

SECTION 4a: Contractor HSE Guidelines

1. RESPONSIBILITY FOR COMPLIANCE

- 1.1. Contractor shall comply (and ensure that all members of Contractor Group comply) with all applicable laws and these Independent Contractor Health, Safety and Environmental Guidelines ("Guidelines") within the BPC Area of Operations or BPC Operational Control. These Guidelines are intended to promote a safe and healthy workplace where the services are performed without incident and in an environmentally-sound manner.
- 1.2. These Guidelines are a minimum standard and are intended to supplement, not replace, the Contractor's safety program. Contractor may implement additional measures, as necessary, to assure workplace health, safety and environmental protection, and shall implement all additional measures required by law.
- 1.3. The requirement for Contractor to comply with these Guidelines does not alter Contractor's status as an independent contractor, does not change the rights or obligations Contractor has as an independent contractor, and does not amend or restrict Contractor's liabilities and indemnities provided in this Contract. All costs associated with compliance are included in the compensation provided for under this Contract, and Contractor has no right to claim any additional payment not specifically provided for in this Contract.
- 1.4. Contractor shall communicate these Guidelines to all its employees and to members of the Contractor Group (Sub-Contractors) prior to entering the BPC Area of Operations or BPC Operational Control. Contractor shall maintain written documentation of its actions undertaken to fulfil these responsibilities and maintain a copy of those written documentations on site.
- 1.5. Contractor shall provide BPC with the name of its Contractor representative and those of Contractor Group who are responsible for health, safety and environmental protection in the BPC Area of Operations.
- 1.6. BPC or its representatives may inspect the performance of the Services in the BPC Area of Operations at any time to determine compliance with these Guidelines and prescribe measures to Contractor to achieve compliance. Contractor or Contractor Group shall implement steps to achieve compliance with these Guidelines.

2. HEALTH, SAFETY AND ENVIRONMENTAL WORK PLAN

- 2.1. On or before the Effective Date of the Contract, BPC will advise Contractor whether a Health, Safety and Environmental Work Plan ("Plan") is required, and if so, of the scope of the Plan. Contractor shall prepare the Plan on or before the Effective Date of the Contract for review and acceptance. Scheduled works shall not commence prior to Plan acceptance by BPC.
- 2.2. The Plan developed by Contractor shall describe the health, safety and environmental issues associated with the Services, and the mitigation measures required to address these issues before Contractor or Contractor Group enters the BPC Area of Operations. Contractor shall ensure that the Plan is based on, and complies with applicable laws, decrees, codes, standards, administrative rules and regulations, relevant BPC policies, processes, procedures and standards, these Guidelines and generally accepted good international industry practice for the industry in which the Services are to be provided. If an inconsistency or conflict exists between components of these laws, decrees, codes, standards, rules, regulations, policies, these Guidelines and practices, Contractor shall ensure that it complies with the most stringent to the extent that it is legal.
- 2.3. The Plan shall include minimum requirements to ensure that all members of Contractor Group are fit for duty. All foreign workers of Contractor Group must submit to any mandatory medical as required by the government of Brunei Darussalam.
- 2.3. Contractor shall submit Contractor's Plan to BPC's Representative for review. BPC has the right, but not the obligation, to review Contractor's Plan and either approve the Plan or return

it to Contractor with notice of deficiencies. Contractor shall correct any deficiencies and resubmit the Plan for BPC's review. Contractor shall ensure that the Plan is accepted by BPC before Contractor commences the Services. BPC's review of the Plan does not absolve Contractor of its responsibility to develop and implement a Plan that complies with applicable laws or these Guidelines.

