



ConocoPhillips Australasia Business Unit

Health, Safety and Environmental Requirements for Contracts

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1.0 HSE COMMITMENT, POLICY AND EXPECTATIONS

One of ConocoPhillips' (COP) core values is the safety and health of its contractors and employees and the protection of its property and the environment. COP expects the same dedication to the safety and health of personnel and property and the protection of the environment from its contractors. COP cannot and does not supervise or control the manner and means by which its contractors carry out work assignments, therefore COP relies upon its contractors to adopt, implement and enforce rules and practices necessary for the safe and environmentally responsible performance of the Contractor's work. This document sets out the health, safety and environmental requirements that must be met by the Contractor. Some of the key requirements are:

- The Contractor acknowledges COP's strong commitment to Health, Safety and Environment (HSE).
- The Contractor shall meet with COP as soon as practicable after the contract award, to agree on the final Contract HSE Management Plan and / or program and evaluate the need for a Bridging Document including additional controls identified in the variance process.
- The Contractor has the responsibility as an independent contractor to verify and determine on its own what hazards, health, and environmental issues and concerns, among other things, it may encounter in the performance of the Work.
- The Contractor must provide copies of its policy and procedures to COP upon request.

2.0 REGULATORY HSE REQUIREMENTS

The Contractor must comply with all applicable health, environment and safety laws and regulations, and any additional guidelines, operating standards and policies provided to the Contractor by COP.

The Contractor must be aware of all HSE statutory requirements in the country or state of operation and shall comply with these requirements fully. Should the statutory requirements be of a higher standard or quality than those existing in Australia, then the Contractor must comply with both the Australian statutory requirements and the higher standards.

The Contractor must ensure that each member of the Contractor Group and all visitors comply fully with all such laws, regulations, guidelines, operating standards and policies. The Contractor further agrees that in the event that any member of the Contractor Group or any of their visitors violates any such laws, regulations, operating standards and policies such violation shall be corrected promptly, steps shall be taken to avoid recurrence, and any person or persons responsible for the violation shall be removed from the site of the Work upon COP's request.

3.0 TERMINATION AND SUSPENSION FOR BREACH OF HSE REQUIREMENTS

COP and the Contractor agree that all provisions of COP's HSE Requirements for Contracts are of the utmost importance, and any breach or violation thereof shall be considered to be a material and substantial breach of the Contract, including without limitation, a breach of the following:

- The Contractor must not cause, permit, or tolerate a hazardous, unsafe, unhealthy or environmentally unsound condition or activity over which it has control at the work site.
- If the Contractor becomes aware of any hazardous, unsafe, unhealthy or environmentally unsound condition, including without limitation a violation of any of the health, environment and safety standards with which the Contractor must comply in accordance with the Contract, it shall immediately notify COP and take whatever steps are necessary and as will be agreed between COP and the Contractor to eliminate, terminate, abate, and rectify the condition.
- If remedial action is not implemented within the agreed timeframe, COP or the Contractor has the right to stop work forthwith.
- The Contractor must take all necessary safety precautions related to or arising out of the performance of the Contract in order to protect the work site, including all personnel and property of COP, the Contractor and all third parties.
- Should COP observe an unsafe act or condition or become aware of a planned act or condition which may be unsafe, COP may direct the Contractor to cease, or not to proceed with, the unsafe work. The Contractor shall, at the Contractor's own cost, modify the Contractor's method of work in order to work safely.
- If the Contractor fails to take the necessary steps to eliminate or control any such breach or violation promptly or to otherwise comply with COP's HSE requirements, COP may terminate the Contract immediately.

4.0 ASSIGNEES/SUB CONTRACTORS HSE REQUIREMENTS

The Contractor must ensure that all members of the Contractor Group are skilled and qualified to perform the Work and that they are properly managed in the performance of the Work.

Contractor must have in place appropriate formal systems, procedures and safe practices for the management and control of the members of the Contractor Group, including without limitation:

- Sub contractor HSE prequalification and qualification which is based on demonstrated capability, HSE performance and HSE management system suitability and compliance
- Risks and hazards associated with the subcontractor's work are identified and controlled to As Low As Reasonably Practicable (ALARP) levels and that subcontractors employ the required safe systems of work
- Sub contractor safety management system (SMS) to be integrated into the Contractor's SMS
- Sub contractors work is supervised and monitored by Contractor to ensure that safe practices are employed and Work is conducted in strict compliance with relevant Contractor and Company HSE requirements.

5.0 HSE ORGANISATION AND RESPONSIBILITY

5.1 CONTRACTOR PERSONNEL COMPETENCY AND RESPONSIBILITY FOR HSE

Prior to the commencement of the Work the Contractor must provide documentation regarding the competency of each member of the Contractor Group to the satisfaction of COP. This documentation must include details that show that the members of the Contractor Group are competent and have the appropriate qualifications, job skills and training as required by the Contract and Statutory Requirements.

The Contractor represents and warrants that its management and supervisors are responsible, and have been advised in writing that they are responsible, for ensuring that the Work is performed in accordance with all applicable health, environment and safety regulatory requirements, best working practices, and any additional guidelines and/or operating standards provided to the Contractor by COP.

The Contractor must, at COP's request, provide COP with organisation charts, specifying any dedicated HSE resources and the areas of HSE responsibility of Line Management.

5.2 RESPONSIBILITIES OF CONTRACTOR MANAGEMENT REPRESENTATIVES

The Contractor's Management Representatives must:

- Cooperate with COP personnel to ensure compliance with the COP HSE Management Process
- Ensure that work related risks and hazards associated with the Work are proactively identified and managed
- Ensure that resources and HSE responsibilities are allocated and that effective contractor HSE plans are developed and implemented to manage identified risks
- Comply with the HSE requirements stipulated in the Contract and COP's HSE Management System requirements
- Develop plans and allocate resources to ensure that non-compliance issues identified in HSE audits, inspections and performance evaluations are understood and that corrective action plans are put in place and tracked to completion

5.3 INEXPERIENCED PERSONNEL, NEW TO SITE PERSONNEL & TEMPORARY LABOUR

The Contractor must ensure that risks associated with inexperienced personnel, temporary labour or new to site personnel are identified and controlled. As a minimum, these individuals shall be appropriately supervised and monitored until they are deemed to be competent by the Contractor and are fully aware of the hazards and required controls associated with their assigned work.

6.0 RISK MANAGEMENT

6.1 HAZARD AND RISK ASSESSMENT

Prior to the commencement of the Work, the Contractor shall demonstrate to the satisfaction of COP that the Contractor has performed a detailed HSE hazard and risk assessment of the Work to be undertaken.

The Contractor:

- Must ensure the assessment evaluates all work site specific risks and risks associated with the nature of work to be conducted under the Contract (e.g. equipment, facilities, personnel competency, complexity of the work and activities associated with the contractual requirements).
- Must maintain a detailed hazard register that is relevant to the contracted work scope. The hazard register shall identify hazards, preventative controls, mitigation controls, HSE management system interfaces and any additional controls in place to manage residual risk to ALARP levels.
- Must monitor HSE risks and update risk assessments and hazard registers as necessary during the term of the Contract.
- Is responsible and accountable for ensuring effective procedures and safe systems of work are in place in respect of meeting all Statutory Requirements and COP HSE management requirements under the Contract.
- May be required to attend or conduct additional risk assessments in relation to planned work activities in which they will be involved under the Contract.

