Sustainable value creation 2019
Dear all

According to the UN, roughly three billion people use polluting energy from wood, coal, coke and animal waste for cooking and heating, and are exposed to hazardous air pollution. Thirteen per cent of the world’s population lack access to modern electricity supplies.

Our vision is to secure energy supplies. This accords with the UN’s sustainable development goal (SDG) of affordable and clean energy for all. It sets clear targets and determines priorities on what, how and why we will be working for when delivering secure energy to millions of people every single day.
Norwegian natural gas plays an important role in Europe’s energy supply. It creates balance in the European energy mix and permits a transition from coal to gas – thereby contributing to a substantial reduction in carbon emissions. On behalf of all the players on the Norwegian continental shelf (NCS), we deliver about 25 per cent of all the natural gas consumed in continental Europe and the UK. Europeans want warm houses, hot showers and hot meals on the table every day. That’s just as important for them as it is to Norwegians. Our goal is to help create value from our common natural resources while also giving emphasis to environmental and social considerations. We’re also concerned to generate energy in the local communities around us and to contribute to activities which create meaning in our own daily lives. So we support cultural and sporting organisations, clubs and events, as well as measures related to protecting wildlife and natural diversity.

We’ll always work to get better at health, safety and the environment (HSE). Nobody will be injured working for us. Nor will our operations harm the environment or our surroundings.

Our job as the architect for Norway’s gas infrastructure is to identify integrated solutions which make socioeconomic sense along the whole Norwegian coast. In that context, we emphasise that the systems must be sustainable in both short and long terms.

We will reduce our climate impact by seeking opportunities throughout the value chain for cutting emissions and improving energy efficiency. We think long-term and emphasise energy management of the value chain from field to market, as well as working at all times to identify innovative concepts. Together with many other players, we strive to find good, sustainable solutions for the future.

As part of the overall Norwegian oil and gas industry, we have developed shared ambitions for emission cuts up to 2050.

The results we deliver as a company are important. At the same time, ethics and human rights are fundamental for all our activities. Transparent, respectful, accountable, challenging and knowledgeable are our corporate values. We are concerned to be transparent in everything we do, and have respect for the views of others. We accept accountability for our activities, we challenge each other to continue developing and improving, and we communicate knowledge. The UN’s SDGs represent the world’s collective plan for work up to 2030.

You can read more in this report about the way we work on the SDGs. Our activities and goals today will also be sustainable tomorrow.

Best regards
About us

GASSCO SUSTAINABLE VALUE CREATION 2019
Our role

We are the operator of the Norwegian transport system for natural gas.
Responsibility for production and sale of Norwegian gas rests with the oil and gas companies. We are responsible for its transport. Being able to rely on gas deliveries from Norway is crucial for Europe. Our goal is therefore to ensure safe and reliable transport of this commodity. When you depend on gas in your daily life, you must feel assured that we will deliver as agreed.

Our vision
Gassco – securing energy supply

Strategic goals for 2019
Safe, reliable and efficient operation – 24/7

Reduce climate impact through sustainable operation and business development

Maintain high Norwegian gas exports beyond 2030

Effective organisation of the NCS infrastructure

Our values
Our job is to secure maximum value creation from the gas resources on the Norwegian continental shelf (NCS). That means we aim to perform our duties to the full and with a high level of integrity. Millions of people depend on us delivering.

