

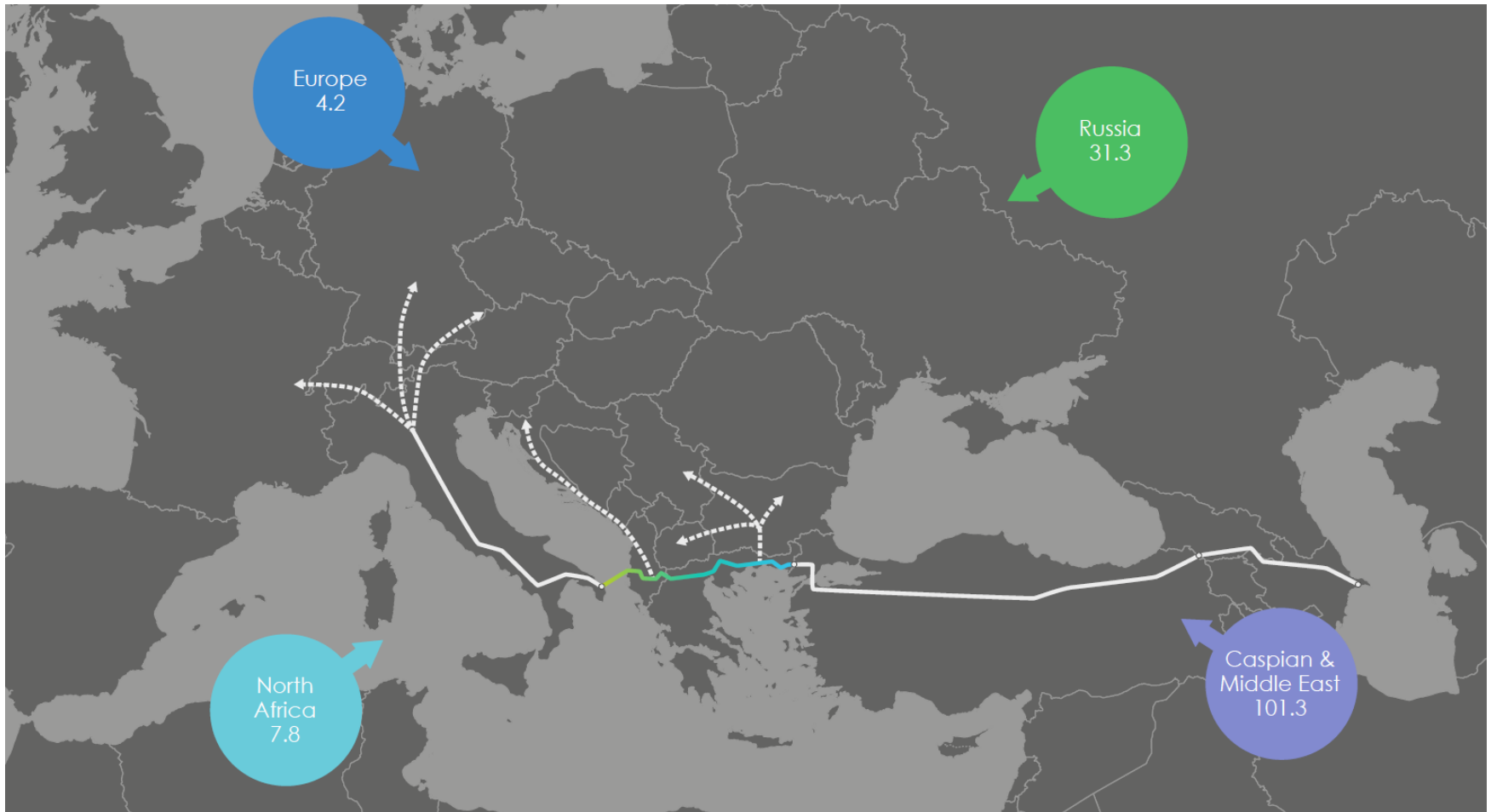
# TAP Security Risk Management System

11<sup>th</sup> May 2017



Senior Corporate Security Manager  
Mark Lindsay

# Natural Gas Reserves in Trillion Cubic Metres



# TAP & the Southern Gas Corridor

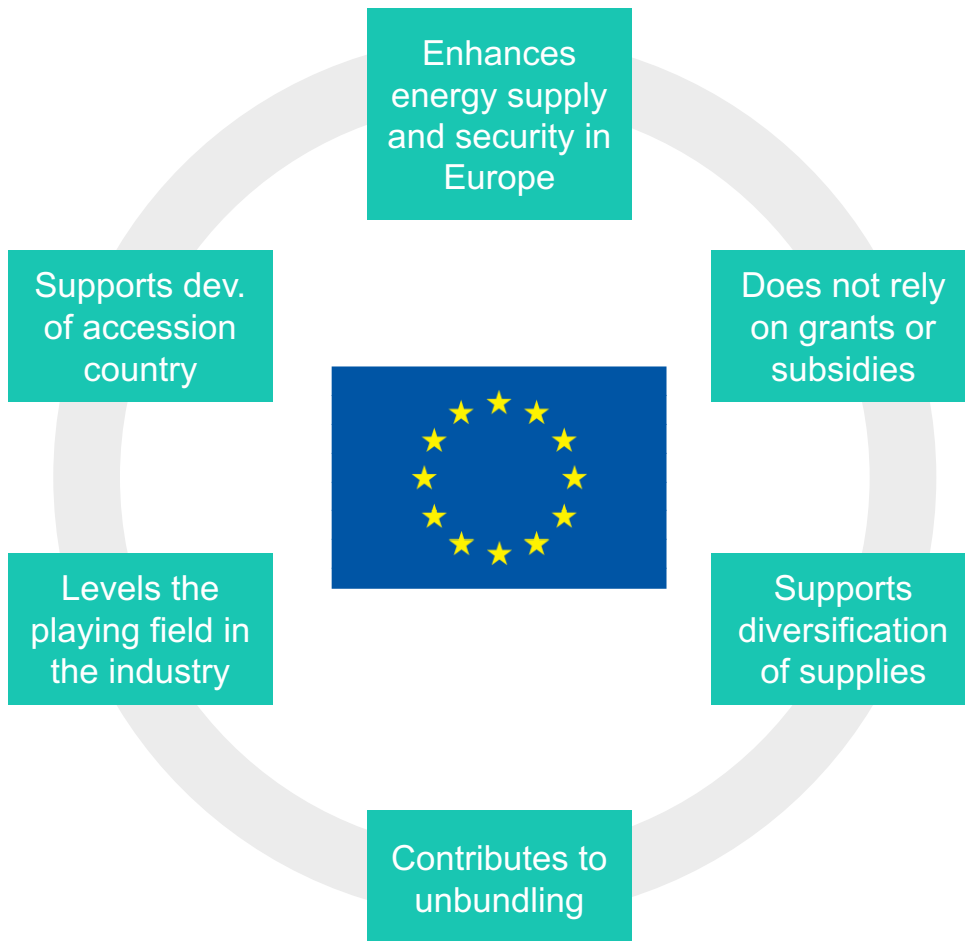


3,500 km value chain - investment of approx. USD 40 bln



# Political Support from the EU

TAP is a Project of Common Interest (PCI)



- ✓ In October 2013, TAP received PCI status from the EU Commission and EU member states. TAP's PCI status was reconfirmed in November 2015.
- ✓ TAP represents a high priority energy project for the European Union and concerned member states.
- ✓ TAP is also a Project of Energy Community Interest (PECI) and a top priority project for the Central Eastern and South-Eastern European Gas Connectivity (CESEC).

