

# Environmental Health and Safety Management

*This document contains all of the following documents*

Introduction to Environmental Health and Safety Management

Environmental, Health and Safety Management System

HSE Plans

Risk Management Guideline

Audit and Review Guideline

Contractor Selection and Management Guideline

Incident Reporting and Investigation Guideline



## **Environmental Health and Safety Management**

### **Introduction**

#### **Purpose**

This section of our website details the CaribX (UK) Limited Environmental, Health and Safety (EHS) Management System. The CaribX (UK) Limited organisational structure is described together with how activities are planned, managed and reviewed in order to maintain the Company's EHS values.

#### **Scope**

The EHS Management System provides the framework for managing EHS issues and business activity throughout the organisation and will ensure:

- Clear assignment of responsibilities;
- Excellence in EHS performance;
- Sound risk management, planning and decision making;
- Efficient and cost effective planning and conduct of operations;
- Legislative compliance throughout all operations;
- A systematic approach to critical business activities; and
- Continuous improvement.

The EHS Management System is based upon a goal setting philosophy and not a regimented and prescriptive approach to operations and business activity. It is aimed at establishing certain performance expectations that also honour CaribX (UK) Limited's vision and business strategy.

### **Operational Activities**

This EHS MS has been designed to reflect the existing level of operational activity within CaribX (UK) Limited. Operations are limited to non-operated joint ventures and exploration activities only (e.g. seismic surveys and drilling exploration wells). Specific operations are therefore managed within the management systems of other operators or contractors and the EHS MS sets standards and expectations against which those systems will be assessed. It is the responsibility of the CEO and the EHS Committee to identify changes in operational activity that will require further development of the system. This would normally occur as part of the annual review process defined within this system but may be required outside of the review schedule.

## System Philosophy and Structure.

As illustrated in Figure 1.1, this document is the top level EHS Management System and is supported by specific guidelines that cover both operational activities and emergencies of both the parent company and its subsidiaries. These are developed as required by the Company's operations.

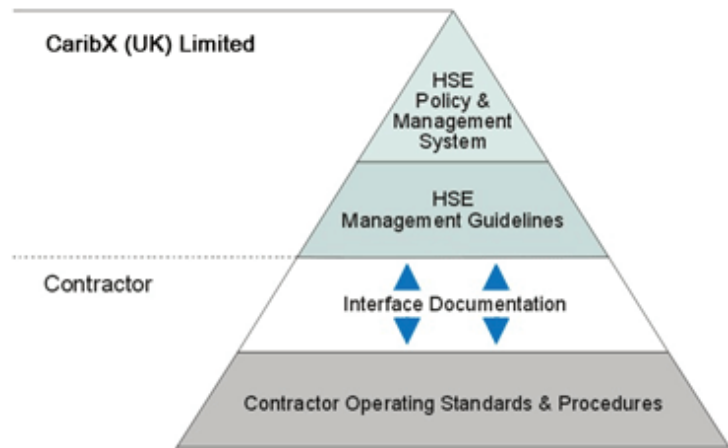


Figure 1

## Environmental

### Objective

The objective of the HSE Plan is to define and document the application of the HSE MS for a specific project. (e.g. seismic survey, drilling operation). The HSE Plan is a document that is prepared at the beginning of a project and is continually updated until the project is completed. It then serves as a record of the HSE actions taken to ensure compliance with the HSE MS for the project.

### Responsibilities

It is the responsibility of the relevant Project Manager to ensure that the HSE Plan is initiated, followed and closed out on project completion.

### Contents

The HSE Plan can be used to define and capture any information relevant to the HSE performance of a project. Specific requirements for the plan include:

**Project Description** – a brief description of the activity to be undertaken

**Project Organisation and Responsibilities** – provide an organisation chart describing key internal and external responsibilities.

**Contractor Selection and Management** – define the actions taken to ensure the HSE performance of contractors using the tools provided in the Contractor Selection and Management Guideline



**Regulatory Compliance** – prepare a project Consents Register listing all relevant regulatory requirements, dates for required consents, and responsible parties for obtaining consents (see Appendix A)

**HSE Objectives and Targets** – define the project specific HSE objectives and targets

**Risk Assessments** – define the risk assessments required and include copies of the results of risk assessments (or references to the final documents)

**Environmental Assessment** – provide an overview of the key environmental issues and reference any environmental assessments prepared.

**Emergency Response Arrangements** – describe the overall emergency response strategy and reference relevant bridging documents with contractors

**Action Tracking** – a central location for documenting and tracking all actions raised during the project (e.g. during contractor selection and management, risk assessments, environmental assessments, incident investigations and audits) (see Appendix A).

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**Monitoring** – define the monitoring requirements at the start of the work programme and include copies of all monitoring reports.

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**Close Out** – on completion of the project ensure that all actions have been closed out, and review meetings held with major contractors. Describe any lessons learned and recommendations for improvements in HSE performance or the HSE Management System and communicate to the HSE Committee.



**CARIBX (UK) LIMITED**

**Environmental, Health and Safety Management System**

**Revision: 00**

**APRIL 2011**

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Document Reference:		CaribX (UK) Limited EHS MS Framework				

## Purpose

The purpose of this document is to describe the CaribX (UK) Limited Environmental, Health and Safety (EHS) Management System. The CaribX (UK) Limited organisational structure is described together with how activities are planned, managed and reviewed in order to maintain the Company's EHS values.

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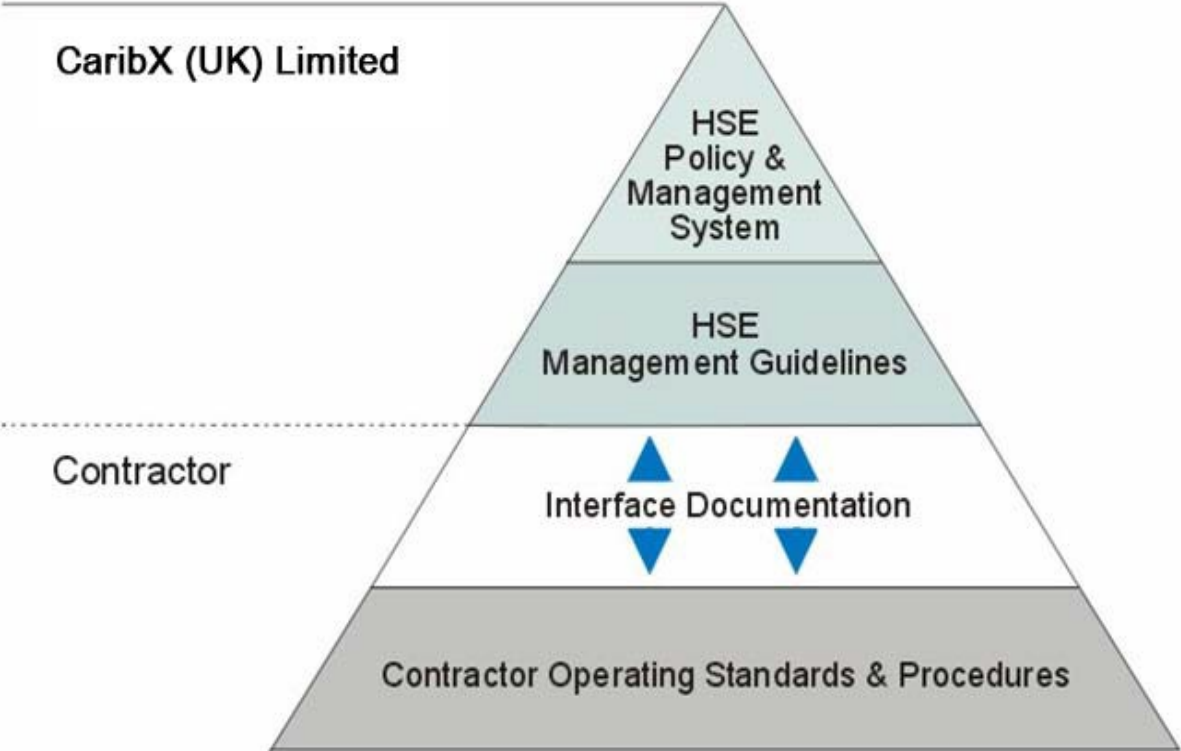
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As illustrated in Figure 1.1, this document is the top level EHS Management System and is supported by specific guidelines that cover both operational activities and emergencies of both the parent company and its subsidiaries. These are developed as required by the Company's operations.

**Figure 1.1. System Hierarchy**



## The System

The EHS Management System has been developed to be compliant with existing international (e.g. ISO14001) and UK (e.g. HSG65) standards for health, safety and environmental management.

The system is structured in a typical quality control feedback loop (Figure 2.1) with a number of standard elements relevant throughout the business lifecycle from acquisition of new licences and acreage through to decommissioning.

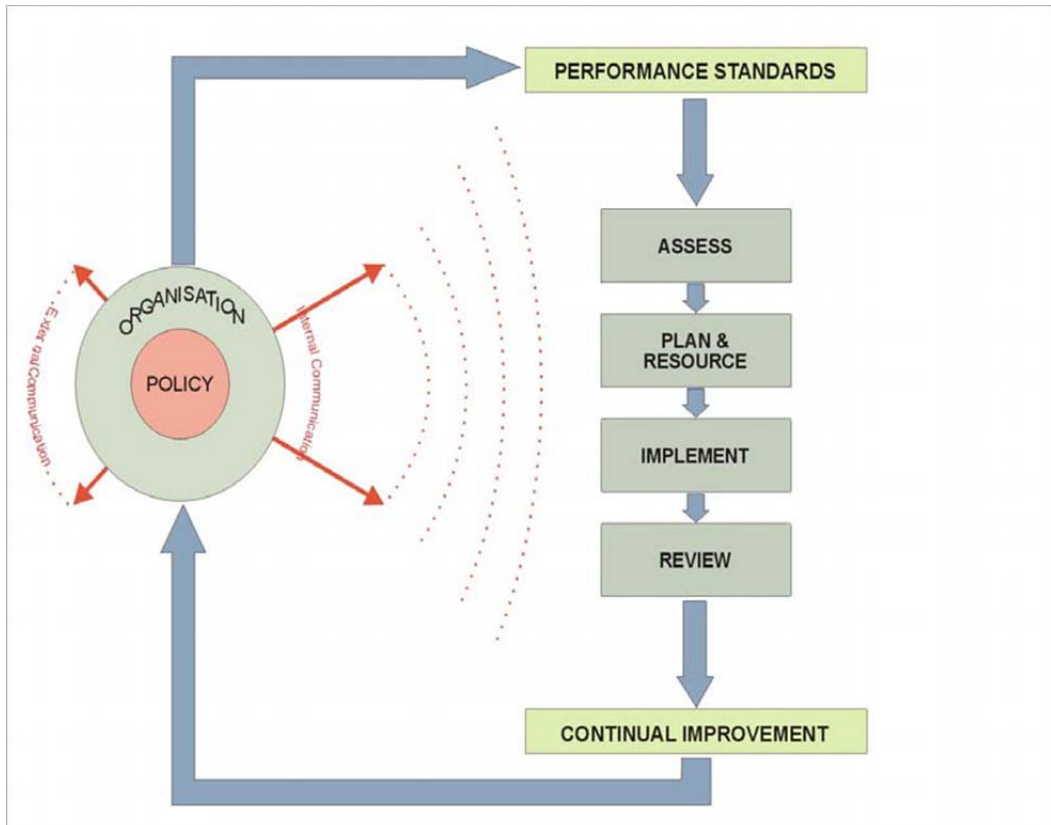


Figure 2.1. EHS Management System Framework

Key Requirements	<b>Policy</b>	The system is driven by the EHS Policy, which defines the Company's commitments to EHS performance and management. The policy provides a framework for establishing performance objectives.
	<b>Performance Standards</b>	Specific targets are established to meet objectives and achieve legal compliance.
	<b>Organisation</b>	The organisational structure defines the resources and responsibilities required to achieve the Company objectives. All personnel must have the competence and training to meet those responsibilities. It also provides the structure for effective communication both internally and externally. Where internal resources are not available, procedures are developed to ensure effective contractor selection and management.
	<b>Assess</b>	All hazards and risks associated with planned activities are identified and appropriate control measures established and implemented.