3. ENTRANCE TO PROPERTY

- 3.1. Before commencement of performance, Contractor shall inspect and confirm that the work site within the BPC Area of Operations is safe and if not, promptly report any unsafe condition to BPC. Failure to promptly report an unsafe condition to BPC precludes Contractor from asserting any defense or claim against BPC in reliance on an unsafe condition which should have been observed during inspection.
- 3.2. Contractor shall comply (and ensure that all members of Contractor Group comply) with BPC's security requirements that BPC communicates to Contractor during the performance of the Services.
- 3.3. Contractor shall ensure that only those employees or personnel of Contractor or Contractor Group having authorized business arising out of this Contract are allowed in the BPC Area of Operations.

4. MOTOR VEHICLE SAFETY

- 4.1. Contractor shall have and comply (and ensure that all members of Contractor Group comply) with its own motor vehicle safety plan ("Motor Vehicle Safety Plan") unless the Services provided do not require the operation of motor vehicles and equipment ("vehicle"). BPC Representative may review this Motor Vehicle Safety Plan and, if required, Contractor shall implement improvements, such as a provision for defensive driving training.
- 4.2. Contractor shall comply (and ensure that all members of Contractor Group comply) with rules and regulations, including written instructions prescribed by BPC and communicated to Contractor, relating to vehicle safety. These include observation of the posted speed limit, or if not posted, a safe speed with regard to existing conditions.
- 4.3. Contractor shall ensure that all vehicles are in safe operating condition and operators must be properly trained, qualified, licensed and/or certified. Contractor shall ensure that these vehicles are equipped with seat belts for driver and passengers and that operator and passengers use seat belts at all times.
- 4.4. Except as provided in this Section, the operator of a vehicle may not use a cellular telephone or any other communication device, in either hand-held or hands-free mode, while the vehicle is in motion. These telephones or communication devices may be left in an "on" position to alert drivers of an incoming call; however, calls must not be answered until the vehicles have been stopped in a safe location. This guideline does not apply to Contractor's use of facility mobile equipment (e.g., forklifts, electric carts, fire trucks, etc.), dispatch or emergency response communications, or FRC radios if previously approved to do so in writing by BPC.
- 4.5. On or before the Effective Date of the Contract, BPC will advise Contractor whether a driver monitoring system is required. If a driver monitoring system is required, Contractor shall have, or develop and implement such a system. BPC may request review of the system's monthly data and recommend measures to improve Contractor's vehicular safety performance.
- 4.6. Contractor shall ensure that motorcycles are not used for performing the Services except if approved in writing by BPC.

5. SMOKING

- 5.1. Smoking is only permitted in designated, authorized areas.

- 5.2. BPC has the right to order Persons observed smoking in unauthorized areas to cease or to leave the BPC Area of Operations.

6. PERMIT TO WORK

- 6.1. The "Permit to Work" ("PTW") applies to work that requires a specific permit to perform the work. PTW requires identification of job task hazards, evaluation of job task risks, specification for control measures to track performance and use of those control measures to prescribe improvements to performance. The purpose of PTW is to prescribe documented practices to manage and control risks associated with the particular work. Contractor shall submit its practice(s) (RAMS) for BPC's review and acceptance. If BPC determines that BPC's documented practices for substantially the same work are more stringent than Contractor's documented practices, BPC Representative may require Contractor to follow BPC's documented practices.
- 6.2. Prior to starting any safety critical work or field activities, Contractor shall perform a Risk Assessment / Method Statement ("RAMS"). Contractor shall ensure that the RAMS accomplishes all of the following:
- a) Study and record each step of any non-routine, safety critical work or field activities.
 - b) Identify existing or potential equipment-, environmental- or action-generated job hazards.
 - c) Determine the best way to perform the job and mitigate or eliminate hazards and risks.
- 6.3. Prior to starting any safety critical work or field activities, Contractor shall communicate the RAMS to its employees and those members of Contractor Group who will perform the safety critical work or field activities in their native tongue.
- 6.4. Before hot work operations are conducted, Contractor shall obtain a determination from BPC whether a hot work permit is required and if required, shall adhere to the BPC permit system and comply with all conditions of any hot work permit.
- 6.5. Contractor shall adhere to the BPC permit system and comply with (and ensure that all members of Contractor Group comply with) written safe-entry procedures for any Services involving entry into confined spaces, limited access vessels or below grade pits.
- 6.6. Contractor shall adhere to the BPC permit system and comply with an energy isolation system (lock-out/tag-out) before any member of Contractor Group performs work on equipment or machinery.

