-quality place of work with competitive salaries and benefits. We listen and engage with our staff and contractors to ensure everyone involved in our operations feels included and welcome. A major area of consultation over working conditions has been the offshore rota, and specifically the time spent working offshore compared to the time spent at home. In 2022, two of our contractor companies changed their rota patterns in line with Serica staff to the more popular ‘two on three off’ rota and two more have followed in early 2023.

We have implemented small things on the platform that make a big difference to people such as increasing internet bandwidth and providing access to pay per view sports and digital newspaper services.

Rewards and Benefits

Our salaries are annually benchmarked against other oil and gas companies, to ensure that our offering continues to be attractive and competitive. Our 2022 Korn Ferry study benchmarked Serica as 12.6% ahead of the 50th percentile of salaries for oil and gas companies, very similar to our result in 2021.

Staff receive other employment benefits, such as:

- **A generous non-contributory pension scheme**
- **Private medical insurance**
- **Free health assessments**
- **Health cash plans**
- **Employee assistance programmes**
- **Personal accident and business travel insurance**
- **Cycle to work scheme**
- **Electric car salary sacrifice**
- **Group Income Protection**
- **Death in Service**
- **Share Save Scheme**
- **Share Incentive Plan**

Annual Bonus

We reward our employees with generous bonuses of up to 30% of their base salaries. To maintain our culture of shared responsibility and teamwork, we not only link those bonuses to individual performance, but also organisational, HSE and ESG performance. More details on those ESG KPIs can be found on page [10](#).



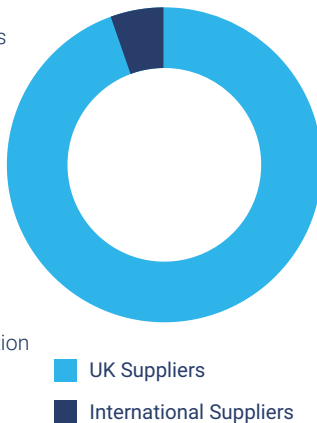
Flexible Working

Our success in spite of the restrictions imposed by the pandemic proved that working remotely can be very effective and can benefit both staff and their families. That's why our 'Blended Working Guidance' stipulates that staff can choose the days of the week they work in the office, with no maximum or minimum number required, as long as they are available to attend meetings or workshops that cannot be conducted remotely. We have "anchor days" which are defined as days of the week when staff are encouraged to come into the office to better collaborate and share ideas with their team.

To maintain our high wellbeing standards at home we have made it mandatory for all staff to complete an annual Display Screen Equipment (DSE) Assessment of their home working space to ensure that our team have the proper facilities. We purchase all IT equipment for staff and can provide specialised office equipment if required.

Working with our Suppliers

Without suppliers and contractors we simply would not be able to carry out our operations. 93% of our total contracts spend was on UK based suppliers, of which 62% were registered in the North East of Scotland. We have worked to simplify our tender requirements to ease the burden on our suppliers and use industry recognised pre-qualification tools to ensure our suppliers can deliver the work we need.



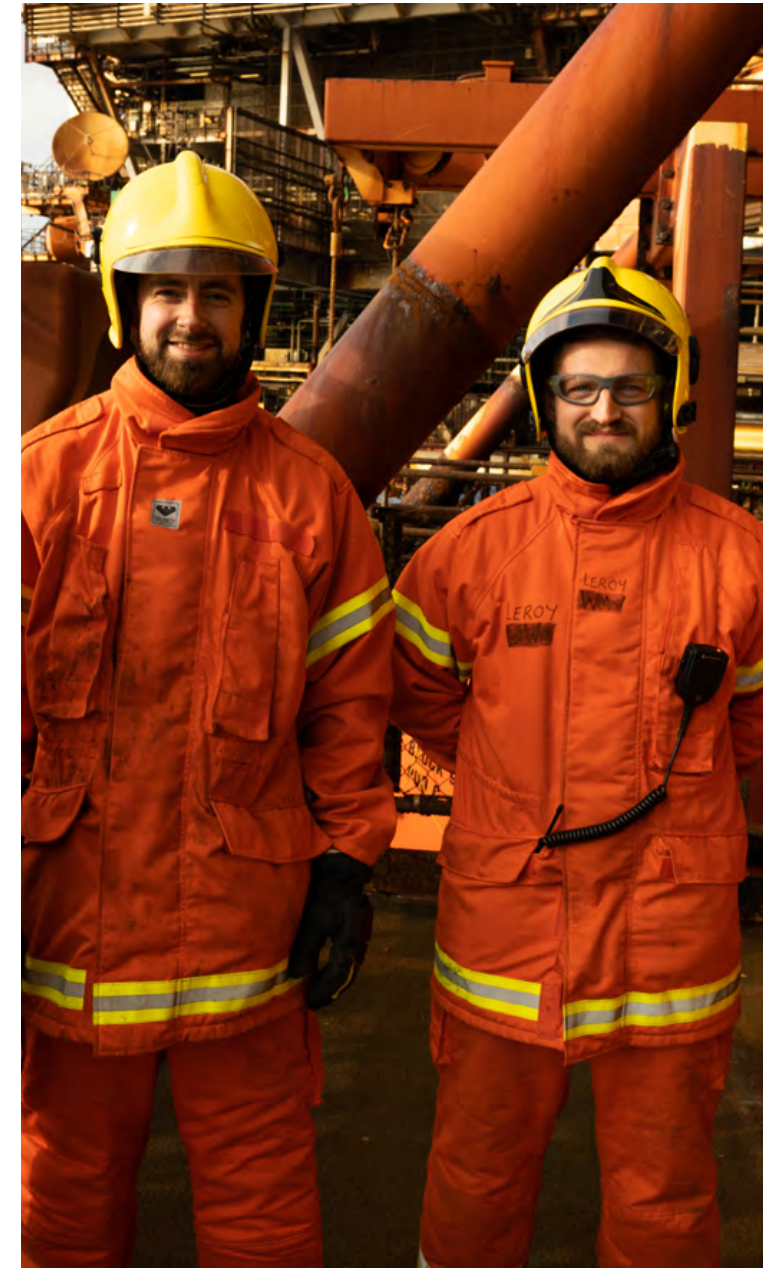
Contracts and Procurement Policy

Our Contracts and Procurement Policy sets out the general principles for the Procurement & Supply Chain Management ('PSCM') function and teams to assist in defining the required approach when undertaking all contracts and procurement in support of UKCS operations. These are set out in five distinct areas:

1. Sourcing
2. Contracting
3. Procuring
4. Vendor and Contract Management
5. Contract Close-out

Its purpose is to highlight the required approach to ensure that all contracting and procurement activities adhere to Serica's corporate governance, including:

- Business Ethics and Code of Conduct
- Anti-bribery and Corruption (including anti-money laundering)
- Gifts and Entertainment
- Modern Slavery
- Comply with laws and regulations
- Are consistent with strategic procurement best practices
- Generate an audit trail of documentation for audit and internal control
- Comply with Serica's Environmental, Social & Governance (ESG) policy
- Are capable of identifying, managing, and mitigating risks
- Are open to continual improvement and development
- Set Serica up for successful supplier performance and relationship management post award



SEQual

Serica uses SEQual as its primary supplier pre-qualification tool. SEQual is widely used in the UK energy industry and uses industry specific desktop and on-site assessments to ensure that suppliers have the necessary procedures and policies in place. If a supplier is seen to be “high risk”, because of the nature or location of their operations, on-site assessments will be carried out to ensure that suitable systems are in place to manage risk. In addition, SEQual enables greater visibility within the supply chain across all service requirements in relation to tendering, vendor identification and selection.

OEUK Supply Chain Principles

After taking part in a “Working as One Survey” we were awarded the Supply Chain Principles Silver Award by Offshore Energies UK (OEUK). The award highlighted our effectiveness at working with our suppliers to help drive collaboration and competitiveness in the industry. Part of the work progressed to date is to drive a simplification of the tendering process and reduction in submission size.

Collaboration

We actively participate in collaboration initiatives and workshops to assist in resolving many of the pressing issues within the energy industry. We have participated in workshops with other operators on collaborating in Light Weight Intervention and Subsea vessel campaigns and are part of decommissioning shared vessel campaigns.

We are registered on the Energy Pathfinder system which is an industry initiative to assist with the project tendering process. It provides a portal for companies to post their up-and-coming projects and tendering/procurement activities in order to ensure full visibility across the supply chain.

Payment Terms

Our payment terms are in line with the recognised industry standard, which means we pay our suppliers in thirty days from receipt of a correctly prepared and substantiated invoice. Where appropriate, we may also assist with enhanced terms for items such as fuel and other consumables.

The Energy Services Agreement

In 2022, we continued our support of the Energy Services Agreement (ESA). The ESA is collective bargaining agreement that aims to deliver a fair, equitable, and transparent basis for minimum pay rates, allowances, holiday allowances and working hours for all workers of energy services companies across the UKCS. We also follow the LOGIC terms and conditions when negotiating contracts, which align to industry standards.



“Our aim is to build mutually beneficial relationships with our suppliers by being a fair and reasonable partner”

Peter Stephen
Contracts Manager



2022 Highlights

- Contributed £600,000 to OPITO apprenticeships, training and further education
- Completed over 11,600 hours of training
- Worked towards becoming a Young Person Guaranteed Employer
- Supported multiple schools in the local Aberdeen area
- Hosted two student summer placements

We recognise the personal and professional value that continued training and development brings. We actively encourage our people to take charge of their development and seek out opportunities to improve and build on their skills, even if it's not directly linked to their current role. We have a generous training budget that is reset on an annual basis and includes the option to pursue long term education courses such as undergraduate and master's degrees. Our Training Committee meets on a regular basis to review and approve training requests.

In 2022, we spent almost £600,000 on further education, training, and apprenticeship programmes. Our teams completed 1,457 training days, which equates to over 11,600 hours of training. We have worked to develop and release various e-learning modules on areas such as updates to our Operations Management System (OMS) and Fire Evacuation Awareness.



“I got great support from Serica when I applied for Chartership of the Engineering Council, a longstanding ambition. Serica’s positive attitude to self-development helped and I used my annual goal-setting conversation to seek out the extra responsibilities that would help me to qualify. My Chartership was confirmed on the same day as my wife Robyn and I welcomed our beautiful baby Nova into the world”

Calum Morrison
Control and Instrument Engineer

Our Training Management System (TMS)

Our TMS monitors our staff training matrix and ensures that everyone on our team has completed the necessary training to be fully competent in their roles. Our Training & Development, Competency Architecture and Further Education policies sit alongside our Staff Competence Assurance procedure policies within our OMS, which is the heart of Serica's business administration system. These policies are regularly reviewed and updated to ensure full legal compliance.

In 2022 we updated our Onshore Training Matrix to ensure it reflects our growing and changing organisation. We worked with team leads from across the business to identify what training was needed for each role in their team and what additional training may be beneficial to their role and personal development. Once complete, the new Onshore Training Matrix will be monitored on a regular basis for compliance.

Appraisal and Succession Planning

We hold annual staff appraisals to focus on individual employee performance and development. Serica's annual appraisal process focuses on our employees' individual performance and development. Development opportunities and skill gaps are identified and development plans are created to ensure we continue to support and develop our people. In 2022, 100% of our employees went through our appraisal process.

£600,000 spent on training, Opito apprenticeships and further education

Supporting industry apprenticeships – OPITO



Serica is a longstanding member and supporter of the OPITO Modern Apprenticeship Programme, spending approximately £250,000 in 2022 to support five apprentices in a variety of positions with two more in 2023

As part of our commitment to diversity and inclusion we actively support OPITO's drive to improve the gender balance in our industry. Serica has provided female interviewers to participate in OPITO's student selection to provide more balanced interview panels. A member of Serica's Human Resources team and one of our Offshore Supervisors sit on OPITO's D&I steering committee.

"I preferred the idea of a hands-on workplace to 9-5 in an office, so applied for the OPITO apprenticeship. Offshore on the Bruce platform no two days are the same and I am constantly learning, hoping to become a valuable asset to my team. One day I'd love to be OIM"



Robyn Burn
OPITO production apprentice

Our Education Committee



Education

Our Education Committee promotes energy and STEM education and knowledge-sharing with schools, universities, peer organisations and industry institutions, promoting company-wide participation in school visits, work experience, academic research and support of industry institutions. Internally, the Committee also champions training, helping colleagues aspiring to Chartership and other professional qualifications. 2022 was a busy year for our Education Committee and below are a few examples of some of the initiatives that they were a part of.

Summer Placements

Following the success of our previous summer placement programmes, we offered two paid summer placement opportunities within our ESG and Process Engineering teams. The opportunities gave the students valuable experience and allowed them to get exposure to multiple areas of the business, whilst doing real work and providing fresh insight. In 2023, we have committed to hosting up to three more summer placements.

School Children's Summer Competition

We launched our 3rd Summer Kids Competition, inspired by the UNSDGs, and challenged young people across the UK to create an invention that could contribute to solving one or more of the UNSDGs.



"Participating in a placement with Serica's ESG team gave me an insight into ESG as a concept and has been a rewarding experience"

Simone Arvid
ESG 2022 Summer Placement



Supporting Local Schools

In 2022 our Education Committee built great relations with Developing the Young Workforce (DYW), an organisation that works to provide opportunities to young people across Scotland to connect with companies to gain knowledge and experience. Throughout the year various members of the Serica team got involved and headed to local schools to provide insight and advice to a variety of pupils in the Northeast. Examples include supporting mock interviews at Westhill Academy, conducting a CV writing workshop at St Machar Academy, and running an Interdisciplinary Learning Session at Hazlehead Academy.

We have a close relationship with our local primary school, Fernielea Primary and have previously supported them with several initiatives. In 2022, our Education Committee responded to their request for outdoor learning packs to help students work comfortably during outside lessons. In addition, we are working with Fernielea on a healthy eating initiative to help teach children about healthy food and how to cook meals that are good for you. At the start of 2023, we purchased cooking equipment, including stovetop ovens and utensils, to help kickstart their cooking classes.

Young Person's Guarantee



Serica has become a Young Person Guaranteed Employer. Through our connections at DYW we were alerted to the Young Person's Guarantee (YPG) Scheme, which is run by the Scottish Government. The YPG is a commitment made by employers to help connect young people (16-24 year olds) in Scotland with opportunities, including work experience and exposure needed to enter the world of work. As part of our commitment we had to identify what we had previously done to help young people and also highlight areas that we would like to explore or develop with the assistance of DYW. In 2023 we will continue to work with DYW to explore the areas that were highlighted in our YPG commitment.



“We have a lot of engineers and science-based specialists on our team, as part of our community outreach, we were thrilled to get the opportunity to sponsor TechFest’s Maths Masterclass series”

Chris Kay
Integrity Engineer and Chair of the Education Committee

Mathematics Masterclass

Techfest is an outreach charity that provides STEM events throughout Scotland. Our Education Committee committed to sponsoring their 2023 Mathematic Masterclass series. The series, which ran for eight weeks in early 2023, provided an opportunity for forty five young people from diverse backgrounds to attend a series of workshops to investigate different mathematical topics that are not taught in the classroom including maths as art, cryptography, programming, modelling and knot theory. At the end of the programme, we were proud to hand out their CREST Discovery Awards, that they can include in their UCAS applications.

The workshops took place between February 4 and March 25 at Robert Gordon University and the University of Aberdeen and included a wide range of academic and industry experts who shared their love of numbers with the next generation of mathematicians and problem solvers. We look forward to continue our work with TechFest in the future.



2022 Highlights

- Donated £73,000 to various causes across the UK
- Partnered with the Mental Health Foundation
- Organised fundraising activities throughout the year
- Supported youth sports teams across the country
- Contributed to fundraising challenges by staff and contractors

We introduced quarterly donations in 2022 which were made to a variety of foodbanks and poverty alleviation charities. Every quarter for the first three quarters of the year we donated £1,000 each to two charities and during the run up to Christmas we donated a total of £10,000 between five charities, AberNecessities, Cfine, Cash For Kids, the Trussell Trust and the Cause Foundation to support their work helping people across the UK. One member of staff who lived in Teesside alerted the Committee to the Cause Foundation's Christmas Hamper campaign and so we donated 35 hampers, full of essential items and Christmas gifts, to families from across the area.



“Our Charity Committee has done great work in building relationships with local charities, supporting individuals with fundraisers and giving back to places where we operate. 2023 will be about continuing to do this!”

Keira Peat
ICE Team Lead and Chair of Charity Committee



Our Charity Committee

Our Charity Committee supports charities throughout our local communities and those which have a special meaning for our staff and contractors. We encourage and help those at Serica to give back to their communities through fundraising, donations, or volunteering. In 2022 our Charity Committee's focus was on supporting those affected by the cost-of-living crisis, protecting mental health and supporting fundraisers. By the end of 2022 we had spent a total of £73,040 on supporting a variety of causes, some of which are highlighted in this chapter.

Helping Those Affected by the Cost-Of-Living Crisis

We are acutely aware of the devastating affect that the cost-of-living crisis is having on people within our local and wider communities and so we set out to support charities and food banks to try and alleviate some of the impact.



Mental Health



Our teams told us they wanted to see greater support for mental health causes in 2022 so we partnered with the Mental Health Foundation. During the year we organised a number of fundraising activities and challenges including:

Our first in-person Serica Cycle Challenge, which saw our staff and contractors cycle 150 miles across Aberdeenshire and back over two days, in typical Scottish weather! Our Serica Cyclists raised a total of £2,030. After their great effort our Charity Committee doubled the amount they raised, so in total £4,060 was raised for the Mental Health Foundation. In 2023, we will be taking part in Ride the North, where our Serica cyclists will cycle either 64 or 100 miles in one day.

We also organised two fitness step challenges throughout the year with ambitious step targets. Our "Move it in May" step challenge saw our teams smashing the 5,000,000-step target set by our Charity Committee and our 12 days of Christmas step challenge got people up and moving during the build-up to the festive period. Along with our campaign for Mental Health Awareness Day, we donated a further £2,000 to the Mental Health Foundation.

In 2023 we will continue our partnership with the Mental Health Foundation and have cycle challenges, sky dives and other fundraising activities planned to raise more donations for them.



Supporting Youth Sport Teams Across the UK

In 2021 we supported several youth football and rugby clubs from across the UK and so in 2022 our Charity Committee opened the invitation again to our organisation, to request support for the teams and groups that they were involved with, and we got a great response! Throughout the year we donated over £10,000 supporting scout groups, youth football and rugby teams, and aspiring athletes. We donated equipment, training, and match day kit, amongst other items. In 2023, we pledge to continue these donations to sports teams where our staff volunteer their time.



Contributing to Causes Important to our Armed Forces Community

As highlighted in our Diversity and Inclusion Chapter, we have established an active Armed Forces Support group. The group have been given charity budget funds that can be used to support cases they believe to be beneficial to the wider veteran community. In 2022, the group used this budget to support charities in several ways. The main charity supported by the group was Head Up.

Head Up are a new UK charity set up by four veterans, who want to promote mental health awareness for UK Armed Forces, and help forces personnel build a positive mindset and improve their mental resilience. Their main mission is to raise money to develop a holistic and positive 7-day retreat, which will be there for all those who have served, and are still serving, in any service of the UK military, who wish to improve their mindset and outlook.

We were alerted to the charity by a member of our group who was inspired by the founder, Paul Minter, who was running the coastline of the entire UK (5,000 miles!) and asked if we could support. After learning more about Paul's story, the charity and its mission, our group sponsored the challenge and donated a total of £5,200 to support him during his efforts and the Head Up charity. Paul was also invited to speak to our teams about his experiences, the charity and how we got on with his epic challenge.



Our group also used their budget to support the Poppy Appeal campaign in November as well as placing an advert in the military Pathfinder Magazine to offer advice for those leaving military service and looking to join our industry.

In 2023, our group have already committed to taking on the Cateran Yomp, a gruelling 56-mile hike over 24 hours, raising money for ABF The Soldiers Charity. Not only that, but they have also agreed to support and sponsorship of the Veterans Award as well as continuing support for Head Up's work.

We are also applying to upgrade our Armed Forces Covenant Award from Bronze to Silver and will be driving discussions with industry groups and the military to better align and increase our support for veterans, reservists, and families of those working in our industry.



“The ABF Soldiers Charity is a well founded and worthwhile cause that is fully supported by Serica Energy and is testament to the Company's passion to help those who require support for all who served our Country”

Brian Langton
Mechanical Technician





CLAN Cancer Support

CLAN is a local charity, reaching out to those affected by cancer in Aberdeen and further afield. Friends, families and carers depend on CLAN for counselling and support both online and at their drop-in centre in Aberdeen. Serica has a long-standing history of supporting CLAN and in 2022 agreed to be a sponsor of their Big Hop campaign, which will see 40 uniquely decorated Hare sculptures placed across the Northeast of Scotland. Once the trail ends, the sculptures will be auctioned off to raise more money for CLAN. In addition to this, a local primary school will be provided with educational resources and their own miniature sculpture to decorate!

Supporting Causes and Fundraisers that Matter to our Teams

We are lucky to work in an organisation full of compassionate and inspiring people who want to give up their free time to help raise vital funds for charities they care about. Throughout 2022 we were proud to be able to support our staff and contractors with their own fundraising efforts for charities throughout the UK. The Company will continue to review and support all requests for help whether that be via monetary donations, providing training equipment and/or promotion of fundraising pages.

Aberdeen & Grampian Chamber of Commerce (AGCC)



Outside of our charitable giving, in 2022, we joined the Aberdeen & Grampian Chamber of Commerce. The AGCC is one of the largest Chambers of Commerce in the UK and allows us to engage with the local business community and gives our team access to a variety of benefits such as local news via a daily bulletin to help keep everyone up to date on what is going on in the area. As a member we also gain access to their training programmes, research and insights.



YOUR CHARITY COMMITTEE IN 2022: WHAT A YEAR!



WE RAN...



WE HELPED YOUTH SPORT...



WE CYCLED...



WE SWAPPED MEDALS FOR TREE PLANTING...



