

 PT FREEPORT INDONESIA <small>Affiliate of Freeport-McMoRan Copper & Gold</small>	5.43	
	NOSA CMB 150 New	5.43
FRESH STANDARD	OHSAS 18001:2007	4.3.2; 4.4.2; 4.4.6
	Supersede	Std. 5.43 rev 01
	Revision No.	02
	Effective Date	18 August 2014
CONTRACTOR OCUPATIONAL HEALTH & SAFETY		
Approval:		
<i>EVP & General Manager/ Technical Mine Manager</i>	<i>VP, Occupational Health & Safety</i>	

1. PURPOSE

This standard is developed to keep minimum requirements of occupational health and safety (OH&S) that must be in place pertaining to the presence and the activity of a contractor(s) within PT Freeport Indonesia Contract of Work (COW) area.

2. SCOPE

- 2.1. This standard addresses the minimum requirements of occupational health and safety (OH&S) aspects that all contractor(s) of PTFI must comply with.
- 2.2. This standard applies to:
 - a. PTFI Organization Units, Partnership, Contractor Companies, and sub-Contractors who work at PTFI Contract of Work (COW) area.
 - b. Contractor's Employees and other individuals (including temporary employees and contractor personnel), contractor's visitors, or any other person(s) who work and/or are present in the workplace.

3. TERMS, DEFINITIONS AND ABBREVIATIONS

Terms, definitions and abbreviations that apply to this standard:

- 3.1. **Contractor** – A group or firm or a business unit who contracts a certain type of job(s) provided by PTFI Organization Unit/Partnership/Contractor Company (PTFI) and PTFI rely on that group or firm or the organization unit to execute the business with their own supervision and managerial functions.
- 3.2. **Sub-Contractor** – A group or firm or an organization unit who contracts a certain type of job(s) provided by a Contractor.
- 3.3. **Contract** - a binding agreement in writing between two or more persons or parties.
- 3.4. **Consultant** – Individual who contracts a certain type of job(s).
- 3.5. **Emergency Job** – Unplanned job that if not done will result in disruption in the company top priority operations and therefore requiring immediate actions.
- 3.6. **FRESH Management System** – an acronym from PT **F**reeport Indonesia **S**afety and **H**ealth is PTFI specific Occupational Health & Safety Management System that based on NOSA CMB150N Framework and OHSAS 18001.
- 3.7. **Mine Book** – the record book of prohibitions, orders, and directives of the Mine Inspector which must be kept by the Technical Mine Manager.

4. STANDARDS OF PERFORMANCE

- 4.1 Each contractor shall successfully pass an OH&S selection process prior to being considered for any contracts with any organization unit(s) of PTFI, partnership and

contractor companies who work at PTFI Contract of Work (COW) area, following PTFI Contractor OH&S Management System (CSMS).

See document of PTFI Contractor Occupational Health and Safety Management System (CSMS) No. CSMS-01-FI-120301c revision No. 02

- 4.2 PTFI shall specify in the contract how safety and health will be managed and monitored and what bearing OH&S requirements will have on cost.
- 4.3 In the case when a Contractor has a Sub-Contractor(s), the Contractor shall ensure that their Sub-Contractor(s) meet the requirements of PTFI FRESH Standards and GOI OH&S legislations, and shall implement PTFI CSMS.
- 4.4 At minimum, any Contractors/sub-contractors working at PTFI Contract of Work (COW) area shall ensure the following requirements are in place within their OH&S Program:
- a. Establish OH&S Programs for the OH&S of the project(s), equipment and employees, which are at least as stringent as PT Freeport Indonesia FRESH Management System.
 - b. Comply with relevant applicable GOI OH&S legislations and shall be responsible for following all recommended practices entered in the Mine Book by GOI Mine Inspector of the Ministry of Energy and Mineral Resources (MEMR).
 - c. Provide to PTFI the name(s) designated to be the Contact Person(s) while on PTFI premises.
 - (1) The designated Contact Person(s) shall be physically available on the workplace when a crew is performing their assigned job.
 - (2) Alternate of the designated Contact Person shall be appointed and be available at jobsite, should the designated Contact Person be off PTFI COW.
 - d. Assure that all Contractor's management personnel and employees are trained in the work practices necessary to safely perform their assigned tasks. Proper documentation of the training shall be kept updated.
- 4.5 In the case of an emergency job that need to be handled immediately by a Contractor/Sub-Contractor, PTFI Organization Unit Head has a right to hand over the job to a qualified Contractor/Sub-Contractor by implementing the following steps:
- a. Contact Head of PTFI Occupational Health and Safety by phone, email or other mean of communication for his/her approval first
 - b. Contractor Management Representative(s) and Area/Organization Unit OH&S Department Head shall hold a Pre-Job Meeting in all instances before commencing the job.
- 4.6 The extent of written program developed for contractors/sub-contractors depends on the OH&S requirements of particular job. The following items are some of the OH&S provisions that shall, if applicable, be included. The implementation of each program item shall refer to FRESH Standards.
- a. The contractor/sub-contractor shall have a written OH&S program document containing:
 - 1) Management policy statement. (*refer to FRESH Standard 5.01*)
 - 2) OH&S objectives and targets and a method of measuring the program's effectiveness. (*refer to FRESH Standard 5.05, 5.06, and 5.07*)
 - 3) OH&S responsibilities for managements, supervisors, OH&S representatives, and employees. (*refer to FRESH Standard 5.10*)
 - 4) Written procedures for work activities taking into account of OH&S aspects. (*refer to FRESH Standard 5.50.10*)