7. PRESSURE TESTING

- 7.1. Contractor shall ensure that its employees or Contractor Group do not test pipes or pressure vessels with or without compressed air, gas or service fluid, without BPC's prior written approval.

8. EXPLOSIVES AND HAZARDOUS MATERIALS

- 8.1. If explosives are required in the performance of the Services, Contractor shall train its employees and provide BPC with written notification regarding the proposed use, storage and handling of explosives prior to the start of the blasting. Further, Contractor shall ensure that its employees are qualified to perform this type of work.
- 8.2. Contractor shall notify and receive BPC's prior written approval before chemicals or hazardous substances are brought to the BPC Area of Operations.
- 8.3. Contractor shall ensure that all hazardous substances used in the performance of the Services are handled, stored, transported, identified, documented and secured in a safe and environmentally-sound manner to international industry standards.
- 8.4. Contractor shall maintain (and ensure that all members of Contractor Group maintain) Material Safety Data Sheets or their equivalent ("MSDSs") in the BPC Area of Operations for all

chemicals and other hazardous substances used in performance of the Services and perform all the Services consistent with instructions contained in these MSDSs.

9. FIRE PROTECTION AND EMERGENCY RESPONSE

- 9.1. Contractor shall take (and ensure that all members of Contractor Group take) reasonable precautions to prevent fires. Contractor shall ensure that contaminated paper, rags, trash and other combustible are disposed of in safe containers in compliance with applicable laws and generally accepted good international industry practice.
- 9.2. Contractor shall ensure that flammable liquids, such as, gasoline, kerosene and fuel oil, are transported and stored in industry-approved metal containers that are designed for these purposes. Contractor shall ensure that these liquids are stored away from possible sources of ignition.
- 9.3. Contractor shall ensure that fire protection equipment is not tampered with. Contractor shall ensure that hydrants or main water valves are not opened or closed without BPC's written approval, except in the case of an emergency.
- 9.4. Contractor shall immediately report all leaks or other indications of gas escaping around piping, vessels or equipment to BPC. Contractor shall cease (and ensure that all members of Contractor Group cease) all work in the area near the leak upon discovery of the hazard.
- 9.5. Contractor shall ensure that its employees use only non-toxic cleaning solvents with a high flash point (above 140°F or 60°C) for cleaning purposes.
- 9.6. Contractor shall ensure that its employees receive the fire protection, safety and other emergency training required under all applicable laws and these Guidelines.
- 9.7. Contractor shall provide its own fire protection equipment for the use of its employees and personnel of Contractor Group unless otherwise agreed by BPC in writing.
- 9.8. Contractor shall shut down (and ensure that all members of Contractor Group shut down) internal combustion engines before refuelling, except where the refuelling point is sufficiently remote from the engine to allow safe refuelling.
- 9.9. In case of fire or other emergency situation, Contractor shall immediately take (and ensure that all members of Contractor Group take) appropriate measures to protect the safety of personnel and to extinguish the fire or otherwise handle the emergency situation even where the cause is unrelated to the Services. The first priority must be the safety of all personnel. Contractor shall notify BPC Representative about the fire or other emergency situation immediately, but not later than the period of time after discovering the emergency incident permitted under the Plan.
- 9.10. Contractor shall shut down (and ensure that all members of Contractor Group shut down) and remove all equipment from the area in and around the fire and other emergency situation to the extent possible.
- 9.11. Use of motors, compressors, pumps and other equipment inside tank bund areas by Contractor is permitted only in accordance with BPC procedures.
- 9.12. Contractor shall ensure that "strike anywhere" matches and plastic disposable lighters are not carried or used in hazardous areas. Safety matches are preferred, but facility or work site rules apply and control in case of conflict.

