



**MINIMUM
HSE REQUIREMENTS**

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“COMPANY” as used herein shall mean WesternZagros (Block K44) B.V.

“CONTRACTOR” shall mean the “Contractor” as indicated within the applicable Agreement or Contract in which these requirements are referenced.

1. Project HSE Objectives and Policies

- 1.1. CONTRACTOR shall adopt COMPANY’s HSE Policy Statement provided on vendor page of COMPANYs [website](#), Stop and Intervene Policy, Drug and Alcohol Policy as well as Life Saving Rules also located on website at Westernzagros.com/supplier.
- 1.2. HSE policies and Life Saving Rules shall be communicated to all CONTRACTOR Personnel prior to mobilization.
- 1.3. HSE policies and Life Saving Rules shall be prominently always posted and made available at all levels to the CONTRACTOR Personnel.
- 1.4. CONTRACTOR shall ensure implementation of zero tolerance drug and alcohol policy at the worksite. Any CONTRACTOR Personnel can be tested to check alcohol/ drug intoxication at any time while being in the COMPANY oil field area, corresponding disciplinary actions will be applied.

2. Organization, Roles and Responsibilities

- 2.1. CONTRACTOR’s senior staff from the field job supervisors to the managers shall share HSE responsibilities corresponding to their job duties.
- 2.2. CONTRACTOR shall have the English-speaking personnel responsible for HSE matters at country and/or region level that shall possess competency as safety professional(s).
- 2.3. CONTRACTOR’s HSE advisors qualified as safety professionals, English speaking, shall work at each of the working sites from the start of mobilization till the completion of demobilization providing coverage of all CONTRACTOR’s Activities and Personnel. The CONTRACTOR may not engage HSE advisors without COMPANY’s prior approval.
- 2.4. CONTRACTOR’s (not subcontracted) HSE trainer qualified as safety professional, English speaking, with relevant trainer’s experience shall be available from the start of mobilization till the completion of demobilization providing HSE training support for all CONTRACTOR’s activities and personnel. The CONTRACTOR shall engage at least 1 HSE trainer. The CONTRACTOR may not engage HSE trainers without COMPANY’s prior approval.
- 2.5. Depending on the language of employees CONTRACTOR shall provide English translator for each working area if there are any personnel speaking other languages at that area.

3. Personnel HSE Qualification, Induction and Training

- 3.1. All CONTRACTOR's field senior staff shall pass at least basic safety training for work as supervisors before commencement of CONTRACTOR's activities.
- 3.2. HSE advisors shall have qualification of safety professional given by recognizable institute and have at least 5 years of relevant experience.
- 3.3. All CONTRACTOR's Group junior and senior staff shall be given general HSE orientation session that shall include but not be limited to:
 - (a) Project HSE goals and policy.
 - (b) Main project safety rules.
 - (c) H2S Training.
 - (d) Dropped objects prevention program.
 - (e) Pinch Point prevention program.
 - (f) Lifting and Loading procedure.
 - (g) Project main hazards and controls.
 - (h) Basic health and hygiene.
 - (i) Heat and stress.
 - (j) Road safety rules.
 - (k) Environmental requirements.
 - (l) ERP scenarios and actions required.
 - (m) Medical emergency response.
 - (n) Incident reporting; and
 - (o) Safe work methods (by work assigned).

Only those who attended this awareness training shall be allowed to perform their job duties.

The CONTRACTOR's employees fulfilling any specific operations such as slinging, forklift operation, work at height shall pass relevant training in accredited facility. Employees fulfilling confined space entry work, work at trench, chemicals or pressure vessels, pipe-test or equipment handling, etc. shall be provided with safety training for the corresponding type of work. CONTRACTOR shall develop and keep up to date populated training matrix.

- 3.4. Any person of CONTRACTOR's Group working in the areas with potential gas & H2S releasing shall

pass H2S training of the level which corresponds to his functionality.

