



CORPORATE MAJOR ACCIDENT PREVENTION POLICY (CMAPP)

Background and Purpose

This document describes the structure and intent of the Capricorn Corporate Major Accident Prevention Policy (CMAPP), as required by Regulation 7 and Schedule 1 of the Offshore Installations (Offshore Safety Directive) (Safety Case etc.) Regulations 2015 (OSDR 2015). The Capricorn arrangements have been designed and structured to ensure Safety and Environmental Hazards with the potential to result in a Major Accident are managed in an integrated manner. The CMAPP commitments are delivered by the Corporate Responsibility Management System (CRMS).

A Major Accident, for the purposes of this CMAPP, is defined as:

- An event involving a fire, explosion, loss of well control or the release of a dangerous substance causing, or with a significant potential to cause, death or serious personal injury to persons on the installation or engaged in an activity on or in connection with it;
- An event involving major damage to the structure of the installation or plant affixed to it or any loss in the stability of the installation causing, or with a significant potential to cause, death or serious personal injury to persons on the installation or engaged in an activity on or in connection with it;
- The failure of life support systems for diving operations in connection with the installation, the detachment of a diving bell used for such operations or the trapping of a diver in a diving bell or other subsea chamber used for such operations;
- Any other event arising from a work activity involving death or serious personal injury to five or more persons on the installation or engaged in an activity on or in connection with it; or
- Major environmental incident resulting from any event described above

Application

This CMAPP applies to all Group activities worldwide, including the activities of subsidiary companies. The CMAPP applies to everyone who carries out work for or on behalf of, or provides services to Capricorn, including all Board members, officers, employees and contractors. All personnel are obliged to review the CMAPP as part of their induction and confirm that they have read, understood and agree to comply with it. Service providers are bound by the terms of the CMAPP through their contracts with Capricorn.

Safety Leadership and Culture

The Capricorn Board and Senior Leadership Team approve this CMAPP and are responsible for ensuring that it is suitable, implemented and operating as intended. The effectiveness of the CMAPP and the implementation and maintenance of effective health and safety and environmental management arrangements to deliver the CMAPP commitments are reviewed regularly as part of the corporate management review process. Capricorn recognises that HSE Leadership and the associated behaviour of the Board and senior managers is fundamental to the success of the business and the ongoing successful implementation of this CMAPP. The Board and senior managers are committed to promote, enhance and sustain a strong health and safety culture and implement measures for maintaining safety and environmental protection and control of major accident hazards as core corporate values. Additionally, they will be instrumental in:

- Delivering a process for continual improvement through periodic objective setting, auditing and performance review.
- Reviewing and updating our understanding of Major Accident Hazard (MAH) exposure including changes of key personnel and operational activities.
- Maximising opportunities for visible MAH Leadership in conversations, discussions and interactions with staff and contractors.
- Ensuring all personnel understand and follow the requirements of the CRMS in their respective areas.
- Promoting open lines of communication by working with elected Safety and Environmental Representatives and participating in wider industry tripartite consultations.
- Championing the development of best practices via proportionate, planned improvement initiatives.
- Promoting a whistle-blowing procedure among workers for instances when line reporting or other consultation is perceived as inappropriate.

Effective communication of the Capricorn Core Values (3R's) to all Capricorn stakeholders, including the workforce, is essential for building a strong identity and culture.

Supporting documentation:

Capricorn PLC 'Code of Ethics'

Capricorn PLC Culture Framework

- Capricorn Operating Standard OS-01 Commitment and Accountability
- Capricorn Operating Standard OS-02 Policies, Standards and Objectives

- Capricorn Operating Standard OS-04 Stakeholder Communication and Engagement

Capricorn Standard Operating Procedures

- Capricorn SOP S-01 General & Operational Safety
- Capricorn SOP E-01 General Environmental Protection
- Capricorn SOP P-01 General Corporate Social Responsibility

Command and Control

Capricorn has formal command and control systems to ensure the Board and senior managers have oversight and control of operations which may impact on the management of MAHs, for both routine and non-routine operations. Roles and responsibilities of employees involved in the management of major hazards have been identified.

The Capricorn Operating Standards outline our key processes so that staff and contractors deliver our projects safely and successfully throughout all phases. It also sets out the levels of accountability and responsibility assigned to key positions within Capricorn and differentiates the requirements for Capricorn -operated and Capricorn non-operated projects.

Capricorn operates a robust Command and Control strategy described in our Crisis & Emergency Response Team (CERT) Manual to cover any incident or emergency which may impact people, environment, assets or reputation which includes the potential realisation of Major Accident Hazards. It links with other project specific supporting documentation, which is available at Corporate or Operational level e.g. Business Continuity Plan, Oil Spill Contingency Plans/Oil Pollution Emergency Plans, Security Plan and Emergency Response Plans. The Manual defines the organisational arrangements, the communication lines and the escalation strategy to senior managers and the Board to ensure a fully resourced and effective response.