10. MEDICAL AID

- 10.1. Contractor shall provide first aid personnel, equipment and supplies for its employees and personnel of Contractor Group unless otherwise agreed by BPC in writing.

11. PERSONAL PROTECTIVE EQUIPMENT

- 11.1. Personal protective equipment (PPE) must be provided by Contractor for its employees and personnel of Contractor Group if required by applicable laws, decrees, codes, standards, administrative rules and regulations, relevant BPC policy or generally accepted good international industry practice for the industry in which the Services are to be provided. Contractor shall provide this equipment at its own cost unless otherwise agreed by BPC in writing. Contractor's employees must wear (and ensure that all members of Contractor Group wear) this equipment within the BPC Area of Operations, as required.
- 11.2. All personal protective equipment must be used and maintained by Contractor in compliance with applicable laws and manufacturer's instructions.

12. HOUSEKEEPING

- 12.1. Contractor shall maintain good housekeeping at all times and keep all work sites clean and free from obstructions. Contractor shall mark and identify all tripping hazards.
- 12.2. Contractor shall keep (and ensure that members of Contractor Group keep) the access to emergency exits clear at all times.
- 12.3. Contractor shall ensure that all ditches, holes, excavations, overhead work and other impediments connected with the Services are properly barricaded, and are provided warning signs or lights where necessary.
- 12.4. The Contractor shall ensure at its own cost, housekeeping is conducted daily during work implementation. Unwanted materials, equipment, waste and rubbish generated by the Contractor (or Contractor Group) while undertaking the work shall be appropriately disposed from the site.
- 12.5. The Contractor shall be responsible for liaising with the authorities in order to obtain approval and clearance to properly dispose of Scheduled Waste associated with the work from the site; BPC may assist in this regard.

13. INCIDENT AND SAFETY REPORTING

- 13.1. Contractor shall report all on-the-job accidents or injuries arising from the Services to the proper governmental authorities, where required, and to BPC Representative. Contractor shall also report all theft or other incidents of a criminal or security nature, such as, a hijacking or assault. Contractor shall complete and provide BPC with a copy of every accident and incident report involving personnel injury or property damage that is filed with Contractor's (or any member of Contractor Group's) insurance company or representative or that are reportable under governmental regulations.
- 13.2. Contractor shall maintain and file (and ensure that all members of Contractor Group maintain and file) accident and incident reports required under this Contract or as required by applicable laws, decree, codes, administrative rules, these Guidelines and regulations, and furnish copies to BPC.
- 13.3. Contractor shall immediately and verbally report all accidents and incidents to BPC and confirm the report in writing within the time limit specified by BPC in the Plan. This includes fatalities, injuries, fires, spills, motor vehicle accidents, damage to BPC property and other reports required in this Contract.
- 13.4. Contractor shall report all accidents and incidents arising from the Services that affect health, safety, and the environment (including spills). These reports must be delivered to BPC Representative on a monthly basis unless otherwise specified by BPC in the Plan.
- 13.5. If required by BPC Representative, Contractor shall also prepare monthly reports regarding total hours worked, number and type of incidents that occurred during the report period or

other statistic required by BPC. Contractor shall deliver these reports to BPC Representative by a specified date each month.

14. BEHAVIOUR-BASED SAFETY

- 14.1. Contractor shall develop, implement and comply with (and ensure that all members of Contractor Group implement) a behaviour-based safety process ("BBS") to provide for observation and feedback on employee behaviours and to track and analyse these observations in an effort to identify and implement actions for improvement. BBS is intended to prevent injury and incident through reduction of at-risk behaviours in the workplace.