6.2 JOB HAZARD ANALYSIS (JHA)

Effective application of the JHA process at all COP operational locations is a critical daily safety management tool. Contractor must conduct quality JHA's for all tasks that are non-routine or where there is a risk to personnel or damage to property or the environment.

For higher risk activities such as a confined space entry or a complex work at height task, a more comprehensive risk assessment may be required. Contact a COP HSE representative for guidance.

There is a clear requirement and expectation that Contractor's supervisors or leading hands will actively involve relevant work crews in the development and review of JHA's. This practice will help build a clearer understanding of task specific hazards and controls.

6.3 WAVES - BEHAVIOURAL BASED SAFETY PROGRAM

COP's Behavioural Based Safety Program WAVES (We All Value Each other's Safety) will be implemented at all COP operational locations. Contractor supervisors and personnel may be required to participate in the WAVES program.

Data from WAVES observations will be inputted into COP's WAVES database, this data will be routinely analysed to identify trends and system weaknesses/strengths. This information will be reported to COP Management on a monthly basis. The COP WAVES Program will also provide a valuable framework and lead indicator for demonstrating visible leadership and commitment to HSE requirements.

7.0 CONTRACTOR HSE MANAGEMENT PLANS AND OBJECTIVES

COP may require the Contractor to prepare an HSE Management Plan for the work. This Plan must be developed by Contractor to meet all Statutory Requirements and COP requirements, including:

- The HSE Plan shall be in a format that permits cross-referencing between the Contractor and COP's HSE management system.
- The HSE Plan shall also include a description of the Contractor's organisation, procedures and methods of communication to and from all appropriate personnel.
- Contractor's management systems are to include reference to documented processes and procedures to identify, assess and manage HSE and other hazards and risks that may affect their own personnel and assets as well as those of COP and third parties.
- Where required, based on risk assessment, the Contractor will assist COP to prepare Bridging Documents to interface their management system to applicable COP Safety Cases, Environmental Management Plans and Emergency Response Plans.
- The Contractor's HSE Management Plan shall be jointly used by COP and the Contractor in the execution of the contract. Performance against agreed HSE objectives and KPI's will be monitored and reviewed, and HSE Plans shall be updated when required to ensure continuous improvement is achieved.

7.1 KEY PERFORMANCE INDICATORS AND MONTHLY REPORTS

The Contractor shall submit a monthly HSE performance report to COP by the 5th day of each month. This monthly report shall specifically report on HSE performance for the Contract only (not the contractor's company wide performance). COP will monitor the Contractor's HSE performance against agreed HSE KPI's, requirements and expectations to identify trends, areas of strong performance and areas of concern requiring corrective action. At a minimum the Monthly Reports shall include the following:

- Monthly man-hours worked on the Contract
- Number of Near Miss incidents reported
- Number of recordable incidents (fatalities, medical treatment cases, lost workday cases –including number of days lost and date of last lost workday case, restricted work cases – including number of days of normal duty lost for each case)
- Total Recordable Incident Rate (No. of TRI's divided by total exposure hours, multiplied by 1,000,000 for APPEA & 200,000 for COP US reporting)
- Number of first aid cases
- Number of Environmental Incidents (spills and releases from primary containment)
- Number of Property Damage Loss Incidents

Additional lead KPI's and HSE reporting requirements shall be specified in the HSE plan as required by COP. These lead KPI's may include:

- Number of Hazards reported

- Number of HSE audits and inspections conducted including results
- Number of HSE meetings conducted
- Number of emergency exercise/drills conducted for the month
- Contractors may be required to monitor and report additional environmental KPI's (e.g. the use of resources such as fuels and other consumables during the period of the Contract and the volume and type of waste generated).

8.0 HSE COMMUNICATION AND CONSULTATION

The Contractor shall set out a communications scheme showing lines of reporting and methods of reporting, at all levels within the Contractor organization, and to COP.

Contractor will be required to communicate and consult with its workforce on a regular basis on HSE matters. This is essential for ensuring that its personnel are informed and aware of relevant information, work hazards, safe practices and responsibilities. To enable effective communication, the Contractor shall conduct or participate in:

8.1 DAILY PRE-START MEETINGS

Daily pre-start meetings to discuss the planned work tasks, review job specific JHA's and Permit to Work requirements, and communicate any relevant HSE matters.

8.2 HSE MEETINGS

Contractors are required to plan and conduct regular HSE meetings with the members of the Contractor Group to:

- Ensure that all members of the Contractor Group are informed of and aligned with COP's 'SPIRIT' values, HSE goals and requirements
- Ensure personnel are informed of hazards and required safe work practices and regulations associated with their work
- To communicate about past incidents, lessons learned & share relevant HSE information
- To provide an opportunity for personnel to raise HSE issues and concerns, and to provide a feedback forum

The frequency of HSE meetings should be determined by the nature of the work and related level of risk; typically a minimum frequency of 1 meeting per month is acceptable for normal activities however frequency should be increased for higher risk work activities. Contractors shall also ensure that all their personnel attend daily pre-start meetings.

Contractors shall ensure that their workforce are given time to attend HSE meetings. This includes compulsory attendance at routine toolbox, pre-start meetings and shift hand over meetings. Contractors are also responsible for inviting COP representatives to their HSE meetings and ensuring that meeting minutes and actions arising from HSE meetings are maintained and submitted to COP. Contract Sponsors or their delegates and HSE Department representatives are responsible for ensuring that all contractors are conducting regular quality HSE meetings. This can be achieved by attending contractor HSE meetings, talking to contractor representatives and reviewing HSE meeting documentation. COP representatives may without prior notice attend at any such HSE meeting.

The Contractor shall also provide COP with a strategy on how it proposes to manage actions arising from shift handover meetings.

8.3 PRE-COMMENCEMENT KICK-OFF MEETINGS

The Contractor is required to participate in a pre-commencement kick-off meeting with COP to discuss HSE expectations, potential HSE management system interfaces and specific HSE Issues and requirements in accordance with the Contract. The kick-off meeting shall be held as soon as practical after contract award and before the performance of any Work.

This meeting shall not be considered or treated as a substitute for HSE responsibilities of the Contractor under the Contract; nor shall the meeting or issues be construed or treated as an assumption of the Contractor's HSE obligations under the Contract.

Items to be discussed at the Pre-commencement kick off Meeting may include without limitation:

- Review of COP HSE policy, expectations & SPIRIT values
- Review of HSE requirements for contracts and any additional specific HSE requirements identified in the Contract
- Review basic HSE rules and HSE Management System requirements
- Review of any agreed HSE key performance objectives, targets and indicators
- Review management of high risk activities & controls (including Permit to Work requirements & key procedures)
- Review Contractor HSE Management Plan and/or Bridging Document, emergency response plans etc (or if not complete, plans for completion)
- Review HSE roles and responsibilities
- Review HSE orientation processes to be implemented (e.g. COP requirements, subcontractor orientations and work site specific orientations for new personnel & visitors)
- Review of processes for hazard & incident reporting & behaviour based observation programs
- Review of HSE related issues and issue management process
- HSE reporting and communication requirements
- Review contractor HSE training program
- Confirmation of Contractor's employee & subcontractor competence
- Confirmation of the scope and schedule of key HSE activities including: HSE orientation/induction, HSE meetings, HSE training, audits and reviews
- Interaction of COP and Contractor contingency plans and ensure that the emergency response plan is fully understood by the Contractor and COP
- Environmental management requirements
- Communication plan for briefing of the members of the Contractor Group on key information and outcomes from the pre-commencement kick-off meeting

8.4 HSE REVIEW MEETINGS

COP may request meetings with the Contractor to review the Contractor's HSE performance. These meetings will be formally requested and appropriate members notified. Contractor must comply with COP's request.