- 3.5. CONTRACTOR shall ensure there is no more than 2 (Two) locally sourced CONTRACTOR's personnel assigned to each rotational position. CONTRACTOR shall be urged to hire more than 2 (Two) personnel for each rotational position, CONTRACTOR shall request COMPANY's prior approval and shall act according to COMPANY's decision.
- 3.6. CONTRACTOR shall ensure: (a) each personnel has passed medical examination prior to commencing the work at COMPANY's worksites, (b) is trained in safety, and (c) is adequately equipped with the personal protective equipment (PPE), in accordance with the requirements stipulated throughout the CONTRACT.
- 3.7. CONTRACTOR shall have in place a Behavioral Based Program. CONTRACTOR shall demonstrate senior management commitment by conducting regular visits to the relevant worksites and by attending Behavioral Based Training.
- 3.8. CONTRACTOR shall actively train and encourage personnel to intervene on unsafe behaviors and situations and report on deviations from procedures, plans and expectations.
- 3.9. CONTRACTOR personnel directly involved in drilling operations restated to well control shall have valid IWCF or IADC well control certificate corresponding to their position.

4. HSE Communication

- 4.1. CONTRACTOR shall hold weekly HSE meetings for all crew members in the group and at least one monthly HSE meeting to rev. past month performance and safety concerns.
- 4.2. CONTRACTOR shall have a practice of cascading safety information to each individual when it is required.
- 4.3. CONTRACTOR shall hold Toolbox Talk (TBT) sessions for each working team for each new task, each new place of job and other changes of the working conditions. Informal risk assessment shall be conducted during TBT sessions with the use of Toolbox Talk.
- 4.4. Contactor shall keep the HSE info, boards in the camp or within working units if available as a mean of communication of safety information to project personnel.

5. HSE Award Program

- 5.1. CONTRACTOR shall implement a program of awarding personnel, both senior and junior staff, for permanent compliance with safety rules, safe actions and other HSE achievements.
- 5.2. COMPANY reserves the right to award at its own discretion any of CONTRACTOR's Group employees through the COMPANY's HSE incentive program.
- 5.3. CONTRACTOR shall possess and implement disciplinary action procedure that would apply to the CONTRACTOR's Group employees who committed deliberate gross and repeatable violations of HSE rules.

- 5.4. Based on his/her own discretion COMPANY HSE representatives shall have the right to instruct CONTRACTOR to remove from the field of COMPANY's operations any of CONTRACTOR's Group employees who committed deliberate violation of the Project HSE requirements or fail to complete their HSE responsibilities. If any of CONTRACTOR's Group employees has been removed from the field CONTRACTOR shall complete his/her position as soon as possible at its own expense.

6. HSE Regulation, Standards and Procedures

- 6.1. CONTRACTOR shall comply with all applicable HSE legal and regulatory requirements relevant to the performance of the work.
- 6.2. CONTRACTOR shall obtain all the licenses, permits and approvals required by Kurdistan Region Government regulations to operate under this contract.
- 6.3. CONTRACTOR shall have its own HSE standards and procedures or as a minimum to meet the requirements of IOGP/OSHA standards.
- 6.4. The strictest requirements of the following documents should be applied in operations under this Contract by the CONTRACTOR:
 - (a) Project HSE Plan.
 - (b) Company's HSE standards, procedures, and rules; Kurdistan Regional Government national HSE regulations.
 - (c) Best International HSE practices – IOGP/OSHA standards.
- 6.5. CONTRACTOR shall accept all the changes in HSE requirements for this contract if such changes made to meet the Kurdistan Regional Government regulations.

