

**BG Group Standard**  
**Contractor Personnel**  
**BG-ST-HR-RES-002**



## Document and Version Control

Version	Author	Issue Date	Revision Detail
1.0	Contractor Policy & Engagement Manager	01 July 2011	First version of the Contractor Personnel Standard replacing the BG Temporary (including Contracting Personnel) Policy Document.
1.1	Internal Controls Manager (Jenny Burden)	20 February 2012	Change to unclassified
1.2	Internal Controls Manager (Jenny Burden)	01 March 2013	Section 4 changed to include standard applicability wording.
1.3	Contractor Policy & Engagement Manager (Paul Marsh)	07 August 2014	Minor updates to reflect changes to roles within the HR Function and the introduction of HR Direct.

*If you are reading a hard copy of this Standard, you should consider it out of date and refer instead to the version currently on the Portal.*

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## **1.0 Executive Summary**

- 1.1. Contractor Personnel are all individuals who work at or with BG Group, as our agent, on our behalf or in our name, but who are not BG Group employees.
- 1.2. BG Group has significant spend on Contractor Personnel which reflects the Group's strategy to have a flexible element to its specialist workforce in order to fulfil its business plan and commitments. To deliver this strategy effectively, the key controls set out in this Standard and accompanying Local Arrangement must be complied with.
- 1.3. This Standard is linked to the Human Resources Policy.
- 1.4. Any questions or concerns about the operation of this Standard should be referred in the first instance to the Contractor Policy & Engagement Manager (Human Resources).

## 2.0 Ownership

**Owning Function:** Global Human Resources  
**Standard owner:** General Manager, HR Business Delivery  
**Expert advisor:** Contractor Policy & Engagement Manager  
**Dispensation:** General Manager, HR Business Delivery

## 3.0 Objectives

- 3.1. This Standard sets out the key controls to be applied in BG Group Assets and BG Group managed Assets worldwide when engaging and managing Contractor Personnel.
- 3.2. The key controls set out in this Standard relate to:
- Roles and responsibilities for general Contractor Personnel management
  - HSSE requirements
  - Ethical conduct requirements
  - A framework for Local Arrangements for screening of Contractor Personnel
  - A framework for Local Arrangements for a mandatory end to end process for engagement and management of **Category 1** and **Category 2** Contractor Personnel (defined in paragraph 4.2.3 below).

## 4.0 Scope and application

### 4.1 Application

This is an Activity Specific Standard.

Application of an Activity Specific Standard is mandatory for all BG Group employees, consultants and other personnel working in controlled<sup>1</sup> Assets and offices when undertaking the activities described.

In non-controlled Assets the Standard shall be used as a means for benchmarking by the overseeing Asset. Where high-risk deficiencies are identified they shall be escalated through Asset and Functional lines.

For BG Group employees, breach of this Standard may result in disciplinary action, up to and including dismissal. Breach of this Standard by any individual who is not a BG Group employee may result in other appropriate action being taken in relation to the individual and/or the business which supplies services to BG Group, including termination of the relevant contract(s).

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<sup>1</sup> Refer to [Internal Control Framework - Integrity Standard](#) for the definition of controlled and non-controlled Joint Ventures.

This Standard is not contractual. BG Group reserves the right to amend, suspend or terminate this Standard.

## 4.2 Application to different types of Contractor Personnel

- 4.2.1 **“Contractor Personnel”** are all individuals who work at or with BG Group, as our agent, on our behalf or in our name, but who are not BG Group employees. Examples of Contractor Personnel include: agency workers, consultants, secondees from non-BG Group organisations, freelancers, individuals provided to BG Group by outsourced service providers and Category 1, 2 and 3 contractors (see below for the definition of these categories).
- 4.2.2 Contractor Personnel are supplied to BG Group by a range of businesses and organisations, including agencies (employment businesses), payrolling organisations, consultancies and outsourced services providers. These businesses and organisations are referred to in this Standard as **“Supplying Organisations”**.
- 4.2.3 For organisational purposes, BG Group recognises three categories of Contractor Personnel as follows. These categories align to the type of role the Contractor Personnel perform and do not relate to the organisation which supplies them.

**Contractor Category 1** – Contractor Personnel filling a substantive and budgeted BG Group position for greater than 1 month duration. The details of these Contractor Personnel are to be held in HR Direct. The costs of engaging the Contractor Personnel as well as the headcount are included in the headcount budget and planning process. BG Group is involved in the selection process of the individual.

