

A nighttime photograph of an industrial site, likely an offshore oil rig or a large-scale construction project. The scene is illuminated by warm yellow lights, highlighting the complex metal structures, including cranes and scaffolding. The sky is a deep, dark blue. The overall atmosphere is one of active industrial work.

COSL Drilling Europe  
**QHSE Program**  
**2024**

**Safe**  
**Efficient**  
**Low-Carbon**

**COSL**

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# Message from the CEO / President

Dear COSL Drilling Europe Team,

We have had yet another exciting, hectic year behind us with good effort from all of you. Good overall performance by all the Rig Teams, the COSLPioneer, the COSLInnovator, the COSLPromoter and indeed mobilised the COSLProspector very successfully to its current location at Las Palmas before she moves to CCB Norway in the New Year.

Thanks to overall good delivery, we have now signed long-term contracts for all our 4 rigs. In 2024 the COSLPioneer and the COSLInnovator will be working in the UK for Ithaca Energy, CNOOC and Petrofac. The COSLProspector will commence late summer with Vår Energi in the Barents Sea while the COSLPromoter will continue throughout this year with Equinor on their FLX program and also drill 2 wells for Wellesley.

In 2024 we will do both the COSLInnovator and the COSLProspector 10-year surveys as well as mobilise the rigs for new clients, Petrofac and Vår Energi, so a lot of project work for the year.

The Energy Management System (EMS) still needs to be fully optimised, and we are working on refining our systems to reduce our emissions even further.

Onshore, our Technical Support and Maintenance Performance Teams will continue to improve, simplify and optimise our bowties, performance standards, barrier control and maintenance system, taking full advantage of rig design and our EMS.

In 2024 we will continue our efforts on Operational Performance, with high focus on improving the use and benefits of Automatic Drilling Controls (ADC) on COSLPromoter. ADC upgrades have been ordered for the other 3 rigs and will be implemented in 2024-2025.

We also continue refining our onboarding and training systems for it to be truly value added.

On the QHSE-side, we will pursue an ISO 27001 certification this year. This is to have highest possible control and accreditation of our Cyber Security systems. We will also obtain the Norwegian Ocean Industry Authority' Acknowledgement of Compliance (AoC) for the COSLProspector to work on the Norwegian Continental Shelf.

Going forward there will be many opportunities and we will be working towards expanding our business, especially in the UK.

In 2023 we unfortunately experienced a lost time injury and other incidents and NPT that should and could have been avoided. It is of utmost importance that we all step up and are fully focused on what we do. We live our core values, take the time to plan all activities, and perform Time-Out-for-Safety (TOFS) frequently. Look to our updated Quality, Health, Safety & Environment (QHSE) Policy. If we strictly adhere to this policy, we will not have any incidents or unwanted events. I expect our leaders throughout the ranks to take special responsibility not allowing incidents to happen and indeed each one of you to have 100% Compliance to 100% of our Policies & Procedures 100% of the time! With many new employees and an increase in our rig-fleet, strict adherence to our Company Management System (CMS) is paramount. When in doubt, always ask!

Finally, I wish you all a very successful 2024, where nobody gets hurt, and we continue delivering excellence the COSL-way: Safe, Efficient & Low Carbon!

Take good care and see you soon.

Frank Tollefsen  
CEO / President





# CDE QHSE Policy



## Quality, Health, Safety & Environment (QHSE) Policy

COSL Drilling Europe delivers world class low carbon offshore drilling services to our customers, by working in accordance with our core values; Honesty, Motivation and Cooperation.

Our main goal is to achieve:

### ***No damage to personnel, the environment or asset***

All personnel are expected to be pro-active and use the RISK Card, meaning:

- Plan all activities to understand the task and hazards, identify requirements and manage risk
- Perform any activity in accordance with the plan, stop and perform a “time-out-for-safety” (TOFS) if there are changes, evaluate and gain control of the changes in risk before deciding whether it is safe to continue
- Complete the activities, evaluate the work performance and identify areas of improvement
- Register experience transfer to ensure continuous improvement

We:

- take the necessary time to plan and perform all work safely in compliance with CDE Management System (CMS)
- have clear, visible and pro-active leadership through active engagement in planning and execution of all activities, with involvement of relevant parties
- exercise our Stop Work Authority and Duty and perform a TOFS to correct hazardous situations
- commit to reducing our environmental impact through optimized usage of the CDE Energy Management System (EMS) and safeguarding the environment against pollution
- further develop our employees’ competence and facilitate active participation and consultation
- cooperate with our clients, the authorities and other contractors to reduce risk and continuously improve QHSE performance
- acknowledge that non-conformities and incidents may happen and commit ourselves to learn and improve

A handwritten signature in blue ink, appearing to read "Frank Tollefsen".