<b>Plan &amp; Resource</b>	An EHS management plan will implement objectives and enable achievement of targets. Any changes implemented are also subject to this risk review process. Competent contractors are selected with appropriate EHS management systems.
<b>Implement</b>	<p>Plans and procedures are put in place to ensure implementation of measures aimed at achieving objectives and targets, at controlling risks, and at developing effective response to foreseeable emergencies.</p> <p>Procedures are developed and implemented for monitoring the achievement of plans and to ensure compliance with objectives and standards. Procedures for reporting and investigating incidents and non-compliances are in place.</p>
<b>Review</b>	Regular audits are held to ensure the effective functioning and continued suitability of the management system. Performance against standards is reported and reviewed and areas for improvement identified. Lessons learned and results from the audit and review process are fed back into the system to enable continual improvement of the management system process.

## Organisational Structure

The CaribX (UK) Limited organisational structure is dynamic and is continuously assessed to ensure that it is appropriate for the current and proposed level of operations. As operations expand, the organisation will be developed to ensure maximum effectiveness. The current organogram of CaribX (UK) Limited’s management structure is given in Appendix 1.

## Key Roles & Responsibilities

### Chief Executive Officer

Responsible and accountable to the Board for ensuring an EHS Management System is established and complies with the EHS Policy. Provides the organisation and resources for implementation of the EHS Policy. Provides visible and active leadership promoting positive EHS culture and a shared common understanding of the organisation’s vision, values and beliefs.

### Directors & Line Managers

Responsible and accountable to the CEO for communicating and implementing the EHS Management System within their respective areas of operation.

### EHS Advisor

Responsible and accountable to the CEO for co-ordinating implementation of the EHS Management System.

### All CaribX (UK) Limited personnel

Responsible and accountable to their Line Manager for complying with the EHS management standards to achieve the EHS policy objectives. Personnel job functions include EHS requirements.

## Communication

Leadership and commitment from top management is essential for successful implementation of EHS Management System. EHS awareness is actively and visibly communicated and encouraged throughout the organisation.

There are clear flows of information throughout the organisation. Top-down and bottom-up communications (written and face to face) are maintained through the line management structure.

Communications with contractors are managed through the relevant contact for each contractor and the Contractor Selection and Management Guidelines.

Other external communications (e.g. government organisations, interest groups) are the responsibility of the CEO or the responsible Line Manager of a specific project. Records detailing communications with these parties are kept. Participation in joint industry organisations, such as OGP, will also be used as a forum for external communications through designated representatives.

Procedures will be applied for internal communication between the various levels and functions of the organisation, and for receiving, documenting and responding to relevant communication from external parties.

**Competence**

All employees are selected on the basis that they are competent to perform the tasks that they have been assigned. The competence requirements of each position are documented in individual job descriptions. These are reviewed as part of the annual appraisal process. Line Managers and staff identify specific training requirements during annual appraisals, or if responsibilities change as a result of a change in the job description or a change in the position held.

All CaribX (UK) Limited's staff will have a clear understanding of the EHS risks associated with their work activities and of their specific EHS roles and responsibilities. They will be made aware of the effects that incomplete or insufficient execution of their assigned duties can have on EHS performance as well as the operating costs and economic well being of the company and its co-venturers.

Additional training will be provided for personnel with specific EHS responsibilities, such as emergency response training (e.g. incident response, first aid, fire fighting).

**Contractor Management**

CaribX (UK) Limited selects contractors on the basis that they are competent to perform the tasks for which they have been contracted (see Plan and Resource).

**Document Control**

Appropriate records and documentation of the EHS Management System are maintained. Procedures will be applied for identification, maintenance and disposition of EHS records (including training records and results of audits and reviews). All records must be traceable, legible and readily retrievable.

All relevant EHS documentation is controlled within CaribX (UK) Limited's document control system that provides procedures for the preparation, approval, issue and revision of key management system documentation. A document control procedure describes this process.

## EHS Policy

### ENVIRONMENTAL, HEALTH AND SAFETY POLICY STATEMENT

It is the policy of CaribX (UK) Limited to manage all its activities and operations in a responsible manner that protects the health and safety of its employees, contractors and public and minimises adverse impact on the environment.

To accomplish this we will:

- ensure that all personnel are aware of their delegated environment, health and safety responsibilities and are properly trained to undertake these;
- design and manage our activities to prevent pollution, minimise environmental and health impacts and provide work places where safety hazards have been fully assessed and appropriately mitigated;
- as a minimum, comply with all applicable EHS legislation, regulations and standards;
- ensure that environment, health and safety protection command equal prominence with other business considerations in the decision making process;
- fully consider local community expectations and concerns, cultural heritage, short and long-term benefits and costs and liabilities;
- investigate the benefits of viable material and process alternatives;
- strive for continuous improvement in our EHS performance and measure this by setting objectives and targets consistent with the aims of this policy.
- routinely monitor and report EHS performance to the Board of Directors of the Corporation, who will ensure that the necessary resources are provided to support this Policy fully.

Chris Matchette-  
Downes  
CaribX (UK) Limited Limited Managing  
Director  
January  
2011

## Performance Standards

Objectives, targets and performance criteria will be established, documented and maintained at each relevant function and level within the organisation.

Targets are set by the Line Managers as an integral part of the development of annual and activity-specific work plans. They will support and compliment the EHS Policy and will enable policy objectives to be achieved. Targets are set within the context of:

- Compliance with existing and future legislation;
- Assessment of risks associated with planned activities;
- Meeting the commitments made in the EHS Policy and strategic objectives.

Specific targets are set on a project specific basis within project EHS Plans. The plans specify responsibility, and the means and the timeframe for achievement of the objectives.

**Introduction**

All hazards and risks associated with planned activities are identified and appropriate control measures established and implemented. Any changes to operations or management are subject to risk review where appropriate.

**Standard**

**Expectations**

**Regulatory Compliance**

At a minimum, all activities will comply with relevant national and international legislation.

- A regulatory compliance register will be prepared and maintained for all activities.

**Risk Management**

All activities with a potential EHS impact are subject to an EHS risk review so that risks can be reduced to ALARP.

The risk assessment process is used to set objectives for eliminating hazards and reducing risks

- The level of detail required for the risk review is determined by the magnitude of risks associated with the operations.
- All legislative requirements are identified and addressed.
- All risk reviews are documented.
- A system is in place to ensure that any actions or remedial measures identified under this process are tracked to completion and formally closed-out.
- Procedures will be maintained to ensure that EHS critical facilities and equipment are suitable for their required purpose.
- Significant findings are communicated to the workforce.

**Management of Change**

EHS risks resulting from company or legislative changes are identified, assessed and managed to limit the severity of their consequences.

- A system is in place to ensure that all changes in legislation, Company organisation, risk management, personnel, design, operations, construction modifications, third party contracts, emergency preparedness or performance monitoring with the potential for adverse EHS impact, are identified, assessed and managed to limit the severity of this impact.
- Assessment of the EHS impact of the proposed change may take the form of an EHS risk review.
- Authorisation to proceed with the proposed change is given by a level of management commensurate with the nature and potential EHS impact of the change.

## Environmental Assessment

An assessment of the potential impacts on the environment will be completed and documented prior to all activities.

- A screening process will be undertaken to define the appropriate level of Environmental Assessment required for each activity.
- Environmental Assessments will be prepared to meet national requirements and standards.
- Where national standards are not available, Environmental Assessments will be prepared to meet standards defined by the World Bank and IFC.

## Introduction

An EHS Management Programme will be established and maintained to enable objectives and targets to be achieved. Contractors are selected and subject to appropriate monitoring, audit and review processes to ensure that their EHS Management System and performance are adequate.

The standards associated with the planning process are detailed below with corresponding expectations.

Standard	Expectations
<p><b>Contractor Selection and Management</b></p> <p>Contractor’s EHS management and performance is taken into account as part of the contractor selection process.</p>	<ul style="list-style-type: none"> <li>□ It is the responsibility of Asset Manager to determine which contractors have suitable credentials for the contract and identify the requirement for an EHS audit prior to contract award.</li> <li>□ EHS requirements of contractors are commensurate with those specified for CaribX (UK) Limited’s activities with a similar level of potential EHS impact.</li> <li>□ EHS audits and monitoring of contractors are carried out where deemed appropriate by the nature of work involved.</li> <li>□ Corrective actions or audits will be carried out, documented and the actions closed out within the specified timeframe.</li> <li>□ Any subsequent contractor audits must assess the adequacy of implementation of action items identified in previous audits.</li> <li>□ EHS roles, responsibilities and performance criteria are agreed upon in the contract.</li> </ul>
<p><b>Personnel Training &amp; Competence</b></p> <p>Personnel are selected for job functions based on</p>	<ul style="list-style-type: none"> <li>□ During external recruitment and internal personnel selection, it is the responsibility of the Line Manager to ensure that the</li> </ul>



their competence to fulfil the associated roles and responsibilities. EHS training is provided where necessary.

person selected is competent to carry out their job function.

- Line Managers are responsible for monitoring personnel EHS performance.
- Individuals and Line Managers are jointly responsible for identifying training requirements necessary to ensure personnel are competent to carry out the EHS aspects of their job function. Once identified the required training is carried out in a timely manner.
- All personnel are encouraged to raise any concerns they may have regarding their own competence in carrying out the EHS aspects of their job function.
- All personnel are familiar with the requirements of the Company EHS management system and also in EHS legislative requirements.
- Personnel are informed of their responsibilities with respect to EHS and the procedure for raising any EHS concerns relating to Company activities.

### Emergency Preparedness

Plans are in place to ensure that in the event of an emergency, personnel are aware of the actions required to minimise the risk to themselves, others, the environment and property.

- An emergency response plan is in place to address potential emergencies, designate roles and responsibilities and identify the requirement to interface with external bodies or persons e.g. media, relatives, partners or legislators. Points of contact and telephone numbers of external bodies are included in the plan.
- The plan is communicated to the workforce and regular drills and training exercises carried out and recorded. Significant findings from drills are communicated to the workforce and used to further develop the Emergency Response Plan.
- Personnel receive initial and refresher training to ensure they are competent to carry out their designated roles and responsibilities in an emergency.
- Equipment, facilities and trained personnel for emergency response are identified and readily available. Procedures will be in place to ensure periodic assessment of emergency equipment needs.

