

Borealis HSSE clauses for contracts

Health, Safety, Security and Environment (HSSE) in general	3
Element 01 – Leadership and Commitment	4
1. HSSE Policy	4
2. Management commitment and involvement	4
3. Supervision and monitoring of work activities	4
4. Stop work, recognition and Life-saving Rules	4
Element 02 – Organization	5
5. Line management responsibility	5
6. Organization and communication	5
7. Safety representatives, safety delegates	5
8. Bridging Document or HSSE (Management) Plan or Contractor Management Plan	5
Element 03 – People, Competency, and Behavior	6
9. Employee contribution	6
10. HSSE training of managers and supervisors	6
11. Personnel HSSE induction program	6
12. HSSE training program	6
13. Specialized training	7
14. Use of overtime	7
15. Assessing the suitability of subcontractors	7
Element 04 – Risk Management	7
16. Risk assessment	7
17. Security management	7
18. Occupational health	7
19. Health promotion and curative care	8
20. Workplace risk assessment (working environment surveys)	8
21. Environmental impact assessment and monitoring	8
22. Selection of environmentally optimal solutions	8
23. Selection of energy efficient and climate mitigation/adaptation solutions	8
24. Use of potentially environmentally harmful chemicals	9
Element 05 – Engineering and Project Management	9
25. Minimum requirements	9
Element 06 – Operations and Performance Management	9
26. HSSE working practices	9
27. Equipment control and maintenance	9
28. Chemicals	9
29. Safety data sheets (SDS)	10
30. Waste management	10
31. Personal protective equipment (PPE)	10
32. Public road safety	10
Element 07 – Contracted Services	10
33. Subcontractors	10
Element 08 – Planning and Cost Management	11

34.	Monthly HSSE report	11
35.	HSSE key performance indicators	11
Element 09 – Incidents and Accidents.....		11
36.	Reporting of undesirable events/hazardous conditions	11
37.	Reporting events with a high loss potential (HiPo)	12
38.	Reporting personnel injuries	12
39.	Incident follow-up system	12
40.	Investigation of incidents and HiPos	12
41.	Experience transfer.....	12
Element 10 – Emergency and Crisis Control		13
42.	Emergency preparedness	13
43.	Emergency response plan	13
44.	Medical emergency management.....	13
Element 11 – Stakeholder Dialog and Information Management		13
45.	Rules, regulations, standards and requirements	13
46.	Key HSSE documents	14
47.	The environment and management documentation	14
Element 12 – Audit and Review		14
48.	Internal audits	14
49.	Company audits	14
50.	HSSE non-conformities and action plans	14

Health, Safety, Security and Environment (HSSE) in general

Contractor shall have a documented corporate HSSE policy, developed with active employee participation. Contractor shall document the name, title and experience of the most senior manager in the organization responsible for ensuring that this policy is observed. Contractor shall also document who has overall and ultimate responsibility for HSSE matters within its organization.

The employees shall have actual influence on their working situation in matters concerning health and safety. Sufficient time and resources shall be allowed for the employees to be able to participate during the establishment, follow-up and development of the HSSE management system.

Contractor shall define and document which methods are applied for informing personnel about its HSSE policy, and which routines are employed to inform personnel of any changes to this policy.

Contractor shall ensure that HSSE is a line management responsibility throughout the project organization including Contractor's organization, Subcontractors and their Contractors.

Contractors shall plan and run the activity in a pro-active manner that ensures that the Work can be performed without loss of life or harm to health, without damage to plant and/or equipment, without unplanned emissions or discharges to the environment, and in such a way that production or processes are not unexpectedly halted and energy is used in an efficient way.

Contractor shall search for and choose optimal solutions and work processes for the performance of the Work. Contractor shall demonstrate how HSSE is attended to in this respect, both in the HSSE program and the execution of the Work under the Contract.

Contractor's HSSE organization chart shall describe the functions and/or disciplines of personnel dedicated to follow up HSSE requirements in the Contract.

Contractor's HSSE performance under the Contract shall be measured against the approved HSSE program and Key Performance Indicators (KPIs) agreed, see list of minimum HSSE KPIs in Element 08. Further HSSE KPIs, e.g. based on industry standards or best practice, may be agreed between the Company and the Contractor.

