SUBPART A - POLICY

This policy describes Berry Bros. General Contractors, Inc. (BBGCI) sub-contractor management process to:

1. Select suitable contractors,
2. Set expectations and requirements,
3. Award contracts,
4. Manage all the phases of the contracting process, with a view to improving client and contractor management of HSE risks for contracted activities.

SUBPART B – PURPOSE AND SCOPE

Berry Bros. General Contractors, Inc. sub-contractor management process is a structured approach to control HSE risk in a contract environment, enabling improved HSE Risk management and overall performance by:

1. Providing clients and subcontractors with an effective and common risk-based process for the management of HSE risks in a contract environment, so that both the client and sub-contractor can dedicate appropriate resources to controlling risk and delivering high HSE performance.

2. Ensuring the sub-contractors HSE management system (HSEMS) is suitable for the scope of work and the type and level of risk inherent to their services.
3. Addressing and agreeing upon the limits of applicability of BBGCI, sub-contractor's and other supplier's (HSEMS), thus facilitating the bridging of the sub-contractor's management system with BBGCI.
4. Ensuring specific health, safety, security, environmental and social responsibility is applicable to the sub-contract, and
5. Defining assurance mechanisms to facilitate an effective management of risk controls and barriers for sub-contractors are met.

SUBPART C – SUB-CONTRACTOR MANAGEMENT PROCESS

The Sub-contractor Management process is rooted in the HSE Mission of Berry Bros. General Contractors, Inc.

> ***"The safety and well-being of our employees, sub-contractors, and stakeholders is our most important pursuit. Through demonstrated leadership and management commitment we will establish a systems approach and continuous improvement. We will strive to do no harm to people, property, or the environment".***

The sub-contractor management process objectives aligns key activities and risk mitigating actions for each phase of the contracting process and the associated HSE tasks and responsibilities of BBGCI and sub-contractors are described herein.
A summary table of the subcontracting process is shown below. This identifies key tasks and responsibilities between the BBGCI and sub-contractor(s). The table also provides references to additional sub-contracting management forms and documentation.

Subcontractor Management Plan

BBGCI	Subcontractor(s)	References
Phase 1: Planning		
a. Determine scope of work on a project specific basis, work plan and perform a		**References:**

risk assessment conducted to determine safety critical tasks (anything with Medium to Extreme Risks). b. Perform initial risk assessment based upon the project scope to be sub-contracted. Consider major risk and rank the severity and consequence. Identify those risk starting with medium to extreme to be included in the site safety plan and consider sub-contractor capabilities to perform the work in accordance with BBGCI safety standards.		a. HSEMS – 00 Hazard Effects Planning Process and BBGCI Risk Matrix. b. Sub-contractor HSE risk indicator checklist.
Phase 2: Sourcing and Capability Assessment		
1. Establish HSE evaluation criteria and capability assessment protocol. 2. Capability assessment determined by HSE team based on risk levels. 3. Create tender list. Note: The need for an HSE capability assessment is determined by the scope of work, level of risk associated, whether potential contractors have been recently screened,	Contractors responds to HSE capability assessment questionnaire and if requested, HSE audits. BBGCI will use general sub-contractor Completion of Contractor Management Questionnaire to qualify the sub-contractor to minimum standards. Contractors who have not previously worked for the BBGCI or those that have not been previously assessed as capable of carrying out the type of work under consideration should complete the full capability assessment	DATA BASE of Suppliers Historical record Prior registration New contractors. References: Sub-contractor HSE management system questionnaire Sub-contractor HSE risk indicator checklist. Sub-contractor Audit.

and the requirements of BBGCI procurement processes. This will have been determined in Phase One.	and may be subjected to an HSEMS audit.	
Phase 3: Tender & Award		
1. Bid documentation prepared & development of evaluation criteria 2. Bid documents evaluated and clarification 3. Job execution plan evaluated and clarification. 4. HSE plan evaluated and clarification 5. Award contract	Submit bid & execution plan and draft HSE documentation. Assures alignment with BBGCI HSEMS. Submit HSE plan for scope of work and any additional items required based on risk (i.e. tank cleaning policy, scaffold erection plan, lifting and hoisting, lift plan, X-ray and NORM). HSE plan finalized with any remedial mitigation.	
Phase 4: Pre-Mobilization		
Post award planning including completion of Site Safety Plan, verification of controls and any sub-contractor bridging documents necessary to reflect policy, procedure to be followed such as tank cleaning, scaffold erection, radiation safety and lifting and hoisting. The specified policies for certain sub-contractor high risk activities will be specified in the Site Safety Plan.		
Phase 5: Mobilization		
Pre-construction kick off meeting, HSE plan review and begin any necessary site orientation. HSE monitors and audit sub-contractor to assure they are following site safety plan and any agreed bridging	Subcontractor submits employee pre mob notice. Mobilize equipment and employees assuring all site orientation, training records and plan submittals are approved and followed.	Sub-contractor Employee Mobilization Form

