Ocean Onyx

Mobile Offshore Drilling Unit

Health, Safety and Environmental Case

Part 2

DIAMOND OFFSHORE

Health, Safety and Environmental Management System

MEMBER

ONYX-HSEC-001-02

Revision 2, Issue A, October 2020

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2.0 INTRODUCTION

This part of the Health, Safety and Environmental Case (HSE Case) describes how elements of the Diamond Offshore Safety and Environmental Management System (SEMS) are implemented on board the Ocean Onyx mobile offshore drilling unit (MODU); specifically, those relevant to the management of risks for the hazards identified in Part 4 - Risk Management of this HSE Case. The SEMS is contained within Diamond Offshore's Global Excellence Management System (GEMS) [3], a live intranet system composed of both the SEMS (covering facility-based activities) and ADMIN (covering shore-based activities) sections.

This document addresses the elements for a description of the Diamond Offshore SEMS as established by the [redacted] Health, Safety and Environmental Case Guidelines for Mobile Offshore Drilling Units ([redacted] HSE Case Guidelines) [5], the requirements of the Offshore Petroleum and Greenhouse Gas Storage Act [16] and the Offshore Petroleum and Greenhouse Gas Storage (Safety) Regulations [15].

Diamond Offshore's SEMS provides a system containing the company's policies, procedures and guidelines for conducting operations in a safe and efficient manner to exceed customer expectations while assisting them to discover and produce offshore oil and gas resources. Diamond Offshore promotes a proactive approach to the health, safety and welfare of personnel and protection of the environment, ensuring all personnel actively participate in SEMS to enhance the company's performance in incident prevention and environmental protection.

Managers and supervisors are responsible for ensuring their people understand their responsibilities as described in the management system. The Diamond Offshore SEMS provides management at all levels with expectations represented by principles, policies, procedures and requirements which are intended to motivate people to work safely and effectively. This ensures Diamond Offshore's health, safety and environment (HSE) goals are achieved, the needs of customers are met, and the requirements of regulatory bodies are satisfied all while maintaining the health and safety of employees and respecting the condition of the environment.

The health, safety and environmental management system (HSEMS) part of the HSE Case is set out in accordance with the [redacted] HSE Case Guidelines and organised into the following major sections:

- Policies and Objectives.
- Organisation, Responsibilities and Resources.
- Standards and Procedures.
- Performance Monitoring.
- Management Review and Improvement.

The formal safety assessment (FSA) process described in Part 4 - Risk Management, has identified a range of administrative controls that Diamond Offshore has in place on the MODU for the management of major hazards. This part of the HSE Case provides a detailed description of the organisational and administrative controls which are essential for the management of risks, including those associated with major hazards, to as low as reasonably practicable (ALARP).

The relationship of the HSEMS to the other documents in this HSE Case is shown in Figure 2.0-1. Performance monitoring, management review and continuous improvement, and incident reporting and investigation are described in Part 6 - Performance Monitoring of the HSE Case. Emergency response procedures are described in Part 5 - Emergency Response of the HSE Case.

Figure 2.0-1: Relationship with Overall Health, Safety and Environmental Case

2.0.1 Management System Elements

Diamond Offshore maintain their management system in accordance with the format described in the Section 1 of SEMS. This section defines the structure and hierarchy of documentation required to provide a robust and coherent system for the management of HSE issues pertaining to the company's operation. The framework is structured into 13 major elements that provide a consistent, worldwide management system. Each of these elements communicates specific expectations for performance to Diamond Offshore employees and other key stakeholders. These elements are:

1. Quality Management.
2. Leadership and Responsibility.
3. Risk Management.
4. Management of Change (MoC).
5. Operations.
6. HSE Practices.
7. Training.
8. Asset Management.
9. Performance Scorecard.
10. Emergency Response.
11. Incident Investigation.
12. Audits and Corrective Actions.
13. Information and Document Control.

Quality Management

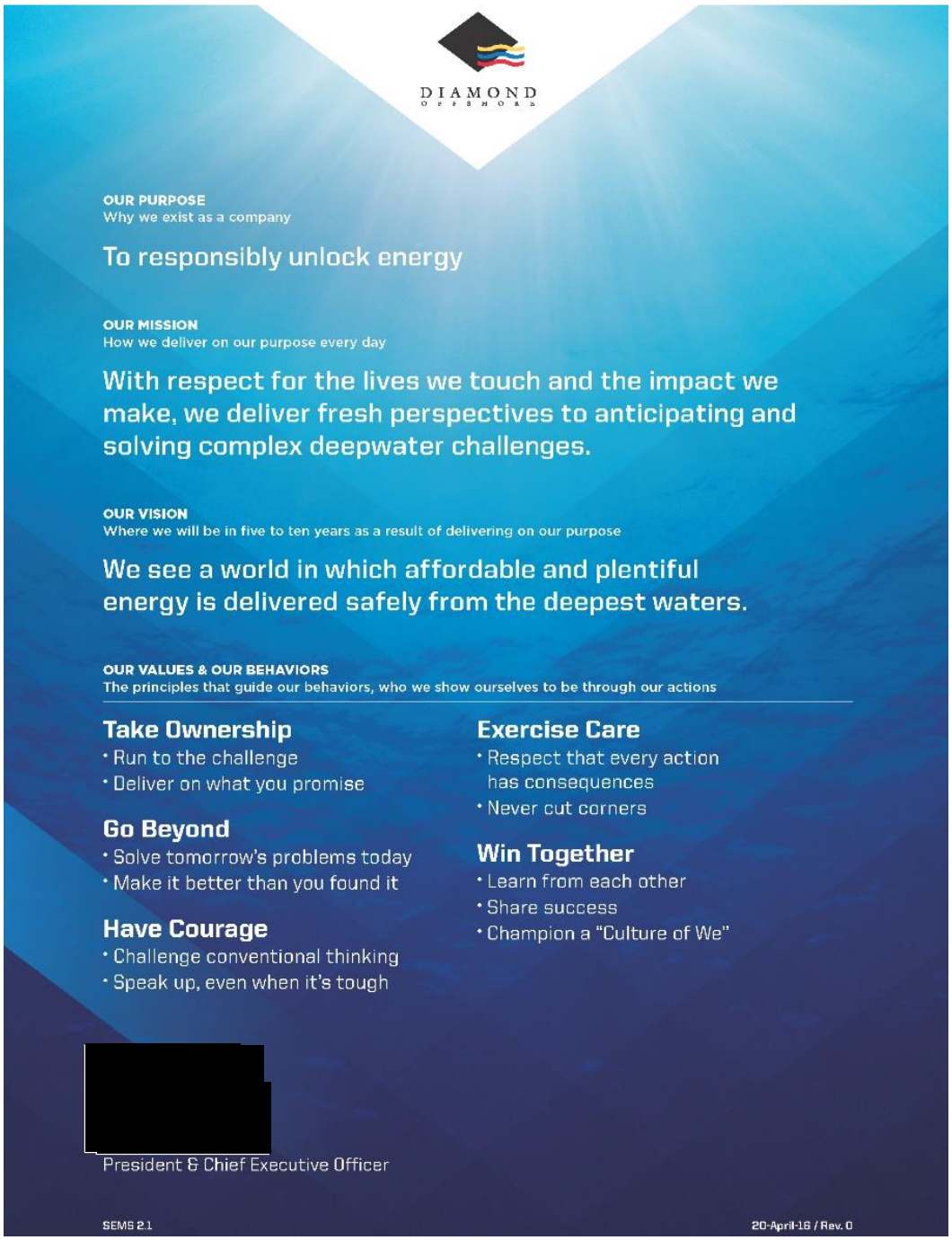
The quality management system (QMS) consists of a system of processes, documented in a Quality Manual, for achieving the quality policy and objectives. The QMS helps coordinate and direct Diamond Offshore's activities to meet customer and regulatory requirements while improving effectiveness and efficiency on a continual basis. The QMS is described in detail in Part 6 - Performance Monitoring of the HSE Case.

