SCOMI OILTOOLS :
QHSE Policy Plan 2011

BBS-Safety Observation Card and
People Focused in 2011
Contents

1. Introduction .................................................................................................................. 3
2. HSE Philosophy ........................................................................................................... 3
3. HSE Policy ................................................................................................................... 4
4. HSE Management Core Elements .............................................................................. 5
   4.1 General Requirement ............................................................................................... 5
   4.2 Health, Safety and Environment Policy ................................................................. 6
   4.3 Planning ................................................................................................................... 6
   4.4 Implementation and Operation ............................................................................... 9
   4.5 Checking and Corrective Action ........................................................................... 13
   4.6 Management Review ............................................................................................ 15
5. HSE Statistic 2010 and 3 years Plan Targets ......................................................... 16
6. HSE Plan 2011 ............................................................................................................ 17
7. Quality Plan 2011 ....................................................................................................... 17
HSE Policy Plan and Implementation 2011

1. Introduction

Scomi Oiltools is committed to inculcate and cultivate the HSE culture and practices into the hearts and minds of all its employees and contractors. This is achieved by continuously communicating the principles of HSE excellence to all staff at all levels of the company.

Scomi Oiltools will continually improve to provide a healthy, safe and environmentally sound working environment for its employees, contract workers and contractors based on the requirements of the corporate Health, Safety & Environmental Manual (HSEM) and the international management standards, OHSAS 18001 and ISO 14001 company.

Commitment from the top management is vital for the successful implementation and continual improvement of the HSE management system and it must be communicated and cascaded to all employees by the HSE Management Committee.

Our main objective is to have an ACCIDENT/INCIDENT FREE workplace without HARM to the environment and an effective implementation of HSE Management System based on OHSAS 18001 and ISO 14001.

Definitions

- Strategy - a method or approach for achieving an overall objective
- Plan - a way of doing something thought out in advance

2. HSE Philosophy

Our philosophy is;

NO ONE GETS HURT and NO HARM TO ENVIRONMENT.
3. **HSE Policy**

3.1 *Health, Safety and Environmental policy*

Scomi Oiltools, a leading company in the provision of drilling fluids and drilling waste management services, is committed to providing a safe and healthy workplace for its employees and of other persons, and to give proper regards to the conservation and protection of the environment throughout our business activities, products and services.

The Management and the employees have shared responsibilities in ensuring that this commitment is fulfilled.

We are committed to:

- Meeting or exceeding all relevant legislation, regulations and other requirements in our activities; products and services; and maintaining best practices in health, safety and environment including procurement practices and emergency response preparedness.
- Continual improvements in order to achieve ZERO accident and incident and will give priority towards occupational safety, health and environmental concerns.
- Providing and maintaining a safe and healthy workplace, free of occupational injury and illness and harm to the environment.
- Reducing the consumption of natural resources and energy through recycling, reuse, reduction and replacement (the 4Rs).
- Controlling and monitoring emission to air, water and land with a view to minimising the generation of waste to acceptable levels.
- Promoting a culture of health, safety and environmental awareness among all employees, contractors and vendors through provision of appropriate training and continuous education.
- Conducting regular reviews to monitor the performance against the Health, Safety and Environmental Manual and its supporting integrated management system to meet the company’s objectives, targets and programs for continual improvement.

Shah Hakim Zain
Group Chief Executive Officer
4. **HSE Management Core Elements**

4.1 **General Requirement**

OHSAS 18001 & ISO 14001 identifies five core elements as shown below, with an overall aim of delivering continual improvement. Each core element is explained in more detail in the following sections.
Scomi Oiltools will maintain and implement its system to ensure the operation of all its facilities such as plants, warehouses and other buildings in accordance with OHSAS 18001 & ISO 14001 Management System standards; the requirements are based on the dynamic cyclical process of “Plan, Implement, Check, Review” by:

- Establishing Health, Safety & Environmental Policy;
- Identifying safety & health hazards and environmental impacts arising from Scomi Oiltools past, existing or planned activities, products or services, to determine the significant risk;
- Identifying the relevant legislative and regulatory requirements;
- Identifying priorities and setting appropriate HSE objectives and target;
- Establishing a structure and programme to implement the policy and achieving objectives and targets;
- Implementing and monitoring, corrective actions through proper planning, audit, review and control of activities;
- Adapting to changing circumstances.