Frank Tollefsen

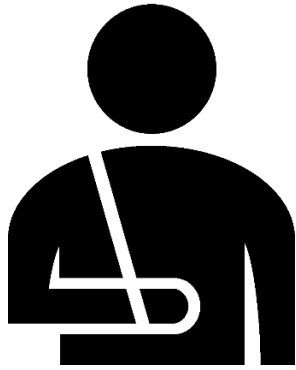
Sandnes 02.01.2024.

CEO / President, COSL Drilling Europe AS

## Focus areas

CDE carries forward the efforts to reach our ultimate goal of No Incidents, thereby achieving no personnel injuries, no well control incidents, no dropped objects, no uncontrolled discharges to environment and no security breaches.

With this we strive to ensure that we adapt to changes and manage our activities in a safe and effective manner.



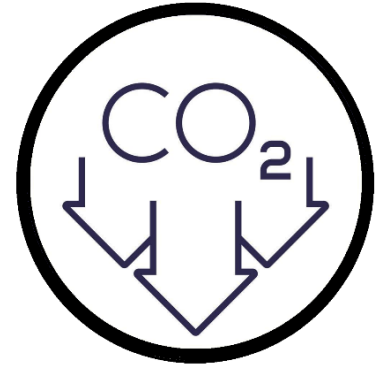
### Safe

- ⊘ No injuries to personnel
- ⊘ No well control incidents
- ⊘ No dropped objects
- ⊘ No uncontrolled discharges
- ⊘ No security breaches



### Efficient

- 👍 Plan ahead, be in front
- 👍 Doing things right the first time
- 👍 Time management
- 👍 Manage by objectives



### Low Carbon

- \$ Energy efficiency
- \$ ESG Initiatives
- \$ Supply chain optimisation
- \$ Strategic relationships

We will continue building on our experiences and update our processes to clearly define a system which is reasonable and valuable for the offshore workers. We are depending on all employees to involve themselves and contribute to build a solid company culture and ensure that CDE maintains our position as one of the preferred suppliers of Drilling services.



# Objectives and Targets

CDE has established reporting and monitoring processes covering our objectives and targets for the following aspects:

## ❖ Quality

*Focusing on managing our quality systems, processes and compliance with applicable requirements. Customer focus. Implementation and follow-up of assurance activities.*

## ❖ Occupational Health & Safety

*Monitoring and follow-up of OH&S performance. Assurance through measurements, studies and analysis. Implementation of measures.*

## ❖ Environment

*Reduction of environmental impact through implementation of technical, organisational and operational measures. Collaboration with our customers and sub-contractors. Measure performance towards established sustainability targets.*

## ❖ Energy

*Energy review towards established base line. Training and system understanding. Implementation of measures to increase energy efficiency.*

## ❖ Operational Performance

*Measuring operational performance. Timely sharing of performance data. Capturing operational learnings for experience transfer. Implementation of efficiency and consistency measures.*

## ❖ Supply Chain

*Implementation of smart logistical solutions to reduce carbon footprint. Supplier follow-up, collaboration and assurance activities.*

## ❖ Finance

*Follow-up and reporting. Development of processes and implementation of assurance activities. Budget follow-up and Cost control.*

## ❖ Training & Competence

*Management and monitoring of training and competence status. Development of internal training & competence processes.*

Specific reporting and monitoring processes are applied to analyse our ability to reach our objectives and targets.

For further information regarding specific objectives & targets reference is given to CDE Objectives and Targets in Synergi Life.

# Key Performance Indicators

CDE recognises that using KPI's allows Management to make judgement on areas of concern and allocate appropriate resources.

The KPIs are measured and analysed monthly. In case the limits are exceeded, or a trend is forming in the wrong direction, necessary actions will be identified and carried out to stop development of bad performance.