**Contractor Category 2** – Project: Contractor Personnel that BG Group engages to deliver a defined scope of work which would typically be for a period of less than one year. The details of these Contractor Personnel are to be held in HR Direct. These Contractor Personnel are included in the headcount budget and planning process. BG Group is involved in the selection process of the individual.

**Contractor Category 3** – Outsourced: Contractor Personnel engaged as part of an outsourced service contract. These Contractor Personnel are not to be included in the headcount budget and planning process. BG Group is generally not involved in the selection process of the individual.

## 5.0 Links to other controls

<b>Governing Policies:</b>	Human Resources Ethical Conduct Speak Up (Duty to Report) HSSE
<b>Complimentary and linked Standards:</b>	Incident Reporting, Investigation & Analysis BG-ST-HSSE-EFF-001 HSSE Contractor Management BG-ST-HSSE-EFF-008 Management of Competence Assurance BG-ST-OPS-OPS-002 Anti-Corruption BG-ST-LEG-ECCU-001 Conflicts of Interest BG-ST-LEG-ECCU-002 Gifts and Hospitality BG-ST-LEG-ECCU-005 Hosting of Public Officials BG-ST-LEG-ECCU-006 Political Donations BG-ST-LEG-ECCU-007 Engagement of Persons Connected to Public Officials BG-ST-LEG-ECCU-004 Ethical Conduct Due Diligence BG-ST-LEG-ECCU-003
<b>Supporting Guidelines:</b>	
<b>Other Supporting Documents:</b>	Contractor Personnel Local Arrangement

## 6.0 Roles and responsibilities

### 6.1 Human Resources (HR)

- i) Standard ownership.
- ii) Part of the authorisation chain for all Contractor Personnel recruitment.
- iii) Provide expertise, advice and support across all stages of the Category 1 and 2 Contractor Personnel engagement and management process.
- iv) Ensure compliance by Line Managers with this Standard, the applicable Local Arrangement and associated process and systems for each new member of Category 1 and 2 Contractor Personnel engaged.
- v) HR Resourcing Manager must ensure C&P is provided with the information required to raise (and amend where necessary) Purchase Orders for all Referred and Direct Model sourced Category 1 and 2 Contractor Personnel.
- vi) HR Resourcing Manager is responsible for ensuring that all Category 1 and 2 Contractor Personnel are subject to appropriate screening in accordance with the applicable Local Arrangement.
- vii) HR Resourcing Manager must assist Contract Owners with Supplying Organisation management (with support from C&P), including conducting Supplying Organisation performance reviews.
- viii) Utilise the Recruitment Management System (RMS) for all Category 1 and 2 Contractor Personnel engagement, extension and closure activities, in accordance with the applicable Local Arrangement.
- ix) Inform C&P of any proposed changes to a member of Category 1 or 2 Contractor Personnel's scope of work.

### 6.2 Contracts & Procurement (C&P)

- i) Supply chain development and contractual arrangements with Supplying Organisations, with specific responsibility for negotiating contract terms and Supplying Organisation mark ups.
- ii) Provide fee rate benchmarking information to the HR Resourcing Manager.
- iii) Support the HR Resourcing Manager to audit compliance with the screening requirements set out in the applicable Local Arrangement.
- iv) Support Contract Owners in the delivery of Supplying Organisation management, including conducting Supplying Organisation performance reviews.
- v) Raise Purchase Orders and issue amendments to Purchase Orders where changes to a member of Contractor Personnel's scope of work have been approved.
- vi) Ensure compliance with this Standard via the Purchase to Pay (P2P) authorisation process.



- vii) Ensure that all agreements with Supplying Organisations contain: (a) a requirement for all Contractor Personnel supplied by the Supplying Organisation or its subcontractors of any tier, to be subject to screening checks which are consistent with the requirements set out in the applicable Local Arrangement; and (b) for the Company to have the right to audit the Supplying Organisation's compliance with the screening requirements.