4.2 Health, Safety and Environment Policy

The HSE policy has been established and authorised by the organisation’s top management that clearly states overall health, safety and environment objectives and a commitment to improving health, safety and environmental performance.

The policy is stated in 3.1 and it should be communicated to all its employees clearly, to enable them to have a framework against which they can measure their own individual HSE performance.

This policy will be made available to any interested party, including members of the public and employees, and periodically distributed to customers and suppliers.

This document will be reviewed as a consequence of:
- a periodic review of the policy by the chief executive officer or his nominated representative;
- the audit process;
- any other circumstances, as appropriate.

4.3 Planning

4.3.1 Planning for hazard identification, environmental aspect and impact, risk assessment and risk control

Scomi Oiltools has established the procedures that it will maintain for the ongoing identification of hazards and environmental aspects and impacts, the assessment of risks, and the implementation of necessary control measures. Refer to the HSEM, Section 7 - Management of Risk, which includes:

- activities during normal, abnormal and emergency conditions;
- activities of all personnel having access to the workplace (including subcontractors and visitors);
- facilities at the workplace, whether provided by Scomi Oiltools or others.
Scomi Oiltools will ensure that the results of these assessment and the effects of these controls are considered when setting its HSE objectives. Scomi Oiltools will document and keep this information up to date.

Scomi Oiltools’ methodology for hazard identification, environmental aspect and impact, and risk assessment has been:

- defined with respect to its scope, nature and timing to ensure it is proactive rather than reactive;
- provide for classification of risks and identification of those that are to be eliminated or controlled;
- consistent with operating experience and the capabilities of risk control measures employed;
- provide input into the determination of facility requirements, identification of training needs and/or development of operational controls;
- provide for the monitoring of required actions to ensure both the effectiveness and timeliness of their implementations.

The findings are documented in the HSE hazard and aspect register and the register is reviewed and maintained in accordance with QP QHSE-020 Risk Assessment. The Risk Assessment Register aims to provide documentary evidence that demonstrates compliance with these requirements.

The register of Environmental Aspect & Impact (environmental risk assessment), is found in QHSE-IMS-012 Aspects and Impacts Identification and Control.

### 4.3.2 Legal and other requirements

Scomi Oiltools has established and maintains the procedure for identifying and accessing the legal and other HSE requirements that are applicable to its activities, products or services.

Scomi Oiltools keeps this information up-to-date. Scomi Oiltools will communicate relevant information on legal and other requirements to its employees and other relevant interested parties.

The legal requirements and other HSE requirements that are applicable are kept in the Legal Register. The Legal Register is reviewed and maintained in accordance with procedure QP-QHSE-011 Legal Requirements Identification.
4.3.3 Objective and targets

Scomi Oiltools has established and maintains documented health, safety and environment objectives and targets at each relevant function and level within the organisation.

When establishing and reviewing its objectives and targets, Scomi Oiltools considers the legal and other requirements, HSE hazards, risks, aspects and impacts, technological options, financial, operational and business requirements, and the views of interested parties.

The objective and targets are consistent with the HSE policy, including the commitment to continual improvement.

Objective and targets are specific and measurable wherever practical and where appropriate takes preventive measures into account. Quantifiable targets are referenced to an attribute, parameter to be measured, a scale by which the attribute is to be measured, goal, detailing the level of attribute set and the timescale within which it is to be achieved.

Objectives and targets are periodically reviewed and revised, and takes into consideration the views of interested parties.

Based on Scomi Oiltools’ HSE policy, the register of HSE hazards and aspects, legal requirements and Chemical Health Risk Assessment (CHRA) reports, a series of objectives and targets have been established and agreed by the HSE Management Committee in accordance with the planning requirements of the QHSE Manual and QP-QHSE-006 Management Review.

This document is reviewed during the management review process as a consequence of the audit process, as appropriate and any other circumstances, as necessary to maintain compliance with the requirements of the OHSAS 18001 & ISO 14001 standard.

4.3.4 HSE Management programme (HSEM)

Scomi Oiltools has established and maintains an HSE management programme for achieving its objectives and targets.

The programme includes:

- the designated responsibility and authority for achievement of the objectives at relevant functions and levels of the organisation; and

- the means and timeframe by which objectives are to be achieved.

The HSE management programme is reviewed at regular and planned intervals. Where necessary the HSE management programme is amended to address changes to the activities, products, services, or operating conditions of Scomi Oiltools.
Scomi Oiltools’ HSE management programme is maintained to progress achievement of the objectives and targets and, in the longer term, to achieve demonstrable continual improvement in accordance with the QHSE Manual and QP-QHSE-005 Corrective Action.

