

CONTRACTOR AND VENDOR REQUIREMENTS STANDARD

HS 14.01 Standard

Date Last Reviewed: 2024-02-15
Date Last Updated: 2024-02-15
Revisions: 2.0
Area: All

Purpose and Scope

This document contains Veren-specific expectations regarding key elements of the Health & Safety Management Systems for work being performed by contractors, subcontractors, suppliers, and vendors working on or accessing a Veren worksite.

References

- [Canadian Model – Alcohol and Drug Guidelines Safety](#)
- [DACC IRP Volume #08 - Pumping of Flammable Fluids](#)
- HS 5.01 Minimum Personal Protective Equipment Requirements Standard
- HS 7.03 Prevention of Serious Injuries Code of Practice
- HS 11.01 Ground Disturbance Code of Practice
- HS 14.05 Safe Work Authorization Permitting Standard

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Introduction

This Health & Safety Standard is set out to identify specific expectations by Veren to emphasize key elements of a Health & Safety Management System for all work being performed by contractors, sub-contractors, suppliers, and vendors working on or accessing a Veren worksite.

The intent of this standard is to ensure contractors, subcontractors, suppliers, and vendors are providing a consistent, safe work environment at all Veren worksites or projects. This standard provides a guideline for the timely implementation of a Safety Intervention Plan by Veren if defined safety behaviors, initiatives, or performance targets are not being met by the contractor, sub-contractors, suppliers, and vendors.

The contractors' performance pertaining to health and safety management of the services provided must comply with or exceed the requirements of all applicable laws and regulations, Veren Health & Safety requirements, and Industry best practices.

The requirements are not intended to be all-inclusive or a definitive set of rules to meet all situations; they are to be understood as the minimum acceptable levels of performance regarding those aspects that all contract personnel must adhere to. Where there is conflict between regulations, codes, standards, best practices, and the contractor's safety management system requirements, the most stringent shall apply.

These requirements form part of the performance expectations to work on a Veren site and as such are to be effectively integrated into the Contractor or subcontractor Health and Safety Management System.

The Contractor and subcontractors shall actively promote safe working practices on behalf of their employees and shall implement and participate in activities to provide a safe working culture.

As part of our expectations, Veren strives to associate with innovative suppliers who are leaders in their industries that are willing to demonstrate a strong commitment to sustainable development by adopting health and safety, labour, environmental, and ethical principles that ensure the well-being of their employees and the communities they operate in. (See the [Supplier Code of Conduct](http://www.vrn.com) at www.vrn.com)

Contractor Requirements

Acts, Regulations, Laws, and Codes

All Contractors and subcontractors shall always abide by and be responsible for meeting or exceeding all applicable (federal, provincial, and local) environmental, workers compensation, and safety laws or regulations.

The current version of applicable Federal and Provincial Government Acts and Directives, Regulations, Industry Recommended Practices, Laws, and Codes must be followed, including but not limited to, any required licensing of workers and inspections.

When Veren is acting as the Prime Contractor, any Act, Regulation, or Safety Code exemption that has been applied for and/or granted to any contractor performing work on behalf of Veren must be disclosed to the Veren representative and the contractor and subcontractor must submit all relevant information for review and approval by Veren Management.

Fit for Duty (Alcohol, Drugs, and Substance Abuse)

The Contractor and sub-contractor are responsible to ensure that:

- Personnel are aware of Veren’s “Zero Tolerance” principle regarding alcohol and non-prescription drug use or prescription drugs that may impact the ability of personnel to safely execute their work on the worksite.
- Contractors and subcontractors are required to abide by the [Canadian Model Alcohol and Drug Guidelines Safety](#) and work rule.
- The contractor shall implement testing at the worksite in the case of reasonable cause or after an incident.
- The contractors are to enforce their company “Fit for Duty Policy (Alcohol and Drug)”.

Weapons

No employee of Contractor or any of Contractor’s subcontractors shall bring onto any Company property any unauthorized explosives, firearms, or weapons of any kind. Company reserves the right to undertake a search of the vehicles and personal effects of the employees of Contractor and its subcontractors at any time during the performance of work to ascertain whether any such employee has in his or her possession any unauthorized explosives, firearms, or weapons. The unauthorized possession of explosives, firearms, or other weapons will constitute cause of Company to demand such employee immediately leave Company property and be replaced by another Person by Contractor or its subcontractor.

Responsibility to Refuse Unsafe Work

Provincial workplace regulation provides the right and responsibility of all personnel working on a worksite not to perform work if, on reasonable and probable grounds, the worker believes that it will cause an imminent danger to their personal health and safety, or the health and safety of another worker present at the worksite. Workers shall report all health and safety concerns around refusing unsafe work to their direct site supervisor.