### **6.3 BG Group Line Manager**

- i) Ensure each new member of Contractor Personnel under their control completes the required induction programme, including training in relation to BG Group Business Principles, HSSE and Ethical Conduct Policies and Standards (refer to paragraph 7.2.1 and 8.2.1 below).
- ii) Utilise the RMS for all Category 1 and 2 Contractor Personnel engagement, extension and closure activities in accordance with the applicable Local Arrangement.
- iii) Ensure the required authorisation is obtained prior to any Category 1 and 2 Contractor Personnel commencing work at or with BG Group in accordance with the applicable Local Arrangement.
- iv) Dedicate a sufficient amount of time to conduct and complete the Category 1 and 2 contractor engagement process in accordance with the applicable Local Arrangement.
- v) Work with C&P and HR during all fee rate discussions to ensure appropriate value for BG from the engagement each member of Category 1 and 2 Contractor Personnel.
- vi) Provide C&P with the information required to raise (and amend where necessary) Purchase Orders for all Preferred Supplier List sourced Category 1 and 2 Contractor Personnel.
- vii) Work with HR across the full end to end process for each member of Category 1 and 2 Contractor Personnel under their control.
- viii) Agree any changes to a member of Category 1 and 2 Contractor Personnel's scope of work with the HR Resourcing Manager before any change comes into effect.
- ix) Completing all required closure activities on termination or expiry of each member of Category 1 and 2 Contractor Personnel's engagement in accordance with the applicable Local Arrangement.

## **7.0 HSSE**

### **7.1 HSSE compliance**

- 7.1.1 Safety is BG Group's highest priority. BG Group believes that all incidents are preventable and has a goal of zero injuries across all of its operations. In order to achieve this, a zero tolerance approach must be adopted for those people who do not stick to the basic rules.

- 7.1.2 All employees and all Contractor Personnel have a duty to work safely and manage risk through increased compliance, being alert and mindful through observation, and by making a difference by intervening if they see anyone acting in an unsafe way.
- 7.1.3 Management of Supplying Organisations and Contractor Personnel is recognised as an essential part of good safety management. BG Group seeks to ensure that its Supplying Organisations and Contractor Personnel understand and apply BG Group's safety culture and standards.
- 7.1.4 All Contractor Personnel must comply with the BG Group's HSSE requirements, including the BG Group HSSE Policy, BG Group Life Savers and all applicable BG Group HSSE Standards, processes, guidelines and local HSSE management systems.

## **7.2 Contractor Personnel safety and HSSE monitoring**

- 7.2.1 The BG Group Line Manager shares responsibility with the Supplying Organisation for Contractor Personnel safety whilst the Contractor Personnel are working at or with BG Group. The BG Group Line Manager must work with the Supplying Organisation (and where appropriate, directly with the Contractor Personnel) to ensure that:
- i) All of BG Group's HSSE requirements are clearly articulated to the Contractor Personnel, including details of the BG Group HSSE Policy, BG Group Life Savers and all applicable BG Group HSSE Standards, processes, guidelines and local HSSE management systems (including risk assessments; incident reporting, investigation & analysis; competence assurance; security requirements; access into hazardous areas; and emergency reporting);
  - ii) The Contractor Personnel complete an appropriate HSSE induction, complete training in relation to all BG Group HSSE requirements which are relevant to their activities and are effectively supervised to ensure their compliance with all of BG Group's HSSE requirements (and any work procedures agreed with the Supplying Organisation), including use of the equipment specified in the work procedures;
  - iii) The Contractor Personnel are competent and have sufficient skill and knowledge to do their work safely and that the Supplying Organisation has demonstrated that every member of Contractor Personnel performing safety critical tasks has been assessed as meeting the minimum competency assurance requirements for each of those tasks in accordance with the Management of Competence Assurance Standard;
  - iv) If any of BG Group's HSSE requirements are not being complied with by Contractor Personnel: (a) an appropriate investigation is completed before any further work is carried out by the Contractor Personnel; and (b) that effective action is taken by the Supplying Organisation to ensure that BG Group's HSSE requirements will be complied with. The BG Group Line

Manager will be supported by BG Group HSSE and C&P to ensure this occurs;

- v) All risk assessments for Contractor Personnel activities are up to date and that the Supplying Organisation has demonstrated that all related control measures required have been implemented and are effective; and
- vi) In the event of an incident, Contractor Personnel are provided with the same care and first aid provided to BG Group employees. The BG Group Line Manager must also contact the Supplying Organisation as soon as reasonably practicable after any incident, liaise with C&P and the Supplying Organisation in relation to the investigation of the incident in accordance with the Incident Reporting, Investigation & Analysis Standard, and file the appropriate forms in relation to Contractor Personnel as per local requirements where an incident occurs.