9.0 HAZARD AND INCIDENT NOTIFICATION, INVESTIGATION AND REPORTING

Incident reporting must be actively promoted and encouraged at all COP controlled work locations and a "No Blame" policy will be in place. All hazards and incidents (including near miss incidents) must be reported in accordance with relevant COP procedures. Specific requirements include:

- If the Contractor believes that the operations cannot be safely undertaken or that continuance of operations may result in any hazardous conditions, it shall immediately notify COP.
- The Contractor must use its best endeavours at all times to control or overcome the cause or minimise the effect of any hazardous condition.
- The Contractor must comply with all Statutory Requirements for hazard and incident reporting, as well as COP's Incident Reporting and Investigation Procedure. A copy of this Procedure will be provided upon request.
- Any hazard or incident (including near miss) involving COP's, the Contractor's or any third party's personnel, property, plant or equipment with respect to this Contract, shall be reported immediately to COP, irrespective of whether injury to personnel, damage to property or equipment or environmental damage has resulted.
- Particular regard is to be given to COP's thresholds for reporting incidents. Injury classification must be in accordance with COP's Injury and illness reporting guidelines, available upon request from COP.
- All unplanned or unauthorised spills or releases are to be reported regardless of volume.
- Where requested by COP, COP and Contractor (jointly) shall investigate the causes of all work hazards and incidents using COP's investigation system. The investigation shall provide both COP and Contractor management with corrective actions to prevent recurrence.

10.0 HSE AUDITS AND INSPECTIONS

COP shall have the right but not the obligation to conduct audits/inspections of the Contractor's operations, equipment and emergency procedures at any time without giving prior notice. The Contractor shall fully cooperate with COP during such audits/inspections. This requirement shall not relieve the Contractor of its own obligations to conduct audits and reviews of its own HSE performance or expose COP to any liabilities which may arise from the Contractor's failure to satisfy its HSE obligations.

Contractor shall have an appropriate formalised process and program for undertaking its own formal and informal routine inspections, audits and reviews. Specific requirements include:

- Planned Inspection / audits shall ensure that all facilities and condition of work sites are well maintained, in good order, and that the Contractor's HSE Management System is working appropriately.
- Contractor HSE Representative shall be responsible for conducting and have an execution schedule of planned inspections / audits.
- Records of such inspections, audits and reviews shall be maintained. Corrective actions shall be identified, implemented and tracked to completion.
- A joint internal audit program may be carried out between COP and Contractor. Appendix 6.5, Inspection / Audit Checklist may be used to assist with the review.

11.0 HSE SYSTEMS AND PROCEDURES

11.1 MANDATORY COP HSE PROCEDURES

Compliance with COP HSE systems and procedures is mandatory for all members of the Contractor Group. Contractors must ensure that work instructions and HSE related plans comply with these HSE requirements for Contract.

Where it has been identified that work shall be conducted under a Contractor HSE system or procedure then this must be documented in a COP approved Bridging Document prior to the commencement of work.

11.2 CONTRACTOR'S HSE MANUAL

If requested, the Contractor shall provide a copy of its HSE manual, policies and procedures to COP for review and possible incorporation into the Contract. All members of the Contractor Group shall, where required, comply with all COP's procedures set out in the Contract. The Contractor shall participate in the continuous improvement of COP's procedures to ensure that all work can be carried out safely.

The Contractor shall give prompt, written notice to COP of any objection of the Contractor to the use of COP's procedures, including the reasons for objection.

COP's rights under this Section are not intended and shall not be construed to relieve the Contractor from any obligations to ensure compliance with all provisions of this document and the Contract.

11.3 PERMIT TO WORK

The Contractor must at all times comply with the site Permit to Work system. Any conflicts with the site Permit to Work system shall be addressed and resolved prior to commencing the Work.

12.0 PERSONAL PROTECTIVE EQUIPMENT

The Contractor must, at its own expense, supply all members of the Contractor Group, where required in connection with the safe performance of the Work, with adequate personal protective equipment (PPE) and protective clothing. PPE must be maintained in good condition or replaced, and must be worn on all relevant occasions as indicated by notices, instructions and good practice. Contractor must ensure that all members of the Contractor Group (including senior personnel and visitors to the work location), wear protective garments and equipment in the appropriate circumstances, even if not actively engaged upon the work.

The minimum PPE requirements for COP operational areas shall include:

- Approved hard hat
- Approved safety shoes
- Approved safety eye glasses (1X clear pair & 1 X dark park for outdoor use)
- Long cotton clothing

Additional/Specialist PPE equipment must be provided by Contractor depending on work related hazards. The following equipment must be provided and used by trained/certified personnel (where applicable):

- Hearing protection
- Welding related PPE requirements
- Fall protection PPE for any work at height where there is a risk of a fall
- Approved respiratory protection and or breathing air apparatus for confined space entry (to be used only by trained/certified personnel)
- High visibility vests for fire watchers, safety watchers, standby persons, traffic controllers & personnel working in close proximity to roads
- Any other PPE as directed by signs, JHA's, MSDS or by a COP HSE representative

13.0 SAFE WORK REQUIREMENTS

13.1 HSE EQUIPMENT

The Contractor must ensure that all HSE-critical equipment is regularly maintained, tested and recorded on a register and always stored in a serviceable condition for immediate use.

The members of Contractor Group must be instructed, trained and, where required, certified in the use of such HSE equipment. Such equipment must comply with all Statutory Requirements.

13.2 TOOLS AND EQUIPMENT

Contractor must comply with the following requirements with regard to the safe use and maintenance of plant, tools and equipment:

- Ensure that all plant, tools and equipment are serviceable and maintained in operable, safe condition
- Ensure and that users of plant, tools and equipment are trained, experienced and where required, licensed and certified
- Ensure that all electrical plant and equipment is regularly inspected and records maintained to show compliance with all regulations
- Ensure that Residual Current Devices/ground fault circuit interrupters are used when operating electrical power tools and extension cords; one RCD must be used every 25 meters
- All hand tools and radio frequency emitting devices to be used on COP's facilities must be presented to COP for inspection prior to use
- Ensure that inspection and maintenance of safety critical items is undertaken in

compliance with manufacturer requirements

- Ensure that routine inspections and daily pre-start checks are carried out on plant and equipment prior to operating. Any identified defects must be rectified prior to use. Contractor shall ensure that inspection records are maintained in a central location & handed over to COP representatives when requested
- Ensure that all rotating or moving parts of all tools and equipment are adequately guarded to prevent accidental contact by personnel
- All power-driven machinery should be equipped with an appropriate means of shutting down the equipment quickly, and preventing it being started again. This mechanism must be clearly identifiable and accessible to the operator. In the case of outboard motors, and hand-held power tools, this shall be of an automatic or emergency shutdown "deadman-switch" type.