Leadership and Responsibility

Diamond Offshore's management objectives are to ensure that they provide leadership in establishing goals and performance measures, demand accountability for implementation, and provide necessary resources for carrying out an effective program. To ensure that these objectives are met on all operations worldwide, the SEMS Leadership and Responsibility Manual defines responsibilities, authorities and lines of communication required to implement

the management program. It also presents the Diamond Offshore focus statements, which incorporate statements about Diamond Offshore's Purpose, Mission, Vision, Values and Behaviours, which drive continuous improvement and for which all employees must strive.

Figure 2.0-2: Diamond Offshore Focus Statements



Risk Management

The SEMS Risk Management Manual has been developed to demonstrate the reduction in risk of Diamond Offshore's operations to a level that is ALARP. The manual describes Diamond Offshore's methodology of identifying, assessing and controlling risk to the facility, its people and the environment.

The manual covers the following topics:

- BowTie analysis.
- Fleet integrity assurance (FIA).
- HSE Case management.
- HSE interface bridging documents.
- Job safety analysis (JSA).
- MODU safety design.
- MODU validation
- Performance standards.
- Permit to work (PTW).
- Risk assessment.
- Safe systems of work.
- Stored energy.

Management of Change

The objective of the Management of Change Manual is to describe three key elements necessary for effective MoC:

- Establish a formalised method to identify and control hazards associated with changes to facilities, procedures, or personnel.
- Maintain the accuracy of safety information.
- Document and communicate the change, the impact of the change and its effects to all involved parties, including management.

The Management of Change Standard conforms to [redacted] International Safety Management Code (ISM Code) [6] requirements and the MoC procedures are separated into four categories:

- Standard MoC.
- Planned maintenance MoC.
- Modification MoC.
- Personnel MoC.

Operations

SEMS provides a generic set of operational procedure templates in the Operations Manual designed to provide the basics for each facility-specific operational procedure, with the templates focusing on the safety aspects of the tasks to be performed. The procedures outlined in the Operations Manual are generic in nature, and it is recognised that each MODU is different from others with respect to equipment specifications and designed layout. It is the obligation of each MODU to use these generic procedures as a guide to develop site specific procedures (SSP). SSPs are step by step procedures and are developed from requirements in GEMS and are used for site-specific operational and well campaign activities. SEMS 13.7 provides guidance on the development, use and maintenance of SSPs.

The operational procedure templates are divided into six topics:

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

The JSA is a living document, and a master copy will be maintained on the facility and reviewed before performing the job for which it was written. A minimum, generic task list is available in GEMS that lists the tasks that require a JSA as a minimum, along with a JSA decision process chart. Master JSA sheets are reviewed upon completion of each task to determine whether there are any opportunities for improvement.

Health, Safety and Environmental Practices

The responsibility for HSE protection lies with all employees at all levels of the company. It is Diamond Offshore's policy to promote a pro-active approach to health, safety and the protection of the environment, ensure that all personnel actively participate in the HSE program and have an extensive facility-based program that optimises the company's performance in accident prevention and environmental protection.

It is Diamond Offshore's policy to act positively to prevent injury, ill health and damage to the environment arising from its operations, and to ensure compliance with applicable HSE regulations in any area of the world where the company's MODUs operate.

In order to clearly define the company HSE policy, set objectives and detail commitment and support for these policies, a Health, Safety and Environmental Policy Statement (HSE Policy) has been developed and endorsed by the company President and Chief Executive Officer (CEO). The policy is included in the SEMS Leadership Manual.

Diamond Offshore facilities operate in various geographical locations worldwide and requirements and regulations vary between locations. Therefore, the content of the HSE Manual cannot cover all the associated rules and regulations applicable to the offshore industry. The intention of the safe work practices section of the HSE Practices Manual is to set a minimum standard for policy and procedures to complement daily work activities. It is not intended to be used as a substitute for legislation, regulations or competent supervision.

The SEMS HSE Practices Manual is organised into three topics:

- Occupational health practices.
- Safe work practices.
- Environmental practices.

Training

The SEMS Training Manual provides a summary of Diamond Offshore's activity related to training and competency.

The company places a high value on training employees at all levels and recognises the importance of well trained and competent employees. The implementation of the worldwide competence program (WWC) is essential to enhancing HSE management, making the workplace safe for themselves and others and ensuring work is undertaken safely and efficiently in order to deliver quality service.

All qualified employees are provided the opportunity for personal and professional development and encouraged to participate in company initiatives to pursue professional growth opportunities within the company.

Asset Management

The SEMS Asset Management Manual has been developed to ensure the provision of safe and reliable equipment by utilising a computerised maintenance management system (CMMS), original equipment manufacturer recommendations, lessons learned and industry best practices to assure that all Diamond Offshore equipment meets or exceeds industry requirements, and complies with company standards for environmental compliance, safety and superior quality.

[redacted]

The performance monitoring processes are described in detail in Part 6 - Performance Monitoring of the HSE Case.

Emergency Response

The preparation, coordinated response and effective management by company employees when dealing with an emergency on a MODU can have a significant effect in lessening the severity of that emergency.

The SEMS Emergency Response Manual includes the following procedures for emergency response:

- Corporate Emergency Management Plan (EMP).
- Tropical Season Contingency Plan (Gulf of Mexico and Australasia).
- Area-specific emergency response:
  - Australasia.
  - Brazil.
  - United Kingdom.