4.4 Implementation and Operation

4.4.1 Structure and Responsibility

Scomi Oiltools has established and defined, documented and communicated the roles, responsibility and authorities of relevant personnel to ensure an effective HSE management system.

Scomi Oiltools provides resources essential to implementation and control of the HSE management system.

Scomi Oiltools’ top management has appointed the Chief Safety Officer (CSO) to be responsible and have authority for:

- ensuring that HSE management system requirements are established, implemented and maintained in accordance with OHSAS 18001 & ISO 14001 standard.

- ensuring that reports on the performance of the HSE management system are presented to top management for review and as a basis for improvement of the HSE management system.

The HSE organisational structure and responsibilities is found under Responsibilities, section 2 of the HSEM.

4.4.2 Training, awareness and competence

Scomi Oiltools has established a training matrix and provides appropriate training to all personnel whose work may create a significant impact on HSE in the workplace.

Scomi Oiltools has established the procedures and maintains it to ensure that its employees working at each relevant function and level are aware of:

- the importance of conformance to the HSE policy and procedures, and to the requirements of the HSE management system;

- the HSE consequences, actual or potential, of their work activities and the HSE benefits of improved personal performance;

- their roles and responsibilities in achieving conformance to the HSE policy and procedures and to the requirements of the HSE management system, including emergency preparedness and response requirements.

- the potential consequences of departure from specified operating procedures.
Training procedures have taken into account differing levels of:

- responsibility, ability and literacy; and
- risk.

**Reference Document:**
QP-QHSE-019 Training and Development.

### 4.4.3 Consultation and communication

Scomi Oiltools has established the procedures for ensuring that pertinent HSE information is communicated to and from employees and other interested parties. Employee involvement and consultation arrangements are documented and interested parties informed. Employees are:

- involved in the development and review of policies and procedures to manage risks;
- consulted where there are any changes that effect workplace health, safety and environment;
- represented on health, safety and environment matter; and informed through their employee HSE representative(s) and specified management representative.

**Reference Document:**
QP-QHSE-008 Communication Internal.

### 4.4.4 Documentation

Scomi Oiltools has established and maintains information, in a suitable medium such as paper or electronic form, that:

- describes the core elements of the management system and their interaction; and;
- provides direction to related document

**Reference Document:**
1. Health Safety Environmental Manual
2. QHSE Manual – Management System manual (Volume 1)
3. QP-QHSE-013 Emergency Preparedness
4. QP-QHSE-002 Control of Quality Records
5. QP-QHSE-001 Document Control
4.4.5 Document and data control

Scomi Oiltools has established the procedures for controlling all documents and data required by this HSE standard and ensures that they can be located;

- they are periodically reviewed, revised as necessary and approved for adequacy by authorised personnel;

- current versions of relevant documents and data are available at all locations where operations essential to the effective functioning of the HSE system are performed;

- obsolete documents and data are promptly removed from all points of issue and points of use or otherwise assured against unintended use; and

- archival documents and data retained for legal and knowledge preservation purposes or both are suitable identified.

Procedure:

All documents and data containing information critical to the operation of Scomi Oiltools HSE management system and the performance of its activities, is identified, assigned responsibilities and authorities and registered in the HSE Document Register.

Therefore the register will contain the list of controlled documentation, its location, revision number/update and period of which is to be held in accordance with legal or other time requirements.

All procedures are updated and revised as and when necessary to suit Scomi Oiltools’ operation requirement and upon any recommendation by other parties which are considered to be more suitable than the existing procedure.

The HSE Management Committee shall approve any revision and updating prior to implementation. Regular analysis and study is conducted to revise or update procedures and systems to enhance its effectiveness in line with the company's HSE guidelines.

Responsibility:

The HSE Coordinator/Officer is responsible to establish and review/revise/update the Document Register and communicate to relevant levels during safety meetings or management reviews. The HSE Coordinator/Officer has the authority to call for reviews of procedures and systems if deemed necessary.

