

Business Area Template

ODFJELL DRILLING QHSE PROGRAMS 2018

Safety will never be compromised



ODFJELL DRILLING
- for Decades

Zero failures and incidents



Safety is a cornerstone in Odfjell Drilling and Safety Conscious one of our five Core Values.

The industry is changing, and it is our common responsibility to strengthen the high level of safety built up over many years. To succeed in this, the value of safety must be a major player in all decision making. Without a safe operation, life and health, important assets and values will be at risk.

Leadership, good risk understanding and continuous focus on safety are essential. The systematic work of improving HSE never ends. We have to work purposefully and relentlessly to strengthen safety in our activities, whether in OWS, MODU or PDR.

While keeping the cost/benefit perspective in view, standardization and simplification are excellent measures for strengthening safety. The key requirement is to deliver good results – both within safety as well as financially. What really makes a difference is our performance every single day. We want nobody to get hurt at work, first and foremost out of concern for each and every employee.

Operating in a safe and prudent manner is also crucial for our license to operate. We know a safe operation is also an efficient one, and it is important and necessary to work with safety as an integrated part of our operations.

The corporate main priorities in 2018 are:

- Standardization and simplification
- Management of risk and opportunities
- Organisational robustness
- Barrier Management
- Safety Leadership
- Dropped Object prevention
- High security awareness
- Energy Management

A handwritten signature in black ink, appearing to read 'S. Lieungh'.

Simen Lieungh, CEO

HSE POLICY

Odfjell Drilling shall maintain the highest safety standard and protect the health of our employees and others associated with our operations. Operations shall be conducted according to sound and environmental principles and in a manner to minimize any adverse environmental impact.

This will be achieved by:

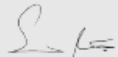
- Complying with HSE legislation and other relevant requirements
- Avoiding personnel injury and harm to health and reducing environmental risks through effective risk management
- Monitoring, reviewing and continually improving HSE performance, including energy efficiency, through management by objectives
- Ensuring safety leadership and environmental stewardship are a prioritized part of management responsibility
- Developing an HSE culture based on competence, involvement and commitment from all in applying 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

- Developing and maintaining emergency response plans to prevent loss to the environment
- Promoting energy saving awareness and use of environmentally preferable processes and technologies
- Evaluating energy efficiency in new design and technologies
- Considering environmental preferable and energy efficient products and services in procurement processes



Simen Lieungh, CEO Odfjell Drilling
20.11.2017

Through continuous improvement achieve zero fault.

Environmental Principles

The following environmental principles supporting the HSE Policy are defined:

- Use energy and other natural resources efficiently
- Minimize waste generation and promote reduce, reuse and recycle opportunities
- Work systematically to replace or reduce harmful chemicals
- Integrate environmental considerations into planning and development of new activities and products
- Consider environmental performance in selecting suppliers and contractors

These principles shall be taken into account in developing the environmental management system and programs.



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 Odfjell Drilling
07.01.2016

Through continuous improvement achieve zero fault.

SECURITY POLICY

Odfjell Drilling shall protect its personnel, assets and business from potential security threats.

Security is an integral part of line management responsibility, the security and protection of employees must be the overriding priority of all business activity.

This will be achieved by:

- Performing risk analyses in order to identify and manage security risk
- Preventive actions shall be implemented to reduce risk to as low as reasonable practicable.
- Security training shall be provided as necessary
- Facilities, systems and information shall be adequately secured
- All security incidents and breaches must be reported and recorded. Incidents shall be investigated and criminal acts will be reported to the police

Our employees, consultants and contractors shall be aware of their personal responsibilities in respect of security matters and will comply with the law in all countries where Odfjell Drilling operates and conducts business.



Simen Lieungh, CEO Odfjell Drilling
07.01.16

Through continuous improvement achieve zero fault.

