



## **Sustainability Statement**

Our business and operations are focused solely upon providing contract drilling services to oil and gas operators in Texas and its contiguous states. We do not provide services internationally or outside of these markets. Sustainability is vitally important to our Company and our employees and encompasses not only our commitment to the safety of our people and the environment, but also to the communities that we operate in as well. Our Sustainability commitment is found in our core Vision and Mission Statements, and is embedded in our Core Values:

**Our Vision is to be the leader in Health, Safety & Environment and Operational Excellence while providing services to support North American energy development.**

**Our Mission is to provide the safest and most efficient contract drilling services in our industry.**

**Our Core Values will provide the direction in achieving these objectives:**

**F**ocus on safety, people, and the environment

**L**ead our industry with integrity and pursuit of performance excellence in everything we do

**A**ccountable to all stakeholders including employees, customers, vendors and investors

**G**reatest resource is People

## Our Operations and Environmental and Sustainability Risks

As a contract driller, we are hired by our customer, an oil and gas exploration company, to drill their oil and gas wells. The oil and gas operator is responsible for completion of the well and for production of oil and natural gas from the well. As a result, we are not responsible for, or able to control, a large portion of the activities required to drill, complete and produce an oil and gas well. The following chart summarizes material items we are typically responsible for and items that our customers, the oil and gas operators, are typically responsible for:

<b>Contract Driller Responsibility</b>	<b>Operations that we are not responsible for or involved in</b>
<ul style="list-style-type: none"> <li>• Safety of the drilling crew</li> <li>• Maintenance and management of our rig equipment</li> <li>• Utilization of technologically advanced, energy efficient drilling equipment (For example, AC-controls, bi-fuel capable rigs, omni-directional walking rigs)</li> <li>• Environmental management of contaminants above the surface that are in our care, custody and control</li> <li>• Environmental management and compliance at our owned and leased yards located in Houston, Texas, Midland, Texas and satellite locations in Texas, Louisiana and Oklahoma</li> </ul>	<ul style="list-style-type: none"> <li>• Design and preparation of drilling location, mud program, and engineering and design of the drilling, casing and completion program</li> <li>• Pumping or extracting oil or gas from below the surface</li> <li>• Procurement, transportation, or pumping water underground, or treatment, storage, management or removal of waste water from the drilling and production sites, and arrangement for its disposal</li> <li>• Hydraulic fracturing and other completion activities</li> <li>• Responsibility for the prevention of releases or emissions associated with the oil and gas exploration or production process</li> <li>• Preparation, maintenance or restoration of oil and gas drilling operations</li> <li>• Oil and gas transportation, refining or storage</li> </ul>

Thus, many of the environmental and safety risks associated with oil and gas operations fall outside the scope of our operations and areas of responsibility. We believe the following are the most important environmental and sustainability risks and exposures that we manage:

- ***Employee Safety.*** We believe ensuring the safety of our employees and the employees of our invitees is our most important obligation, and we maintain and follow safety and environmental management systems designed specifically to minimize and mitigate these risks.
- ***Environmental Contamination.*** Although we are not responsible for or provide operations relevant to most environmental risks associated with drilling, completion and production of an oil and gas well, we believe managing the risks that we are responsible for is one of our most important responsibilities. We maintain and follow safety and environmental management systems designed specifically to minimize and mitigate these risks.
- ***Environmental Impacts and Climate Change.*** Although we are not responsible for or provide operations relevant to most environmental impacts and climate change issues associated with drilling, completing and producing an oil and gas well, we are part of, and reliant upon, an industry where these risks are real. New legislation that curtails, limits or increases the costs of drilling, completing and producing an oil and gas well, negatively impacts demand for our contract drilling services. We believe it is our responsibility to assist in mitigating these risks by offering our customers drilling rigs and equipment designed to assist them in reducing these risks and environmental impacts. Some of these equipment specifications are summarized in this Sustainability Statement below.