## Introduction

Plans and procedures are put in place to ensure implementation of measures aimed at achieving objectives and targets, and controlling risks. Procedures are developed and implemented for monitoring the achievement of plans and to ensure compliance with objectives and standards. Procedures for reporting and investigating incidents and non-compliances are in place.

The standards associated with the implementation process are detailed below, with corresponding expectations.

### Standard

### Expectations

## Design and Construction

All facilities are designed and constructed so as to reduce the EHS risk and ensure compliance with EHS legislation.

- A procedure will be in place for the design, build and decommission process, ensuring that EHS critical facilities and equipment are suitable for the required purpose.
- It is the responsibility of the Project Manager to ensure a review of risk and legislative compliance is carried out at the key stages of design, construction, commissioning and start-up of a facility. A person independent of the project team must be involved in the reviews to ensure that EHS Policy is not compromised.
- The EHS review includes identification of:
  - Relevant EHS legislation for the specific project phase;
  - Potential EHS risk issues associated with the specific project phase;
  - Proposed measures to be put in place to minimise the identified EHS risk issues;
  - Existing and proposed measures to comply with legislative requirements;
  - Any additional measures required to reduce EHS risk to ALARP.
- A system is in place to ensure that any actions or remedial measures identified in a risk review or during compliance with legislation are tracked to completion and formally closed out.

## Operations

All facilities are operated and

- EHS reviews of risk and legislative compliance are carried out for operations, inspection, maintenance, permit to work, non-

decommissioned in a manner that reduces EHS risks and ensures compliance with EHS legislative requirements.

routine and decommissioning activities.

- The Asset Manager is responsible for ensuring that procedures are in place for conducting all activities and tasks, to ensure legislative compliance and to reduce EHS risks to ALARP.
- A system is in place to ensure that procedures are adhered to and regularly reviewed and updated to ensure continued effectiveness and legislative compliance.
- A system is in place to ensure all measures critical to reducing EHS risks are identified minimum performance standards established and that these performance standards are met.

**Standard**

**Expectations**

**Incident Investigation**

All incidents, accidents and near misses are reported, investigated and documented.

- A system is in place to ensure that all incidents, accidents and near misses are reported, investigated and documented and that all significant findings are communicated to the workforce.
- The investigation will attempt to determine the root cause of the incident, any contributing factors, trends in reported incidents and any measures implemented to ensure the incident does not recur.
- Significant findings from investigations will be communicated to the workforce where appropriate.
- A system is in place to ensure that all identified actions are documented, tracked to completion and closed out.

**Performance Monitoring**

All activities are monitored locally against defined HS

- Documented procedures for monitoring and measurement will be developed, for both internal and external monitoring and active and reactive monitoring.

expectations in accordance with a documented schedule.

- The level of detail of monitoring is determined by the EHS risk associated with the activity.
- All monitoring equipment is calibrated and maintained and appropriate records kept.
- Performance of EHS critical measures is verified against their minimum performance criteria.
- All monitoring results will be documented and records maintained according to a document control procedure.
- Results will be compared internally against the KPIs set and externally against performance of business competitors and best practice.
- Monitoring results will be communicated to the workforce.
- A procedure will be developed for defining responsibility for investigating non-conformance and taking corrective/preventive action.
- Non-compliances are tracked to completion and close out.

## Introduction

Regular audits are held to ensure the effective functioning and continued suitability of the management system. Performance against standards is reported and reviewed and areas for improvement identified.

The standard associated with the audit and review process is detailed below, with corresponding expectations.

### Standard

### Expectations

#### Audit

*Regular audits are held to ensure the effective functioning and continued suitability of the management system.*

- Audit of activities will be conducted periodically by respective Line Managers to ensure full implementation of CaribX (UK) Limited’s EHS Management System.
- Independent audits will be conducted by qualified personnel against an audit programme, and will be dependent of the type level and frequency of activities. Independent audits of activities are carried out to confirm compliance with the EHS standards and with environmental legislation and regulations.
- Deficiencies will be identified and where possible actions taken to rectify them. Any actions will be tracked to close-out.
- All audit findings will be documented and records maintained according to a document control procedure.
- Audit findings will be communicated to the workforce.

## Review & Continual Improvement

*An annual review of the system will be undertaken by the Senior Management Team.*

*Improvements to the system introduced through annual work plans.*

- A review of CaribX (UK) Limited's entire EHS Management System will be conducted on an annual basis to evaluate whether the operation of the system complies with its original scope and to identify and address any potential need for changes. A review may include:
  - Progress against objectives, targets and plans.
  - Audit results and trend analyses
  - Undertaken or planned actions.
  - Incident and accident statistics (including information on legal transgressions) and trend analyses).
  - Overall improvements achieved.
  - Recommended changes and/or improvements based on the above information.
- Results from the review process are fed back into the system, enabling improvements to be identified and implemented. Identified improvements to the system are translated into the annual work plans and where appropriate individual targets.
- A system is in place to collate and review findings of all reviews of risk and legislative compliance, monitoring and audits. The review identifies, assesses and implements improvements to CaribX (UK) Limited's EHS Management System as part of CaribX (UK) Limited's continuous improvement programme.



**HSE Plans**  
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**April 2011**

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**HSE Plans - revision 00**

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**APPENDIX A**



## 1 Objective

The objective of the HSE Plan is to define and document the application of the HSE MS for a specific project. (e.g. seismic survey, drilling operation). The HSE Plan is a document that is prepared at the beginning of a project and is continually updated until the project is completed. It then serves as a record of the HSE actions taken to ensure compliance with the HSE MS for the project.

## 2 Responsibilities

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The HSE Plan can be used to define and capture any information relevant to the HSE performance of a project. Specific requirements for the plan include:

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**HSE Plans - revision 00**

Appendix A

Typical Format for Consents Register

Ref	Task	Ref.	Regulatory Body	Review Period	Action	Submission Status	Dates
						Planned	
						Actual	
						Approval	
						Planned	
						Actual	
						Approval	
						Planned	
						Actual	
						Approval	

Typical Format for Action Tracking Register

Action	Source	Responsible	Date Required	Closed



## **Risk Management Guideline Revision 00**

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## **1 Objective**

The objectives of the process are to provide a consistent and systematic approach to:

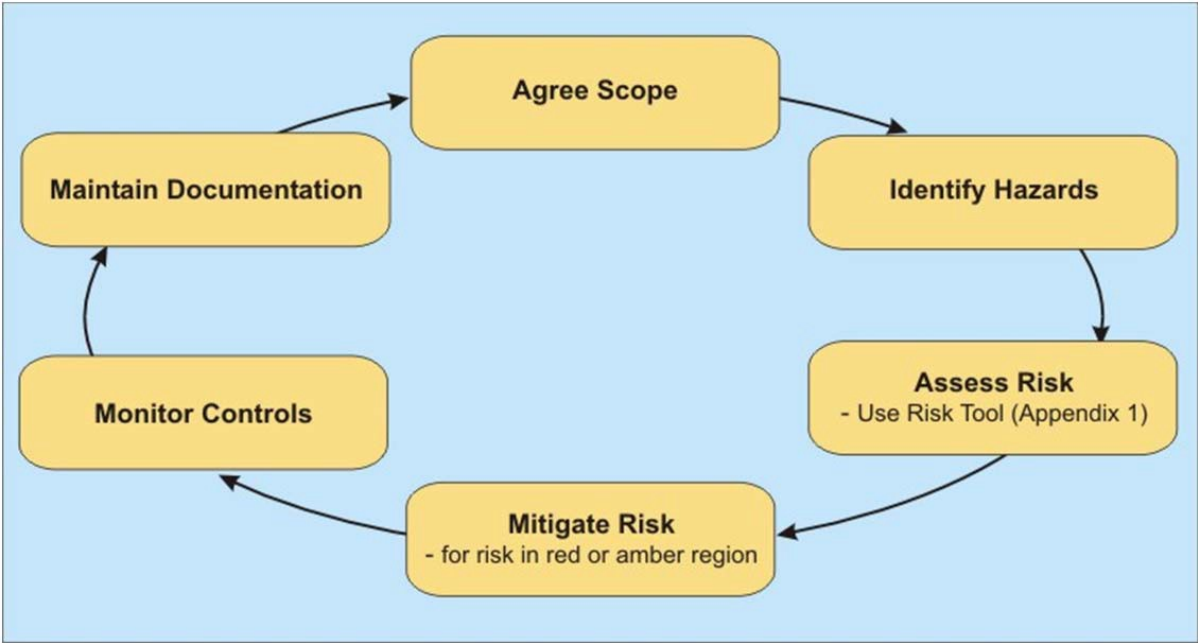
- Identifying hazards associated with specific operations including all environmental aspects;
- Understanding the risks associated with these hazards;
- Identifying what arrangements are in place or planned to control those risks;
- Identifying where further risk controls may be required;
- Alerting management to any specific risk situations requiring their consideration and/or approval;
- Ensuring that risks to health of employees or the environment are reduced to "as low as reasonably practicable" (ALARP);
- Identifying potential sensitive environmental, social, and cultural issues associated with proposed exploration or production activities in order to mitigate the impact of future operations.

## **2 Responsibilities**

The relevant Project Manager is responsible for:

- Managing all risk in operations under his control,
- Producing and maintaining a risk assessment record, and
- Ensuring any actions for controlling risk are taken and adequate mitigation measure are in place.

## **3 Process**



3.1 Identify Hazards

At its simplest, hazard identification may comprise a visual inspection by staff with knowledge of the workplace and activity under consideration, to systematically assess the workplace for all potential hazards. This type of process would be appropriate for an office or warehouse environment.

For more complex situations, such as a seismic vessel or drilling rig operations, a team approach would be more appropriate. Teams must comprise of people familiar with the activities and should be led by a person experienced in use of the technique. A formal methodology should be adopted, the results documented and any identified actions recorded and followed up.

For more complex activities, such as well design, completion design or testing spread design which have greater risk potential, a more formal engineering analysis by competent personnel may be required. The particular technique used will depend on the objectives of the study, for example Hazard and Operability Studies (HAZOPs) to identify situations within a process that could present risks or Failure Modes and Effects Analysis (FMEA) to evaluate the ways in which equipment can fail or be improperly operated and the impacts these failure could have.

3.2 Assess the Risk

Risk can be analysed in a number of ways, depending on the nature and complexity of the situation. For most situations (such as offices, warehouses, geophysical and drilling operations) a qualitative or simple quantitative assessment of risk will be sufficient.

The risk assessment matrix (Table 1) is a tool that standardises qualitative risk assessment and helps to categorise environment and reputation risks. The matrix axes are consequence and probability. A scale of consequences '1' to '5' is used to indicate increasing severity. The impacts are those of credible scenarios (taking the prevailing

circumstances into consideration) that can develop from a hazard. The **potential** consequences, rather than the actual ones are used. These can be thought of as the consequences that could have resulted from the released hazard if circumstances had been less favourable. After assessing the potential outcome, the **likelihood** on the vertical axis is estimated on the basis of historical evidence or experience that such consequences have materialised within the industry, the company or a smaller unit. Note that this is the likelihood of the estimated consequences occurring.