- Facility-based emergency response.
- Shore-based emergency response drills.

The EMP contains a list of generally recognised events, the responsibilities of the emergency response committee, departmental responsibilities for all departments, the groups involved and an emergency response flowchart. The committee operates from a designated command centre in the corporate office and is a secondary support centre for the area office in each worldwide location.

Each area office is required to develop an emergency response plan for their area of operations to ensure adequate facilities, plans, procedures, training and communications have been identified, developed and established to assist with the overall management of emergencies both onshore and offshore. The procedure includes the responsibilities of individuals and groups who provide support and a list of the minimum contents of the emergency response plan.

The emergency response processes are described in detail in Part 5 - Emergency Response of the HSE Case.

Incident Investigation

The SEMS Incident Investigation Manual has been developed to ensure thorough and effective investigation, management, recording and reporting of incidents, near misses and downtime reporting and investigation.

The company defines incidents as unplanned events that result in or have the potential to result in injury, equipment damage or loss. Investigation of such incidents involves the methodical examination of facts and circumstances related to the event in order to determine root cause and contributing factors and to develop effective corrective actions to prevent recurrence.

The actual consequences of incidents are variable; therefore, all incidents are reviewed on receipt of the initial notification and the level of investigation is determined in accordance with the incident determination matrix depending on the severity of the actual or potential for injury or equipment damage. Different levels of investigation may require the involvement of personnel with particular skills, knowledge or experience. The incident determination matrix details the appropriate number and level of personnel that is to be involved in the investigation.

The SEMS Incident Investigation Manual covers the following topics:

- Injury and illness and near miss reporting.

- Incident investigation procedures.
- Downtime reporting and incident investigation.

The incident investigation processes are described in detail in Part 6 - Performance Monitoring of the HSE Case.

Audits and Corrective Actions

The SEMS Audit and Corrective Actions Manual has been developed to:

- Demonstrate assurance that all company systems are inherently safe, operationally functional and in compliance with company policy, operator requirements and regulatory mandates.
- Determine actions to eliminate the causes of potential nonconformities in order to prevent their occurrence and eliminate the causes of nonconformities in order to prevent recurrence.

The rig audit program is designed to assess and improve overall facility condition and reliability. Directly, facility inspectors provide an external evaluation of facility material conditions and identification of equipment or system discrepancies. Indirectly, the facility inspectors reinforce the commitment by Diamond Offshore to ensuring safe working conditions and an effective equipment maintenance and reliability program. Their goal is to act in an advisory capacity to assist personnel to operate and maintain their facilities to Diamond Offshore standards.

Audits serve as a training tool for inexperienced personnel, as well as a refresher for veterans of facility operations. When discrepancies are identified, the facility teams are charged with completing corrective actions to ensure compliance with company policy and standards, customer requirements and applicable legislation. The audits are critical to budget planning, in that equipment identified for overhaul or replacement can be priced and deliveries scheduled to coincide with budgets and time frames.

All audit discrepancies are entered on the corrective action preventive action (CAPA) system. The system also allows for documentation and tracking of special audits and inspections from regulatory bodies, customers and third parties. Also, discrepancies noted by the Operations Managers during facility visits and inspections can be entered into the system to generate and track action items. Facility personnel who perform their own inspections, audits, hazard hunts can also record discrepancies utilising the action list to enable tracking and continuity with their relief crews to ensure corrections are completed promptly.

A variety of audit programs are utilised, including:

- Facility personnel HSE audits.
- Operational quality assurance audits.
- Action items from alerts.
- Preventive actions from risk assessments.

The auditing and corrective action processes are described in detail in Part 6 - Performance Monitoring of the HSE Case.

Information and Document Control

The SEMS Information and Document Control Manual has been developed to establish company standards with regards to document control, correspondence and use of the logo. This policy ensures that documents and manuals which may have a contractual, commercial or statutory significance to Diamond Offshore are controlled and that the status and disposition is always known. Document control ensures that up-to-date, accurate information is available to employees, customers and statutory bodies.

2.0.2 Environmental, Health and Safety Standards (ISO 14001, OHSAS 18001)

Diamond Offshore's SEMS is part of the overall Diamond Offshore GEMS, which has been created, maintained and audited to the requirements of the International Organization for Standardization (ISO) standards 9001 [10] and 14001 [9] and the Occupational Health and Safety Assessment Series (OHSAS) standard 18001 [14] and certified by Det Norske Veritas as compliant with the IMO ISM Code. An ISM compliance assessment has been undertaken and is published in Section 1.2.1 of SEMS to illustrate that the HSEMS complies with the code.

The Diamond Offshore GEMS, and all the components within it, can be accessed online by all employees and customers at https://gemscustomer.dodi.com/.

2.0.3 Core Business Functions

Diamond Offshore is a leader in offshore drilling, providing contract drilling services to the energy industry around the globe. Diamond Offshore's fleet consists of conventionally moored and dynamically positioned MODUs including both semi-submersible and drillship type units. Diamond Offshore's mission is to deliver fresh perspectives to anticipating and solving

complex deep water challenges while having respect for the lives they touch and the impact they make.

The company executive management consists of an executive management team that includes the President and Chief Executive Officer (CEO), as well as a number of executive vice presidents (VP), senior VPs and VPs as is deemed suitable for effectively managing the company. Key vice presidential positions include the Chief Operating Officer (COO), Chief Financial Officer, Chief Human Resources Officer, HSE, Quality and Operations Superintendent and General Counsel. Department managers also hold vice presidential positions and oversee each of the corporate departments within Diamond Offshore, which are as follows:

- Contracts and marketing.
- HSE and quality.
- Operations support.
- Marine.
- Engineering.
- Accounting and tax.
- Financial planning and analysis.
- Treasury.
- Investor relations and corporate development.
- Administration.
- Global security.
- Human resources.
- Information technology.
- Supply chain.
- Claims and litigation.
- Contracts.
- Compliance.

The company is organised and managed through the following operational areas:

- Gulf of Mexico.
- Brazil.
- Europe and Africa.
- Australasia.

The Diamond Offshore, Diamond Offshore Drilling Inc., corporate head office is located at:

15415 Katy Freeway, Suite 100
Houston, Texas, 77094-1810
United States of America

The Diamond Offshore, Diamond Offshore General Company, Australasia business unit office is located at:

Unit 2, 5 Turner Avenue
Bentley, Western Australia, 6102
Australia

2.0.4 Demonstrating Assurance of HSE Management Objectives

Diamond Offshore employs a number of processes and systems to assure all areas of the company are working towards HSE management objectives. The processes and systems are described in detail in Part 6 - Performance Monitoring of the HSE Case, and are summarised as follows:

- FIA.
- Incident reporting and analysis.
- Safety statistics and reports.
- Behaviour-based observation systems.
- Occupational health monitoring.
- Environmental monitoring and measurement.
- Management review.
- Internal auditing.
- External auditing.
- Selection and verification of HSE critical activities, tasks, equipment and systems.
- Performance standards.
- Certification.

