

# OCCUPATIONAL HEALTH AND SAFETY (OH&S) MANAGEMENT

## Introduction and Executive Management Expectation

From the Arctic Circle to tropical rainforests, our operations take us to some of the most remarkable corners of the earth. Our commitment is to ensure we identify the hazards and risks associated to occupational health and safety at all our worksite areas to set operational controls to avoid injury or incidents. We are committed to *responsibly* helping our customers meet the world's demand for oil and gas by providing competent and trained workforce, strong Occupational Health and Safety Management System and our innovative drilling equipment and technology.

Nabors executive management team has set occupational health and safety performance expectations that drive the company to continually improve. Progress on these initiatives is reviewed with the executive team on a monthly basis. Our Chief Administrative Officer ultimately oversees the company's occupational health and safety programs and provides quarterly updates.

## Occupational Health and Safety (OH&S) Statement (Policy)

Nabors is committed to provide safety and healthy working conditions for the prevention of work-related injury and ill health in our domestic and international operations for drilling, facilities, drilling solutions and manufacturing services provider and to provide help to our customers meet the world's demand for oil & gas to identify and to control OH&S risks and OH&S opportunities. OH&S policy extends to Nabors's suppliers and sub-contractors.

Our Occupational Health and Safety Management System provides a framework for setting the OH&S objectives, sets expectations for top management to fulfil legal requirements and other requirements and sets the methods to eliminate hazards and reduce OH&S risks. Nabors is committed to the continuous improvement of the OH&S Management System and is committed to include consultation and participation of our workers to improve the workplace.

## Occupational Health and Safety (OH&S) Management System Overview

As the preferred drilling contractor and services provider of choice, Nabors (Company) manages Occupational Health and Safety (OH&S) activities to ensure our internal, contractual, and regulatory requirements are met.

With safety as one of our core values, the Company is committed to:

- Develop and maintain an OH&S culture and incident-free operations based on our Mission Zero principles.
- Build a proactive working environment where employees feel empowered and obligated to stop any job where unsafe work behaviors or unsafe conditions are observed.
- Identify and assess to control, eliminate, or mitigate Occupational Health and Safety risks at our worksites.
- Practice honesty, integrity, transparency, and openness as the cornerstones for continual improvement.
- Comply with all regulatory, contractual, local, and legal requirements related to OH&S issues.
- Seek employee input, engagement, and full participation to encourage and foster an open, safe, and supportive work environment.

To meet these objectives, the Company has established a system for identifying, assessing, and mitigating risk called the Occupational Health and Safety Management System (OH&S MS).

The OH&S MS provides a framework for our domestic and worldwide operations to address aspects of the business that can impact occupational health and safety of our personal and process safety of our operations.

OH&S Manual establishes a continuous improvement process to guarantee implementation and effectiveness of the OH&S Management System.

OH&S Manual is aligned to our executive leadership expectations explained in Guiding Principles and Behaviors of Operations Excellence policy (HSE-POL-003) and Journey to Excellence policy (HSE-POL-004).

The OH&S MS approach applied in this document is founded on the concept of Plan-Do-Check-Act (PDCA).

The PDCA concept is an iterative process used by Nabors to achieve continual improvement. It can be applied to a management system and to each of its individual elements.

- Plan: determine and assess OH&S risks, OH&S opportunities and other risks and other opportunities, establish OH&S objectives and processes necessary to deliver results in accordance with the organization's OH&S policy.
- Do: implement the processes as planned.
- Check: monitor and measure activities and processes about the OH&S policy and OH&S objectives and report the results.

- Act: take actions to continually improve the OH&S performance to achieve the intended outcomes.

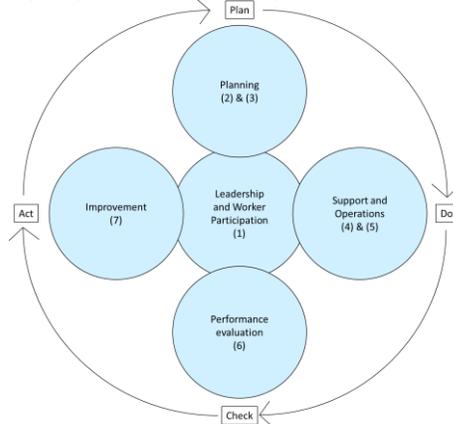


Figure 1 – PDCA (Plan-Do-Check-Act) Cycle applied to Nabors OH&S Management System.

Cycle (PDCA)	#	ISO Requirements	OH&S MS Elements
Plan	1	Leadership and Worker Participation	Management Commitment and Employee Engagement
			OH&S Policy
	2	Context of the Organization and Interested Parties	Organizational Roles, Responsibilities, and Authorities
Do	3	Planning	Consultation and Participation of Workers
			Management Analysis for External and Internal issues
			Hazard Identification and Assessment of Risk and Opportunities
	4	Support	OH&S Objectives
			Determination of legal requirements and other requirements
			Planning Action
5	Operations	Resources	
		Competence	
		Awareness	
Check	6	Performance Evaluation	Communication
			Document Control
			Eliminating Hazards and Reducing OH&S Risks
			Management of Change
Act	7	Improvement	EH&S Contractors
			Emergency Preparedness and Response

## Performance Metrics

Nabors has calculated Occupational Health and Safety performance metrics and Environmental performance metrics based on IADC Incident Statistic Program (International), OSHA Injury and Illness Recordkeeping and Reporting Requirements (Domestic), EPA Gas Emissions Factor, GHP Protocol/Scope 2 Guidance, Petroleum Industry Guidelines for Reporting Greenhouse Gas Emissions, IEA Emissions Factor and SASB Oil and Gas – Exploration and Production Sustainability Account Standard.

Occupational Health and Safety performance metrics list:

- Fatality Rate (FR) or Class I Rate (C1R)
- Lost Time Incident Rate (LTIR)
- Medical Treatment Only Rate (MTOR)
- Restricted Work Case Rate (RWCR)
- Total Recordable Incident Rate (TRIR)
- First Aid Case Rate (FACR)
- Total Hurt Rate (THR)
- Near Miss Rate (NMR)

Note: The data includes man-hours from Nabors employees.

Environmental performance metrics list:

- Environmental Spill Rate (ESR)
- Green-House Gas (GHG) Emissions per HSE-PRO-015 (Methodology for Emissions Calculation and Reporting).
- Non-Conformance Rate and Corrective Action Rate per QMS-PRO-020 (Non-Conformance, Corrective and Preventive Action – go to section 5.1.5.a.).