Each rig/ project may establish specific KPI's in addition to the Company specific KPI's.

Lagging indicators/ Reactive KPI's	Goal	
Serious Incident Frequency (SIF)	0	
Lost Time Injury Frequency Rate (LTIFR)	0	
Uncontrolled Environmental Discharges (reportable)	0	
Dropped Objects (> 40 Joule, reportable)	0	
Onshore Sick leave (COSL Employees)	< 3%	
Offshore Sick leave (COSL Employees)	< 5%	
Personnel turnover (COSL Employees)	< 8%	
Operational Up-Time Drilling Units	> 97%	
Average fuel consumption during normal operations (average in tons/ day)	DP	Posmoor
	< 20	< 14

Leading indicators/ Proactive KPI's	Goal
Number of Safety Observations reported per month/ unit	≥ 1000
Number of Proactive PDO Inspections/ Checks pr. Month	≥ 300
Number of Safety Talks per month per unit	≥ 300
Number of senior management visits offshore per Unit per year	> 3
Number of onshore rig management visits offshore per Unit per year	> 12

*KPI Definitions can be found in L1-HSE-20501 HSE Management Manual*





# Management System Certifications

CDE has chosen to certify our Company Management System (CMS) in accordance with the following ISO standards.



## ISO 9001 Quality Management

*applies a number of quality management principles to enhance our ability to consistently deliver products and services that meet customer, as well as statutory and regulatory demands*



## ISO 14001 Environmental Management

*provides a framework to proactively identify and understand the environmental aspects of our activities, products and services and associated environmental impacts, and deliver environmental performance improvements in line with our objectives and policy commitments*



## ISO 45001 Occupational Health & Safety

*provides a framework for identification of hazards and assess occupational health and safety risks related to our activities and services, determine the necessary controls and set clear objectives and targets for improvement of our OH&S performance*



## ISO 50001 Energy Management

*provides a framework for reducing environmental impact, including greenhouse gas emissions without affecting operations, by improving energy performance, including energy efficiency, use and energy consumption*



ISO 9001 • ISO 14001  
ISO 45001 • ISO 50001

# CDE Safety Standard

CDEs Safety Standard is one of our main tools established to aid us in reaching our ultimate goal of no damage or harm to personnel, environment and asset.

The Safety Standard is based on industry best practice and consist of one-pagers explaining the process, requirements and safeguards involved in different work activities. We are not introducing additional requirements in the Safety Standard as it is referring to already existing requirements within our Company Management System (CMS). Revision 3 of the Safety Standard will be published first half 2024.



3 - Daily risk management  
CDE Safety Standard

4 – Job Safety Preparation  
CDE Safety Standard

5 - Housekeeping  
CDE Safety Standard

6 - Well Control  
CDE Safety Standard

7 – Sea Fastening  
CDE Safety Standard

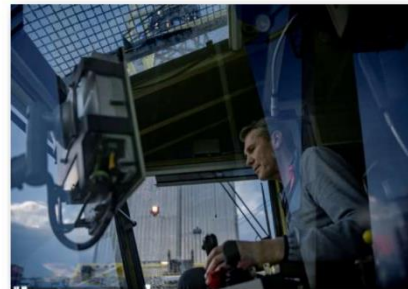
8 - Prevention of Dropped Objects  
CDE Safety Standard

10 – Red zone on drill floor  
CDE Safety standard

11 - Lifting and pipe handling operations  
CDE Safety standard

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- 11.1 Operational roles and responsibilities
- 11.2 Administrative roles and responsibilities
- 11.3 Procedures, planning and preparation of non-routine lifts
- 11.4 Perform lifting operations
- 11.5 Communication
- 11.6 Requirements for cordons/ barriers
- 11.7 Storing/ control/ use
- 11.8 Storage and usage of soft slings
- 11.9 Split pin
- 11.10 User inspection of load containers - valid for NCS only
- 11.11 Special designed lifting appliances (SDLA) - valid for NCS only



# CDE Digital

The CDE digitalisation project covers a range of modernisation and improvement initiatives within the following three main groups:

1. **Central Maintenance Center (CMC)**
2. **Drilling Performance Excellence**
3. **Energy Management System (EMS)**

The main purpose of these improvement initiatives is to improve safety and performance in all our operations. This is achieved by providing better tools and overviews, and making work tasks more efficient. The goal is to have a true “Value Added” approach in everything we do.

