



HSER Contractor Management Standard

1. PURPOSE

The purpose of this Standard is to establish minimum requirements and expectations for health, safety and environmental (HSE) management of Contractors and Subcontractors.

2. SCOPE

This Standard applies to Contractors providing services at an Expand Energy Corporation (EXE) facility or workplace, and to EXE employees who support the Contractor throughout the Contractor HSE Management Lifecycle. This Standard does not apply to scopes of work that are determined during the Supplier Onboarding process to be outside Expand's operational control, nor does it apply to contingent workers or office-based consultants.

3. DEFINITIONS

Approved Supplier Report (ASR) – a list of EXE's suppliers and their approval status maintained by the Supplier Quality group

Business Critical Exemption (BCE) – a process to authorize use of a Contractor that does not meet EXE's requirements but provides services critical to EXE business

Contractor – a supplier holding a contract with EXE for the supply of services

Contractor Management System (CMS) – electronic system for maintaining Contractor data for safety and other department analysis

EXE Sponsor – an EXE employee or company representative submitting a request to onboard a Supplier

Improvement Plan (IP) – developed for Contractors that do not meet EXE's HSER performance expectations and are designed to promote continuous improvement

Industry Recognized HSE Orientation – EXE recognizes SafeLand, SafeGulf, RigPass or an equivalent orientation accredited by the Energy Training Council (ETC), Petroleum Education Council (PEC) or the International Association of Drilling Contractors (IADC)

Shall – denotes a minimum requirement to conform to the Standard. To aid the reader, "shall" requirements are identified in bold. Any deviation from a minimum requirement must be approved via the Standard Exception Form.

Should – denotes a recommendation, or that which is advised, but not required to conform to the Standard

Subcontractor – a company or individual hired by an approved EXE Contractor to provide services in support of, or on behalf of, the approved Contractor

Workplace – any site, property, equipment, facility, location, activity, or project that is owned, operated, leased, controlled, supervised or accessed by EXE. EXE sites include, but are not limited to construction, drilling, completion, production sites, compressor stations, easements, right-of-way, pipelines, gathering systems, storage facilities, meter stations, office buildings, warehouses and shops.

4. ROLES & RESPONSIBILITIES

4.1. HSER

- Maintain the Standard
- Train on the Standard
- Audit compliance with the Standard
- Maintain Contractor Management System (CMS) database of Contractor HSER performance
- Conduct periodic program review of the Contractor HSE Management Lifecycle

4.2. SUPPLIER QUALITY

- Maintain a process to track Contractor status changes on Approved Supplier Report (ASR)
- Assign evaluations to appropriate groups during supplier onboarding process
- Coordinate and communicate information needed to maintain the appropriate connections in the HSER CMS

4.3. EXE SPONSOR

- Act as main point-of-contact between EXE and Contractor during all phases of the Contractor HSE Management Lifecycle
- Ensure compliance with the expectations and requirements of this Standard

4.4. LEADERSHIP

- Comply with this Standard and implement as necessary within their area of responsibility

5. REQUIREMENTS

This Standard establishes minimum HSER requirements for:

- Approval of new Contractors

- Management of approved Contractors
- Management of Subcontractors
- Development of an Improvement Plan
- CMS enrollment
- Contractor engagement
- Contractor monitoring, orientation, and training as described in the Contractor HSE Management Lifecycle (Appendix B)

5.1 PHASE 1: PLANNING, SOURCING & AWARD

- Operational Control of the contract scope of work **shall** be determined and documented in Supplier Onboarding process (refer to Operational Control and Event Reporting Matrix in Incident Management and Reporting Standard)
- Evaluation process **shall** be based on the Supplier Risk Matrix and the specific scope(s) of work to be performed
- Utilize HSER Evaluation Criteria (Appendix A) to assess Contractor during Supplier Onboarding process
- Implement the Business Critical Exemption (BCE) Procedure for Contractors that have a D grade in CMS, and develop Improvement Plans (IPs) if necessary
- Identify if Contractor will be subcontracting work at any phase of the Contractor HSE Management Lifecycle and establish expectations for Subcontractors
- Communicate and verify understanding of the EXE HSE expectations included in the EXE Contract/MSA
- Establish CMS connection to monitor HSER performance and safety statistics
- Ensure HSE Field personnel is notified of newly onboarded Contractors

5.2 PHASE 2: PRE-MOBILIZATION

- Establish frequency of HSE Contractor Assessments based on identified risk(s) during Onboarding, prior experience with the Contractor and the Contractor's current performance, major changes in the Contractor's organization through reorganizations, mergers/acquisitions, etc., complexity of the contract, service or product
- Complete HSE Contractor Assessment to verify HSE programs are in place and check the competence of people, the condition of equipment, and the state of the workplace; store assessment documentation in recordkeeping system

- Action plans and corrective actions associated with findings and/or non-conformances **shall** be entered and tracked to closure in recordkeeping system
- Conduct expectation meetings prior to a new supplier conducting work
 - Topics should include, as appropriate:
 - Organization chart for planned scope of work
 - Review of major risk and associated controls
 - Lines of communication between Client and Contractor
 - Confirmation that roles and responsibilities have been clearly defined and understood
 - Any pending exceptions, clarifications and actions to be closed prior to mobilization
 - Event and incident reporting and investigation procedures
 - Process for reporting, tracking and closing out non-compliance/conformity
 - Interaction of Client's and Contractors' emergency response plans
 - Training records/requirements verification

