



**WEST PATRAIKOS LEASE AREA  
ENVIRONMENTAL REPORT 2014**

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### HSE Policies & System, Environmental Studies and Implementation

Hellenic Petroleum has operated during the past in the Ionian Seas as an operator and has gained a deep understanding and knowledge of the context, regulations, local communities' relations and management that could guarantee a smoother development process in the area under lease with no impact to the environment and the local communities.

In October 3<sup>rd</sup> 2014, the Greek State awarded a Lease Agreement for Hydrocarbon Exploration and Production in the offshore deep water area of West Patraikos Gulf. Hellenic Petroleum, acting as Operator, is fulfilling its commitments and has planned the exploration work program by implementing the most up-to-date, safe and environmentally friendly technological methods and practices.

According to the Provisions of Article 12 for «Environmental Protection» «The Lessee shall include in each Annual Work Program and Budget to be submitted to the Lessor, an environmental report on the work to be undertaken as provided in that document, as well as on the work undertaken in accordance with the preceding Annual Work Program and Budget».

Furthermore, according to the Provisions of Article 12 for «Environmental Protection», the Lessee (Hellenic Petroleum) «shall not be liable for any environmental condition or damage existing in the Contract Area prior to the commencement of the Lessee's operation therein, and nothing in this Agreement shall be construed to hold the Lessee liable in relation to any such pre-existing environmental condition or damage». For this purpose, a baseline report will be prepared by the Lessee, to detail the condition of the environmental parameters and resources at the time prior to operation commencement. The baseline report will be submitted for review to the Lessor (Ministry of Environment & Energy).

During the last quarter of 2014, Hellenic Petroleum was in close contact with the Environmental Authorities in aim to define the Scope of Work of the Environmental Baseline Report (EBR) and to elaborate for the general context of the environmental baseline report including a full description of the existing environmental conditions. In addition, Hellenic Petroleum started investigating the market regarding the provision of environmental services and consultation as well as the preparation of the Request for Quotation (RFQ) for the Baseline Report of West Patraikos License Area expected to be released early 2015.