

Bringing Energy  
To Our World –  
The Right Way



## Health & Safety Requirements, for Contractors and Vendors

### **Contractor and Vendor Requirements**

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

## Purpose

This Health and Safety Standard is set out to identify specific expectations by Veren Inc. 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 Inc. work site.

The intent of this standard is to ensure contractors, subcontractors, suppliers and vendors are providing a consistent, safe work environment at all Veren Inc. work sites or projects. This standard provides a guideline for the timely implementation of a Safety Intervention Plan by Veren Inc. 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 & safety management of the services provided must comply with or exceed the requirements of all applicable laws and regulations, Veren Inc. 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; however, 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, contractor's safety management system requirements, the most stringent shall apply.

These requirements form part of the performance expectations to work on a Veren Inc. site and as such are to be effectively integrated into the Contractor or Sub-Contractor 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 Inc. 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 & safety, Labour, environmental and ethical principles that ensure the well-being of their employees and the communities they operate in. **(See: Supplier Code of Conduct)**

## 1. Contractor Requirements

### 1.1 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, health, workers compensation, fire and safety laws or regulations.

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

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

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

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

- 1) Personnel are aware of Veren Inc.'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.
- 2) Contractors and subcontractors are required to abide by the **Canadian Model for providing a safe workplace - Alcohol and Drug Guidelines and work rule.**
- 3) The contractor shall implement testing at the worksite in the case of reasonable cause.
- 4) The contractor and sub-contractor are to enforce their company "Fit for Duty Policy (Alcohol & Drug)".

### **1.3 Weapons**

No employee of Contractor or any of Contractor's Subcontractors shall bring on to 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 other 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.

### **1.4 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 work site. Workers shall report all Health & safety concerns around refusing unsafe work to their direct site supervisor.

Veren Inc. 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.

### **1.5 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:

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

### **1.6 Workers 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 INC. work site.

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 Inc. 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 worker shall report any Health & Safety concerns to their direct supervisor or the Veren Inc. site representative.

### **1.7 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:

1. With less than (1) month continuous employment in the same type of job with the employing contractor.
2. The Contractor and subcontractors are responsible to inform Veren Inc. or Veren Inc. representative of the number of Short Service Employees on site at any given time.
3. 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.
4. Contractor and subcontractors must provide supervision and not allow the SSE's to independently perform any task in which they have not demonstrated competency.
5. 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.

## 1.8 Training

1. 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.
2. All workers employed on a Veren Inc. work site shall have the required H&S and required government training certification needed to perform the tasks they have been assigned.
3. At a minimum, all contractors' workers shall have the following H&S training and certificates to access all Veren Inc. work sites:
  - Veren Inc. Safety Orientation
  - First Aid
  - H<sub>2</sub>S Alive
  - TDG (if required by regulations)
  - WHMIS (if required by regulations)

## 1.9 Contractor Designated Health & Safety Advisor(s)

1. Contractors' Leadership shall be responsible and accountable for managing the Health and Safety aspects of their work and for the work performed by their crews.
2. As a minimum when, on a per shift basis, there are a total of:
  - a. 1 to 10 contractors' employees and / or subcontracted workers on site; the contractors' highest level of authority on site shall be responsible for all health & safety duties.
  - b. 11 to 50 contractors' employees and / or subcontracted workers on site; the contractors' highest level of authority on site shall be responsible for all health & safety duties with the assistance of a part-time designated H&S Advisor who must attend the worksite as set out by Veren Inc..
  - c. 51 to 100 contractors' employees and / or subcontracted workers on site; the contractor's highest level of authority on site shall be responsible for all health & safety duties with the assistance of a full-time designated H&S Advisor.

## 1.10 Behavior Based Safety

The contractor shall establish a Behaviour Based Observation Program and / or participate in the Veren Inc. 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 Inc.'s near miss, hazard Id, task observation, stop, and think reporting program.

## 2.0 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 Inc. 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 potential) forms an integral part of a sound Incident Management System.

## 2.1 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 a possible impact upon the reputation of Veren Inc. to Veren Inc. In addition, contractor will provide Veren Inc. 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 Inc. within seven days. For greater certainty, incidents that must immediately be reported to Veren Inc. 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 Inc., 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 resulting in: (a) a lost time incident; (b) a restricted work case; (c) a medical aid; or (d) a first aid incident must also be reported to Veren Inc. in a timely manner.
2. In addition to the contractor's obligations above, Veren Inc. will complete a [Post Incident and Reasonable Cause Form](#) for all personnel incidents that qualify as a SIF, SIF potential or lost time incidents ([see Veren Inc. Serious Incident & Fatalities prevention COP](#)).
3. All drug, alcohol and substance abuse non-compliances.

Verbal Information that must be included when informing Veren Inc. includes, but 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. Emergency services required.
  - f. Names of all parties involved.
  - g. 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 Inc. and the contractor.
  5. The contractors 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 Inc. representative or Veren Inc. H&S advisor.
  6. Veren Inc. reserves the right to participate on a contractors' investigation team or to perform an independent investigation. All SIF and SIF potentials will be investigated by Veren Inc. H&S Department.
  7. All applicable government agencies are to be notified according to the requirements of existing regulations. Veren Inc. must be notified prior to all government notifications.
  8. For greater certainty, Veren Inc. shall be responsible for all regulatory reporting required as a result of an incident noted in 1 above, unless Veren Inc. has delegated prime contractor status to contractor. Because Veren Inc. 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 Inc. to full its reporting duties, including those specifically enumerated in this Section 2.1.