Our values base is
“Gassco – on TRACK”

T – transparent
R – respectful
A – accountable
C – challenging
K – knowledgeable
<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
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</thead>
<tbody>
<tr>
<td>Fatalities</td>
<td>0</td>
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<td>Fires</td>
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<tr>
<td>Personal injuries</td>
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<tr>
<td>Critical incidents</td>
<td>6</td>
</tr>
<tr>
<td>Lost-time injuries</td>
<td>3</td>
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<tr>
<td>Critical incident frequency</td>
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<td>CO₂ emissions</td>
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<tr>
<td>Energy quantities</td>
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<td>Employees</td>
<td>341</td>
</tr>
<tr>
<td>Gas leaks</td>
<td>0</td>
</tr>
<tr>
<td>Unintentional spills oil/chemicals</td>
<td>0</td>
</tr>
<tr>
<td>Pipelines</td>
<td>8,829</td>
</tr>
<tr>
<td>Gas products</td>
<td>106.9</td>
</tr>
<tr>
<td>Liquid products</td>
<td>9.11</td>
</tr>
<tr>
<td>Critical incident frequency</td>
<td>1.5</td>
</tr>
</tbody>
</table>
Introduction
This report has been prepared to provide a description of how we integrate corporate social responsibility (CSR) in our business and communicate on sustainability.

We are a state-owned company, and White Paper no 8 (2019-2020) expresses the government’s expectations for such enterprises.

Relevant guidelines for our work on CSR and for preparing this report are:

- the UN sustainable development goals (SDGs)
- the UN Global Compact’s 10 principles, which cover human and labour rights, the environment and combating corruption
- the Oslo Børs guidelines on reporting CSR
- the OECD’s guidelines for responsible business conduct*
- the GHG Protocol corporate standard on reporting of scope 1 and 2 emissions.

All emissions to the air and discharges to water are reported where we have operator responsibility, with the exception of Vestprosess. This plant is so closely integrated with the Mongstad refinery that its emissions/discharges form part of Equinor’s reporting.

Our greenhouse gas (GHG) emissions are reported as scopes 1 and 2. See the section on reducing climate impact through sustainable operation and business development. Scope 3 emissions, associated with burning the gas sold to the customers, are not included in our statistics since we neither own nor sell the gas.

Our health, safety and environmental (HSE) statistics cover all incidents and work-hours for our own employees and contractors involved in projects and modifications at the plants we operate. Reporting HSE results for work done outside our plants is assessed in relation to the extent of such activity.

* One of the main principles in the OECD’s guidelines is that companies must contribute to sustainable development and that, as part of this, must carry out due diligence assessments to map the negative consequences of their business in the form of harm to people, society and the environment, and to prevent and limit – and explain how they deal with – these consequences. Due diligence assessments form an integrated part of our work on CSR.
Responsibility and organisation

We are a company owned by the Ministry of Petroleum and Energy (MPE) on behalf of the Norwegian state, with the minister in office at any time as chair of our general meeting. The MPE appoints our board of directors, which held four meetings in 2019. The CEO reports to the board, with CSR and sustainability treated as part of the dialogue with the directors and therefore a regular item on the agenda at board meetings.

Companies in the state’s portfolio have been categorised since 2006 on the basis of the government’s objectives as owner, and in part by the reason for the ownership. They are placed in three categories. Companies primarily operating in competition with others are normally placed in categories 1 or 2. Those which primarily do not compete with others are normally in category 3. We belong in this category, which covers enterprises where the government seeks the most effective attainment of sectoral policy goals. The government’s reason for owning us is to secure a neutral and independent operator for the integrated gas transport system and to make provision for efficient utilisation of the resources on the NCS. Its objective as owner is efficient operation and integrated development of the gas transport system on the NCS. We are wholly owned by the Norwegian state.

Work on CSR and sustainability is entrenched in and approved by our top management.
Central procedures and guidelines
Managing CSR
The principles in ISO standard 26000, the UN Global Compact and the UN SDGs have been incorporated in our governing documentation for CSR. In this context, we have established a procedure for work on CSR and sustainability which accords with the government’s ownership policy.

This methodology involves materiality analyses and due diligence assessments based on our business and activities, in accordance with the Oslo Børs guidelines for reporting CSR and the OECD’s guidelines for multinational companies.

General principles for CSR are reflected in our TRACK values base (transparent, respectful, accountable, challenging, knowledgeable).