13.3 LIFTING EQUIPMENT AND SAFE LIFTING PRACTICES

Contractors must ensure full compliance with COP's HSE procedures that relate to Cranes, Lifting and Rigging Operations.

Contractors must maintain a register of all lifting and rigging equipment. The register will include such details as Safe working load (SWL), identification number and precise location of any equipment recorded. Contractor must ensure all equipment is tested, inspected and certified in accordance with all Statutory Requirements and COP requirements. This includes ensuring that all lifting and rigging equipment is inspected and tagged in accordance with the COP's annual inspection compliance program. Non compliant equipment must not be used until it deemed compliant.

Contractors must develop and implement relevant work instructions to manage safe lifting, loading, unloading, securing and handling operations. Contractors must ensure the work instructions are reviewed on a daily basis and monitor compliance. Contractor must ensure full compliance with the following requirements:

- COP's lifting and rigging related procedures
- Risks and hazards associated with Lifting Activities must be identified and controlled via a JHA prior to the commencement of any lifts. This includes the effective communication of requirements to personnel involved in the Work.
- All lifting/rigging equipment must be inspected for wear and damage and have a current inspection tag from an authorised inspector prior to each use.
- A competent rigger must be present where rigging equipment is used to secure and lift the load and tag lines must be used when there is a possibility of the load swinging
- A load must not be left suspended when a crane or lifting apparatus is shut down or unattended other than during an emergency
- All unnecessary personnel must be prevented from entering the lifting area
- No personnel shall place themselves under a suspended load

13.4 WORK AT HEIGHT

All Work conducted at a height of over 1.5 meters (or where there is a risk of a fall) shall require fall protection. Contractor must ensure that the members of the Contractor Group required to work at height are trained in safe work at height practices. The Contractor must ensure that fall restraint and fall protection equipment is provided for all work at height, and that this equipment is certified and in a safe, operable condition. The Contractor must comply with the following safe

work at height requirements:

- Risks and hazards associated with work at height must be identified and controlled via a JHA prior to the commencement of any work at height
- Any work where there is an unacceptable risk of a fall that could result in an injury and no fall protection is provided a suitable fall arrest system must be used at all times
- All personnel responsible for, involved in, or supervising working at heights must be trained in height safety procedures. Only personnel formally trained in height safety hazards, personal and fixed fall arrest equipment and rescue from heights are to undertake such tasks
- Fall protection equipment must be inspected for wear and damage and have a current inspection tag from an authorised inspector prior to use
- Areas where work at heights is undertaken must be suitably barricaded and appropriate signage installed to eliminate the risk of injury from dropped objects. Contractors must ensure that risks associated with dropped objects while working at height with hand tools & equipment are controlled at all times. Ensure that work procedures/standing instructions or JHA's are developed to control work/personnel movement in the drop zone below
- Height safety rescue plans and equipment must be in place prior to work at height activities.

13.5 EQUIPMENT AND FACILITY MAINTENANCE

All equipment and structures both fixed and temporary are to receive regular routine maintenance under a planned maintenance system to ensure the safety of personnel who are responsible for operating the equipment. Particular attention should be paid to mobile equipment, handrails, access ladders and raised platforms.

The Contractor must maintain copies of all test and maintenance certificates relating to cranes, derricks, lifting beams pulley blocks, lifting gear and slings, and must make them available to COP upon request.

13.6 HAZARDOUS MATERIALS

The Contractor must, if requested, supply to COP a copy of the Contractor's rules for the use, transportation, handling and storage of fuel and hazardous materials.

Where the Contractor proposes to take any chemicals or hazardous substances onto COP's facilities, the Contractor must comply with COP's policies and procedures for the selection, purchase and control of chemicals and hazardous substances. Additional requirements include:

- No chemical or hazardous substance may be taken onto COP's facilities without the prior written approval of COP. Applications forms are available from COP upon request.
- Wherever practicable, use of chemical substances with a flashpoint of less than 38 degrees Celsius are to be avoided, and substituted with an alternative, less flammable substance.
- The Contractor must ensure that, as a minimum, all hazardous substances and/or Dangerous Goods are packaged and clearly labelled in accordance with the transportation requirements defined in the Australian Dangerous Goods Code.
- In addition, where the products are to be transported to or from COP's premises

by sea or air, the product shall also satisfy the transportation requirements defined in the International Maritime Dangerous Goods Code and/or the International Air Transport Association's Dangerous Goods Regulations, as applicable.

13.7 PERSONNEL SECURITY SEARCH AND DRUG AND ALCOHOL TESTING

One of the conditions of entry to COP's work site or facility is the consent to searches by COP of the Contractor Group and items or equipment in their possession.

Personnel searches may be performed by way of a physical "pat down" or such other method as COP may require from time to time. Specific requirements include:

- The Contractor must obtain written consent forms executed by each member of the Contractor Group acknowledging and consenting to the conduct by COP of the searches set out in and in accordance with the terms of the Contract.
- Any person who refuses to be searched or is found to be in possession of a prohibited item or substance shall be directed to leave the premises.
- The Contractor Group will be subject to random and periodic drug and alcohol testing while performing the Work on COP's premises. Testing may be based on breath, saliva, and/or urine samples or such other method as COP may require from time to time.
- The Contractor must obtain written consent forms executed by each member of the Contractor Group, acknowledging and consenting to the conduct by COP of random and periodic drug and alcohol testing.
- Personnel, who return a positive test result based on the sample provided, or refuse to provide an acceptable sample, will be removed from COP's premises.
- Further details on COP's policy and testing procedures are contained in the Substance Abuse Policy, which is available upon request.

13.8 HSE RELATED RULES AND RESTRICTIONS

The Contractor must enforce the prohibition of cameras, weapons or explosives on work sites unless COP expressly waives such obligation in writing.

The Contractor must confine their personnel to their assigned areas and prohibit loitering or wandering into areas beyond the boundary of their work assignment.

The Contractor must ensure that all members of the Contractor Group comply with all rules and regulations in place at COP's facilities.

13.9 UNSAFE OPERATIONS AND THE RIGHT TO STOP UNSAFE WORK

If the Contractor believes that the operations cannot be safely undertaken or that continuance of operations may result in any hazardous conditions, it must immediately notify COP. Contractor shall use its best efforts at all times to control or overcome the cause or minimise the effect of any hazardous condition.

Contractor and Contractor's personnel shall understand that they have the right to stop work when they consider it unsafe to continue. All employees and contractors have the right to refuse to do unsafe work. This right must be communicated and understood by all personnel performing Work.

In the event of either scenario (i.e. stopping a job or refusing to do a task based on a safety concern), the most senior COP HSE representative at that location must be notified immediately.