For more complex or high risk situations (e.g. HPHT drilling, field development), a combination of methods (e.g. FMEA, Fault and Event Tree Analyses) may be used to provide quantitative estimates of probabilities. These may need to be combined with consequence analysis techniques (e.g. effects models-to investigate releases, dispersion and fires, explosions etc., and vulnerability models-to evaluate fire or explosion damage, toxicity to humans or the environment) to determine risk. Known as ‘Quantitative Risk Assessment (QRA)’, these techniques are normally only applied to a particularly high risk operation (e.g. drilling of HP/HT well). Assessments can be supplemented by application of methods such as Fire and Explosion Analysis (FEA) and Escape, Evacuation and Rescue Analysis (EERA) to demonstrate the effectiveness of controls in place.



Table 1: Risk Assessment Matrix

			Severity of consequences without safeguards				
			Low level impacts on environment.  No physical effect	Microeffects on the environment  Medical treatment requiring hospitalization  Minor social impact	Moderate effects on environment  Moderate to irreversible disability  Ongoing social issues	Serious environment  Single fatality  Ongoing serious social issues	Very serious environment  Multiple fatalities  Very serious widespread social impacts Serious public or media outcry
			1	2	3	4	5
Likelihood of occurrence	Rare –Event occurs once every 1,000 – 10,000 years	1	Low	Low	Low	Low	Low
	Unlikely – Event occurs once every 100-1,000 years	2	Low	Low	Moderate	Moderate	High
	Possible – Event occurs once every 10 – 100 years	3	Low	Moderate	Moderate	High	High
	Likely – Event occurs once every 1-10 years	4	Low	Moderate	High	High	High
	Almost certain – Occurs most than once per year	5	Moderate	High	High	High	High

	<b>Unacceptable risk.</b> Stop activities unless risk controls that will reduce the risk are implemented immediately.
	<b>Moderate risk.</b> Risk controls required.
	<b>Low Risk.</b> Some risk controls may be justified.



### 3.3 Mitigate Risk

Risk control involves the elimination or reduction of risk. If unacceptable risks are identified by the risk assessment or environmental assessment, various control options should be identified. There is a hierarchy of preferred control options, as shown in Table 2, from which the most effective measures should be selected.

**Table 2: Hierarchy of Control Measures**

Control options	Action	Examples
Elimination or Substitution of Hazard	Remove hazard by eliminating or substituting the source.	<ul style="list-style-type: none"> <li><input type="checkbox"/> eliminate use of hazardous substances</li> <li><input type="checkbox"/> use unmanned facilities or select remote site</li> <li><input type="checkbox"/> re-inject cuttings or produced water</li> </ul>
Engineering Control	Reduce hazard by use of design & engineering controls.	<ul style="list-style-type: none"> <li><input type="checkbox"/> enclose or segregate hazardous plant</li> <li><input type="checkbox"/> install emission control equipment</li> <li><input type="checkbox"/> fit automatic shut-down system to plant</li> </ul>
Operating Control	Implement working procedures that will reduce the hazard.	<ul style="list-style-type: none"> <li><input type="checkbox"/> use of permit to work system</li> <li><input type="checkbox"/> limit work periods in hazardous environment</li> <li><input type="checkbox"/> use of emergency response procedures</li> </ul>
Personal Protective Equipment (PPE)	Use PPE only when other controls have been eliminated.	<ul style="list-style-type: none"> <li><input type="checkbox"/> use of ear protection in noisy areas</li> <li><input type="checkbox"/> use of eye protection offshore</li> <li><input type="checkbox"/> use of BA in enclosed areas</li> </ul>
<p><b>Note: Where occupational health and hygiene is at risk, a fourth control option is the provision of personal protective equipment (PPE) and health screening if appropriate. However, PPE should never be treated as the primary control of such risks. PPE may be used against residual risks that cannot be sensibly controlled by the alternatives. Ideally, in all situations elimination/substitution or engineering solutions should be sought. In situations where problems are contained, then operating controls may be appropriate.</b></p>		

Where a range of control measures is available, or as part of determining whether risks are “ALARP”, cost benefit analysis may be used to weigh the relative cost of each approach against the reduction in risk that each provides. In most circumstances, this can be done using the simple semi-quantitative ranking methods.

Use of the more sophisticated quantitative techniques is generally used when high costs are associated with the various options under consideration. One quantitative technique used for cost benefit analysis is “Implied Cost of Averting a Fatality (ICAF)” evaluated as:

$$\text{ICAF} = \frac{\text{Installed Cost of Control Method}}{\text{Reduction in Potential Loss of Life}}$$

Determining acceptable ICAF values is a sensitive issue for which there are no defined values. Typically, they may range from £0.5 million to upward of £5 million.

#### **4 Environmental Impacts**

All risk assessments shall include consideration of the environmental impacts (EIA) of the activity being planned. However a separate assessment of the environmental impacts of all planned operations shall be undertaken by CaribX (UK) Limited. These will generally be performed to meet the requirements of the country of operation. However, where guidance is not provided, environmental impacts shall be assessed based on guidance provided by the World Bank and IFC ([www.ifc.org](http://www.ifc.org)). This guidance includes a description of the extent of EIA required depending on the risk associated with the planned activity.

#### **5 Application within CaribX (UK) Limited**

All of CaribX (UK) Limited’s operational activities are currently limited to exploration and are managed through contracts with seismic or drilling companies. Within these contracts the requirement for undertaking risk assessment will generally lie with the contractor.

For projects where responsibility for risk assessment lies with CaribX (UK) Limited, a project specific procedure should be produced which meets the requirements of this guidance.

It is the Project Manager’s responsibility to ensure that:

- Contractor’s have a system for undertaking risk assessments (see Contractor Selection and Management Guideline)
- Contractors undertake risk assessments for their activities
- CaribX (UK) Limited participate in risk assessments for major activities
- Actions from risk assessments are closed out prior to operations

Each CaribX (UK) Limited office is responsible for ensuring that risks within the office are identified and controlled. A template for undertaking an office risk assessment is provided in Appendix A.

**Appendix 1: Office Risk Assessment**

<b>OFFICE ADDRESS</b>			
<b>OFFICE MANAGER</b>			
<b>ASSESSMENT DATE</b>			
<b>Hazard</b>	<b>Who might be harmed?</b>	<b>Existing controls</b>	<b>Future actions</b>
Manual handling			
Display screen equipment			
Electrical			
Fire			
Slips, trips and falls			
Hazardous substances			
Smoking			
Hygiene and welfare			
Environmental comfort factors			
Falling objects			

## Example

EXAMPLE WORKPLACE RISK ASSESSMENT FOR AN OFFICE				
Hazard	Who might be harmed?	Existing controls	Standard to be reached (note 1)	Future actions
			This column has been included to explain the link between 'existing controls' and 'future actions'. It would not normally appear in a written risk assessment.	
<b>Manual handling</b> Deliveries: ☞ paper (regular) ☞ office equipment (infrequent)	All staff – paper. Named staff – office equipment and other heavy loads. Staff of contract paper suppliers.	Trolley used to transport boxes of paper etc. Only named staff move computers and other heavy loads. Top shelves used for storage of light boxes only.	Avoid risk of injury by removing need for manual handling or provide mechanical aids  Ref: Essentials p22  If risk cannot be avoided, more detailed assessment as required by Manual Handling Operations Regulations is needed.	Need for manual handling training of named staff to be kept under review. Supervisors to remind staff that heavy equipment to be moved by named staff only. Agree, by contract, with suppliers of paper for delivery to point of store i.e. the store cupboard.
<b>Display screen equipment</b> Work station and surrounding area	All office staff use equipment intermittently, no habitual users.	Adjustable equipment and foot rest. Free eye test if requested. Venetian blinds provided to control ambient light. (One member of staff complained of slight discomfort. Did not know how to adjust the equipment correctly.)	Suitable lighting, comfortable adjustable seating. Ref: Essential p8. For habitual users, more detailed assessment of work stations as required by the Health and Safety (Display Screen Equipment) Regulations is needed.	Supervisors to ensure that staff know how to adjust equipment for own comfort.
<b>Electrical</b> Office equipment, portable heaters, tea/coffee making equipment, fridge	All staff	Sufficient sockets provided. Staff trained to report defective plugs or cables to manage. Photocopiers and computer systems maintained on contract. (Staff bringing in own kettles.)	Equipment must be used and maintained to prevent danger. Ref: Officewise p8. E.g. visual checks by users; periodic formal visual inspections. More detailed inspection and testing of equipment liable to damage. Avoid overloaded sockets.	Arrangements to be made for periodic formal visual inspection. Periodic inspection and testing of portable heaters. Staff instructed not to bring in own kettles as maintenance cannot be assured. Water heater and coffee machine to be provided.
<b>Fire</b>	All staff and visitors	Fire evacuation procedures displayed at each fire alarm	Escape routes, fire alarms and fire-fighting equipment	Fire extinguishers inspection to be put out to contract urgently.

EXAMPLE WORKPLACE RISK ASSESSMENT FOR AN OFFICE				
Hazard	Who might be harmed?	Existing controls	Standard to be reached (note 1)	Future actions
		point. Fire drills twice yearly. Exits and fire exits clearly marked. Access to exits and extinguishers to be kept clear at all times. Fire alarms maintained and tested by manufacturer. Waste bins emptied daily by cleaners.	should be managed and staff trained. Minimise opportunities for fire to occur. Ref: Essentials p9 (Fire certificate from local authority would be required if more than 20 work in building, or more than 10 working elsewhere than on the ground floor.)	The office manager to make regular inspections to ensure that fire rules are followed and housekeeping standards are maintained. Training on use of extinguishers to be organised.
<b>Slips, trips and falls</b> Floors, staircases and entrances	All staff and visitors	Reasonable housekeeping standards maintained. Cabinet drawers and doors kept closed when not in use. Trailing cables from electrical machinery managed. Floors, staircases and doors cleaned on a regular basis by the cleaners. Repair and maintenance carried out when necessary. Stairs well lit and handrail provided. Entrance well lit.	Condition and type of flooring, amount of lighting and standard of housekeeping should be such to prevent injury. Ref: Officewise p11	Housekeeping to be discussed at regular staff meetings. Supervisors to be given the responsibility of maintaining standards in their areas. Office manager to carry out occasional inspections to ensure adequate standards are maintained.
<b>Bleach and strong detergents</b>	Cleaner	None	Exposure to hazardous substances minimised as required by Control of Substances Hazardous to Health Regulations. Firstly, prevent exposure by not using substance or using safer substitute; otherwise adequately control exposure. Ref: Officewise p10	Cleaner to try safer alternative to bleach. Information on correct use obtained from product instructions for use and data sheet. Cleaner to be made aware of these and what to do in case of splashing or spillage. Protective rubber gloves to be provided.
<b>Photocopier</b> Ozone	All staff, mainly office junior responsible for photocopying.	Photocopier located in large well-ventilated storeroom. Volume of photocopying carried out not large	COSHH applies.	No further action required.
<b>Smoking</b>	Employees	'No smoking' policy	Arrangements must be	No further action

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<b>Hazard</b>	<b>Who might be harmed?</b>	<b>Existing controls</b>	<b>Standard to be reached (note 1)</b>	<b>Future actions</b>
		adopted in the building. Smokers to go outside for a cigarette etc.	in place to protect non-smokers from tobacco smoke in rest areas. Ref: Essentials p8	required.
<b>Hygiene and welfare</b>	All staff	Toilets supplied with hot and cold running water and soap/ towels. Wash-up area provided with drinking water and a fridge and cleaned daily.	Adequate sanitary and washing facilities, drinking water, rest facilities and a place to dry, change and store clothes must be supplied. Ref: Essentials p8 Officewise p14	No further action required.
<b>Environmental comfort factors</b>	All staff	Building kept reasonably warm and light, windows open to provide fresh air, plenty of space in offices. (No complaints from employees concerning personal comfort.)	Adequate heating, lighting and ventilation and space required. Ref: Officewise p14	No further action required.
<b>Falling objects</b> Items stored in high places	All staff and others.	Light materials stored on the upper shelves. Step-ladders used to access upper shelves in storage area.	Always provide well-maintained steps (or stool) for access to upper shelves. Ref: Essentials p11	Supervisor to make occasional checks of the ladders and record the findings.