WE DONATED TO THOSE IN NEED...



SUGGESTIONS FOR 2023 FUNDRAISING? IDEAS FOR VOLUNTEERING? Why not join the Committee or send us your ideas to charity@serica-energy.com – on and offshore personnel welcome!



Governance

To us, governance means conducting business in the right way. It means operating in a fair and transparent manner and ensuring we act in accordance with all applicable laws and regulations, wherever we operate. Our Board of Directors are responsible for oversight and steer of our business, they approve and endorse our strict governance policies and procedures that guide how we do our business.

Governance, Systems and Processes..... 52



2022 Highlights

- Established a dedicated Sustainability Committee
- Strengthened the Board with a former Chief Sustainability Officer
- Enhanced alignment to TCFD recommendations
- Developed and rolled out new Code of Conduct training
- Added ESG Policy and Strategy to our Operations Management System

As an oil and gas company in a world facing increasing environmental challenges, our commitment to sustainability has never been more important. Good governance is at the heart of our business and is an essential element in creating long-term value for all of our stakeholders, including our shareholders, employees, customers, suppliers, and the communities in which we operate.

In this chapter, we will highlight our approach to governance, which includes the systems and processes we have put in place to ensure that we operate in an ethical and transparent manner, manage risks effectively, and drive continuous improvement in all aspects of our operations.

Our Board

Our Board of Directors oversee the formulation, direction, and execution of our strategy, and it is their responsibility to approve and endorse the rigorous policies that define how we and those representing us conduct business. Our Board is comprised of highly experienced oil and gas industry professionals, who are ultimately responsible for Serica's ESG performance. The composition of our Board of Directors has kept pace with the ever changing nature of our business with the continued introduction of new experience and skill sets complementing those already on the Board. By this means the Board is continuing to refresh, enhance and review its performance.

On 1 July 2022, Tony Craven Walker became Non-Executive Chairman, having been Executive Chairman for many years. At the end of 2022, therefore, the Board consisted of two Executive Directors, a Senior Independent Director and five Independent Non-Executive Directors. Subsequently the Board has been augmented by the appointment of an additional Independent Non-Executive Director and two Non-Executive Directors nominated by Mercuria, which became a strategic investor in Serica with a shareholding of about 25% following the acquisition of Tailwind.

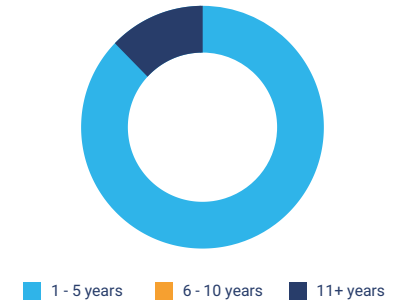
Following the appointment of the Mercuria nominees, the Board now comprises of ten males and one female. The Board is aware of and is actively seeking to address this disparity.

More information on the Board Members, their experience and skills can be found on Serica's Annual Report and Accounts page 32.

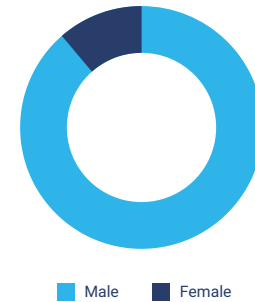
In 2022 Board meeting attendance was 98%.



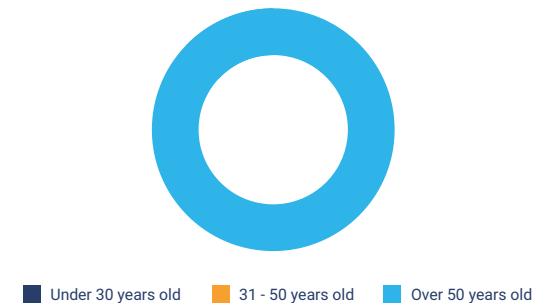
Board Member Tenure



Board Member Gender



Board Member Age



ESG/Sustainability Board Sub-Committee

At the end of 2022, the Board recommended that a Sustainability Board Sub-Committee would be formed to provide review and oversight on matters relating to ESG rather than Serica's HSE Board Sub-Committee. The Sustainability Committee was formed in early 2023 and will meet on a quarterly basis. The role of the Committee is to carry out the responsibilities delegated by the Board regarding the review and oversight of Serica's ESG strategy, goals, policies, procedures, performance and disclosures.

Code of Business Conduct

Our Code of Business Conduct sets out our expectations of the behaviours required by our employees, contractors and third parties who act on behalf of Serica. We expect the highest ethical standards and our Code of Business Conduct acts as a comprehensive guide to the principles of working with each other, the company's customers, suppliers, vendors, competitors, government bodies and the public, including shareholders. It covers areas such as Conflicts of Interest, Anti-Bribery and Corruption, Competition Law, Modern Slavery and Whistleblowing. It also provides practical up-to-date advice to help workers complete their day-to-day duties.

Our E-learning module on our Code of Conduct is mandatory for all staff and contractors and must be completed within three months of joining Serica. To reflect the update to our Code of Conduct in 2021, we updated and rolled out a new version of this training to all staff and contractors in 2022.

We encourage a speak up culture, wherein all members of staff are empowered to report anything they believe to be a breach of our policies. Any reported non-compliances with our Code of Business Conduct are investigated and dealt with in line with our procedures.

Anti-Bribery and Corruption

We uphold all laws relevant to countering bribery across all our operations. As a UK based operator, we are bound by laws including the Bribery Act 2010 in respect of our conduct both in the UK and abroad.

Our zero-tolerance stance on bribery and corruption is outlined in our publicly available Anti-Bribery and Corruption policy. All personnel and contracted employees receive mandatory training to ensure complete understanding on our policy and approach. This training addresses the various forms of workplace bribery and how we handle the acceptance and offering of gifts and hospitality. A register requiring staff and contractors to indicate whether they have accepted, declined, or offered any gifts or hospitality over a specified limit is in place.

Our Board has sanctioned and endorsed Serica's Anti-Bribery and Corruption policy. Furthermore, all Board members have been informed of this policy and must participate in Anti-Bribery and Corruption training.

Serica Energy did not have any reports of any breaches to any of its policies, including instances of corruption, during 2022.

PLC Requirements

As a UK based Public Limited Company, Serica complies with all disclosure and reporting requirements this entails. We follow the UK Corporate Governance Code which sets out standards of good practice for listed companies in areas such as board composition and development, remuneration, shareholder relations, accountability, and audit. The code is published by the Financial Reporting Council (FRC). Details of the corporate governance processes and compliance requirements can be found in our Annual Report and Accounts, page [36](#).



Modern Slavery

Serica does not tolerate any form of modern slavery in its business or supply chain and expects that its service providers, suppliers, vendors and business partners will maintain the same expectations and standards within their respective business and supply chains.

We utilise the contractor procurement screening service, SEQual, which highlights clauses in all operational contracts that state our expectations of compliance for our supply chain. Our contractual terms require the highest standards of business ethics, compliance with applicable laws and commitment to health, safety and the protection of the environment. We maintain the right to audit contractors / suppliers' policies, procedures and records at any time to verify compliance.

To maintain awareness and compliance we provide all staff with training on Modern Slavery.

Under the Modern Slavery Act 2015, we are required to publish an annual statement which sets out our processes for ensuring modern slavery and human trafficking is not taking place in our supply chains or business.

Human Rights

We are a supporter of the Universal Declaration of Human Rights and strive to ensure that our operations do not negatively impact anyone's human rights

As highlighted in our Diversity and Inclusion section, we are committed to providing equal opportunities to all staff and applicants. We respect human rights in the workplace by having a strictly zero-tolerance approach to discrimination or harassment of any kind, including gender, ethnic origin, sexual orientation, and religion.

As set out in our Health, Safety and Wellbeing and People and Supply Chain sections of this ESG Report, we provide our staff and contractors with safe working conditions and competitive benefits. Despite not having a unionised workforce, we recognise, support, and guarantee the right to collective bargaining and freedom of association. We continue to be strong supporters of the Energy Services Agreement and have engaged with our contracting companies on employment related topics, such as shift patterns. We help protect and support the economic livelihoods of the people in our local communities and throughout our supply chain.

We conduct adverse media screening on all vendors prior to any engagement. If human rights criteria are not met by any suppliers, Serica is willing to terminate our contract with that supplier. In 2022, we began to align our procurement governance to the ISO 20400:2017 Sustainable Procurement principles and will continue work on this in 2023.

We produce oil and gas, a vital energy source that powers homes, industry, and manufacturing. Since 2018, we have worked to engage with our local communities, build relationships and establish how we can maximise our positive impacts through our social investments and donations. In 2022, we supported a variety of causes, helping to alleviate poverty and hunger and increase access to educational resources. More information about our charitable giving can be found on page 45.

Cyber Security

To mitigate cyber related risks we utilise a security management framework which aligns with common cyber security standards including ISO 27000. Our Information Security Policy is integral to this and explains specific controls in greater detail. As is common with cyber security frameworks we have technical controls and non-technical controls.

- Technical controls include anti-malware software, firewalls, and our Darktrace security tools which detect and neutralise network – or email-borne threats.

- Non-technical controls include the measures highlighted in our IT Acceptable Use policy. Serica aims continuously to raise greater awareness of threats such as phishing through regular and up-to-date user education and training.

Serica operates a risk register which is used to identify and mitigate cyber risks. It is a member of the Oil and Gas Information Security Forum (OGISF), which includes representatives from the National Cyber Security Centre (NCSC) and oil and gas operators. This group meets weekly to exchange cyber intelligence such as latest threats and incidents. We backup all data regularly to ensure it is protected against physical risks such as fire and flood, as well as cyber risks such as malware and ransomware attacks.

Serica performs annual assurance reviews of our security management framework. Due to its size, Serica does not fall within the scope of NIS which is a regulatory standard for Operators of Essential Services. However, our controls align with the NCSC's Control Assurance Framework. We have also obtained Cyber Essentials Certification.

In 2023, we plan to update our technical controls to further enhance cyber security by;

- Introducing new software to strengthen endpoint and identity-based security.
- Moving to a more sophisticated Security Information and Event Management system to improve visibility of security-related events.
- Adopting a more advanced Security Operations Centre service to improve our incident detection and response capabilities.



Privacy Notices and Personal Data Protection

Serica provides all relevant stakeholders with privacy notices that explain how the company holds and processes personal data. We have implemented Personal Data Protection and Subject Access Request policies that detail how we comply with the Data Protection Act 2018.

We comply with annual registration to the UK regulator, the Information Commissioner's Office (ICO).

Tax Strategy

As a company we are committed to complying with all tax laws and regulations, paying all due taxes, and clearly reporting, in all jurisdictions that we operate in. We operate in the UK and as such adhere to strict laws relating to tax. We aim to describe our management of tax in a clear and transparent manner. We have good working relationships with the appropriate tax authorities in the UK. More information on Serica's tax strategy can be found on the Serica Energy website.

Climate-Related Risks and Opportunities

With the increasing realisation of the effects and implications of climate change across the world, corporations must implement strong procedures and efficient management protocols to identify, manage and mitigate climate-related risks and seize any associated opportunities.

Our Board is responsible for the management and oversight of climate-related risks and opportunities. The Board is committed to reviewing and monitoring climate-related business risks and opportunities on a regular basis as part of Serica's Risk Management Policy, which supports both operational and strategic planning.

In 2022 we have continued to strengthen our alignment with the Task Force on Climate-related Financial Disclosures (TCFD) reporting framework, recognising the importance of transparently highlighting our processes for identifying, managing, and mitigating climate-related risks to our stakeholders. More information on Climate-Related Risks and Opportunities can be found on page 62.

Political Contributions

As an organisation, we do not make contributions to any political party in the UK or abroad.

Whistle Blowing and Grievance Reporting

We encourage all employees and contractors to report suspected non-compliances with our policies or the way in which we conduct business in order to allow the company to consider appropriate investigation and response.

Serica has appointed a third party, confidential reporting service, SeeHearSpeakUp, which operates a confidential phone line, online and email reporting tool available 24/7, 365 days a year. Serica takes reports of wrongdoing extremely seriously and undertakes not to impose any detrimental consequences on an individual raising a genuine concern in good faith.

Serica's Grievance Policy and Procedure sets out how an employment related grievance can be raised and the steps that will be taken by Serica to investigate and deal with the grievance.

Remuneration and ESG Performance Indicators Reporting

The Long-Term Incentive Plan (LTIP) awards to Serica's executive directors and members of the senior management team in 2022 included long term ESG performance targets.

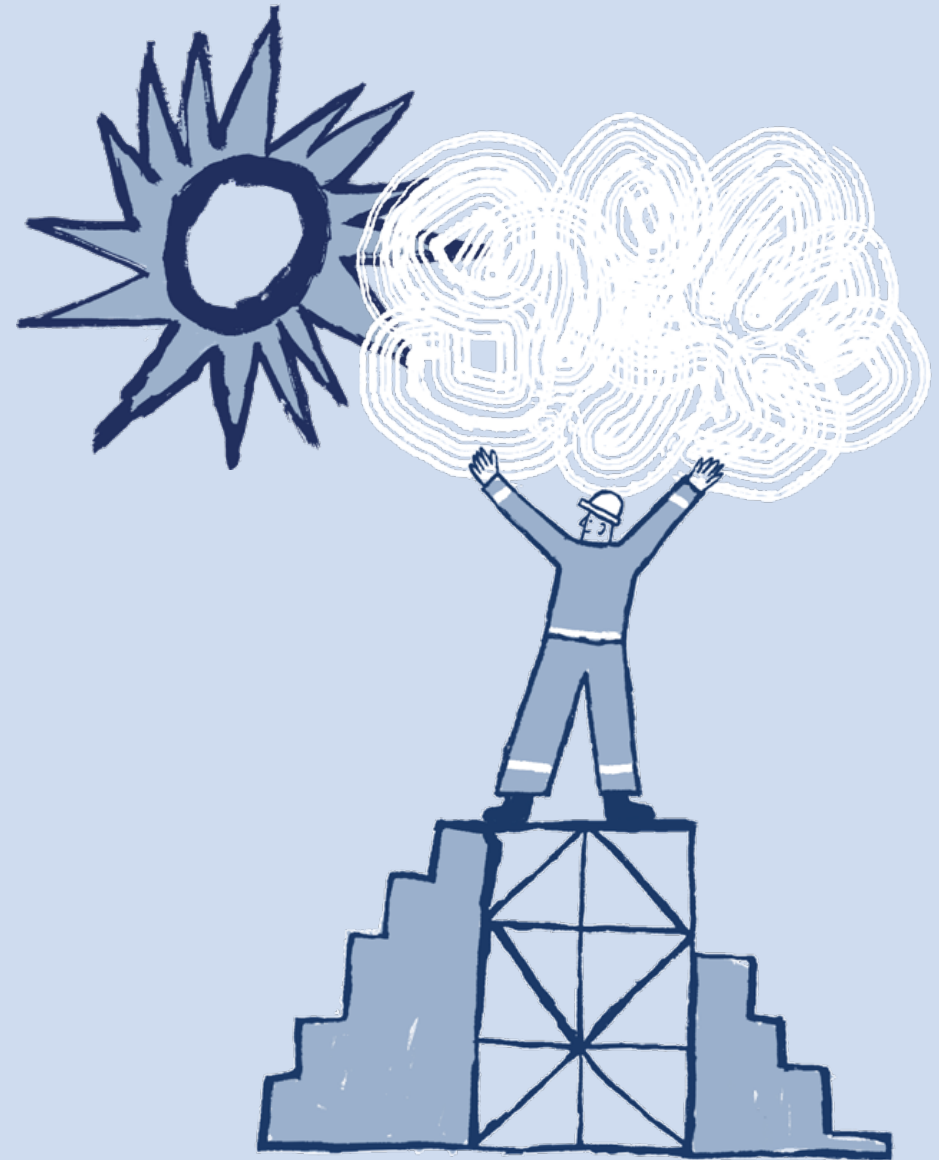
The 2022 bonus scheme for all eligible employees also factored in performance against a basket of ESG objectives including emissions and waste management. This approach is being maintained in 2023 with a focus on reducing emissions and flaring.

The issue of shares under the terms of the share schemes open to directors, senior management and other employees is subject to shareholder approval.



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Introduction

Serica Energy plc (Serica) is a British independent upstream oil and gas company with operations centred on the UK North Sea with production, development and exploration assets. More information can be found here: About Serica Energy (serica-energy.com).

‘Working Responsibly’ is a core value of Serica’s business, which is reflected in all aspects of its strategic and operational activity. Climate-related risk identification and management is not new to Serica, and this report reflects how climate change is increasingly being integrated into decision-making in its existing working practices as well as its ambitions to progress and evolve its climate-related goals in the future.

This TCFD Report builds on the work undertaken over the previous two years and specifically focuses on further enhancing its disclosure against the four pillars of TCFD; Governance, Strategy, Climate Risk Management and Climate Metrics and Targets. It is reflective of the increased scrutiny and ownership of climate-related risks and opportunities across the organisation.

Specifically, for 2022, Serica has developed disclosures that align to the TCFD recommendations that highlight:

- The use of quantitative scenario analysis on its corporate business models, using the IEA Net Zero and Stated Policies scenarios
- Incorporating timescales for perceived risk impact and updated mitigations and actions taken to minimise risks
- Closer alignment with the TCFD recommendations

This summary report is not in full alignment with the TCFD requirements at this stage. During 2023, the Company will focus on maturing its reporting process to enable further disclosure. For example, Serica will continue to evaluate scenario analyses to support strategic planning and capital allocation.



Governance

The Board's oversight of climate-related risks and opportunities

Serica's Board reviews and monitors climate-related business risks and opportunities in detail on a quarterly basis as part of Serica's Risk Management Policy, with associated standards and procedures, which supports both operational and strategic planning.

The Board recognises climate change as a material risk to Serica with potential financial implications. It understands that responding to the risks associated with climate change and building resilience is integral to the long-term success of the organisation. Climate change is considered in the Board's review and evaluation of the wider Serica business strategy, planning and corporate targets. The Serica Corporate Risk Register, which includes climate-related risk, is used to document all business-related risks and opportunities and is reviewed at each board meeting.

At the end of 2022, there were three Board sub-committees with accountabilities relating to climate change:

1. HSE Committee: reports to the Board on the effectiveness of the Company's HSE and ESG programs and ensures that risks, including environmental or carbon-related hazards are fully assessed and appropriately mitigated.
2. Audit Committee: reviews and monitors the effectiveness of the Group's financial reporting, internal control policies, and procedures for the identification, assessment and reporting of risk. The latter two areas are integral to the Group's core management processes.
3. The Remuneration Committee: determines employee compensation packages and bonus structures which incorporate incentives to deliver climate-related objectives.

These sub committees all meet on a quarterly basis.

At the end of 2022, the decision was taken to create a dedicated Sustainability Board Committee, outside of the HSE Committee, to focus on specific ESG topics and issues, including climate-related risk and opportunities. This new Board Committee has since been formed with its dedicated terms of reference.

Management's role in assessing and managing climate-related risks and opportunities

The Serica Senior Management Team (SMT) is structured and empowered to ensure that the Board has the necessary climate-related information to assess the associated risks and opportunities. They are responsible for compliance with and reporting against the organisational climate-related metrics and targets in their individual business areas. Serica's SMT is accountable for risk management policies as well as ESG related strategies and programs which cover climate-related risk. Specifically, the Vice President of Environment, Social and Governance (VP ESG and Business Innovation) is responsible for the development and implementation of the Serica ESG policy and strategy of which climate action is an integral part.

The Serica SMT evaluates climate-related risks and opportunities as part of the overall review of business risk through well-established management systems, standards, and procedures. The SMT is responsible for the development and implementation of mitigation and management programmes to further Serica's resilience to climate-related risks.

Serica's Board and SMT have specific roles in the organisation's overall risk management process. Serica's Chief Executive Officer (CEO) is ultimately responsible for the management of all business risks. The VP ESG and Business Innovation reports directly to the CEO as does the Corporate HSEQ Manager.

Responsibility for financial risk management resides with Chief Financial Officer (CFO).

Responsibility for operational risks resides with the VP Operations, as well as the Health, Safety and Environmental (HSE) team, which coordinates the risk registers within the operational element of Serica's business. Responsibility for project and technical risks resides with the VP Technical.

Serica's Board and SMT work together to instil a culture across the Company that delivers strong values and behaviours.

Progress against goals and targets relating to climate-related issues such as emissions, are monitored regularly by the SMT for their specific business area, using information provided by their supporting teams. For example, the VP ESG and Business Innovation and HSEQ Manager track progress against set targets on a monthly basis and report progress back to the Board and wider organisation. Serica has a suite of monitoring software available such as Emissions Insight, OPEX AI and EMTRAX that track progress on emissions, flaring, waste and discharges to sea. Progress against longer-term targets, such as those set out by the North Sea Deal are monitored on an annual basis.