Ethics and confidentiality
The procedure for ethics and confidentiality applies to all our employees and contract personnel. It includes anti-corruption provisions.

The guidelines are available on our website. We also have ethical guidelines for our suppliers.

Tax policy
The cost of operating the transport system is met by the users through a tariff which also provides the owners with a reasonable return on capital invested. We do not make a profit or a loss on our own operations. The Norwegian Tax Administration has determined that we are exempt from tax pursuant to section 2-32 of the Norwegian Taxation Act. In accordance with this decision, we must continuously assess whether we engage in “economic activity” which incurs liability to tax.

We reviewed the actual conditions of our business in 2019, and concluded that the conditions for tax exemption were again fulfilled for the year.
Materiality analysis and stakeholder dialogue
The government specifies requirements for management, follow-up, control and management of risk in state-owned enterprises. Our risk management is tailored to our special character.

Our special character and sector-policy goals are presented in the section on responsibility and organisation. Risk management occupies a key place in our enterprise management, and is utilised in dialogue and collaboration with our stakeholders. Conditions which reflect the most significant impacts we have on the economy, the environment and society are particularly significant for our work on CSR. Similarly, it is important to identify factors which could have a significant influence on stakeholder assessments and decisions. Our materiality analysis is based on the principles in the Oslo Børs guidelines on reporting CSR.

We have defined our key stakeholders – the owner (in other words, the Norwegian state), gas infrastructure owners,* users of Norway’s gas transport infrastructure, employees, government agencies and non-governmental organisations, technical service providers (TSPs) and other suppliers, transmission system operators (TSOs), R&D partners, local communities, society as a whole, political parties and public opinion.

We identify our stakeholders through the process for stakeholder management in Gassco.

The figure below provides an overview of our most important stakeholders.

Identifying the concerns of our most important stakeholders forms part of various established processes for interaction with these interests.

*An overview is available at www.gassco.no.
We have produced a materiality analysis for 2019 based on our dialogue with stakeholders and our own assessments of risks and opportunities.

Based on this materiality assessment, we have grouped our most significant risks and opportunities in four main sustainability issues for 2019.

**Sustainability issues 2019**
- Energy and infrastructure for the low-emission society
- Innovation and collaboration for green choices
- Safety and security
- Responsible and sustainable operation
Our priority areas in 2019
Our work on sustainability is directly related to our strategic goals and vision

We decided in 2019 that priority areas for sustainability work should coincide with our strategic goals and vision. These priorities are presented in the table opposite with reference to the UN SDGs and the UN Global Compact.

The first priority accords with our vision, while the next four are identical with our strategic goals for 2019. CSR and sustainability thereby represent central and integrated elements in our enterprise management.

We have also included “caring for people” and “caring for nature” as priority areas in our CSR. We have prioritised these for many years, and they remain important.

The table presents information on activities pursued in the priority areas during 2019 and on how far targets have been reached for relevant indicators.