In addition, our Annual Report on Form 10-K (Annual Report), discusses various governmental and environmental regulations that are relevant to our business, including the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended (CERCLA) associated with the Resource Conservation and Recovery Act (RCRA) and the Clean Water Act and the Oil Pollution Act of 1990. Our Annual Report on Form 10-K, , which is available on our website at <http://icdrilling.investorroom.com/financialreporting>, also discusses in more detail risks associated with environmental laws and climate change matters.

## **Safety and Environmental Management Systems**

We are committed to the health and safety of our people, environmental stewardship, and the protection and maintenance of Company assets. The health and safety of people is our greatest responsibility. We maintain a Health, Safety & Environment Management System (HSEMS)

that defines our expectations regarding health, safety and environmental policies, procedures and practices, which we regularly communicate and audit. Our HSEMS is implemented on every one of our drilling operation locations and at all our owned and leased locations. The foundations for our HSEMS can be found in our Health, Safety and Environmental Policy Statement, a copy of which is attached as **Exhibit A** to this Sustainability Statement.

All our safety programs are designed to comply with applicable laws and industry standards as well as to benefit employees, customers and communities. We maintain a dedicated Health, Safety and Environmental (HSE) function overseen by senior executives who ultimately report to our Board of Directors. Our Board does not delegate oversight of HSE matters to a sub-committee but rather reviews and monitors HSE matters at the full-Board level. In addition to periodic updates throughout the year, our Board formally reviews HSE matters at all regularly scheduled meetings, which occur a minimum of four times per year. Review of our HSE policies, procedures and performance is always the first item on the agenda.

Our HSEMS manages risks in the work place through the **ICD WAY: Know, Understand, Do, and Review**. Our HSEMS institutes the ICD Way through the following:

- To ensure our personnel **Know** what to do, we follow our **STRIPE** planning process for all tasks that we perform;
- To ensure our personnel **Understand** if they are following the plan, reinforce desired behaviors and continuously identify and eliminate or mitigate hazards in the work place, we follow our **STAR** observation process for all tasks that we perform;
- Under our HSEMS, we continue to **Do** what we planned unless a need to change the plan is identified. All personnel on our work locations have the responsibility, authority and obligation to interrupt or shut down or stop any unsafe act, condition, or operation (commonly referred to as Stop Work Authority) with no fear of reprimand or negative repercussions. Changes to operating procedures, practices, design criteria and equipment receive an appropriate level of review and approval through our HSEMS' **Management of Change Process**.
- To ensure the continuous improvement of our systems and processes, we will **Review** improvement opportunities and act accordingly. All incidents and near misses are reported. Our **Incident Management Process** defines the appropriate level of fact finding, assessment of contributing causes, and implementation of corrective actions accordingly.

The success of our HSE initiatives and the Company's performance with respect to safety metrics are important elements of the compensation of our executives. This is more fully

described in our Proxy Statement, which is available on our website at <http://icdrilling.investorroom.com/financialreporting>.

## **Safety and Environmental Stewardship and Maintenance by Design**

We incorporate safety and environmental-friendly features into our rig designs and operations through the ICD Way. These designs assist our customers in planning and implementing drilling, completion and production activities that limit environmental and climate change impacts, including reducing carbon emissions and reducing the environmental footprint of our operations as well as our customers. For example:

- **Large Multi-Well Pad Drilling.** Our ShaleDriller® rigs are pad optimal. The omni directional walking systems on our rigs enables large-pad development and batch drilling. Large multi-well pad drilling involves drilling multiple wells from a single drilling pad location, thus significantly reducing the environmental impact compared to drilling the same number of wells from numerous individual locations. Air emissions also are reduced because there is significantly less trucking between locations, and land and property rights are impacted less due to the reduced number and size of locations.
- **Batch Drilling.** In the United States, batch drilling uses an assembly-line approach to drill multiple wells on a single pad. Our use of batch drilling reduces manual-handling activities associated with switching out equipment. For example, instead of replacing the bottom-hole assembly (BHA) for the first string three times, the same BHA can be used for each subsequent well before changing equipment for the second string. Since the drilling mud is switched out once versus four times for each string, this reduces the risk of an unintended spill.
- **Bi-Fuel.** Our ShaleDriller® rig engines are bi-fuel capable. We offer capabilities where the fuel mixture can be up to 70% natural gas. Natural gas as fuel is significantly better from an environmental perspective as it generates less carbon dioxide than diesel fuel, as well as less particulate matter. By utilizing high percentages of natural gas instead of diesel, engines can burn cleaner, offer reduced emissions and improve air quality.
- **AC Controls.** Our pad optimal ShaleDriller® rigs utilize AC drilling computer controls. By using these modern control systems, we program in safety-by-design programming into our drilling rigs and operations, and we significantly improve energy efficiency compared to older generation rigs. AC rigs enable the efficient transfer of energy from diesel or natural gas fuels to the overall drilling process in a more fuel-efficient manner.