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<b>Smoking</b>	Employees	'No smoking' policy	Arrangements must be	No further action

<b>EXAMPLE WORKPLACE RISK ASSESSMENT FOR AN OFFICE</b>				
<b>Hazard</b>	<b>Who might be harmed?</b>	<b>Existing controls</b>	<b>Standard to be reached (note 1)</b>	<b>Future actions</b>
		adopted in the building. Smokers to go outside for a cigarette etc.	in place to protect non-smokers from tobacco smoke in rest areas. Ref: Essentials p8	required.
<b>Hygiene and welfare</b>	All staff	Toilets supplied with hot and cold running water and soap/ towels. Wash-up area provided with drinking water and a fridge and cleaned daily.	Adequate sanitary and washing facilities, drinking water, rest facilities and a place to dry, change and store clothes must be supplied. Ref: Essentials p8 Officewise p14	No further action required.
<b>Environmental comfort factors</b>	All staff	Building kept reasonably warm and light, windows open to provide fresh air, plenty of space in offices. (No complaints from employees concerning personal comfort.)	Adequate heating, lighting and ventilation and space required. Ref: Officewise p14	No further action required.
<b>Falling objects</b> Items stored in high places	All staff and others.	Light materials stored on the upper shelves. Step-ladders used to access upper shelves in storage area.	Always provide well-maintained steps (or stool) for access to upper shelves. Ref: Essentials p11	Supervisor to make occasional checks of the ladders and record the findings.



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# Audit and review guidelines – review No 00

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## **Audit and review guidelines – review No 00**

### **1 Objective**

The objective to this process is to provide a consistent and systematic approach to:

- Performing monitoring, audits and inspections across CaribX (UK) Limited
- Include in the monitoring process all levels of personnel, contractors and consultants and to capture and record:
  - Progress against objectives, targets and plans
  - Monitoring, Inspections and Audit results and trends analyses
  - Incident and accident statistics (including information on legal transgressions) and trend analyses
  - Overall improvement achieved
- Conducting an EH&S Management System Review on an annual basis to evaluate whether the system is working effectively and to identify and implement any improvements that might be necessary.
- Use the Monitoring, Inspections and Audits process as important tools for assessing conditions, finding problems and effecting corrections.
- Put in place systems that will communicate, supervise and ensure the implementation of procedures, practices and programs.

### **2 Types of Audit and Review**

Audits and reviews can take different forms, for example, checks on management system compliance or, in the case of inspections, more detailed physical checks.

The following three types of audit and review are to be conducted within CaribX (UK) Limited:

#### ***Management System Audit***

A combination of documentation reviews, interviews and selected visual checks to assess compliance across the company with HSE and supporting practices/procedures, applicable regulatory requirements and current industry standards and practices and to identify areas of best practices to be shared on a company-wide basis. These audits examine the application of all appropriate elements of the CaribX (UK) Limited EH&S Management System.

#### ***Compliance Audits***

These audits involve a combination of documentation reviews, interviews and more detailed visual checks to assess compliance with:

- EH&S Management System or specific elements of the EH&S Management System
- EH&S requirements for a specific operation such as drilling, seismic etc.
- Regulatory requirements

#### ***Inspections***

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An inspection typically includes planned tours of workplaces or sites to visually check for compliance with all HSE procedures, practices and regulatory requirements.

The scope, duration and frequency of inspections may vary widely. Inspections may consist of a walk-through performed by a team or a routine daily checklist performed by an operator.

### 3 Responsibilities

There are a number of roles involved in implementing a company-wide audit program, including:

- Management
- Auditees
- Audit Team Leader
- Audit Team Members

**Management:** By endorsing the audit scope and being committed to taking appropriate action on audit findings; management sends a strong message to all employees that CaribX (UK) Limited is committed to a thorough investigation of its operations. Managers and supervisors are routinely invited to actively participate in audits.

**Auditees:** Auditees must provide the necessary information and resources for a thorough audit to occur. They are also directly responsible for taking the agreed action on audit findings, and should have a commitment to and understanding of the audit system and its benefits. An audit at their location is a means of providing additional resources to assist process improvements related to complying with regulatory as well as company requirements. Auditees should have an attitude of cooperation and teamwork throughout the auditing process.

**Audit Team Leader:** The Audit Team Leader has responsibility for developing the audit scope. The Audit Team Leader must be familiar with both CaribX (UK) Limited's EH&S requirements and the applicable HSE regulations. He/she must be independent from the area being audited, possess strong diplomacy and organisational skills and be able to communicate effectively with Management. The Audit Team Leader must be able to communicate the findings in a manner that will encourage acceptance and ownership.

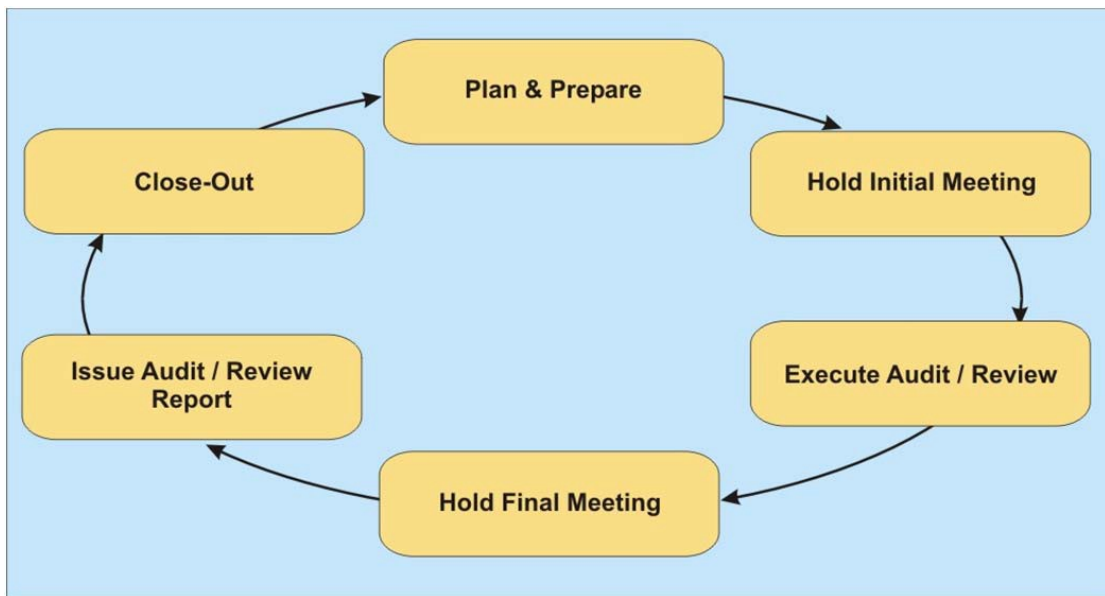
**Audit Team Members:** Audit Team Members are responsible for executing the audit tasks assigned to them by the Audit Team Leader. They should have an understanding of the operations or activity being audited, and be able to communicate the audit findings in a manner that will achieve acceptance and ownership of the responsibility to correct deficiencies. Audit Team Members must also have the training and experience needed to perform their tasks.

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### 4 Audit Team Competencies

- **Independence:** Persons conducting the audit should be independent of the function being audited
- **Competence:** Ability to collate and analyse information. Ability to present conclusions and concepts clearly
- **Training:** Understanding of required standards. Techniques of examining, questioning, evaluating and reporting. Management skills such as planning, organisation and communication
- **Knowledge:** Working knowledge of activity being audited. Appreciation of EH&S aspects of activity
- **Experience:** In practical workplace activity of the type being audited or reviewed, in supervision and management and in objective investigation and analysis.
- **Personal attributes:** Ability to listen and take a broad perspective. Ability to be objective, analytical and disciplined

### 5 Process



#### 5.1 Planning and Preparation

##### Develop individual audit/review programme:

- Define audit objectives and agree detailed scope.
- Develop schedule.
- Identify documentation and information required and request this from auditees, ensuring its availability in advance.

##### Nominate audit team:



## **Audit and review guidelines – review No 00**

- Size of team is dependent on extent & complexity of scope of work, but will generally comprise 2-6 individuals of which at least one or two members of the team are independent of the function being examined. Operations personnel should be included in the team.
- Ensure competency of persons conducting audit or review.

### **Preparation:**

- Review relevant documentation including previous audits, reviews & close out reports.
- Compile checklists to ensure all aspects are covered.

### **5.2 Initial Meeting**

Audit team holds opening meeting with auditees to:

- Explain aims, objectives and scope.
- Confirm schedule of audit/review.
- Record the minutes of the meeting.

In order that the audit/review is undertaken as smoothly and efficiently as possible, it is important to secure cooperation of the auditees. This will be helped by providing the auditees involved in the functions being examined with a full explanation of the reasons for and the aims of the review/audit.

The initial meeting should include a presentation where appropriate from the auditees on the current status of their activities/operations together with a focus on their EH&S programme.

### **5.3 Executing Audit / Review**

Using checklists as necessary, gather information for audit/review by any or a combination of the following:

- Interviews with individuals
- Review of procedures
- Review of documentation and records
- Confirmation compliance with procedures
- Observation of work in progress
- Identification of non-conformities
- Inspection of work places
- Corrective action requirements
- Examination of resources and facilities

Encourage co-operation from the appropriate section of the workforce by discussing positive as well as negative issues.

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Document findings, analyse information and compare with standards, procedures and previous records to identify areas of non-conformance and recommend corrective actions.

### **5.4 Final Meeting**

At a closing meeting, present a brief overview of findings of audit/review to the auditees/management team. Good points should be highlighted.

Review and agree findings, check for factual errors, confirm date for issue of report.

This stage provides an opportunity for any findings to be challenged. It is important to maintain a positive image of audits & reviews as tools for improving Company EH&S performance.

### **5.5 Audit / Review Report**

Formally record all findings in audit/review report:

- Highlight issues on non-conformance and other issues.
- Acknowledge positive contributions.
- Distribute to audit team / immediate supervision.

Provide auditees with opportunity to review draft report to allow correction of any factual errors before formal issue. Ensure that no new issues are raised that have not been discussed and agreed at the final meeting.

### **5.6 Close Out**

Auditees / management team should:

- Issue brief statements on each finding, detailing corrective action, responsibility & timescale.
- Develop tracking and close-out register incorporating all actions.