7.2.2 Owners of contracts with Supplying Organisations are responsible for ensuring that:

- i) BG Group's HSSE requirements of the Supplying Organisation (including the Supplying Organisation's HSSE roles and responsibilities and its compliance with, the BG Group HSSE Policy, BG Group Life Savers and all applicable BG Group HSSE Standards, processes, guidelines and local HSSE management systems) are clearly articulated to the Supplying Organisation, and that the Supplying Organisation understands that adherence to BG Group's HSSE requirements is a condition of doing work with BG Group;
- ii) The Supplying Organisation understands that it is a condition of doing work with BG Group that all Contractor Personnel supplied to BG Group have sufficient skill and knowledge to do their work safely and are competent (including assessment in accordance with the Management of Competence Assurance Standard where they are performing safety critical tasks);
- iii) There is effective communication and exchange between BG Group, the Supplying Organisation and the Contractor Personnel of HSSE information that is relevant to the work being carried out by the Contractor Personnel (including risk assessments);
- iv) Any failure by the Supplying Organisation to comply with BG Group's HSSE requirements is communicated to the Supplying Organisation and, before any further work is carried out, that corrective action is taken by the Supplying Organisation to ensure that BG Group's HSSE requirements will be complied with; and
- v) The Supplying Organisation's engagement and the monitoring of the Supplying Organisation's HSSE performance occurs in accordance with the HSSE Contractor Management Standard.

## 8.0 Ethics

### 8.1 Ethics compliance

- 8.1.1 BG Group requires everyone who works at or with BG Group to comply with all of the BG Group Business Principles and Ethical Conduct Policies and Standards by behaving ethically and responsibly. Failure to operate in accordance with the BG Group Business Principles and Ethical Conduct Policies and Standards represents a financial and reputational risk to BG Group.
- 8.1.2 Management of Supplying Organisations and Contractor Personnel is recognised as an essential part of ethics compliance management. BG Group seeks to ensure that its Supplying Organisations and Contractor Personnel understand and comply with the BG Group Business Principles and Ethical Conduct Policies and Standards.

### 8.2 Contractor Personnel ethics compliance and monitoring

- 8.2.1 The BG Group Line Manager must work with the Supplying Organisation (and where appropriate, directly with the Contractor Personnel) to ensure that:
- i) All of BG Group's ethical compliance requirements contained in the BG Group Business Principles and Ethical Conduct Policies and Standards are clearly articulated to the Contractor Personnel, including details of the Ethical Conduct Policy, Speak-Up (Duty to Report) Policy, Anti Corruption Standard, Conflict of Interest Standard, Gifts and Hospitality Standard, Hosting of Public Officials Standard, Political Donations Standard and Engagement of Persons Connected to Public Officials Standard;
  - ii) Contractor Personnel complete an appropriate ethical conduct induction and complete training in relation to all BG Group ethical compliance requirements which are relevant to their activities;
  - iii) Contractor Personnel are effectively supervised to ensure their compliance with all of BG Group's ethical compliance requirements when working at or with BG Group;
  - iv) An environment is promoted where Contractor Personnel feel able to raise concerns and report in good faith, any actual or suspected breaches of: (a) BG Group's ethical compliance requirements; or (b) any laws or regulations, and that Contractor Personnel understand that remaining silent in relation to actual or suspected breaches is never acceptable; and
  - v) Contractor Personnel understand that BG Group will not tolerate harassment or any retaliation against anyone who seeks advice, raises a concern or reports a breach or suspected breach of (a) BG Group's ethical compliance requirements or (b) any laws or regulations.

8.2.2 Owners of contracts with Supplying Organisations are responsible for ensuring that:

- i) A due diligence assessment of the Supplying Organisation has been completed in accordance with the Ethical Conduct Due Diligence Standard prior to entering into a business relationship with the Supplying Organisation;
- ii) All of BG Group's ethical compliance requirements contained in the BG Group Business Principles and Ethical Conduct Policies and Standards are clearly articulated to the Supplying Organisation, including details of the Ethical Conduct Policy, Speak-Up (Duty to Report) Policy, Anti Corruption Standard, Conflict of Interest Standard, Gifts and Hospitality Standard, Hosting of Public Officials Standard, Political Donations Standard and Engagement of Persons Connected to Public Officials Standard;
- iii) The Supplying Organisation understands that it is a condition of doing work with BG Group that all Contractor Personnel supplied to BG Group comply with all of BG Group's ethical compliance requirements when working at or with BG Group;
- iv) The Supplying Organisation understands that BG Group will not tolerate harassment or any retaliation against anyone who seeks advice, raises a concern or reports a breach or suspected breach of (a) BG Group's Business Principles and Policies or (b) any laws or regulations;
- v) Appropriate ongoing due diligence assessments of the Supplying Organisation are conducted on a regular basis in accordance with the Ethical Conduct Due Diligence Standard and that their ongoing compliance with BG Group's ethical compliance requirements is monitored; and
- vi) Any failure by the Supplying Organisation or its Contractor Personnel to comply with BG Group's ethical compliance requirements is communicated to the Supplying Organisation and, before any further work is carried out, that corrective action is taken by the Supplying Organisation to ensure that BG Group's ethical compliance requirements will be complied with.