7. Risk Management

- 7.1. CONTRACTOR shall maintain risk register for the routine operations that shall include risk identification, assessment, application of mitigation measures and communication of the information to job executors. Main hazards of the facilities and job type shall be the part of field induction and orientation.
- 7.2. Before starting any non-routine operation, CONTRACTOR shall conduct risk assessment (job safety analysis) and communicate it to the staff at toolbox talk.
- 7.3. CONTRACTOR shall issue permit to work and get it endorsed by COMPANY's representative for all high risk works including hot works, works at height above 1.8m, confined space entry, works that require overriding safety systems and isolation of sources of energy, etc., in line with CONTRACTOR's own and COMPANY's PTW strategy stipulated by the approved PTW procedures. Apart from the provision mentioned above an issue of a PTW may be initiated for any other work if a work site supervisor/manager considers it necessary to ensure that it is safe execution.

8. Personal Protective Equipment (“PPE”)

- 8.1. CONTRACTOR shall provide all its personnel with quality PPE required to perform the job. CONTRACTOR shall arrange in the field camp regular washing of the coveralls for all project staff.
- 8.2. CONTRACTOR shall set up PPE requirements for each activity and for certain areas of operations, e.g., workshop. During standard operations CONTRACTOR’s Group personnel shall wear hard hat with chin strap, proper type safety glasses (dark during daylight, clear at night, fir-over if prescription glasses are also worn), flame retardant suit or coverall, gloves, and hard toe shoes as a minimum set of PPE.
- 8.3. CONTRACTOR shall ensure all job specific PPE is provided to CONTRACTOR Group Personnel such as safety harnesses, face-shields (e.g., for the grinder), ear plugs, impact protection gloves (e.g., for the rig-crew), safety goggles (e.g., for gas-welding), dust masks etc. CONTRACTOR shall ensure that PPE required for the specific job is fully applied by its personnel.
- 8.4. CONTRACTOR shall provide the eye wash stations inside their units. The eye wash stations shall be protected from the sun to avoid overheating. The eye wash station shall be filled in with the saline eye wash solution with bottles containing sterile buffered phosphate solution (4.9%) and saline solution.

9. CONTRACTOR Equipment

- 9.1. All CONTRACTOR vehicles, machinery and heavy equipment shall be operated by qualified CONTRACTOR personnel possessing proper licenses.
- 9.2. CONTRACTOR cranes and forklifts (**if available**) shall have valid third-party inspection from the certified service provider. CONTRACTOR lifting equipment and the load lifting points shall pass periodic NDT inspections and have valid certificates. CONTRACTOR shall maintain the color coding of the lifting equipment. In addition to NDT inspection CONTRACTOR shall organize annual load testing for the man lifting baskets with the twice safe working load.
- 9.3. CONTRACTOR lifting gear and equipment such as slings, shackles, chains, hooks, etc. shall have the date of manufacture and the Safe Workload (SWL) clearly marked. Cranes shall have two hooks. All CONTRACTOR slings and other auxiliary lifting equipment shall be stored in the designated area sorted by type, CONTRACTOR shall have the system of issuing and returning the lifting equipment from the storage according to the planned lifting operations and permits granted.
- 9.4. CONTRACTOR shall have the system of routine visual inspection and rejection for all lifting equipment.
- 9.5. CONTRACTOR temporary pipework and other pressure lines shall have valid NDT inspection proved by the label attached to each the element and corresponding certificates.
- 9.6. CONTRACTOR pressure lines (**if available**) shall be assembled providing the secondary restraint line for each the element, it is preferable to use a 16 mm safety wire line or soft slings for these purposes.