These sustainability goals have been chosen on the basis of our materiality analysis, which shows where we have or can make the biggest impact on the economy, the environment and society, and thereby also on the UN’s SDGs.
<table>
<thead>
<tr>
<th>SUSTAINABILITY GOALS</th>
<th>SUSTAINABILITY ISSUES</th>
<th>PRIORITY AREAS 2019</th>
<th>2019 ACTIVITIES</th>
<th>TARGET ATTAINMENT</th>
<th>UN GLOBAL COMPACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy and infrastructure for the low-emission society</td>
<td>Secure energy supplies</td>
<td>• Studies to ensure reliable gas deliveries from the NCS</td>
<td>Gas deliveries to terminals: 99.38% (target: 100%)</td>
<td>Environment</td>
<td>7 Companies should support a precautionary approach to environmental challenges;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Developing our strategy</td>
<td>Total energy in TWh: 1 178</td>
<td>8 undertake initiatives to promote greater environmental responsibility; and</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Quality: 100% - target:100%</td>
<td>9 encourage the development and diffusion of environmentally friendly technologies.</td>
<td></td>
</tr>
<tr>
<td>Energy and infrastructure for the low-emission society, Innovation and collaboration for green choices</td>
<td>Reduce climate impact by sustainable operation and business development</td>
<td>• Studies on reducing emissions from the Kårstø process plant</td>
<td>Specific CO₂ kg/t: 14.1 (target 15)</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Focus on energy management throughout the value chain</td>
<td>% of R&amp;D budget: 15% (target 30%)</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Sustainable development R&amp;D programme</td>
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<td></td>
<td></td>
<td>• Norwegian Oil and Gas collaboration to develop a new climate roadmap</td>
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<tr>
<td>Energy and infrastructure for the low-emission society, Innovation and collaboration for green choices</td>
<td>Effective organisation of the NCS infrastructure</td>
<td>Evaluation of commercial and regulatory framework</td>
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<td></td>
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<tr>
<td>Energy and infrastructure for the low-emission society, Innovation and collaboration for green choices</td>
<td>Maintain high Norwegian gas exports beyond 2030</td>
<td>Strategy for future infrastructure development and consolidation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safety and security</td>
<td>Safe, reliable and efficient operation – 24/7</td>
<td>• One Gassco HSE culture programme</td>
<td>Critical incident frequency: 1.5 (target 0)</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Life-saving safety regulations</td>
<td>Personal injury frequency: 2.76 (target 0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safety and security</td>
<td>Responsible and sustainable operation Caring for people</td>
<td>• Participation in and collaboration with various educational institutions</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Activities related to employee health and lifestyle</td>
<td>Human rights:</td>
<td>1 Businesses should support and respect the protection of internationally proclaimed human rights; and</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Collaboration and support for culture and sport</td>
<td></td>
<td>2 make sure they are not complicit in human rights abuses</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• One Gassco</td>
<td>Labour:</td>
<td>3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Gassco out-of-school programmes</td>
<td></td>
<td>4 the elimination of all forms of forced and compulsory labour;</td>
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<tr>
<td></td>
<td></td>
<td>• Welfare schemes for employees</td>
<td></td>
<td>5 the effective abolition of child labour; and</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Monitoring activities</td>
<td></td>
<td>6 the elimination of discrimination in respect of employment and occupation.</td>
<td></td>
</tr>
<tr>
<td>Responsible and sustainable operation</td>
<td>Caring for nature</td>
<td>• Support for nature conservation (sea eagle, northern lapwing)</td>
<td>Unintentional discharges: 0 (target 0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Environmental impact assessments in relevant projects</td>
<td></td>
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</tbody>
</table>

**GASSCO SUSTAINABLE VALUE CREATION 2019**
<table>
<thead>
<tr>
<th>HOME</th>
<th>PROCEDURES AND GUIDELINES</th>
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<tr>
<td>FOREWORD</td>
<td>MATERIALITY ANALYSIS</td>
</tr>
<tr>
<td>ABOUT US</td>
<td>PRIORITY AREAS</td>
</tr>
<tr>
<td>INTRODUCTION</td>
<td>WHAT WE WORKED ON</td>
</tr>
</tbody>
</table>

What we worked on in our priority areas
Securing energy supply

Our vision is to ensure secure and reliable energy supply. Our job is to bring natural gas from the NCS to customers on behalf of the producers and the users of the gas transport system. Ensuring access to reliable, sustainable and modern energy at an affordable price for all represents the seventh of the UN SDGs. The world is moving towards cleaner energy for all, which is more sustainable and generally available. Some three billion people currently use polluting energy for food preparation and are exposed to hazardous air pollution. Many people have no access to electricity.

