

Western Canada HSE

Schedule 3.1



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1. INTRODUCTION

The purpose of this Schedule is to identify requirements of Cenovus relating to key elements of health, safety and environment (HSE) management for work being completed by the supplier on behalf of Cenovus.

For clarity, “supplier” in this document has the same meaning as “contractor” in the Agreement to which it is appended.

Cenovus’s Health and Safety Management Commitments

Health and safety are core values at Cenovus and apply to everyone involved directly and indirectly in our activities.

Cenovus’s eight safety commitments outline the attitude and behavior we expect to see from anyone who works with us and for us. They empower workers to speak up if they feel the work they are asked to do is unsafe.

The commitments are a promise from every leader at Cenovus to every worker at any level of the company that safety will always be our top value. Our commitment to workers and their families is that they return home safely every day. Working at Cenovus really does mean working safely.

Cenovus’s Eight Safety Commitments

1. Our work is never so urgent or important that we cannot take time to do it safely.
2. All injuries are preventable.
3. Everyone is obligated to refuse and/or stop unsafe work.
4. Everyone is obligated to raise concerns about the hazards seen.
5. All levels of supervision are accountable for safety performance.
6. Employee and contractor commitment is essential to safety performance.
7. Excellence in safety leads to excellence in business.
8. Safety attitude off the job is as important as on the job.

As such, it is expected that the supplier’s management is equally committed to health and safety and will demonstrate that commitment by ensuring the following:

- Management allocates sufficient resources to drive health and safety performance excellence
- Management sets clear direction and expectations through health and safety policies
- Management establishes, monitors compliance with, and enforces health and safety responsibilities for every level of their organization including themselves
- Management is knowledgeable of their health and safety management system and programs
- Management engages and communicates with workers regarding health and safety performance standards and expectations by:
 - Setting and achieving company-wide health and safety performance objectives.
 - Visiting field operations and participating in safety tours, inspections, safety meetings and campaigns.
 - Monitoring completion of health and safety-related corrective actions and continuous improvement initiatives.
 - Consulting and cooperating with joint health & safety committee members and/or H&S representatives on health and safety concerns or initiatives.
 - Participating in supplier relationship meetings and discussing progress and performance in the delivery of the contractual scope of work.

The supplier is expected to maintain its own safety management system or program to best suit its needs and risks and to inform its workers of the requirements stated within this Schedule.

The HSE requirements that are referenced in this Schedule are not intended to be an all-inclusive or 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 supplier personnel must follow when working with Cenovus work site or project. Any reference to the supplier in this Schedule is also to be considered a reference to its subcontractors.

2. COMPLIANCE WITH LAW

The supplier must, at all times during the performance and execution of the work, abide by and be responsible for meeting or exceeding the requirements of all applicable laws and ensure that all workers engaged in the work of their employer are aware of their responsibilities and duties under applicable laws.

The current version of applicable laws must be followed, including any required licensing of workers and inspections and certification of equipment.

3. FIT FOR DUTY POLICY

The supplier is responsible to ensure its workers engaged in the worker are fit for the job to be undertaken.

4. COMMITMENT TO CONTINUOUS IMPROVEMENT

Continuous improvement enables sustainable business performance improvement. Cenovus embraces continuous improvement mindset, methodologies, and tools to sustainably improve its operational and business performance through:

- Systematically identifying and prioritizing problems or opportunities to improve.
- Engaging people closest to the problems/opportunities to participate and deliver improvement activities.
- Applying a rigorous problem-solving methodology and 'right tools, right time' practice.
- Making continuous improvement a part of the way we work.

The supplier must have its own continuous improvement process with the intent of learning and improving. The supplier may be asked to participate in a Cenovus continuous improvement initiative.

5. TRAINING AND COMPETENCY

The supplier is responsible to have an effective competency and training program that ensures that its workers are adequately trained with the necessary knowledge and skills to perform their jobs safely. The supplier is:

- responsible for providing safety and job-specific training for its workers at its cost unless otherwise agreed.
- expected to document certification, training, and on-the-job training required and received by its workers and subcontracted workers
- expected to have a training program that will state that workers are required to be tested to verify competency before performing tasks independently

- able to show a Cenovus representative the matrix and proof of training and competency records prior to the execution of the work and at regular intervals deemed by the Cenovus site representative

6. ASSURANCE ACTIVITIES

The supplier is required to conduct periodic assurance activities of its work sites, consistent with its own programs to evaluate both the compliance, with and degree of effectiveness of its health and safety management systems. Assurance activities include:

- Internal or external audits of safety management systems
- Assessments and reviews of management system components
- Scheduled and informal inspections of worksites, equipment, vehicles, and tools
- Formal and informal observation activities to validate conformance to set practices

The supplier's assurance program must include:

- Prescribed assurance activities and supporting tools (audit/assessment instruments, subcontractor qualification activities, and inspection templates)
- A method to capture non-conformance and gaps to ensure timely follow up
- A method to ensure continuous improvement

Records of all assurance activities must be recorded with the date, the activity or condition noted, and any corrective action identified and implemented. All records of assurance activities will be made available at Cenovus's request.

Cenovus may conduct periodic assurance activities to validate compliance and assess conformance to Cenovus's health and safety requirements. The scope of these audits must cover compliance with agreed policies and procedures and practices as specified during the prequalification process and in the Agreement, and with the requirements of applicable laws.

The supplier is to provide full and diligent support including site access, requested documentation, records, and availability of personnel for interviews, to Cenovus personnel or third parties operating on Cenovus's behalf to conduct any health and safety evaluation or verification activity. Cenovus may require the supplier to submit its (and its subcontractor's) health and safety program and performance information to support Cenovus's evaluation & verification activities (prequalification, audits, inspections, verification, etc.).