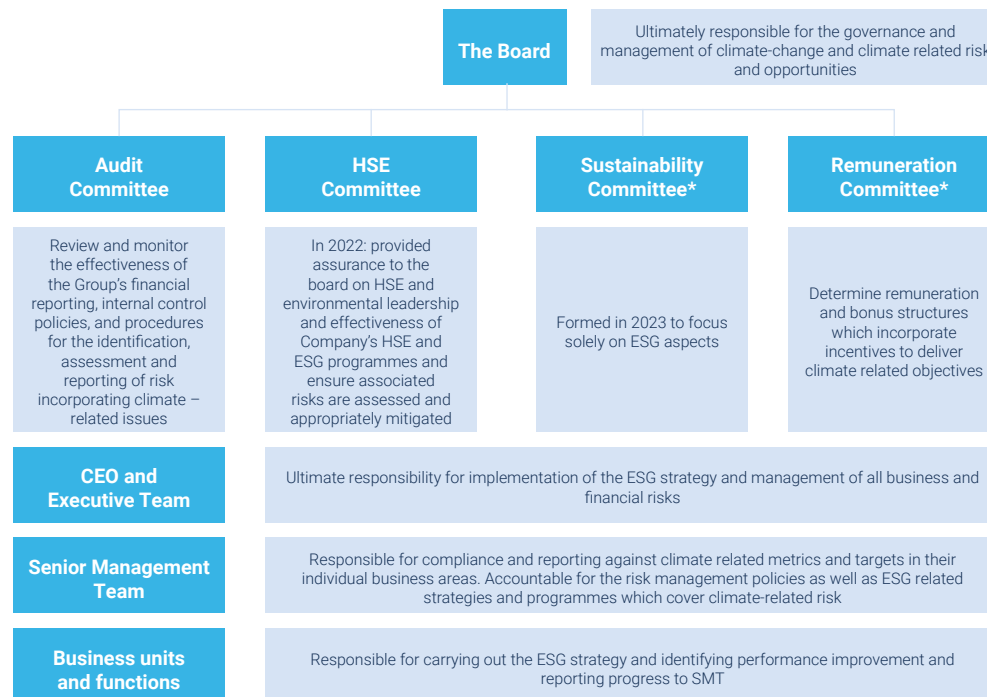


Diagram 1. A visual representation of Climate Risk Management at Serica Energy

Processes by which Management is Informed About Climate-Related Issues

In terms of climate-related issues awareness and training, Serica's VP ESG and Business Innovation, along with the ESG Team, focuses on sustainable development and climate-related issues. They inform and educate the Board of Directors on climate-related topics and issues, such as regular updates on changing legislation and insights from across the industry, in monthly board papers and in more detail during quarterly Sustainability Committee meetings.

The Senior Management Team are updated on climate-related issues during the weekly Management Team Meeting, where ESG is an agenda item. Serica also subscribes to the Weston Compliance Services weekly and monthly summary information service which summarises the latest relevant information and changes relating to legislation, guidance documents etc. This is part of maintaining Serica's Management System in compliance with current legislation and best practice. In addition to the weekly updates, there is a monthly summary spreadsheet which compiles all the information received in the weekly updates which is distributed monthly to the relevant subject matter experts and managers within Serica for review.

Strategy

Climate-related risks and opportunities identified over the short, medium and long term

Serica's Risk Management Policy underlines the identification, assessment, and mitigation of risks including, climate-related risks. Climate-related risks and opportunities are identified under the company's Risk Management Policy documents (OMS-2A-01, OMS-2A-02 and OMS-2A-03). It is recognised that currently these are mainly focused on the short to medium term and encompass:

- Initial Risks associated with each hazard, aspect or other circumstance are assessed based on severity and likelihood;
- Existing risk management measures are assessed and, where required, additional measures or barriers that would further reduce the risk identified;
- Residual Risk takes into account the additional measures and barriers to confirm that the risk levels are both tolerable and as low as reasonably practical (ALARP);
- Where the risks are not ALARP, additional risk reduction measure shall be identified and implemented until it can be demonstrated that the risks are ALARP;
- Risks are re-assessed following any changes to the causes, effects or impacts considered in the original assessment.

As the Company's existing assets are all currently projected to cease production within the next ten to fifteen years, the Company has primarily targeted its considerations of climate-related risks and opportunities over the short and medium terms. Serica has defined the time period for short, medium and long terms risks as:

- Short term risks: 1–3 years
- Medium term risks: 4–9 years
- Long term risks: 10+ years

Serica aligns with the UK government's commitment to achieving a Net Zero basin by 2050, as set out in the North Sea Transition Deal, and takes into account the incremental emissions reduction targets during the transition period when making strategic decisions.

In addition, UK oil and gas sector initiatives such as the OGA Strategy and associated Stewardship Expectations provide Serica and its peer companies on the UKCS with a structured and economically viable approach to supporting Net Zero and the energy transition. This represents a structured and responsible long term sector level plan. In line with Stewardship Expectations #11, Serica produced an Emissions Reduction Action Plan to highlight how the Company has identified its major emissions sources and strategy to reduce emissions in line with targets set out in the North Sea Transition Deal. This is plan was submitted to the North Sea Transition Authority (NSTA) in 2022 and will be reviewed internally on a regular basis.

Serica uses the risk categories recommended by the TCFD to further its reflection of climate-related risk and opportunities: Transition risks and Physical risks.



Transition Risks

Transition risks include the policy, legal, technology, and market changes required to deliver the energy transition and adaptation to the impacts of climate change.

Serica has identified transition risks as of growing importance for its business model.

Transition Risk	Perceived impact timescale	Mitigation
The transition away from carbon-based power generation may restrict the future demand for, or production of, the company's oil and gas reserves	Medium to Long term	<ul style="list-style-type: none"> The estimated value of future reserves is discounted more heavily for later periods of production Since the acquisition of Tailwind Energy, the Company's reserves are more evenly split between oil and gas. This mitigates the risk of the demand for one commodity reducing more than another in the medium term The Company closely follows industry related forecasts and trends from numerous sources The ESG team reviews opportunities for investment in clean technology and is currently involved in projects with the Net Zero Technology Centre
Energy transition objectives may bring additional costs, levies, or taxes	Short term	<ul style="list-style-type: none"> Estimates of climate-related charges are included in cost estimates where reasonably identifiable Management prioritises the delivery of ESG objectives aimed at mitigating any additional carbon levies, i.e. by reducing its asset emissions
Costs related to the transition including ETS carbon credits and more efficient equipment/processes may increase significantly over the coming years whilst commodity prices may become more volatile	Short to medium term	<ul style="list-style-type: none"> A range of potential outcomes are modelled, and financial plans are flexed to ensure economic resilience under a wide range of scenarios The Company's Emission Reduction Action Plan was developed in 2022 to address this
Sources of finance including equity markets and debt providers may be harder to access or become more expensive	Short term	<ul style="list-style-type: none"> Management engages with potential sources to anticipate their ESG compliance requirements The Company also seeks to retain a range of alternative financing options Potential funding cost increases are considered when planning investments
The range of potential acquisitions may be restricted by ESG considerations	Short to medium term	<ul style="list-style-type: none"> Management considers the emissions profiles of potential acquisition targets and the mitigating actions that it can implement It prioritises opportunities to deliver low carbon intensity production into the UK market
The industry's reputation is damaged as the oil and gas industry is perceived negatively by external stakeholders	Short to medium term	<ul style="list-style-type: none"> Ensure the Company reports transparently and follows internationally recognised ESG reporting guidelines Regularly engage with stakeholders on its ESG activities and performance

Physical Risks

Physical risks resulting from climate change can result from event driven (acute) or longer-term (chronic) shifts in climate patterns:

- Acute** – More extreme weather may threaten or disrupt operations, in particular major storms or exceptional wave conditions;
- Chronic** – Increased severity of weather patterns may cause ongoing or regular disruption, including supply chain logistics efficiency, asset structural integrity, operational uptime, and offshore development schedules. These risks may need to be highlighted in Serica's future transactions.

Physical Risk	Perceived impact timescale	Mitigation
More extreme weather patterns may threaten or disrupt operations	Short to long term	<ul style="list-style-type: none"> The Company seeks to maintain robust transport and supply chains The impact of extreme climatic conditions such as exceptional waves are incorporated in risk management scenarios The Company conduct an annual Severe Weather Action Plan Emergency Response exercise

Impact of Climate-Related Risks and Opportunities on Business, Strategy and Financial Planning

Serica considers climate-related strategic and financial risks in both its existing asset portfolio and future business growth including potential acquisitions in the UK North Sea and further afield. Serica has developed operational objectives which are aligned with climate-related risk reduction and climate change resilience planning, both in response to its own climate impact and as part of the development of its wider ESG strategy.

In terms of financial planning, Serica has now allocated future capital expenditure to projects outlined in its Emissions Reduction Action Plan, to support its progress in meeting its long-term emissions reduction targets. The Company will also continue to evaluate scenario analyses to support future strategic planning and capital allocation.

Serica has developed operational objectives which are aligned with climate-related risk reduction and climate change resilience planning. Many of these are highlighted throughout its previous and 2022 ESG Report. As part of this, Serica has implemented the following activities:

- Creation and continued use of emissions related key performance indicators (KPIs) and targets that directly affect employee bonus payments, including those of the executive and Senior Management Team;
- Formation of a Sustainability Board Committee, to focus on specific ESG topics and issues, including climate-related risk and opportunities;
- Continued development and enhancement of a robust ESG policy and strategy with a corresponding communication structure to internal and external stakeholders;

- A dedicated VP ESG and Business Innovation to lead strategy development, drive change and support continuous improvement in emissions performance and wider ESG commitments;
- Creation of an Emissions Reduction Group, who look at opportunities to reduce Serica's carbon emissions in line with Industry targets. This group is led by Serica's Energy Transition Engineering Advisor, a new role that was created in 2022;
- Submission to the Regulator of a Bruce Emissions Reduction Action Plan (ERAP) that clearly lays out the programme of activities to achieve the emissions reduction targets set out in the North Sea Transition Deal. This includes major equipment change out and a degree of electrification of facilities;
- Active membership of the Net Zero Technology Centre, whose aim is to help accelerate the development and implementation of technology to lower emissions;
- Alignment to recognised international ESG benchmarks and transparency initiatives such as the Global Reporting Initiative ("GRI") and Sustainability Accounting Standards Board (SASB) in addition to developing alignment to the TCFD recommendations;
- Continued development of an ESG strategy ensuring associated commitments and disclosures are aligned with investor and lender requirements;
- Empowering employees to identify and own ESG initiatives within the Serica organisation and the wider community; and
- Integration of internal stakeholder communications to ensure that the requirements of finance and ESG are aligned.

A detailed view of how Serica is planning to reduce its emissions to meet the targets set out in the North Sea Transition Deal can be found in the 2022 ESG Report, page 11.

Opportunities

Serica also recognises the opportunities presented to its organisation that are associated with climate change and the transition to a low carbon economy, and has identified the following:

- The strengthening of relationships with key stakeholders, including investors, banks, regulators, government bodies, industry associations, employees, and communities. This could enhance access to funding and sustain ongoing investor support as well as assist in the identification of new developments, and acquisition opportunities. In addition, furthering relationship and trust building with stakeholders can enhance the support for project growth and development with a heightened social licence to operate;
- Major asset owners and operators who are switching their focus to renewable energy sources are targeting divestments of their legacy oil and gas assets. Smaller operators may have the opportunity to acquire these assets and may be better placed to focus upon and improve the emissions performance of such later life assets whilst the energy transition progresses;
- Incentives or funding could be offered to Serica for investing in energy efficiency technology and carbon reducing initiatives like carbon capture and storage;

- Further collaboration with other asset and infrastructure owners may lead to innovation solutions such as sharing or combining power sources and electrification and delivery of other operational efficiencies;
- Serica could further support collaborative work between stakeholders including industry associations, peer organisations, employees, and communities to enhance efficiencies, knowledge-sharing and technology in climate change initiatives.

Quantitative Financial Modelling Against Chosen Scenarios

Serica is currently partially aligned with this recommendation.

In 2022, Serica ran quantitative scenario analysis against its business economic models, looking at the legacy Serica and Tailwind assets and the combined assets post-acquisition in March 2023. Parameters for the economic models were guided on those set out by the International Energy Agency's (IEA) 2022 Net Zero and Stated Policies scenarios and concentrated on carbon taxes and commodity prices. The models were run from 2023 to 2035, as this is when the majority of Serica's assets are currently expected to cease production. The IEA scenarios were selected as they are publicly available and widely used across the global energy sector. The results of the exercise confirmed that Serica's business models are resilient under these scenarios. Serica will continue to use scenario analysis to test its resilience under different climate scenarios.

Climate Risk Management

Processes for identifying and assessing climate-related risks

Serica's corporate risk process is led by the Board which maintains a register of significant corporate risks, including climate-related risks, for review at each of its regular meetings. The expected duration of its current business assets is concentrated within the next ten to fifteen years and so the identification and assessment of climate risks in relation to its existing business is concentrated upon climate-related objectives and potential developments within this timeframe. Serica also seeks growth opportunities which would extend its business programme and so when investigating new investment opportunities and acquisitions, reviews are conducted of longer-term climate-related risks and potential mitigations.

Serica operates an Operating Risk Management Framework as part of its Operations Management System (OMS). In this, the 8x8 risk assessment matrix is explained and quantified, including quantification of environmental consequences relating to the atmosphere and water pollution and the consequence of business, social and governance risks. The level of assessed risk identified by this process is used to ensure that the required control and mitigation actions are applied to each risk. In this way, climate-related risk is assessed, managed and mitigated in line with other business and operational risks.

Having identified climate-related risks, the Company either identifies specific mitigating actions and programmes or, where such specific responses are not considered feasible, builds likely financial impacts into valuations and planning. An example of this is the introduction of future emissions reduction projects in its business planning process, as outlined in its Emissions Reduction Action Plan, which is summarised in its 2022 ESG Report, page 11.

Climate Change Metrics and Targets

Metrics used to assess climate-related risks and opportunities

Carbon emissions data are collected from its assets, including operated and partnered facilities. This data is assured for consistency and comparability throughout the Serica portfolio over time. The data are used to ensure compliance with UKCS emissions regulation and to comply with all operating permits and consents associated with Serica assets and forms part of the licence to operate.

Carbon emissions and climate risk levels, including Scope 1, 2 and 3 GHG emissions

Serica reports to all mandatory carbon-related regulations, including the Pollution Prevention Control (PPC) permit and the requirements of the UK Emissions Trading Scheme (UK-ETS). The Company emissions targets for 2022 are described in the 'Greenhouse Gas Emissions' section of the ESG report. The Company has set emissions related targets which relate directly to employee remuneration, flare reductions on the Bruce asset and emissions reductions across operations. With the acquisition of Tailwind, Serica is working to integrate the legacy Tailwind assets into its environmental performance tracking systems.

Current and historic emissions disclosures and the methodologies used are presented in Serica's 2022 ESG Report.

Targets used to assess climate-related risks and opportunities, and performance against these targets

Serica sets annual emissions targets as part of its annual bonus scheme. Performance against these targets is directly linked to the remuneration of its staff and executives. Serica has implemented ESG bonus linked targets since 2021. These targets are designed to focus the Company's efforts in driving environmental performance improvements and ultimately linked to achieving its longer-term emissions targets in line with the North Sea Transition Deal targets.

The environmental targets put in place in 2022 included:

- Reducing routine daily flaring to under 9.5 tonnes per day
- Limiting total volumes of flared gas to under 5,000 tonnes
- Limiting Scope 1 emissions to below 210,000 tonnes
- Developing a methane action plan

Performance against these targets is presented in Serica's 2022 ESG Report.

In 2023, Serica will again tie emissions reductions initiatives to its remuneration and corporate bonus scheme. Serica has implemented the following emissions related targets:

- Limiting total Scope 1 emissions to below 200,000 tonnes
- Limiting total volumes of flared gas to under 5,000 tonnes

The above targets are absolute based, rather than intensity based, and are for the full year (January 1st to December 31st) of 2023. Performance against these targets is monitored on a regular basis and performance is reported across the organisation from its Board to staff and contractors via Serica's Environmental Performance Dashboard.

These targets are set by incorporating performance data from previous years and looking ahead to future work scopes and activities to identify achievable but challenging targets to drive performance improvement. These targets are approved by Serica's Remuneration Committee and Board.

As mentioned earlier in the report, Serica's longer-term emissions targets are aligned with those set out in the North Sea Transition Deal, whereby reductions in emissions from offshore production in the UKCS reach 10% by 2025, 25% by 2027, 50% by 2030 and 100% by 2050.



This Alignment Table provides information as to the alignment of Serica Energy's reporting with the Task Force on Climate-related Financial Disclosures (TCFD), implementing the recommendations of the Task Force on Climate-related Financial Disclosures (2021 report). The information herein is associated with the 2022 calendar year. This Alignment Table was produced by ITP Energised.

Serica understands that climate change resilience is integral to the long-term success of our organisation. We have used the TCFD recommendations to further develop our climate-related strategies, programmes, and reporting. While our reporting is not in full alignment with the TCFD requirements at this stage, Serica will focus on maturing its reporting process to enable further disclosure. For example, in 2023 Serica will continue to evaluate scenario analyses to support strategic planning and capital allocation.

Governance		Disclosure Alignment	Reporting Location
a	Describe the board's oversight of climate-related risks and opportunities	Full	page 58
b	Describe management's role in assessing and managing climate-related risks and opportunities	Full	page 58

Serica fully discloses with the TCFD Governance reporting recommendations. Both our board and management teams recognise climate change as a material risk to Serica with potential financial implications. As such, climate-related risks and opportunities are integrated into board and management accountabilities and decision making. Regular reviews, evaluations and discussions are part of Serica's proactive approach to manage climate change and further organisational resilience.

Strategy		Disclosure Alignment	Reporting Location
a	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	Full	page 60
b	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	Full	page 60
c	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Partial	page 61

Serica partially discloses with the TCFD Strategy reporting recommendations. Our disclosure of a and b are generally aligned with the guidance. We will continue to progress and improve our reporting of the financial impact of the identified risks. As part of this, we will also review reporting of how these risks influence our financial planning. Serica is in partial alignment with c. While we have completed analysis guided by the International Energy Agency's (IEA) 2022 Net Zero and Stated Policies scenarios, we are still maturing how this information can best be integrated into our decision making and reporting. We have made important progress in developing our scenario analysis in 2022, and we will look to continue to expand our scenario models in 2023.

Risk Management		Disclosure Alignment	Reporting Location
a	Describe the organisation's processes for identifying and assessing climate-related risks	Full	page 61
b	Describe the organisation's processes for managing climate-related risks	Partial	page 58
c	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	Full	page 61

Serica aligns with the Risk Management guidelines regarding the reporting of our procedures for identifying, evaluating, and mitigating climate-related risks and how they are integrated into our comprehensive risk management strategy (a and c). We provide an account of our methodology for determining materiality, including climate-related risks, within our company, which outlines the relative importance of climate-related risks in relation to other risks in our materiality matrix. We include reference to transition and physical risks and opportunities; however, we do not include comprehensive evaluation of all the risks included in Tables A1.1 and A1.2 (pp. 75–76) (or b). We will also look to improve on a specific and practical review of these risks in 2023.

Metrics and Targets		Disclosure Alignment	Reporting Location
a	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Partial	page 62
b	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and the related risks	Full	page 106
c	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Full	page 62 & 11

Serica partially aligns with a of the Metrics and Targets recommendations, and fully aligns with the scope disclosures of component b as well as the target setting of part c of the guidance. While our disclosure of climate-related metrics includes GHG emissions, air emissions and others (ESG Report page 106), our reporting does not include the complete range of metrics outlined in Tables A1.1 and A2.2. We also do not disclose our internal carbon prices for confidentiality reasons.

Appendix 2 Materiality Assessment

Serica is dedicated to the high operational standards demanded of us by our industry and stakeholders. We understand it is critical to our business as well as our stakeholders that these standards are met across the entirety of our operations as well as within the communities in which we operate, where we have the ability to benefit the communities our business interacts with.

Serica as an organisation is responsible for a wide variety of impacts, both positive and negative, short term and long term, as a result of our operations. In line with this, Serica recognises the necessity for organisations such as ours to report clearly and transparently on a wide range of environmental, social and governance metrics to both communicate our positive and negative impacts, the challenges we face and the continual performance improvements we are making.

In recognition of this, Serica has aligned its ESG reporting to several internationally recognised reporting standards, such as, the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), UN Global Compact and the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations. For 2023, Serica will also be disclosing to the CDP, completing their comprehensive Climate Change Survey for the first time.

As part of our goal to deliver transparency in this ESG Report, Serica recognises the importance of explaining the process by which we assessed which elements are material to the organisation and which are not. A full list of the topics and their materiality can be found in the 'Materiality Tables' in this report.

Serica's first Materiality Assessment was conducted in 2019, internally referencing stakeholder engagement activities undertaken across the reporting year with subject matter experts from across the business inputting into the process to ensure the output was relevant and accurate. All benefits and impacts of identified material topics are considered, including but not limited to the economy, environment, people, and potential impacts on human rights. Our Materiality Assessment is reviewed and updated on an annual basis by our ESG Team. Serica's Board are notified when changes are made to material topics and are empowered to review and change these at any time.

A topic may be considered to be of material relevance to the Company because of, stakeholder interest in the topic, relevance of the topic to the Company's operations, context which is external to the organisation, such as public opinion, or as a result of a specific ongoing or historical relationship the Company has with the topic. The topics deemed most material to Serica, highlighted in the Materiality Matrix, form the focus of this ESG Report. We discuss these subjects in other publications, including the Company's Financial Results, on our website, in our Annual Report and in our Annual Environmental Statement.

Stakeholder engagement on the topics considered to be material is gained through industry level consultation, membership of industry associations and direct feedback from employees, collaboration with service and material suppliers, partners, shareholders, and media reporting throughout the reporting period. In addition, direct stakeholder engagement for Serica's operated activities is undertaken through the UK regulatory approvals process for offshore oil and gas activities. Statutory stakeholders have the opportunity to engage with Serica through this process and the general public are informed prior to approval of changes to operational activities regulated by these processes. As an organisation whose main focus is currently on the United Kingdom Continental Shelf, Serica is subject to stringent statutory requirements for reporting and engagement and as such, most stakeholders and associated engagements are identified by the Regulator or good industry practice. Serica receives routine feedback from an array of statutory consultees on all environmental licence and permit and consent applications. This feedback comes from organisations including, but not limited to, the Scottish Fisherman's Federation, Marine Scotland, and the Joint Nature Conservation Committee (JNCC).

When determining whether specific ESG topics are material, Serica considers both its importance to us as an organisation as well as its importance to our stakeholders. Where a topic is deemed to be material it is linked to the relevant UN Sustainable Development Goal (UNSDG), helping us to contextualise how and where Serica's ESG performance contributes to UNSDGs. In line with the GRI recommendations, Serica utilised the GRI Sector Standards for the Oil and Gas Industry that were released in 2021, as another indicator of topics that could be material to Serica and its stakeholders.