- 9.7. CONTRACTOR rotating equipment and moving units shall be provided with guard-shields controlling machine-human interface hazard. The warning signs shall be placed onto such equipment.
- 9.8. All electrical equipment shall be certified to be used in accordance with the safety zones defined in API RP500 for Classification of Locations for Electrical Installations. All facilities provided with power supply—offices, workshops, other caravans, diesel generators, diesel storage, equipment units etc.—shall have grounding with the resistivity not more than 10 Ohm for diesel generators, and not more than 30 Ohm for the rest facilities.
- 9.9. CONTRACTOR shall have certified and calibrated multi-gas detectors for O₂, CO, H₂S and LEL for hot, confined space entry and intrusive (breaking containment) works. CONTRACTOR shall provide certified personal H₂S gas badges for all CONTRACTOR Group member
- 9.10. All the openings exposing the falling from height hazard at the WORKSITE of CONTRACTOR operations shall be barricaded with firm barrier. CONTRACTOR shall organize the walkways in compliance with the industry standards minimizing the tripping hazards, providing crossing stairs wherever required.
- 9.11. CONTRACTOR shall follow dropped objects safety procedure including installation of all equipment units such as lights, speakers, CCTV cameras or other overhead equipment used in work scope etc. mounted at the height (e.g., at the mast and rig floor) with secondary restrain lines, usage of hand tools secured with the line and other precautions of working at different levels. All the potentially dropped object areas shall be periodically inspected and recorded. CONTRACTOR shall follow best practice recommendations for the securing of structures and equipment at the worksite as DROPS Reliable Securing.
- 9.12. Non-sparking tools shall be used in explosive atmospheres.

10. Health Care

- 10.1. CONTRACTOR shall ensure all personnel pass fitness to work (“FTW”) medical examination before going to the field of COMPANY operations, FTW certificate shall not be older than 3 years.
- 10.2. CONTRACTOR shall follow COMPANY Covid-19 protocols while executing project activities and submit to COMPANY all necessary proving documents such of health certificates, PCR test results or vaccination certificates.
- 10.3. CONTRACTOR shall make out-of-country medical evacuation arrangements for all expatriates among the CONTRACTOR’s Group personnel. CONTRACTOR shall submit to the COMPANY the proof of such arrangements (valid contract with air ambulance provider, medical insurance coverage, etc.) prior to the mobilization.
- 10.4. Each project employee shall be given training on medical emergency response (what to do, what not to do in case of injury), CONTRACTOR senior staff shall pass first aid training so that each working team have at least one first aider with valid certificate at any time. First aiders to receive regular refresher training and be involved in practical exercises (drills).
- 10.5. CONTRACTOR shall provide the first aid kit for each working team and locate them inside working

units available on site. CONTRACTOR shall take responsibility of regular checks and re-filling first aid kit as required.

- 10.6. CONTRACTOR shall track the working schedule of its personnel – the working day of the staff shall not be longer than 12 hours and the shift shall not be longer than 1 months.

11. Fire Safety

- 11.1. All CONTRACTOR caravans or working units in the camp **(if available)** and WORKSITE shall be equipped with smoke detectors and 2 (two) dry powder fire extinguishers of at least 12 kg for each unit.
- 11.2. CONTRACTOR shall provide minimum manual audio alarm within working unit at the WORKSITE.
- 11.3. CONTRACTOR shall have trained people able to respond to the small fire within working units at WORKSITE.
- 11.4. CONTRACTOR shall regular train the team to act as first responders in case of fire.

12. Environmental Plan

- 12.1. CONTRACTOR shall be responsible for disposal of all the domestic waste generated at the WORKSITE. No wastes are allowed to be buried or dumped in unauthorized area.
- 12.2. CONTRACTOR shall organize waste segregation so that all types of wastes such as plastic, paper/ cardboard, scrap metal, scrap wood and others are collected separately. CONTRACTOR shall hand over such wastes to re-use or recycling to the agents and facilities approved by the COMPANY.
- 12.3. All the incombustible industrial wastes generated by the CONTRACTOR's Group shall be removed by the CONTRACTOR from each site for the responsible disposal. The COMPANY has a right to define the disposal location, the method of packing and transporting the wastes, including quantity and schedule of transportation and other waste handling requirements.
- 12.4. Waste generation and disposal shall be logged by CONTRACTOR, handing over the wastes shall be proved by materials transmission reports. Waste generation and transition shall be reported to the COMPANY using the reporting forms provided by the COMPANY.
- 12.5. CONTRACTOR shall have safe work system for operations with hazardous substances such chemicals, radiation sources, explosives etc. MSDS shall be kept with all hazardous materials used by CONTRACTOR's Group and one set of MSDS shall be kept in site Clinic.
- 12.6. Any spills including dry drilling chemicals shall be cleaned up promptly by CONTRACTOR