Natural gas as an energy source burns very cleanly, with little air pollution. Where many people are concerned, it will represent an instrument for improving air quality in the transition from other fuels. The International Energy Agency (IEA) has noted that, despite its fossil origin, natural gas will be required in the energy mix for a long time to come. We conducted an analysis in 2019 of changes in the world at large, with attention concentrated primarily on the market, Norwegian public opinion and the player composition on the NCS. This provided the basis for our strategic direction related to future energy consumption in Europe, and is reflected in our strategy for 2020.

The UN’s sub-target 7A is to enhance international cooperation by 2030 to facilitate access to research on and technology for clean energy, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel solutions, and promote investment in energy infrastructure and clean energy technology. Our R&D programme for sustainable development is in line with this sub-target.

We are pursuing extensive collaboration with the industry aimed at jointly identifying good solutions for cleaner technology related to natural gas, and thereby helping to secure access to energy for everyone. This supports the UN’s 17th goal, which is partnership for sustainable development.

In 2019, we delivered 1 178 terawatt-hours (TWh) to four countries.

This energy is almost wholly consumed in such segments as electricity generation, industrial production and households.

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EU gas consumption per market segment

![Graph showing EU gas consumption per market segment from 2000 to 2040.](image-url)
Gas transport

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliverability (%)</td>
<td>99.37</td>
</tr>
<tr>
<td>Quality (%)</td>
<td>100</td>
</tr>
<tr>
<td>Gas delivered to terminals in Europe (billion scm)</td>
<td>106.9</td>
</tr>
<tr>
<td>Highest delivery per day (million scm)</td>
<td>376.0</td>
</tr>
<tr>
<td>Average gross calorific value (kWh/scm)</td>
<td>10.9</td>
</tr>
<tr>
<td>Total volume other products delivered from the gas transport system (million tonnes)</td>
<td>9.11</td>
</tr>
</tbody>
</table>

Reduce climate impact by sustainable operation and business development
We accept the assessments made by the UN intergovernmental panel on climate change (IPCC) on the challenges facing the planet in this area. Our job is secure an energy supply with the lowest possible climate footprint, in line with the UN SDGs 7, on clean energy for all, and 13, on climate action.

The climate challenges are a subject we discuss and have an active relationship to through good and close dialogue with our stakeholders. We do not own the infrastructure or the natural gas exported through the system we are responsible for operating. Our goal is to operate the system with the lowest possible climate impact, and to make proposals on and mature emission-reducing measures for our decision-makers.

One of our strategic objectives is to reduce our climate impact through sustainable operation and business development. In connection with this goal and in close dialogue with our stakeholders, we have developed a climate roadmap up to 2030. This provides a strategic tool in our work on defining the areas and assignments we will be working with.
We have a key performance indicator (KPI) for the climate at company level, expressed as specific CO₂ emissions in kilograms of CO₂ split between exported quantities of gas and liquid products delivered from our terminals. The amount of CO₂ released can be influenced primarily through operating parameters such as flaring, use of fuel gas and consumption of diesel oil.

Energy-efficient operation is one of our most important operating parameters. All our plants are followed up in relation to specified climate and energy KPIs. Work on the climate roadmap has shown that, as the system operator, we are particularly suited to serving as the coordinator for integrated management of the value chain on the NCS. Efficient, integrated energy management can prevent each plant viewing its results in isolation, so that optimal resource utilisation can be achieved.

During 2019, we collaborated closely with the producers on the NCS to assess possible energy-saving measures in the value chain. That contributed to substantial improvements over the year.

**Examples of energy measures include:**
- reducing the Statpipe inlet pressure to Kårstø by six bar, which boosted output from Gullfaks C by 250 000 scm/d – worth about NOK 270 million per annum (gas price for January 2019) – without increasing CO₂ emissions
- exporting gas from Heimdal through Vesterled rather than Statpipe, which has a higher back pressure, achieved a reduction in energy requirements corresponding to releasing about 17 000 tonnes of CO₂ from Heimdal, and also allowed Valemon to raise production without increasing energy consumption.