In 2022, we undertook our first Stakeholder ESG Materiality Survey, to gain direct feedback on the identified topics and test our method of determining the materiality of topics for stakeholders. In this survey we asked a variety of stakeholders to rank the importance of a variety of Environmental, Social and Governance topics in relation to them and Serica. We also asked our stakeholders for any comments or considerations on the topics to gain a more in-depth indication of their views, which could potentially feed into our ESG strategy.

The survey received over 100 responses for stakeholders such as staff, contractors, suppliers, investors, peers, and industry bodies. The average importance scores for each topic were then used to help rank the importance of topics to stakeholders. The results largely reflected our mapping of stakeholder views on topics but did highlight some topics as deemed as more important than our initial mapping efforts had accounted for. We plan to conduct another ESG materiality survey and update our materiality assessment process in 2023 to account for the acquisition of Tailwind Energy, as this is deemed to be a material change to Serica's business.

UNSDG	GRI Aspect/Serial Number	Aspect Importance to Serica	Aspect Importance to Stakeholders	Is Aspect Considered Material	Materiality
Decent Work and Economic Growth	GRI 201 Economic Performance	High	High	Yes	As a public limited company, it is important that our business has strong economic performance, both for the internal organisation and for our investors and shareholders. This is applicable across the whole Serica group. More information can be found in the: 2022 Annual Report and Accounts (page 8)
Decent Work and Economic Growth	GRI 202 Market Presence	High	Medium	Yes	As noted above, to perform well, it is vital for Serica to have a strong market presence relative to our peer groups of companies.
Decent Work and Economic Growth	GRI 203 Indirect Economic Impacts	Medium	Medium	Yes	Serica works with a wide variety of UK sub-contractors on both our production asset and projects. In 2022 , 97% of Serica's total expenditure on suppliers was spent on UK based suppliers. As a company, Serica works with a variety of third sector organisations across the UK. See page 42.
Decent Work and Economic Growth	GRI 204 Procurement Practices	Medium	High	Yes	It is vital to Serica and to wider society that we conduct our business in compliance with all relevant rules, regulations and guidance in relation to fair and transparent procurement.
Peace and Strong Institutions	GRI 205 Anti-Corruption	High	High	Yes	A core aspect of being a good corporate citizen is ensuring that our business is fully compliant and transparent with regards to all forms of anti-competitive behaviour, especially corruption and competition. See page 53.
Peace and Strong Institutions	GRI 206 Anti-Competitive Behaviour	High	High	Yes	As above.
Peace and Strong Institutions	GRI 207 Tax	High	High	Yes	We comply with tax law and practice in all of the territories in which we operate, including the UK which is our main place of business. Compliance means paying the right amount of tax and involves disclosing all relevant facts and circumstances to the tax authorities and claiming reliefs and incentives where available.
Responsible Consumption and Production	GRI 301 Materials	Low	Medium	Yes	Serica consumes a variety of raw and manufactured materials, which are utilised to provide both life support for our offshore personnel and to facilitate the production of hydrocarbons on our Bruce platform. See page 20.
Responsible Consumption and Production/ Climate Action	GRI 302 Energy	High	High	Yes	The growing focus on energy efficiency and the reduction of GHG emissions continues to be both a business and stakeholder focus. See page 13.
Life Below Water	GRI 303 Water and Effluents	High	Medium	Yes	As a North Sea operator Serica does not operate in a region where there is a scarcity of fresh water. However, seawater is used in the production process and water consumed on the platform is predominantly desalinated. Discharges of wastewater overboard are exercised in accordance with MARPOL 73/78 Regulations for the Prevention of Pollution by Sewage from Ships. See page 25.
Life Below Water	GRI 304 Biodiversity	High	High	Yes	The careful management of operations to reduce our direct and cumulative impacts to biodiversity, and the stakeholders who rely on it for their livelihoods is key to Serica, its investors and stakeholders. Environmental impact is assessed in accordance with the Department for Business Energy and Industrial Strategy's (BEIS) The Offshore Petroleum Production and Pipelines Assessment of Environmental Effects Regulations 2020.

UNSDG	GRI Aspect/Serial Number	Aspect Importance to Serica	Aspect Importance to Stakeholders	Is Aspect Considered Material	Materiality
Climate Action	GRI 305 Emissions	High	High	Yes	As a responsible operator Serica monitors and reports its emissions whilst actively seeking and identifying opportunities to reduce them. Serica aligns its ambitions with that of the North Sea basin outlined in The North Sea Transition Deal. The deal sets targets that lead to the decarbonisation of the North Sea Basin by 2050 through the development and adoption of low carbon solutions. See pages 10 & 11.
Responsible Production and Consumption	GRI 306 Waste	High	High	Yes	Serica generates, stores, handles, transports solid wastes in accordance with the Environmental Protection Act 1990 and the Waste Management Licensing (Scotland) Regulations 2011 (WMLR) and MARPOL 73/78 Regulations for the Prevention of Pollution by Sewage from Ships. See page 20.
Life Below Water	GRI 307 Environmental Compliance	High	High	Yes	Serica Energy's operations are bound by the UK Environmental Legislation. UK offshore oil and gas operations are subject to one of the worlds tightest regulatory system. Key aspects of Serica Energy's environmental compliance are highlighted throughout the Environmental section of this ESG Report.
	GRI 308 Supplier Environmental Assessment	Medium	Medium	Yes	Serica uses established and assured suppliers whose risks and impacts are managed under their own Management Systems. Serica's contractor assessment and management process complies with all European and UK legislative requirements. Serica aligns with OEUK and SEQual industry contractor assessment and selection initiatives.
Decent Work and Economic Growth	GRI 401 Employment	High	High	Yes	Serica is dependent upon the competence and stability of its workforce to deliver business results. It is important to ensure that we are fully compliant with all appropriate employment regulations for our onshore and offshore workforce and provide our team with a working environment that is responsible and safe. See page 41.
Decent Work and Economic Growth	GRI 402 Labour and Management Relations	Medium	High	Yes	Serica Energy manages its work force in alignment with stringent UK employment legislation to ensure all its recruitment, employee management and employee release policies are fair transparent and consistent with legal requirements and industry best practice.
Good Health and Wellbeing	GRI 403 Occupational Health and Safety	High	High	Yes	Occupational Health and Safety is a core requirement of the offshore oil and gas industry. Our offshore facilities and the onshore support network are of critical importance to Serica and our stakeholders. See page 32.
Quality Education	GRI 404 Training and Education	High	High	Yes	It is vital that our industry and its workforce evolve to meet the challenges of today's market, we have personnel who are and remain competent. The implementation of training and education for our staff is crucial in achieving this. See page 44.
Gender Equality and Reduced Inequalities	GRI 405 Diversity and Equal Opportunities	High	High	Yes	Maintaining a diverse and non-discriminatory workforce wherever we operate is imperative to Serica. It represents not only the right thing to do but ensures our business fully represents society and is resilient.
Gender Equality and Reduced Inequalities	GRI 406 Non-Discrimination	High	High	Yes	Please see above.
	GRI 407 Freedom of Association and Collective Bargaining	Medium	Medium	Yes	Serica is a Non-Unionised Workforce however this a does not preclude employees from becoming Union Members or partaking in collective bargaining with Serica Energy where appropriate. Serica senior management regularly engages in employee consultations to gain employee perspectives on current employment terms and conditions and adapts and updates where appropriate. See page 41. Serica recognises, supports and guarantees the right to collective bargaining and freedom of association. Serica are strong supporters of the Energy Services Agreement.

UNSDG	GRI Aspect/Serial Number	Aspect Importance to Serica	Aspect Importance to Stakeholders	Is Aspect Considered Material	Materiality
	GRI 408 Child Labour	Medium	High	No	Employment law within the UK has all but abolished child labour practices. When these regulatory controls are combined with Serica Energy's stringent recruitment process and the requirements for offshore workers the risk of unknowingly employing child labour is significantly low that it is not deemed materially relevant.
	GRI 409 Forced and Compulsory Labour	Medium	High	No	Employment law within the UK has all but abolished forced labour practices. When these regulatory controls are combined with Serica Energy's stringent recruitment and internal management processes the risk of unknowingly harbouring such employment practices is significantly low that it is not deemed materially relevant.
	GRI 410 Security Practices	Medium	Medium	No	The geographic isolation of the Bruce Platform west of Shetland and the lack of previous security incidents it has been deemed that Security Practices are not materially relevant and they have therefore been excluded from this ESG report. Within the Serica OMS Security is covered under the following OMS Documents: The Offshore Security Plan SER-UK-GUID-3.5-1000 and The Offshore Security Plan SER-UK-PLN-3.5-1001 .
	GRI 411 Rights of Indigenous Peoples	Low	Medium	No	Serica Energy's UK areas of operations are not home to any communities or peoples who would be classed as indigenous. Therefore, the potential opportunities to infringe or promote the rights of indigenous peoples if not materially relevant to this ESG report.
	GRI 412 Human Rights Assessments	Medium	High	No	All of Serica Energy's operations and interests are currently UK based. No operations are not currently occurring at a scale that warrants human rights assessments or where business activities are likely to infringe upon the human rights of employees or stakeholders.
Peace and Strong Institutions	GRI 413 Local Communities	High	Medium	Yes	Serica values the importance of supporting and working in collaboration with the communities in which we operate. The vast majority of this work is currently undertaken in the UK.
	GRI 414 Supplier Social Assessment	Medium	Medium	No	The majority of Serica Energy operations are currently UK based. Suppliers are subject to stringent UK as well as industry specific pre-approval initiatives such as SEQual prior to working with oil and gas operators. Social impact assessment for suppliers in this context is not deemed material.
	GRI 415 Public Policy	Medium	Medium	Yes	As a UK based public limited company, Serica Energy is governed by strict rules relating to public disclosure and policy. Serica are a non-political organisation and do not donate to any political parties in the UK or abroad.
	GRI 416 Customer Health and Safety	Medium	Medium	No	Serica Energy produces oil and natural gas which is distributed through existing UK infrastructure. Customers in the traditional sense are not identified specifically as the oil and gas products are co-mingled with other producing fields in the North Sea. This topic is not deemed to be material.
	GRI 417 Marketing and Labelling	Low	Low	No	Serica Energy produces oil and natural gas which is distributed through existing UK infrastructure. No marketing or labelling is involved in this process and this topic is not deemed to be material.
	GRI 418 Customer Privacy	Low	Low	No	Serica Energy produces oil and natural gas which is distributed through existing UK infrastructure. Customers in the traditional sense are not identified specifically as the oil and gas products are co-mingled with other producing fields in the North Sea. This topic is not deemed to be material.
	GRI 419 Socioeconomic Compliance	Medium	High	No	Being a UK based operator with all offshore operations based in the UK, Serica Energy complies with all UK regulations associated with its business sector. This sector is stringently regulated, and the regulators are transparent.

IMPORTANCE TO SERICA

IMPORTANCE TO STAKEHOLDERS

Materiality	Low	Medium	High
High		204 Procurement Practices 402 Labour and Management Relations 412 Human Rights Assessments 408 Child Labour 409 Forced and Compulsory Labour 419 Socioeconomic Compliance	201 Economic Performance 205 Anti-Corruption 206 Anti-Competitive Behaviour 306 Waste 302 Energy 304 Biodiversity 305 Emissions 307 Environmental Compliance 403 Occupational Health and Safety 405 Diversity and Equal Opportunity 406 Non-Discrimination 401 Employment 404 Training and Education 207 Tax
Medium	301 Materials 411 Rights of Indigenous People	203 Indirect Economic Impacts 308 Supplier Environmental Assessment 407 Freedom of Association and Collective Bargaining 410 Security Practices 414 Supplier Social Assessment 415 Public Policy 416 Customer Health and Safety	303 Water and effluents 415 Local Communities 202 Market Presence
Low	417 Marketing and Labelling 418 Customer Privacy		

Appendix 3 2022 GRI Disclosures

Statement of use Serica Energy has reported in accordance with the GRI Standards for the period 01/01/22 to 31/12/22
GRI 1 used GRI 1: Foundation 2021
Applicable GRI Sector Standard(s) GRI 11: Oil and Gas Sector

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GENERAL DISCLOSURES						
GRI 2: General Disclosures 2021	2-1 Organisational details	Serica Energy PLC is a Public Limited Company. Serica's headquarters are located in Aberdeen, Scotland. Serica operates within the boundaries of the United Kingdom.	A grey cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	2-2 Entities included in the organisation's sustainability reporting	2022 Annual Report				
	2-3 Reporting period, frequency and contact point	The reporting period started on the 1st of January 2022 and ended on 31 December 2022. The reporting cycle is annual and aligns with the financial reporting period. The date of the most recently published report is 30 May 2023. For any questions regarding this ESG report, please contact Johnny Pike at johnny.pike@serica-energy.com .				
	2-4 Restatements of information	There are no restatements of information and the scope for reporting in 2022 remains the same as in 2021 across Serica's assets.				
	2-5 External assurance	External assurance of Serica's Annual Report and Accounts is provided by EY on an annual basis. External assurance is a key element of UK PLC Compliance and this is owned by Serica's Chief Financial Officer (CFO). Serica has received limited assurance on its emissions reporting from RISC in this 2022 ESG Report.				
	2-6 Activities, value chain and other business relationships	Serica is active in the UK Energy Sector. Information on Serica's value chain can be found in the 2022 Annual Report and Accounts, page 16 . More information on Serica's business relationships can be found on page 41 of the 2022 ESG report. In 2022, there were no significant changes to Serica that materially affect our reporting. At the beginning of 2023, Serica acquired Tailwind Energy and this has been considered a significant change to the company due to the increase in assets and production. However, as this report focuses on 2022, no significant changes have been listed.				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-7 Employees	<p>At the end of 2022, Serica had a total of 182 employees, comprising of 159 male and 23 female employees. Serica also had 25 core contractors comprising of 19 males and 6 females. The majority of staff and core contractors are based in the UK.</p> <p>At the end of 2022, Serica had a total of:</p> <p>182 permanent employees, comprising of 159 males and 23 females</p> <p>174 full-time employees, comprising of 155 males and 19 females</p> <p>8 part-time employees, comprising of 4 males and 4 females</p> <p>0 temporary employees, comprising of 0 males and 0 females</p> <p>0 non-guaranteed employees, comprising of 0 males and 0 females</p> <p>Data is collected from the Human Resources record of employees and direct contractors and is calculated on a head count basis of the number at the end of the reporting period.</p> <p>There were no significant fluctuations in the number of employees during and between reporting periods.</p>				
	2-8 Workers who are not employees	<p>In 2022, Serica had a total of 25 core contractors, 6 females and 19 males.</p> <p>Like many independent oil and gas companies, Serica utilises fixed-term contractors to provide support to our operational activities. The mix of employees and contractors in operational roles is balanced to ensure the best interests of the business as well as the resilience to respond to operational challenges. This number remains relatively constant and is dependent on operational requirements.</p>				
	2-9 Governance structure and composition	<p>Governance structure and composition information can be found in the 2022 Annual Report and Accounts, page 38.</p>				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-10 Nomination and selection of the highest governance body	<p>The Nomination and Corporate Governance Committee is responsible for monitoring the overall effectiveness of the Board and the appointment of new directors, together with succession planning for the Board. The Nomination and Corporate Governance Committee regularly monitors the requirements for succession planning and Board appointments to ensure that the Board is fit for purpose and keeps pace with the changes of the Company. If assistance with recruitment is required by the Committee, this will be made available. Director and senior management appointments and the company's succession planning are also evaluated on a regular basis with good corporate governance practice; diversity, experience and skill requirements; as well as the evolving needs of the company.</p> <p>The Nomination and Corporate Governance Committee is mindful of the Board's performance and composition together with the performance of individual Directors and senior management.</p> <p>As Serica continues to grow its asset base, the Board, with the support of the Nomination and Corporate Governance Committee, maintains oversight of the Company's requirements. This ensures that the make-up of the Board is kept in line with the Company's needs and provides a mix of experience, skills, personal qualities and capabilities appropriate to Serica's objectives. These include full consideration of diversity where possible, including gender diversity. Serica's Equal Opportunities and Dignity at Work Policy (OMS-1B-10) also applies to this process.</p>				
	2-11 Chair of the highest governance body	<p>At Serica, the Chair of the highest governance body, the Board of Directors, is a Non-Executive Chairman. The Chairman of Serica's Board was previously an Executive Chairman. However, in 2022, the Chairman was appointed as Non-Executive Chair of the company and is not considered independent. More information can be found on page 4 of the 2022 Annual Report and Accounts.</p> <p>All of Serica's employees, including the Non-Executive Chairman and Chief Executive Officer, are expected to comply with Serica's Code of Conduct and Serica's policy on conflicts of interest. More details can be found on the Serica website.</p> <p>Conflicts of interest are a standing order item at the beginning of every Board meeting. This reminds the Board of Directors, including the Non-Executive Chairman, to consider and declare conflicts of interest.</p>				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	<p>The Serica Board is directly accountable for the development, delivery and approval of all ESG and sustainable development-related activities. The progression of ESG initiatives and activities is the accountability of the Vice President ESG and Business Innovation who reports directly to the Chief Executive Officer.</p> <p>Serica's corporate risk process is led by the Board which maintains a register of significant corporate risks for review at each of its monthly meetings. Sustainability, ESG and climate-related risks and mitigation of any associated impacts are considered in this process. As a public limited company, Serica engages with its shareholders through regular reporting and meetings. Statutory stakeholder engagement is undertaken through UK oil and gas legislative permitting and consenting processes.</p> <p>Serica's Annual ESG report, in conjunction with its Annual Report and Financial Accounts, communicates the activities undertaken by the organisation to identify, manage and mitigate sustainability, ESG and climate-related risks. A key focus of these reports is to report on risks and the effectiveness of mitigation measures. These reports also demonstrate Serica's continuous improvement in identifying and managing impacts.</p>				
	2-13 Delegation of responsibility for managing impacts	<p>The Board delegates responsibility for the management of Serica's impact on the economy, environment and people through the senior management team and the departments of the organisation they are responsible for managing. All those with delegated responsibility are employees of Serica. The detail of this delegation through the appointment of Board committees and an overview of the company structure can be found in the Corporate Governance Framework section of the Annual Report and Accounts.</p>				
	2-14 Role of the highest governance body in sustainability reporting	<p>Serica's sustainability reports are produced by Serica's ESG Team and presented to our CEO and Board before issuing. They are given time to review and amend the contents of the report accordingly. The sustainability reports cannot be published without the consent of the CEO and Board, therefore the Board has ultimate responsibility for sustainability reporting and the process of defining and reporting material topics.</p> <p>The process of identifying and managing material topics is delegated to the Senior Management Team, especially the Vice President ESG and Business Innovation. The Board is notified when changes are made to material topics and are empowered to review and change these at any time.</p>				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-15 Conflicts of interest	<p>Serica's personnel, including the Board of Directors, are required to disclose any direct or indirect interest in any of the company's suppliers, customers or competitors which could conflict with the company's best interests and to avoid any actual or potential conflicts of interest. Personnel is expected to act solely for the company's benefit. It is also a standing order item at the beginning of every board meeting to remind the Board of Directors to consider any conflicts and declare any that may have arisen.</p> <p>In 2020, Serica began reporting Board Member over-boarding, and Board Independence to Stakeholders via Serica's ESG report. Updated information on these areas can be found on page 115 of Serica's 2022 ESG report.</p> <p>If the company was entering a transaction that was being disclosed to the market and one of the Board of Directors was conflicted in any way, this would be disclosed to stakeholders.</p>				
	2-16 Communication of critical concerns	<p>As per Serica's Whistleblowing policy OMS-1B-29, Serica utilises the externally operated grievance mechanism SeeHearSpeakUp, which is a confidential and independent service, providing people with 24/7 support via email, online or phone. There are currently no set criteria that constitute a critical concern for Serica. This is due to the very low number of reports made through the service. In 2022, 0 reports were made using this service. Any concerns raised from this service are investigated internally and reported to the Board of Directors.</p> <p>Grievances can also be raised by anyone working at Serica through their Line Manager, these grievances are then assessed by Serica's Human Resources Team and reported to the Board of Directors if necessary.</p> <p>In 2022, 0 reports of critical concerns were communicated to the Board.</p> <p>More details on Serica's Whistleblowing Policy can be found on the Serica website. https://www.serica-energy.com/downloads/policies/Whistleblowing-Policy.pdf</p>				
	2-17 Collective knowledge of the highest governance body	<p>The Board of Directors has a wide range of experience and skills. To meet the requirements of an independent upstream oil and gas exploration, development and production company, these experiences and skills must cover several areas, including financial, legal, operational and technical knowledge as well as experience in risk management and growth in the independent and public sectors. Each of the directors on the Board, both Executive and Non-Executive, has considerable experience and all have demonstrated skills that are complementary, independent and sufficient to cover all Board requirements. In terms of sustainable development, Serica has appointed a ESG and Business Innovation Vice President, whose role focuses on sustainable development, and as a part of this, they empower and educate the Board of Directors on sustainable development topics and issues. Serica's ESG and Business Innovation Vice President reports directly to the CEO of the company.</p>				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	<p>The make-up of the company's Board of Directors has kept pace with Serica's transformational changes within the last few years. As part of this, the Board is continuing to refresh and enhance skills and experiences.</p> <p>The Board recognises that its effectiveness and performance is vital to the success of the company. It was recognised that, with the expansion of the Board in parallel with the growth of the company's activities and the need to meet the requirements of the QCA, a formal Board evaluation process was required. In 2020, the company conducted a full formal Board evaluation. The Chair conducted a performance evaluation with each of the Independent Non-Executive directors in 2022 with assistance from the Senior Independent Non-Executive Director, the results of which were entirely satisfactory. The next regular evaluation of the Board and its Committees will be performed in 2023.</p> <p>More information can be found on page 39 of the 2022 Annual Report and Accounts.</p>				
	2-19 Remuneration policies	<p>Details of the Remuneration policies relating to the Board of Directors and the Senior Executives can be found in the 2022 Annual Report and Accounts, pages 45 to 48.</p> <p>As noted on page 55, Serica's ESG-related KPIs, are linked to the remuneration of our Senior Executives, CEO and CFO.</p>				
	2-20 Process to determine remuneration	<p>Serica's Remuneration Committee is responsible for determining remuneration. It meets regularly to consider all material elements of the remuneration policy, share schemes, the remuneration and incentivisation of Executive Directors and senior management and to make recommendations to the Board on the framework for executive remuneration and its cost. The Committee comprises of three Non-executive Directors.</p> <p>The Committee aims to ensure that the company has the right skills and expertise needed to enable Serica to achieve its goals and strategies and that fair and competitive compensation is awarded with appropriate performance incentives across the organisation.</p> <p>More information on the processes for determining remuneration can be found in the 2022 ESG Report, page 38.</p>				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio	<p>In 2022, Serica's highest paid individual was the Chief Executive Officer (CEO). Serica's total compensation ratio (total remuneration of highest paid individual vs. median employee remuneration) in 2022 was 12.7.</p> <p>The figures included in this calculation are the total reported compensation for the CEO and the Median remuneration for Serica employees in 2022.</p> <p>In 2022, there was an increase of 2.1 (20%) in Serica's total compensation ratio compared to 2022.</p> <p>Serica's reward philosophy applies a pay and grading model to the various different roles within our business to ensure that pay is internally fair and externally competitive. Our pay and grading model allows an accurate comparison of roles and reward against others in the market and guides our decisions in relation to reward. Our HR model sorts roles into discipline areas. Within these, a grade structure pinpoints the complexity of roles, know-how, problem-solving, level of autonomy and accountability required to fulfil each role. This structure guards against a lack of parity within particular roles that could arise from bias such as gender. Our salaries associated with each of the families, disciplines and grades fall within a broadband structure.</p> <p>More information on Executive remuneration can be found in the Director's Remuneration Report, in the 2022 Annual Report and Accounts, page 46.</p>				
	2-22 Statement on sustainable development strategy	This can be found in the Introduction section of the 2022 ESG Report, pages 6 & 7 .				
	2-23 Policy commitments	<p>Serica's Policy commitments for responsible business conduct are described in the Corporate Governance section of the Annual Report and Accounts.</p> <p>As a UK company with interests solely in the UK, Serica is bound by the Human Rights Act 1998 and is fully compliant. In addition, Serica publishes a Modern Slavery Statement and has an Anti-Bribery and Corruption policy. All policy-level documents are approved by the Board of Directors and apply to all business activities and business relationships where Serica is the operator of assets and installations.</p> <p>Policy documents are communicated to all employees on commencement of employment and are available on the Serica Operations Management System, with some also available on its website. www.serica-energy.com/policies</p>				
	2-24 Embedding policy commitments	<p>Serica's policy-level commitments are owned by the Board of Directors and the commitments and content are delivered by accountable senior managers. Policy commitments are delivered through processes and procedures formalised in the Serica Operational Management System.</p> <p>A formal grievance mechanism exists for all UK-permitted and consented activities via the oil and gas regulatory bodies in the UK. This applies to all Serica's operations.</p>				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts	Serica operates under a statutory grievance mechanism through the regulatory consultation process for permits and consents for operations and projects. As detailed above in disclosure 2-16, Serica also provides stakeholders with access to an independent grievance mechanism that is operated by a third party.				
	2-26 Mechanisms for seeking advice and raising concerns	This is outlined in Serica Energy's Whistleblowing Policy SEPLC-BMS-HR-POL-0002.				
	2-27 Compliance with laws and regulations	In 2022, there were no significant instances of non-compliance with laws and regulations. As a result of this, no monetary fines were incurred.				
	2-28 Membership associations	Below is a non-exhaustive list of Serica's industry memberships: Brindex BSI standards Ltd Bureau Van Dijk electronic publishing Ltd Global Compact Network UK IMCA Holdings Ltd London Oil Scouts Group Mediterranean, Middle East & Africa Scout Group Offshore Energies UK (OEUK) OPOL Society for Underwater Technology The Net Zero Technology Centre The Quoted Companies Alliance UKOITC Oil Spill Response Energy Institute Subsea UK OGIA				
	2-29 Approach to stakeholder engagement	Serica's approach to stakeholder engagement is referenced in the Materiality Assessment in the 2022 ESG report, page 64. All statutory stakeholder engagement for Serica's activities, such as formal periods of consultation and public notices, has been undertaken.				
	2-30 Collective bargaining agreements	Serica is a non-unionised workforce with currently no collective bargaining. Therefore, 0% of Serica's employees are covered by collective bargaining agreements. However, Serica does recognise and support the right to collective bargaining and freedom of association. The company has demonstrated this through the strong support of the Energy Services Agreement.				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
MATERIAL TOPICS						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Serica's process for identifying material topics is presented in the 2022 ESG report, page 64.				
	3-2 List of material topics	<p>A list of Serica's material topics for 2022 is presented below:</p> <ul style="list-style-type: none"> GRI 201 Economic Performance GRI 202 Market Presence GRI 203 Indirect Economic Impacts GRI 204 Procurement Practices GRI 205 Anti Corruption GRI 206 Anti Competitive Behaviour GRI 207 Tax GRI 301 Materials GRI 302 Energy GRI 303 Water and Effluents GRI 304 Biodiversity GRI 305 Emissions GRI 306 Waste GRI 307 Environmental Compliance GRI 308 Supplier Environment Assessment GRI 401 Employment GRI 402 Labour and Management Relations GRI 403 Occupational Health and Safety GRI 404 Training and Education GRI 405 Diversity and Equal Opportunity GRI 406 Non-Discrimination GRI 407 Freedom of Association and Collective Bargaining GRI 413 Local Communities GRI 415 Public Policy 				
Economic performance						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>This is described throughout the 2022 Annual Report and Accounts.</p> <p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 65. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 201 Economic Performance are managed by Serica and the effectiveness of this is communicated to stakeholders annually throughout Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	As a Public Limited Company, Serica is required to disclose financial information in line with the requirements of the London Stock Exchange. The Serica Annual Report and Accounts 2022 provides the information required to align with the aspects of GRI 201: Economic Performance 2016 deemed material to the organisation. The requirement to report economic value generated and distributed at a country, regional or market level is not significant as all of Serica Energy's operations are currently undertaken in the UK.				11.14.2 11.21.2
	201-2 Financial implications and other risks and opportunities due to climate change	This can be found in the TCFD Report in the 2022 ESG Report, page 57.				11.2.2
	201-3 Defined benefit plan obligations and other retirement plans	Details on the amount spent by the company on pensions and other related employment benefits can be found in the 2022 Annual Report and Accounts, page 76.				
	201-4 Financial assistance received from government	This information can be found in the 2022 Annual Report and Accounts, pages 78 to 81.				
Market presence						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>This is described in the 2022 Annual Report and Accounts.</p> <p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 65. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 202 Market Presence are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	<p>Serica annually benchmarks their salaries against other oil and gas companies, to ensure that our offering continues to be attractive and competitive. Our 2022 Korn Ferry study benchmarked Serica as 12% ahead of the 50th percentile of salaries for oil and gas companies. In line with this, all of Serica's salaries in 2022 were in excess of the national living wage. As Serica does not have a standard entry-level wage, the ratio was calculated using the lowest paid male and female member of staff per hour.</p> <p>In 2022, the national minimum wage in the United Kingdom was £9.18 per hour for employees aged 23 years old and over during the reporting period. This minimum is applicable to all Serica's operations across the UK.</p> <p>2022's ratios can be seen below: Male employees: 1.92 Female employees: 1.81</p> <p>This highlights the ratio of the lowest paid member of staff per gender divided by the current national minimum wage. It must be noted that the ratio calculation does not take into account role, department or job type.</p>				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	100% of Serica's senior management team is hired from within the United Kingdom.				11.14.3 11.11.2
Indirect economic impacts						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 65. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 203 Indirect Economic Impacts are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	<p>Serica produces approximately 5% of the UK's natural gas production and is therefore indirectly responsible for the ongoing support of national gas-related energy infrastructure. This contribution enables UK gas to be used in the UK and prevents additional UK gas imports from being required. Since 2019, Serica has developed additional gas reserves in the Columbus and Rhum offshore fields. These are examples of Serica working to secure the ongoing domestic gas supply into the future. These are commercial investments which form a core part of Serica's business and support our shareholders, stakeholders and the communities in which we work through direct and indirect employment.</p> <p>Information on Serica's community engagement and charitable giving can be found in the Community Engagement section of the 2022 ESG Report, page 47.</p>				11.14.4
	203-2 Significant indirect economic impacts	This is described in the People and Supply Chain and the Governance, Systems and Policies chapters of Serica Energy's 2022 ESG report, pages 51 and 52.				11.14.5
Procurement practices						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 65. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 204 Procurement Practices are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	In 2022, Serica's total supplier expenditure on UK suppliers remained very high at 93%, with the remaining 7% being spent on international suppliers. In terms of local spending, the percentage spent on local suppliers (North-east Scotland) was 62%. It must be noted that the data uses the registered company address i.e. some might be registered in England however we may deal with a branch in the North East.				11.14.6