Reference Document:
1. QP-QHSE-001 Document Control
2. QP-QHSE-002 Control of Quality Records
4.4.6 Operational control

Scomi Oiltools has identified those operations and activities that are associated with identified risks where control measures need to be applied. Scomi Oiltools plans these activities, including maintenance, in order to ensure that they are carried out under specified conditions by:

- establishing and maintaining documented procedures to cover situations where their absence could lead to deviations from the HSE policy and the objectives;
- stipulating operating criteria in the procedures;
- establishing and maintaining procedures related to the identified HSE risks of goods, equipment and services purchased and/or used by the organisation and communicating relevant procedures and requirements to suppliers and contractors;
- establishing and maintaining procedures for the design of workplace, process, installations, machinery, operating procedures and work organisation, including their adaptation to human capabilities, in order to eliminate or reduce HSE risks at their source.

Reference Document:
1. QHSE System Framework
2. QHSE PDCA Map
3. Micro Process Map

4.4.7 Emergency preparedness and response

Scomi Oiltools has established and maintains plans and procedures to identify the potential for, and responses to, incident and emergency situations, and for preventing and mitigating the likely illness and injury that may be associated with them.

Scomi Oiltools reviews its emergency preparedness and response plans and procedures, in particular, after the occurrence of incidents or emergency situations.

Scomi Oiltools also periodically tests such procedures where practicable.

Reference Document:
QP-QHSE-013 Emergency Preparedness and Response
4.5 Checking and Corrective Action

4.5.1 Performance measurement and monitoring

Scomi Oiltools has established the procedures and maintains it to monitor and measure HSE performance on a regular basis. These procedures provide for:

- both qualitative and quantitative measures, appropriate to the needs of Scomi Oiltools
- monitoring of extent to which Scomi Oiltools HSE objectives are met;
- proactive measures of performance that monitor compliance with the HSE management programme, operational criteria and applicable legislation and regulatory requirements;
- reactive measures of performance to monitor accidents, ill health, incidents (including near-misses) and other historical evidence of deficient HSE performance;
- recording of data and results of monitoring and measurement sufficient to facilitate subsequent corrective and preventative action analysis.

Monitoring equipment are calibrated and maintained and records of this process are retained according to procedure.

Reference Document:
1. QP-QHSE-006 Management Review
2. QP-QHSE-004 Control of Non-Conformance
3. QP-QHSE-005 Corrective and Preventive Action
4. HSE (KPI) Scorecards – Located in HSE Department (HQ).
5. Safety Observation Card analysis – Located in respective location/branch.
7. Employee year-end appraisal records – Located in Human Resource Department (HQ), with controlled access.
8. QP-HR-003 Personnel Evaluation and Promotion
9. Inspection / Maintenance records – Located in respective location/branch.

4.5.2 Accidents, incidents, non-conformances and corrective & preventive action

Scomi Oiltools has established the procedures and maintains it for defining responsibility and authority for:

a) the handling and investigation of:
   • accidents;
   • incidents;
   • non-conformances;
b) taking action to mitigate any consequences arising from accidents, incidents or non-conformances;

c) the initiation and completion of corrective and preventive actions;

d) confirmation of the effectiveness of corrective and preventive actions taken.

These procedures require that all proposed corrective and preventive actions shall be reviewed through the risk assessment process prior to implementation.

Any corrective or preventive action taken to eliminate the causes of actual and potential non-conformances shall be appropriate to the magnitude of problems and commensurate with the HSE risk encountered.

Scomi Oiltools implements and records any changes in the documented procedures resulting from corrective and preventive action.

**Reference Document:**
1. QP-QHSE-015 Incident / Accident Investigation and Report
2. QP-QHSE-004 Control of Non-conformance
3. QP-QHSE-005 Corrective and Preventive Action

**4.5.3 Records and records management**

Scomi Oiltools has established the procedures and maintains for identification, maintenance and disposition of HSE records, as well as the results of audit and reviews.

HSE records are legible, identifiable and traceable to the activities involved. HSE records are stored and maintained in such a way that they are readily retrievable and protected against damage, deterioration or loss. Their retention times shall be established and recorded. Records are maintained, as appropriate to the system and to the organisation, to demonstrate conformance to this OHSAS 18001 and ISO 14001 specification.

**Responsibility:**
The HSE Coordinator/Officer is responsible to establish and review/revise/update the Document Register and communicate to relevant levels during safety meetings or management reviews.

**Reference Document:**
HSE Document Register – Located in HSE Dept, Turkmenbashy

**4.5.4 Audit**

Scomi Oiltools has established and maintains an audit programme and procedures for periodic HSE management system audits to be carried out, in order to:
• determine whether or not the HSE management system
  1. conforms to planned arrangements for HSE management including the
     requirements of this OHSAS 18001 & ISO 14001 specification;
  2. has been properly implemented and maintained; and
  3. is effective in meeting the organization’s policy and objectives;

• review the results of previous audit;

• provide information on the results of audits to management.