14.0 TRANSPORTATION OFFSHORE

Contractor shall acknowledge and comply with the following requirements in relation to transportation of personnel and equipment to COP's offshore facilities:

- COP shall, at its own cost, procure transportation of the Contractor's personnel, equipment and supplies to and from COP's designated embarkation point and any offshore location at which all or part of the Work will be performed.
- The Contractor shall at its own cost deliver its equipment to COP's designated embarkation point in due time and properly packed and marked for transportation.
- All personnel employed by the Contractor to work in the Timor Sea Joint Petroleum Development Area must have a current passport with a minimum of six months currency prior to the expiry date.
- Personnel using helicopter and fixed wing aircraft services provided by COP shall comply with all aviation operational requirements.
- Personnel travelling offshore by helicopter must hold current BOSIET (Basic Offshore Safety Induction and Emergency Training) or Helicopter Underwater Escape Training (HUET) certification from a training provider recognised by COP. A copy of the certification is to be provided to COP by request. A list of COP's approved HUET and BOSIET Training Providers is available upon request.
- Personnel shall be restricted to one piece of personal luggage of 10 kg in weight. One piece of soft luggage is recommended, with dimensions not exceeding 46 cm x 46 cm x 23 cm.
- Any over weight luggage is to be advised to COP at least 24 hours prior to scheduled departure. Extra baggage and over weight luggage may be required to travel as unaccompanied freight. Toolboxes and specialist tools required to travel with the personnel must be advised to COP at least one week in advance, as alternative shipment arrangements may be required.
- No baggage or material will be permitted inside the cabin of the helicopter due to the potential for inhibiting exit from the aircraft in the event of an emergency.
- Personnel travelling to offshore facilities will not be permitted to carry any of the following items aboard the aircraft, which include but are not limited to:
 - Matches or lighters
 - Firearms
 - Cameras (unless pre-approval has been given by COP)
 - Alcohol
 - Prohibited drugs, other than prescription medication. Personnel carrying medication (prescription or non-prescription) shall present the medication at the heliport check-in prior to boarding the flight. Medication shall travel with the Sponsor and be presented to the facility medic or nurse on arrival at the facility
 - Explosives
 - Pyrotechnics
 - Magnetic devices or materials
 - Corrosive materials

- Gas under pressure
- Radioactive materials
- Oxidising substances
- Any other materials or substances prohibited by the IATA Dangerous Goods Regulations.

15.0 HSE TRAINING

The Contractor and the Contractor Group must recognise COP's strong commitment to Health, Safety and Environment (HSE) and must make themselves aware of these commitments. The Contractor is responsible for identifying necessary training and verifying that all members of the Contractor Group are properly prepared to perform the work as contracted.

The Contractor is also responsible for communicating to the Contractor Group COP's applicable policies, programs and procedures, and the potential hazards associated with the Work and any Statutory Requirements. In some cases COP may provide this training.

The Contractor must develop and implement an HSE Training program for the Contractor Group to meet COP's requirements and the Statutory Requirements. This program shall also address requirements for basic HSE training, specialist HSE training and HSE refresher training for existing personnel. Additional requirements include:

- The Contractor must develop and maintain a training records keeping system. At a minimum this system should contain: course title, date of training, course organizer, name of participant, and result of any testing to verify understanding and date of required recertification training
- Before starting Work under the Contract, the Contractor shall at its own expense ensure that the Contractor Group has been given the necessary basic HSE training including, but not limited to:
 - Basic fire fighting
 - Introductory briefing explaining the nature of the Work
 - Overview of the general hazards that may be encountered during the operation and the particular hazards attached to their own function
 - Contractor's own HSE policy and procedures which shall satisfy all guidelines and/or operating standards provided by the Contractor to COP
- Contractor and the Contractor Group shall implement at their own expense (unless otherwise formally agreed by COP), prior to the commencement of works, any specialist HSE related training programs, applicable to their work scope (including supervisory personnel). Such training programs must be run by recognised training organisations, or by Contractor's own field supervisory staff having experience and expertise in the relevant area of training. Any proposed 'on the job' training must be approved by the COP HSE Team Leader.
- Before travel offshore the Contractor, at its own cost, must provide HUET/BOSIET training to all members of the Contractor Group and provide certification to COP.
- Wherever possible, all of the necessary training shall be completed at least one week prior to scheduled offshore travel or commencement of work. Certificates of the training shall be provided to COP upon request.
- Unless COP makes special provisions to ensure the immediate availability of

bilingual supervision at the job site, all members of the Contractor Group are required to be able to speak, read and write in English. All members of the Contractor Group who perform process work, maintenance and other HSE critical work shall be able to speak, read and comprehend technical English.

- Upon arrival at COP's facilities, members of the Contractor Group shall be required to attend a facility specific HSE orientation course before being permitted to undertake any work activity.
- The Contractor shall, if requested, provide COP with details of ongoing training programs and shall provide COP with all related revisions during the term of the Contract.

16.0 EMERGENCY PREPAREDNESS

The Contractor must ensure that all members of the Contractor Group working onshore or offshore at the site or facility, including visitors, are properly instructed in the emergency response procedures and HSE rules and such training is recorded and available for inspection.

Members of the Contractor Group working on COP's facilities will be instructed in the emergency response procedures and HSE rules as part of the facility induction.

16.1 EMERGENCY DRILLS

The Contractor must conduct emergency response drills (i.e., fire, spill, evacuation and boat drills, man overboard - MOB) to test the effectiveness of its emergency procedures and equipment and the knowledge and proficiency of all response personnel.

The timing of such drills shall vary and shall be subject to approval of COP. The Contractor will record and report the emergency drill results to COP if requested, and to any regulatory agency as required.

Members of the Contractor Group working on COP's facilities will be required to participate in COP's emergency response drills and exercises upon request.

16.2 FIRST AID

Depending on the facility or location of Work, the Contractor may be required to provide its own first aid equipment, supplies and trained personnel. The trained personnel must be familiar with COP's most recent guidance on injury classifications and COP's approach to Injury Management.

16.3 EMERGENCY RESPONSE MANUAL

The Contractor must, if requested, provide COP with a copy of the Contractor's Emergency Response Manual, which shall set out its procedures for fire and spill response, evacuation, man overboard, heavy weather, search and rescue and other relevant emergency response procedures.

- In the event of impending adverse weather or other conditions, the Contractor must have a procedure in place to implement, in consultation with COP, the appropriate precautionary measures to safeguard personnel, property and environment.
- The Contractor must, where required, comply with COP's Emergency Response Plans and Procedures whilst working on COP's facilities. Any conflicts with COP's Emergency Response Procedures shall be addressed and resolved prior to commencing the Work.

- For certain worksites, based on risk assessment, the Contractor will be required to provide a written medical emergency response plan that is established prior to initiating work at the site.

16.4 FIRE FIGHTING

The Contractor shall prominently publish in all relevant languages for all areas of work under its control, the procedures to be carried out in the event of fire and ensure all members of the Contractor Group at site receive regular instruction in basic fire fighting techniques. The Contractor must ensure that adequate approved fire fighting equipment is available at its work sites. Contractor shall comply with additional requirements for Hot Work which are described in COP's Permit to Work Procedures.

17.0 MANAGEMENT OF CHANGE

For Work conducted at a COP site, the Contractor must comply with COP's Management of Change procedure to ensure that risks associated with changes to the Contractor's organisation, engineering (design and implementation) and documentation, have been assessed and controlled to As Low as Reasonably Practicable (ALARP). A Copy of the procedure is available on request.

For offsite Work conducted under a COP contract, the Contractor is responsible for ensuring that risks associated with technical and non technical changes have been assessed and controlled to ALARP.

18.0 HEALTH

18.1 ALCOHOL AND NARCOTICS

The Contractor must ensure that the Contractor Group does not at any time take or work under the influence of any alcohol, narcotic or other intoxicating substance, other than for bona fide medical reasons or other proper reasons which have been approved in advance by the Contractor's or COP's medical practitioner.

