



# QHSE PROGRAM 2012



**ODFJELL DRILLING**

[www.odfjelldrilling.com](http://www.odfjelldrilling.com)

**2011** has been a good year for Odfjell Drilling within Health, Safety and Environment. We have achieved improvements within most of our HSE key performance indicators. This has been possible through the dedication and motivation of all of our employees onshore and offshore. Therefore we have decided to keep focus on the implementation and compliance phase of what we already have in place rooted in the Company Management System (CMS).

During 2011, Odfjell Drilling has further strengthened the CMS and the processes for Safety Leadership as well as Risk Management.

In 2012 we will continue to focus on the above elements through:

- Prevention of major accident risk
- CMS improvements & simplification
- Safety Leadership & Compliance
- ISO 9001 & 14001 certification
- Quality improvement of all key processes

The risk of a major accident is present in every country where petroleum operations are pursued. But the presence of risk does not mean that accidents will happen. It means that risk must be managed at every level in our company.

Odfjell Drilling has a long term goal of achieving zero fault through continuous improvement. In 2011 Odfjell Drilling updated the structure of the CMS in order to reflect the global structure of the company. Covering all business areas in the company represented by MODU, OWS and OD&T, we still have joint Quality and HSE policies in addition to global corporate requirements.

In order to improve and increase the efficiency of the CMS across the business areas, we will in 2012 work towards a process oriented CMS. Expected results will be better quality and predictability in all our operations.

It is the leadership behaviour of managers that often can be the key to influencing risk taking. Odfjell Drilling Safety Leadership & Compliance concept will in 2012 be brought to the next level. Leadership and compliance is fundamental elements in building and maintaining a strong QHSE culture. One of the key predictors of an organisation's safety culture is perceived management value of safety, often expressed by the behaviour of managers within the organisation.

Parts of our organisation are already ISO 9001 (quality management) and ISO 14001

(environmental management) certified. As part of the Odfjell Drilling continuous improvement process, we see the value of certifying all business areas within the corporate group. The certification process itself will highlight any areas for improvement that needs to be dealt with.

Odfjell Drilling's vision is to become a recognized leader. In order to obtain this vision, we continuously need to improve the quality of all of our processes. We believe that moving towards a process based CMS will help the organisation to identify improvement areas and to close any gaps towards quality deliveries and products to all our customers.

Good luck with your dedicated and motivated work towards zero fault in 2012!



Simen Lieungh  
CEO



## Quality Policy

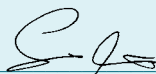
Odfjell Drilling shall provide its customers with quality and innovative products and services meeting external and internal requirements and expectations.

### This will be achieved by:

- Developing a quality culture where tasks are performed right the first time and where we constantly strive to add value for customers and owners. In maintaining this quality culture, the Odfjell Drilling core values are instrumental:

**Committed**  
**Safety conscious**  
**Creative**  
**Competent**  
**Result oriented**

- Ensuring performance management by establishing, measuring and reviewing goals and objectives.
- Establishing effective business processes and continuously monitoring and improving the company management system.



Simen Lieungh, CEO  
2011-01-06

Through continuous improvement achieve zero fault.

## HSE Policy

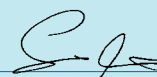
Odfjell Drilling shall work continually to reduce risks and hazards to people, environment and assets.

### This will be achieved by:

- Developing an HSE culture based on involvement and commitment from all. We shall show consideration for the protection of health, environment and assets through compliance with the Odfjell Drilling HSE rules:

**I will always comply with rules and procedures**  
**I will always risk assess my work**  
**I will always act when I see unsafe behaviour and conditions**

- Ensuring continuous focus on improving HSE results by implementing preventive measures.
- Ensuring safety leadership is a prioritized part of management responsibilities throughout Odfjell Drilling.



Simen Lieungh, CEO  
2011-01-06

Through continuous improvement achieve zero fault.



# CORPORATE QHSE PROGRAM 2012

## Quality

- CMS Improvements through process based structure
- All business areas to be ISO 9001 certified within 2012
- Improve processes and implement a common system for performance reporting.
- Improve management of incidents, risks and audits through one common system.
- Improve process for measurement of compliance

## Health, Safety and Environment (HSE):

- Establish annual action plan to prevent sickness absence
- Implement global requirements for safety and work environment.
- Reduce the risk of major accidents
- Safety Leadership & Compliance training
- ISO 14001 baseline audit in 2012 and certification within 2013 for all business areas

**Simen Lieungh**  
CEO

**Janike A. Myre**  
SVP QHSE

**Key Performance Indicators** Note: frequencies based on 1 million working hours

### Quality

- Zero overdue audits from the annual plan
- Zero overdue non-conformances

### Health

- Sickness absence < 3 % or 20 % reduction
- Zero overdue work environment inspections from plan/procedure

### Environment

- Zero reportable discharge to sea
- Zero red incidents, ref. notification matrix

### Safety

- Lost time incident frequency (H1) = 0
- Total recordable incident frequency (H2) < 3
- Zero red incidents, ref. notification matrix
- Frequency < 5 for dropped objects > 40 joule



# MOBILE OFFSHORE DRILLING UNITS QHSE PROGRAM 2012

## Quality

- CMS Improvements:
  - improve process based structure to ensure quality deliveries
  - establish work processes for project management
  - start-up of level 4 procedure improvement project
- Maintenance system improvements:
  - Secure accurate overdue status
  - Increase quality of data and maintenance history entry
- Improve quality close-out of all non-conformances, observations and incidents.