Experience so far shows that working on GHG-reducing measures and value creation goes hand-in-hand. A number of the companies have ambitions of reducing their climate impact, and collaboration is a strength.

Collaboration is also a key element in our R&D efforts, where we will work to have a broad range of climate-efficient solutions and new technology assessed throughout the value chain. We have R&D partnerships internally in the industry as well as with the supplier sector. About 15 per cent of our R&D budget was devoted to the sustainable development programme. Activities in the latter during 2019 related to transport in a carbon capture and storage (CCS) chain, hydrogen in the gas infrastructure and methane studies.

We operate the Nyhamna and Kollsnes process plants, which both run primarily on electricity from the grid. Several new electrification projects were matured in 2019 which, if they are approved and implemented, will yield substantial emission reductions in the portfolio over time. An example is partial electrification of the Kårstø process plant, where Enova has allocated funds for further maturation of the project. In addition, Norway’s Business Fund for Nitrogen Oxides has approved grants which will be made available if the project goes ahead.
Results – GHG emissions

Our GHG emissions in 2019

<table>
<thead>
<tr>
<th></th>
<th>Direct emissions (scope 1) CO₂e (tonnes)</th>
<th>Direct emissions (scope 2) CO₂e (tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gassco</td>
<td>1 458 020</td>
<td>1 492 749</td>
</tr>
</tbody>
</table>

Scope 1 emissions include CO₂ released from direct burning as well as methane emitted from our own plants. A factor of 25 for the climate effect of methane is applied when calculating the CO₂ equivalent (CO₂e).

In addition to the scope 1 emissions, scope 2 includes the CO₂e of purchased hydro-power. The carbon factor is taken from the IEA document *Emission Factors 2018*.

Note that the figure cited as our total (direct) CO₂ emissions may deviate from the reported quantity subject to the EU emission trading system (ETS). Requirements for accurate measurement in the regulations for the latter mean that EU ETS emissions may also contain nitrogen added to the flare system and additional conservatism. Because the deadline for EU ETS reporting falls later, our monthly reporting is used as the basis.

Annual CO₂ emissions

An overall decline in the production of liquid products and gas exports from 2018 to 2019 reduced emissions at the same time as a number of emission-reducing measures were implemented, such as boiler upgrades and energy-efficiency improvements at Kårstø.
Less energy-intensive liquid production and the attention paid to energy-efficient operation in 2019 (see also the curve for total emissions above) mean that specific CO₂ emissions were further reduced from 2018. Our goal is to keep the amount released as low as possible through good and close follow-up. We utilise ISO 140001 for environmental management and ISO 50001 for energy management. Our most significant environmental aspect is the release of CO₂ and NOₓ as well as energy consumption, but all components in emissions to the air and discharges to water are closely monitored. Environmental risk analyses (ERAs) and environmental impact assessments (EIAs) are conducted for all projects, where internal requirements are set for documentation of environmental impacts and of assessments related to the best available technology (BAT). Pursuant to the Norwegian Pollution Control Act and legislation in the UK and continental Europe, we are required to hold permits for all our operations and all planned activities. We participate in the EU ETS, purchasing allowances for our emissions over and above those awarded to us free of charge. In 2019, we bought 367 000 allowances at a cost of NOK 94.2 million. Our procedure for purchasing allowances advises buying EU allowances (EUAs). We also pay Norwegian CO₂ tax for emissions from the Draupner platform as well as NOₓ tax for emissions from our Norwegian sources. We report all our emissions annually to the authorities in each of the countries where we operate. These reports are in the public domain.

In addition, we participate in several industry collaborations related to climate and technology development.
Effective organisation of the NCS infrastructure
Organising the NCS gas infrastructure effectively is a matter of ensuring its non-discriminatory and transparent operation. In other words, all players must have an equal opportunity to utilise the system. In our role as the system operator, we work independently on behalf of the government. This includes capacity administration as well as new studies of transport solutions for discoveries. The regulatory framework occupies a central place in this work, which supports the ninth UN SDG of promoting inclusive and sustainable industrialisation. Furthermore, our role contributes to developing reliable, sustainable and solid infrastructure of high quality, which is both regional and transnational.