2.0.5 HSE Management Objectives

The HSE Case is structured in a manner that aims to clearly differentiate between the engineering barriers of equipment and systems described within Part 3 - Facility Description of the HSE Case and the administrative procedural barriers described within Part 2 - HSEMS, Part 5 - Emergency Response and Part 6 - Performance Monitoring.

All of the barriers identified within Part 4 - Risk Management of the HSE Case for controlling the major hazards on the facility are described in detail within Parts 2, 3, 5 and 6 of the HSE Case. Additionally, other important workplace hazard barriers that aim to prevent higher frequency, lower consequence hazards are also described to present a holistic description of the management and safety systems.

HSE management objectives are explicitly defined within each section of SEMS for all of the HSE critical operations identified. These objectives are described in the relevant sections throughout this part of the HSE Case, as well as Parts 5 and 6.

In addition to these ongoing HSE management objectives, corporate, operational area and facility management each annually review their HSE management objectives and milestones set in annual HSE management plans and goals. New annual objectives and milestones are set based on their results to demonstrate continuous improvement and in order to work towards fulfilling the Diamond Offshore Focus Statements. This process is described in greater detail in Section 2.1.2.

2.1 POLICIES AND OBJECTIVES

2.1.1 Policies

Diamond Offshore is committed to delivering on the company Purpose and Mission, as described in Section 2.1 of SEMS. To assist in achieving this commitment, a series of high level policies have been developed to define goals and objectives and facilitate continuous improvement for key areas of the company.

Health, Safety and Environmental Policy

Diamond Offshore's HSE Policy, as included in Section 2.3.1 and Section 6 of SEMS and included as Figure 2.1-1, presents the overarching company statement that "Caring for the lives of others and protecting the environment are the responsibilities Diamond Offshore keeps at the forefront of everything we do."

As described in the HSE Policy core principles supporting document included as Figure 2.1-2, this statement is in support of the Diamond Offshore Purpose to responsibly unlock energy and their pledge to "Honor Safety. Protect All." This is an overriding policy statement of Diamond Offshore's commitment to protect their employees, customers, vendors and visitors at their worksites, as well as the environment in which they work.

The HSE Policy makes the supporting statements that "To preserve the future, we ensure that we: take diligent care, to always improve while following procedures and regulatory requirements; remain thoughtful while drilling and engaging in workplace operations; and respect the offshore industry as a strong provider of global energy." These supporting statements are the foundation of ensuring conformity to GEMS and applicable legislation, setting goals and continuously improving, as well as encouraging workforce involvement, acknowledging the nature of the business, and dedicating a commitment to make the industry successful.

The HSE Policy aims to illustrate that the company will act positively to prevent injury, ill health and damage to the environment arising from its operations, and to ensure compliance with applicable HSE regulations in any area of the world where the company's MODUs operate. Diamond Offshore believes that effective and consistent safety and environmental management enhances operational performance, protection of personnel and property, and protection of the environment by reducing the probability and / or severity of uncontrolled releases and other undesirable events.

Diamond Offshore executives, managers, supervisors and the HSE department are responsible for implementing this policy. All personnel working on any Diamond Offshore work site must assist the company and its employees to achieve these goals.