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Anti-corruption						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 65. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 205 Anti Corruption are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Risks related to corruption are assessed by Serica Energy as described in the Corporate Governance section of the 2022 Annual Report and Accounts, page 37. As such, Serica considers all its operational activities to have been assessed for risks related to corruption. Given the controls and oversight in place through the PLC board, Corporate Governance commitments and management systems, Serica does not consider there to be a significant risk of corruption in its current operations.				11.20.2
	205-2 Communication and training about anti-corruption policies and procedures	<p>All 8 members representing 100% of Serica Energy's Board of Directors have had the Anti-Bribery and Corruption policy communicated to them. 96% of Serica Energy's employees (171) had conducted the company's Business Code of Conduct e-learning training which includes modules on Anti-Bribery and Corruption policy by the close of 2022. Existing Board members are required to undertake the training every 2 years. Business Code of Conduct training is a mandatory requirement for those joining the Company. In 2021, work was done to update our Business Code of Conduct to ensure it continues to reflect Serica. A new E-learning module was launched in 2022 and is mandatory for staff and core contractors to complete.</p> <p>All business partners, contractors, and vendors are required as part of their contractual Terms and Conditions are required to comply with Serica's Anti Bribery and Corruption Programme as if it applied mutatis mutandis to the contractor.</p>				11.20.3
	205-3 Confirmed incidents of corruption and actions taken	There have been no reported or confirmed instances of corruption in Serica.				11.20.4
Anti-competitive behaviour						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 65. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 206 anti-competitive behaviour are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	There are no legal actions pending and none have been completed during 2022 relating to anti-competitive behaviour or violations of anti-trust and monopoly legislation.				11.19.2
Tax						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 65. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 207 Tax are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 207: Tax 2019	207-1 Approach to tax	This can be found on the Serica Energy website				11.21.4
	207-2 Tax governance, control, and risk management	This can be found on the Serica Energy website				11.21.5
	207-3 Stakeholder engagement and management of concerns related to tax	This can be found on the Serica Energy website				11.21.6
	207-4 Country-by-country reporting	This can be found on page 75 of the 2022 Annual Report and Accounts.				11.21.7
Materials						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 65. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 301 Materials are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	<p>Serica uses a variety of chemicals, consumables, and materials in support of its offshore operations. These are assessed and quantified in line with oil and gas industry best practice and UK legislative requirements.</p> <p>A summary of the regulatory reportable chemicals and consumables used by Serica in its core BKR operations is provided below:</p> <p>In 2022, Serica utilised a total of 288,581 kg of chemicals of a permitted 641,874 kg (45%) of chemicals. In comparison, in 2021 Serica's operations consumed 303,910 kg of a permitted 981,651 kg (31%) of chemicals. This continues to show that we are continually working to reduce the use of chemicals in our operations in line with our environmental targets.</p>				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 301: Materials 2016	301-2 Recycled input materials used	Do not report – not material				
	301-3 Reclaimed products and their packaging materials	Do not report – not material				
Energy						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 65. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 302 Energy are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	<p>Energy is consumed by Serica in our offices onshore and on our offshore installations. Onshore energy is provided to the buildings and associated facilities by the local municipal supplier. In 2022, Serica's main Aberdeen office used 87,651 kWh. This is an increase on 2021's reported figure of 56,021 kWh. This increase is due to more staff working in our office as Covid-19 restrictions were lifted in 2022. In Serica's London office, 19,320 kWh was used in 2022.</p> <p>Offshore, fuel gas is utilised to produce energy to support production, compression and life support systems. This gas use is metered, reported and energy use calculated. In 2022, the energy use from fuel gas offshore was 3,659TJ. Energy use from fuel gas is tracked in accordance with the statutory requirements of the UK ETS.</p>				11.1.2
	302-2 Energy consumption outside of the organisation	Serica does not currently measure energy consumption outside of our organisation.				11.1.3
	302-3 Energy intensity	Based on the electricity generated offshore and reported in 302-1 above, the Serica Bruce platform has an energy intensity of 76 kWh per boe in 2022.				11.1.4
	302-4 Reduction of energy consumption	More information on energy reduction, conservation and efficiency initiatives can be found in the Greenhouse Gas Emissions (pages 13 and 14) chapter of the 2022 ESG report.				
	302-5 Reductions in energy requirements of products and services	Do not report – not material				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Water and effluents						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>This is described in the Water and Biodiversity chapter of the 2022 ESG report, page 25.</p> <p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 65. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 303 Water and Effluents are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	This information can be found in the Water and Biodiversity chapter of the 2022 ESG Report, page 65.				11.6.2
	303-2 Management of water discharge-related impacts	This is described in the Respecting the Water and Biodiversity chapter of the 2022 ESG report, page 26.				11.6.3
	303-3 Water withdrawal	<p>The use of seawater for cooling purposes is common practice in the oil and gas industry. Direct seawater withdrawal is not directly metered however it has been estimated that Serica withdraws 34 million tonnes of seawater per annum. However most of this seawater is discharged back to the sea.</p> <p>Serica does not operate in any areas with water stress and therefore withdrew no water from water stressed areas over the reporting period.</p>				11.6.4
	303-4 Water discharge	<p>Water discharges from Serica operations relate solely to groundwater that has the potential to have been in contact with oil and gas reservoirs. This water is treated to a high standard to remove entrained hydrocarbons.</p> <p>In 2022, Serica discharged a total of 62,298 m3 (62,298 megalitres) of produced water to the sea at an average oil in water concentration of 14.16 mg/l at an average discharge rate of 177 m3 per day. Serica's Internal targets are aligned with our permitted discharge allowances.</p> <p>In 2022, Serica's permitted allowance for the total quantity of oil discharged in water was 0.952 tonnes and the permitted allowance for the amount of produced water that Serica was able to discharge to sea, was 87,600 m3 (87,600 megalitres).</p> <p>Serica does not operate in any areas with water stress and therefore does not discharge any water to any water-stressed areas.</p>				11.6.5
	303-5 Water consumption	<p>As mentioned above, water withdrawn is not directly metered, however, the majority of water withdrawn from the sea is discharged back into the sea.</p> <p>In 2022, 1,139 m3 (1,139 megalitres) of potable water was delivered to the Bruce platform for consumption purposes.</p>				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Biodiversity						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 65. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 304 Biodiversity are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				11.4.1
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	There are no operational sites owned by Serica, leased or managed by Serica that are adjacent to, protected areas and areas of high biodiversity value outside protected areas. The nearest protected site to the Bruce Platform is approximately 83km south of the platform. Additionally, the nearest protected area to the Columbus development is located 33km to the west of the development.				11.4.2
	304-2 Significant impacts of activities, products and services on biodiversity	All of Serica's operations are subject to strict environmental impact assessments. If an operation was deemed to have a significant impact on biodiversity, Serica would not continue with that operation.				11.4.3
	304-3 Habitats protected or restored	Serica did not protect or restore any habitats during the reporting period.				11.4.4
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	A key component of the UKCS licensing, consenting and permitting process is the EIA process. Impacts are examined in both Environmental Statements and in EIA Justification accompanying permit applications. Serica endeavours to operate in full compliance with these requirements and all information on IUCN Red List species is available within these reports.				11.4.5
Emissions						
Emissions	3-3 Management of material topics	<p>This can be found in the Greenhouse Gas Emissions of 2022 ESG Report, page 10.</p> <p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 66. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 305 Emissions are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				11.1.1
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	This is presented in the Databook of Serica's 2022 ESG Report, page 106.				11.1.5
	305-2 Energy indirect (Scope 2) GHG emissions	This is presented in the Databook of Serica's 2022 ESG Report, page 106.				11.1.6

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	This is presented in the Databook of Serica's 2022 ESG Report, page 106 .				11.1.7
	305-4 GHG emissions intensity	This is presented in the Databook of Serica's 2022 ESG Report, page 107 .				11.1.8
	305-5 Reduction of GHG emissions	This is described in the Greenhouse Gas Emissions chapter of Serica Energy's 2022 ESG report, pages 10-19 .				11.2.3
	305-6 Emissions of ozone-depleting substances (ODS)	Do not report – not material				
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	NOx, SO2 and VOCs emissions are presented in the Databook of Serica's 2022 ESG Report, page 107 . These emissions are representative of gas and diesel consumption associated with all plant operations and flared gas. Only NOx, SO2 and VOC have been reported here as they are the only material non-CO2 emissions. Emissions of POP, HAP and PM are not material.				11.3.2
Waste						
GRI 3: Material Topics 2021	3-3 Management of material topics	This can be found in the Waste Management section of the 2022 ESG Report, page 20 . The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 66 . The material elements for each topic as defined by 3-3 are described where applicable. The impacts of GRI 306 Waste are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.				11.5.1
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Information on this disclosure can be found in the Waste Management chapter of the 2022 ESG report, page 21 .				11.5.2

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	<p>Serica monitors its waste data using breakdowns of our waste streams produced by our waste management contractor. Analysing this data allows us to target areas for improvement. In addition to this, Serica also utilises skip audits, that allow us to keep a closer eye on waste segregation offshore, these audits have given us a better understanding of specific segregation issues offshore.</p> <p>Waste data is presented to the Board and the wider organisation regularly through HSE Committee, Business Performance and Onshore Safety Meetings. In 2022, Serica continued to implement waste-related KPIs that were linked to our employee and executive director's remuneration.</p> <p>All waste generated through Serica's operations is managed by a dedicated waste-handling third party contractor that projects Serica's duty of care for waste management. The contractor utilises only UK-registered disposal routes that meet the UK's stringent regulatory requirements. Serica recognises that the waste it produces is its own responsibility (cradle to grave). Serica planned to conduct an audit of its waste management provider in 2022, however this was not possible. The audit is planned to take place in 2023. More information on how Serica manage waste can be found in the 2022 ESG Report, page 20.</p>				11.5.3
	306-3 Waste generated	<p>In 2022, Serica produced a total of 263 metric tonnes of waste, an increase of 64 metric tonnes compared to 2021.</p> <p>During the reporting period, Serica generated and disposed of waste as per the breakdown presented below.</p> <p>Total Waste:</p> <ul style="list-style-type: none"> i. Reuse – 0.480 metric tonnes ii. Recycling – 123.363 metric tonnes iii. Composting – 0.000 metric tonnes iv. Recovery, including energy recovery – 94.922 metric tonnes v. Incineration – 3.517 metric tonnes vi. Deep Well Injection – 0.000 metric tonnes vii. Landfill – 2.451 metric tonnes viii. Onsite Storage – 0.000 metric tonnes ix. Other – 38.347 metric tonnes <p>As mentioned above, all waste generated through Serica's operations is managed by a third party contractor. The contractor utilises UK-registered disposal routes and the determined and identified waste disposal method is reported to BIES, the environmental regulator.</p>				11.5.4

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 306: Waste 2020	306-4 Waste diverted from disposal	<p>In 2022, Serica diverted a total of 123.84 metric tonnes of waste from disposal.</p> <p>During the reporting period, Serica diverted a total of 44.22 metric tonnes of hazardous waste from disposal. A breakdown of this is provided below.</p> <p>Hazardous waste:</p> <ul style="list-style-type: none"> i. Reuse – 0.48 metric tonnes ii. Recycling – 43.74 metric tonnes iii. Other – 0 metric tonnes <p>During 2022, Serica also diverted 79.62 metric tonnes of non-hazardous waste from disposal. A breakdown of this is provided below.</p> <p>Non-Hazardous waste:</p> <ul style="list-style-type: none"> i. Reuse – 0 metric tonnes ii. Recycling – 79.62 metric tonnes iii. Other – 0 metric tonnes <p>Serica's solid waste streams are shipped back to shore for treatment, recycling or disposal, in line with the Merchant Shipping (Prevention of Pollution by Sewage and Garbage from Ships) Regulations 2008 which prohibit the disposal of solid waste at sea.</p>				11.5.5

