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## 1.0 Purpose/Scope

The purpose of this Practice is to ensure that Contractor operations are conducted with adequate Health, Safety, Security, Environmental (HSSE) systems and practices. This Practice establishes how BP (hereinafter referred to as Company) evaluates and reinforces Contractor HSSE performance improvement. Company will review Contractor HSSE performance and practices before establishing a contract and commencing Contractor operations.

Company Business Units using this Practice include North America Gas North and South, GOM Deepwater Development, GOM Deepwater Production, GOM Deepwater Exploration, and Natural Gas Liquids.

## 2.0 Definitions

The following definitions apply to this Practice.

<b>Definitions</b>	
<b>Company Site</b>	Real estate owned or leased by Company where Company is the operator of record. Company Site may comprise multiple work locations.
<b>Company Project Site</b>	Real estate not owned or leased by Company where a contract stipulates that work performed is under the auspices of this Practice.
<b>Site/On-Site</b>	Company Site or Company Project Site.
<b>Supplier</b>	Any firm that provides people, material, service or equipment to Company.
<b>Contractor</b>	A Supplier that provides services to Company.
<b>Vendor</b>	A Supplier that provides tangible material or equipment. Company defines any Vendor that provides On-Site services other than delivery as a Contractor.
<b>On-Site Supplier/Contractor</b>	Any Supplier/Contractor that is required to have PPE while engaged in work On-Site.
<b>Off-Site Supplier/Contractor/Vendor</b>	Any Supplier that provides Company with people, material, service or equipment that is not an On-Site Supplier/Contractor.
<b>Contractor Performance Evaluation Team (CPET)</b>	A SPU/BU oversight team that monitors HSSE performance for all Suppliers. See section 4.1 for further responsibilities.
<b>Consultant</b>	A Contractor that provides 'hands off - no physical work on Site' administrative or technical support to Company.

<b>Definitions</b>	
<b>BP Accompanied Contractor</b>	A Contractor that works On-Site accompanied by Company Responsible Party.
<b>Company Responsible Party</b>	The individual with delegated authority to act on behalf of Company.
<b>Sub-Contractor</b>	A firm that performs work for a Contractor On-Site.
<b>High Impact Contractor</b>	A Contractor whose risk level based on service line and historical work performed creates a relatively higher HSSE and/or business risk to Company.

### 3.0 General Requirements

All Contractors working On-Site will be accountable for compliance with “BP Health, Safety, Security and Environmental Requirements for Contractors” (HSSE Requirements) as detailed in the contract between Company and Contractor. Company will consider HSSE performance a critical factor when selecting Contractors.

HSSE Requirements includes all applicable federal, state/provincial, maritime and local statutes, regulations, enforceable agreements, agency orders, permits, and contract documents. In addition, HSSE Requirements include specific Company requirements.

Company may require participation in performance reviews and verification assessments. Company may further require development of applicable HSSE management system bridging documents.

Contractors are accountable to ensure that their Sub-Contractors comply with HSSE Requirements when Sub-Contractors are On-Site. Sub-Contractor incidents will be attributed to Contractor’s total recordable incident rate (TRIR).

### 4.0 Key Responsibilities

Each SPU/BU will further determine and establish the key roles and responsibilities for Contractor/Supplier Performance Management.

#### 4.1 Contractor Performance Evaluation Team (CPET)

Company may retain Contractors who meet business performance expectations, including TRIR and HSSE Requirements, who have an approved Management of Change (MOC) process, or who are BP Accompanied Contractors. Each SPU/BU will establish an appropriate oversight body for evaluating and improving Contractor HSSE performance.

For example, Company SPU/BU’s may elect to put in place a Contractor HSSE Performance Evaluation Team (CPET) to provide visible and continuous support to Contractor HSSE performance improvement efforts. CPET provides counsel to the Sector Teams, Contractor HSSE Performance Coordinators and Contractor HSSE Technologists, who administer Contractor HSSE performance improvement efforts day-to-day. CPET’s role is advisory: it provides critical HSSE input to Sector Team leaders and other Company Responsible Parties who have accountability for making decisions related to Contractor HSSE Status and Contractor use.