- 5) Hazard Communication program and designated Chemical Coordinator. (*refer to FRESH Standard 2.17 & 3.05*)
 - b. OH&S training that shall be attended prior to beginning work. (*Refer to FRESH Standard 5.30*).
 - c. Contractor/sub-contractor shall demonstrate employee's skills competencies for the skill or task the contractor is hired. Competencies can be demonstrated by showing valid licenses or certification documents. (*Refer to FRESH Standard 5.30*)
 - d. Contractor/sub-contractor shall establish periodic OH&S meetings to discuss relevant OH&S-related issues and concerns with their direct employees. Appropriate documentation for such meetings shall be kept. (*Refer to FRESH Standard 5.10.10*)
 - e. Contractor/sub-contractor shall conduct various OH&S inspections as per FRESH Standard requirements, and shortcomings shall be appropriately addressed. (*Refer to FRESH Standard 5.10.10 & 5.40*)
 - f. Contractor/sub-contractor employee shall undergo occupational medical examinations as determined by GOI OH&S legislations and PTFI FRESH Standards and other relevant guidelines. (*Refer to FRESH Standard 5.32.10*)
 - g. PPE that is provided for all contractor/sub-contractor employees shall meet criteria established by PTFI. (*Refer to FRESH Standard 2.40*)
 - h. Where risk assessment identifies potential occupational hygiene and/or ill health issues, the Contractor/Sub-Contractor shall implement program(s) to protect employees against that exposure. Contractor/sub-contractor shall refer to PTFI FRESH standards regarding the program(s) requirements. (*Refer to FRESH Standard 5.02 & 2.41*)
 - i. Any incident, including near-miss, property damage, ill health and personal injuries shall be reported immediately to PTFI Technical Mine Manager through PTFI Contractor Management and PTFI Occupational Health and Safety Division. (*Refer to FRESH Standard 4.11 & 4.12*)
- 4.7 Individual Consultant who works for certain job shall follow the applicable policy and FRESH Standard.
- 4.8 Documentation for Contractor/Sub-Contractor OH&S shall be retained for 6 (six) years except otherwise regulated by other FRESH Standard or Company Policy.

5. STANDARDS OF ACCOUNTABILITY

- 5.1. PTFI Technical Mine Manger
 - a. Ensure PTFI has its own FRESH Standard to regulate Contractor OH&S management system and review the standard at minimum every three (3) years or whenever there are major changes of significant OH&S risks to ensure that it remains relevant and appropriate to the organization.
 - b. Provide resources to adhere to the provisions of the contractor OH&S management system.
 - c. Ensure the standard is implemented throughout the PTFI Contract of Work (COW) area.
- 5.2. Head of PTFI Business Unit, Partnership and Contractor Company
 - a. Allocate resources for the effective implementation of contractor OH&S management system.
 - b. Ensure that respective prospective Contractor/Sub-Contractor has obtained Head of PTFI Occupational Health and Safety approval.
 - c. Prepare a Contractor scope of work, including:

- 1) Complete the contract/project OH&S risk assessment and on-going consultation with contractor and other parties involved regarding the results of the assessment and appropriate mitigation.
- 2) Specifications for technical and engineering requirements
- 3) List of suggested bidders.
- d. Ensure that PTFI FRESH Standards and GOI OH&S legislations are being complied with by Contractor(s).

5.3. Head of PTFI Contract Department

- a. Ensure the contractor included on the bidding list have successfully met the PTFI OH&S selection criteria.
- b. Ensure that prospective Contractor meets the minimum PTFI OH&S requirements prior to commencing work.
- c. Take any necessary corrective actions when a contractor fails to comply with PTFI FRESH Standards and GOI OH&S legislations.