The audit programme is based on the results of risk assessments of Scomi Oiltools’s
activities, and the results of previous audits.

Audits should be conducted by personnel independent of those having responsibility
for the activity being examined.

Reference Document:
QP-QHSE-003 Internal Audit Process

4.6 Management review

Scomi Oiltools’ top management should review the HSEM annually, to ensure its
continuing suitability, adequacy and effectiveness.

The management review process should ensure that the necessary information is
collected to allow management to carry out this evaluation. This review shall be
documented.

The management review should be chaired by the CSO or his nominated deputy and
shall include representative from various departments. The management review shall
address:

• the possible need for changes to policy, objectives and other elements of the
  HSE management system;
• audit results;
• changing circumstances, and
• the commitment to continual improvement.

Reference Document:
QP-QHSE-006 Management Review
## 5. HSE (KPI’s) Statistic 2010 and 3 years Plan Targets

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Statistic</td>
<td></td>
<td>Overall TARGET 2011</td>
<td>Overall TARGET 2012</td>
<td>Overall TARGET 2013</td>
</tr>
<tr>
<td>LTA / LTI</td>
<td>12</td>
<td>10</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td>Fatalities</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Restricted Work Case - RWC</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Medical Treatment Case - MTC</td>
<td>10</td>
<td>8</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Near Miss</td>
<td>14</td>
<td>12</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>First Aid Case - FAC</td>
<td>31</td>
<td>29</td>
<td>26</td>
<td>24</td>
</tr>
<tr>
<td>Chemical Spill</td>
<td>6</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Property Damage</td>
<td>16</td>
<td>14</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>Fire (with property damage)</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Traffic Accident (MVI)-Preventable</td>
<td>8</td>
<td>6</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Traffic Accident (MVI)-Unpreventable</td>
<td>7</td>
<td>5</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Total (TRC)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total Man-hours Work (Jan - Dec)</td>
<td>4,794,818</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRIR Rate</td>
<td>1.04</td>
<td>.94</td>
<td>.85</td>
<td>.80</td>
</tr>
<tr>
<td>Accident Control</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BBS-Safety Observation Cards</td>
<td>26,043</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HSE Mgmt Committee Meeting</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HSE Safety Committee Meeting</td>
<td>3,961</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Toolbox Meeting</td>
<td>26,777</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit / Inspection</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management Audit (Internal Audit)</td>
<td>32</td>
<td>60</td>
<td>80</td>
<td>120</td>
</tr>
<tr>
<td>Rig Safety Audit</td>
<td>1,370</td>
<td>1,400</td>
<td>1,500</td>
<td>1,600</td>
</tr>
<tr>
<td>Emergency Respond</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fire Evacuation Drill Conducted</td>
<td>28</td>
<td>36</td>
<td>40</td>
<td>50</td>
</tr>
<tr>
<td>Chemical Spill Drill Conducted</td>
<td>22</td>
<td>32</td>
<td>32</td>
<td>32</td>
</tr>
<tr>
<td>Campaign</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HSE Week</td>
<td>16</td>
<td>16</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>Review</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management Review</td>
<td>24</td>
<td>32</td>
<td>32</td>
<td>32</td>
</tr>
</tbody>
</table>
6. **HSE PLAN 2011-Requirements Chart**

Refer to attachment Scomi_hseplan2011_chart(1)

Addressing the planning and implementation of:

1. Leadership and Commitment
2. Policy and Strategy Objectives
3. Organisational Responsibilities, Resources, Standards and Documents
4. Hazards and Effects Management (KPI MVI and LTI reduction Rate)
5. Planning and Procedures
6. Implementation and Monitoring (Quality System and HSE Compliance)
7. Audit (BSC Management Audits and Inspections)
8. Management Review

7. **QUALITY SUSTAINABILITY PLAN 2011**

Scomi Oiltools will continuously improve Quality of Service and the quality systems in 2011. The plan is to have effective quality management this is critical to reduce risk and for operational success. Scomi Oiltools must maintain a successful project culture and increase project quality planning competency with proven project management techniques and training, quality team training, sales training and business analyst training and business practices workshops. We must provide operational support to help improve project and risk management success with project audits/ inspections and/or to help establish and support risk/project management. Scomi has a proven project and Quality Management Success System that is backed by a committed Senior Management and qualified QHSE Support Staff. Train employees to improve quality and project management performance.