At the request of the MPE, we initiated work in 2019 to provide an overview and analysis of the existing framework as a basis for the ministry’s 2028 analysis of the commercial and regulatory regime for the upstream gas transport network.

Maintain high Norwegian gas exports beyond 2030
One of our strategic objectives in 2019 was to maintain a high level of gas exports after 2030. We contribute to the best possible utilisation of Norway’s natural resources through infrastructure studies for both ageing fields and new discoveries. Continued use of existing infrastructure could have both a positive socioeconomic effect and environmental benefits. Transport solutions for new discoveries could realise unutilised resources and promote more efficient technological concepts with a smaller climate impact. This work is in line with the eighth UN SDG of decent work and economic growth, and is pursued on behalf of the Norwegian government.

Safe, reliable and efficient operation – 24/7
Maintaining safe, reliable and efficient operation at all times is crucial for achieving good results, and is our top priority.

Understanding and managing major accident risk is dimensioning for our work as the operator of large process plants and infrastructure for natural gas. That incorporates technical integrity and safety, including barrier management, with attention concentrated on humans, technology and organisation. Reporting on the technical barrier status in our barrier KPI and compliance with life-saving safety regulations once again had a high priority in 2019. In addition, a number of activities have been pursued through our One Gassco programme on HSE culture.

Monitoring activities were pursued at several of our plants. Attention here was concentrated on major accidents, and objectives included verifying the reporting culture, learning from and sharing incidents, and the effect of lessons learnt. Monitoring activities related to maintenance management and technical integrity as well as risk-based management were carried out in the transport system during 2019.

Our asset management department held regular meetings with management at all the land-based plants we operate, with the aim of sharing lessons learnt across plants and companies.

We experienced six critical incidents in our operatorship in 2019. All were defined as critical on the basis of their potential – in other words, none actually had a critical outcome. All six have been investigated.
Our HSE and quality (HSE&Q) objective is that nobody will be injured as a result of our operations. That requires us not only to prevent accidents but also to promote a good working environment, and is in line with UN SDG 3 on good health. We will continue to work to reach this objective.
Caring for people

People are society’s most important resource. As an employer, we have a big influence on the professional and personal development of our employees as well as on their equality of opportunity and status. We contribute to society in various ways through employment, value creation, development of technology and expertise, sponsorships and various initiatives.

We are an expertise company where technologists overcome complex and varied challenges, and receive good and close follow-up. Motivated employees and innovative technology provide our competitive edge. We have a fundamental faith that the commitment of our employees creates a good working environment where knowledge and collaboration are the keys to delivering complex energy solutions, and contribute to secure and efficient value creation for the future.

Creating and further developing a good working environment is a priority for our human resources policy. We conduct a regular employee survey to measure indicators of significance for our performance, results and working environment. We score well in general, and above average in several areas. The survey shows that a high level of expertise and good collaboration are sources of motivation, efficiency and goal attainment for our company.

Our employees undertake to observe our ethical guidelines, which are intended to clarify the guiding principles for our commercial operations and for the behaviour of our employees. The latter regularly review the guidelines. One requirement of the guidelines is that each employee must contribute to an inclusive workplace. They share a responsibility for creating a good working environment where health and safety are protected. The guidelines also address such aspects as the duty of confidentiality, possible conflicts of interest and questions related to accepting gifts and services. We have established security requirements for information and ITC in our business.

We have a goal of maintaining a good mental and physical working environment for all our employees. Our welfare committee organised a number of social, cultural and sporting activities for employees in 2019. Participation in the various events was good.