## *Central Maintenance Center*

Through our Central Maintenance Center (CMC) we are digitalising our maintenance system by utilising new technology and on-line monitoring. The main goal is to improve the quality of our maintenance processes and put our efforts on maintenance which adds value.

A team has been established to develop this together with CDE offshore and onshore personnel, and highly qualified subcontractors. In short we will be improving our routines based on condition and indeed if equipment is used (away from calendar based), and to simplify the system and administration of it.



## **CENTRAL MAINTENANCE CENTER**

- **DIGITALIZATION, AUTONOMOUS MAINTENANCE**
- **INTEGRATED OPERATIONS**
- **CONDITION BASED**
- **REMOTE CONTROL & DIAGNOSTIC'S**
- **COSL ENERGY MANAGEMENT SYSTEM**

**COSL**

## *Drilling Performance Excellence*

We are working on several initiatives including;

- ❖ performance monitoring and experience transfer
- ❖ fully remote operations using Automatic Drilling Control
- ❖ Dynamic WSOG and Riser Monitoring System
- ❖ Digitalising DOP and procedures

We have installed or ordered ADC upgrades for all 4 drilling units in our portfolio.



# Energy Management

CDE are committed to provide low carbon drilling solutions that are sustainable and efficient for our clients in the North Sea. Our CDE Energy Management System (EMS) enables us to reduce our environmental impact by running less machinery and utilities, lowering our fuel consumption, and minimising our carbon emissions.

CDE has gained acknowledgment for exceptional performance on energy management within our industry. We currently have the lowest (=best) carbon emissions from drilling rig operations compared to anyone else. This claim holds true even when considering scope 1, 2, and 3 emissions, encompassing both direct and indirect emissions. When evaluating the total picture of carbon output per day or per meter drilled, CDE remains unmatched by any competitor.

For the EMS, we are constantly improving and optimising the system. We need all units to make the most of the system and to fully engage in the CDE Energy Management Program and initiatives throughout. We also welcome any suggestions from our units on how to enhance the EMS and reduce our energy consumption and carbon emissions further.

We are collaborating with our clients and key suppliers to explore ways to further reduce emissions. Currently, we are evaluating SCR machinery, Energy Storage Systems, as well as alternative fuels. In the future, we will be able to offer Net Zero drilling operations with our units!



## Personal responsibility

All employees, and personnel working with COSL, have an individual and collective responsibility for QHSE performance in their respective jobs. In addition to taking care of ourselves, we need to take care of each other.

We all have a responsibility to react to unsafe behaviour. If any of us observe unsafe behaviour we are obliged to stop, TOFS, and provide guidance to the person in question. We must also remember to give positive feedback when we observe safe behaviour, as this will reinforce a positive HSE culture.

## Our Core Values

The success of COSL Drilling Europe depends on the abilities and the best efforts of all employees. We shall be known for involving all employees and for promoting honesty, motivation and cooperation throughout the organisation.

### Honesty

Honesty creates security and confidence.

Honesty and openness among workers creates good relations.

No hidden agenda, saying what we think - and we mean it.

### Motivation

Motivation creates satisfaction and growth.

Motivation makes us thrive.

Motivation is the soil in which our ideas grow. When our ideas grow, our dreams come true.

Motivation is our motive force.

### Co-operation

Co-operation creates results.

Co-operation creates an organisation of winners, pride and determination.

When we co-operate, you will develop - and so will we.



## Office Locations and Contact information

### **COSL Drilling Europe AS (CDE)**

Vestre Svanholmen 4, 4313 Sandnes

P.O. Box 34, 4064 Stavanger

Telephone: +47 51 95 09 00

Email: [post@cosl.no](mailto:post@cosl.no)

[www.cosl.no](http://www.cosl.no)

### **COSL Drilling Europe AS – UK Office (Aberdeen)**

iQ Building, 15 Justice Mill Lane

Aberdeen, AB11 6EQ

### **Company Head Quarters**

#### **China Oilfield Services Limited**

P.O. Box 232

Beijing 101149

People's Republic of China

[www.cosl.com.cn](http://www.cosl.com.cn)



**COSL Drilling Europe operates  
low-carbon rigs for the future**

**COSL**