The Quality Action Plan is to use the ISO, IQMS, ACE, BSC’s and Risk Management Quality tool to guide and foster continuous improvement by:

1. Benchmarking current organisational performance
2. Foster a productive operational, process and project management culture
3. Audit projects to identify challenges and improvement opportunities
4. Evaluate the effectiveness of project and quality processes and tools
5. Monitor through BSC’s the effectiveness of Quality Improvement process (NCR and CPAR's-Zero Major Non-Conformities ) and Risk Management actions
6. Coach, Mentor and guide the Management structure on Quality Risk factors to increase the success of operations and projects
7. Coach all Country, Operations and field project leaders and support teams to close any performance and NCR gaps
8. Continue to track Quality IQMS compliance, NCR’s, and Quality recertification to close any performance gaps in all operations and product lines.
9. Effective Quality of Service Process

**Quality Certificates Scomi Oiltools Active and/or IQMS_ISO Systems being implemented in 2011**

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Address</th>
<th>Country</th>
<th>Certification Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scomi Oiltools Pte Ltd, Head Office</td>
<td>1 Raffles Place 26 - 01, Singapore</td>
<td>Singapore</td>
<td>ISO 9000:2008</td>
</tr>
<tr>
<td>Scomi Oiltools GRTC</td>
<td>Wisma Chase Perdana 8th Floor, Malaysia</td>
<td>Malaysia</td>
<td>ISO 9000:2008</td>
</tr>
<tr>
<td>Scomi Oiltools Pty Ltd</td>
<td>15 Boulder Road, Malaga</td>
<td>Australia</td>
<td>ISO 9000:2008</td>
</tr>
<tr>
<td>Scomi Oiltools (Thailand) Ltd</td>
<td>Radchadapisek Road</td>
<td>Thailand</td>
<td>ISO 9000:2008</td>
</tr>
<tr>
<td>Scomi KMC Sdn Bhd</td>
<td>Wisma Chase Perdana 5th floor, Malaysia</td>
<td>Malaysia</td>
<td>OHSAS 18001:1999</td>
</tr>
<tr>
<td>Scomi KMC Sdn Bhd</td>
<td>Wisma Chase Perdana 5th floor, Malaysia</td>
<td>Malaysia</td>
<td>ISO 14001:2004</td>
</tr>
<tr>
<td>Scomi Oiltools (Europe) Limited</td>
<td>Denmore house, Aberdeen</td>
<td>United Kingdom</td>
<td>BS EN ISO 9000: 2001</td>
</tr>
<tr>
<td>Scomi Oiltools (Europe) Limited</td>
<td>Damhead industrial estate, Peterhead, UK</td>
<td>United Kingdom</td>
<td>BS EN ISO 9000: 2001</td>
</tr>
<tr>
<td>Scomi Oiltools (Europe) Limited</td>
<td>Greenhead, Lerwick, UK</td>
<td>United Kingdom</td>
<td>BS EN ISO 14001 : 2004</td>
</tr>
<tr>
<td>Scomi Oiltools (Europe) Limited</td>
<td>Stoperigaten, Stavanger, Norway</td>
<td>Norway</td>
<td>BS EN ISO 14001 : 2004</td>
</tr>
<tr>
<td>Scomi Oiltools (Shetland) Limited</td>
<td>Denmore house, Aberdeen</td>
<td>United Kingdom</td>
<td>BS EN ISO 14001 : 2004</td>
</tr>
<tr>
<td>Scomi Oiltools (Shetland) Limited</td>
<td>Damhead industrial estate, Peterhead, UK</td>
<td>United Kingdom</td>
<td>BS EN ISO 14001 : 2004</td>
</tr>
<tr>
<td>Scomi Oiltools (Shetland) Limited</td>
<td>Greenhead, Lerwick, UK</td>
<td>United Kingdom</td>
<td>BS EN ISO 14001 : 2004</td>
</tr>
<tr>
<td>PT Multi Jaya Persada</td>
<td>Gedung Tetrapak, Jakarta, Indonesia</td>
<td>Indonesia</td>
<td>ISO 9000:2008</td>
</tr>
<tr>
<td>PT Scomi Oiltools</td>
<td>Gedung Tetrapak, Jakarta, Indonesia</td>
<td>Indonesia</td>
<td>ISO 9000:2008</td>
</tr>
<tr>
<td>Scomi Oiltools de Venezuela S.A.</td>
<td>Sector El Cinco, Anaco</td>
<td>Venezuela</td>
<td>ISO 9001:2008</td>
</tr>
<tr>
<td>Scomi KMC</td>
<td>1st Avenue, KL Malaysia</td>
<td>Malaysia</td>
<td>ISO 9001:2008 (Certification Process 2011)</td>
</tr>
<tr>
<td>PT Scomi Oiltools</td>
<td>Gedung Tetrapak, Jakarta, Indonesia</td>
<td>Indonesia</td>
<td>ISO 14001 (Certification Process 2011)</td>
</tr>
</tbody>
</table>
A. Visibility