Corporate QHSE program 2018




Simen Lieungh CEO Odfjell Drilling

Quality

- Standardize and simplify work processes throughout the organization to drive efficiency
- Ensure management of risks and opportunities is effectively integrated in all business processes
- Strengthen organizational robustness through competence assurance system

Health, Safety, Security and Environment

- Improve safety performance
 - Strengthen barrier management system and awareness
 - Safety leadership
 - Dropped objects prevention
- Maintain high security awareness
- Implement energy management

Safety will never be compromised

Key Performance Indicators 2018

Corporate

Quality

Zero overdue non-conformances

Customer satisfaction >80% of max score

Health

Sickness absence <3% or 20% reduction from previous year

Total average score \geq 4.5 of 6 from working environment survey

Safety

LTI frequency (H1) = 0

TRI frequency (H2) < 2

Zero red incidents, ref. classification matrix

Frequency <4 for dropped objects > 40 J

Zero well control incidents

Environment

Zero red incidents, ref. classification matrix

Reduce environmental impact from products

Safety will never be compromised

MODU QHSE program 2018


Kjetil Gjersdal EVP MODU



Quality

- Increase quality of procedures and enhance procedural discipline
- Standardise and simplify work processes to drive efficiency
- Strengthen the organizational robustness through increased capacity and enhanced competence

Health, Safety, Security and Environment

- Improve safety performance through
 - Major accident risk management
 - Well control management
 - Safety leadership
 - Human factors awareness
 - Dropped objects prevention
- Implement energy management
- Enhance a strong security culture

Safety will never be compromised

Key Performance Indicators 2018

MODU

Quality

Zero overdue non-conformances

Customer satisfaction
>80% of max score

Financial uptime
97.5%

Health

Sickness absence <3%

Working environment surveys:

- Total average score \geq 4.5 of 6 from onshore survey
- Total average score \geq 69 of 100 from offshore survey

Safety

LTI frequency (H1) = 0

TRI frequency (H2) < 2

Zero red incidents, ref. classification matrix

Frequency <3 for dropped objects > 40 J

Zero well control incidents

Environment

Zero red incidents, ref. classification matrix

Reduce environmental impact

Safety will never be compromised

PDR QHSE Program 2018


Ole F. Maier EVP Platform Drilling



Quality

- Continue to standardize and simplify work processes throughout the organization to drive efficiency
- Ensure management of risks and opportunities is effectively integrated in all steps of the operation, both on- and offshore
- Strengthen organizational robustness through improved and standardized competence assurance system

Health, Safety, Security and Environment

- Improve safety performance
 - Barrier management and awareness to prevent well control incidents
 - Safety leadership
 - Dropped objects prevention
- Maintain high IT and travel security awareness
- Implement energy management

Safety will never be compromised

Key Performance Indicators 2018

PDR

Quality

Zero overdue non-conformances

Customer satisfaction >80% of max score

98 % Technical uptime

Number of wells/P&As delivered according to client's targets

Health

Sickness absence <3% or 20% reduction from previous year

Total average score \geq 4.5 of 6 from working environment survey

Safety

LTI frequency (H1) = 0

TRI frequency (H2) < 2

Zero red incidents, ref. classification matrix

Frequency < 4 for dropped objects > 40 J

Zero well control incidents

Environment

Zero red incidents, ref. classification matrix

Reduce environmental impact from supply chain products & waste streams

Zero spills to sea

Safety will never be compromised

OWS QHSE program 2018



George Taggart EVP OWS



Quality

- Standardise and simplify work processes throughout the organization to drive efficiency
- Integrate risk and opportunity management in all business processes
- Strengthen the organizational robustness through competence management

Health, Safety, Security and Environment

- Improve safety performance through
 - Self-verification program
 - Dropped objects prevention program
 - Safety leadership
- Implement energy management
- Maintain a strong security culture

Safety will never be compromised

Key Performance Indicators 2018

OWS

Quality

Zero overdue non-conformances

Customer satisfaction ≥ 5

NPT $\leq 0,5\%$

NCRs to loadouts $\leq 0,5\%$

Health

Sickness absence $< 3\%$ or 20% reduction from previous year

Total average score ≥ 4.5 of 6 from working environment survey

Safety

LTI frequency (H1) = 0

TRI frequency (H2) < 2

Zero red incidents, ref. classification matrix

Frequency < 4 for dropped objects $> 40 J$

Environment

Zero red incidents, ref. classification matrix.

Reduce environmental impact from service related products

Safety will never be compromised