5.4. Head of PTFI Occupational Health and Safety Division

- a. Provide OH&S advice to all PTFI Organization Units, Partnership and Contractor Companies to ensure that they meet their responsibilities and accountabilities for the implementation of this standard.
- b. In conjunction with Organization Unit, conduct a preliminary and on-going OH&S analysis to each Contractor's scope of work.
- c. In conjunction with Organization Unit, facilitate a Pre-Job Meeting with respective Contractor to ensure the Contractor meets the minimum PTFI OH&S requirements prior to the commencement of work.

5.5. Head of PTFI Assigned OHSE Training Services Provider

- a. Organize and facilitate OH&S Induction Training sessions for all contractor employees.
- b. Organize and facilitate other specific OH&S training and certification for the respective Contractor as required.
- c. Maintain relevant training documents and records.

5.6. Head of Contractor and Sub-Contractor

5.7. Once the contract has been Contractor and Sub-Contractor

- a. Once the contract has been awarded, the Contractor shall participate in the following:
 - 1) Pre-Job OH&S Checklist (See PTFI CSMS Manual) that shall be completed and approved by Head of PTFI Safety and Industrial Health.
 - 2) Pre-Job OH&S Meeting that shall be held and attended by Contractor Management and PTFI Occupational Health and Safety Division representatives, by using the Contractor Pre-Job Meeting Outlines (See PTFI CSMS Manual).
- b. Ensure compliance with all PTFI FRESH Standards and GOI OH&S legislations.
- c. Develop Standard Operating Procedures (SOP) specific for the job(s) being performed and utilize it as the work guidelines on day-to-day basis.

6. RELEVANT FRESH STANDARDS

- 6.1. Standard No. 5.01 – Management Policy Statement on Occupational Health and Safety
- 6.2. Standard No. 5.02 – SHE Risk and Impact Assessment

7. AUDITABLE DOCUMENTS AND RECORDS

The following updated auditable documents and records, at minimum, shall be made available:

No.	Type of Document/Record	Responsible Party	Retention
7.1.	Original document of this standard	PTFI Occupational Health and Safety Department	Superseded + 10 years
7.2.	Evidence of communication (socialization) of this standard to employees and other relevant parties.	PTFI Organization Unit, partnership and Contractor Company	3 years
7.3	Contract/Service Agreement and it's relevant documents and records	PTFI Contract Group	6 years from end contract date
7.4.	Contractor OH&S Program implementation, such as inspections, meetings, audits, etc.	Relevant Contractor and PTFI Organization Unit, partnership and Contractor Company	See relevant standard of each program
7.5.	Contractor employees' training relevant to the implementation of this standard.	PTFI Quality Management Services (QMS) Department.	7 years from employees retire date

8. REFERENCES

- 8.1. National Occupational Safety Association (NOSA), Republic of South Africa, CMB150 New Protocol – Element 5.43.
- 8.2. OHSAS 18001:2007 – Occupational Health and Safety Management Systems, Clauses 4.3.2; 4.4.2 and 4.4.6.
- 8.3. FCX Contractor Health and Safety Manual of January 2011, Second Revision.

9. AMENDMENTS

The following annotations describe the changes made to this Standard:

Revision No.	Date of Revision	Items Affected	
01	March 1, 2012	1	Addition of new terms in 3.4 and 3.4
		2	Addition of items 4.3, 4.4, 4.7 (e-i), 4.8 and 4.9 in Standards of Performance
		3	Addition of item 8.3 in the References
02	August 18, 2014	1	Addition of new term and definition: 3.6 FRESH MS, 3.7. Mine Book
		2	4.1 – add phrase “with any organization unit(s) of PTFI, partnership and contractor companies...”; add reference to PTFI CSMS Manual document
		3	Remove previous 4.2 due to its content incorporated into 4.1
		4	Move previous article 4.7. to 4.3. due to systematical structure of content

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		5	Add new article 4.4.c.(2), alternate of designated contact person
		6	4.5 – remove phrase “without obtaining Head of PTFI OH&S approval first, ...” and replace with 4.5.a. contact head of PTFI OH&S by any means for approval and 4.5.b Contractor management representative and area/OU OH&S shall hold pre-job meeting

10. ATTACHMENT

n/a

11. TRANSFER STIPULATION

- 11.1. This standard shall come into effect on the effective date.
- 11.2. All revised items (see part 9. Amendments) socialization and implementation shall take place no later than 3 (three) month after the effective date of this standard.

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