In the event that a bonus/malus system is included in the contract, HSSE KPIs represent part of the criteria by which the assessment shall be recorded.

If in Company's opinion Contractor's or his Subcontractors HSSE performance under the Contract is unsatisfactory, Contractor shall at his own costs take immediate corrective actions to ensure compliance with the requirements in the Contract.

The Contractor's HSSE policy shall reflect the zero mindset as a long time target (ZERO harm – NO losses).



This document does not replace the legal and regulatory requirements both parties being responsible for fulfilling the legal requirements for their own organization.

The contractual requirements in this Appendix apply both to the Contractor and its subcontractors. Borealis Group has no contractual relationship with any subcontractor therefore, the Contractor shall ensure that subcontractors are held accountable to the HSSE performance and behavioral expectations of the Contractor.

Terms used in this document are defined in the annex of the Borealis Group HSSE Directive.

Element 01 – Leadership and Commitment

Management shall provide consistent, visible and proactive leadership in developing and maintaining a culture in which HSSE is a core value for everybody working for Borealis Group.

HSSE Policy

Contractor shall have a documented HSSE policy.

Responsibility for HSSE shall lie with the line management. Top executives shall be personally involved in HSSE management. The commitment to HSSE shall be evident at all levels within the organization, and the company culture shall ensure a positive attitude to HSSE issues.

Management commitment and involvement

Contractor management shall be involved in HSSE activities and initiatives, and in setting and following up HSSE objectives. Frequent management inspections or site visits, including HSSE Walk Arouns shall be performed to verify compliance with prevailing standards and promoting a culture conducive to good HSSE performance.

Supervision and monitoring of work activities

Contractor shall supervise and monitor its work activities to ensure that all relevant HSSE requirements are fully complied with. The results of this supervision and monitoring shall be passed on without undue delay to the Contractor's management and personnel. The contractor shall verify that employees including sub-contractor employees are familiar with work instructions and procedures, and that they are capable of acting according to the instructions provided.

Stop work, recognition and Life-saving Rules

Contractor management shall encourage employees to report and if necessary stop unsafe acts or conditions. Contractor shall therefore display basic rules (e.g. life-saving rules) and discuss them regularly with the workforce on site. Contractor management shall recognize responsible HSSE behavior.

Element 02 – Organization

The organization and responsibilities for the management of HSSE shall be defined and documented.

Line management responsibility

Contractor shall document the name and title of the most senior manager in the organization responsible for ensuring that the HSSE policy is observed. The contractor shall also document who has overall and ultimate responsibility for HSSE matters within its organization.

Organization and communication

The contractor shall define and document which methods are applied for informing personnel about its HSSE policy and topics, and which routines are employed to inform personnel of any changes and information updates. Contractor's organization shall facilitate effective HSSE management and communication, with particular emphasis on HSSE as an integrated element in planning and implementing operations.

Safety representatives, safety delegates

The work to be carried out by the organized safety representatives under statutory rules and regulations shall be described. This work shall be supervised in accordance with specified routines established by the parties and their organized safety representative services before the work commences.

Bridging Document or HSSE (Management) Plan or Contractor Management Plan

Interfaces, roles, responsibilities and communication lines between Company and Contractor shall be defined in detail in a Bridging Document, developed jointly by the Company and the Contractor, or in a HSSE Plan or Program developed by the Contractor and acknowledged expressively by the Company.

This Bridging Document or HSSE Plan/Program shall form an integral part of the Contractor's overall HSSE program for the respective site, project or activity, and cover specific activities with a description of what is to be delivered. The document shall be proactive and shall be kept updated throughout the work.

The document shall cover occupational health and safety, security, the environment and emergency response. Separate objectives shall be defined for each of these main areas.