parameters relative to BBGCI HSEMS or sub-contractor specific safety policy and procedure (I,e. sub-contractor approved critical lift plan).		
Phase 6: Execution		
Joint responsibility to follow SSSWP, audit and focus on continuous improvement in HSE safety performance.		
Monitor performance	Monitor, audit and report on performance and KPI's	
Phase 7: Demobilization		
Review demob aspects of SSSWP and reassess risks.		
Acceptance of work and restore site.	Demob equipment and personnel.	
Phase 8: Final Evaluation and Closeout		
Final evaluation and close out report.	Final evaluation and close out report.	Risk management updates the sub-contractor database.

SUBPART D – SUB-CONTRACTOR APPROVAL CRITERIA:

The Corporate Risk Manager or designee will continuously evaluate sub-contractor qualifications and capabilities to assure they can perform the work in accordance with BBGCI safety management system. All sub-contractors are subject to the following minimum acceptable criteria:

Minimum Criteria

1. Experience modification rates for worker's compensation insurance premiums no greater than 1.0.

2. OSHA total recordable incidence rate and DART no more than the industry estimated average based on BLS Workplace Injury and Illness data.

3. Sub-contractor safety programs, procedures, and practices for scope of work are adequate

4. Has not been nor is currently debarred by any federal, state or local government authority in the past 5 years

5. Has not defaulted on any project or had any professional license(s) revoked in the past 5 years

6. Has not committed a serious or willful OSHA, EPA or other federal or state safety violation in the past 5 years.

7. Insurance coverage and certificate of insurance to meet contract requirements

Upon return receipt, the completed sub-contractor questionnaire, the corporate risk management department will determine if sub-contractor meets minimum criteria for performing work.

Subsequent to review of the sub-contractor management questionnaire may qualify or disqualify subject to the following additional factors:

1. Does the sub-contractor have experience completing similar work?
2. Does the sub-contractor have the necessary resources (manpower, finances, available equipment, insurance and surety bonding capacity, licensing, etc.) to complete the job?
3. Does the sub-contractor have a history of litigation or other legal problems?
4. Does the sub-contractor's safety record prove that the job can be done in a safe manner?
5. Does the sub-contractor have any references from previous contracts?
6. Were past customers satisfied with the subcontractor's work?

SUBPART E – RESPONSIBILITIES

The project manager, construction manager and/or purchasing manager of BBGCI are responsible for the selection of sub-contractors and the assurance that sub-contractors are approved pursuant to this policy. The corporate risk management department of BBGCI is responsible to maintain an approved list of sub-contractors and perform audits of sub-contractors to assure HSE management system alignment.

Where any gaps exist between the sub-contractors HSE capabilities, the corporate safety department may develop a sub-contractor safety improvement plan and necessary mitigation steps based on risk levels.

The project manager and/or site manager (or their equivalent) of the Subcontractor, and his/her project staff, are responsible for assuring the overall implementation of and compliance with the requirements of this procedure by the Subcontractor.

Sub-contractors (management representatives) may be required to attend meetings that are deemed pertinent to the successful implementation of the Project, including kick-off and pre-job meetings. These meetings shall be documented.

SUBPART F – AUDITS

BBGCI may carry out an audit (or series of audits on different functions) to verify the implementation and effectiveness of the contractor's HSEMS by the contractor's branch/office/entity/worksite that would perform the work. Some of the risk-based considerations for performing an audit may include:

1. The potential for Major Accident Hazards and risk of high severity events or incidents
2. Context and complexity of the work
3. Timing and duration of the work
4. Experience and historical performance of contractor
5. Location of the work (BBGCI's vs. contractor's site)
6. Has the BBGCI approved the contractor's HSEMS before?
7. Were previous action items appropriately closed out?
8. Has there been a change in the sub-contractor's HSEMS?
9. Does the sub-contractor have poor HSE performance?
10. Have there been any organizational changes?
11. Have there been any mergers or acquisitions?
12. Sub-Contractors venturing into a new work scope, or new region?
13. New contractor to the existing market?

