

HCML operating in Indonesia, performs its managerial and supporting activities in Jakarta, and conducts oil & gas offshore exploration and exploitation in the Contract Area of Madura Strait, East Java.

HCML affirms to all employees, contractors and the public that we execute activities comply with the prevailing HSSE applicable legal requirements and with other requirements. Therefore pollution prevention, energy conservation and prevention of injury and ill health and security of employees, contractors and the community as a whole will have equal priority and be integrated with other business activities.

We strive to steadily improve our HSSE performance through systematic management. Therefore, we commit ourselves to:

- 1. Improving our HSSE management system and carrying our "continual improvement "plan.
- 2. Internally promoting our HSSE management policy and providing HSSE management training to all employees so as to improve their HSSE management consciousness and technical skills to ensure the execution of their respective duties are in adherence to the HSSE Policy.
- 3. Providing our employees with a safe and secure workplace, including reliable equipment and facilities and personal protection equal to or exceeding the government's standards.
- 4. Conducting HSSE management inspection on newly built, upgraded and modified equipment. Periodically inspect and evaluate the HSSE management status of facilities and equipment in use.
- 5. Performing timely revisions to the emergency plan, establishing emergency supplies and equipment, and periodically organizing emergency exercises to minimize injuries, pollution and security incidents.
- 6. Conducting risk identification, hazard analysis and risk evaluation on each phase of operations from design to construction to operation, and integrating the results into any modification plans.
- 7. Achieving optimum health state of all personnel, protecting them from occupational health hazards including prevention and management of HIV/AIDS and illegal substance abuse.
- 8. Offering HSSE information to contractors and requesting them to establish HSSE management systems comply with industrial standard and provide ongoing training to their employees.
- 9. Maintaining friendly relationships with government agencies, local communities and the public, and cooperating closely with them on HSSE management so as to create a positive environment in the community where we operate.
- 10. Encouraging employees to participate in HSSE management activities and scientific research.
- 11. Keeping work sites clean to create a good environment for the health and safety of our employees.

13 February 2019

<u>Tilak Nithiyeswaran</u> HCML General Manager

## HCML

## **HSSE Philosophy**

The protection of health, safety, security and conservation of the environment, and sustainable development apart from being disciplined subject to legislation, constitutes an asset and an added value within our organization, both as a philosophy and as an awareness that they are an essential and integral part of our products and services and hence in the achievement of company objectives.

Therefore, HCML setting its HSSE Philosophy as follows;

- 1. Corporate culture and core competitiveness: We will improve our HSSE management by benchmarking our operations with those of international oil companies. We value our HSSE management system as a key component of our culture and competitive strength. HSSE performance is one of the foundations for the company's growth and development.
- 2. HSSE awareness: We will strive to proactively pursue HSSE excellence rather than reacting to the prevailing laws, regulations, industrial standards, and the applicable procedures.
- 3. Continual improvement: HSSE management is not a short-term project. It requires persistence and continual improvement. We believe "We can always do it better "
- 4. Value of employees: Employees are our most valuable resources and assets.
- 5. Assignment of the responsible: We are committed to integrate HSSE management into every operation and position by setting objectives and its implementation. The ultimate responsibility for HSE management lies with the management.
- 6. Systematic management and risk control: We shall develop systems for routine management of HSSE, promote the "5 Do Not Safety Security Rules", and manage risk to an acceptable level.
- 7. Management of contractors: Management and supervision of contractors are an important part of the HSSE management process to achieve Win-Win cooperation.
- 8. Endeavor to use clean and harmless materials, energy, and protect environment and natural resources.
- 9. Internal monitoring: Internal Audit is an important way to evaluate and supervise HSSE management.
- 10. Reflection of quality: HSSE management and its performance are a reflection of our comprehensive overall quality.
- 11. Economics and social responsibility in harmony: HSSE management is not only a matter of economics return, but also our commitment to social responsibility.

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<u>Tilak Nithiyeswaran</u> HCML General Manager