In addition, the document shall:

- identify statutory rules and regulations, and other specific requirements relating to HSSE which apply to the work;
- define activities which shall be initiated to meet prevailing requirements;
- define applicable risk acceptance criteria;
- define the hazards which shall be addressed, how these are to be controlled, and which methods should be used if necessary to regain control;
- identify procedures to be developed under the contract;
- define Company/Contractor responsibilities and interfaces, and the Contractor's strategy for supervising and managing subcontractors;
- identify and schedule the Contractor's training requirements;

- define the incident notification and investigation process;
- include the agreed actions to overcome gaps and deficiencies identified during pre-qualification or capability audit.

The Company shall be notified of possible changes to the Bridging Document or HSSE Plan/Program.

Element 03 – People, Competency, and Behavior

All personnel shall be selected, trained and developed to carry out their duties competently. Contractor is solely responsible for its personnel selection, including the HSSE personnel, as well as for selection of sub-contractors

Employee contribution

The employees shall have actual influence on their working situation in matters concerning health and safety. Sufficient time and resources shall be allowed for the employees to be able to participate during the establishment, follow-up and development of the HSSE management system.

HSSE training of managers and supervisors

Managers and supervisors who will be involved in planning, monitoring, checking or carrying out the work shall, regardless of their level in the organization, have undergone formal HSSE training. HSSE training norms and training programs shall be defined for managers at all levels. All training shall be documented.

Personnel HSSE induction program

Special arrangements shall be established for training new employees in relevant local procedures and in any specific hazards inherent in the activity. All training shall be documented.

HSSE training program

Contractor shall have put documented systems in place for selecting and training personnel in order to ensure that the work is executed by qualified individuals with adequate skills. Arrangements shall be established which ensure that Contractor's personnel are familiar with and, where required, trained as minimum in:

- basic industrial HSSE
- Contractor's HSSE policy and practice
- Company's general HSSE requirements
- any specific hazards inherent in the activities
- correct use of personal protective equipment
- emergency response

Arrangements shall be put in place to ensure that the HSSE knowledge and training of personnel are constantly updated.

Specialized training

Contractor shall evaluate and document how far any of its areas of activity require special and/or additional training in respect of potential risks. Relevant training programs shall be established. All training shall be documented.

Use of overtime

Working hours, overtime and restitution time shall be systematically monitored. The contractor shall ensure that the use of overtime is according with legal requirements and does not represent a risk to human health or safety.

Assessing the suitability of subcontractors

Contractor shall assess the HSSE expertise and record of its subcontractors. Contractor shall document its methods for identifying the standards and requirements to be met by subcontractors, and for ensuring that these standards and requirements are understood and observed.

Element 04 – Risk Management

Hazards shall be identified, the risks assessed and appropriate controls implemented.

Risk assessment

Contractor shall employ suitable and generally recognized methods for identifying and assessing HSSE hazards and their consequences. These methods shall be at minimum equivalent to the methods used at the site and they shall be documented.

Security management

Contractor shall at all times have implemented security measures which protect the company against relevant threats related to the work. The level of security shall be flexible and adapted to the relationship between the threat and activities ongoing at any given time. A system shall be in place for handling of classified documents and electronic data.

Contractor shall be able to verify the identity of personnel who are to do work for the company at bases, on installations, on vessels and at land-based plants, and in premises employed by the company. When the contractor uses hired personnel, references from earlier employment shall be verified.

Occupational health

Contractor shall have a system in place which defines systematic health risk assessment and health monitoring activities as specified by applicable regulations and good professional practice, including legally required occupational health examinations (e.g. fitness for work examinations, UK Oil & Gas platform exams, etc.). Monitoring shall lead to action plans, which are regularly followed up, and which should include health promotion efforts.

The system shall provide for identification, evaluation and reporting of work related injuries and corrective measures, and prevention of alcohol and drug abuse.

Health promotion and curative care

Contractor shall ensure access to work-related and if applicable non-work-related medical care.

A health promotion program shall be in place to address workers' health and wellness concerns (e.g. smoking, obesity, heart disease, high-risk behavior), and to educate workers on health-related prevention and risk reduction. The program should address topics such as: access to healthy food options; access to fitness options; sourcing, provision and preparation of food and water; worker welfare (e.g. culture, recreation, communication, psychological support).

Food and drinking water safety management processes shall be established and maintained in line with Hazard Analysis Critical Control Point (HACCP) principles. Inspections and audits shall be conducted to monitor HACCP controls.