We also maintain a robust repair and maintenance team and employ processes and procedures for all our operating rigs and our rigs' around the clock operations. Through our PROMPTT® maintenance system, we systematically schedule and track all routine and preventative maintenance tasks to be performed by our rig crews and maintenance personnel. We also regularly schedule inspections and equipment overhauls in line with manufacturer and industry standards. By ensuring a well maintained and conditioned fleet, we assist in minimizing carbon emissions and other environmental and climate change impacts.

Our facilities and operations use a variety of initiatives to minimize waste materials, such as recycling of paper materials and sending metal-based materials for reprocessing and re-use. We believe these efforts help reduce physical waste and improves the quality of the environment in which we work.

## **Environmental Management**

We are committed to operations that are conducted in such a manner as to minimize any actions that may endanger or harm the environment. Our expectations with respect to this commitment are summarized in our HSEMS manual and include the following:

- We will follow all state, federal and other applicable regulatory standards to prevent pollution or environmental damage to lands, water and air in which we work;
- Waste will be minimized and properly disposed of and all rigs, yards and offices will use environmentally friendly products where practical;
- Our rigs and yard locations will provide adequate containment for the storage of hydrocarbons and chemicals and will exercise control measures when transferring these substances; and
- Equipment will be maintained to present excessive emissions, and emissions performance will be considered in selecting new or replacement equipment.

Our HSEMS manual includes our enterprise environmental policy, which is included as **Exhibit B** to this Sustainability Statement.

## **Labor Rights and People Development**

We believe a commitment to sustainability involves a strong commitment to labor rights and our employees and their continued development so that each can maximize his or her potential. Our commitment begins with our recruiting practices and continues throughout each of our employee's tenure with us.

### ***Wages and Benefits***

We pay fair and competitive wages, with all our rig crews earning substantially higher pay than the federal minimum wage. We provide our employees' and their families with full medical, dental, and vision insurance, life insurance and long-term disability plans, and health care. We provide a 401(k) plan with a company match.

### ***Recruiting***

We actively recruit and identify potential employees who we believe agree with our general commitments to sustainability and our commitment to safety and operational excellence. In addition to recruiting at schools, we also routinely hold job fairs and utilize social media to identify potential candidates.

### ***Education and Training***

To attract and retain motivated employees we maintain an enterprise level training and learning management system (our SVX Training & Learning System). Through our SVX Training & Learning System, we implement, track and measure compliance with our enterprise-wide training requirements for every employee in the Company and deliver and schedule both classroom (internal and externally provided) and e-learning training for both occupational skills and corporate and ethics policies and procedures. For our field-level employees, we also maintain, and make available, pre-determined minimum training and experience requirements for further promotion and advancement within the Company.

### ***Diversity***

We are committed to fostering a work environment where all people feel valued and respected. We believe all our employees contribute to the success of the Company utilizing their unique backgrounds, perspectives and life experiences. We do not tolerate discrimination and are committed to recruiting, hiring and promoting individuals who present the best qualifications for employment with us, regardless of age, race, national origin, color, gender or any other category protected by law. We prohibit discrimination and harassment of any type and afford equal employment opportunities to all employees and applicants, without regard to age, race, national origin, color, gender or any other category protected by law, as well as any form of retaliation.

### ***Occupational Health & Safety***

It is our policy that potential occupational health hazards in the workplace be identified, associated risks assessed, and procedures defined to provide an appropriate level of control to eliminate or mitigate harm to personnel. This is embodied in our Occupational Health Policy

Statement, which is part of our HSEMS, and is included as **Exhibit C** to this Sustainability Statement.