Regularly review progress and report through routine management reports; performance (executed vs. planned); status of findings (cleared vs. raised, time outstanding) and retain reports for review at next audit cycle.



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## 1 Objective

The objective of this guidance is to establish a system for selecting and managing contractors. The system will ensure that risks to personnel, environmental and company assets arising from the contracting or supply of equipment, materials or services are reduced to a level which is as low as reasonably practicable. It will also ensure that the equipment, materials or services procured are fit for purpose and provide CaribX (UK) Limited with the best value available.

## 2 Responsibilities

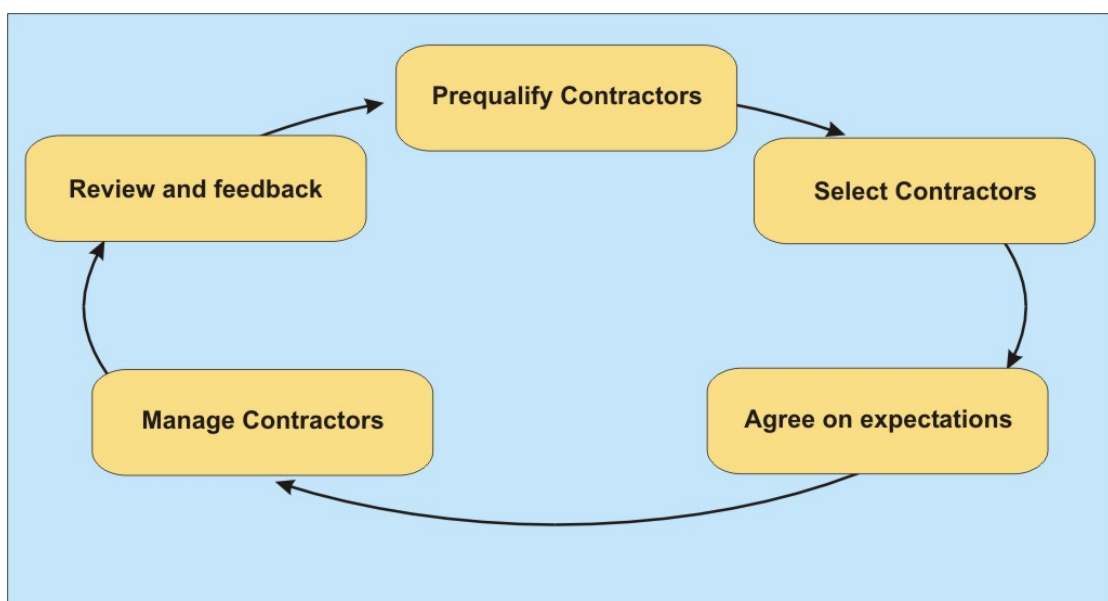
The relevant Project Manager is responsible for:

- Ensuring that contractor and supplier selection and management process is in compliance with the requirements of this programme.
- Providing the necessary support, advice, information and direction to line management and supervision in the implementation of this programme.
- Ensuring the provision of suitably qualified HSE resources to assist line management and supervisors in the implementation of this programme.

CaribX (UK) Limited representatives managing contract operations are responsible for:

- Setting a good example of adhering to the HSE policy and guidance, and applicable laws and regulations.
- Ensuring that HSE requirements agreed upon by contract are being implemented even at the risk of lost operating time.

## 3 Process



### **3.1 Prequalification**

All contractors providing equipment, materials or services for field operations shall be subject to evaluation prior to contract award. This will allow the establishment of a short-list of companies that have the necessary experience, capability and financial viability to undertake the work safely, in an environmentally sound manner and in accordance with the contract HSE schedule.

The level of evaluation shall be appropriate to the risks associated with the equipment, materials or services to be provided (See Appendix A).

Pre-qualifications may be performed prior to tender or at the time of tender, whichever is more feasible, in order to establish a limited list. Methods of pre-qualification may include:

- Questionnaires (See Appendix A);
- Visits to locations of current operations;
- Visits to facilities detailed in bid proposals contract;
- Results of evaluations conducted at the close of prior contracts with the same contractor.

The short listed contractors shall be those that are most likely to perform the work safely, economically, and technically correct, with minimum supervision and in a timely manner.

### **3.2 Selection**

To select contractors, it must be confirmed that they have addressed the specified HSE requirements (See Appendix A),

Following the HSE based contractor selection phase, a list of contractors meeting CaribX (UK) Limited's requirements will be derived. Final selection from this will be based on an assessment of the contractor's ability to provide materials, equipment or services, which are fit for purpose, at the best value.

Contractor HSE Requirements and job specific HSE requirements will be included in the executed contract.

### **3.3 Contractor Management**

There are two phases to Contractor Management. The first of these occurs at Mobilisation. The aim of the Mobilisation phase is to ensure that the Contractor understands CaribX (UK) Limited's requirements and expectations ahead of commencement of the work.

The second phase is ongoing monitoring during through the duration of the contract. During the contract, the contractor HSE performance must be monitored by audits, inspections and observations frequent enough to verify compliance (See Appendix A and the Audit and Review Guideline). Results will be communicated to the contractor.

The frequency of the reviews will be determined by the nature of the work, e.g. within or in close proximity to operating plant, hazardous area zones or acknowledged high risk operations will require more direct and frequent supervision than, for example, on a new construction site or the contractors own premises. However, as a guide, audit/review should be carried out after each activity (e.g. after each well drilled or each seismic survey) or every 4 months for ongoing drilling programmes or surveys.

### **3.4 Review and Feedback**

A final evaluation of contractor HSE performance should be completed at the end of the job or expiration of the contract (See Appendix A). The HSE performance aspects that may be considered could include:

- HSE performance with regard to contractual requirements.
- Injuries/illness and incident occurrences.
- Training conducted and scheduling of upcoming refresher course.
- Citations and/or awards received.

Performance results can be used to produce a list of all qualified contractors that may be invited to respond to a future Tender Package. Where performance of a particular Contractor has been poor, continued inclusion on the approved contractors list may be forfeit pending implementation of remedial action.

## Appendix A: Contractor Management Tool

This tool is designed to help CaribX (UK) Limited select contractors based on their HSE performance and provide assurance that the contractors properly manage HSE through the contract period.

### A.1 Risk assessment

#### Objectives

The level of HSE assessment of contractors shall be based on the risks associated with the activity to be undertaken. Levels of assessment for typical activities are summarised in Table A.1.

**Table A.1 HSE Contractor Assessment Level**

Type of Activity	Assessment
Office based	None
Seismic and other surveys	Questionnaire Recent audit reports Audit (if no recent reports available) Reporting of all incidents
Drilling	Questionnaire Rig HSE system audit On-going audits for long term programmes
Field Development	Questionnaire Rig HSE system audit On-going audits for long term programmes
Decommissioning	Questionnaire Rig HSE system audit On-going audits for long term programmes



## A.2 Prequalification questionnaire

Part 1 - Company Information	
Company Name:	Tel:
Address:	
Company Contact:	E-mail:
Title or Position:	Date:
1. What is the primary area of your business, and how long have you operated in this sector?	
2. Over what geographic areas do you supply these services, and how long have you operated in each region?	
3. Have you read, understood and signed CaribX (UK) Limited's HSE policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Do you have a written HSE Policy?	<input type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes supply a copy</i>
5. a) Provide your Lost Time Incident Frequency for each of the last 3 years b) Provide the number of claims against your Employer Liability Insurance for the last 3 years	

### 3.5 Prequalification questionnaire cont.

<b>Part 2 – Performance</b>	
6. Number Improvement/Prohibition notices or other equivalent notices of non-compliance?	
7. Do you have a written Substance Abuse Policy?	<i>If yes supply a copy</i> <input type="checkbox"/> Yes <input type="checkbox"/> No
8. Who is ultimately responsible for HSE in your organisation?	
Name: Position: Address (if different from above): Tel: Email:	
9. a) Does your company have a system for identifying HSE hazards and managing risks?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b) Is the system documented? If yes supply a resume (if web based, please supply the URL)	<input type="checkbox"/> Yes <input type="checkbox"/> No
10. Can you confirm that all individuals employed or contracted by your company have relevant and valid certification and/or licences to conduct the work they are employed to do?	<input type="checkbox"/> Yes <input type="checkbox"/> No

<b>Part 3 - Hazard &amp; Risk Management</b>	
11. a) Do you have a written emergency plan to cover foreseeable incidents?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b) Is it regularly tested? Last test date:	<input type="checkbox"/> Yes <input type="checkbox"/> No
12. Do you have a written incident reporting & investigation procedure? Explain	<input type="checkbox"/> Yes <input type="checkbox"/> No
13. Do you have a system to identify HSE training needs and resources to execute programmes? Explain:	<input type="checkbox"/> Yes <input type="checkbox"/> No
14. How do you confirm HSE regulatory compliance? (i.e. Documented system, Workplace Inspection, Internal Audits, External Audits, Other) Explain:	

Title \_\_\_\_\_ Name \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

<b>GLOSSARY OF TERMS</b>	
Company	This refers to the company with which the contract will be made
HSE	Health, Safety and Environmental
Incident	An incident covers events that results in injuries to people or damage to facilities or the environment
LTIF	Lost Time Incident Frequency

<b>No</b>	<b>CONTRACTOR GUIDANCE NOTES FOR THE PRE-QUESTIONNAIRE</b>
1	Check the box adjacent to applicable areas of business of the company and indicate the number of years you have operated in these areas. If the categories listed do not include your primary areas of business, then check 'Other' and state what it is and the number of years.
2	Indicate which countries you have conducted business together with the number of years you have operated in each country.
3	Confirm that you have read, understood and signed the Contractor Environmental Health and Safety Requirements. If you have not received a copy, contact CaribX (UK) Limited.
4	Confirm that you have a written Environmental, Health and Safety Policy(ies) by checking the box and supply a copy.
5a	Calculate the lost time incident frequency as defined under RIDDOR for each of the last 3 years. If you record injury rates of your sub-contractors, also calculate the LTIF rates for your employees and sub-contractors for each of the last three years. Include the number of any Fatalities that have occurred in each of the last 3 years.
5b	State the number of claims against your Employers Liability insurance.
6	Include here the number of Improvement or Prohibition Notices or other regulatory notices for each of the last three years. The number should refer to the date of the notice not the date of prosecution/fine.
7	Confirm that you have a written Substance Abuse or Drugs and Alcohol Policy(ies) by checking the box and supply a copy to CaribX (UK) Limited.
8	State who is ultimately responsible for Health, Safety and Environmental matters within your company at the most senior level of management. Provide their contact details.