Where living accommodations are provided, they shall be consistent with the relevant international housing (heating ventilation and air conditioning) and sanitation standards e.g. International Finance Corporation (IFC), International Maritime Organization (IMO) standards.

Workplace risk assessment (working environment surveys)

Contractor shall have a system which ensures and documents the identification and following up of all physical, chemical, ergonomic and psychosocial/organizational factors which could be potentially detrimental to health, safety and performance. This system shall be linked to continuous systematic monitoring of the exposure of its own and subcontractor employees to these factors, and to a program for reducing exposure which could be harmful to health and safety.

Environmental impact assessment and monitoring

Contractor shall have a system in place which ensures and documents the evaluation and follow-up of the work's environmental impact. The follow-up shall include environmental monitoring where required. Evaluation and monitoring results shall be used systematically to minimize the environmental impact.

Selection of environmentally optimal solutions

Contractor shall have a system in place which ensures and documents the selection of environmentally optimal solutions. The environmental aspect shall be included in all technical evaluations which involve discharges. The results of these evaluations shall be documented in an environmental accounting system, and shall serve as an evaluation criterion when selecting solutions based on cost/benefit analyses.

Selection of energy efficient and climate mitigation/adaptation solutions

Contractor shall have a system in place which ensures and documents the selection of energy efficient and climate mitigation/adaptation solutions. These aspects shall be included in all technical evaluations. The results of these evaluations shall be documented and shall serve as an evaluation criterion when selecting solutions based on cost/benefit analysis.

Use of potentially environmentally harmful chemicals

Contractor shall have a system in place which ensures and documents the evaluation of measures to reduce discharges/emissions to soil, water and air. Emphasis shall be given to reducing chemical usage and replacing environmentally harmful chemicals. Measures based on these evaluations shall be included in the Bridging Document or in an environmental action plan or HSSE program.

Element 05 – Engineering and Project Management

Projects shall be managed in a way that HSSE aspects are fully taken into account in all project phases from identify and assess to execution and facilities shall be engineered to meet relevant codes of practice and specifications, operational requirements, and statutory regulations.

Minimum requirements

Contractor involved in design or engineering activities shall demonstrate that its activities are in accordance with international, country, industry, and Company standards as well as in compliance with legal requirements:

- Designs shall be rigorously assessed using applicable industry practices
- Designs shall include and describe the emergency response
- A Quality Assurance program shall be in place
- Interfaces with other activities, both internal to the Contractor and external with other contractors or third parties, shall be clearly identified

Element 06 – Operations and Performance Management

All business activities involving exploration, development, production, processing, transportation and distribution shall be promoted to have relevant safe, secure and precautionary systems of work defined and performance indicators established.

HSSE working practices

Documented HSSE procedures or work instructions shall exist for all potentially hazardous operations. The procedures are routinely updated and disseminated to employees. Working practices, procedures and work instructions shall be consistent with the Contractor's HSSE policy and HSSE management system.

Equipment control and maintenance

Contractor shall have documented systems in place which ensure proper maintenance and calibration as well as suitability of tools and equipment used by its personnel when performing the work at its premises, on site or at any other location.

Chemicals

Contractor shall have a system which ensures and documents that all chemicals due to be used during the work are evaluated for their health and safety risk during transport, use and disposal, and that chemicals with the smallest health and safety risk are given preference wherever this is technically and operationally feasible.

Safety data sheets (SDS)

Contractor shall have a system in place which ensures that correct information is available on the health and safety risk, fire, explosion and environmental hazards posed by chemical products used in the work. According to the local legal requirements the SDS or SSDS (summary SDS) shall be made available at site in a language that is understood by the employees who will perform the work.

Waste management

The contractor shall have implemented a system for identifying, classifying and handling waste. Hazardous waste shall be handled in accordance with applicable statutory rules and regulations. Consumer and production waste shall be sorted.

Personal protective equipment (PPE)

Contractor shall be able to demonstrate that the personal protective equipment used during the work provides satisfactory protection in the relevant tasks, and PPE complies with the Company's minimum PPE standards. Documented arrangements shall be in place for provision and maintenance of such equipment, both standard issue and items required for special operations.