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 306: Waste 2020	306-5 Waste directed to disposal	<p>In 2022, Serica directed a total of 139.23 metric tonnes of waste to disposal.</p> <p>During the reporting period, Serica directed 30.85 tonnes of hazardous waste to disposal.</p> <p>A breakdown of hazardous waste by the disposal method is presented below.</p> <p>Hazardous waste:</p> <ul style="list-style-type: none"> i. Incineration (with energy recovery) – 15.08 metric tonnes ii. Incineration (without energy recovery) – 3.42 metric tonnes iii. Landfill – 0.74 metric tonnes iv. Other – 11.59 metric tonnes <p>During the reporting period, Serica also directed 108.37 tonnes of non-hazardous waste to disposal.</p> <p>A breakdown of non-hazardous waste by disposal method is presented below.</p> <p>Non-hazardous waste:</p> <ul style="list-style-type: none"> i. Incineration (with energy recovery) – 79.82 metric tonnes ii. Incineration (without energy recovery) – 0.09 metric tonnes iii. Landfill – 1.71 metric tonnes iv. Other – 26.74 metric tonnes <p>Serica's solid waste streams are shipped back to shore for treatment, recycling or disposal, in line with the Merchant Shipping (Prevention of Pollution by Sewage and Garbage from Ships) Regulations 2008 which prohibit the disposal of solid waste at sea.</p>				11.5.6
Supplier environmental assessment						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 66. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 308 Supplier Environmental Assessment are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	<p>0% of new suppliers were screened using environmental criteria in 2022.</p> <p>Contractor Environmental performance is managed under UK law and regulation that applies to offshore oil and gas operations. Serica, as a licensee is accountable for the environmental performance of contractors on its assets. Contractor engagement in environmental performance forms a key part of all operations. Serica is working to develop specific environmental assessment criteria for contracts that have a potential environmental impact.</p>				
	308-2 Negative environmental impacts in the supply chain and actions taken	This can be found in the Greenhouse Gas Emissions section of the 2022 ESG Report, pages 15 to 17 .				
Employment						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>This can be found in the People and Supply Chain and the Diversity and Inclusion sections of the 2022 ESG Report, pages 41 and 36.</p> <p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 66. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 401 Employment are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	<p>17 new employees (3 female and 14 male) were hired in the reporting period in the UK region. This represents a rate of 9.3%. 3 employees (0 female and 3 male) left the company during the same reporting period, representing a turnover rate of 1.6%.</p> <p>A breakdown of new hires in 2022 by age group is as follows:</p> <ul style="list-style-type: none"> - Under 30 years old: 7 - Between 30 and 50 years old: 8 - Over 50 years old: 2 <p>A breakdown of those leaving the company by age group can be found in the Data book of Serica's ESG Report, page 113.</p>				11.10.2
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	All employee benefits are standard irrespective of whether an employee is employed on a full-time or part-time basis.				11.10.3

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 401: Employment 2016	401-3 Parental leave	All male and female employees (182 total, 23 female) are entitled to parental leave. During the reporting period, 4 females and 5 males took either unpaid parental leave or paid paternity leave. All employees returned to work in the reporting period after parental leave ended. This will be continually monitored to determine the total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender. 100% of the employees who took either unpaid parental leave or paid paternity leave in 2021 were still employed 12 months after their leave. Therefore, current return-to-work retention rates based on operational data to date is therefore 100%.				11.10.4 11.11.3
Labour/management relations						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 66. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 402 Labour/Management Relations are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 402: Labour/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	<p>Regarding changes of terms and conditions of employment, Serica reserves the right to make reasonable changes to any of our employees' terms of employment. Employees are notified about any changes as soon as possible and in any case within one month (four weeks) of the change.</p> <p>In terms of restructuring, outsourcing of operations, closures, expansions, new openings, takeovers, sale of all or part of the organisation, or mergers, Serica aims to give employees as much notice as is reasonably practicable, different factors, such as commercially sensitive data, for each situation can impact when this might be.</p> <p>Serica is fully aware and supportive of the UK laws and regulations regarding redundancies and lengths of consultation periods and ensure that these laws are adhered to in the unlikely event of redundancies needing to be made.</p>				11.7.2 11.10.5

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Occupational health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>This can be found in the Health, Safety & Wellbeing section of the 2022 ESG Report, page 32.</p> <p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 66. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 403 Occupational health and safety management system are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	<p>The Serica Occupational Health Management System consists of a series of policy, procedure, practice and strategy documents some of which are listed below:</p> <p>Noise Risk Management – SER-UK-PRA-3.4-1001</p> <p>Health Surveillance – SER-UK-PRO-3.4-1002</p> <p>Fitness to Work Procedure – SER-UK-PRO-3.4-1001</p> <p>Fatigue Management – SER-UK-PRO-3.4-1006</p> <p>Radiation Policy – SER-UK-POL-3.4-0002</p> <p>Procedure for Managing Asbestos Containing Material – SER-UK-3.4-0002</p> <p>Manual Handling Operations – SER-UK-PRO-3.4-1009</p> <p>Potable Water Quality and Legionella Risk Management – SER-UK-PRO-3.4-1003</p> <p>Covid-19 Management and Strategy – SER-UK-STG-3.4-0001</p> <p>At Serica, safety is prioritised over production, we aim to ensure that every member of our offshore team feels empowered to halt work if an actual or potential health and safety risk occurs.</p>				11.9.2
	403-2 Hazard identification, risk assessment, and incident investigation	<p>Occupational Health and Safety Risk is managed in accordance with the Serica Operating Risk Policy. The policy is supported by a number of procedures which describe specific risk management processes such as HAZOP, HAZID, LOPA, Control of Work etc.</p> <p>Reporting and investigation procedures within the Serica OMS are as follows:</p> <p>Incident Reporting Procedure SEUK-OMS-4A-02</p> <p>Incident Investigation Procedure SEUK-OMS-4A-01.</p>				11.9.3

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	<p>Serica provides 24 hour medical cover on its offshore installations via the provision of medics, who are RGN qualified. Personnel requiring medical attention can be assessed and provided with immediate medical care offshore and, if required, a dedicated helicopter transfer can be arranged to transport them to a suitable onshore facility. Serica provides this support to all personnel working on our offshore assets regardless of whether they are staff or contractors.</p> <p>All staff are automatically enrolled in a Private Medical Insurance scheme on joining the Company, it is at the staff member's discretion as to whether they choose to continue the cover. Serica covers the cost for the employee. The employee can then choose to add family members to the policy via salary exchange at a competitive rate.</p> <p>All staff joining Serica are entitled to a free BUPA Health Check Up. This is on top of a Pre-placement assessment for employees based onshore. Those working offshore all undergo a mandatory Offshore Medical as outlined in our Serica Fitness to Work Procedure – SER-UK-PRO-3.4-1001.</p> <p>Serica also provides staff with access to mental health services such as access to mental health courses and information and face-to-face and over the phone counselling services. In addition to this, Serica also has a number of trained offshore and onshore mental health first aiders to provide support for employees and contractors who need someone to speak to. All of this information is conveniently stored in our Wellbeing Hub, which all employees and contractors have access to.</p>				11.9.4
	403-4 Worker participation, consultation, and communication on occupational health and safety	<p>Serica supports and encourages the work of Safety Representatives on our offshore assets and complies with the Offshore Installations (Safety Representatives and Safety Committees) Regulations 1989.</p> <p>In addition, Serica operates a behavioural based safety system on all offshore installations which enables any person to raise concerns or observations, both positive and negative, relating to health, safety and environmental performance. In 2022, Serica achieved an average of 86% participation in Serica's Safety Observation Programme.</p> <p>Serica has an HSE Committee which consists of the CEO, Vice President Operations and Non-Executive Directors.</p> <p>Serica also holds regular HSEQ meetings to ensure onshore staff are engaged in our HSEQ efforts.</p> <p>More information on how Serica engages with its staff and contractors on occupational health and safety can be found in the Health, Safety and Wellbeing chapter of the 2022 ESG report, pages 33 and 34.</p>				11.9.5

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.	
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION		
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	Serica Energy places the management of health and safety and the protection of our people at the forefront of everything we do. Safety training has been identified for key offshore and onshore positions and is implemented and tracked as part of our OMS. Training plans are based on legal requirements, industry best practices and risk assessment. In 2022, our employees averaged just under 57 hours of health, safety and emergency response training.				11.9.6	
	403-6 Promotion of worker health	<p>Serica provides private medical insurance for all employees. In addition, we have mental health first aiders and promote monthly health campaigns. In 2022, our offshore team took part in RigRun, an industry based initiative that encourages personnel to participate in exercise through cross asset competition and won the competition.</p> <p>Serica's onshore team also organised multiple events centred on helping employees stay fit throughout the year. In 2022, Serica organised multiple step challenges to keep staff moving and also organised a cycle challenge that saw staff cycle over 150 miles and raised almost £5,000 pounds for charity. Our HSEQ team also organised for Serica's onshore staff and contractors to take part in the Virgin Pulse Go challenge that encouraged our teams to walk around the world over 60 days. We hope to continue organising events like these throughout 2023.</p> <p>As a company, Serica encourages all staff to take their full annual leave and parental leave allowed to them.</p> <p>More information can be found on page 35 of Serica's 2022 ESG Report.</p>				11.9.7	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Serica is a non-operating partner in a number of UKCS production operations. Through our joint venture relationships, we ensure that occupational health and safety remains a formal agenda item and that performance is monitored and reported regularly. Serica has influence within all our joint ventures and can raise concerns relating to health and safety both within these relationships and externally with the appropriate regulator if required.					11.9.8
	403-8 Workers covered by an occupational health and safety management system	<p>All Serica's employees and contractors onshore and offshore are covered under the Serica Occupational Health and Safety Management System. Serica's Operations Management system is internally audited. As part of this, 100% of Serica's staff and contractors working on our Bruce platform are covered by a management system that has been internally audited.</p> <p>Serica's Health and Safety Management System is not currently externally audited or certified as a whole system, therefore no Serica staff and contractors are covered under a Health and Safety Management system that has been fully externally audited. However, elements of Serica's Health and Safety Management are regularly audited in line with the Safety Case Regulations.</p>					11.9.9

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	<p>In 2022, on our Bruce asset 16 (13 contractor and 3 staff) work related injuries were recorded and 2 were reportable (2 contractors, 0 staff). Of these injuries 14 were non-reportable (3 staff and 11 contractor) and 4 required no treatment (4 contractor), 9 (2 employee and 7 contractor) were first aid cases, 0 resulted in days away from work, 3 were work restricted work injuries (1 staff and 2 contractor), and there was 0 reportable medical treatment injuries.</p> <p>In relation to Serica's Bruce asset, staff and contractors worked a total of 639,575 hours in 2022.</p> <p>Additional health and safety metrics can be found in the Data book of the 2022 ESG Report, pages 111 and 112.</p> <p>In accordance with The Offshore Installations (Offshore Safety Directive) (Safety Case etc) Regulations 2015 (SCR 2015), our offshore installations require a Safety Case which has been submitted to the Competent Authority for assessment and acceptance. The primary aim of SCR 2015 is to reduce the risks from major accident hazards to the health and safety of the workforce employed on offshore installations or in connected activities, and gives confidence to operators, owners, workers, and the competent authority that the dutyholder has the ability and means to manage and control major accident hazards effectively.</p> <p>The Safety Case includes a description of the measures taken or to be taken or the arrangements made or to be made for the protection of persons on the installation from hazards, including explosion, fire, heat, smoke, toxic gas, or fumes. There are regulatory defined requirements for formal reviews of a Safety Case, but the general approach to the document is that it is kept under constant review and updated as required. The BKR Safety Case was formally updated twice in 2022.</p> <p>Work related hazards are managed by the execution of suitable and sufficient risk assessment appropriate to a task, and controls are selected using the hierarchy of controls.</p> <p>There were no high consequence injuries in 2022.</p>				11.9.10
	403-10 Work-related ill health	<p>In 2022, Serica reported 8 cases of work-related illnesses, which were all cases of Covid-19, as they were classed as a reportable occupational illness. However, this requirement was removed by the HSE mid-way through 2022.</p>				11.9.11

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Training and education						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>This can be found in the Education and Training section of the 2022 ESG Report, page 44.</p> <p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 66. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 404 Training and Education are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	<p>In 2022, Serica's staff completed a total of 1,457 training days. For this calculation the assumption is that each training day consisted of 8 hours of training. This is an increase on last years figure of 578 training days completed, this was due to catching up on some training as a result of COVID-19 and introduction of our own OMS training modules that are mandatory for all staff.</p> <p>In total Serica employees completed 11,660 hours of training in 2022.</p> <p>Serica employees averaged 64 hours of training in 2022.</p> <p>Female employees averaged 34.5 hours of training in 2022.</p> <p>Male employees averaged 69 hours of training in 2022.</p> <p>Serica does not currently collect and report on data relating to the total or average training hours for employee category (i.e. senior management or middle management) but is looking at the possibility of collecting this data in its Training Management System.</p>			11.10.6 11.11.7	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	<p>Serica offers a wide range of programmes for upgrading employee skills. In 2022, Serica staff undertook a total of 1337 E-learning modules and completed 1,457 training days. In addition to this, in 2022 Serica also built and rolled out the following training courses; Safe Isolation and Reinstatement of Plan, Serica Code of Conduct and a variety training courses on our updated OMS. Serica spent £525,000 in total on AIS, OPITO Apprenticeships and other training-related costs. On further education, Serica's Training Committee spent £78,000.</p> <p>The company fully supports employees wishing to undertake further studies and as such developed a Further Education policy in 2018. This policy merged into a wider Training and Development Policy, which sits in out OMS. The level of assistance required may vary depending on the relevance of the programme, budgetary and operational constraints. The training committee meets on a monthly basis to review the further education requests submitted by employees.</p> <p>In terms of transition assistance programmes, Serica has also organised workshops enabling our employees to plan for their future. The aim of the workshops was to help employees better prepare in a positive way for their retirement. The workshops covered a variety of different topics such as; Money Matters and Tax, Legal Issues, Health and Wellbeing and Time and Activities in Retirement. Serica organises spaces for interested employees on these workshops led by Age Scotland.</p>				11.7.3 11.10.7
	404-3 Percentage of employees receiving regular performance and career development reviews	<p>Serica has a formal employee appraisal system, which includes the setting of career development objectives. These objectives are agreed upon with the employee by their line manager at the start of the year, reviewed mid-year and assessed at the end of the year to determine the progress made. This process is independently verified out with the reporting line to ensure it is applied consistently across the organisation. 100% of employees received an annual appraisal in 2022.</p> <p>As 100% of staff received an annual appraisal in 2022, 100% of male and female staff and 100% of every employee category received an annual appraisal in 2022.</p>				
Diversity and equal opportunity						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 66. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 405 Diversity and Equal Opportunity are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	<p>Board of Directors (Governance body) – 87.5% male, 12.5% female, 0% under the age of 30, 0% between the ages of 30-50, 100% over the age of 50.</p> <p>Employees – 87.4% male, 12.6% female. 12% under the age of 30, 62% between the ages of 30-50, 26% over the age of 50.</p>				11.11.4
	405-2 Ratio of basic salary and remuneration of women to men	This is described in the Diversity and Inclusion section of the 2022 ESG Report, page 38.				11.11.5

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Non-discrimination						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 66. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 406 Non-discrimination are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	In 2022, there were no reported incidents of discrimination in Serica.				11.11.6
Freedom of association and collective bargaining						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>This can be found in the Governance, Systems and Processes section of the 2022 ESG Report, page 54.</p> <p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 66. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 407 Freedom of Association and Collective Bargaining are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Serica is not associated with any operations where the right to freedom of association and collective bargaining are at risk.				11.13.2
Local communities						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>This can be found in the Community Engagement section of the 2022 ESG Report, page 47.</p> <p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 67. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 413 Local Communities are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	<p>A key component of the UKCS licensing, consenting and permitting process is the Environmental Impact Assessment process. Environmental Impact Assessments have been conducted for all of Serica's current operations and projects.</p> <p>Development programmes are a requirement of offshore licensing conditions and, again, all operations meet these requirements.</p>				
	413-2 Operations with significant actual and potential negative impacts on local communities	None of Serica's operations have a higher than average chance to cause potential or actual negative impacts on the social, economic or environmental wellbeing of our local communities.				11.15.3
Public policy						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>This can be found in The Governance, Systems and Processes section of the 2022 ESG Report, page 55.</p> <p>The requirements of GRI 3-3 are considered for each material topic through the application of Serica's materiality process. This is described in our ESG Report page 67. The material elements for each topic as defined by 3-3 are described where applicable.</p> <p>The impacts of GRI 415 Public Policy are managed by Serica and the effectiveness of this is communicated to stakeholders annually through Serica's Annual ESG Report and/or Annual Report and Accounts.</p>				
GRI 415: Public Policy 2016	415-1 Political contributions	Serica does not make any political contributions to any politics parties or individuals. Therefore, in 2022 Serica donated a total of £0 to any political parties or individuals.				11.22.2

Topics in the applicable GRI Sector Standards determined as not material

TOPIC	EXPLANATION
GRI 408 Child Labour	See Serica Energy's 2022 ESG Report page 67
GRI 409 Forced and Compulsory Labour	See Serica Energy's 2022 ESG Report page 67
GRI 410 Security Practices	See Serica Energy's 2022 ESG Report page 67
GRI 411 Rights of Indigenous People	See Serica Energy's 2022 ESG Report page 67
GRI 414 Supplier Social Assessment	See Serica Energy's 2022 ESG Report page 67
GRI 416 Customer Health and Safety	See Serica Energy's 2022 ESG Report page 67

Appendix 4 SASB: Oil and Gas Exploration and Production Standard

This document provides information as to the alignment of Serica Energy's disclosures with the Sustainability Accounting Standards Board (SASB) Oil & Gas Exploration and Production Standard (Version 2018-10). The information herein is associated with the 2022 calendar year.

As we indicate throughout our 2022 ESG Report, as a North Sea production operator, Serica recognises the need to comply with the high operational standards demanded of our industry. It is important to us to ensure that those standards are also attained in managing the footprint of our business with the communities in which we operate, where possible, generating benefit for our stakeholders and the communities close to us, which our business has the potential to positively and negatively impact upon. We have chosen to align our disclosure with SASB as SASB's due process has been developed to produce standards for information that are material and decision-useful for our investors, and our stakeholders.

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

Code	Accounting Metric	Location/Information
GREENHOUSE GAS EMISSIONS		
EM-EP-110a.1	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	<p>Serica's gross global Scope 1 greenhouse gas (GHG) emissions (including the relevant GHGs covered under the Kyoto Protocol) data in metric tonnes are presented in the Serica Energy 2022 ESG Report in Appendix 5 – Serica's Data Book, page 106. 100% of Serica's reported scope 1 emissions in 2022 were covered by the UK ETS. Scope 2 and 3 emissions were not covered by the UK ETS.</p> <p>In 2021, Serica set ambitious targets for 2022, including:</p> <ul style="list-style-type: none"> reducing base load flaring to 9.5 tonnes per day limiting total flaring to below 5,000 tonnes, and restricting Scope 1 CO₂ emissions to below 210,000 tonnes. <p>Information on our target performance can be found in the Greenhouse Gas Emissions chapter, page 10 and 11.</p> <p>All of Serica's currently operated assets are part of the permitting and regulatory requirements of the United Kingdom Emissions Trading Scheme (UK ETS), an emissions-limiting regulation. This scheme is aligned with the Greenhouse Gas (GHG) Protocol in terms of the calculation and reporting of emissions. In alignment with the GHG Protocol, Serica calculates its CO₂ emissions from the metering of fuel gas, diesel, propane and its flaring activities. In 2022, Serica utilised 100% of its CO₂ allocation of 46,953 tonnes, and was required to trade for additional allocations. As a result, there was no surplus of CO₂ allocation. The UK ETS adopt a "cap and trade" approach, which sets caps on how much can be emitted by certain sectors, this cap decreases over time, which will reduce how much a sector is permitted to emit. Serica is proactive to these cap decreases and has implemented reduction programmes to meet the above defined targets and limit the need for additional allocations. Serica also uses the recommendations of the Taskforce for Climate-related Disclosures (TCFD) to review and evaluate its emissions reductions initiatives. More information is available in the Annual Report, page 27.</p> <p>More information on Serica's year on year emissions performance and emissions monitoring and reporting can be found in the Greenhouse Gas Emissions chapter, page 10.</p>
EM-EP-110a.2	Amount of gross global Scope 1 emissions from: (1) flared hydrocarbons, (2) other combustion, (3) process emissions, (4) other vented emissions, and (5) fugitive emissions	<p>The amount of direct, Scope 1, CO₂ emissions from flared hydrocarbons in 2022 was 15,074 metric tonnes. This represents an increase on flaring related emissions compared to those reported in 2021. This is due to the increased volumes of flared gas in 2022. Serica remains committed to reducing routine flaring through several initiatives, including:</p> <ul style="list-style-type: none"> a continued focus on transparent performance metrics by sharing flaring information with all team members the development of a "Flaring Culprits" register to help identify common causes of higher-than-usual flaring, and further reduction measures, such as evaluating equipment efficiencies. <p>More details on Serica's flaring figures and actions in 2022 can be found in the Greenhouse Gas Emissions chapter of our 2022 ESG report pages 12 and 13.</p> <p>Serica also manages and measures vented and fugitive emissions. The Bruce platform had a Vent Consent from the UK North Sea Transition Authority for 0.5158 metric tonnes per day in 2022, which is in line with our estimated daily average vented emissions. At the end of 2022, Serica vented emissions totalled 226 tonnes. Fugitive emissions are calculated annually. In 2022, reported fugitive emissions totalled 3.354 metric tonnes of carbon dioxide (CO₂), 19.718 metric tonnes of methane (CH₄) and 3.643 metric tonnes of volatile organic compounds (VOCs).</p>

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

Code	Accounting Metric	Location/Information
EM-EP-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	<p>Serica recognises climate change as a material risk that could have financial implications for the organisation. As such, it considers responding to these risks and building resilience as integral to its long-term success.</p> <p>Climate change is factored into Serica's business strategy, planning, and corporate targets. Serica has set both long-term and short-term emissions targets, including reductions in Scope 1 emissions. Its long-term emissions targets are in line with the North Sea Transition Deal's objectives, which seek to reduce offshore production emissions in the UK Continental Shelf by 10% in 2025, 25% in 2027, 50% in 2030, and 100% in 2050.</p> <p>Annual emissions targets are also established, and their achievement is directly linked to the remuneration of staff and executives through the annual bonus scheme, which includes ESG-related targets to drive environmental performance improvements. Serica's 2022 ESG Report presents the performance against these targets, and in 2023, the company will again link emissions reductions initiatives to its remuneration and corporate bonus scheme. Serica has set absolute-based targets to limit total Scope 1 emissions to below 200,000 tonnes for the full year (January 1st to December 31st) of 2023, which are monitored regularly and reported across the organisation via the Environmental Performance Dashboard. The targets are established by incorporating performance data from previous years and looking ahead to future work scopes and activities to identify achievable but challenging targets that can drive performance improvement.</p>
AIR QUALITY		
EM-EP-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM10)	<p>In 2022, Serica had the following emissions from gas and diesel consumption at plant operations as well as flared gas: NOx 898 tonnes, SOx 8.5 tonnes and VOCs 4.1 tonnes.</p> <p>The data is presented in the Serica Energy 2022 ESG Report, page 107.</p> <p>Serica does not measure PM10.</p>
WATER MANAGEMENT		
EM-EP-140a.1	(1) Total fresh water withdrawn, (2) total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	<p>Serica's assets are located in the UK North Sea and freshwater consumed at the facilities is predominantly desalinated. For example, fresh water on the Bruce Platform is generated onboard and is used for washing, cooking and other domestic purposes. The amount of imported potable water can be found on page 109 of the 2022 ESG Report.</p> <p>Utilising the World Resource Institute's (WRI) Water Risk Atlas tool, Aqueduct, Serica Energy does not operate in a region of High or Extremely High Baseline Water Stress.</p>
EM-EP-140a.2	Volume of produced water and flowback generated; percentage (1) discharged, (2) injected, (3) recycled; hydrocarbon content in discharged water	<p>Serica has a Produced Water Strategy, which evaluates holistically the environmental impacts of our produced water arrangements. As part of this Strategy, Serica reviews system efficiencies, including pump size. Smaller pumps reduce the concentration of oil in water discharges and decrease CO₂ emissions as a result of lower energy demand. This would also reduce the waste generated from replacing the used filters on the de-oiler unit.</p> <p>In 2022, 62,298 m³ of produced water was generated during production operations on the Bruce platform. All produced water was discharged overboard with an average concentration of 14.17 mg/l, resulting in 0.88 tonnes of oil being discharged overboard to the marine environment. In 2022, no produced water was reinjected. Serica does not generate flowback fluid as part of its operations. More details can be found in the Respecting the Water and Biodiversity chapter of our 2022 ESG report page 26.</p> <p>Data relating to Serica's interactions with water are also presented in the Serica Energy 2022 ESG Report in Appendix 5 – Serica's Data Book, page 109.</p>
EM-EP-140a.3	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	Serica does not use hydraulic fracturing in its operations.
EM-EP-140a.4	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	As detailed in EM-EP-140a.3, Serica does not use hydraulic fracturing in its operations.