We are committed to inculcate and embark on a culture where every one of us must build HSE into our hearts and mind. Leadership in HSE is not confined to HSE Department and the support team includes all levels of staff. We will ensure that HSE issues are not only our PRIORITY but it will become our VALUE. This will be visibly demonstrated in our year 2011 commitments as appended:

- HSE matters to be the first priority agenda in all operation meetings and briefings.
- Senior management will participate actively in HSE Committee, management and working committee meetings
- Management will support by participating in the worksite visit and present HSE incentives.

B. Proactive in target setting

Scomi Oiltools management is committed in striving towards achieving an INCIDENT/ACCIDENT free workplace and NO HARM to the Environment. This challenging HSE goal is set in our Balanced Scorecard Initiatives through adherence to and enhancement of HSE programmes. The continuous improvement methods set-out in the management standards of OHSAS 18001, ISO 9001 and 14001 are our model.

C. Informed involvement

Scomi Oiltools management will take the lead and personally be involved in the improvement efforts targeted at turning the policies and objectives of the Health, Safety and Environment Manual (HSEM) into practice.
A. Policy & Strategy Objectives

The Health, Safety and Environment Policies are defined in the Scomi Oiltools HSEM and supporting procedures based on the requirements of OHSAS 18001 & ISO 14001 requirements.

Management will ensure that all staff will contribute and be actively involved in implementing objectives and targets. It is mandatory for all staff to attend training courses and briefings pertaining to HSE matters.

All HSE Management objectives are to be completed as per the assigned target date. Monitoring & updating of the programme status will be carried out monthly during HSE Safety Committee Meetings and highlighted during HSE Management Committee Meetings at the Business Unit.
QHSE PLAN 2011

A. HSE Roles & Responsibilities

HSE responsibilities are known and understood by all employees and are maintained by updating and revision of operating instructions and procedures. Global policies and objectives have been clearly defined in the Scomi Oiltools HSEM.

The following basic HSE principles are to be communicated, practiced and audited against:

- Everyone is accountable for following **HSE rules and regulations**.
- Follow the BEST safety practices.
- If in doubt, safety takes priority.
- Comply to all relevant legal requirements
- Report all near misses, incidents, accidents and any dangerous occurrences.
- Start a job only with authorisation – stop any job if it is unsafe to continue
- Always apply **risk management** practices.
- Management of integrity will not be compromised.

---

### QHSE PLAN 2011

| Item | Activities | Location | Contributor | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Priority | Remarks |
|------|-------------|----------|-------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|---------|
| 3.1  | Update Role & Responsibilities | All locations | All staff | x   | x   | x   | x   | x   |     |     |     |     | x   |     |     | 1       | Refresher & Induction |
| 3.2  | HSE Critical Task Enhancement Training | All locations | Selected staff |     |     |     |     |     | x   | x   | x   | x   |     |     |     | 1       | As per HSE Training Schedule |
| 3.3  | Enhancement of Scomi Oiltools IMS and/or IQMS documents | All locations | Managers & Supervisors | x   |     |     |     |     |     |     |     |     |     |     |     | 1       | Continuous |
B. HSE Management Representatives/Appointee (HSE MR)

HSE MR will be responsible for supporting the drivers for continuous improvement with regard to the implementation of the HSEM, through proactive challenge, comparison and promotion of best practice.

HSE MR is responsible for ensuring that the HSE management system requirements are established, implemented and maintained in accordance with OHSAS and EMS practice.

C. Resources

HSE liaison with other companies and customers are a shared responsibility for each focal point Base/Dept Manager. In addition, internal and external consultants can be made available to provide HSE advice on matters such as Health Surveillance Programmes and Management Systems (ISO 14001 & OHSAS 18001).