Public road safety

All vehicles shall have original safety equipment installed and maintained as per original manufacturer's specifications.

The vehicles shall be provided with relevant enhanced safety features (e.g. alcolocks, lane departure warning, enhanced emergency braking systems, seatbelt reminders, distance radar systems, etc.).

Transport containers, tanks and vessels shall be certified and maintained as certified for use appropriate for the material being transported.

Drivers shall be competent to drive and operate the assigned vehicle as per current regulatory requirements with full valid certification to document that competence, including specializations (e.g. transport of hazardous goods, crane operations, etc.). Contractor shall have a process to monitor drivers' performance and competencies.

Element 07 – Contracted Services

Contractors, partners and suppliers shall be controlled and managed to establish clear accountabilities to ensure they comply with HSSE requirements.

Subcontractors

The subcontracting process shall be managed in accordance with Company requirements. Contractor shall manage subcontractors in order to meet the HSSE objectives and goals of the work. A process shall be in place to select the subcontractors and monitor their HSSE performance. In case of subcontractor non-conformities, the Contractor shall take appropriate corrective actions and/or apply a consequence management system that may include removal from site for non-compliance.

Element 08 – Planning and Cost Management

Objectives, targets, financial and human resources shall be planned to integrate HSSE in all business activities.

Monthly HSSE report

Unless otherwise agreed, a monthly HSSE report shall be submitted as part of the Contractor's overall monthly report. This report shall cover the status of identified HSSE hazards and significant HSSE aspects. The status of all activities in the HSSE program shall also be detailed in full. Preventive measures which have been initiated or implemented shall be briefly described.

HSSE key performance indicators

Contractor shall have a documented system in place to monitor HSSE performance against targets for defined key areas and activities, with feedback to employees.

Unless otherwise agreed, the following HSSE data shall be provided for the Contractor, each subcontractor and in total:

- Work hours (contractor employees)
- Work hours (subcontractors)
- Number of employees
- HSSE training hours
- HSSE (Management) Walk Around
- Number of HSSE meetings
- Fatality (FAT)
- Lost workday injury (LWDI)
- Lost workdays
- Restricted work injury (RWI)
- Medical treatment injury (MTI)
- First aid injury (FAI)
- Number of Near miss
- Number of Hazards
- Events with high potential (HiPo)

The Company shall be informed of the Contractor's definition of a lost-time injury, restricted work injury and the units or measures used for reporting.

Element 09 – Incidents and Accidents

Incidents and accidents shall be notified, reported and analyzed to identify root causes and prevent recurrence.

Contractor's HSSE policy shall reflect the zero mindset as a long time target (ZERO harm – NO losses).

Reporting of undesirable events/hazardous conditions

Contractor shall comply with all official and Company requirements for notifying and reporting unsafe acts and conditions, undesired events and/or hazardous conditions relating to safety,



occupational health and the environment. Routines for ensuring such compliance shall be documented.

All notifiable undesirable events and/or hazardous conditions experienced by the Contractor shall be reported to the Company without undue delay, whether the event occurred at the Contractor's premises, at the site or at other locations. The report shall include the date of the event, its causes and any immediate measures taken.

Reporting events with a high loss potential (HiPo)

High potential events suffered by the Contractor shall be reported to the company within 24 hours of the incident. Information on possible underlying causes shall be provided.

Reporting personnel injuries

The company shall be notified immediately of any personnel injury suffered by the Contractor's personnel whilst working for Borealis Group. Direct and underlying causes shall be specified.

Incident follow-up system

The contractor shall have a manual or computerized system in place to record and follow-up corrective and preventive actions resulting from undesired events. The system shall facilitate systematic transfer of experience.

Investigation of incidents and HiPos

Contractor shall document who will lead investigations. Competence requirements to key positions in the investigation team shall be clearly defined. The investigation shall ensure a root cause analysis, covering immediate causes, underlying causes and management system failures; and establish corrective and/or preventive follow-up actions.

Lessons learned shall be made available to all employees. Findings shall be communicated to the contractor's base management and personnel.