13. Sub-CONTRACTOR Management

- 13.1. All the HSE requirements set forth for the CONTRACTOR's personnel by this Contract will be fully applicable to any member of CONTRACTOR's Group.
- 13.2. CONTRACTOR shall provide COMPANY with the list of Sub-CONTRACTORS whose personnel will

be visiting or working in the COMPANY oil field before commencement of the CONTRACTOR's Activities. CONTRACTOR shall agree with the COMPANY change of Sub-CONTRACTORS during this project.

14. Road Safety

- 14.1. CONTRACTOR shall develop and implement Journey Management procedure to make sure all the project vehicles are properly tracked.
- 14.2. CONTRACTOR shall maintain its fleet of vehicles in proper safe conditions. The following list of safety equipment shall be available in each vehicle all the time:
- (a) Reliable means of communication.
 - (b) Bottled potable water for personnel transporting vehicles.
 - (c) Fire extinguisher.
 - (d) First aid kit.
 - (e) Tree-point seat belts for all the seats.
 - (f) Full-size spare wheel.
 - (g) Wheel chocks (1 pair for front and rear side of the wheel – stoppers placed under the wheels to prevent accidental vehicle movement) for heavy vehicles.
 - (h) Reverse alarm (for all the trucks including SUV, buses, and other heavy machinery; not applicable for light cars only).
 - (i) Spark arrestor (for driving near hydrocarbon sources).
- 14.3. CONTRACTOR shall ensure high level of compliance with the basic road safety requirements: wearing seat belts by the driver and all the passengers and keeping the speed within the limits, not using the phone while driving and others.
- 14.4. Night driving is prohibited except for emergency response unless it is differently specified in CONTRACTORS driving policies.
- 14.5. Unless specified by COMPANY, the speed limits for driving are:
- 10 km/h for driving inside camps and sites
 - 40 km/h for inter-site travel
 - 100 km/h for high-way driving
 - Any other posted road speed.
- 14.6. CONTRACTOR's professional drivers shall be a minimum of 21 years of age, have valid public driving license (pink) allowing to drive the corresponding type of vehicles and have 3 years of

driving experience, they must be assessed by the CONTRACTOR when employed and at least every quarter for driving skills and knowledge of HSE rules.

- 14.7. All CONTRACTOR's drivers of the vehicles permanently assigned to perform the WORK under this CONTRACT shall pass Defensive Driving course and have valid the training certificate issued by reputable training provider certified by industry recognized organization.
- 14.8. Before Mobilization to the Site Contract shall conduct road survey from the point of equipment and machinery mobilization to the work site to identify for each section of road: surface conditions; load capacity of the bridges and culverts; overhead powerlines; high risk areas; populated areas; restricted access spots and other potential hazards for the transportation. Based on the road survey results CONTRACTOR shall develop in consultations with the COMPANY a mobilization plan covering all identified risks and mitigations.

15. Emergency Response Plan

- 15.1. Before project commencement CONTRACTOR shall develop and agree with the COMPANY Emergency Response Plan ("ERP") consisting of the following main scenarios:
- (a) Fire
 - (b) Injury
 - (c) H2S emergency
 - (d) Well Control
 - (e) Natural disaster including earthquake
 - (f) Security
- 15.2. ERP shall incorporate roles and responsibilities of the project personnel in emergency, order of priorities and contact information. COMPANY will provide CONTRACTOR with its emergency contacts. ERP shall be part of induction given to all the project staff and visitors.
- 15.3. Periodical drills shall be scheduled to test the consistency of ERP and train the staff. All the drills shall be followed by debriefing resulting in update of ERP, additional equipment request etc.
- 15.4. While working at COMPANY's facilities CONTRACTOR personnel shall take part in all the ER drills organized by the COMPANY.