18.2 FITNESS FOR WORK

COP aspires to provide a safe working environment. To assist COP with achieving this policy objective, all personnel working in COP's premises are expected to behave in a responsible manner and present themselves for work in a fit and healthy state. Specific requirements include:

- The Contractor must ensure that all members of the Contractor Group are fully qualified, physically and mentally healthy and medically fit for their respective assignments and shall certify the same to COP if so requested.
- All members of the Contractor Group must be certified medically fit to undertake the work that they are employed to perform.
- For work to be performed at offshore sites, a current HUET medical examination, as a minimum, will be required. The Contractor must provide documentation as evidence to COP.

18.3 MEDICAL WELFARE

The Contractor shall be responsible for the medical welfare of its all members of the Contractor Group.

18.4 HYGIENE

The Contractor must ensure that the Contractor Group maintains high standards of hygiene in connection with the performance of the Work and where required carry out any such training to provide awareness.

18.5 SMOKING

The Contractor shall not permit smoking at the worksite except within designated smoking areas selected in accordance with the Statutory Requirements and COP's policies.

18.6 HEAT STRESS

To avoid sunstroke and dehydration, the Contractor must inform the Contractor Group on how to acclimatise themselves to long periods of sun. Adequate water shall be available at all times and adequate mineral salts included in the diet.

18.7 FATIGUE - WORKING HOURS

The Contractor shall be responsible for the administration of the working hours of the members of the Contractor Group. In order to control the risk of fatigue contractor shall:

- Provide relief personnel if it can reasonably be anticipated that the work will continue for an extended period.
- Not allow personnel to become so fatigued as to adversely affect his or her own health and safety and that of others. In any case, except in an emergency, no person shall be allowed to carry out work if he or she has had less than 10 hours rest in any 24 hours period.
- Comply with COP's Fatigue Management Procedure when working at COP facilities. This procedure is available on request and can be used as guidance for work outside of COP facilities.

19.0 ENVIRONMENT

19.1 RESOURCE USAGE, WASTE GENERATION, DISPOSAL AND SPILLAGE

The Contractor shall be responsible for ensuring that handling, storage, treatment, transportation, and disposal of waste is conducted in accordance with all Statutory Requirements, and any additional COP's requirements. Specific requirements include:

- The Contractor shall endeavour to minimize resource usage and waste generation during the Contract. All packaging and waste products should be kept to a safe minimum, and where practicable shall be reusable, recyclable or suitable for environmentally safe disposal to onshore landfill or incinerator.
- Use of loose polystyrene beads as a packaging medium is prohibited for materials that are to be dispatched to or from COP's offshore facilities.
- Waste segregation receptacles are provided on COP's facilities and Contractor is required to comply with site waste segregation, handling and labelling requirements. No on-site or overboard disposal of waste products (liquid or solid) is permitted, unless specifically approved by COP.
- The Contractor is responsible for obtaining, preparing and maintaining waste permits and manifests for transporting and disposing of wastes generated by the Contractor. All procedures must meet with COP's approval.
- The Contractor shall take precautions to prevent contamination of the environment from the work activities and to have in place written response procedures for spills and accidental releases.

The Contractor is responsible for providing and maintaining spill control and cleanup equipment and for providing trained (certified) response personnel except as may be otherwise provided in the Contract.

19.2 CULTURAL HERITAGE IMPACT MANAGEMENT

The Contractor must ensure that appropriate measures are taken to identify and protect cultural heritage sites in accordance with Statutory Requirements and COP management plans. The Contractor must also ensure that its activities do not negatively impact on the customs and cultural traditions of local peoples.

20.0 DEFINITIONS

- (a) The terms and phrases defined in the General Terms and Conditions of the Contract apply to this ATTACHMENT A – Health, Safety & Environmental.
- (b) "COP" shall mean ConocoPhillips and the entity named as the "Company" in the Contract.



ABU Substance Abuse Policy

1.0 PURPOSE

At ConocoPhillips, our objective is to create and maintain an operating environment free of substance abuse. We believe that substance abuse increases the potential for accidents, absenteeism, substandard performance, poor employee morale and health, as well as damage to the Company's reputation and surrounding communities. ConocoPhillips will act to eliminate adverse safety outcomes as a result of substance abuse in the workplace. Accordingly, the ABU (Company) has adopted the Global Substance Abuse Policy covering all employees and, as relevant, all job applicants (see copy of Global Policy at Attachment A).

As a condition of continued employment with the Company, employees must comply with the ABU and Global Policies.

2.0 SCOPE

This Policy applies to anyone performing Company work, on Company assignment or on Company premises such as joint venture partners, contractors, subcontractors and visitors and includes employees seconded to other organizations.

3.0 DRUG AND ALCOHOL FREE WORKPLACE

Employees and any other person performing Company work, on Company assignment or on Company premises are prohibited from engaging in any activity that would contradict this Policy, its spirit and principles. Where applicable, references to employees in this Policy shall be deemed to include any other persons performing Company work, on Company assignment or on Company premises.

Employees and any other person performing Company work, on Company assignment or on Company premises are expected to be fit for duty and in a condition to carry out their assignments and responsibilities. It is therefore a violation of this Policy for such persons to work or to be on Company assignment or Company premises with any controlled substance (prescribed in this Policy) present in their systems above the cut off levels.

Employees must cooperate with the substance testing programs specified in this Policy. Refusal to cooperate with such testing, searches or investigations or tampering with any controlled substance test sample will result in termination of employment.

The consumption, use, manufacture, dispensation, possession, distribution, promotion, provision, purchase, sale, transportation, concealment, transfer or storage of controlled substances and/or controlled substance-related paraphernalia while performing Company work, on Company assignment or on Company premises is strictly prohibited and will result in termination of employment.

In addition to the Company conducting controlled substance tests on employees, certain contractors, consultants and vendors may also conduct controlled substance searches and/or testing of their employees, according to Company guidelines for controlled substance testing in effect at the time (these guidelines may be modified from time to time at the Company's discretion).



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While the Company has no direct interest in the personnel actions or discipline of contractor employees or any outside vendors, these persons can affect safe Company operations. Any contractor, employee, consultant or vendor found or reasonably suspected to be in violation of this Policy will be denied access to the job site or work assignment by the Company. Visitors found or reasonably suspected to be in violation of this Policy will also be denied access to Company premises.

4.0 SUBSTANCE TESTING

4.1 Periodic Testing and Random Testing

Anyone performing Company work, on Company assignment or on Company premises will be subject to both periodic and random controlled substance testing. Random testing will be determined by a random selection process, administered by the Human Resources Department.

All employees will be tested under the Periodic testing program once every 3 years.

All employees will be subject to random testing at any time.

4.2 For Cause/Reasonable Suspicion and Post Accident Testing

Anyone performing Company work, on Company assignment or on Company premises may be required to undergo controlled substance testing in the event of:

- an accident, incident or safety violation which results in a work-related injury, damage or loss of Company property;
- a near miss accident or incident where a manager has reasonable grounds to believe that an individual may not be fit for work;
- where an individual's erratic, unusual or dangerous behavior raises concern that the individual may not be fit for work; or
- in the event that evidence is found which indicates the consumption, use, manufacture, dispensation, possession, distribution, promotion, provision, purchase, sale, transportation, concealment, transfer or storage of controlled substances and/or controlled substance-related paraphernalia while performing Company work, on Company assignment or on Company premises and the Company has reasonable suspicions of those who may have been involved.