### ***Human Rights***

We are committed to basic human rights. As a U.S.-based company with operations solely in the United States, we are committed to, and have specific policies associated with equal opportunity, harassment and workplace violence. We operate only in the United States, so the material human rights risks applicable to us relate to wage and hour issues, harassment in the workplace, and occupational and safety issues.

Our equal opportunity policies affect all employment practices including, but not limited to, recruitment, employment, assignments, training, compensation, benefits, promotions, transfers, layoffs, and termination. Employment decisions must be based solely on job-related experience or education requirements, an individual's qualifications, and the ability to perform the duties of the specific job

Our policies prohibit harassment in the workplace in any form or in any manner including, but not limited to, sexual harassment. We believe that all employees should enjoy a work environment that is free from discrimination, harassment, and intimidation. This applies to all our employees, applicants, vendors, contractors, visitors, or guests.

Our policies relating to Human Rights applies to not only equal opportunity, harassment and violence in the workplace, but also extends to other violations of human rights laws, including child labor, human trafficking.

Training regarding Human Rights issue and other ethical issues is part of our training programs and procedures. In addition to maintaining specific procedures associated with receiving and responding to reports of concerns regarding Human Rights issues, we maintain a confidential hotline where reports can be made anonymously, which is further summarized under Ethics and Compliance below.

### **Community Outreach**

We believe that being a good corporate citizen means investing in communities where our employees live and work. We regularly support community outreach activities. For example, following our relocation to our new corporate offices, we selected Children's Resource Foundation located near our new corporate headquarters as a charity of focus for our company.

## Vendor Management

It is our policy to ensure that subcontractor and vendor companies we use comply with applicable health, safety and environmental statutes, regulations and our policies, expectations, procedures and practices in fulfilling their contractual obligations. This is embodied in our Contractor Management Policy, which is part of our HSEMS, and is included as **Exhibit D** to this Sustainability Statement.

## Ethics and Compliance

We expect corporate, professional and personal responsibility from each of our employees as well as compliance with high ethical standards to achieve operational excellence. In addition to the corporate governance oversight provided by the Board of Directors and its committees, management observes and enforces our Code of Business Conduct and Ethics (“Code”) described on our website at <https://www.icdrilling.com/ethics.html>. Our Code provides employees with the tools to make consistent, ethical decisions and emphasizes the duty to report any concerns or violations.

In addition to our Code, we have and enforce a Code of Ethics for Principal Executive Officers and Senior Financial Officers, which is available on our website at [http://icdrilling.investorroom.com/code\\_of\\_conduct](http://icdrilling.investorroom.com/code_of_conduct).

We do not operate in foreign countries, and most of our products and services are purchased domestically from U.S.-based companies or U.S. branches and subsidiaries of foreign-based companies. Thus, we do not believe that violations of the Foreign Corrupt Practices Act are a significant risk for our company. However, we maintain ethics policies and training prohibiting the payment of bribes or kickbacks in any situations, including those violating the FCPA. Compliance with our policies and procedures is managed by our executive management team, with ultimate oversight on ethics and compliance issues provided by our Board of Directors.

We maintain a confidential hotline that is managed by the Chairman of the Audit Committee of our Board of Directors and certain members of our executive management team, which permits our employees and others to confidentiality and anonymously report suspected or known violations of our ethics and other corporate policies or applicable law. Our code of conduct prohibits retaliation for reporting good faith concerns relating to a violation or suspected violation of our corporate policies or applicable law.

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## **Sustainability Statement**

### **EXHIBIT A**

### **HEALTH, SAFETY**

**&**

### **ENVIRONMENTAL**

### **STATEMENT**

*(including table of contents for HSEMS)*

	<b>Health, Safety and Environment Manual</b>
	<b>Policies and Objectives</b>
	<b>HSE Policy Statement</b>

## Health, Safety and Environmental Policy Statement

We are committed to the Health and Safety of People, Environmental stewardship, and the protection of Company assets. The Health and Safety of People is our greatest responsibility.