Veren firmly supports the right to refuse unsafe work and expects the contractor to ensure that their health and safety orientation for all workers comprehensively covers this subject.

Worksite Supervisors

The contractor must ensure that worksite leaders are competent to perform their roles. Contractors must have an auditable process in place that identifies and tests the leadership's competency to complete all tasks in a safe manner. Knowledge and abilities that leadership must have includes, but are not limited to:

- Knowledge of the laws and regulations applicable to the work to be performed.
- Knowledge of and expertise in the applicable safe work practices and task to be performed.
- Safe handling uses and storage of hazardous materials.
- Handling, usage, limitations, and storage of personal protective equipment.
- Hazard identification and controls related to the work to be performed.
- Response to worksite emergencies.
- Understand the duties and responsibilities of all workers supervised by the supervisor.

Worker's Responsibility

By Provincial workplace regulation, every worker has a responsibility to take reasonable measures to protect the health and safety of themselves and other workers on the Veren worksite.

All workers are required to report to work fit for duty as to perform their job in a safe and competent manner. Being fit for work means being both mentally and physically able to perform one's job requirements.

All workers must refrain from causing or participating in harassment of any kind to another worker. Veren believes in a respectful workplace and will ensure steps are taken to maintain a respectful workplace.

Each worker must observe and follow all work directives and procedures required for the task assigned whether given orally or in writing.

All workers shall report any health and safety concerns to their direct supervisor or the Veren site representative.

Short Service Employees (Green Hand Program)

All Contractor and subcontractors are to develop and implement a Short Service Employee (SSE) Management Program for the performance of the work related to the field operations. An SSE is defined as a contractors' employee:

- With less than six months continuous employment in the same type of job with the employing contractor.

- The Contractor and subcontractors are responsible to inform Veren or Veren representative of the number of SSEs on site at any given time.
- Contractor and subcontractor supervisors are directly responsible for SSEs on their work crews and for ensuring that everyone on the job site is aware the SSEs are on site. All personnel should be encouraged to help the SSE and explain potential hazards before each job.
- Contractor and subcontractors must provide supervision and not allow the SSEs to independently perform any task in which they have not demonstrated competency.
- To remove a worker from SSE status, the contractors must be satisfied that the SSE has:
 - A working knowledge of the health and safety program and procedures that govern the job site, and all tasks at hand.
 - Demonstrated competent and safe work practices and behaviors.

Training

The contractor shall ensure that all workers are trained and deemed competent in the specific aspects of the work that they will perform. The contractor shall also ensure that all workers are fully aware of the intrinsic hazards and controls to be used for mitigation of identified hazards.

All workers employed on a Veren worksite shall have the required health and safety and required government training certification needed to perform the tasks they have been assigned.

At a minimum, all contractors' workers shall have the following health and safety training and certificates to access all Veren worksites:

- Veren Safety Orientation or Common Safety Orientation (CSO) offered through Energy Safety Canada
- First Aid
- H₂S Awareness
- TDG (if required by regulations)
- WHMIS (if required by regulations)

Behavior Based Safety

The contractor shall establish a Behaviour Based Observation Program and/or participate in the Veren BBS / Task Observation Program. The program is to focus on positive recognition and opportunities for improvement. The program is to be properly resourced for success, with training provided to all personnel who work on site. This will tie into Veren's Near Miss, Hazard ID, Task Observation, and Stop & Think reporting program.

Incident Management

The contractor is to have a documented system for reporting, notification, investigation, and analysis which is effectively carried out in a timely and consistent manner. Veren believes that prevention of incidents must be achieved by understanding current events, both actual and potential incidents to properly identify trends. Trending of incidents enables both parties to properly establish meaningful preventative action plans. Proactive reporting (near miss or SIF potentials) forms an important part of an Incident Management System.

Reporting and Investigations of Incidents

1. The contractor will immediately report all incidents and near miss incidents that occur on the job site or that involve personnel injuries, environment, equipment damage, fire / explosion, any event that causes delay to a project, security breaches / threats, regulatory notifications or any Government Stop Work Order and/or any event that could have an impact upon the reputation of Veren to Veren.

In addition, contractor will provide Veren with a preliminary report summarizing the incident within twelve hours of the incident occurring and contractor will provide a final report (if required) to Veren within seven days. For greater certainty, incidents that must immediately be reported to Veren include any matters that are reportable pursuant to occupational health and safety laws and environment protection laws.