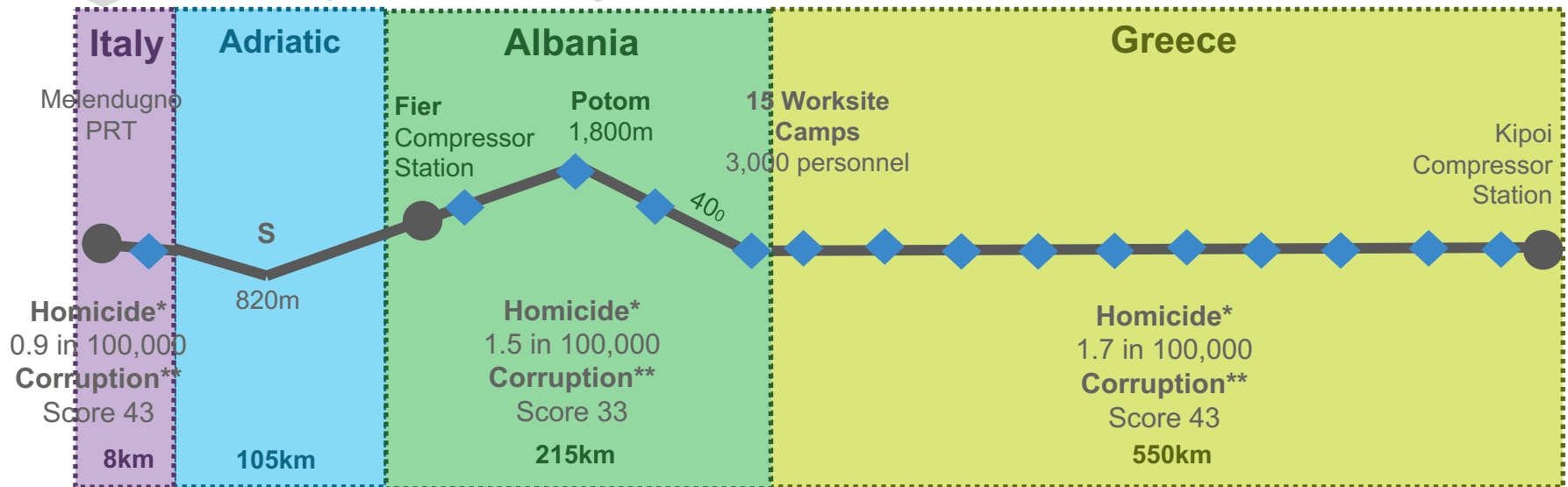
# National/ Domestic Security Risks

Personal security risk,  
local political risk,  
anti-TAP activism,  
sabotage, intrusion,  
damage, theft

Boat incursions  
Maritime theft

Transport risks (safety),  
firearms incidents,  
organized crime,  
refugee camps,  
theft (diesel)

Domestic terrorist attack,  
personal security risks,  
civil unrest in Athens,  
Anti-TAP activism,  
refugee camps, theft



878km long (773km Onshore + 105km Offshore), 1.2m diameter, 25m – 50m wide ROW, 1m underground

**Switzerland**  
**Homicide**  
0.6 in 100,000  
**Corruption**  
Score 86

\*Note: UNODC, *Intentional Homicide Rates*, 2012.

\*\*Note: Transparency International, *Corruption Perceptions Index*, 2015 (0 totally corrupt, 100 totally uncorrupted).

\*\*\*Note: UK Foreign & Commonwealth Office, *Country Risk Reports*, 2015.

## Greece

- Law 2518, Private Security Undertakings, 21 August 1997
- Amendment of Law 2518, N3707/ 2008
- Amendment of Law 2518, N4058/ 2012

## Albania

- Law No. 75, 10 July 2014, Private Physical Security Service
- Law No. 74, 10 July 2014, Weapons
- Law No. 72, 10 July 2014, Use of Firearms
- Council of Ministers Decision, No 303, Dated 15 April 2015, Explosives for Civil Usage

## Italy

- UNI 10459/ 2015, Security and Risk Management
- D.M. 269/ 2010, Private Security Companies
- D.P.R. 153/ 2008, Public and Private Security Law: Security Guard Employment
- Law of 26 September 1952, Private Security Guards
- Royal Decree (R.D.) 635, 6 May 1940, Implementation of the 1935 Law on Private Security
- R.D. 773/ 1931, Public and Private Security Law

## International Standards

- International Standard Organization (ISO) 28000:2007(E), Specification for security management systems for the supply chain, 2015
- The International Ship and Port Facility Security (ISPS) Code
- ISO/ International Electrotechnical Commission (IEC) 27001, Information technology-Security techniques-Information security management systems-Requirement, 2015
- ISO 31000, Risk management-Principles and guidelines, 2015
- The Voluntary Principles on Security and Human Rights, 2000
- International Committee of the Red Cross (ICRC), International Code of Conduct for Private Security Service Providers, 2009;
- ICRC, The Montreux Document, 2008
- European Union, COUNCIL DIRECTIVE 2008/114/EC of 8 December 2008 on the identification and designation of European critical infrastructures and the assessment of the need to improve their protection
- American Petroleum Institute, Security Guidelines for the Petroleum Industry, Third Edition, 2005
- US Transport Security Administration, Pipeline Security Guidelines, 2011
- ASIS International, ANSI/ ASIS PAP.1-2012, Security Management Standard: Physical Asset Protection



## Mission

**In accordance with the company's mission to “safely deliver Caspian gas to Europe by 2020”:** TAP's security risk management system shall resist intentional, unauthorized act(s) designed to cause harm/ loss to the company's personnel, assets, operations, and/ or reputation, in order to minimise such risks.

## Objectives

**In order to achieve this mission, TAP shall:**

- Establish and maintain a security organisation and governance and assurance structure.
- Continually identify security risks and implement mitigation measures.
- Implement effective security operations according to international standards.
- Regularly report registered security status to management and shareholders and re-assess.

