

GENERAL INSTRUCTION MANUAL

0430.001

ISSUING ORG. ENVIRONMENTAL PROTECTION DEPARTMENT

ISSUE DATE

01/01/2010

REPLACES

1/22/2001

SUBJECT IMPLEMENTING THE SAUDI ARAMCO HAZARDOUS WASTE CODE

APPROVAL

KAF

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CONTENT:

This General Instruction prescribes minimum requirements for compliance with, and implementation of, the Saudi Aramco Hazardous Waste Code (HWC). It contains the following information:

1. PURPOSE
2. POLICY
3. RESPONSIBILITIES
4. PRINCIPLES AND PRACTICES
5. RECORDKEEPING AND REPORTING REQUIREMENTS
6. PROCEDURES FOR OBTAINING APPROVAL OF A GRANT OF VARIANCE

1. PURPOSE:

This instruction defines responsibilities, principles and practices for the implementation of hazardous waste requirements that are designed to comply with government and local regulation, protect the environment, actively reduce or minimize waste generation, and reduce associated waste management costs.

2. POLICY:

Saudi Aramco's Environmental Protection Policy Statement (INT-5)

The Company will assure that its operations do not create undue risks to the environment or public health, and will conduct its operations with full concern for the protection of the land, air and water from harmful pollution. The Company will promote environmentally sound waste disposal practices and cost effective waste minimization through source reduction, reuse and recycling.

Requirements:

1. In all its activities, the Company will meet the standards specified by the Kingdom's environmental regulations "Hazardous Waste Control Rules and Procedures", Document 01-1423 (GER 1423), and any amendments, modifications and updates. Where there are no established standards, guidelines will be developed which are compatible with the Kingdom's objective of environmental protection. The Company will cooperate and participate with government and industry, as appropriate, in the development of effective environmental control programs and regulations.
2. It is the responsibility of each organization to assure that its facilities are designed and operated in compliance with the established corporate Environmental Protection Policy and that they do not present unnecessary risks to the environment or public health.

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3. RESPONSIBILITIES:

All management functions, including business line and associated management, will comply with Saudi Aramco HWC and the Saudi Arab Government requirements applicable to the design, operation and maintenance of facilities/equipment, proper treatment/storage/disposal/ and recycle of hazardous wastes. When conformity with the Saudi Aramco HWC would not be practicable or cost effective, a grant of variance may be sought.

- 3.1 Corporate Management will ensure that Operating and Business Plans comply with the Saudi Aramco HWC.
- 3.2 Executive and General Management will assure that their operations and facilities are designed, operated and maintained in compliance with Saudi Aramco HWC and will support Saudi Aramco's Environmental Protection Policy.
- 3.3 Managers of Proponent organizations will ensure that their facilities are operated and maintained in a way that protects the environment. Compliance by concessionaires and contractors on Saudi Aramco property is the responsibility of facility management. Saudi Aramco organizations are responsible for complying with the Saudi Aramco HWC and Saudi Arab Government environmental regulations. Managers are responsible for assuring implementation of the HWC, including registrations, notifications, modifications, inspections, recordkeeping, reporting, and waste minimization efforts.
- 3.4 Manager, Environmental Protection Department (EPD) will administer policy on hazardous waste issues, counsel Management on the development and interpretation of waste management programs and policies, and monitor compliance with the Saudi Aramco HWC. Manager, EPD will administer activities related to Industrial Hygiene that will include personal protective equipment, personnel monitoring, hazardous material training, and hazardous waste manifesting, labeling/placarding.
- 3.5 Manager, Materials Planning and Systems Department will administer policy on hazardous waste procurement, transportation, recycle, auction, and disposal through the Supply Chain Management Manual SCMM 22.03, "Processing and Handling of Hazardous Material". This includes the inter-company accounting and tracking of ownership of hazardous materials, the return of spent or expired hazardous materials for reuse/recycle/disposal, and the management of hazardous waste disposal/recycle through corporate contracts with waste treatment, storage, and/or disposal facilities, and the handling of hazardous material for recycle through Company auction.
- 3.6 Project Proponents, Facility Planners and Project Managers will ensure that, during the planning, design and construction of new or modified facilities, the applicable sections of the Saudi Aramco HWC and the Saudi Arabian Government regulations are met.
- 3.7 Environmental Coordinators will actively inspect, maintain records, report, and conduct routine inspections of their facilities for compliance per the HWC, and will coordinate and

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communicate their efforts and findings to EPD. Environmental Coordinators will actively promote sound waste management by Company employees, and cooperate with EPD on the conduct of routine scheduled and unscheduled inspections of their facilities and waste storage areas. They will work to detect and correct improper environmental conditions and waste management violations.