Figure 2.1-1: Diamond Offshore HSE Policy Statement

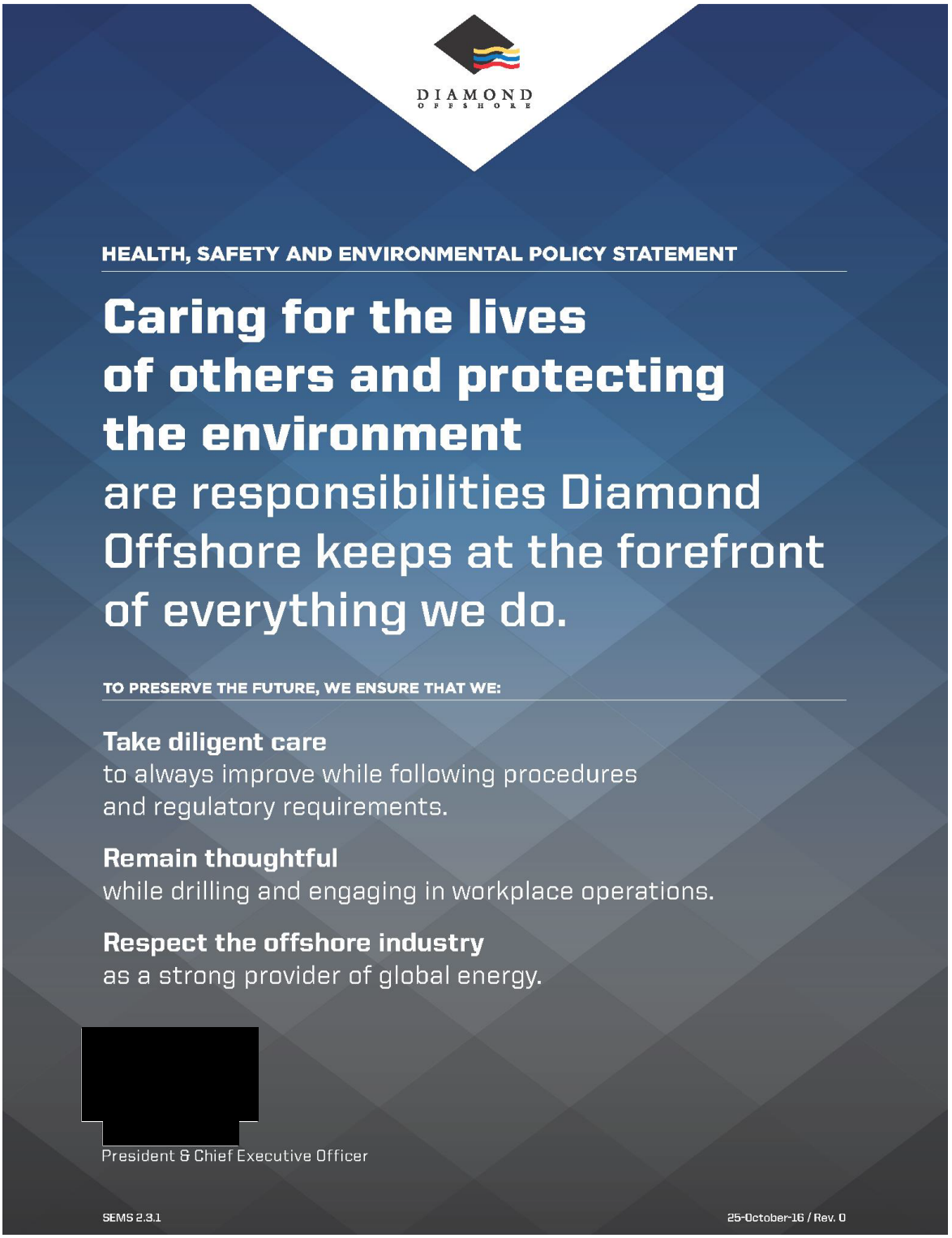


Figure 2.1-2: Diamond Offshore HSE Policy Statement Core Principles

DIAMOND OFFSHORE

HEALTH, SAFETY AND ENVIRONMENTAL POLICY STATEMENT

Caring for the lives of others and protecting the environment are responsibilities Diamond Offshore keeps at the forefront of everything we do.

In support of our purpose to "Responsibly unlock energy" and our pledge to Honor Safety. Protect All., this is an overriding policy statement of our commitment to protect our employees, customers, vendors and visitors at our worksites, as well as the environment in which we work. By "Caring for the lives of others..." we are committed to providing safe and healthy working conditions, for the prevention of work related injury and ill health, as well as protection of the environment and prevention of pollution. We are committed to eliminating hazards and reducing HSE risks.

TO PRESERVE THE FUTURE, WE ENSURE THAT WE:

Why we Honor Safety. Protect All.
We each play a role and have a vested interest in protecting our personal futures, the future of the industry and the environment.

Take diligent care
to always improve while following procedures and regulatory requirements.

Being "diligent" includes conforming to applicable legislation & compliance obligations, set goals and continuously improve. We follow established policy, procedures and regulations everywhere we work. Simultaneously, we aim to continuously improve ourselves, our HSE performance and management system, and the offshore drilling industry.

Remain thoughtful
while drilling and engaging in workplace operations.

Workforce involvement
We are mindful of our actions and our responsibility to include our employees in discussions on how we will protect each other, the environment and the industry. We are committed to consultation, and encouraging participation of, our workers, i.e. we "Remain thoughtful."

Respect the offshore industry
as a strong provider of global energy.

Nature of our business
Acknowledging the nature of our business, and dedicating a commitment to make the industry successful, we support our mission to anticipate and solve complex deepwater challenges.

18-Dec-18 / Rev. 2

Global Security Policy

Diamond Offshore's Global Security Policy, as included in Section 2.3.2 of SEMS, ensures a secure work environment for the employee, company and business partners. Diamond Offshore aspires to surpass industry standards and drive change to prevent and mitigate security-related incidents, injuries and loss of assets resulting from security breaches.

Diamond Offshore goes beyond industry expectations and demonstrates that to win together they must work together to protect one another. They take ownership by focusing on proactive security leadership to:

- Protect human life.
- Protect company assets.
- Address threats to minimise risk.
- Preserve company reputation and customer confidence.
- Enhance security awareness.

Corporate Major Accident Prevention Policy

Diamond Offshore's Corporate Major Accident Prevention Policy, as included in Section 2.3.3 of SEMS, states that Diamond Offshore is committed to achieving the highest standards of safety and environmental performance and dedicated to providing all the necessary resources and capabilities to achieve these goals. Diamond Offshore believes that all major accident events (MAE) are preventable and continuous improvement, implementation and maintenance of its SEMS is an essential element to its business activities. Preventing MAEs that result in harm to employees, contractors, visitors, members of the public and the natural environment is Diamond Offshore's responsibility and number one priority.

Diamond Offshore executives, managers, supervisors and the HSE department are responsible for implementing this policy. All personnel working on any Diamond Offshore work site must assist the company and its employees to achieve these goals.

Risk Management Policy

Diamond Offshore's Risk Management Policy, as included in Section 3.1 of SEMS, states that Diamond Offshore is committed to proactively managing the risks that arise due to operations, in accordance with internal and external stakeholder expectations, and in a manner that is consistent with company Values and Behaviours. The primary objective of the Diamond Offshore risk management system is to provide a robust, consistent and standards-based process for the systematic identification, analysis, evaluation, treatment, monitoring and

communication of risks throughout Diamond Offshore global operations and at all levels of the company.

Diamond Offshore's risk management objectives are achieved through the following principles:

- [redacted]

Diamond Offshore executives, managers, supervisors and the HSE department are responsible for communicating and promoting this policy to all personnel within the company and working on company work sites. All company personnel are responsible for applying this policy in the performance of their duties. All personnel working on any company work site must also assist in the implementation of this policy.

Other Policies

A range of highly specific corporate level policies have been created to cover a number of important issues. These policies can be found in Parts 0.1 to 0.23 of SEMS, and are titled as follows:

- Alcoholism and Drug Abuse.

- Code of Business Conduct and Ethics.
- Compliance with Anti-Bribery and Corruption Laws.
- Compliance with Anti-Trust Laws.
- Compliance with Environmental Laws.
- Confidential Anonymous Complaints: Accounting, Internal Controls and Auditing.
- Confidentiality, Ownership and Protection of Information.
- Corporate Records Policy.
- Data Protection Policy Statement.
- Electronic Media Communications Policy.
- Employee Standards of Conduct.
- Equal Employment Opportunity.
- Insider Trading Policy.
- Personal Use of Company Assets.
- Policies and Procedures Governing the Conduct of Business.
- Political Contributions Policy.
- Prohibition of Firearms Policy.
- Property Loss, Damage and Sale Policy.
- Reasonable Accommodation.
- Relationships with Suppliers and Customers Policy.
- Security and Confidentiality.
- Sexual and Other Unlawful Harassment.

2.1.2 Objectives

Objectives are definitive statements of expectations. The Diamond Offshore HSE and Global Security Policies outline the objectives of Diamond Offshore in each of these areas and the personnel that are responsible and accountable for ensuring that these objectives are constantly being met.

In addition to these policies, corporate executive management develops annual plans and goals that form part of the overall setting of performance standards. Plans and goals cascade to each operational area and individual MODU plans and goals.

The annual plans and goals identify all the main objectives and milestones defined for line managers who are designated the responsibility for managing health, safety and business objectives for the operational area or MODU under their control.

Health, Safety and Environmental Objectives

Diamond Offshore's HSE objectives are outlined in the HSE Policy, included as Figure 2.1-1, and are described within the core principles supporting the HSE Policy, included as Figure 2.1-2.