It is the responsibility of the Risk Manager to determine the frequency and need for Subcontractor HSEMS auditing.

SUBPART F - TRAINING

Sub-contractors must provide evidence that their employees are trained and competent to perform critical safety tasks that may be present within the scope of work. This will include specialty training and certification for including but not limited to operators of mobile equipment such as forklifts, cranes, boom lifts, etc.

Additional assurances will be required for equipment certifications and inspections such including but not limited to hoisting and lifting equipment, gas monitoring, and other high risk controls.

Copies of this training and certification shall be maintained by sub-contractor and forwarded to BBGCI upon request. Sub-contractor employees must complete safety training per all applicable Federal, State, Local, Client and Company safety requirements.

ATTACHMENT 1: Subcontractor management system questionaire

ATTACHMENT 2:

Sub-contractor HSE risk indicator addendum

"The checklist contains a series of potential medium/high HSE risks indicators to assess against a given scope of work. It can be used as an initial tool to both screen out low risk contracts and to assist the company in developing a fit-for-purpose HSE strategy early in the contract life cycle to manage risk and ensure protection of all personnel, assets, environment and reputation in each of the subsequent contract phases.

Indicators of potential medium/high HSE risk	**References & definitions** (Users are encouraged to add here their own company's references and definitions. The idea is that this checklist can be used by non-HSE professionals, so be concise and clear!)	**Is this in the scope of work to be performed by the contractor?**	
		Yes	No
Will the activity require a permit to work?	External references: NORSOK 088 Recommended guidelines for common model for work permits		
Will there be complex/critical lifting operations?	Reference IOGP Report 376 - *Lifting & hoisting safety recommended practice* & IOGP 577 – Fabrication site construction safety recommended practices *Non-routine – complex/critical* • Continuation of a lifting operation with different people; • for example, shift changeover • Lifting of personnel, including rig floor man-riding operations • Over or in sensitive areas – active or energized hydrocarbon-containing • equipment, near overhead electrical • power lines • Tandem lift with two cranes • Lifting with a helicopter		

	• Transferring the load from one lifting appliance to another • In environmental conditions likely to affect equipment performance • Operator under training • Load with unknown/difficult to estimate weight and/or center of gravity • Load is special and/or expensive whose loss would have a serious impact on production operations • Mobile crane on untested/uneven ground, on moving location, on offshore installation, vessel, barge or mobile • Non-standard rigging arrangements • Load lowered into or lifted from a confined space *Documentation/Controls* • Formal work pack with method statement • Lift Plan (prepared and reviewed by a qualified engineer) • Risk Assessment • Job Safety Analysis • Work Permit • Safety Checklist • Toolbox Talk • 10 questions for a safe lift *Competent personnel* • Crane operator • Banksman (Flagman, Signaller) • Slinger (Rigger) • Rigger		
Will there be critical or special transport operations?	IOGP Report 365 - *Land transportation safety recommended practice*		

Will work be conducted on energized or pressurized systems?	External reference: Presure and Leak Testing		
Will work involved high pressure jetting?	External references : The Water Jetting UK Association BS EN 1829-2:2008 – This European Standard applies to hoses, hose lines and connectors intended to be used with high-pressure water jet machines operating at 350 bar and above. It therefore covers most water jetting applications and some drain cleaning applications.		
Will there be Work at heights, above sea, and/or with risk of dropped objects?	Reference in IOGP 459 – *Life-Saving Rules* & IOGP 577 - *Fabrication site construction safety recommended practices* Working at heights of more than 6 ft requires either a fixed platform with railing, approved scaffoldings, the use of approved fall prevention equipment, or fall arrest systems secured to an appropriate anchoring point. Where practical, preference is to work at ground level. If not practicable, the preference is to work from a platform (fixed or scaffolding) with protection in place such that additional fall arrest Personal Protective Equipment is not required. External references: DROPS Online IRATA Rope access work		
Will scaffolding be assembled, disassembled and covered?	Reference in IOGP 577 - F*abrication site construction safety recommended practices*		

