

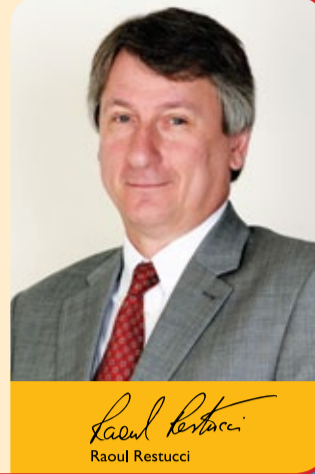
2017 CORPORATE HSE BUSINESS PLAN

MD's Message

The drive to achieve no harm to people and environment remains an overarching priority for all of us. The improved HSE (LTIF) performance in 2016 was overshadowed by fatal incidents, a renewed reminder that we can never relax and lower our guard, ownership and commitment. We all have a duty of care to look after each other and to exercise visible and felt leadership at all times to demonstrate the true spirit of the unified team we can and should be for PDO and contractor staff alike.

Reporting and effective learning from incidents are key pillars of a healthy working environment and enablers to deliver on our HSE performance aspirations. We must remain vigilant and alert to the changing conditions in our work sites and continuously assess and mitigate the risks in our operations. It is also important to have an efficient and effective assurance programme to evaluate the appropriateness and readiness of our controls.

I seek your support and commitment to drive simplicity, ensuring we fully understand what we ask of our frontline, and your leadership and intervention in championing our Golden Rules and Life Saving Rules. Please also ensure we adhere to prescribed medical and Fitness to Work requirements to support delivery of our duties. Let us all work together to make "Goal Zero" a reality.



| KPI | Target |
|---|--------|
| Lost Time Injury Frequency (LTIF) | 0.22 |
| Total Recordable Cases Frequency (TRCF) | 0.93 |
| Motor Vehicle Incident Rate (MVIR) | 0.32 |
| Leadership HSE Engagement Visits | 16 |

| Focus Area | Champion | Leader | Action Item | Performance Measure |
|-------------------------|----------|--------|---|---|
| Assurance | OSD | MSE5 | Develop Level 2 HSE audit toolkits and cascade to all directorates. | Development of Level 2 HSE audit toolkit for at least 3 focus areas by Q2. |
| | | | Review and incorporate directorates' feedback on Level 2 audit plan before launching the 2018 Level 2 plan. | Collection of directorates' feedback on Level 2 and incorporation into 2018 Level 2 plan by Q4. |
| BBS | UWD MSEM | MSE11 | Launch Behavioural Based Safety Management programme (IHTIMAM) pilot project for the selected units (In-Sourcing, Carillion and Dalma). | Launching of IHTIMAM into the three selected units. |
| | | | Evaluate IHTIMAM pilot project. | Production of evaluation report of IHTIMAM project by Q3. |
| | | | Roll out of IHTIMAM across Well Engineering directorate. | Launching of IHTIMAM across WE by Q4. |
| Worksite Hazards | UWD MSEM | MSE13 | Develop new implementation strategy and roll out of Front Line Supervisor FLS phase 1 within selected Well Engineering contractors. | Rolling out of phase 1 FLS within the selected WE contractors by Q4. |
| | | | Develop implementation plan of FLS phase 2 for PDO Well Engineering staff. | Development of FLS phase 2 plan by Q4. |
| Contract HSE Management | FD | MSE12 | Launch on-line training for the Contract Holders CHs (align with competence assessment requirements). This is to include GU-140 (C9) HSE Requirements and Guidance for preparing. | Launching of on-line CHs training by Q4. |
| | | | Directorates to conduct HSE competence assessment, manage the gaps for Contract Holders and Contract Site Representatives responsible for Medium/High HSE Risk contracts. | Complete SAP assessments of 75% of all directorates' relevant staff by Q4. |
| Emergency Response | UID | UIC4 | Create a comprehensive Emergency Response Plan for MAF that integrates all ER elements, including risks from other operators in the Industrial Area. | Production of MAF ERP by Q3. |
| Environment | UID | MSE2 | Implement 2017 activities as listed in Environmental Strategy Road Map. | 100% completion of the activities by set deadlines. |
| HSE Competence | PCD | PCL8 | Establish a sustainable assurance process to ensure quality of HSE training is maintained. | Establishment of HSE training assurance process by Q4. |
| Incident Investigation | GD | MSE3 | Implement new process for minor incident and near miss investigation assurance to extract maximum learnings from these incidents for minimal effort. | Creation and implementation of minor incident investigation process by Q4. |
| | | | Finalise and launch LTI Data Book. | Launching of LTI Data Book by Q4. |
| Management of Change | UEOD | UOP6 | Update and roll out MoC Procedure to make it clear and understandable to all (using MSE Procedure Model). | Rolling out of updated MoC Procedure by Q3. |
| Occupational Health | MD EVD | MCC | Report compliance to Framingham and Fitness to Work requirements to MDC quarterly. | Production of quarterly reports to MDC. |
| | | | Develop and roll out Alcohol & Drugs policy and associated procedure. Implement the randomised alcohol & drugs test as specified in the policy and procedure. | Development and implementation of Alcohol & Drugs policy requirements by Q4. |
| | | | Centralise medical facilities for Contractors in three areas. | Completion of centralised medical facilities in 3 areas by Q4. |
| Radiation | UPD | MCOH2 | Implement 2017 activities according to Radiation Strategy Plan. | 100% completion of the activities by set deadlines. |
| Road Safety | XD OND | MSE7 | Set a minimum standard for tyre repairs. | Creation of minimum standards for tyre repairs by Q3. |
| | | | Delivery and installation of solar self-lit road reflectors (1094 km). | Installation of solar self-lit road reflectors for 1094 km by Q4. |
| | | UWL | Operationalise IVMS/SJM Centre and produce monthly compliance reports. | Integration of all IVMS in the centre and production of monthly reports to MDC. |
| | | | Progress the new Commuting Strategy for PDO and contractors staff to/from the interior locations; covering hubs, ER vehicles and utilisation of Oman airports. | Production of quarterly compliance updates on commuting strategy. |
| Simplification | MD MSEM | MSE5 | Drive simplification in every facet of our HSE management, governance, specification and measuring systems. | Provide quarterly updates to MDC on simplification progress. |



GOLDEN RULES

- Comply
- Intervene
- Respect

LIFE SAVING RULES

12 Life Saving Rules

GOAL ZERO

"No Harm to People & Environment"



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Petroleum Development Oman