- 3.8 All Employees will comply with applicable hazardous waste rules and regulations; perform their duties and work in a manner which will not endanger themselves, their fellow workers, or the environment; be alert to improper conditions; and correct and report them.

4. PRINCIPLES AND PRACTICES:

The following principles and practices will govern the compliance with, and implementation of, the Saudi Aramco HWC.

- 4.1 Saudi Aramco Engineering Standards will be met in the design, construction, modification, operation and maintenance of facilities and equipment. When conformity with Saudi Aramco imposed requirements would not be practical or cost effective, a grant of variance will be sought.
- 4.2 Operating standards and instructions will be provided to control and manage hazardous waste. Compliance with the Saudi Aramco HWC will be consistently enforced by EPD and facility management.
- 4.3 Employees will be protected against exposure to diseases, environmental hazards, and public health hazards which are impracticable to eliminate by engineering or administrative controls, through proper use of personal protective equipment and periodic environmental monitoring.
- 4.4 Inspections will be periodically conducted by EPD to detect and correct improper practices and conditions. EPD will notify the appropriate Saudi Aramco Organizations on major issues relating to occupational exposure, safety or fire protection.
- 4.5 Qualification, experience and job skills of employees will be consistent with assigned tasks, enabling them to work without endangering their own health or the health of others.
- 4.6 Waste minimization and proper waste management will be vigorously promoted to encourage and assist employees in protecting the environment.
- 4.7 Inspections for compliance with this General Instruction will be performed by EPD. Noncompliance with the Saudi Aramco HWC or the Saudi General Environmental Regulations will be transmitted to facility management for correction. Noncompliance reports will be included in annual reports to corporate management.
- 4.8 A Hazardous Waste Compliance report incorporating major programs covered by the Saudi Aramco HWC will be generated annually and forwarded to Corporate Management

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highlighting achievements, areas of concern and recommendations, actions, and areas of noncompliance.

5. RECORDKEEPING AND REPORTING REQUIREMENTS

- 5.1 The recordkeeping and reporting requirements set forth for Generators, Transporters, and Treatment/Storage/Disposal facilities are intended to meet the requirements of the General Environmental Regulations, Presidency of Meteorology and Environment.
- 5.2 The HWC provides minimum requirements for routine inspection, recordkeeping and reporting. Requirements are for facilities that operate, treat, transport, or generate hazardous wastes. In the event that a conflict exists between the HWC and the GER, the GER will prevail, as National standard.
- 5.3 EPD will provide support to facilities with regards to recordkeeping and reporting requirements, and will prepare a facility-specific hazardous waste activity report on an annual basis for Ministry of Petroleum and Mineral Resources.

6. PROCEDURES FOR OBTAINING APPROVAL OF A GRANT OF VARIANCE:

- 6.1 When circumstances render a particular section of the Saudi Aramco HWC or Saudi Government Environmental Regulations requirement impractical, a submittal to Manager, EPD is required to request a variance. The application must be submitted by division head or higher.
- 6.2 If the requested grant of variance involves new construction, remodeling or structural alterations, properly prepared plans and specifications for such construction, remodeling, or alteration shall be submitted with the application. The plans and specifications shall indicate the proposed layout, arrangement, and construction materials, and the type and model of proposed fixed equipment and facilities.
- 6.3 EPD will review all facts, plans and specifications within 20 working days or receipt/request. The variance, if approved, will be transmitted to the applicant through the Saudi Aramco proponent. Until such time as the written variance is received, the requirements of the Saudi Aramco HWC must be adhered to and construction, remodeling or alteration that incorporate the proposed variance must not be undertaken.
- 6.4 Should the applicant fail to comply with the variance, or should unforeseen consequences of the variance adversely impact the environment, EPD will notify the proponent department in writing, and the variance will be null and void.

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Recommended:

Manager
Environmental Protection Dept.

Concurred:

Vice President
Engineering Services

Concurred:

Senior Vice President
Engineering And Project Management

Concurred:

Senior Vice President
Exploration and Producing

Concurred:

Senior Vice President
Industrial Relations

Concurred:

Senior Vice President
Operations Services

Concurred:

Senior Vice President
Refining, Marketing and International

Approved:

President & Chief Executive Officer