8.2.3 HR Resourcing Manager is responsible for ensuring that all Category 1 and 2 Contractor Personnel are subject to appropriate screening (including by auditing compliance by Supplying Organisations with the screening requirements set out in the applicable Local Arrangement, with support from C&P) and that the Contractor Policy & Engagement Manager or equivalent is consulted for guidance in relation to any flags raised (especially in relation to connections to public officials) before they are supplied to BG Group by the Supplying Organisation.

## 9.0 Group Screening Requirements for Contractor Personnel

- 9.1. The HR Manager for each Asset is required to develop their own Local Arrangement setting out the screening checks required for each of type of Contractor Personnel.
- 9.2. Wherever possible (subject to local capability and legal boundaries), BG Group Assets should aim for consistency between the screening requirements set out in the UK Contractor Personnel Local Arrangement and their local Contractor Personnel Local Arrangements, and for consistency between Assets within a particular Region. Differences between local Contractor Personnel Local Arrangements and the UK Contractor Personnel Local Arrangements shall be subject to the approval of the HR Director for the Region.
- 9.3. In all instances, legal requirements of the country where the screening is to take place shall be complied with. Where the screening requirements in the Local Arrangement are more stringent than the legal requirements of the country, then the requirements of the Local Arrangement shall take precedence. Where the screening requirements in the Local Arrangement appear to be less stringent, then the applicable legal requirements of the country shall be followed and it shall be brought to the attention of the Contractor Policy & Engagement Manager or equivalent.
- 9.4. The purpose of these screening requirements is to ensure that BG Group takes steps to identify those who could (intentionally or otherwise) cause the organisation harm and to provide a degree of mitigation against threats from individuals within BG Group.
- 9.5. All screening processes are required to be overt and transparent and screening checks must not commence without the consent of the individual to be screened. Screening shall be non-discriminatory and shall not take into account seniority, personal characteristics or other factors such as time pressure on the hiring.
- 9.6. For Category 1 & 2 Contractor Personnel screening must include the mandatory minimum checks (prior to starting work at or with a BG Group company) to establish identity, legal rights to work and connections to Public Officials as defined in the BG Group Engagement of Persons connected to Public Officials Standard.



## 10.0 Engagement and management of Category 1 and Category 2 Contractor Personnel

- 10.1. The HR Manager for each Asset is required to develop their own Local Arrangement setting out a mandatory end-to-end process for engagement and management of Category 1 and Category 2 Contractor Personnel.
- 10.2. Wherever possible (subject to local capability and legal boundaries), BG Group Assets should aim for consistency between the end to end process set out in the UK Contractor Personnel Local Arrangement and their local Contractor Personnel Local Arrangements, and for consistency between Assets within a particular Region. Differences between local Contractor Personnel Local Arrangements and the UK Contractor Personnel Local Arrangements shall be subject to the approval of the HR Director for the Region.
- 10.3. In all instances, local legal requirements shall be complied with. Where the process requirements in the Local Arrangement are more stringent than the legal requirements of the country, then the requirements of the Local Arrangement shall take precedence. Where the process requirements in the Local Arrangement appear to be less stringent, then the applicable legal requirements of the country shall be followed and it shall be brought to the attention of the Contractor Policy & Engagement Manager or equivalent.
- 10.4. The end to end process for Contractor Personnel engagement must be governed by and processed through a Recruitment Management System (RMS). The purpose of this approach is to address previous concerns around control, visibility and legal governance.
- 10.5. The details of all Category 1 and 2 Contractor Personnel are to be held in HR Direct. It is the responsibility of the BG Group Line Manager to ensure that the information held in HR Direct in relation to each of the Category 1 and Category 2 Contractor Personnel under their management is kept up to date.

## 11.0 Revision Record

Issue No.	Description of Revision
1.0	<p>This is a new Standard that replaces the BG Temporary Personnel (including Contracting Personnel) Policy Document. The Standard must be read in full as there has been a significant increase in the control environment.</p> <p>A key new requirement is that all assets are required to develop their own Contractor Personnel Local Arrangement. Wherever possible (subject to local capability and legal boundaries), BG Group Assets should aim for consistency between the screening requirements set out in the UK Contractor Personnel Local Arrangement and their local Contractor Personnel Local Arrangements, and for consistency between Assets within a particular Region.</p>
1.2	Section 4 changed to include standard applicability wording.
1.3	Minor updates to reflect changes to roles within the HR Function and the introduction of HR Direct.