Our Health, Safety, & Environment Management System (HSEMS) defines the Company expectations regarding HSE policies, procedures, and practices. These expectations will be communicated and responsibilities identified. We will honor our commitments and accept accountability accordingly.

The foundation of our HSEMS is the assessment and control of risk to People, the Environment, our Assets and our Customer's interests which provides direction regarding appropriate and effective decisions in everything we do. We will manage risk in the workplace the ICD Way:

### **Know, Understand, Do and Review:**

- To ensure personnel **Know** what to do, we will use the **STRIFE Planning Process** for all tasks.
- The **STAR Observation Process** will be used to **Understand** if we are following the plan, reinforce desired behaviors and continuously identify and eliminate or mitigate hazards in the work place.
- We will continue to **Do** what we planned unless a need to change the plan is identified. All personnel on ICD work locations have the responsibility, authority, and obligation to interrupt or shut down any unsafe act, condition or operation (commonly referred to as Stop Work Authority) with no fear of reprimand or negative repercussions. Changes to operating procedures, practices, design criteria, and equipment will receive an appropriate level of review and approval through the **Management of Change Process**.
- To ensure the continuous improvement of our systems and processes, we will **Review** improvement opportunities and take action accordingly. All incidents and near misses will be reported. The **Incident Management Process** defines the appropriate level of fact finding, assessment of contributing causes, and implementation of corrective actions accordingly.

The HSEMS is not intended to address every eventuality and we accept that the Company expectations are the minimum basis in achieving Performance Excellence. People will make the difference.



**J. Anthony Gallegos**  
Chief Executive Officer



**Philip Dalrymple**  
VP Operations



**F. Bruce Humphries**  
SVP Operations



**Travis G. Fitts Jr.**  
SVP HSE- HR

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# Health, Safety and Environment Manual

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**Sustainability Statement**

**EXHIBIT B**

**ENTERPRISE**

**ENVIRONMENTAL MANAGEMENT**

**POLICY**

*(Subsection 3.7 of HSEMS)*

	<b>Health, Safety and Environment Manual</b>
	<b>Standards and Procedures</b>
	<b>Environmental Management</b>

**POLICY**

It is the policy of ICD that operations be conducted in such a manner as to minimize any actions that may endanger or harm the environment.

**OBJECTIVE**

To define expectations regarding the prevention of pollution that could potentially be caused by ICD's operations.

**SCOPE**

This policy applies to all ICD rigs and yard locations.

**EXPECTATION**

- The Company and its employees will follow all state, federal, and other applicable regulatory standards to prevent pollution or environmental damage to the lands, water and air in which they work.
- Wastes will be minimized and properly disposed of and all rigs, yards and offices will use environmentally-friendly products where practical.
- ICD's rigs and yard locations will provide adequate containment for the storage of hydrocarbons and chemicals and will exercise control measures when transferring these substances.
- Equipment will be maintained to prevent excessive emissions. Emissions performance will be considered in selecting new or replacement equipment.

**PROCEDURE**

**Environmental Protection**

Rig specific Spill Prevention, Control and Countermeasure (SPCC) plans will be prepared as required to comply with local or contractual environmental legislation, regulations, and standards.

Prior to arriving at a new location, ICD management and the client will review all state, federal, and other applicable regulatory standards and:

- Confirm potential adverse environmental impacts have been considered and assessed appropriately,
- Confirm that the ICD HSEMS in conjunction with the client environmental efforts and responsibilities adequately address any potential adverse environmental impacts.

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	<b>Health, Safety and Environment Manual</b>
	<b>Standards and Procedures</b>
	<b>Environmental Management</b>

## Waste Management

The planning of waste management will be a fundamental part of all operations.

Where practical, ICD will buy products that reduce the generation of garbage and waste.

Waste on drilling locations will be segregated into one of two (2) waste types as follows:

- Domestic Waste (i.e. plastic containers, paper, etc. normally generated in and around the offices and living spaces on the drilling location)
- Maintenance Waste (i.e. oily rags and gloves, used oil & fuel filters, used oil, paint related products, etc. normally generated while maintaining the rig and equipment.) These types of waste will be separated in different containers.