Experience transfer

Formal requirements for HSSE experience transfer shall be documented. Sufficient time and resources shall be provided to facilitate systematic improvement.

Transfer of HSSE experience shall form part of the Contractor's close-out report to the Company. This report shall be prepared concurrently with the work, and shall as a minimum address the following:

- how the contractor's HSSE program has functioned (where such a program has been drawn up);
- unforeseen problems, how these were overcome and recommended future approaches;
- underlying causes of personnel injuries and work related illness related the contracted work, and how such cases have been followed up;
- positive HSSE aspects which should be considered for future activities;
- any damage to equipment, and recommendations on avoiding similar damage in future operations;
- suggested improvements to work routines.

The current status of the above items shall be discussed with the company representative at regular meetings.

Element 10 – Emergency and Crisis Control

Organizational arrangements, facilities, training and exercises shall be provided to effectively manage emergencies and crisis situations.

Emergency preparedness

Contractor shall be capable of proper notification and be able to establish and maintain contact with next-of-kin, media, unions, and authorities in co-operation with the Company, unless otherwise agreed. Contractor shall have a system in place ensuring that updated and relevant personnel data for Contractor's personnel and subcontractor's personnel are easily available in Contractor's office in case of an emergency. The contractor shall have a documented organization for providing immediate and long-term care for employees and relatives in the event of a hazardous condition or an accident.

Emergency response plan

Contractor shall have an emergency response plan (ERP), linked to the Company's ERP (where applicable). Contractor shall provide equipment, facilities and trained personnel to execute the emergency response plan. Contractor shall provide periodic exercises for verifying the effectiveness of the emergency response system and identifying areas for improvement.

Medical emergency management

The ERP shall include medical emergency management with a process for providing resources, such as qualified personnel (e.g. first-aiders, medics, doctors), transportation options (e.g. ambulance, helicopter) and appropriate medical facilities (e.g. primary care clinic) for emergency response. This process should be site-specific based on the health, workplace and security risk assessments.

Element 11 – Stakeholder Dialog and Information Management

Undertake active dialog with stakeholders to ensure confidence in the integrity of activities. Accurate and relevant documentation must be readily available for safe working and to minimize undesirable effects.

Contractor shall have a clear document control process to ensure the identification of all documents at all times particularly during review cycles and ensure that only current valid documents are in use, even at remote sites.

Rules, regulations, standards and requirements

Contractor shall document

- its compliance with statutory rules and regulations, and with the company's contractual requirements
- the methods used to verify understanding and compliance
- the overall structure for preparing and updating in-house requirements and procedures

- the overall structure for making such documents known

Key HSSE documents

Contractor shall prepare a set of key HSSE documents, in accordance with the contract requirements and its scope of work, including as minimum:

- Bridging Document (or HSSE Plan, HSSE Program)
- HSSE Risk Register (e.g., workplace risk assessment), with associated risk assessments and risk reduction plan
- Internal regulations (e.g. work instructions) for the planned works
- Certifications and authorizations of the people and equipment used during the contract
- Emergency Response Plan (ERP), linked to Company's ERP (where applicable)

The environment and management documentation

Contractor shall have a system in place which ensures and documents the inclusion of the environmental aspect in management documentation, including operational procedures and list of used chemicals.

Element 12 – Audit and Review

Establish an audit and review system to assess the effective implementation of HSSE regulations and identify areas for improvement.

Internal audits

Contractor shall have a documented plan covering all audits and high priority verification, review and follow-up issues. This documented plan should be applicable for the relevant site where the works are contracted. Objects and issues subjected to supervision shall be selected on the basis of risk assessments. Deviations shall be systematically followed up and corrected. The program shall include relevant subcontractor activities.

Company audits

Company has the right to perform audits, inspections, walk arounds and different other kind of assessments in Contractor's sites and to establish corrective measures for improving HSSE performance.

HSSE non-conformities and action plans

Contractor shall have a system in place for registering and following up non-conformities with procedures, specifications, standards and contract requirements relating to the work. Underlying causes shall be identified. Measures shall be taken to prevent recurrence, and the effectiveness of the measures shall be assessed.