9	<p>Indicate whether you have a system for identifying HSE hazards, and managing risks. State whether or not the system is documented by checking the box. If your system is not documented outline a) how you identify hazards/assess risks (e.g. Toolbox/Tailgate talks, Job Safety Analysis (JSA), Hazard Identification/Risk Assessment/Environmental Impact Assessment programmes (HAZID/ENVID, EIA), Hazard and Operability Studies (HAZOPS)), b) how do you manage risks (e.g. design/engineer solutions, use administrative controls (e.g. procedures, work permit, training, routine inspection, audit), and c) how you communicate risks and precautions to workforce (e.g. orientation programmes, training, safety meetings, toolbox/tailgate talks, hazard awareness programmes).</p>
10	<p>Indicate whether you have a system to confirm your employees meet all HSE certification/license requirements for the work by checking the box. This includes all relevant licenses/certification that is needed for the work, including valid Drivers' License. Under 'Explain' outline how you identify license/certification requirements (e.g. as part of job assessment, formal competence programme) and b) confirm licenses/certification is valid and up to date (e.g. personnel records, periodic checking, training passport).</p>
11	<p>State if you have a written emergency plan/ procedures for foreseeable emergencies within your operations. This should identify the emergencies covered, the roles and responsibilities of individuals involved, notifications required location of/release arrangements for resources available to assist and contact details. State if it is regularly tested and the date of the last drill/exercise.</p>
12	<p>Confirm that you have a written incident reporting and investigation procedure for any injury to people or damage to property/environment. At a minimum this should meet all regulatory requirements.</p>
13	<p>State whether you have a system to identify HSE training needs and resources to execute programmes. Under 'Explain' outline how you a) identify training needs (e.g. as part of job assessment, formal competence programme, annual appraisals), b) execute training (e.g. self-arrange, internal/external classes), c) determine effectiveness (e.g. employee feedback, examination, supervision), d) record execution (e.g. personal files), and e) when refresher training required.</p>
14	<p>Indicate how you confirm regulatory compliance within your organisation. Under 'Explain' identify the three key components of your HSE compliance programme.</p>

## 4 Mobilisation

### A.5.1 Objectives

The objective is to ensure that all relevant aspects of the contract risk assessment and any other HSE concerns are communicated and reviewed with the contractor. Several activities such as reviews, meetings, and audits can be used.

### A.5.2 Scope

Each project or work activity must undergo a planning and preparation phase. In this manner, all employees may become familiar with the location, facility, personnel, and other work information. The amount of detail and effort for pre-job activities should be commensurate with the level of risk.

### A.5.3 Instructions

The following checklist should be used to ensure the contractor is familiar and understands CaribX (UK) Limited's requirements and expectations. This is best done during a kick-off meeting with management and local personnel. It is recommended the following items be reviewed, documented, and filed with the contract.

#	Mobilization	Comments
1	Review associated major hazards.	
2	Confirm that roles and responsibilities have been clearly defined and understood.	
3	Confirm worker competence; this includes both CaribX (UK) Limited's and contract workers who are exposed to workplace hazards as defined in the description of work and risk assessment phases.	
4	Confirm any HSE performance objectives and targets.	
5	Distribute and explain CaribX (UK) Limited's HSE policy statement, basic HSE rules and work procedures in as far as the contractor works under CaribX (UK) Limited's EH&S Management System.	
6	Confirm scope and schedule of HSE activities e.g. HSE meetings, audits and reviews.	
7	Ensure interaction of CaribX (UK) Limited's and contractor's contingency plans (bridging documents).	

8		Verify contact with third parties to assure that their roles in emergency response plans are known.	
9		Confirm that HSE induction and training plans are in place and ready for startup.	
10		Confirm that subcontractors are briefed on HSE requirements.	
11		Explain incident reporting and investigation procedures.	

Title _____ Name _____ Date ____ / ____ / ____
--

## A.3 Monitoring

### A.5.1. Objectives

The objective of this phase is to assure that the work to be performed is conducted according to the agreed upon HSE Plan, and that additional HSE needs, identified during the work, are properly addressed.

### A.5.2 Scope

Where responsibility for supervision rests with the contractor, CaribX (UK) Limited's role should be to monitor compliance to contractual terms and systems defined within the contract.

### A.5.3 Instructions

The following check-list is an example of various topics to be reviewed with the contractor during the execution of the contract. Depending on the length of the contract, these reviews should be conducted several times over the span of the project.

#		Monitoring	Comments
1		Is the contractor's line management commitment to HSE issues visible and sufficient?	
2		Is the contractor in compliance with all HSE related clauses in the contract?	
3		Is the contractor complying with their own internal HSE control systems?	
4		Is the contractor monitoring the quality, condition and integrity of their equipment and tools?	
5		Is the contractor holding "toolbox" or HSE meetings?	
6		Is the contractor implementing and participating in emergency exercises and drills?	
7		Is the contractor properly managing HSE risks which arise from changes to the work?	
8		Is the contractor complying with incident and near-miss reporting, investigation and follow-up?	
9		Is the contractor replacing personnel with competent replacements?	

Title \_\_\_\_\_ Name \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

## A.4 Review and Feedback

### A.6.1 Objectives

The objective of this phase is to conduct an evaluation of the contractor's HSE performance and to provide feedback which can be referenced for future work.

### A.6.2 Scope

An evaluation of the contractor's HSE performance will be completed at the end of each job or at the expiration of each contract. The evaluation may be in addition to or a part of other evaluations.

### A.6.3 Instructions

The following check-list identifies specific topics to address during a close-out review.

#		Review and Feedback	Comments
1		Review the overall performance of the contractor relevant to HSE stipulating what was learned and how future contracts should be structured.	
2		Highlight positive aspects of learning and how they can be applied in the future. This learning should be shared with the contractor and other CaribX (UK) Limited personnel.	
3		Incorporate any new hazards identified into the hazard identification and evaluation process for future contracts.	
4		Analysis of both the CaribX (UK) Limited and contractor's HSE performance for mutual improvement.	
5		Complete final review of all environmental, health and safety statistics.	
6		Review any government citations or awards obtained during performance of the contract.	

Title \_\_\_\_\_ Name \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_





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## 1 Objective

The objective of this guidance is to ensure there is a system in place for reporting and investigating CaribX (UK) Limited and/or contractor incidents.

- To identify the root causes and corrective actions required.
- To capture lessons learned from incidents and to communicate those lessons to all relevant CaribX (UK) Limited locations.

## 2 Responsibilities

The Director with responsibility for HSE will ensure the necessary resources/training and systems are in place for effective implementation throughout CaribX (UK) Limited.

The relevant Project Manager is responsible for ensuring implementation within their area of responsibility.

## 3 Definitions

**Incident** - Defined as when an employee, contractor or member of the public is injured or develops an illness while working on CaribX (UK) Limited locations, regardless of whether or not the injury illness requires treatment. An incident may also be a well blow-out; fire; flow-line rupture; release of oil, gas, or chemicals; natural disaster, e.g. hurricane or earthquake; terrorism or vandalism; or business or economic disruption. Incident levels are defined by the severity or the potential severity of the outcome:

### Level I

- May be a minor work related first aid injury or an unplanned release contained and recovered within a controlled system
- It may also be public concern restricted to local community complaints without the possibility of escalation
- Property/equipment damage less than £150,000

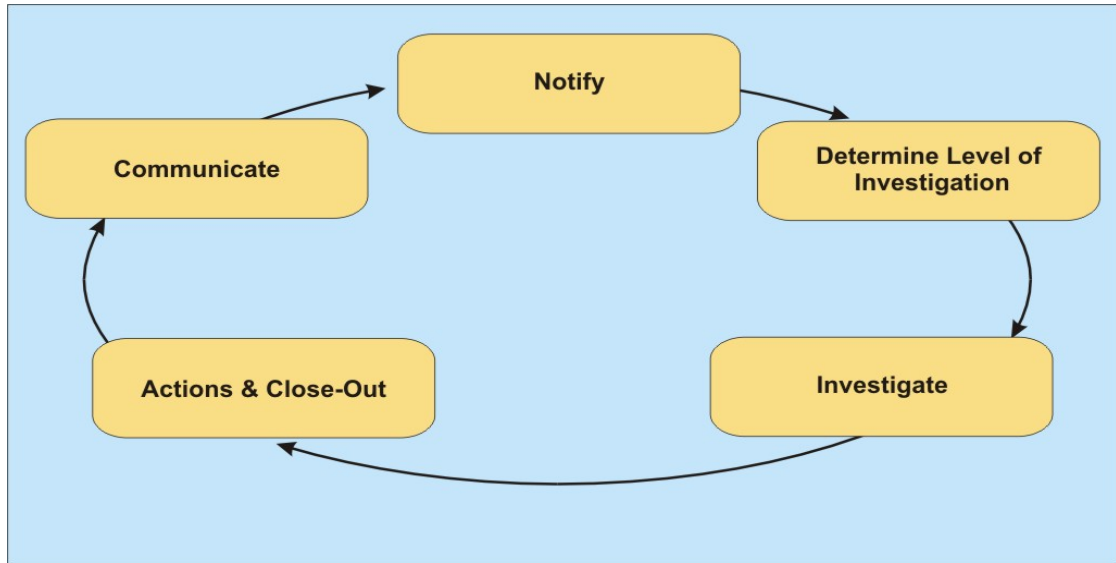
### Level II

- May be serious lost time injury to an employee or contractor
- An unplanned release that may cause serious environmental impact
- A serious regulatory breach has occurred with the possibility of fines
- Local media attention is significant with possible NGO activity
- Property/equipment damage is >£150,000

### Level III

- Multiple serious lost time injuries or a fatality
- Unplanned release resulting in major environmental impact
- Significant adverse international, public, media or NGO attention
- Possibility of major litigation
- Property/equipment damage is greater than >£500,000

## 4 Process



### 4.1 Notification

All incidents must be reported to line supervision immediately. Incident reporting required by law (e.g. reporting to the HSE under RIDDOR) must be completed as appropriate as soon as practicable. The following define the internal levels of notification according to the seriousness of the incident:

**Level I** - Must be reported to the person in charge within 24 hours.

**Level II** - Must be reported to the person in charge and line management within 8 hours.

**Level III** - Must be reported to the person in charge, the Director with responsibility for HSE and senior management immediately.

### 4.2 Investigation

All incidents shall be reviewed and investigated to a level commensurate with the actual or potential severity of the incident in accordance to the three level system.

#### Level I

Most level I incidents can be adequately reviewed or investigated by one person at the local level using basic investigation procedures and a representative of the HSE department.

#### Level II

Beginning with Level II, an Incident Investigation Team will be formed. The team will consist of:

- Employee or contractor working in the location of the incident
- Technical specialist
- Line management
- HSE specialist

#### Level III

The incident investigation team will consist of:

- Employee or contractor working in the location of the incident
- Technical Specialist
- HSE specialist
- Possibly outside consultants
- Senior management participation

At a minimum the following information must be included in all reviews and investigations:

- Date and time of the incident
- Location of the incident
- Description of the incident
- The cause(s) of the incident
- Findings and conclusions
- Recommended action to prevent recurrence
- Name(s) of the people conducting the investigation

The investigation team must develop the recommended action to be taken to prevent recurrence backed up by analysis and fact. They should be clear, concise and direct based upon the weight of substantive evidence and provide the basis upon which managers can take corrective actions.

#### **4.3 *Actions and Close-out***

All incident reports shall identify the actions taken to prevent recurrence. The date and the corrective action to be taken and the person responsible for implementation of the action should be documented. Documents shall be maintained on all statistical trend analysis and reports. Incidents and lessons learned shall be discussed at HSE meetings. Incident investigation reports should be reviewed by the legal department.

#### **4.4 *Communication***

Relevant findings of benefit to others within CaribX (UK) Limited should be communicated.

### **5 *Contractors Incidents***

All incidents taking place on contractor's facilities while under contract to CaribX (UK) Limited will be reported to the CaribX (UK) Limited Project Manager. This requirement must be defined in relevant contract's, bridging documents etc as required.

