Reinstatement completed in Mbrostar, Albania, September 2018

Trans Adriatic Pipeline – Gearing up the Start of Operations

13 June 2019
TAP & the Southern Gas Corridor

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

TAP is over 86% complete, including all engineering, procurement and construction (end March 2019)
Albania Construction Progress

- **Fier Compressor Station**: 87% completed
- **Offshore pipe pull**: completed
- **Reinstatement**: 89%
- **Pipes strung**: 100%
The Pipeline in Albania

About €1.5 billion are being invested in Albania by TAP, including cost of pipes, compressors and all the other equipment and machineries necessary for the construction of the pipeline.

Approximately 13’000 pipes of 18 and 12 meters of length and 1.22 m diameter will be used for the construction of 215 km pipeline onshore section in Albania.

The weight of a single 18-meter pipe ranges from 9.3 tonnes to 16.3 tonnes (depending on the wall thickness).

TAP’s offshore section, linking the Albanian and the Italian coasts, is 105 km long:
- 37 km in Albanian territorial waters
- 25 km in Italian territorial waters
- 43 km in international waters

For the construction of the offshore section will be used approximately 9,000 pipes with a diameter of 36 inches (0.91 m).
Land Management: Land Easement & Acquisition
- 12'400 affected land plots in total in Albania
- Temporary leased land 1'200 ha
- Permanently acquired land 70 ha in total
- 99% of PAPs have expressed their willingness to enter into a final contract and voluntarily signed a Letter of Intent.
- Approximately 7'500 parcels reinstated and handed back to the landowners.

Land Management: Livelihood Assistance & Transitional Support
- Soil analysis completed for 87% of the affected agricultural parcels
- Agricultural Consultations and Survey on project Impact on agriculture and household welfare for 3’000 affected households.
- 36’000 tree seedlings provided to perennial tree growers affected by the project.
- 122-ton starter/fertilizers provided to the affected farmers.
ESCH Standards

• TAP is committed to effectively managing the Environmental, Social and Cultural Heritage (ESCH) risks and opportunities associated with the project as well as delivering benefits to local communities.

• TAP has prepared detailed Environmental and Social Impact Assessments (ESIAs) in each country.

• TAP has developed and disclosed the Project ESCH management system:
  ➢ Aligned with good industry practice
  ➢ Reviewed by international financial institutions and their independent consultants
  ➢ Presents tools and process to implement a set of prioritised steps, known as the ESCH ‘mitigation hierarchy’ to systematically assess, plan and implement, avoidance and management, mitigation and monitoring activities
Operational & Commercial Readiness

TAP is proceeding in its build up, putting operational procedures in place to be ready both to support commissioning activities and delivering first gas in 2020.

<table>
<thead>
<tr>
<th>Main Achievements</th>
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<tbody>
<tr>
<td>✓ Full operability assurance and review under way to secure the most efficient operations of the asset;</td>
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<td>✓ Maintenance, asset integrity build ongoing and on schedule;</td>
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<td>✓ Alert management processes defined;</td>
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<td>✓ Processes and procedures (QHSE &amp; transportation services) under development;</td>
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<tr>
<td>✓ Maintenance contracts with local TSOs in Greece, Albania and Italy signed or under negotiations</td>
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<td>✓ Submitted the TAP Network Code to the host country National Regulatory Authorities for review.</td>
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<tr>
<th>Upcoming milestones</th>
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<tr>
<td>✓ Operational assurance and design verification;</td>
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<tr>
<td>✓ Training operations and maintenance personnel;</td>
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<tr>
<td>✓ Integrity and maintenance plans, aligned with Southern Gas Corridor stakeholders;</td>
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<td>✓ Emergency response and crisis management plans;</td>
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<td>✓ Mechanical completion, commissioning and facility start-up;</td>
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<tr>
<td>✓ Implementation of the Independent Transmission Operator (ITO) Roadmap;</td>
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<tr>
<td>✓ Interconnection Agreements with adjacent TSOs under negotiation.</td>
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</tbody>
</table>
Social and Environmental Investments in Albania

46 approved SEI projects reaching a value of 12 million EUR

30 completed projects; 16 under implementation; More projects under development

Directly impacting over 200,000 inhabitants mainly focusing in the TAP pipeline communities.
TAP Benefits for Albania

- Positions Albania in the European energy map.
- Increases the country’s regional and geo-strategic significance and contributes to Albania’s commercial and physical integration to Europe.
- Facilitates development of the country’s energy infrastructure and internal energy market.
- Promotes economic development and job creation.
- Encourages foreign direct investment.
- Upgrades Albania’s road infrastructure and contributes to increased road safety.
- Improves cadastral data in the areas along the project route.
- Implementation of SEI, improving communities' quality of life throughout TAP’s route (€ 14mln).
Facilitating Connections in South East Europe and beyond: Albanian Gas Market

TAP will provide at least one gas exit point in Albania.

Supporting the development of the gas market.

Supporting the development of the Albanian TSO (AlbGaz) – maintenance agreement signed in Dec. 2018.
Thank you!

Reinstated land in Korçë, Albania, May, 2018
Farmers growing leek
Onshore construction process: time-lapse video
Offshore construction video