Global Security Objectives

Diamond Offshore's security objectives are outlined in the Global Security Policy and described in Section 2.3.2 of SEMS. It is Diamond Offshore's policy to ensure proper and effective security measures are applied to prevent and mitigate security-related incidents, injuries, and loss of assets resulting from security breaches. Diamond Offshore believes that security measures are most effective when designed to identify and prevent threats and risks, while protecting personnel and company assets and minimising loss.

Diamond Offshore's objective is to be a leader in security for the offshore drilling industry by accomplishing the following:

- Protection of human life.
- Protection of company assets, including physical and intellectual property.
- Minimisation of risk to the company.
- Preservation of company reputation.
- Preservation of employee and customer confidence.
- Provision of leadership and training for all employees to better understand security risks and threats.

Diamond Offshore executives, managers, supervisors and global security unit are responsible for supporting and implementing this policy. All personnel working on any Diamond Offshore work site must assist the company and its employees to achieve these objectives.

2.2 ORGANISATION, RESPONSIBILITIES AND RESOURCES

2.2.1 Organisation

2.2.1.1 Company Organisational Structure

The objective of the Diamond Offshore Organization Structure Policy, as described in Section 2.5 of SEMS, is to operate the company's fleet of drilling vessels with the highest possible level of operational integrity by emphasising exemplary performance in the areas of quality, health, safety and environmental protection and regulatory compliance.

To this end, Diamond Offshore has structured the business into offshore and onshore departments. The offshore organisational structure includes the MODU personnel reporting to the Operations Managers, who report to the Area Managers, the SVP of Worldwide Operations, the COO and finally to the President and CEO. The offshore organisational structure is described in further detail in Section 2.2.1.4.

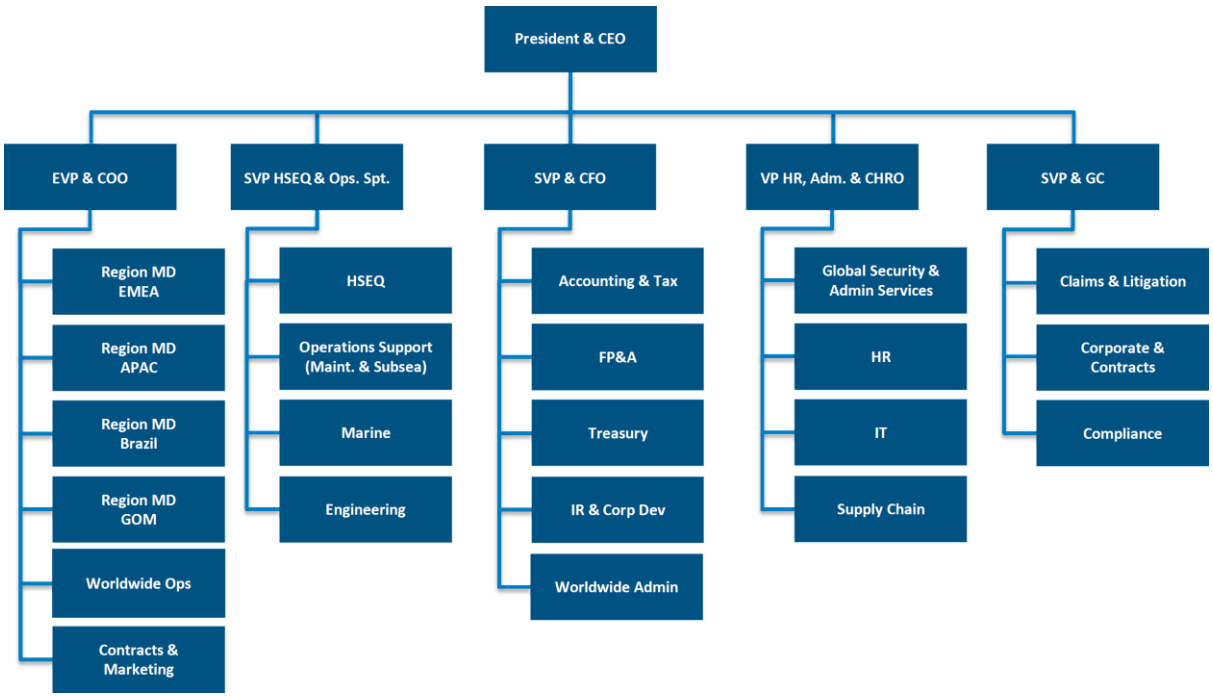
The onshore organisation is governed by the corporate management team, which is comprised of the President and CEO, COO, Chief Financial Officer, Chief Human Resources Officer, HSE, Quality and Operations Superintendent and General Counsel. This team is ultimately accountable for the implementation of the company mission statement, and the HSE and security policies. The structure of Diamond Offshore's corporate hierarchy is shown in Figure 2.2-1.

The corporate management team is assisted in their governance by the supporting departments, each managed by VPs. The departments are split into the following groups of services, which may each contain one or more departments:

- Contracts and marketing.
- HSE and quality.
- Operations support.
- Marine.
- Engineering.
- Accounting and tax.
- Financial planning and analysis.
- Treasury.
- Administration.
- Global security.
- Human resources.
- Information technology.
- Supply chain.
- Claims and litigation.
- Contracts.
- Compliance.

- Investor relations and corporate development.

Figure 2.2-1: Corporate Organisation Chart



2.2.1.2 Document Management

Information and document control is the process of controlling the development, issue and continual revision and improvement of certain documents and information within the company. Diamond Offshore maintains strict document control for all documents and manuals which may have a contractual, commercial or statutory significance. Document control ensures that up-to-date, accurate information is available to employees, customers and statutory bodies. Document control is described in detail in Section 13 of SEMS.

Company reports and documents, generated during normal job functions, are to be used only for the purpose intended. Any unauthorised use of reports, documents, or any recorded data or information can subject the employee to disciplinary action, up to and including discharge.

The quality assurance department uses the MoC process to ensure updates to documents are reviewed and approved by the document owners. After a document review has occurred and the document is deemed adequate for issue, it shall be approved by an authorised person

using the MoC process and submitted to the quality assurance department for inclusion in GEMS.

Obsolete revisions are identified, removed, and archived electronically. Documents printed from GEMS in any language are considered to be uncontrolled. If the document is to be retained for historical value and / or reference purposes, the document shall be stamped as an obsolete document. If no longer required, the document shall be removed and destroyed.