16. Incident Reporting and Investigation

- 16.1. Any incidents and near misses occurred with regards to operations under this CONTRACT shall be reported to the COMPANY as soon as reasonably practicable verbally (e.g., by phone), but not later than in 24 hrs. from the time of the incident. The significant incidents such as LTI shall be reported (verbally, by phone etc.) within 1hr (one hour) from occurrence. Written incident notification (preliminary report) for any incident or near miss shall be sent by CONTRACTOR to COMPANY within 24 hrs. The preliminary incident report and final incident (investigation) report

shall be completed in the forms provided by the COMPANY.

- 16.2. CONTRACTOR shall investigate all the incidents and near misses. The extent of investigation shall depend on the potential risk of the incident. COMPANY reserves the right to take part in investigation of any incident which occurred in the course of the operations under this CONTRACT and check the quality of the investigation conducted by CONTRACTOR itself. CONTRACTOR shall have a structured and documented HSE incident notification, investigation and reporting system. Incident Investigation and Reporting Procedure.

17. HSE Statistics

- 17.1. CONTRACTOR shall keep and regularly report to the COMPANY HSE statistics (number of incidents, manhours worked, vehicle mileage, etc.) with the forms provided by the COMPANY, and other HSE-related data upon request (water consumption, waste generation and disposal, etc.)
- 17.2. CONTRACTOR shall keep corrective actions register to track follow up activities from the incidents, inspections, hazard remediation, etc. CONTRACTOR shall regularly report to the COMPANY on completeness of actions taken; the register shall be available for the COMPANY review at any time.

18. Auditing

- 18.1. All CONTRACTOR's Group facilities and equipment operating under this Contract are subject to HSE inspection which can be conducted by the COMPANY at any time during the project.
- 18.2. As a condition prior to COMPANY's obligation to make any payment and prior to commencement of any CONTRACTOR's activities on the Site, CONTRACTOR's operational facilities or units shall pass the HSE audit for compliance with COMPANY's HSE requirements under this Contract and get COMPANY's approval to commence such activities.
- 18.3. CONTRACTOR shall have the system of periodical documented HSE inspections of CONTRACTOR's Group facilities. COMPANY reserves the right to take part in these inspections. The results of the inspections shall be available for the COMPANY on its request.
- 18.4. COMPANY reserves the right to make the audit of the effectiveness of HSE MS that would be performed against the HSE requirements of this Contract. In such case CONTRACTOR shall make available for the COMPANY all the documents and access to facilities required to complete the audit.
- 18.5. In the event any HSE inconsistency is found in the course of the project COMPANY will oblige CONTRACTOR to remediate violation or suspend partially or fully CONTRACTOR activities.

19. HSE Plan

- 19.1. No later than 30 days after Commencement Date and in any case prior to commencement of any CONTRACTOR's construction activities on the Site, CONTRACTOR shall develop and submit for COMPANY's approval a project specific HSE plan ("HSE plan").
- 19.2. The HSE plan shall comply with this MINIMUM HSE REQUIREMENTS, Kurdistan Regional

Government HSE regulations and shall be based on the best international oil and gas HSE practices. CONTRACTOR's HSE Plan shall include WORKSITE specific Emergency Response Plan and Well Control Procedure developed by CONTRACTOR; CONTRACTOR's HSE standards and procedures adopted for the WORK, COMPANY's HSE policies; COMPANY's HSE standards and procedures which COMPANY may provide to cover the HSE areas where CONTRACTOR's HSE standards are insufficient.

- 19.3. COMPANY may reject the HSE plan submitted by CONTRACTOR if HSE plan does not comply with the above requirements. The HSE plan rejected by the COMPANY shall be modified and re-submitted by the CONTRACTOR within 5 days.