The Project Manager or his delegate shall:

- Review all incident reports
- Ensure investigations are being undertaken by the contractor as appropriate
- Obtain copies of incident investigations for high potential incidents (e.g. similar to Levels II and III)

- Consider whether CaribX (UK) Limited should include a representative on the contractor's incident investigation team
- Ensure actions raised as part of contractor investigations are quickly closed out.

## Appendix A - Incident Reports

MONTHLY INCIDENT REPORTING								
	Ave. No. of Staff	Estimated Man Hours	LTIs	Lost days to LTIs	RWDC	MTC	NII	Fatalities
ONSHORE (Office)	Please submit separate figures for each site, attaching additional forms if necessary							
Exploration	CARIBX LIMITED (UK)	<p style="color: red; margin: 0;"><b>Estimated Man hours (Onshore Office)</b>—Actual recorded hours worked (time in office exposed to work related hazards. Inc. lunch breaks.</p>						
	Contractors							
Drilling	CARIBX LIMITED (UK)							
	Contractors							
Production	CARIBX LIMITED (UK)							
	Contractors							
ONSHORE (Site/Base)	Please submit separate figures for each site, attaching additional forms if necessary							
Exploration	CARIBX LIMITED (UK)	<p style="color: red; margin: 0;"><b>Estimated Man hours (Onshore base/camp)</b>—For warehouse/support base working normal hours, record actual hours worked as for office. For remote sites (drill rigs, seismic etc.) involving 12 hr shifts and on/off periods, approach as described for offshore should be used.</p>						
	Contractors							
Drilling	CARIBX LIMITED (UK)							
	Contractors							
Production	CARIBX LIMITED (UK)							
	Contractors							
OFFSHORE	Please submit separate figures for each site, attaching additional forms if necessary							
Exploration	CARIBX LIMITED (UK)	<p style="color: red; margin: 0;"><b>Estimated Manhours (Offshore)</b>—Calculated on 12 hour work day - the sum of the man days worked on board multiplied by 12. Average manhours worked per individual (using average staff level) may vary from 130 to 200 hours/man (average 170) depending on shift on/off ratio. Vacations and leave should be excluded. Accidents occurring outside “work day” but still offshore should, however, still be recorded.</p>						
	Contractors							
Drilling	CARIBX LIMITED (UK)							
	Contractors							
Production	CARIBX LIMITED (UK)							
	Contractors							
COMMENTS								

# 1. NOTIFY

<b>1</b>	<b>NOTIFY</b>
<b>2</b>	<b>INVESTIGATE &amp; CORRECT</b>

Report Number (see below)
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## A. INCIDENT INFORMATION

Date occurred:	Time occurred:	Date reported:	Time reported:
Site where accident/incident occurred:		Location where accident/incident occurred:	
Incident reported to:		Type of incident (see definitions below) <input type="checkbox"/> FATAL INJURY <input type="checkbox"/> FATAL PROPERTY DAMAGE <input type="checkbox"/> LOST TIME INJURY <input type="checkbox"/> NEAR MISS INJURY <input type="checkbox"/> NEAR MISS PROPERTY DAMAGE <input type="checkbox"/> NON-FATAL PROPERTY DAMAGE <input type="checkbox"/> NON-FATAL INJURY <input type="checkbox"/> NON-FATAL NEAR MISS INJURY <input type="checkbox"/> NON-FATAL NEAR MISS PROPERTY DAMAGE <input type="checkbox"/> NON-FATAL NEAR MISS INJURY <input type="checkbox"/> NON-FATAL NEAR MISS PROPERTY DAMAGE	
Reported via contractor's procedures? If <b>NO</b> Operations Manager to notify relevant contractor.	Yes / No	Contractor reference number. E	

**LTI:** Lost Time Injuries. Injured persons are unable to work for the next shift.  
**NLTI:** No Lost Time Injuries. Injured person requires medical or first aid treatment, but is still able to work.  
**NI:** Non Injurious Incidents. No injuries occurred, but property was damaged or loss of production occurred.

**NMI:** Near Miss Incidents. None occurred, but serious or fatal injury or property damage could have resulted. Use "Near Miss Incident Reporting Form" for reporting such incidents.

**Report Number:** Lifecycle Stage/Sequential Number & Year e.g. D/00199  
 (Lifecycle Stage: D: Drilling; PC: Project Construction; P: Production; OB: Operations Base; A: Abandonment).

## B. INCIDENT DESCRIPTION

<b>Immediate actions taken to contain incident/ prevent recurrence:</b>

**Note:** Include a description of the illness, injury (include body parts affected and indicate right or left side), property/resources damaged or lost, the sequence of events prior to and during incident, and the estimated cost of the incident (replacement, repair, cleanup). Attach photographs, sketches. Describe permits in force/ transgressed.

## C. PERSON INJURED/AFFECTED/INVOLVED

Name:	Involved <input type="checkbox"/> Affected <input type="checkbox"/> Injured <input type="checkbox"/>	Nationality:	Birth Date:
Address:			
Telephone:	Job Classification/ Title & Department:	Social Security Number:	
Employer's name and address: For non-employees only.			

To be filled out in cases of serious injury.

<b>Site treatment:</b>	<b>Transferred to:</b>	<b>Transferred by:</b>	<b>Time and Date:</b>
<b>Contact:</b>	<b>Hospital Treatment:</b>	<b>Injury Prognosis:</b>	<b>Lost Time:</b>



**D. WITNESS INFORMATION** Attach witness statements.

Name and Employer:	Address and Telephone:
Name and Employer:	Address and Telephone:

Completed By \_\_\_\_\_ Print \_\_\_\_\_ Date \_\_\_\_\_

CARIBX (UK)  
LIMITED \_\_\_\_\_ Print \_\_\_\_\_ Date \_\_\_\_\_

**ATTACH WITNESS STATEMENTS, CONTRACTOR ACCIDENT REPORT, FIRST REPORT OF INJURY OR LAW ENFORCEMENT REPORTS.**

Send completed report to MANAGER within 3 working days of incident.

## 2. INVESTIGATE / CORRECT

1	NOTIFY
2	<b>INVESTIGATE &amp; CORRECT</b>

Report Number
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### A. RISK POTENTIAL ANALYSIS (Note 1)

Indicate the most serious situation that COULD have happened e.g. Pipe-wrench COULD have struck any of the rig floor personnel on the head causing fatality.

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Number Of People		Potential Severity		X	Recurrence Likelihood		=	Level of Risk		Level Of Investigation <small>(Note 5)</small>	
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### B. PRIMARY CAUSE OF THE ACCIDENT/INCIDENT (Note 6)

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### C. UNDERLYING CAUSE(S) OF THE ACCIDENT/INCIDENT (Note 6)

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### D. ROOT CAUSE(S) OF THE ACCIDENT/INCIDENT (Note 6)

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### E. ACTIONS TO PREVENT RECURRENCE Actions proposed as a result of the incident investigation (Note 7)

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### F. PROOF OF CLOSE-OUT ACTIONS Actions successfully implemented (Note 8)

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Investigated By: \_\_\_\_\_ Print \_\_\_\_\_ Date \_\_\_\_\_  
 CARIBX (UK) LIMITED \_\_\_\_\_ Print \_\_\_\_\_ Date \_\_\_\_\_

**Send this completed form and the full investigation report to MANAGER.**

NOTES

**Risk Potential Analysis:**

The risk potential (i.e. “What **COULD** have happened?”) of all reported accidents and incidents is used to determine the level of investigation into the incident necessary. The normal definition of risk (“Risk = Hazard Severity x Likelihood of Recurrence”) is used to determine the risk potential.

**2 Potential Severity:**

This is the most severe possible outcome that **COULD** have occurred had not luck, speedy response etc intervened. It is recognised that, in many instances, the maximum possible outcome has already occurred and caused the incident.

POTENTIAL SEVERITY	
Major (Ma)	Possible Fatal Injury Possible Permanent Disability
Serious (Se)	Possible Lost Time Injury Possible Temporary Disability
Slight (Sl)	Possible Non Lost Time Injury Possible First Aid Case

**3 Recurrence Likelihood:**

The potential for the incident to happen again if **NOTHING** is done to prevent it recurring.

LIKELIHOOD OF RECURRENCE	
High (H)	Will Almost Certainly Happen Again. Very Likely To Happen Again.
Medium (Me)	May Possibly Happen Again. Could Happen Again Sometime.
Low (L)	Very Unlikely To Happen Again. Rarely Happens & Should Not Recur.

**4 Level of Risk:**

Combine the above criteria and rank the level of risk as indicated in the adjacent table.

The EHS&Q Manager will be informed of all reported accidents and incidents. For those which reach or exceed a risk potential level of **6** this shall be done as soon as possible.

		LIKELIHOOD OF RECURRENCE		
		LOW	MEDIUM	HIGH
POTENTIAL SEVERITY	SLIGHT	1	2	3
	SERIOUS	2	4	6
	MAJOR	3	6	9

For all reported accidents or incidents which reach a risk potential level of **9**, the Managing Director shall also be informed as soon as possible.

1	LOW RISK POTENTIAL
2	MEDIUM RISK POTENTIAL

3/4/6	HIGH RISK POTENTIAL
	HIGH RISK POTENTIAL

**5 Level of Investigation:**

The risk potential of the incident is used to determine the level of investigation of the incident. As indicated in the adjacent table, there are three levels.

Investigation Level	Risk Potential	Investigation Leader	Investigation Method
Level 1	1/2	CARIBX (UK) LIMITED Supervisor	Discussion
Level 2	3/4/6	Business Area/Project Manager	Root Cause Analysis
Level 3	9	Drilling & Ops Manager/EHS&Q Manager	Root Cause Analysis

**6 Investigation:**

**The Investigation Leader should select an investigation team appropriate to the circumstances. The investigation team should collect information, including:**

- Site layout and condition prior to the incident;
- Procedures being followed;
- Supervisory structure;
- Eye witness accounts (attached as written statements).

The causes of the incident should be analysed in terms of:

**Primary Cause(s) – Circumstances that immediately precede the incident. Attributable to unsafe acts or conditions;**

Underlying cause(s) – Reasons for the substandard practices or conditions. Possible result of personal factors (e.g. lack of knowledge) or job factors (e.g. inadequate equipment);

Root cause(s) – The controlling cause of the incident/near miss. Possible result of inadequate programmes, programme standards or inadequate compliance with standards.

**The investigation report should be submitted within one week of the investigation to the same individuals that received the “Notify” report and to those responsible for implementing corrective/preventative actions.**

**7 Actions to Prevent Recurrence:** (Actions proposed as a result of the incident investigation).

The information for this section will be decided after discussion with the Project Manager. “High Risk Potential” and “Very High Risk Potential” incidents may require a level two or three investigation before the primary and underlying causes can be determined and viable “Actions to Prevent Recurrence” established.

**3 Proof of Close-Out Actions:** (Actions that have been successfully implemented).

Proof that the “Actions to Prevent Recurrence” have been completed will be required before the Investigation Team Leader will sign off all actions as complete. In circumstances where the “Actions” have not been completed by the completion date the EHS&Q Manager will initially consult with the responsible person to establish the reasons why the actions have not been completed.