CPET’s membership comprises both line (e.g., team leaders, asset/SPU/BU tags, etc.) and functional (e.g., PSCM, HSSE, Legal, Communications, etc.) representatives, with membership changing as needs change. The Team will meet regularly to organize and provide HSSE input to the Sector Teams, to operating personnel, and to Company management. Generally, SPU/BU management will elect to have a line representative and the HSSE Manager co-lead the Team.

The following issues and activities are likely areas for CPET’s action and intervention: assessing Contractor risk; reviewing verification protocol, schedules, and results, reviewing input provided by other committees, monitoring

HSSE interventions by sector teams; reviewing HSSE Requirements, planning symposia, managing website(s), suggesting HSSE Key Performance Indicators (KPIs), and recommending action to improve this Practice and Contractor HSSE performance overall.

CPET members are accountable to communicate Contractor HSSE performance issues to their SPU/BUs and to CPET. CPET members are generally HSSE leaders or stakeholders who provide direction to Contractors within their SPU/BUs.

## 5.0 Procedure/Process

### 5.1 HSSE Status of Contractors

#### System for Indicating Contractor HSSE Status

Company has established the following system for indicating Contractor HSSE Status following the standard Company HSSE evaluation. The status is available in databases such as the Supplier Management System (SMS) / Vendor Management System (VMS).

<b>Contractor HSSE Status</b>	
<b>Green/Approved</b>	≤ 2.0 TRIR On-Site (based on 12 month rolling average) and meets all other HSSE Requirements.
<b>Yellow/Conditionally Approved</b>	≤ 2.0 TRIR On-Site (based on 12 month rolling average) but does not meet HSSE Requirements.
<b>Yellow/New Conditionally Approved</b>	New Contractor for whom no On-Site TRIR data is available but who meets all other HSSE Requirements.
<b>RED/NOT APPROVED</b>	> 2.0 TRIR On-Site (based on 12 month rolling average) <i>or</i> does not meet HSSE Requirements.
<b>RED Approved MOC Only</b>	> 2.0 TRIR On-Site <i>or</i> does not meet other HSSE Requirements. Use of this Contractor is allowed only with an MOC approved by Company Responsible Party enabling use under specific criteria.
<b>RED New Under MOC</b>	New Contractor for whom no TRIR On-Site data is available <i>and</i> who does not meet all other HSSE Requirements. Use of this Contractor is allowed only with an MOC approved by Company Responsible Party enabling use under specific criteria.
<b>Grey/No Status</b>	Contractor HSSE status not yet determined or not available.
<b>Not Required</b>	HSSE verification is not required (e.g., BP Accompanied, Vendor, or Off-Site Contractors).

#### Clarifying Notes for Assigning Status

- Each BU will determine how to sum the Contractor hours for calculating TRIR On-Site (OSHA formula).
- Company may assign a Red/Not Approved Status to a Contractor for whom verification results indicate failure to meet HSSE Requirements.
- Company may at its sole discretion assign a Red/Not Approved Status to a Contractor when Company determines continued use of the Contractor constitutes an unacceptable level of HSSE risk (e.g., Contractor incurs fatality while working in non-Company operations).

#### Further Guidelines Related to HSSE Status

**Green/Approved**

- Contractor subject to verification based on incident occurrence and/or risk assessment.

**Yellow/Conditionally Approved/New Conditionally Approved**

- Company requires that Contractor achieve  $\leq 2.0$  TRIR On-Site and meet HSSE Requirements within a 12 month period of above classification. Contractors failing to meet this expectation will be reclassified to Red/Not Approved.
- Company may, from time to time, verify Contractor's progress toward meeting HSSE Requirements.
- Before changing Contractor status to Green/Approved, each SPU/BU will determine the level of field verification that must take place.