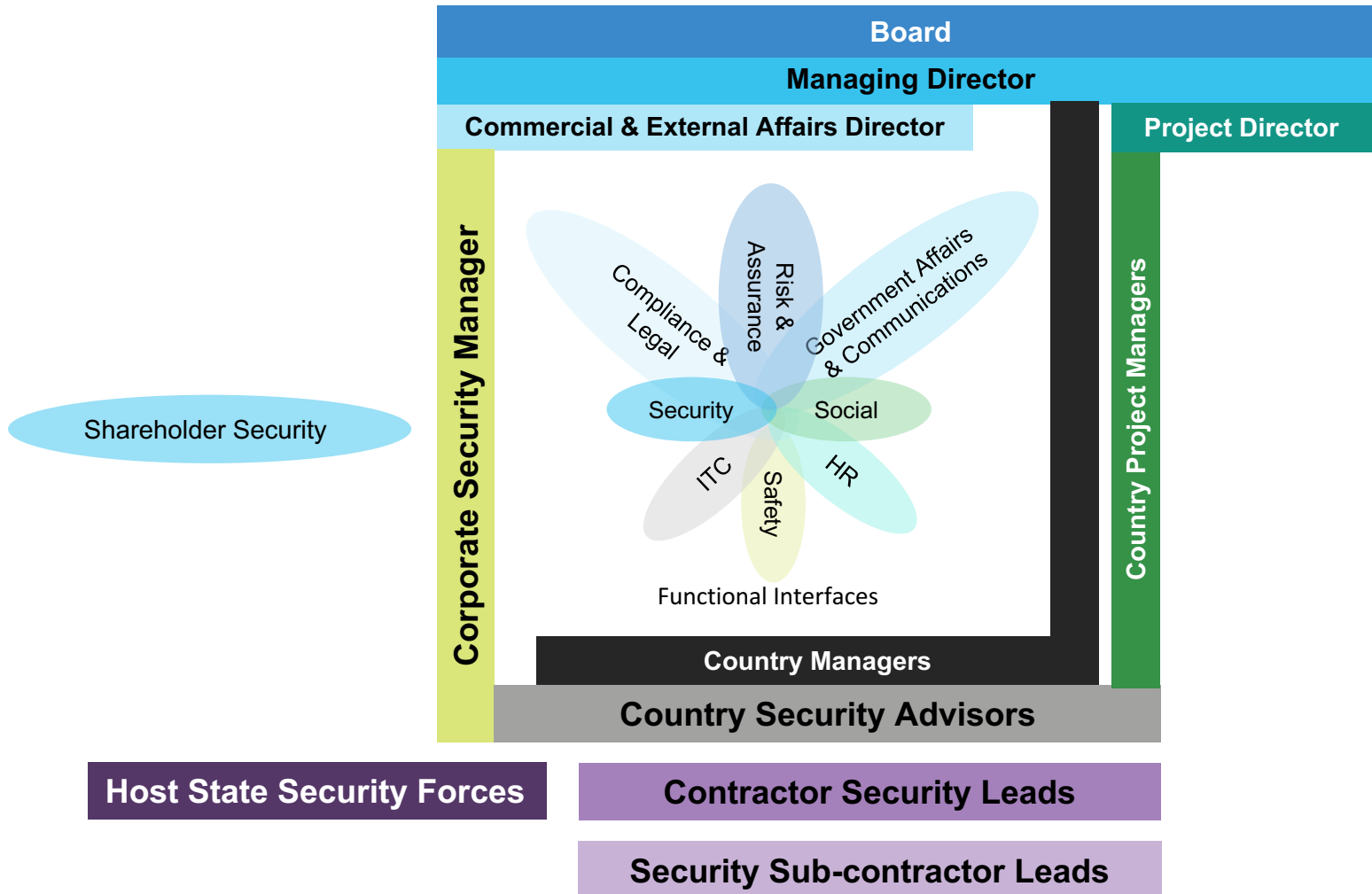
## Scope

**The major aspects of TAP's security scope shall comprise:**

- Liaison with host state security authorities according to laws and regulations.
- *Voluntary Principles on Security & Human Rights* adherence programme.
- Production of international and national security risk assessments and report.
- Security risk mitigation for TAP staff and offices.
- Regulation and inspection of contractors' security operations.