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

Code	Accounting Metric	Location/Information
BIODIVERSITY IMPACTS		
EM-EP-160a.1	Description of environmental management policies and practices for active sites	<p>Serica Energy has developed policies and practices aligned with UK legislation and the environmental elements of ISO 14001 principles. Its Environmental Management system (EMS) is attested against the OSAR 2003/5 recommendations. All Serica's operations are covered under this management system and associated policies and procedures are applicable across Serica's operated assets. Topics covered in our EMS include emissions to air, hazardous chemical usage, waste generation and management, discharges to water amongst other areas.</p> <p>Serica also works within the UKCS Regulatory system and is subject to the requirements of its Permitting, Licencing and Consent regimes. Serica also records processes and reports emissions data in alignment with both the UK Regulators Environmental and Emissions Monitoring System (EEMS) and the UK Emissions Trading Scheme.</p> <p>Serica's EMS system enforces risk-based controls above and beyond that required by regulatory compliance. Serica's EMS system is designed to empower and encompass employees and contractors alike. Accountability for the implementation of EMS lies with every individual onshore and offshore. The contents of the EMS provide critical guidance in the risk assessment of operations and projects.</p> <p>Serica does not operate in areas of critical habitat, high biodiversity or conservation areas.</p>
EM-EP-160a.2	Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume impacting shorelines with ESI rankings 8-10, and volume recovered	<p>In 2022, across Serica's core operations and projects, there were a total of five PON1s reported. In total, these PON1s resulted in the discharge of 1.34 tonnes of chemicals and 0.001569 tonnes (less than 0.2 barrels) of hydrocarbons being released into the sea. SASB defines a hydrocarbon spill as greater than 1 bbl, Serica's reported spill volume is under this threshold.</p> <p>None of Serica's facilities are located in the Arctic, or north of the Arctic Circle.</p>
EM-EP-160a.3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	<p>None of Serica's proved or probable reserves are in or near (<5km) areas of protected conservation status.</p> <p>As a required part of site planning, Serica completes an environmental assessment process which includes an evaluation of IUCN Red List species. There are no endangered species identified in Serica's Environmental Justification for production operations that are within 5km of any of its proven reserves. Probable reserves will be subject to extensive surveys and impact assessments prior to works commencing and potential impacts to endangered species will be mitigated.</p>
SECURITY, HUMAN RIGHTS & RIGHTS OF INDIGENOUS PEOPLES		
EM-EP-210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Serica currently only has reserves in the UK. None of Serica's net proved or probable reserves are in or near areas of active conflict.
EM-EP-210a.2	Percentage of (1) proved and (2) probable reserves in or near indigenous land	Serica currently only has reserves in the UK. All of Serica's proved or probable reserves are offshore and not in areas considered to be indigenous land.
EM-EP-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	<p>A discussion and analysis of engagement processes and due diligence practices with respect to human rights is presented on page 54 of Serica's 2022 ESG Report. In addition, Serica's 2022 Annual Report and Accounts also emphasises the promotion of a corporate culture that is based on ethical values and behaviours (page 37). This is part of Serica's alignment with the Quoted Companies Alliance Corporate Governance Code 2018.</p> <p>As indicated in topics EM-EP-210a.2 and EM-EP-210a.1, Serica does not have operations or reserves in indigenous or conflict areas.</p> <p>Serica has developed a comprehensive Operations Management System (OMS) which includes codes, policies and procedures to work fairly and transparently as well as meet all laws and regulations.</p> <p>As part of this, Serica's Code of Conduct sets out behaviours expected from employees, contractors and third parties who act on Serica's behalf to meet all legal requirements and work to the highest ethical standards. This Code of Conduct is applicable across the lifecycle of Serica's projects, including planning, operation and decommissioning. Serica's Code of Conduct was reviewed and updated in 2021 to ensure it continued to reflect Serica accurately. Serica's new Code of Conduct and mandatory e-training module was released in 2022.</p> <p>Serica complies with the Modern Slavery Act (2015) including implementation of contract clauses, staff training and the right to audit contractors and suppliers to verify compliance. An anti-bribery and corruption policy (please also see topic EM-EP-510a.2) that outlines its zero-tolerance approach to bribery and corruption, as well as a whistleblowing procedure for all employees, consultants, contractors or other interested parties are also part of how Serica does business.</p>

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

Code	Accounting Metric	Location/Information
COMMUNITY RELATIONS		
EM-EP-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	<p>Serica values the importance of supporting and working in collaboration with the communities in which we operate.</p> <p>In 2022, Serica deployed many initiatives to further support the local communities in which we operate. These are highlighted throughout Serica's Community Engagement chapter, page 47 and the Social page of Serica's website.</p> <p>A discussion and analysis of the processes, procedures, and practices to manage risks and opportunities associated with the rights and interests of communities is described in both Serica's 2022 Annual Report as well as the 2022 ESG Report. In the Annual Report, information is presented in the Corporate Governance section, including page 47. In the 2022 ESG Report, details are provided on page 54.</p> <p>As a North Sea production operator, Serica recognises the need to comply with the high operational and governance standards demanded of our industry. It is important to Serica to ensure that those standards are also upheld when managing the footprint of the business within the communities in which we operate. Serica strives, where possible, to generate benefit for our stakeholders and communities.</p> <p>As per topic EM-EP-210a.3, Serica has a number of engagement processes and due diligence practices for working with stakeholders, including communities. Serica has developed a comprehensive Operations Management System (OMS) which include codes, policies and procedures to work fairly and transparently as well as meet all laws and regulations. All Serica's actively operated assets are currently in the UK.</p>
EM-EP-210b.2	Number and duration of non-technical delays	Serica has had no site shutdowns or project delays due to non-technical factors whether through regulatory non-conformance, regulator prohibition or stakeholder challenge or protest.
WORKFORCE HEALTH & SAFETY		
EM-EP-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), and (4) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	<p>Serica's TRIR/TRIF was 1.13 per 200,000 hours. Further information is presented in the Serica Energy 2022 ESG Report page 33.</p> <p>In 2022, Serica staff worked a total of 276,575 hours and contractors worked a total of 363,000 hours, which equals a total of 639,575 hours worked.</p> <p>The near miss frequency rate (NMFR) is:</p> <p>22.5 per 200,000 manhours</p> <p>112.6 per 1,000,000 manhours</p> <p>Serica's fatality rate is zero or none (0).</p> <p>Health, safety and emergency response training for employees, contractors and short-service employees is required as a condition of working with Serica. The scope and detail of training is dependent on the role and will be determined by regulatory requirements, the risk associated with the role and the specifics of the work to be undertaken. For example, Serica's offshore workforce will have different requirements than onshore and office teams. Serica's Training Committee meets monthly and each Serica employee has a training matrix assigned to their role. In 2022, Serica's employees averaged approximately 57 hours of Health, Safety and Emergency Response training.</p>
EM-EP-320a.2	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	<p>Serica's goal is to uphold and continuously improve the health, safety and environmental (HSE) performance exemplified on the Bruce platform complex and to extend this approach to any assets we may acquire in the future.</p> <p>Health and safety is a core requirement of the offshore oil and gas industry. Serica's offshore facilities and the onshore support network are of critical importance to our business and our stakeholders. Serica's commitment to the prioritisation of Occupational Health and Safety is provided in the HSEQ Section of the 2022 Annual Report and Accounts (page 12). Additional evidence of our commitment to health and safety can be found in our HSEQ Policy on our website and throughout our Health, Safety and Wellbeing chapter of the 2022 ESG Report, page 32.</p> <p>A culture of safety is encouraged throughout the organisation with responsible personnel designated at all appropriate levels. This is further detailed on pages 32 to 35 of the 2022 ESG Report and on Serica's website.</p>

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

Code	Accounting Metric	Location/Information
RESERVES VALUATION & CAPITAL EXPENDITURES		
EM-EP-420a.1	Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	<p>Serica Energy's 2P total oil and gas reserves are 74.9 mmbbl adjusted for 2022 production. As of 31 December 2022, Oil 2P Reserves were 18.7 mmbbl and 337.4 bcf gas.</p> <p>Serica discloses its estimated hydrocarbon resources and reserves annually based on an independently prepared Competent Persons Report. The reported reserves are supported by an economic valuation which includes all the future costs of producing the relevant hydrocarbons. These costs include buying carbon credits under the UK ETS as necessary based on estimated emissions, the availability of free credits and the purchase price for additional credits. The estimates of Serica's current hydrocarbon reserves are largely insensitive to the anticipated cost of carbon as such cost forms a relatively small proportion of the total cost of production.</p> <p>Serica also looks to report on and implement guidance from the TCFD recommendations. As part of this, Serica developed quantitative scenario models for 2023-2035 based on inputs, including carbon taxes and commodity prices, from the International Energy Agency's 2022 Net Zero and Stated Policies scenarios. The results validated Serica's resilience to 2C or lower scenarios.</p> <p>More information on Serica's reserves can be found in the 2022 Annual Report and Accounts (page 20)</p>
EM-EP-420a.2	Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves	<p>Serica does not currently calculate the estimated CO₂ emissions embedded in proved hydrocarbon reserves. The proposed SASB calculation method implies that all proved hydrocarbon reserves would be combusted and all CO₂ emissions released to the atmosphere, however this may or may not be the case as Serica does not have a downstream business and sells its product immediately after processing. We do not currently have the means to manage the CO₂ emissions in our products and as such cannot provide an estimate of emissions which are currently out of our control to reduce or manage without coordinated industry, national and international collaboration.</p>
EM-EP-420a.3	Amount invested in renewable energy, revenue generated by renewable energy sales	<p>Serica Energy's current operational focus is offshore oil and gas projects. Serica currently has no revenue from renewable energy sales.</p> <p>Serica aligns its ambitions with that of the North Sea Transition Deal. The North Sea Transition Deal sets targets to achieve net zero carbon emissions from the North Sea Basin by 2050 through the development and adoption of low carbon solutions. As part of this, Offshore Energies UK explores the potential for renewable energy technologies to support efficient production and lower emissions.</p> <p>Serica is a member of the Net Zero Technology Centre, which explores the development of technologies to decarbonise offshore operations and the advancement of net zero initiatives, more information on this can be found on page 28 of the 2022 ESG Report.</p>
EM-EP-420a.4	Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets	<p>Serica works with its peers, Industry Bodies and Regulators to ensure we are involved in discussions relating to any significant future potential regulatory changes relating to emissions management that may impact our business moving forwards. Serica takes a proactive approach to reduce emissions to levels that are as low as reasonably practicable taking all commercial and non-commercial considerations into account.</p> <p>The TCFD became mandatory for many organisations in the UK in 2022. Serica values the approach and benefits of aligning with the TCFD and in 2021 completed an initial report that provides a pathway to developing and adapting strategies to proactively respond to climate-related risks and opportunities. In 2022, Serica has continued to develop its reporting capabilities against the TCFD Recommendations and has developed a more comprehensive report with greater integration of scenario analysis amongst other improvements. More detail on this can be found on page 27 of the 2022 Annual Report and Accounts and page 57 of the 2022 ESG Report.</p> <p>In 2022, Serica ran quantitative scenario analysis against its business economic models, looking at the legacy Serica and Tailwind assets and the combined assets post acquisition in March 2023. Parameters for the economic models were based on those of the International Energy Agency's (IEA) 2022 Net Zero and Stated Policies scenarios and concentrated on carbon taxes and commodity prices. The results of the exercise confirmed that Serica's business models are resilient under these scenarios. Serica will continue to use scenario analysis to test its resilience under different climate scenarios.</p>

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

Code	Accounting Metric	Location/Information
BUSINESS ETHICS & TRANSPARENCY		
EM-EP-510a.1	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Serica currently has reserves in the UK and therefore has no (0%) reserves in countries that have the 20 lowest rankings in Transparency's International Corruption Perception Index.
EM-EP-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	<p>In order to be recognised as a responsible and sustainable corporate citizen, it is important that Serica's business is legally compliant and transparent with respect to all forms of anti-competitive behaviour, particularly corruption and competition.</p> <p>Serica has developed a comprehensive Operations Management System (OMS) which includes codes, policies and procedures to work fairly and transparently as well as meet all laws and regulations. As part of this, Serica's Code of Conduct sets out behaviours expected from employees, contractors and third parties who act on Serica's behalf to meet all legal requirements and work to the highest ethical standards. This Code of Conduct is applicable across the lifecycle of Serica's projects, including planning, operation and decommissioning.</p> <p>An anti-bribery and corruption policy (please also see topic EM-EP-210a.3) that outlines its zero-tolerance approach to bribery and corruption, as well as a whistleblowing procedure for all employees, consultants, contractors or other interested parties, are also part of how Serica does business.</p> <p>Further detail is available in the Corporate Governance and Financial Report sections of the 2022 Serica Energy Annual Report and Accounts (page 38) and the Databook page 116.</p>
MANAGEMENT OF THE LEGAL & REGULATORY ENVIRONMENT		
EM-EP-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	<p>Serica meets all regulatory requirements. As indicated in topics EM-EP-420a.4, Serica aligns with the North Sea Transition Deal, and has developed an Emissions Reduction Action Plan, in line with recommendations of the North Sea Transition Authority's Stewardship Expectations 11. All oil and gas operators have important parts to play in the drive towards a lower carbon economy and Serica is committed to working towards a net zero carbon North Sea basin by 2050.</p> <p>Serica's Operations Management System (OMS) provides procedures for complying with all environmental legislation and regulation, including but not limited to the requirements of both our Pollution Prevention Control (PPC) permit and the requirements of the UK Emissions Trading Scheme (UK-ETS). As regulations change, the OMS is updated to ensure continuous compliance.</p>
CRITICAL INCIDENT RISK MANAGEMENT		
EM-EP-540a.1	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	<p>At Serica, health and safety is the highest priority. Empowering our people to be safe is key to how we do business; a safe operation is an efficient and productive operation. The Bruce facility has a Safety Case which has been accepted by the UK Health and Safety Executive. This Safety Case details the possible failure modes which could lead to a Process Safety Event and the mitigative engineering and human factors which are in place to prevent their occurrence. While all efforts are made to stop Process Safety Events (PSE), if an event does occur, our teams have the training and authority to act quickly and effectively.</p> <p>In accordance with the requirements of the OPPC Permit, Serica is required to report any event involving the unpermitted release of hydrocarbons and chemicals at sea. Such occurrences are reported to OPRED within six hours of their identification in a Petroleum Operations Notification 1 (PON1) form.</p> <p>In 2022, five PON1s were raised as a result of the unintentional releases of hydrocarbons and chemicals the to sea. More information is available in EM-EP-106a.2.</p>

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

Code	Accounting Metric	Location/Information
EM-EP-540a.2	Description of management systems used to identify and mitigate catastrophic and tail-end risks	<p>Serica has a number of control systems within the Operations Management System (OMS) to identify and mitigate catastrophic and tail-end risks. Serica is committed to identifying and controlling risks and impacts associated with its activities, particularly where the potential exists for major accidents. Serica has a Corporate Major Accident Prevention Policy (CMAPP) which is a regulatory requirement of UK operators as well as a Safety Case for the Bruce platform which has been accepted by the UK Health and Safety Executive.</p> <p>Occupational Health and Safety Risk is managed in accordance with the Serica Risk Management Policy. The Policy is supported by a number of procedures which describe specific risk management processes such as HAZOP, HAZID, LOPA and the Control of Work.</p> <p>Serica follows all regulatory requirements across the lifecycle of assets, as part of this Serica is a member of the Operator Co-Operative Emergency Services (OCES) which is the organisational framework under which O&G companies operating in the North Sea co-operate and have resources in the event of an emergency situation.</p> <p>Serica is also part of the Emergency Preparedness Offshore Liaison Group (EMPOL). As a member, Serica meets to discuss best practice, share learnings and identify areas for improvement.</p> <p>Considering the importance of safety and response management, there are many references throughout Serica's 2022 ESG Report, pages 32 to 35.</p>
ACTIVITY METRICS		
EM-EP-000.A	Production of: (1) oil, (2) natural gas, (3) synthetic oil, and (4) synthetic gas	Net production in 2022 averaged 26,200 boe per day (page 3 of Serica's 2022 Annual Report). Oil and Gas production volumes can be found in Serica's 2022 Annual Report and Accounts, page 20 .
EM-EP-000.B	Number of offshore sites	<p>Serica's main focus is on production and development in the UK North Sea, complemented by a portfolio of oil and gas exploration opportunities, including interests in offshore licence blocks in the UK North Sea.</p> <p>At the end of 2022, Serica's offshore sites included:</p> <ul style="list-style-type: none"> • Serica is operator of and has a 98% interest in Bruce, a 100% interest in Keith, a 50% interest in Rhum, a 50% interest in Columbus and a 100% interest in North Eigg. • Serica has an 18% non-operated interest in the Erskine field. <p>More information about Serica's offshore sites can be found on the Serica Energy website.</p>
EM-EP-000.C	Number of terrestrial sites	Serica does not currently have any terrestrial sites.

Appendix 5 Key Statistics: Databook

Our databook presents material ESG data from across our organisation. The data is reported on an operational control basis, unless stated otherwise.

The data presented here is believed to be correct at the time of publishing this ESG report.

ENVIRONMENTAL PERFORMANCE

Fuel usage	Units	2022	2021	2020	2019
Total diesel utilised on the platform	Tonnes	1,424	2,185	3,062	1,857
Total fuel gas utilised on the platform	Tonnes	79,166	73,382	69,630	81,365
Total coal utilised in operations	Tonnes	0	0	0	0

Atmospherics	Units	2022	2021	2020	2019
Total BKR CO ₂ Scope 1 emissions – UK ETS	Tonnes CO ₂	218,567	208,868	204,648	241,503
Total CO ₂ Scope 1 emissions – Columbus Extended Well Test	Tonnes CO ₂	0	8,454	0	0
Total CO ₂ Scope 1 emissions	Tonnes CO ₂	218,567	217,322	204,648	241,503
Total CO ₂ e Scope 1 emissions	Tonnes CO ₂ e	234,283	220,988	234,259	274,727
Scope 2 emissions – Purchased electricity*	kg CO ₂ e	20,686	17,571	16,054	24,887
Scope 3 emissions – Bruce logistics	Tonnes CO ₂	8,063	8,867	9,016	–
Scope 3 emissions – Bruce Well Operations	Tonnes CO ₂	3,865	15,103	6,180	–
Scope 3 emissions – Columbus Operations	Tonnes CO ₂	7,833	12,926	–	–
Scope 3 emissions – Erskine Operations	Tonnes CO ₂	6,060	4,857	6,612	–
Scope 3 emissions – North Eigg project	Tonnes CO ₂	20,498	–	–	–
Total reported scope 3 emissions	Tonnes CO ₂	46,319	41,753	21,808	–

*Scope 3 data was not collected or reported for 2019

ENVIRONMENTAL PERFORMANCE

Scope 3 emissions – Bruce logistics	Tonnes CO ₂ e	8,107	–	–	–
Scope 3 emissions – Bruce Well Operations	Tonnes CO ₂ e	3,878	–	–	–
Scope 3 emissions – Columbus Operations	Tonnes CO ₂ e	7,833	–	–	–
Scope 3 emissions – Erskine Operations	Tonnes CO ₂ e	6,060	–	–	–
Scope 3 emissions – North Eigg project	Tonnes CO ₂ e	20,875	–	–	–
Total Scope 3 CO ₂ e for 2022	Tonnes CO ₂ e	46,753	–	–	–
Total CH ₄ emissions flaring and fuel consumption	Tonnes	178	132	132	191
Total CH ₄ fugitive emissions - tonnes	Tonnes	19.7	22.9	20.8	22.5
Total vented CH ₄ emissions	Tonnes	198	191	348	436
Total CH ₄ emissions	Tonnes	396	346	501	650
Total N ₂ O emissions from combustion activities	Tonnes	17.7	16.6	16.0	18.3
Total NOX emissions from combustion activities	Tonnes	897.9*	502.1	491.4	565.2
Total VOC emissions from combustion activities	Tonnes	4.1	4.2	4.4	4.7
Total CO emissions from combustion activities	Tonnes	60.3**	450.3	428.8	527.9
Total SO ₂ emissions from combustion activities	Tonnes	8.5*	4.7	6.4	4.1

*Higher due to higher emissions factors following stack sampling exercise in 2022.