Supporting documentation:

Capricorn Operating Standards

Capricorn Crisis & Emergency Response Team (CERT) Manual

Capricorn Operating Standard OS-05 Crisis and Emergency Management

Capricorn PLC CRMS Standard Operating Procedures (CR SOPs)

- Capricorn SOP S-01 General and Operational Safety
- Capricorn SOP S-02 Specific Hazardous Operations
- Capricorn SOP S-03 Asset Integrity and Equipment Safety
- Capricorn SOP S-05 Crisis and Emergency Management
- Capricorn SOP S-05.1 Cairn Crisis and Emergency Team: Mobilisation and Duties Manual

Capricorn Well Engineering & Construction – Well Control Manual

Safety and Environmental Protection

Capricorn commits to comprehensively and systematically identifying all reasonably foreseeable major accident scenarios relating to all hazardous activities that may be carried out on any of our operations. The CRMS and Well Engineering and Construction Management System (WECMS) are in place to maintain safety and environmental protection standards. These systems ensure:

- Assessments of the risks of major accidents are robust and measures are implemented to prevent, control and mitigate these risks to as low as is reasonably practicable (ALARP).
- Detailed design and operating plans are developed.
- Operational risk assessments are completed in accordance with written procedures.
- Changes resulting from modification or deviation from current state of operations are fully assessed, approved or rejected and control mechanisms are applied.
- Reliability and integrity of all Safety and Environmentally Critical Elements (SECEs) is maintained and the accepted performance standards for each SECE will be assured by the regular testing of their design, construction and operation against those performance standards.
- The assurance of performance and protection standards receives on-going validation by senior management and, where required by independent verification or examination.

Supporting documentation:

Capricorn Operating Standard OS-06 Asset Design, Integrity and Contractor Management.

Capricorn PLC CRMS Standard Operating Procedures (CR SOPs):

- Capricorn SOP S-01 General and Operational Safety
- Capricorn SOP S-02 Specific Hazardous Operations
- Capricorn SOP S-03 Asset Integrity and Equipment Safety

Capricorn Energy PLC Well Engineering & Construction Standards:

- Project Delivery Process Standard
- Risk Management Standard
- Group Planning Design and Execution Practices
- Well Design and Well Barrier Standards
- Well Examination Standard
- Casing Design Standard
- Well Control Manual
- Rig Acceptance Criteria
- Management of Change
- Well Engineering Competency Standard

Competency

Capricorn is committed to ensuring personnel are competent to perform their assigned duties effectively, in line with this CMAPP and the Capricorn CRMS, Recruitment & Selection Process and WECMS. Capricorn places a significant focus on the competency of its staff and the contractors it employs. Personnel in roles whose actions or inactions can impact HSE performance, particularly those in roles responsible for safety and environmentally critical tasks, must be competent to perform their duties. Therefore, all safety and environmentally critical positions will have defined competencies and such competencies will be maintained and records held. The Contractor Selection Process is implemented to effectively select and manage contractors and confirm the competence of their personnel and suitability of their management systems.

Supporting documentation:

- Capricorn HR Recruitment & Selection Process
- Capricorn Performance Management Process
- Capricorn Well Engineering Competency Standard
- Capricorn Operating Standards
- Project Contracting and Procurement Strategy

Recognition and Reward

The Capricorn Performance Management Process is a key ongoing business process which assesses and understands the important behavioural attributes that underpin high performance. These behavioural attributes apply to Capricorn personnel as follows:

- Annual Group KPIs reflect Strategic Objectives incorporating Corporate Responsibility Objectives and regional and functional objectives and targets which are cascaded to departmental and individual objectives.
- The Capricorn Management Team provides support and direction to encourage and reward safe and environmentally-conscious behaviour

Capricorn and contracting personnel are encouraged to contribute suggestions and observations for initiatives and commitment to measures for the prevention of safety and environmental risks and control of major accident hazards; these are regularly reviewed for the best contributions and implemented where appropriate. Recognition is given to contractors and employees who consistently demonstrate delivery of their responsibilities in relation to MAH management and all personnel are encouraged and rewarded for reporting of accidents, near-misses or any undesired condition.

Supporting documentation:

- Capricorn Performance Management Process
- Capricorn PLC Culture Framework (CRMS)
- Capricorn Annual Group Key Performance Indicators (KPIs)
- Capricorn Corporate Responsibility Objectives (CRMS)
- Capricorn CAVA Scheme Policy (HR-10-RB-02)
- Project Specific Corporate Responsibility Plans

Evaluation of capability and auditing

Capricorn evaluate their capability through the Internal Controls & Assurance Framework. This Framework provides a formal approach to internal and independent assurance. The Framework includes arrangements to cover auditor competence, capture of audit findings, action tracking and reporting of findings to senior management. The assurance programmes are risk based with the frequency and level of auditing reflecting the projected level of MAH risk exposure. Programmes are biased towards MAH prevention and include Safety and Environmental system arrangements and technical and operational practices.

Audits and reviews conducted include:

- Annual reviews of the CMAPP and CRMS effectiveness and suitability.
- Interim reviews where operational experience, key performance indicators, or external industry influences suggest there is a potential to improve the management of MAHs.
- Monitoring and compliance assurance against relevant statutory provisions.
- Pre-execute readiness audits to ensure contractors are complying with their own management systems and Safety Cases before field operations commence; and
- Operational system audit conducted by Capricorn personnel as part of any project, including ongoing assessment of contractor management of MAHs.

Supporting documentation:

Capricorn Internal Control & Assurance Framework

Capricorn Standard Operating Procedures

- Capricorn Operating Standard OS-10 Assurance, Review and Improvement
- Project Delivery Process CMAPP Assurance Workbook
- Capricorn project audit plans

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