In addition to reporting such incidents to Veren, the contractor must also immediately stop work, secure the scene and ensure it is not disturbed and securing any equipment involved. Additionally, any personal injury must also be reported to Veren in a timely manner if it results in:

- a) a lost time incident;
 - b) a restricted work case;
 - c) medical aid; or
 - d) first aid incident.
2. In addition to the contractor's obligations above, Veren will complete a Post Incident and Reasonable Cause Form for all personnel incidents that qualify as a SIF, SIF potential, or lost time incidents (refer to HS 7.03 Prevention of Serious Injuries Code of Practice).
 3. All drug, alcohol, and substance abuse non-compliances must be reported.

Verbal information that must be included when informing Veren includes, but is not limited the following:

- a) Name of person reporting
- b) Location of the incident
- c) Nature of the incident – personal injury, environmental, property damage, fire, explosion, equipment damage, or a dangerous occurrence.
- d) Status of the site and personnel involved.

- e) Years of experience of the people involved.
 - f) Emergency services required.
 - g) Names of all parties involved.
 - h) Date and time of occurrence.
4. Once the circumstances of an incident have been stabilized, the appropriate level of investigation should be initiated by both Veren and the contractor.
 5. The contractor's Incident Investigation process should determine the cause of the incident along with action items to prevent future incidents. This will be completed in a timely manner and forwarded to the Veren representative and the Veren Health & Safety advisor.
 6. Veren reserves the right to participate on a contractor's investigation team or to perform an independent investigation. All SIF and SIF potentials will be investigated by Veren Health & Safety Department.
 7. All applicable government agencies are to be notified according to the requirements of existing regulations. Veren must be notified prior to all government notifications.
 8. For greater certainty, Veren shall be responsible for all regulatory reporting required as a result of an incident noted above, unless Veren has delegated prime contractor status to contractor. Because Veren is obligated to make all required regulatory notifications in accordance with the timeframes outlined by the regulatory governing body or licensor, contractor will provide all assistance and information reasonably required by Veren to full its reporting duties, including those specifically enumerated in this section.

First Aid, Medical, and Emergency Response

First Aid and Medical

Contractors and subcontractors are required to have a properly trained first responder complete with all the required equipment and supplies for their worksites. Contractors and subcontractors shall meet or exceed provincial requirements for first aid trained personnel.

Veren shall provide emergency first aid service and emergency transportation when required by Provincial regulations.

Emergency Response Plans

1. Contractors and subcontractor shall be familiar with and adhere to Veren's plan to handle all emergency situations that could arise on the site. This plan shall be effectively communicated to personnel and key response information affixed at strategic locations in the workplace.
2. Site Emergency Response Plans (ERPs) must address the following, at a minimum:

- a) Safe shutdown of all work activities.
 - b) Safe egress routes and safe areas identified (muster points).
 - c) Responsibilities of key individuals for emergency response.
 - d) Emergency phone numbers.
 - e) Communication plan for onsite and offsite communication requirements.
 - f) How and who has the authority to activate the ERP.
 - g) Procedure to provide timely access to offsite medical services, along with best route directions.
3. The Contractor may have to develop a Rescue Plan and provision for a rescue team to cover off all tasks that potentially could require rescue. (Confined space / working from heights / trenches.) These will be reviewed and approved by Veren.

Fire Prevention and Response

The contractor working with Veren's representative is responsible for providing initial response and control of any fires / explosions resulting from their activities.

Contractors shall maintain, at the worksite(s), adequate portable firefighting equipment in good working order, to fight and extinguish / control fire(s) caused by the contractors' activities.

Veren shall provide major firefighting equipment, dependent on the scope work and risk. Veren will follow all regulatory requirements and industry best practices when determining when major firefighting equipment should be on the Worksite. (For more information see [DACC IRP Volume #08 - Pumping of Flammable Fluids.](#))

Lessons Learned

After each actual emergency event, or an established drill, a debrief of key personnel is to be conducted to establish a lesson learned action item list. The lessons learned are to be reviewed with appropriate levels of both Veren and Contractors management for resolution of action items and sent to Veren for documentation.

Hazard Management and Control

Hazard Management

The Contractor shall meet or exceed the governing provincial laws, regulations and best practices regarding the necessity for formal hazard and risk assessments to be performed prior to the commencement of the work.

Veren will fulfill their regulator obligation by having Operations and/or a Veren representative provide the contractor and subcontractors a site hazard assessment to be used in completing their own assessment for the work being undertaken.