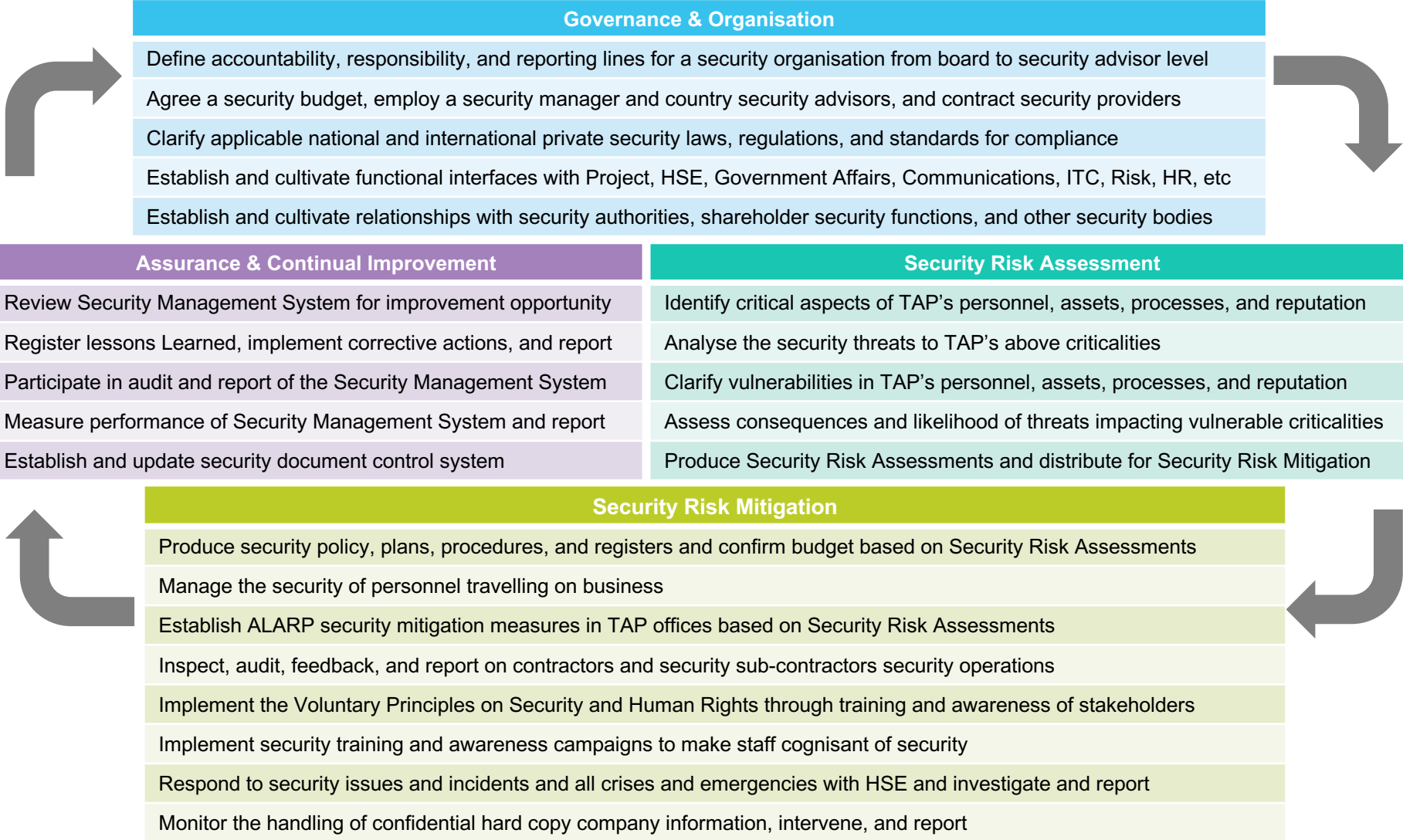


# Governance & Organisation





# Security Management System (ISO 28000, API)



# Voluntary Principles on Security & Human Rights



- In 2000, the Voluntary Principles or “VPs” were established by governments (UK, US, Swiss, etc), corporations (BP, Statoil, etc), and NGOs (Human Rights Watch, International Alert, etc) to guide extractives companies on their alignment of security with respect for human rights
- For TAP, VPs compliance is a shareholder (e.g. BP) and lender (e.g. EBRD) requirement, formally recorded in the country *Commitment Registers* in accordance with the Environmental & Social Impact Assessments (ESIAs) agreed with host governments.

Accordingly, TAP shall adhere to the VPs.

- The VPs comprise 3 main parts:
  - ✓ Risk Assessment
  - ✓ Interactions Between Companies and Public Security
  - ✓ Interactions Between Companies and Private Security