## Health, Safety and Environment (HSE):

- Safety Leadership and Compliance training
- Prevent sickness absence through information campaigns
- Experience transfer from DSB to remaining fleet with regard to mapping of barriers
- Develop handbook for preventing discharges
- Improve environmental management based on ISO 14001 baseline audit
- Improve prevention of major accidents through implementation of Bow-tie diagrams
- Dropped object prevention training

**Erik Askvik**  
EVP MODU

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# ODFJELL DRILLING & TECHNOLOGY

## QHSE PROGRAM 2012

### Quality

- Further enhance CMS to fulfill client expectations:
  - Establish bridging documents for each platform and for project execution (major clients)
  - Further develop process based management tool including all business areas
- Establish common database for experience transfer (global)
- Establish QHSE forum for key sub-suppliers within platform drilling Norway and UK

### Health, Safety and Environment (HSE):

- Establish annual action plan to prevent sickness absence
- Achieve ISO 14001 certification
- Implement next step of Safety Leadership & Compliance training
- Implement global education plan for Risk Management
- Safe Rig/Preventing falling objects related to Norsok R-003: Learning initiatives including cases offshore and E-learning course

Øyvind C. Rohn  
EVP OD&T

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# ODFJELL WELL SERVICES

## QHSE PROGRAM 2012

### Quality

- ISO 9001 certification for the global organization
- Continuous process improvements through the implementation of LEAN tools
- Establish trend analyses for equipment maintenance

### Health, Safety and Environment (HSE):

- Safety Leadership, Culture and Compliance training
- Global emergency preparedness
- Manage identified exposures for workshop and offshore personnel
- Lifestyle campaign
- ISO 14001 baseline audit

**Tommy Johnsen**  
EVP OWS

**Key Performance Indicators** Note: frequencies based on 1 million working hours

#### Quality

- Zero overdue audits from the annual plan
- Zero overdue non-conformances
- NCRs to equipment loadouts < 1%
- NPT < 0,75%
- Customer Satisfaction > 5 (1-6)
- 6S > 4,5

#### Health

- Sickness absence < 3% or 20% reduction
- Zero overdue work environment inspections from plan/procedure

#### Environment

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# CORE VALUES

The core values in Odfjell Drilling express what are the fundamental elements, forming the basis for our decisions and the way we conduct business.

**committed**

competent

**safety  
conscious**

creative

**result oriented**

**HEAD OFFICE:**  
**Odfjell Drilling AS**  
Bergen  
Sandslimarka 63  
P.O.Box 33, Kokstad  
NO-5863 Bergen  
Norway  
Tel: +47 55 99 89 00  
Fax: +47 55 99 89 01  
email@odfjelldrilling.com

**Odfjell Drilling**  
Stavanger  
Hammaren 19  
P.O.Box 118  
NO-4098 Tananger  
Norway  
Tel: +47 51 64 71 80  
Fax: +47 51 64 71 81  
email@odfjelldrilling.com

**Odfjell Drilling (UK) Ltd.**  
Bergen House  
Crawpeel Road, Altens  
Aberdeen 12 3LG  
Scotland  
Tel: + 44 (0) 1224 856000  
Fax: + 44 (0) 1224 856001  
email@odfjelldrilling.com

**Odfjell Drilling**  
Rio Branco 1  
Centro  
sala 1511  
Rio de Janeiro  
Brazil  
Tel: +55 21 3550 0860  
Fax: +55 21 3550 0861  
lkim@odfjelldrilling.com

**Odfjell Drilling**  
Amsterdam Teleport Towers  
Sloterdijk  
Kingsfordweg 151, 1043 GR  
Amsterdam  
The Netherlands  
Tel: +47 55 99 89 00  
Fax: +47 55 99 89 01  
email@odfjelldrilling.com

**Odfjell Drilling & Technology**  
Hotellgata 2-4  
N-7500 Stjørdal  
Norway  
Tel: +47 55 99 88 80  
Fax: +47 55 92 10 89  
email@odfjelldrilling.com

**Odfjell Drilling & Technology  
Manila Corp.**  
29th Floor  
Burgundy Corporate Tower  
252 Sen Gil Puyat Ave.  
City of Makati  
Philippines 1200  
Tel: +63 2 8582807  
Fax: +63 2 8848237  
email@odfjelldrilling.com

**Odfjell Well Services**  
Hammaren 19  
P.O.Box 118  
NO-4098 Tananger  
Norway  
Tel: +47 51 64 84 00  
Fax: +47 51 64 84 01  
email@odfjelldrilling.com

**Odfjell Well Services Netherlands**  
Branch of Odfjell Well Services  
Europe AS, Norway  
Hulteweg 3A  
NL-7741 LE Coevorden  
The Netherlands  
Tel.: +31 (0) 524 599 646  
Fax: +31 (0) 524 599 648  
email@odfjelldrilling.com

**Odfjell Well Services Ltd.**  
P.O.Box 17354  
JAFZA View LOB 19, 17th Floor  
Room NO. 1704-1705  
Jebel Ali free Zone, Dubai  
United Arab Emirates  
Tel.: +97 12554 9474  
Fax: +97 12554 9470  
email@odfjelldrilling.com



**ODFJELL DRILLING**