D. Competence

The competency requirements of all positions undertaking HSE critical activities involve mandatory training based on the HSE training matrix/programme.

Critical task handlers include Drilling Fluids Engineers, Drilling Waste Management Engineers, Forklift Operators, Backhoe/Shovel Operators, Confine Space Entry Operators, and Hazardous Substances Handlers.

E. Communication

HSE information and expectations are communicated timely by the HSE Department through the website, email, intranet, bulletins and memos. Monthly HSE Working Committee meetings will consolidate all these efforts, topics, summaries in the reports, which will be distributed after the meeting.

F. Document control

The Scomi Oiltools HSE manual will be maintained up-to-date and subjected to continuous improvement by annual review. The Quality and HSE practices are specifically covered in the Scomi Oiltools Managers Toolbox and accessible in OFS in VENGO.
A. Hazards identification & environmental aspects, risk assessment and risk control

The identification and assessment process will be ongoing and all operational personnel are required to participate in raising and reviewing task based risk assessments as well as be briefed on all existing hazard identification studies.

The procedures for the ongoing identification of hazards & aspects, the assessment of risks, and the implementation of necessary control measures are clearly defined in the Scomi Oiltools HSEM.

<table>
<thead>
<tr>
<th>Item</th>
<th>Activities</th>
<th>Location</th>
<th>Contributor</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Priority</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Update HSE Hazard &amp; Aspect and Risk Assessment &amp; Control</td>
<td>All locations</td>
<td>All Staff</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>1</td>
<td>Continuous</td>
</tr>
<tr>
<td>4.2</td>
<td>Health Risk Assessment</td>
<td>All locations</td>
<td>Operational &amp; Laboratory Personnel</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>1</td>
<td>Continuous</td>
</tr>
<tr>
<td>4.3</td>
<td>Hazard Hunt Card Review</td>
<td>All locations</td>
<td>All Staff</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>1</td>
<td>Continuous</td>
</tr>
</tbody>
</table>
A. HSE Plan

Scomi Oiltools strategies are to improve HSE performance in the longer term as part of the overall business plan. The ongoing improvement will be reviewed during quarterly HSE Management Meetings.

B. Procedures and Work Instructions

Continuously update and review HSE standards, procedures and work instructions. All HSE hazard & aspects identified in the activities will require control and management in accordance with OHSAS 18001 & ISO 14001.

C. Management of Change (MOC)

The change control procedures have been established and defined. The implementation and documentation of all HSE standards are a vital part of all change control procedures.

D. Emergency planning

Emergency Response Procedures have been developed and clearly defined. Individual responsibilities and competencies are defined and the individuals have been trained. Drills will be conducted randomly and reviewed.
A. Performance Monitoring

Performance indicators and targets are measured in the HSE scorecard and HSE Department Balanced Scorecard. The measurement and trend will be discussed monthly as part of the continuous improvement plan.

B. Non compliance & corrective action

Employees to foresee any potential deviation from standards and procedures and allowing sufficient time for corrective and preventive measures. All incident and accident must be reported promptly. Corrective and preventive actions are to be implemented immediately and adhere to the requirements.
A. Audit Plan

The audit programme is required as per the Scomi Oiltools HSEM and actively implemented (every six month by Internal Auditor). Walkthrough inspection must be conducted daily by the supervisors as part of their daily routine and to be highlighted in the HSE meeting. A documented good-house-keeping inspection will be undertaken every month.

HSE Working Committee must conduct Work Place Inspection every month and summary of the findings and corrective action will be discussed in the HSE-WC Meeting.

B. Auditor competency

Internal audit will be carried out twice yearly at each location. The audit team will consist of qualified and experienced selected by the Regional QHSE Manager.
### A. Review

An HSE Department bi-annual review of Scomi Oiltools HSEM is required to evaluate the effectiveness of the HSE management system and benchmark management performance within the company.

### QHSE PLAN 2011

#### 8. Management Review

| Item       | Activities                  | Location          | Contributor                          | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Priority | Remarks          |
|------------|-----------------------------|-------------------|--------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|-------------------|
| 8.1        | HSE Objectives & Targets    | BU Manager, Base Managers, Regional QHSE |                       |     |     |     |     | x   |     |     |     |     |     |     | 2     | 2 X per year      |
| 8.2        | HSEM & IMS Review           | Regional HSE Manager |                                   |     |     |     |     |     |     | x   |     |     |     |     | 2     | Every 6 months   |

#### 2010