Contractors must conduct hazard assessments at each phase of the work being completed, and whenever there is a significant change of the physical or environmental conditions on the worksite. All revised hazard assessment must be reviewed by the onsite Veren representative before work can commence. All manners of hazards—physical, chemical, electrical, and environmental—must be identified, assessed, eliminated if possible, and if elimination is not an option, adequate controls must be devised and implemented.

Prior to initiating work, the nature of the work to be performed must be reviewed on a task-by-task basis. Those tasks that are seen to have significant potential for harm (SIF or SIF potential) to personnel, the environment, or the equipment, must be identified as critical and undergo a rigorous hazard assessment and be reviewed at a pre-job safety meeting with crew and the Veren representative.

Contingency actions must be preplanned to cover the circumstances of a possible loss of control of a hazard. The plans must account for the possible escalation of consequences due to loss of control of the hazard.

Results of all hazard assessments shall be recorded in a document (hard copy or electronic). Documents must be kept onsite and shall include a description of the hazard(s); the possible adverse, relative risk or likelihood of occurrence; controls needed to contain the hazard(s); and precautionary measures for personnel and the environment. Veren reserves the right to audit current and past Hazard Assessments.

Workers must be fully aware of all identified hazards and controls and have signed off on the assessment.

Safe Work Authorization Permit

Veren will use the Safe Work Authorization Permitting system (electronic and/or paper) as an assessment and communication process designed to prevent losses to people, equipment, material, and potential damage to the environment. The main intent is to identify and communicate potential hazards, list appropriate controls, extra equipment requirements and special procedures necessary to complete the required task. The process is also to communicate these requirements to all personnel that are involved in the task or on site that could potentially be affected by hazards created during the completion of the task. (See HS 14.05 Safe Work Authorization Permitting Standard)

Contractors shall utilize and enforce the Veren Permit to effectively manage hazards that cannot be eliminated. The permit to work system will be used at all Veren worksites in a manner that results in adequate and appropriate:

- Identification and assessment of hazards specific to the worksite.
- Identification of hazards caused by specific tasks.

- Elimination and/or control of identified hazards pertaining to the task.
- Emergency preparedness.
- Communication to all personnel involved in the task and all parties on the worksite.

Veren's Safe Work Authorization process shall incorporate the following:

- A physical inspection of the area where the work will be performed.
- Identification and assessment of the existing or potential hazards, controls and protective measures to contain or eliminate the hazards; and
- A process that documents and authorizes the work to proceed in a safe manner.

Refer to HS 11.01 Ground Disturbance Code of Practice for specific information on ground disturbance activities.

Personal Protective Equipment Guidelines

Personal Protective equipment (PPE) forms part of the overall strategy in dealing with workplace hazards. As per Regulations and industry, best practices the following controls are in order of priority:

- Engineering Controls
- Administrative Duties (Standard Operating Procedure, Codes of Practices, etc.)
- Personal Protective Equipment

As part of the hazard assessment process, the contractor shall identify the appropriate controls to effectively manage the hazards that personnel are exposed to during the performance of the work.

The contractor is responsible to ensure all their personnel visiting or working on the Veren job site comply with the Veren minimum PPE requirements. (HS 5.01 Minimum Personal Protective Equipment Requirements Standard.)

Contractors' and subcontractors' supervisory staff are responsible to ensure that proper protective equipment is available, maintained, and utilized in accordance with governing laws and regulations.

Health & Safety Meetings

General Safety Meeting

The Prime Contractor working with the contractors will ensure that regular scheduled safety meetings are completed with all personnel at a minimum frequency that meets provincial regulatory requirements.

Toolbox / Pre-Job Safety Meetings

Individual work crews shall hold and complete a toolbox / pre-job meeting prior to the commencement of their daily work. The meeting must cover:

- A description of the work to be performed.
- Individuals responsible for the specific work ahead.
- All specific actions required on a safe work permit, Hazard IDs, or Standard Operating Procedure.
- Known and potential hazards associated with the work.
- Required hazard controls and who must ensure they are in place.
- Protective measures in the event the control of the hazard is compromised.
- Emergency response information for the site. (STARS number when required, muster point, etc.).

A task-specific toolbox / pre-job safety meeting must be performed with the related personnel for:

- All critical tasks requiring a written procedure such as, but not limited to, a Job Safety Analysis (JSA), a Standard Operating Procedure, or a Code of Practice for any non-routine work,
- A task requiring the use of a crane, or other lifting devices, or
- Handling of hazardous materials.

The participants of such meetings must have a clear understanding of the hazards and controls that are to be in place and the individual responsibilities of the members of the work crew that will perform the tasks, as well as any emergency actions required in the event of a loss of control of a hazard.