**Lower due to lower emissions factors following stack sampling exercise in 2022.

Flaring	Units	2022	2021	2020	2019
Total flared gas	Tonnes	5,851	4,804	5,696	10,309
Average Base Load Flare per 24 hrs	Tonnes	9.0	9.7	10.5	11.6

Carbon Intensity	Units	2022	2021	2020	2019
Carbon Intensity	kgCO ₂ /BOE	16.4	17.8	17.5	16.7

*Scope 1 UK ETS

Carbon Offsets	Units	2022	2021	2020	2019
Carbon Offsets	Tonnes CO ₂ e	0	0	0	0

ENVIRONMENTAL PERFORMANCE

Waste	Units	2022	2021	2020	2019
Total waste produced offshore	Tonnes	263	199	254	315
Total waste to landfill	Tonnes	2	12	36	106
Total waste recycled	Tonnes	123	108	149	174
Waste to energy	Tonnes	95	70	46	17
Waste reused	Tonnes	0.5	0.4	1.9	0.1
Incinerated waste	Tonnes	3.5	0.1	2.3	0.6
Other waste (inc. treatment)	Tonnes	38	8	19	18

Disposal method as a Percentage of Total waste	Units	2022	2021	2020	2019
Landfill	%	0.9	6.2	14.3	33.5
Recycling	%	46.9	54.3	58.6	55.2
Waste to Energy	%	36.1	35.4	18.1	5.3
Waste reused	%	0.2	0.2	0.7	0.0
Incinerated waste	%	1.3	0.1	0.9	0.2
Other	%	14.6	3.8	7.3	5.8
Scrap metal	Tonnes	38.9	32.5	33.4	44.4
Hazardous Waste	Tonnes	74.9	33.3	45.5	42.0

Production	Units	2022	2021	2020	2019
Annual oil and gas production (gross BKR)	boe	13,351,839	11,764,642	11,729,964	14,981,862
Percentage of oil in total production	%	9	9.1	10.5	11.8

ENVIRONMENTAL PERFORMANCE

Energy	Units	2022	2021	2020	2019
Energy Usage – Bruce Facilities	GWh	1,017	975	950	1,120
Energy Usage – Aberdeen Office	KWhr	87,651	66,530	57,801	88,647
Energy Usage – London Office	KWhr	19,320	16,222	11,056	18,058
Energy Intensity	KWhr/boe	76	83	79	75
Energy Intensity	MWhr/boe	0.076	0.083	0.081	0.075
Renewable Energy Used in Operations	Mwhr	0	0	0	0

Water	Units	2022	2021	2020	2019
Volume of potable water transported to Bruce	m ³	1,139	577	0	0
Volume of seawater withdrawn	Tonnes	34,000,000	34,000,000	34,000,000	34,000,000
Volume of freshwater withdrawn	Tonnes	0	0	0	0
Volume of oil discharged overboard in produced water	Tonnes	0.88	1.21	0.21	0.59
Volume of oil in water reinjected	Tonnes	0	0	4.41	2.92
Average concentration of oil in water reinjected	Tonnes	0	0	61.1	68.9
Average concentration of oil in produced water discharged overboard	mg/l	14.2	17.4	62.5	10.3
Number of unplanned releases	Number	10	8	7	16
Number of PON 1s	Number	5	7	5	12
Number of PON 2s	Number	4	0	2	0
Number of ROGI Hydrocarbon releases	Number	0	0	2	4
OPPC Chemical Non-Compliance Reports (NCRs)	Number	4	0	0	0
Non compliances (offshore Chemical Regulations)	Number	1	3	3	3
PON 1: Total hydrocarbons released to sea	Tonnes	0.002	0.03	0.796	0.411

ENVIRONMENTAL PERFORMANCE

PON 1: Total chemicals released to sea	Tonnes	1.34	4.87	0.00004	0.399
Total chemical usage in operations	Kg	288,581	303,910	466,884	563,215

Expenditures	Units	2022	2021	2020	2019
Environmental fines	£	0	0	0	0

SOCIAL PERFORMANCE

Charity	Units	2022	2021	2020	2019
Charitable giving in the UK by Sector (Or UNSDG) – Total	£	73,040	30,299	36,278	15,585
Charitable giving in the UK by Sector (Or UNSDG): No Poverty	£	8,000	5,850	15,188	1,385
Charitable giving in the UK by Sector (Or UNSDG): Good Health and Wellbeing	£	33,789	19,824	10,000	14,200
Charitable giving in the UK by Sector (Or UNSDG): Zero Hunger	£	8,000	1,125	11,090	0
Charitable giving in the UK by Sector (Or UNSDG): Quality Education	£	9,701	3,500	0	0
Charitable giving in the UK by Sector (Or UNSDG): Reduced inequalities	£	13,550	0	0	0

Health and Safety – BKR operations	Units	2022	2021	2020	2019
Total hours worked – Employees	Number	276,575	278,503	286,105	345,928
Total hours worked – Contractors	Number	363,000	345,928	325,968	366,201
Accidents – Total	Number	3	1	0	7
Accidents – Employees	Number	1	0	0	1
Accidents – Contractors	Number	2	1	0	6
Lost Day Work Cases – Total	Number	0	0	0	3
Lost Day Work Cases – Employees	Number	0	0	0	0
Lost Day Work Cases – Contractors	Number	0	0	0	3
Medical Treatment Cases – Total	Number	0	1	0	1
Medical Treatment Cases – Employees	Number	0	0	0	0
Medical Treatment Cases – Contractors	Number	0	1	0	1
First Aid cases – Total	Number	9	4	4	10
First Aid cases – Employees	Number	2	2	0	5
First Aid cases – Contractors	Number	7	2	4	5

SOCIAL PERFORMANCE

Non-treatment cases – Total	Number	4	1	0	4
Non-treatment cases – Employees	Number	0	1	0	0
Non-treatment cases – Contractors	Number	4	0	0	4
Restricted Work Day cases	Number	3	0	0	3
Security incidents	Number	0	0	0	0
Average safety observation participation	%	86	92	90	85
Total Lost Day Rate	DAFWC per 200,000	0	0	0	0.89
Total Recordable Injury Rate	TRIF per 200,000	1.13	0.4	0	2.07
Total Recordable Injury Rate – Employees	TRIF per 200,000	0.7	0	0	0.64
Total Recordable Injury Rate – Contractors	TRIF per 200,000	1.1	0.6	0	3.27
Near Miss Frequency Rate	NMFR per 200,000	22.5	34	28.1	30.6
Near Miss Frequency Rate	NMFR per 1,000,000	112.6	170	140.4	153.4
Total Lost Time Injury Rate	LTIR per 1,000,000	0	0	0	4.45
Lost Time Injury Rate – Employees	LTIR per 1,000,000	0	0	0	0
Lost Time Injury Rate – Contractors	LTIR per 1,000,000	0	0	0	8.19
Occupational Diseases	OD per 1,000,000	2.5	0	0	0
Fatality Rate	Number	0	0	0	0
Fatality Rate – Employees	Number	0	0	0	0
Fatality Rate – Contractors	Number	0	0	0	0

Our people	Units	2022	2021	2020	2019
Social	Units	2022	2021	2020	2019

SOCIAL PERFORMANCE

Total Number of Employees	Number	182	169	157	148
Total Number of Male Employees	Number	159	149	142	134
Total Number of Female Employees	Number	23	20	15	14
Proportion of Female Employees	%	12.6	11.8	9.6	9.5
Total number of Direct Contractors (London and Aberdeen)	Number	25	17	28	25
Total New Hires	Number	17	18	13	21
Female New Hires	Number	3	6	2	6
Male New Hires	Number	14	12	11	15
Total new hires from the local area (United Kingdom)	%	100	100	100	100
Incidents of discrimination	Number	0	0	1	0
Female participation by discipline: Technical (Engineering, Operations, Subsea)	%	30	40	53	64
Female participation by discipline: Business Support (Finance, Commercial, PSCM)	%	70	60	47	36
Employees under the age of 30	%	12	9.5	10.5	11
Employees aged between 30–50 years old	%	62	65.5	60.8	67
Employees over 50 years old	%	26	25	28.8	22
Total Number of performance and career development reviews	Number	182	168	155	148
Turnover – total number of employees who left the company (only those who resigned)	Number	3	1	4	10
Turnover – total number of employees who left the company	%	1.6	0.5	2.5	6.8
Employees leaving under the age of 30	Number	0	0	1	3
Employees leaving between age 30–45	Number	3	1	3	5
Employees leaving over the age of 50	Number	0	0	0	1
Total number of females who left the company	Number	0	0	1	2
Total number of males who left the company	Number	3	1	3	8
Total number of grievances	Number	0	0	0	0

SOCIAL PERFORMANCE

Training	Units	2022	2021	2020	2019
Total training hours	Number	11,634	4,624	3,928	–
Total training spend	£	603,000	656,894	558,034	505,381

Wages and Salaries	Units	2022	2021	2020	2019
Total wages and salaries paid to employees	£	33,575,000	30,396,000	26,995,000	23,444,000
Freedom of association					
Employees Unionised	%	0	0	0	0

Supply chains	Units	2022	2021	2020	2019
Spend on UK based suppliers	%	93	97	99	98
Spend on International suppliers	%	7	3	1	2

* figures for 2021 and 2020 have been updated due to a rerunning of calculation

Spend on local suppliers (North East of Scotland Suppliers)	%	62	44	48	50
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* figures for 2021, 2020 and 2019 have been updated due to a rerunning of calculation

GOVERNANCE

Our Board	Units	2022	2021	2020	2019
Board size	Number	8	9	7	6
Board members with tenure of: 1–5 years	Number	7	7	4	4
Board members with tenure of: 6–10 years	Number	0	0	1	0
Board members with tenure of: 11+ years	Number	1	2	2	2
Board member average age	Number	65	64	67	66
Board members aged under the age 30	%	0	0	0	0
Board members aged between 30 and 50 years old	%	0	11	0	0
Board members aged over 50 years old	%	100	89	100	100
Age of the youngest Board member	Number	52	49	50	59
Age of the oldest Board member	Number	79	79	78	77
Male Board members	%	87.5	89	86	100
Female Board members	%	12.5	11	14	0
Minority Board Members – Asian	%	0	0	0	0
Minority Board Members – Black	%	0	0	0	0
Minority Board Members – Hispanic or Latino	%	0	0	0	0
Minority Board Members – White	%	100	100	100	100
Minority Board Members – Other	%	0	0	0	0
Board member independence	%	62.5	66.7	71	66.7
Board member-overboarding: Currently sitting on more than one Board	Number	6	4	1	1
Board member-overboarding: Currently sitting on only one Board	Number	2	5	6	5
Number of Board meetings	Number	10	11	12	14

GOVERNANCE

Board member attendance at Board meetings	%	98	98	100	99
Board members attending less than 75% of Board meetings	%	0	0	0	0

Reporting initiatives	Units	2022	2021	2020	2019
External reporting initiatives		GRI 2021, SASB, TCFD, UNSDG, UNGC, CDP	GRI 2021, SASB, TCFD, UNSDG, UNGC	GRI, SASB, UNSDG, UNGC	GRI, SASB, UNSDG

Ethics and Regulations	Units	2022	2021	2020	2019
Non-compliances with code of ethics	Number	0	0	0	0
Contracts cancelled due to unethical behaviour	Number	0	0	0	0
Cases of unethical behaviour	Number	0	0	0	0
% of company with training on anti-bribery and corruption	%	95	94	94	94
Payments to Governments	£	0	0	0	0
Political Contributions	£	0	0	0	0
Incidents of regulatory non-compliance	Number	0	0	0	0
Litigation expenses	£	0	0	0	0



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23rd May 2023

VERIFICATION STATEMENT – LIMITED ASSURANCE

RISC (UK) Ltd (“RISC”) was appointed by Serica Energy (“Serica”) to conduct a “Limited Assurance” audit and independent third-party verification of Serica’s direct (Scope 1) and indirect (Scope 2 and 3) Greenhouse Gas (“GHG”) emissions for the period between 1 January 2022 and 31 December 2022.

Serica’s management is responsible for preparing the GHG emissions inventory, and for maintaining effective internal controls over the data and information disclosed. RISC has carried out a ‘Limited Assurance Review’ on the GHG inventory. Ultimately, the GHG inventory has been approved by, and remains the responsibility of Serica.

Roles and Responsibilities

RISC has conducted its review to a limited level of assurance in accordance with the principles of ISO 14064-3:2019: “Part 3: Specification with guidance for the verification and validation of greenhouse gas statement” and the International Petroleum Industry Environmental Conservation Association (IPIECA) Standard: “Petroleum Industry guidelines for reporting greenhouse gas emissions”, 2nd Edition.

Description of Activities

RISC has reviewed the GHG emissions for the following assets:

- Bruce, Keith and Rhum – Owned and operated by Serica,
Gas and condensate, circa 38,000boe/d gross, 3 bridge linked platforms with production/drilling.
Scope 1 emissions (Operational Control 100%)
 - Combustion of fuel gas and diesel for power generation and compression.
 - Flaring, fugitive emissions and venting.
- Scope 2 emissions
 - Purchased electricity consumption for Aberdeen and London offices.
- Scope 3 emissions
 - Supply, emergency response, relieving, diving support vessels and helicopter operations.
 - Contracted Light Well Intervention project vessel.
- Erskine (Non-Operated),
Gas and condensate, circa 1,700boe/d net to Serica, normally unmanned installation (NUI) at Erskine tied back to a processing facility on the Lomond platform.
Scope 3 emissions (Equity Share 18% of Erskine & Lomond Operator’s allocated Scope 1 emissions)
 - Combustion of diesel for power generation, fugitive emissions and venting on the Erskine NUI.
 - Combustion of fuel gas and diesel for power generation and flaring on Lomond.
- Columbus (Non-Operated, Serica operate well head only)
Single well tie-back to Shearwater combined with Arran field production.
Scope 3 emissions (Equity Share 50% of Shearwater Operator’s allocated Scope 1 emissions)
 - Combustion of fuel gas and diesel for power generation.
 - Flaring, fugitive emissions and venting.



- North Eigg (Operated, Exploration prospect)¹

Scope 3 emissions

- Project support vessels/drilling rigs not managed by Serica.

Conclusion

RISC Advisory has reviewed the GHG emission calculations and ETS Monitoring Reporting Procedure (Document No. SER-UK-PRO-7.1-1002) provided by Serica and examined GHG emission inventory boundaries and philosophy for emission classifications and has found no evidence that the GHG statement:

- Is not materially correct and is not a fair representation of GHG data and information.
- Has not been prepared in accordance with International Standards on GHG quantification, monitoring and reporting, or to relevant national standards or practices.

It is our opinion that Serica has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

Table 1: Serica GHG emissions estimates 01/01/2022 to 31/12/2022.

REPORTING PERIOD – 01/01/22 TO 31/12/22 Tonnes of CO ₂ e				
Emissions scope	Bruce, Keith & Rhum (100% Operational Control)	Erskine (18%)	Columbus (50%)	North Eigg (100%)
Scope 1	234,283	N/A	N/A	N/A
Scope 2	21	N/A	N/A	N/A
Scope 3	11,985	6,060	7,833	20,875

Observations

- Based on our work, RISC Advisory considers that Serica’s material GHG emission sources have been correctly identified and reported on.
- No material errors in reported data were identified during the limited assurance verification process.
- RISC notes the level of granularity in Serica’s own Scope 1 and 2 GHG emission calculations is greater than the data provided by 3rd party operators for Scope 3 emissions. RISC understands that Serica is pushing for the same level of granularity from their operating partners and supports this approach.

Authorised by:

Ian Gladman

Ian Gladman
Principal Consultant
Development Engineering/Energy Transition
RISC (UK) Ltd.

The statements and opinions attributable to RISC are given in good faith and in the belief that such statements are neither false nor misleading. While every effort has been made to verify data and resolve apparent inconsistencies, neither RISC nor its servants accept any liability, except any liability which cannot be excluded by law, for its accuracy, nor do we warrant that our enquiries have revealed all of the matters, which an extensive examination may disclose. Our review was carried out only for the purpose referred to above and may not have relevance in other contexts.

Glossary

Abbreviation	Definition
AFBE-UK	Association for Black and Minority Ethnic Engineers- United Kingdom
AGCC	Aberdeen Chamber of Commerce
AI	Artificial Intelligence
AIS	Advanced Industrial Solutions
ALARP	As Low As Reasonably Practicable
A-ND	Autism and Neurodiversity North Scotland
bcf	Billion cubic feet
BEIS	Department of Business, Energy and Industrial Strategy
BKR	Bruce, Keith and Rhum
BOE	Barrel of Oil Equivalent
CAT A	Category A
CBT	Computer Based Training
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CH4	Methane
CO	Carbon Monoxide
CO2	Carbon Dioxide
CO2/boe	Carbon Dioxide per barrel of oil equivalent
CO2e	Carbon Dioxide Equivalent
CoP	Communication on Progress
D&I	Diversity and Inclusion
DAFWC	Day Away From Work Case
DESNZ	Department for Energy Security and Net Zero
DSE	Display Screen Assessment

Abbreviation	Definition
DYW	Developing Young Workforce
E&P	Exploration and Production
EEMS	Environmental and Emissions Monitoring System
EIA	Environmental Impact Assessment
EMPOL	Emergency Preparedness Offshore Liaison Group
EMS	Environmental Management System
EPM	Erskine Processing Module
ERAP	Emissions Reduction Action Plan
ERRV	Emergency Response and Rescue Vessel
ESA	Energy Services Agreement
ESG	Environmental, Social, Governance
ESOS	Energy Savings Opportunity Scheme
ESR	Elected Safety Representatives
ETZ	Energy Transition Zone
FPSO	Floating Production Storage and Offloading
FRC	Financial Reporting Council
GHG	Greenhouse Gas
GRI	The Global Reporting Initiative
GWhr	Gigawatt Hours
HAP	Hazardous Air Pollutant
HAZID	Hazard Identification System
HAZOP	Hazard and Operability
HP	High Pressure
HR	Human Resources
HSE	Health, Safety and Environment

Abbreviation	Definition
HSE UK	Health, Safety and Environment United Kingdom
HSEQ	Health, Safety, Environment and Quality
ICO	Information Commissioner's Office
IEA	International Energy Agency
IFRS	International Financial Reporting Standards
IoT	Internet of Things
ISSB	International Sustainability Standards Board
IT	Information Technology
IUCN	International Union for Conservation of Nature
JNCC	Joint Nature Conservation Committee
Kg	Kilogram
KPIs	Key Performance Indicators
KWhr	Kilowatt-Hours
LGBTQ+	Lesbian, Gay, Bisexual, Transgender, Queer +
LOPA	Layers of Protection Analysis
LP	Low Pressure
LTIP	Long-Term Incentive Plan
LTIR	Lost Time Injury Rate
M&A	Merger and Acquisition
M3	Cubic Meter
MAH	Major Accident Hazard
MARPOL	The International Convention for the Prevention of Pollution from Ships
mg/l	Milligram per litre
mmboe	Millions of barrels of Oil Equivalent
MWhr	Megawatt Hours

Abbreviation	Definition
NCR	Chemical Non-Compliance Report
NCSC	National Cyber Security Centre
NMFR	Near Miss Frequency Rate
NO2	Nitrogen Dioxide
NOx	Nitrogen Oxides
NSTA	North Sea Transition Authority (formally Oil and Gas Authority)
NSTD	North Sea Transition Deal
NUI	Normally Unattended Installation
NZTC	Net Zero Technology Centre
OCES	Operator Co-Operative Emergency Services
OCR	Offshore Chemical Regulations
OD	Occupational Diseases
OEUK	Offshore Energies UK (formally Oil and Gas UK)
OEUK	Offshore Energies UK
OGIA	The Oil and Gas Independents' Association
OGISF	Oil and Gas Information Security Forum
OGMP	Oil and Gas Methane Partnership
OIM	Offshore Installation Manager
OMS	Operations Management System
OPEP	Oil Pollution Emergency Response
OPITO	Offshore Petroleum Industry Training Organisation
OPOL	The Offshore Pollution Liability Association
OPPC	Oil Pollution Prevention and Control
OPRED	Offshore Petroleum Regulator for Environment and Decommissioning
PEMS	Predictive Emissions Monitoring System

Abbreviation	Definition
PIPs	Pursuing Independent Pathways
PLC	Public Limited Company
PM	Particulate Matter
PON	Petroleum Operations Notice
POP	Persistent Organic Pollutant
PPC	Pollution Prevention Control permit
PSCM	Procurement and Supply Chain Management
PSE	Process Safety Event
PSV	Platform Support Vessel
PWRI	Produced Water Re-injection
QCA	Quoted Companies Alliance
RO	Reverse Osmosis
ROGI	Report of an Oil and Gas Incident
ROV	Remotely Operated Vehicle
SASB	The Sustainability Accounting Standards Board
SCR	Safety Case Regulations
SMT	Senior Management Team
SO2	Sulphur dioxide
STEM	Science, Technology, Engineering and Maths
SUB	Substitution
TCFD	The Task Force for Climate-related Financial Disclosures
TJ	Terajoule
TMS	Training Management System
TRIF	Total Recordable Injury Frequency
TRIR	Total Recordable Injury Rate

Abbreviation	Definition
UK	United Kingdom
UK ETS	United Kingdom Emissions Trading Scheme
UKCS	United Kingdom Continental Shelf
UKOITC	United Kingdom Oil Industry Taxation Committee
UN	United Nations
UNGC	United Nations Global Compact
UNSDGs	United Nations Sustainable Development Goals
VOC	Volatile organic compound
VP	Vice President
WIMS	Well Integrity Management System
WRI	World Resource Institute
YPG	Young Person's Guarantee