15. ENVIRONMENTAL PROTECTION

- 15.1. Contractor shall prevent (and ensure that all members of Contractor Group prevent) spills or other releases of oil or chemical substances during the performance of Services. Contractor shall develop, implement and comply with a pollution prevention plan. BPC has the right, but not the obligation to review this pollution prevention plan.
- 15.2. Contractor shall exercise (and ensure that all members of Contractor Group exercise) the necessary care to protect and preserve the environment, including flora, fauna and other natural resources or assets at any location where the Services are performed. Contractor shall mitigate (and ensure that all members of Contractor Group mitigate) adverse impacts to the environment. This includes proper disposal of all hazardous and non-hazardous wastes such as oil, chemicals, sewage and garbage. Contractor shall comply with any environmental practices specified by BPC and included as a condition of this Contract. In the event Contractor discovers or is notified of 1) any condition or situation on, in or around the BPC Area of Operations which may constitute a release of Hazardous Substances or a violation of any law, or 2) any threatened or actual lien, action or notice that the BPC Area of Operation is not in compliance with any law, the party discovering the condition shall immediately notify BPC. Contractor shall then immediately take reasonable measures to remediate the conditions and notify any other appropriate governmental authorities.
- 15.3. Contractor shall assess the environmental hazards of materials and supplies used in conjunction with the Services and substitute materials presenting less risk whenever possible. Contractor shall not use the following materials, as well as any other materials specified by BPC, in the BPC Area of Operations without BPC's written approval:
- a) Polychlorinated Biphenyls (PCBs).
 - b) Asbestos.
 - c) Chlorinated solvents and thinners.
 - d) Halon and other chlorinated fluorocarbons.
- 15.4. Contractor shall use only properly grounded above-ground steel tanks for fuel storage. Contractor shall not use bladder, fiberglass, plastic and other types of fuel storage tanks without BPC's written approval. Contractor shall ensure that loading and drainage connections to fuel storage tanks are either plugged or locked in the closed position when not in use, and equipped with self-closing ("dead-man's valve") fuel dispensing nozzles.
- 15.5. Contractor shall ensure that all above-ground fuel, oil and chemical storage tanks used in connection with the Services have a secondary containment mechanism with a minimum capacity equal to 110% of the capacity of the largest single tank. Secondary containment impounds may have a drain connection for removal of storm water if the drain discharge is normally plugged or equipped with a valve that is generally locked closed.
- 15.6. Contractor shall ensure that its employees do not hunt, disturb or capture native birds, fish or other animals.
- 15.7. Contractor shall ensure that trees and vegetation are not removed to an extent greater than is necessary to perform the Services. Contractor shall ensure that topsoil is stockpiled for subsequent use in site restoration unless BPC provides in writing for an alternative course of action.

16. STOP WORK AUTHORITY AND SUSPENSION OF WORK

- 16.1. **Stop Work Authority.** Contractor shall stop work when an imminent hazard to persons, property or the environment is identified and immediately notify BPC Representative that work has stopped, the reasons for stopping the work and an estimate of when the work will resume. Contractor shall take all appropriate measures to abate the imminent hazard and limit the duration of the stop work and coordinate efforts with BPC Representative to mitigate the effect of this stop work authority.
- 16.2. **Suspension of Work.** BPC has the right to immediately suspend the performance of the Services if BPC, in its sole judgment, determines that any member of Contractor Group is failing to comply with these Guidelines or with written instructions provided to Contractor under these Guidelines or with applicable safety laws and regulations while in the BPC Area of Operations. Suspension under this Section 16.2 continues until BPC notifies Contractor that the suspension is lifted. Contractor acknowledges that BPC has no obligation to lift the suspension until it is satisfied that Contractor will thereafter comply with these Guidelines. Contractor is not entitled to compensation for the period of the suspension or to reimbursement of any expenses incurred during the suspension.