	Scaffolding elevates workers to a height that can be fatal should the worker fall, or from where dropping tools or materials can cause serious harm to those below		
Will work be in hazardous environment and/or with hazardous materials?	Work in areas where atmosphere might be toxic or inert (e.g. H2S, Nitrogen, CO2) and/or use of hazardous chemicals, radioactive sources or explosives. This also covers work with high risk of spills, leaks and contamination including hydrocarbons.		
Will there be work in a confined space?	Reference in IOGP 459 – *Life-Saving Rules* & IOGP 577 - *Fabrication site construction safety recommended practices* Confined spaces are enclosed or partially enclosed spaces that are not designed or constructed for continuous human occupancy, have limited or restricted means for entry or exit, and where there is risk of injury or illness from hazardous substances or conditions. Confined spaces include, but are not limited to, underground vaults, tanks, storage bins, manholes, pits, silos, process vessels, pipes and tubulars.		
Will 'Hot work' be needed?	Work with equipment and tools that constitute an ignition source. External reference: • OSHA Hot work/welding Hot work – Respiratory Protection, Recommendation 036E Habitat and Recommendation 034E/2012: Preventive measures for hot work		

Will work be in a restricted area?	Work in areas that have been designated as restricted, for example: Red zones, high noise level, high voltage, high pressure systems, BOP deck, drill floor, pipe/riser deck, moon pool, engine room, shaker room		
Will there be simultaneous operations?	Work with several interfaces and/or high complexity - to be assessed based on HSE potential		
Will there be 'Civil' work?	Construction type work/activities such as excavation, trenching, levelling, piling, logging, clearing of trees/brush, demolition of structures, tunneling		
Will there be geophysical operations	Reference in IOGP 432- *Managing HSE in a geophysical contract*		

ATTACHMENT 3:

ATTACHMENT 4:

SUBCONTRACTOR EMPLOYEE PRE-MOBILIZATION FORM

Employee Information:

Date: _____

Employee's First Name: _____ Date of Employment: _____

Employee's Last Name: _____ CO. Service (YRS/MOs):_____

Employee's Last Four Digits of SSN: _____ Yr's Oilfield Service (Yrs): _____

Current Job Title: _____ Experience in Current Job (Yrs): _____

Work History Last 3 Yrs:

Company Name: _____ _____ _____

_____ _____ _____

Job Title: _____ _____ _____

Job Description: _____ _____ _____

_____ _____ _____

Dates of Employment: _____ _____ _____

Alcohol and Drug Information:

Do you belong to a drug and alcohol consortium? Yes _____No _____ Name of Consortium: _____

If not who manages your drug and alcohol program (Name & Title): _____

Date of Employee's Last Drug Test: _____ Non-DOT Yes _____ No _____

Date of Employee's Last Alcohol Test: _____ DOT Yes _____ No _____

Training Information:

Has Client Site Specific Orientation Been Completed: Yes _____ No _____ Date: _____

Employee Qualified as (List Crafts): _____

List Any Special Training / Certifications: _____
(PEC Basic, Core, Safeland/Safegulf, OHSA 10, etc.)

Education (Highest Grade Finished or Degree): _____

Qualified for First Aid / CPR: Yes _____ No _____ Date: _____ Expiration Date: _____

Does the Employee Have a TWIC Card? Yes _____ No _____ Expiration Date: _____

SSE Information:

How Do You Identify SSE (i.e. Hard Hat Color, Sticker, etc.): _____

Who is the Assigned Mentor/Trainer (Position/Title): _____

Define the Roles and Responsibility of the Mentor: _____

_____

_____

_____

List All Training Provided SSE: _____

_____

_____

Company Information:

Company Supervisor / Manager Reviewing Information: _____
Print Name

_____
Signature

Job Title: _____

Company Phone Number: _____

Fax Number: _____

E-mail Address: _____

HSE Risk Indicator Addeum.

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Will there be Work at heights, above sea, and/or with risk of dropped objects?	Reference in IOGP 459 – *Life-Saving Rules* & IOGP 577 - *Fabrication site construction safety recommended practices* Working at heights of more than 1.8 meters (6 ft) requires either a fixed platform with railing, approved scaffoldings, the use of approved fall prevention equipment, or fall arrest systems secured to an appropriate anchoring point. Where practical, preference is to work at ground level. If not practicable, the preference is to work from a platform (fixed or scaffolding) with protection in place such that additional fall arrest Personal Protective Equipment is not required. External references: SFS Handbook Best Practice Dropped Object Prevention and Recommendation 024E_2013 Prevention of dropped objects DROPS Online IRATA Rope access work		
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