For Cause, post-accident testing may be performed even though the use or abuse of controlled substances is not apparent.

5.0 PRESCRIPTION AND OVER-THE-COUNTER DRUGS

The use of prescription or over-the-counter drugs may impair a person's ability to perform work safely. There are various types of drugs which may impair performance including but not limited to:



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- Hypnotics and sedatives
- Anti-depressants
- Antihistamines
- Stimulants and appetite suppressants
- Analgesics/Codeine

Many medications available by prescription or purchased over-the-counter have side effects that may alter an employee's ability to do his or her job safely. Employees are responsible for obtaining the information necessary to determine whether the use of any such medication may negatively affect their ability to perform their job safely. Accordingly, employees must discuss their job responsibilities with their physician or pharmacist to determine what the medication contains and how it could affect the Company's controlled substance tests as well as whether use of any prescription and/or over-the-counter medication could adversely affect their ability to perform their job safely.

If the prescription or over-the-counter medication the employee is taking could impact on his or her ability to work safely, the employee must notify one of the Company's health professionals (Occupational Health Coordinator, Offshore Medic or Company appointed Doctor) or their supervisor of this before commencing work. If the Company's Health Professional is advised and there is a need to restrict work duties or patterns of work, the employee must immediately advise their direct supervisor and seek support through the Human Resources Department to ensure that the restricted work duties or patterns are properly documented and implemented.

An employee must declare any prescription or over-the-counter medication the employee is taking, at the time of testing on the chain of custody form. If an initial positive test result is received, the employee will be required to produce the valid relevant prescription whilst the result is being confirmed.

It is not a violation of this Policy if an individual uses a medication prescribed to them by a licensed medical practitioner for current use (i.e. within the prescribed period of use) and in accordance with instructions. If an employee takes over-the-counter medication he or she must do so in accordance with the instructions of the pharmacist and those provided with the medication.

6.0 TESTING FOR DRUGS AND ALCOHOL

It is a condition of employment for all employees to submit to controlled substance testing. The Company will test for controlled substances other than alcohol in accordance with the cut-off levels prescribed in the attached Schedule 1. Alcohol will be tested for by breathalyzer with a cut off level of BAC 0.05% in accordance with 7.1 below.



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7.0 TESTING PROCEDURES

7.1 Alcohol Testing

Any employee who reports for duty and is tested for alcohol and has a confirmed BAC reading greater than BAC 0.05% is in breach of this Policy. This breach of Policy will result in the termination of employment. If the confirmed BAC reading is between BAC 0.02% and 0.05% inclusive, the employee's direct supervisor will be informed and the employee will be removed from performing safety sensitive duties. This may also result in disciplinary action.

In the case of testing for alcohol by way of breath sample such testing will comply with applicable laws and regulations. Breath alcohol testing instruments such as a breathalyser may be used. If the initial alcohol screening test is positive, the result will be confirmed using a second breath sample.

7.2 Controlled Substance Testing

The Company will use certified and/or licensed laboratories to perform controlled substance testing on urine specimens. Chain of custody of all urine specimens will be maintained in accordance with the Australian Standard. An employee will have the opportunity at the time the sample is collected, to document any information which the employee considers relevant to the test.

If an employee fails to provide an acceptable urine specimen the Company may take any or all of the following steps:

- Extend the stay of the employee at the designated collection site until an acceptable specimen can be collected.
- Reschedule the test due to unusual circumstances, such as post-operative situations.
- Terminate the employee's employment for refusing to provide an acceptable specimen in a reasonable period. Failure to report to the designated collection site at the specified time will constitute a refusal to test.
- Terminate the employee's employment where an employee attempts to substitute, destroy or tamper with a test approved by the Company's designated medical provider.

For all controlled substance tests other than for alcohol an initial immunoassay urine specimen test will be performed. All positive initial test results will be confirmed by standard laboratory procedures, generally gas chromatography/mass spectrometry or other procedure approved by the Company's designated medical provider using a portion of the same urine specimen or other specimen authorised by the Company's designated medical provider (the "confirmation test").

In the case of a urine specimen collected for testing, it will be split, provided that the employee produces a sufficient volume of specimen.

In the case of testing for controlled substances by means of specimens other than urine (such as breath samples), such testing will comply with any applicable laws and regulations.



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The Company will terminate an employee's employment if the employee returns a confirmed positive test result for a controlled substance.

7.3 Process for Positive Initial Urine Tests

Upon the recording of a positive initial immunoassay urine test employees may remain in the workplace at the Company's discretion depending on the test result and alignment to the declared medication. The Company may however remove the employee from the workplace and place the employee on leave without pay pending the results of the confirmatory test. If the confirmation test result is negative, the employee will be returned to work duties, and wages and entitlements reimbursed if applicable.

A negative test result shall not preclude the Company from taking appropriate corrective or disciplinary action after an evaluation of all the relevant facts and circumstances.

Where an employee refuses to submit to a controlled substance test or tampers with the sample, his or her employment will be terminated.

8.0 Independent testing of urine samples

If an employee disputes the results of the initial urine specimen test the employee can request a split sample, provided that the employee produced a sufficient volume of specimen. The Company will have the split sample independently tested at the employee's own cost. If the independent test indicates that the employee may not have failed the first test, then the Company may refer the matter to a senior practitioner in the field of controlled substance testing. If the senior practitioner confirms there was a positive test result, the Company will terminate the employee's employment.

9.0 PRESCRIPTION DRUGS - APPEAL PROCEDURE

If an employee wishes to dispute the termination of employment resulting from a positive test following the use of prescription or over-the-counter medication then, within 5 days of the termination of the employee's employment, the employee may appeal the positive test result. The appeal must be in writing and include a summary of the circumstances involving the use of the prescription drug and any other relevant documents or information. This review will be undertaken by the ABU HR Lead and the ABU President.

There is no appeal review with respect to a termination of employment for positive tests for alcohol or other controlled substances.

10.0 COUNSELLING AND REHABILITATION

Prior to being identified to participate in a controlled substance test an employee may voluntarily seek assistance for substance abuse problems. In this instance, the Company will assist the employee, without subjecting them to discipline, by providing appropriate opportunities for rehabilitation through an approved ConocoPhillips Employee Assistance Program. This assistance is available provided the employee requests help prior to being subject to testing or being notified to report for testing and no other circumstances warrant disciplinary action. Any employee having completed a Company approved rehabilitation program must be substance-free; have approval from the ABU HR Lead to return to work; and



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agree to and sign a Return to Work agreement.

Employees who participate in an approved rehabilitation program must test negative before returning to work and will be subject to post-rehabilitation testing without prior notice for a 12 month period.

11.0 CONFIDENTIALITY

Information about employees' alcohol and controlled substance testing or about participation in rehabilitation programs will be held confidential, and such information will not be disclosed to any other persons without the consent of the employee, except as to actions involving the Company and the individual tested (including civil or administrative proceedings), Company's professional advisors and employees with a need to know and as required by court order, statute or regulation.

12.0 EXCEPTIONS TO THE BAN ON ALCOHOL ON COMPANY PREMISES AND WHILST ON WORK RELATED TRAVEL

Employees have a responsibility to exercise moderation and judgment and to maintain control over their actions and behavior so as not to be a hazard or danger to themselves, other employees, or the general public, and so as not to harm the Company's reputation.