Close collaboration is pursued with educational institutions in order to increase interest in and knowledge of science and technology subjects. We are also a partner in the Junior Achievement organisation in Rogaland. In addition to having two office trainees, we provided summer jobs for 14 students in 2019.

We do not discriminate on the basis of gender, religion, national or ethnic affiliation, social group or political views. Emphasis is given to equal opportunities between genders for professional and personal development, pay and promotion. We make provision for flexible adjustments to working hours. Out-of-school programmes were organised for children of employees on two occasions in connection with regional planning days in 2019. When determining pay and negotiating collective pay agreements, we are conscious of the need to treat women and men equally, and no systematic or significant pay differentials exist between our male and female employees. We have personnel with different cultural and ethnic backgrounds. Working conditions are customised so that people with disabilities can also work for us.

Whistleblowing procedures are in place. The board encourages our employees to raise ethical issues and to report what they perceive to be breaches of the rules. The right to notify irregularities in the business also extends to consultants working for us.
We expect our partners and suppliers to apply the same ethical standards we set for our own commercial operations. Clarification is sought during tendering processes that the supplier has its own guidelines for CSR which accord with our requirements. Checks are made to establish whether incidents have occurred at a supplier related to corruption, child labour, and breaches of human and labour rights.

Our sponsorship strategy is entrenched in our work on CSR. We support cultural and sporting teams, organisations and events, and believe in a positive interaction between local communities and companies which creates a meaningful daily life for those around us.

Monitoring activities were pursued in 2019 to follow up the working environment at Kollsnes and Nyhamna in 2019. That also involved following up contractors.

Contract management at Nyhamna and St Fergus was also verified in 2019. This verification covered follow-up of the risk of harm and incidents, social dumping (regulations on the general application of collective pay agreements) and the procurement process.
Caring for nature
Our HSE&Q objective is that we will conduct our business without harming the environment and in accordance with the principles for sustainable development. The impact which our emissions to the air and discharges to the sea has had is monitored through permanent environmental monitoring programmes, such as vegetation sampling and seabed surveys. No negative effects of our operations have been identified around any of our plants. In connection with new activities, such as expanding or changing operations at the facilities, detailed environmental analyses are conducted in order to limit the risk of negative impacts on the natural environment and diversity. This is in line with the 15th UN SDG concerning life on land.
A high priority is given to replacing chemicals with less harmful compounds in order to protect the environment, and we pursue a close dialogue with our TSPs and the industry to promote the development of more environment-friendly chemicals. We are concerned to ensure that all waste from our whole business is treated in an acceptable manner. Enhancing expertise related to declarations of waste quantities together with our TSPs was a priority in 2019.

We contribute to creating environmentally conscious attitudes among our employees through waste sorting, and devoted great attention to reducing food waste from lunch catering in 2019.

Charging points for electric vehicles are available to employees in our car parks. We give emphasis to efficient ICT systems and good communication solutions which can replace travel to meetings with videoconferencing.

Our employees made a donation from the welfare budget in 2019 to the Sletta diving club. This was earmarked for work on installing artificial reefs on the seabed.

Support for measures to protect animal life and natural diversity is also given priority in our sponsorship strategy. This is in line with the 14th and 15th UN SDGs concerning life under water and on land respectively.

We aim to have zero cases of unintentional (accidental) emissions or discharges. Although that goal was met in 2019, great attention continues to be paid to avoiding emissions/discharges and to technical barriers. We conduct regular emergency response exercises, including drills for incidents involving large emissions/discharges. A major exercise was conducted at the Nyhamna process plant in 2019, with an oil spill from a ship in port as the scenario. We belong to the Operator Association for Emergency Response (OFFB) and Oil Spill Response Ltd (OSRL) to ensure access to expertise and equipment should incidents with environmental consequences occur.

Unintentional spills of oil and chemicals (number)
Reliable operation
Sustainable development
Secure Norwegian gas exports
Effective organisation