**RED/NOT APPROVED**

- Company Responsible Party who requests to use a Red/Not Approved Contractor must obtain an approved MOC. Each SPU/BU will establish its MOC approval process.
- MOC will explicitly state under what circumstances (including scope of work), where and for what period of time the Contractor may perform work On-Site.
- All Company SPU/BUs operating under this Practice will classify any Contractor Red/Not Approved when Company determines that continued use of the Contractor constitutes an unacceptable level of HSSE risk.
- Any SPU/BU utilizing this Practice will advise all other SPU/BUs operating under this Practice of any Contractor moving to a Red/Not Approved status.
- Before changing status of a Red/Not Approved Contractor to Green/Approved or Yellow/Conditionally Approved, each BU operating under this Practice will determine the level of field verification that must take place.
- When circumstances arise that change Contractor status to Red/Not Approved, Company Responsible Party will determine whether work ceases.

**Grey/No Status****BP Accompanied Contractor**

From time to time, there are instances when a short duration or non-routine Contractor is needed to perform work but the Company cannot conduct the typical HSSE performance evaluation due to time constraints or business reasons. Contractor approved to work in this instance is a BP Accompanied Contractor.

HSSE Requirements do not apply in the typical way to a BP Accompanied Contractor. Rather, when hiring a Contractor under these circumstances, the Company Responsible Party assesses HSSE risk and develops the appropriate HSSE plan (including specific HSSE requirements) to mitigate that risk. Every HSSE plan requires that a Company Responsible Party accompanies the Contractor while On-Site if the Contractor is required to wear PPE.

Company may employ a Contractor categorized as BP Accompanied Contractor when no approved Contractor is available to perform the required work. Each SPU/BU may set further guidelines or requirements for employing BP Accompanied Contractors.

Contractors that BP uses for emergency purposes may also be BP Accompanied Contractors.

**General/Other Guidelines Related to HSSE Status**

HSSE Status as outlined in this Practice does not automatically determine eligibility for participation in supply opportunities (for example: bidding, tendering). The Company will evaluate Contractor HSSE performance as part of the procurement process.

## 5.2 Management of Change (MOC) and Use of Red/Not Approved Contractors

To foster an incident free workplace, appropriate communication concerning change is critical. For any variation from general procedures, Company uses a MOC process. With respect to this Practice for Contractor HSSE Performance Evaluation, all SPU/BUs operating under the Practice will utilize a standardized MOC process whenever a SPU/BU employs a Red/Not Approved Contractor. In every instance of this kind, the Company Responsible Party must prepare and obtain approval of an MOC, prior to Red/Not Approved Contractor commencing work On-Site. The standardized MOC process contains the following elements, among others:

- Electronic access to MOC utility across all SPU/BUs operating under this Practice
- Detailed delineation of roles, actions, accountabilities, and timelines for any activity sets that Company Responsible Party(ies), Contractor, and Sub-Contractors must perform prior to commencing work On-Site
- An HSSE Action/Job Plan

## 5.3 Contractor HSSE Risk Management

Company continually evaluates Contractor HSSE risk as one element of overall risk assessment. Company SPU/BUs operating under this Practice use various tools to measure the relative HSSE risk of Contractors and to take steps to eliminate or manage that risk. Risk assessment and decisions as a result of that assessment typically engage Company line and functional staff. Company assessments of Contractor HSSE risk are openly shared with the Contractor, and risk mitigation planning is generally a joint exercise between Company and Contractor. Company retains the right to stop employing any Contractor whose risk profile/risk mitigation plan does not meet Company expectation. Generally, conformance to HSSE Requirements will be a significant factor in assessing Contractor risk.

## 5.4 Contractor HSSE Performance: Company Monitoring Process

Company may utilize internal and external auditors to verify Contractor compliance with HSSE Requirements. Each SPU/BU will determine the type and frequency of self-assurance/verification and will assign appropriate assurance/verification coordinators to manage the monitoring process. Company will communicate verification results to Contractor and will use results to assign HSSE Status.

Contractor is solely accountable and responsible for ensuring that Contractor and its Sub-Contractors comply with HSSE Requirements and for improving HSSE performance in a manner consistent with the contract between Company and Contractor.