12.1 Alcohol on Company Premises

Under certain circumstances, the storage of alcoholic beverages on Company premises may be authorised by a member of the ABU Leadership Team.

12.2 Company Sponsored Events

The fact that alcohol may be served at a Company-approved function does not relieve employees of their responsibility to exercise moderation and judgment aligned with 12.0 (above).

12.3 Alcohol Consumption whilst on Company Travel

No alcohol may be consumed by employees whilst travelling by aircraft leased or chartered by the Company.

Alcohol may be consumed by an employee on a commercial flight paid for by the company provided the employee is not returning to the workplace or conducting company work on the arrival of the flight, and provided further that the employee exercises moderation and judgment and maintains control over his or her actions and behaviors as per 12.0. An employee returning to a workplace or conducting company work on the arrival of the flight must comply with this Policy.

13.0 FURTHER INFORMATION

It is important that each employee understands this Policy and the Company's intent to have a safe workplace and workforce free from alcohol and controlled substance abuse. An employee is encouraged to contact their immediate supervisor, manager or Human Resources representative if the employee has any questions regarding this Policy.

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14.0 DEFINITIONS, TERMS AND ABBREVIATIONS

The following definitions apply to the terms used in this policy.

Abuse: The use of any controlled substance in a manner that may tend to incapacitate, impair or influence an individual, or the use of any controlled substance in a manner that deviates from the medical or legal norms or from Company rules, policies or expectations. This includes recreational use of a controlled substance, as well as dependence or addiction to a controlled substance. It also includes the use of any prohibited, illegal, or unauthorised substance and may include misuse of substances that are permitted, legal, authorised or uncontrolled.

Adulteration: The use of any chemical or any other product or substance which renders a specimen not fit for testing or interferes in any way with the testing process.

Alcohol: Any fermented or distilled spirits containing ethyl alcohol, such as beer, wine, wine coolers, blended or distilled spirits, fermented ales, etc. Alcohol is generally included in the term "substance".

Approved Rehabilitation Program: A substance rehabilitation and maintenance program that is recognized by and meets the criteria established by the Company's medical division.

Australian Standard: The Australian/New Zealand Standard for "Procedures for the collection, detection and quantitation of drugs of abuse in urine" AS/NZS 4308:2008 (as amended from time to time).

BAC: Blood Alcohol Content.

Breathalyser: An instrument which analyses and quantifies the chemical presence of alcohol in a breath sample.

Chain of Custody: A procedure to account for the integrity of each test specimen by tracking its handling and storage from point of specimen collection to final disposition of the specimen.

Collection Site: A place designated by the Company where individuals present themselves for the purpose of providing a specimen/sample for testing purposes.

Collection Site Personnel: Trained persons who instruct and guide individuals at a collection site and who receive and make an initial examination of the specimen provided by those individuals.

Company: Refers to the companies comprising the ConocoPhillips Australia Business Unit. (ABU)

Company Premises: Includes all property, offices, facilities, land, car parks, buildings, structures, fixtures, installations, areas, ships, boats, vessels, aircraft, automobiles, trucks and any other vehicles, equipment or property, whether owned, leased, used or controlled by the Company. It also includes all modes of transportation whether owned, leased, provided by or



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rented by any Company entity or employee performing Company work or Company assignment.

Company Representative: A person designated by the Company to collect prescribed medication, over-the-counter drugs and medical advice at any designated collection site.

Company Work: Includes all authorised work, job assignments, or job-related activities performed for, or on behalf of, any Company entity.

Confirmation Test: In the case of drug testing, an analytical testing procedure to identify the presence of a specific drug or metabolite which is independent of the initial test and which uses a different technique and chemical principle from that of the initial test. In the case of testing for substances other than drugs, an acceptable test which confirms the presence of a substance by using the same or different testing technique, such as a breathalyser.

Controlled Substances: Means all substances listed in Schedule 1 and includes prescription and over-the-counter drugs used in a manner inconsistent with the prescription or recommended usage, alcohol or drugs as specified in the Australian Standard.

Controlled Substance Testing: Includes testing for controlled substances.

Employee Assistance Program: Company sponsored program to provide assistance to employees for addressing any behavior, stress, or mental health related problems or illnesses, which are or have the potential to effect workplace productivity or individual employee health.

Initial Test: In the case of drug testing, a preliminary test to eliminate negative urine specimens from further consideration. Also, a reliable test in the case of testing for other substances such as a breathalyser.

Paraphernalia: Equipment, apparatus or other devices used in conjunction or associated with controlled substances.

Periodic Testing: Testing which ensures that each member of the subject group will be tested at some point during a given period including controlled substance testing of employees by work group or organization at unannounced intervals during a specified period.

Presence (Or Present) in the System of a Person: A positive test result for controlled substances(s) in the system of a person.

Random Testing: Testing based on a mechanism for selecting employees for drug or alcohol testing that

(a) results in an equal probability that any employee from the group of employees subject to the selection mechanism will be selected, and

(b) does not give the company discretion to waive the testing of any employee selected under the mechanism.

Reasonable Suspicion: When the company believes or suspects that an employee;



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- (a) has a substance present in the system;
- (b) is under the influence of a substance;
- (c) appears affected, impaired or influenced by a substance; or
- (d) is using or has used drugs or alcohol in violation of this policy because of information received or discovered by the company. This term is further defined in the text of the policy in the section titled For Cause/Reasonable Suspicion Testing.

Split Sample/Specimen: A portion of a urine specimen which is set aside and maintained under a separate chain of custody for confirmation testing purposes if requested by the employee.

Substances, Substances of Abuse: Alcohol, drug(s), chemical(s) or other substance(s). These terms may be generally used interchangeably and the term "substance" may be used to refer to alcohol, drugs, chemicals and substances in the policy or in communications relating to the policy.

ABU Substance Abuse Policy

Schedule 1

Table 1 - Immunoassay Screening Test Cut-off Levels

Class of drug	Cut-off level µg/L
Opiates	300
Amphetamine type substances	300
Cannabis metabolites	50
Cocaine metabolites	300
Benzodiazepines	200

NOTE: Where immunoassay is used as an initial test, then cross-reacting compounds should be included in the cut-off.

Table 2 - Confirmatory Test Cut-off Levels

Compound	Cut-off level† µg/L
Morphine	300
Codeine	300
6-Acetylmorphine	10
Amphetamine	150
Methylamphetamine	150
Methylenedioxymethylamphetamine	150
Methylenedioxyamphetamine	150
Benzylpiperazine	500
Phentermine	500
Ephedrine	500
Pseudoephedrine	500
11-nor- Δ^9 -tetrahydrocannabinol-9-carboxylic acid	15
Benzoyllecgonine	150
Ecgonine methyl ester	150
Oxazepam	200
Temazepam	200
Diazepam	200
Nordiazepam	200
alpha-hydroxy-alprazolam	100
7-amino-clonazepam	100
7-amino-flunitrazepam	100
7-amino-nitrazepam	100
Methadone	
Barbiturates	

* 6-acetylmorphine should be reported when detected at a cut-off level of 10 µg/L.

† All cut-off levels are expressed as total concentration of drug or metabolite after hydrolysis of conjugates if necessary.