Diamond Offshore maintains its management systems and all related policies, procedures and guidelines on GEMS in a user-friendly format that is easily navigable and can be easily searched. The company also maintains a secure intranet, called WAVE, which provides a link to the online archive system. In general, only the latest revision will be available for a user to view. However past revisions are archived in accordance with Diamond Offshore's Corporate Records Policy. WAVE also provides access to items like reports, forms, facility-specific documents such as work instructions, contact information, job postings, MODU and departmental information and a link to GEMS.

Section 0.12 of SEMS describes the Corporate Records Policy of Diamond Offshore. This policy requires that records are used and maintained in compliance with known legal, regulatory and operational requirements.

Facility records are defined in the Rig Record Identification and Retention Table located on WAVE. These records are maintained on board the facility according to the schedule defined in the table. Each record has a defined retention time and an action required at the end of the retention time. The Offshore Installation Manager (OIM) is responsible for maintaining the facility's records during the retention time in an organised, safe and accessible system.

All facilities are responsible for maintaining each document type on board the facility for the entire specified rig retention period. The rig retention period is shown in the rig retention column. After the expiration of the rig retention period, each record type shall be sent to the shore-based office to which the facility is assigned for archiving. The records will be retained in archives according to the appropriate shore-based office retention schedule.

2.2.1.3 Workforce Participation

Diamond Offshore regards people and the safety culture on the MODU as an important element of a successful management system and critical to achieving the business goals and objectives. In particular, the company recognises the importance of employee involvement at all levels of HSE management.

In order to ensure that company employees are involved in all aspects of management and that information is effectively conveyed to all employees, a number of systems, procedures and formal meetings have been devised.

The following are the key workforce involvement topics as detailed within the SEMS Section 2.7:

- Stop work authority.
- Safety committee.
- Safety surveys.
- Safety meetings (including review of incidents, HSE alerts and lessons learned).
- Pre-tour meetings.
- Handover to designated relief.
- MODU safety initiatives and proactive schemes.

In addition to the leadership manual, a number of other SEMS manuals promote employee involvement to promote a positive safety culture, including:

- SEMS 3 Risk management:
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
- SEMS 4 Management of change:
  - [redacted]
- SEMS 6 Health, safety and environment:
  - [redacted]
  - [redacted]
- SEMS 9 Performance:
  - [redacted]

- [redacted]
- [redacted]

- SEMS 11 Incident investigation:
  - [redacted]
  - [redacted]
  - [redacted]
- SEMS 12 Audits and corrective actions:
  - [redacted]
  - [redacted]
  - [redacted]

Multiple types of shore-based meetings are also conducted to communicate company performance data and new company initiatives. These meetings may also assign work groups to focus on areas for improvement:

- [redacted]
- [redacted]
- [redacted]
- [redacted]

The company systems are intended to promote a positive safety culture by promoting employee involvement in all aspects of SEMS. Diamond Offshore considers the key elements of a positive safety culture as follows:

- An informed culture - collection and analysis of relevant data to stay informed of its safety performance.
- A reporting culture - people are confident they can report safety concerns without fear of blame.
- A learning culture - learning from mistakes and correcting unsafe conditions.
- A just culture - people understand the boundary between acceptable and unacceptable behaviour. Unacceptable behaviours are dealt with in a constant, just and fair manner.

Diamond Offshore also implements a behavioural based safety program called DODI. The system is built on the principle that targeting undesired behaviours for correction and encouraging desired behaviours both in the work place and at home will provide critical support to Diamond Offshore to be the best and safest drilling contractor in the world. This system is described further in Part 6 - Performance Monitoring.

HSE Case Development

Key stakeholders that have an interest in the development of the HSE Case and / or who may be able to provide assistance and information required are identified and an agreed stakeholder consultation plan is developed during the planning stages for HSE Case development and thorough review. This is implemented by the HSE Case Management Standard.

Personnel from various disciplines, including safety representatives, participate in a range of activities associated with the development and thorough review of HSE Cases, including the MODU compartment survey, the major hazard bowtie analysis and the summary of operational boundaries (SOOB) workshop.

Training sessions are held with the facility team leaders to explain and develop an awareness of the major hazards, possible initiating events, necessary precautions and recommended responses.

2.2.1.4 MODU Organisation

The executive management presides over the SVP of Worldwide Operations. The SVP of Worldwide Operations is supported by the Area Managers in planning, organising, directing and controlling the activities of the area operation to meet or exceed the company's health, safety, quality and commercial objectives as outlined in the HSE management and quality assurance systems. The Area Managers are supported by Operations Managers and OIMs. The operations organisation chart is shown in Figure 2.2-2.

The OIM is accountable for ensuring the effective implementation of all HSE issues relating to the facility, including the on-site implementation of all policies and procedures set forth in SEMS. The OIM coordinates with the shore-based Operations Manager for day-to-day operations.

The OIM has complete authority and responsibility for taking all necessary actions for safety, pollution prevention and the efficient operation of the facility. The OIM reports all matters of a critical nature which affect or may affect safety or the environment directly to the Area Manager, who is the designated person ashore (DPA).

The OIM is to accept the systematic view that all incidents are preventable and support the company's views on HSE programs and is responsible for on-site implementation of the policies and procedures set forth in the management system. The OIM communicates a positive HSE attitude to the crews under their direction and promotes a positive safety culture.

The facility organisation chart, as shown in Figure 2.2-3, illustrates the lines of responsibility, accountability and reporting for both management and technical positions on the facility. The OIM may delegate tasks under their responsibility and works closely with the on-site SDR in accomplishing the company's HSE goals. The OIM shall designate OIM-licensed personnel to act in their place in the event of their absence or incapacitation.

Organisational arrangements during emergency conditions are described in detail in Part 5 - Emergency Response of the HSE Case.

Figure 2.2-3: Facility Organisation Chart

2.2.2 Responsibilities

The responsibility and accountability of HSE critical roles are outlined in Section 2.6 of SEMS. HSE critical roles described within this guideline are as follows:

- Corporate responsibilities and accountabilities.
- DPA (Area Managers).
- HSE department.
- Operations Manager.
- OIM (designated person in charge).
- Line supervisors.
- HSE supervisors.
- Employees.

Key responsibilities that are applicable to all employees of Diamond Offshore include the following:

- All injuries and occupational illnesses can be prevented and preventing injuries and occupational illnesses is good business.
- Safety is everyone's responsibility. People are the most critical element in the success of a health and safety program. Working safely is a condition of employment.
- Safety audits must be conducted to identify risks and hazards and determine methods to eliminate or mitigate them.
- Training employees to work safely is essential. Safety off the job is an important element of the overall safety effort.

- Safe work practices must be reinforced, and all unsafe acts and unsafe conditions must be corrected promptly.
- It is essential to investigate injuries and occupational illnesses, as well as incidents with the potential for injury.