Rig management will assess the following issues regarding the management of the above two (2) waste types:

- Collection
- Storage
- Processing
- Disposal

There will be no discharge of any waste or industrial by-product at the drilling location or anywhere other than a designated disposal facility.

Used oil will be stored in drums or tote tanks and sent to the proper facility for re-cycling or disposal.

## Containment and Handling of Hydrocarbons

All hydrocarbons and chemicals will be stored in suitable containers.

- A container must always be closed unless contents are being removed or added.
- Containers and the area(s) where they are stored must be inspected at least monthly for leaks and corrosion or other indications of potential container failure and replaced where necessary.
- Containers holding ignitable or reactive materials must be stored separately.

All aspects of containment and handling of hydrocarbons will be considered in the rig specific SPCC Plan.

The Rig Manager will monitor the following areas as a minimum:

- General drainage
- Drainage and discharges from mud areas
- Drainage from oil storage areas and around machinery
- Drainage and discharges from areas where sewage is generated or stored

All spills will be reported as per ICD's ***Incident Management*** requirements.

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	<b>Standards and Procedures</b>
	<b>Environmental Management</b>

**Emissions**

Efforts will be made to prevent excessive releases of emissions from rig equipment.

Maintenance procedures and schedules will be conducted in accordance with the equipment manufacturer recommendations to ensure that expected emissions performance is maintained.

Emission performance will be a consideration when replacing or purchasing new equipment.

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**Sustainability Statement**

**EXHIBIT C**

**ENTERPRISE**

**OCCUPATION HEALTH**

**POLICY STATEMENT**

*(Subsection 3.5 of HSEMS)*

	<b>Health, Safety and Environment Manual</b>
	<b>Standards and Procedures</b>
	<b>Occupational Health</b>

**POLICY**

It is the policy of ICD that potential occupational health hazards in the workplace be identified, associated risks assessed, and procedures defined to provide an appropriate level of control to eliminate or mitigate harm to personnel.

**OBJECTIVE**

To protect people from potentially harmful occupational health hazards.

**SCOPE**

This policy applies to all ICD rigs, offices and yard locations.

**EXPECTATION**

- The use or possession of illegal drugs, drug paraphernalia, unauthorized substances, firearms (in the possession of unlicensed individuals), or weapons at any office or work location of ICD is prohibited.
- All Company personnel, whose duties include providing medical attention and maintaining systems where pathogens may be present, will be made aware of the potential for blood borne and body fluid pathogen exposure, and associated precautions.
- Sanitation and hygiene standards for the accommodation and food service areas will be maintained at all ICD drilling locations.
- Respiratory Protection will be considered in ICD's operations and appropriate training and PPE will be provided and maintained at all ICD drilling locations.
- Personnel will be instructed in the hazards associated with Hydrogen Sulfide (H<sub>2</sub>S), the areas where an H<sub>2</sub>S potential exist and instructed in the proper safety procedures required to avoid its effects.
- Working hours, schedules and processes will be controlled in order to minimize employee fatigue.

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**Sustainability Statement**

**EXHIBIT D**

**ENTERPRISE**

**CONTRACTOR MANAGEMENT**

**POLICY**

*(Subsection 3.8 of HSEMS)*

	<b>Health, Safety and Environment Manual</b>
	<b>Standards and Procedures</b>
	<b>Contractor Management</b>

## **POLICY**

It is the policy of ICD to ensure that ICD subcontractor and vendor companies that will be performing services on ICD yard and rig locations comply with all applicable health, safety and environment (HSE) statutes, regulations and Company policies, expectations, procedures, and practices in fulfilling their contractual obligations.

## **OBJECTIVE**

To provide an appropriate level of control and coordination of ICD contractor and vendor operations on ICD yard and rig locations to ensure the potential hazards associated with these operations are eliminated or mitigated to an acceptable level.

## **SCOPE**

This policy applies to all ICD rigs and yard locations.

## **EXPECTATION**

Hazards and risks associated with contractor and procurement activities will be identified, managed and communicated to personnel.