17. TRAINING

- 17.1. Contractor shall ensure its employees are trained (and ensure that all members of Contractor Group are trained) in compliance with appropriate health, safety and environmental codes, standards, laws and regulations of all governmental or regulatory agencies having jurisdiction over the Services or BPC Area of Operations. Contractor shall ensure that this training also addresses potentially dangerous conditions, safe work practices and procedures, including safety training to ensure the proper use of any personal protection equipment required to perform the Services. At BPC's request, Contractor shall provide BPC with a certification that training requirements are met and maintained.
- 17.2. Prior to commencement of the Services, Contractor shall participate (and ensure that all members of Contractor Group participate) in BPC Site Safety Induction. (Cost of induction to be borne by the Contractor Company (or Contractor Group) at BND20 per person per induction);
- 17.3. Prior to commencement of the Services, All Contractor Key Personnel (or Contractor Group Key Personnel) shall participate in BPC Person-In-Charge Briefing (Cost of induction to be borne by the Contractor Company (or Contractor Group) at BND30 per person per induction).

18. MISCELLANEOUS

- 18.1. Contractor shall ensure that no firearms, ammunition or deadly weapons are stored, brought upon or used in the BPC Area of Operations except as may be authorized by BPC (e.g., for security purposes to ensure protection of BPC Facilities, Contractor's personnel and property).
- 18.2. Before commencement of performance, the Contractor (and / or Contractor Group) shall obtain and maintain the necessary governmental visas, permits and documentation from the relevant Brunei authorities for all applicable personnel. BPC has the right, but not the obligation, to review any governmental visas, permits or documentation to verify compliance.
- 18.3. The Contractor shall provide BPC with required documentation at a sufficiently early date to enable BPC to review, make comments, take action and accept in a timely fashion, (to include: all drawings, documents and other necessary information). Contractor shall respond to BPC's requests for documentation within reasonable time.
- 18.4. The Contractor (and Contractor Group) shall include, but are not limited to the following:
- a) Confirmation of Acceptance of the BPC Contractors Safety Handbook;
 - b) Bidder's Proposal including Method Statement of Sequenced Work Activities and Proposed Work Program (starting from contractual date inclusive of mobilization, construction works, tests, completion time, etc.);

- c) List of Contractor's Equipment for the Works (i.e. tools and equipment); and accompanying 3rd party certificates if applicable.
 - d) List of manpower to include: total number, positions and relevant certificates (riggers, welders, HSE officer, etc.) for each personnel;
 - e) CV of proposed key personnel including site management and operators; and
 - f) Any other documents required by BPC.
- 18.5. The Contractor (and/or Contractor Group) shall provide all the necessary construction and support equipment including, but not limited to vehicles, trailers, forklift, construction equipment, consumable materials, tools, special tools, welding machines, stores, workshops, welding rods stores, construction power and compressed air and other materials necessary to undertake the scope of work.
- 18.6. Contractor shall secure (and ensure that all members of Contractor Group secure) compressed gas cylinders in place on a regular cart or chained to a support in an upright position. Contractor shall ensure that these cylinders are protected when not in use with protective valve caps. Furthermore, Contractor shall ensure that compressed oxygen and flammable gases are not stored together or near combustible materials, but stored in accordance with written instructions provided by BPC or, if no instructions are provided, in accordance with generally accepted good international industry practice.
- 18.7. Contractor shall ensure that all of its safety equipment are properly maintained and in operable condition in accordance with manufacturer's instructions, BPC requirements and applicable laws and good international industry standards.
- 18.8. The Contractor shall provide all necessary temporary construction facilities (temporary restroom, rest area, clean drinking water, washing water, etc.) on site for their personnel (and Contractor Group personnel).
- 18.9. If damage occurs to any BPC equipment, structures or facilities; or equipment, structures, or facilities in an area of BPC operational control caused by the contractor (or Contractor Group), the Contractor shall be responsible for damages and repair. All costs and expenses incidental thereto shall be incurred by the Contractor.
- 18.10. Contractor shall review the final or completed work site and undertake any remedial measures required to remove hazards and restore the work site in accordance with BPC requirements.