## 3. First Aid, Medical and Emergency Response

### 3.1 First Aid and Medical

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

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

### **3.2 Emergency Response Plans**

1. Contractors and subcontractor shall have a written plan or shall be familiar with and adhere to our written 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 ([Use the Veren Inc. Site emergency plan template if required](#)).
2. Site Emergency Response Plan(s) 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 on-site and offsite communication requirements.
  - f. How and who has the authority to activate the Communication Plan.
  - g. Procedure to provide timely access to offsite medical services, along with best route directions.
3. The Contractors' subcontractor's emergency response plan must seamlessly integrate with the Veren Inc. emergency response plan.
4. The Contractor shall 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).

### **3.3 Fire Prevention and Response**

The contractor working with Veren Inc.'s representative is responsible for developing a Fire Prevention Plan and providing initial response and control of any fires / explosions resulting from their activities. Contractors shall maintain, at the work site(s), adequate portable firefighting equipment in good working order, to fight and extinguish / control fire(s) caused by the contractors' activities.

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

### **3.4 Lessons Learned**

After each actual emergency event, or an established drill, 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 Inc. and Contractors management for resolution of action items and sent to Veren Inc. for documentation.

## **4. Hazard Management and Control**

### **4.1 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 Inc. will fulfill their regulator obligation by having Operations and/or a Veren Inc. 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 Inc. 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 Inc. representative.

Contingency actions must be pre-planned 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 on-site 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 environmental. VEREN INC. 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.

#### **4.2 Safe Work Authorization Permit**

1. Veren Inc. will use the Safe Work Authorization Permitting system 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. ([Veren Inc. Safe Working Authorization Permitting COP](#))
2. Contractors shall utilize and enforce the Veren Inc.. permit to work system to effectively manage hazards that cannot be eliminated. The permit to work system will be used at all Veren Inc. work sites in a manner that results in adequate and appropriate:
  - a. Identification and assessment of hazards specific to the worksite.
  - b. Identification of hazards caused by specific tasks.
  - c. Elimination and/or control of identified hazards pertaining to the task.
  - d. Emergency preparedness.
  - e. Communication to all personnel involved in the task and all parties on the work site.
3. Veren Inc. and the Contractors Safe Work Authorization process shall incorporate the following:
  - a. A physical inspection of the area where the work will be performed.
  - b. Identification and assessment of the existing or potential hazards, controls and protective measures to contain or eliminate the hazards; and
  - c. A process that documents and authorizes the work to proceed in a safe manner.
4. All ground disturbance activities shall utilize a permit to work system during the performance of the work. Refer to Veren Inc. [Ground Disturbance Code of Practice](#) for specific information.

#### **5. 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:

1. Engineering Controls.
2. Administrative Duties (SOP, Codes of Practices, etc.).
3. 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 Inc.. job site comply with the Veren Inc. minimum PPE requirements. ([Veren Inc.-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.

## **6. Health & Safety Meetings**

### **6.1 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.

### **6.2 Toolbox / Pre-job Safety Meetings**

1. Individual work crews shall hold and complete a toolbox / pre-job meeting prior to the commencement of their daily work. The meeting must cover:
  - (1) A description of the work to be performed.
  - (2) Individuals responsible for the specific work ahead.
  - (3) All specific actions required on a safe work permit, hazard ID's or SOP.
  - (4) Known and potential hazards associated with the work.
  - (5) Required hazard controls and who must ensure they are in place.
  - (6) Protective measures in the event the control of the hazard is compromised.
  - (7) Emergency response information for the site. (STARS number (when required), muster point, etc.).
2. For all critical tasks requiring written procedure such as, but not limited to, JSA, SOP, and Code of Practice for any non-routine work, or a task requiring the use of a crane, or other lighting devices, or handling of hazardous materials, a task-specific toolbox/ pre-job safety meeting must be performed with the related personnel. 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.
3. 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.

### **6.3 End of Shift Review**

The Contractor or Subcontractor 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 also identify any incidents or near miss events that should have been reported.

## **7. Formal / Informal Inspections and Auditing**

1. The contractors or subcontractors' field supervision will perform individual walk around tours to openly discuss health and safety with workers on the work site once a month. The intent is to provide an opportunity for the contractors' leadership to be visible in the field and provide communication opportunities with their workers.
2. The contractors or subcontractors' supervisors / foremen / H&S Advisors will perform a daily tour of their worksite(s) with a focus on the H&S 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.
3. Contractors or subcontractors 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 paragraph 13.

4. Veren Inc. reserves the right to perform their own formal site / equipment inspections to confirm the contractor is meeting all regulatory requirements. Veren Inc.. also reserves the right to conduct their own formal H&S 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.

## **8. Safety Intervention Plan**

### **8.1 Purpose**

*The Safety Intervention Plan (SIP)* provides a guideline for the timely intervention by Veren Inc. in the event(s) that defined expectations set out in this document and contractually around safety performance are not being met by the contractor. Ultimately, 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 Inc.

### **8.2 Requirements**

1. The first step in the process will be establishing an "intervention meeting" to ensure two-way dialog between the contractor, Veren Inc. leadership and Veren Inc. H&S 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 Inc. The plan shall contain specific actions with assigned responsibilities and completion timelines. The contractor shall report against the action list at 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 Inc. and the contractor the next step in the Safety Intervention Plan will be initiated.
4. Veren Inc. 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 H&S 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), in order 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 Inc. H&S Team and the contractor to monitor progress of the plan.
11. If the plan is working, the H&S Team will continue monitoring the program until the desired results are achieved.
12. The H&S Manager will report back to Veren Inc. 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 Inc. and the contractor, the next step will be taken by Veren Inc. Senior Leadership / Supply Chain Management, to determine if the contractor services are no longer needed.