## **PROCEDURE**

Potential ICD contractors that will be performing services on ICD yard and rig locations will be subjected to pre-qualification based on their HSE performance and HSE management system content as applicable.

A Master Service Agreement will be used to document the details of the relationship between ICD and contractors / subcontractors that will be performing services on ICD yard and rig locations.

The acceptable safety metrics (TRIR, LTIR, etc.) used as criteria for selecting contractors / subcontractors will be detailed in the Master Service Agreement. Potential contractors / subcontractors will meet or exceed these metrics.

Contractor / subcontractor personnel performing work on an ICD rig will complete an HSE Orientation upon arrival at the drilling location to ensure they are aware of the current operation and the associated hazards. They will also:

- Be included in pre-tour and pre-task meetings.
- Be included in the review of the **STRIPE Plan** for the task they will participate in.
- Participate in ICD's **STAR Observation Process**.
- Consult the Rig Manager should they have any questions or concerns regarding Health, Safety and Environment.

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	<b>Standards and Procedures</b>
	<b>Contractor Management</b>

ICD will conduct post-job safety performance reviews with contractors / subcontractors as necessary.

The appropriate person will inspect any 3<sup>rd</sup> party equipment that is brought to an ICD location. Based on the type or application of the equipment, the Rig Manager will determine if the Third Party Equipment checklist (Figure 3.8.1) will be completed. At a minimum any equipment installed or used on an ICD location that requires a connection to a power source will be inspected using the Third Party Equipment checklist.

3<sup>rd</sup> party trucking companies, drivers and trucks engaged in handling or moving ICD assets will be required to adhere to the expectations above whether contracted by ICD or our Clients.

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# Health, Safety and Environment Manual

## Standards and Procedures

### Contractor Management

	<b>Health, Safety and Environment Manual</b>
	<b>Standards and Procedures</b>
	<b>Contractor Management</b>
	<b>Third Party Equipment Checklist</b>

<b>Rig Number:</b>		<b>Date:</b>	
<b>Type of Equipment:</b>		<b>Equipment Owner:</b>	
<b>Name of Company that Requested Equipment:</b>			
<b>Electrical</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
Is the equipment to be located in a hazardous area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the equipment and any junction boxes explosion proof?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the equipment adequately grounded?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are the warning signs adequate for the equipment or hazardous operation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there a functioning energy (fuel, air, etc.) shut off switch or valve?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there any functional overload protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do power inputs/outputs have proper terminal connections?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is wiring free of improper splices & insulation & electrical integrity satisfactory?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Mechanical</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
Are all guards, shields and safety devices in place and functional?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there spark arrestors on the engine exhausts?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the equipment free from leaks (oil, fuel, acid, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are all hoses brackets and clamps properly secured?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are all belts and couplings in good condition?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the overall condition of the equipment acceptable?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>General</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
Are all lifting equipment and lifting points in good condition and rated properly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are any lifting gear components Chinese made?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the equipment marked with the correct gross weight?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there any damage to the equipment? (If yes, report it to the Rig Manager.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are all HP lines adequately snubbed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are pressure release safety devices present?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have pressure release safety devices been tested within the last year?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are spill control measures in place?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the equipment appear to be satisfactorily maintained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the equipment adequately secured?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>HSE</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
Is the lighting in the work area adequate for the operation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the equipment operator have adequate PPE for the operation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are proper operating procedures known by or available to the operator?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the equipment and operator comply with ICD HSE policies?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has a Risk Assessment been completed for installing the equipment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is SDS provided for any chemicals associated with this equipment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Give details below of any services (air, fuel, electricity, etc.) to be supplied or any additional comments:</b>			
<b>Operator/Installer Name</b>	<b>Operator/Installer Signature</b>	<b>Date</b>	
<i>(By signing above I testify that I have been trained to install, rig up and operate this equipment safely.)</i>			
<b>Title</b>	<b>Name</b>	<b>Signature</b>	<b>Date</b>
Rig Manager			
Client Rep.			
3 <sup>rd</sup> Party Rep.			

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Figure 3.8.1

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