## 6.0 Key Documents, References, and Tools

Company SPU/BUs operating under this Practice rely on a variety of key documents, references, and tools to carry out the intent of the Practice. While the majority of items described in this section are common across the BUs operating under this Practice, certain items are unique and customized to individual locations (e.g., Safe Practices Manuals, Sector Team Roles and Responsibilities, and CPET roles). Generally, the HSSE Manager and/or the Contractor HSSE Performance Coordinator provide access to the appropriate key documents, references, and tools for their respective BU.

### 6.1 Key Documents

- **HSSE Requirements** – Document that specifies the HSSE requirements for Contractors and its Sub-Contractors performing work at Company Sites and at Company Project Sites.
- **Management of Change (MOC)** – Document authorizing a variation from standard requirements and process. If Company employs a Red/Not Approved Contractor, Company Responsible Party(ies) will do so only after identifying HSSE risks and undertaking mitigating actions.
- **Protocol for Monitoring Contractor HSSE Performance** – Company document that specifies what Company will monitor and verify when evaluating Contractor compliance with HSSE Requirements.

### 6.2 References

- **The BP Golden Rules of Safety** – Company standards for safeguarding personal safety and the key controls and procedures that the workforce must comply with in the workplace.
- **Getting HSE Right** – Company framework for managing HSE risk: “getting HSE right” (gHSEr).
- **Company Safety/Safe Practices Manuals** – Company reference and guidance manuals related to Company safety and industry-established best practices.
- **SPU/BU C-EMS List** – Specific Contractors will have a “fit-for-purpose” Environmental Management System (C-EMS) for the work or specific issue that poses a significant impact to the environment. The C-EMS will incorporate planning for compliance, performing compliance tasks, and checking for compliance with Environmental Requirements and the C-EMS, as well as implementation of corrective actions.
- **Sector Team Roles and Responsibilities** – The key roles and responsibilities defined for those involved in sector management (e.g., leadership team tag, sector lead, PU rep, SCM rep, HSSE rep, etc.). These are the individuals who will provide the raw data by which performance is measured.

### 2.1 Tools

- **Advanced Safety Audit (ASA)** – ASA is a management tool that provides leaders a mirror reflection of how their HSSE expectations are being translated into action in the field and industrial facilities. ASA is used in facilities around the world where excellent safety performance was already the norm. The ASA technique focuses on observations of people working and then engages them in a non-threatening conversation about the safety aspects of his or her work. The end result is improved safety performance as a result of recognizing and correcting unsafe conditions and behaviors
- **Supplier/Vendor Management System (SMS/VMS)** – Databases that contain Contractor information, including HSSE Status.
- **Contractor HSSE Information Databases** – Company or third party databases (e.g., PEC and ISNet) that provide Contractor statistical and HSSE information. Data typically supplements Company’s knowledge about Contractor HSSE performance.

- **Traction** – Company database that allows line personnel to enter data about incidents, verifications, or reviews, including close out of actions by Company Responsible Parties.
- **Supplier Hierarchy Diagram** – Diagram that indicates how the Company categorizes firms that provide people, material, service, or equipment to Company.
- **Risk Tool** – Refers generally to instrument(s) Company SPU/BUs may use to assess relative level of Supplier risk.
- **RASCI Chart** – Chart that defines sector team Responsibilities, Accountabilities, Supportive, Consultative, and Informative roles with respect to this practice.
- **Frequently Asked Questions** – Set(s) of questions and answers related to Supplier performance management, Contractor HSSE performance, or other topics, posted on Company websites, or otherwise available to Company and Contractor employees.
- **Contractor External Website** – Website link that provides useful information and tools to enhance Company and Contractor relationships.

## Revision Log

Note: Changes must be approved by the NAG HSSE Director (authority), the NGL BU HSSE Manager, and the DW SPU HSSE Convener.

Revision Date	Authority	Custodian	Revision Details
06/09/05	Ruth Germany-Bice	Stan Garner Dick Steward	New Practice for NAG/GOM/NGL/NAX SPUs