

SAUDI ARABIAN OIL COMPANY (Saudi Aramco) GENERAL INSTRUCTION MANUAL ISSUING ORG. LOSS PREVENTION DEPARTMENT SUBJECT: LOSS PREVENTION POLICY IMPLEMENTATION	G.I.NUMBER Approved 5.002	
	ISSUE DATE 01/31/2011	REPLACES 02/22/2006
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1.0 PURPOSE

This General Instruction provides guidance for aligned implementation of the Saudi Aramco Loss Prevention Policy and its expanded principles found in the *Safety Management System (SMS) Manual*.

2.0 SCOPE

This instruction is applicable to all Saudi Aramco organizations, facilities, project sites, and business interests.

3.0 RESPONSIBILITIES

- 3.1 Corporate Management shall ensure that Operating and Business Plans reflect and are aligned with the Saudi Aramco Loss Prevention Policy and principles of the *SMS Manual*.
- 3.2 Executive and General Management shall review, endorse and ensure alignment with the Saudi Aramco Loss Prevention Policy and administration of an effective safety management system by their respective managers.
- 3.3 Managers shall develop and actively administer loss prevention programs, processes, and standards aligned with the Saudi Aramco Loss Prevention Policy and *SMS Manual*, including forming and administering Safe Operations Committees (SOCs) to evaluate and recommend ways to improve the effectiveness of their respective safety programs.
- 3.4 Manager, Loss Prevention shall formulate and recommend policy on loss prevention matters, counsel management on the development of programs aligned with the Saudi Aramco Loss Prevention Policy and *SMS Manual*, monitor implementation of the policy, provide loss prevention consultative and technical support services, and coordinate responses to safety concerns raised by the Government.

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3.5 Superintendents and Supervisors shall actively administer their department loss prevention programs and conduct periodic inspections of their work areas.

3.6 Employees shall comply with applicable safety rules and safe work practices; operate, inspect, and maintain facilities in safe condition; immediately report injuries, spills, near misses and incidents, and promptly correct or report unsafe acts and conditions.

4.0 SAUDI ARAMCO LOSS PREVENTION POLICY

Saudi Aramco will conduct its business in a manner which prevents incidents or accidents which cause loss of life, bodily injury or illness, or damage to property, assets or the environment. As reflected in Saudi Aramco's Corporate Values, the Company will continuously maintain the highest standards of safety, security, health, and environmental protection. Accordingly, the Company will:

- **Advise** all employees and contractors of their loss prevention responsibilities and regularly measure their performance;
- **Evaluate**, identify and eliminate or manage safety risks prior to beginning any operation or activity and continue to review such risks, complying with all applicable laws and regulations;
- **Communicate** loss prevention objectives and procedures regularly to employees and all affected parties;
- **Train** employees and provide resources to maintain job competencies, including loss prevention responsibility and accountability;
- **Design** and construct Company facilities utilizing recognized best technology and practices to safeguard property and people;
- **Operate** and maintain Company facilities to assure safe operations;
- **Ensure** that contractors, suppliers, and others adhere to the Company's loss prevention policies, procedures and goals;
- **Prepare** for emergencies and other contingencies and respond promptly and effectively to any incidents or accidents resulting from operations;
- **Report** all incidents, review performance, and communicate progress;
- **Promote** off-the-job safety and community awareness, and
- **Review** and improve the Company's loss prevention program and performance continuously.

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5.0 ADDITIONAL REQUIREMENTS

- 5.1 Risks to personnel and property shall be minimized through application of best petroleum industry loss control practices. Saudi Arab Government and Company safety requirements, including Saudi Aramco Engineering Standards, shall be met in the design, construction, modification, operation and maintenance of facilities and equipment. When conformity with any of these requirements is not practical or cost effective, a waiver shall be sought.
- 5.2 Accountability shall be provided for personal and functional safety performance. How well safety responsibilities are met shall constitute an important factor in overall job performance evaluation.
- 5.3 Independent reviews to assess organizational implementation and alignment with the Loss Prevention Policy shall be performed on a selective basis.

RECOMMENDED:

MANAGER
Loss Prevention Department

DATE: _____

APPROVED:

PRESIDENT AND CHIEF
EXECUTIVE OFFICER

DATE: _____