5.3 PHASE 3: MOBILIZATION

- Ensure HSE expectations are communicated to all relevant parties (Client personnel, Contractor personnel, and Subcontractor personnel)
- Verify Industry Recognized HSE Orientation, EXE Contractor Orientation, and area-specific training (if appropriate) are completed prior to starting work at an EXE workplace
- Ensure EXE Contractor Handbook and Life Saving Rules have been reviewed by Contractors/Subcontractors prior to starting work at an EXE workplace

5.4 PHASE 4: EXECUTION

- Conduct field audits and on-site vendor engagements to verify Contractor is meeting performance expectations (i.e.: job safety analysis, Field Verification of Critical Controls (FVCC))
- Implement Contractor Safety Leadership Forums within asset/department to improve communication (includes leadership from EXE and Contractor organizations)
 - Size, scope and frequency of Contractor Forums are determined by EXE
 - Objectives of Contractor Forums should include communication of emerging issues and recent industry events, recognition of safe work and HSE

performance, Leadership engagement efforts, discussion of new or revised requirements and/or programs and sharing best practices

- Forums should include joint leadership field engagements or audits
- Evaluate Contractor HSE performance to monitor trends/KPIs based on audit findings, incident and FVCC data

5.5 PHASE 5: DEMOBILIZATION & POST-EVALUATION

- HSE expectations and requirements **shall** remain in place throughout the demobilization phase
- Evaluate Contractor HSE performance, including Lessons Learned, providing feedback for future knowledge and improvement

6. TRAINING

6.1. INDUSTRY RECOGNIZED HSE ORIENTATION

- Contractors must ensure their employees and Subcontractors have completed SafeLand, SafeGulf or RigPass Orientation prior to performing any drilling, completions, work on production facilities, or work on locations where they may be exposed to oil or gas, or associated byproduct
- Contractor employees must provide a valid SafeLand, SafeGulf, or RigPass card or other accepted form of verification upon request of any EXE representative

6.2. EXPAND CONTRACTOR ORIENTATION

- Contractors must ensure their employees and Subcontractors have completed EXE's Contractor Orientation (annually) prior to performing any services for EXE
 - Options for completing Orientation are:
 - Completion through CMS
 - EXE Suppliers webpage
 - Delivered by an EXE Representative utilizing the Field Safety Expectations contained in the EXE Contractor Handbook
- Ensure Orientation verification is available onsite to EXE representatives (i.e.: hard hat sticker, CMS verification card, or roster)

6.3. TRAINING FOR WORK PERFORMED

- Contractors **shall** ensure their employees and Subcontractors have completed all regulatory training applicable to their scope of work
- Equipment operators **shall** be trained and qualified to operate specialized equipment, such as forklifts, cranes, man-lifts etc.
- Contractors **shall** be able to provide proof of training to EXE representatives upon request

7. AUDIT REQUIREMENTS

Audits **shall** be periodically conducted by HSER in order to confirm compliance with this Standard.

8. STANDARD EXCEPTIONS

Requirements outlined in this Standard **shall** be followed, unless a Standard Exception is filed on behalf of, and with the approval of the Operations Manager. The Company's Standard Exception Form is to be utilized to properly document any exceptions.

9. REFERENCES

- EXE Supplier Risk Matrix
- EXE Business Critical Exemption (BCE) Procedure
- EXE Contractor Handbook
- EXE Incident Reporting and Management Standard
- API Standard 2220: Contractor Safety Performance
- API Recommended Practice 76: Contractor Safety Management for Oil and Gas Drilling and Production Operations
- IOGP Report 423: HSE Management – Guidelines for Working Together in a Contract Environment

10. APPENDICES

- Appendix A – HSER Evaluation Criteria
- Appendix B – Contractor HSE Management Lifecycle



HSER CONTRACTOR MANAGEMENT STANDARD

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Page 8 of 10

11. DOCUMENT CONTROL TABLE

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1.0	09/22/2025	Developed new standard for EXE.	Marcie Brown	OGB

APPENDIX A – HSER Evaluation Criteria

During the Supplier Onboarding process, Contractors are evaluated on safety performance components such as Total Recordable Incident Rate (TRIR), Serious Incident & Fatality (SIF) events, Insurance Certificate, Written HSE Programs, and Regulatory Citations.

A grade is assigned using the scale below. Contractors with a “D” grade in CMS will require a BCE.

Grade	Details	Low Range	High Range
A	Recommended to use this contractor	90	107
B	Acceptable to use this contractor	80	89.99
C	Approved but monitor onsite performance	70	79.99
D	Business Critical Exemption (BCE) required prior to using this contractor	50	69.99
Incomplete Profile	Incomplete documentation	-250	49.99

If a Contractor does not have a current CMS subscription, the following thresholds may be used to perform the HSER Evaluation*:

Total Recordable Incident Rate (TRIR) threshold: ≤ 1.50

Experience Modification Rate (EMR) threshold: ≤ 1.0

***For Supplier Onboarding purposes only.** A CMS subscription is required upon completion and ongoing evaluation will be monitored through CMS.

APPENDIX B – Contractor HSE Management Lifecycle