A brief record of these task-specific meetings is required that includes the nature of the task, the supervisor in charge, the hazards presented, the hazards controls and protective measures for the workers.

End of Shift Review

The Contractor shall ensure that an end of shift meeting is completed by all supervision at the end of the day. This brief review of the day's proceeding shall be held with the crews at the end of the shift to identify any concerns that arose, aspects of the work that went well, and identify any incidents or near-miss events that should have been reported.

Formal / Informal Inspections and Auditing

Both Veren's supervisors and the contractors' supervisors will perform individual walk around tours to openly discuss health and safety with workers on the worksite once a quarter. The intent is to provide an opportunity for leadership to be visible in the field and provide communication opportunities with their workers.

The contractors or subcontractors' supervisors / foremen / Health & Safety Advisors will perform a daily tour of their worksite(s) with a focus on the health and safety aspects for the activities of the workers, site conditions and equipment on site. Brief written records of the observations shall be recorded with the date, the activity or condition noted, and any corrective actions identified or implemented.

Contractors shall ensure that there is a system in place for pre-use inspections and equipment inspections that are required by manufacturer specifications, regulatory requirements or industry recommended practices. Written records of the formal inspection process shall be recorded with the date, the activity or condition noted, and any corrective actions identified or implemented as outlined in item 13 under the Safety Intervention Plan Requirements.

Veren reserves the right to perform their own formal site / equipment inspections to confirm the contractor is meeting all regulatory requirements. Veren also reserves the right to conduct their own formal health and safety audit of the contractors' work activities. The scope of these audits shall cover compliance with agreed policies, procedures, and practices as specified during the pre-qualifications process and in contract documents, and with governing Laws and Regulations.

Safety Intervention Plan

Purpose






The Safety Intervention Plan (SIP) provides a guideline for the timely intervention by Veren in the event(s) that defined expectations set out in this document and contractually around safety performance are not being met by the contractor. The intent is to clearly define the safety performance deficiencies and timelines to address each deficiency to allow the contractor to continue working for Veren.

Requirements

1. The first step in the process will be establishing an "intervention meeting" to ensure two-way dialog between the contractor, Veren leadership and Veren Health & Safety Department to review safety expectations.
2. The intervention meeting provides an opportunity for the contractor to explain their understanding of the causes behind their lagging safety performance, to realistically explore the issues, and to develop concrete action plans. The contractors' plan shall be documented and formally submitted to Veren. The plan shall contain specific actions with assigned responsibilities and completion timelines. The contractor shall report against the action list until such time as the action items are completed and performance meets defined targets.

3. If no improvement is evident within a defined timeframe, as agreed upon between Veren and the contractor the next step in the Safety Intervention Plan will be initiated.
4. Veren Senior Leadership will determine if there is a need to conduct a further analysis to identify the problem or terminate the services with the contractor.
5. If an analysis or review of a contravention of the safety expectation is required, the Health & Safety Manager will assemble the required technical expertise (Safety Intervention Team).
6. As part of this analysis, the assembled team shall conduct a safety systems audit of the contractors' health and safety program to determine any gaps or potential items for improvement.
7. Once the root cause(s), gaps, or opportunity for improvement have been determined, it will be compared to the contractors' initial suggested cause(s), to determine if there is a variance.
8. The safety intervention team, in conjunction with the contractor, will agree upon any additional plans. The plan will define specific actions, timelines, and implementation responsibilities on the part of the Contractor.
9. Contractor to implement Safety Intervention Plan.
10. Required progress meetings will be held with the Veren Leadership, Veren H&S Team and the contractor to monitor progress of the plan.
11. If the plan is working, the Health & Safety Team will continue monitoring the program until the desired results are achieved.
12. The Health & Safety Manager will report back to Veren Senior Leadership on Contractors' progress as required until desired results are achieved.
13. If no improvement is evident within a defined timeframe, as agreed upon between Veren and the contractor, the next step will be taken by Veren Senior Leadership / Supply Chain Management, to determine if the contractor services are no longer needed.

Approvals

Role	Name	Signature	Date
Manager, Health & Safety	Sarah Dantzer		2024-02-15
Director, Field Operations	Dale Rinas		2024-02-15
Director, Drilling & Completions, Health & Safety	Patrick Ducharme		2024-02-15
Vice President, Operations & Marketing Executive	Justin Foraie		2024-02-15
Vice President, Operations Executive	Rob Fiorentino		2024-02-15

Signoff participants defined by the Task Analysis Standard.