Key accountabilities that are applicable to all employees of Diamond Offshore include the following:

- [redacted]
- [redacted]
- [redacted]
- [redacted]

Responsibilities and accountabilities specific to certain operational roles are included in the Diamond Offshore procedures and relevant job descriptions.

2.2.2.1 Senior Management Responsibilities

As stated in the HSE Policy, it is the policy of Diamond Offshore to take diligent care to always improve while following procedures and regulatory requirements; to remain thoughtful while drilling and engaging in workplace operations; and to respect the offshore industry as a strong provider of global energy.

Diamond Offshore's core principles in support of our purpose to responsibly unlock energy and our pledge to Honor Safety. Protect All., is an overriding policy statement of our commitment to protect our employees, customers, vendors and visitors at our worksites, as

well as the environment in which we work by diligently identifying and mitigating risks. To these ends, senior management provides the following:

- Sound work practices - the development and implementation of sound work procedures, well-maintained facilities and equipment and responsible policies that provide for safe practices for the protection of all personnel and the environment.
- Supervision - management, operational and staff supervision that supports safe and effective operations through identification and elimination or control of potentially hazardous conditions and procedures.
- Information - information to employees to allow them to make a maximum contribution to the company's HSE goals through involvement in policy development and ongoing training and personal development.
- Proper arrangements - proper arrangements for handling, storing, moving, removing and monitoring materials on Diamond Offshore facilities.
- Safety accountability - detailed safety accountability for all employees as outlined in this section.
- Risk reduction - the identification and subsequent elimination or control of hazards and reduction of risk to a level that is ALARP.
- Training - provide and maintain training on an ongoing basis to all supervisors, thereby providing a foundation of skills and knowledge to become leaders of occupational health and safety.

The Area Manager has responsibility for achieving and maintaining the highest practicable standards of health and safety within the operation area. It is the Area Manager's responsibility to ensure that sufficient resources are made available to meet the defined HSE management responsibilities.

2.2.2.2 Line Management Responsibilities

HSE Department

Diamond Offshore maintains an active HSE department to assist management in implementing and monitoring the SEMS.

The HSE department advises management and supervisory personnel in safe work practices, supplies information required to comply with the company's HSE programs, as well as appropriate government regulations, and maintains and submits records and reports as required. The HSE department assists management in determining the qualifications and

training of appropriate supervisors and SDRs for specific jobs. HSE department personnel make regular site visits and report their findings to management.

A detailed description of the responsibilities of the HSE department is available in Section 2.6.2 of SEMS.

Area Manager (Designated Person Ashore)

The Area Manager is accountable to plan, organise, direct and control the activities of the area operation to meet or exceed the company's health, safety, quality and commercial objectives as outlined in the safety management and quality assurance systems and as specified in GEMS.

Diamond Offshore complies with the ISM Code [6] and assigns the local Area Manager as the DPA. The DPA is responsible to ensure the safe operation of each facility under their control and to provide a link between the company and those on board. The DPA has the authority to directly access the highest level of management.

The responsibility and authority of the DPA includes monitoring the safety and pollution prevention aspects of the operation of each facility and ensuring that adequate resources and shore-based support are applied, as required. The DPA should provide consistent HSE leadership and lead by example.

A detailed description of the responsibilities of Area Managers is available in Section 2.6.3 of SEMS.

Operations Manager

The Operations Manager is accountable for leading the facility to which he is assigned, in accordance with the company's health, safety, quality, environmental and commercial objectives.

The Operations Manager works in tandem with the OIM to ensure that the OIM, Rig Superintendent and Barge Supervisor are provided the procedures and mechanisms to ensure that employees are involved and committed to safety, quality and personal development.

A detailed description of the responsibilities of the Operations Manager is available in Section 2.6.4 of SEMS.

Offshore Installation Manager

The OIM is accountable for ensuring the effective implementation of all HSE issues relating to the facility, including the on-site implementation of all policies and procedures set forth in SEMS. The OIM coordinates with the shore-based Operations Manager for day-to-day operations.

The OIM has complete authority and responsibility for taking all necessary actions for safety, pollution prevention and the efficient operation of the facility. The OIM reports all matters of a critical nature which affect or may affect safety or the environment directly to the DPA.

A detailed description of the responsibilities of the OIM is available in Section 2.6.5 of SEMS.

Designated Person in Charge

A Designated Person in Charge (DPC) is formally designated and clearly defined on the facility. The DPC holds an ultimate work authority which clearly defines who is in overall command during all operations, including during multiple operations. The DPC of the Ocean Onyx shall be the OIM.

The DPC has the overriding authority and the responsibility to make decisions with respect to safety and pollution prevention and to request the company's assistance as may be necessary. The DPC is to post their name on a placard in a public area and be accessible to every person on the facility. Letters of designation are posted on board the facility.

A detailed description of the responsibilities of the DPC is available in Section 2.6.6 of SEMS.

Line Supervisors

It is the responsibility of each line supervisor to carry out the HSE procedures set forth in SEMS. Each supervisor is accountable for the proper implementation of these procedures, including training and the safe direction of their employees' work activities.

Supervisors are crucial to efficient and effective leadership in HSE programs as they are in charge of productivity and quality. The supervisor provides the first line of communication, training and enforcement to employees and the supervisor's positive reinforcement of company programs is vital in developing employees' attitudes.

Examples of line supervisors are as follows:

- Rig Superintendent.
- Barge Supervisor.

- Maintenance Supervisor.

A detailed description of the responsibilities of line supervisors is available in Section 2.6.7 of SEMS.

HSE Supervisor

The HSE Supervisor acts as an advisor to operations and management for the coordination and implementation of company HSE policies and procedures as well as site-specific procedures defined by regulation or condition. The HSE Supervisor will advise operations management regarding matters of compliance with the governing host country, federal, state, local, operator and Diamond Offshore HSE standards and regulations.

A detailed description of the responsibilities of HSE Supervisors is available in Section 2.6.8 of SEMS.

2.2.2.3 Individual Responsibility and Authority

Employee compliance with established HSE procedures is the key to the success of the overall program. Employee acceptance and compliance can be achieved through communications, training, positive reinforcement and, if necessary, discipline.

Employees have a responsibility to comply with HSE procedures and policies established for them and their co-workers. In addition, the employee is to assume responsibility to assist in the development of co-workers' HSE attitudes. In this process, however, the employee is dependent upon management and supervision for leadership.

All employees must work in an atmosphere that allows them to freely exercise their responsibility to suggest improvements, caution co-workers and to interrupt work tasks when conditions pose an HSE threat.

All Diamond Offshore employees are expected to be fit for duty which means that an employee is able to perform the normal duties of their job in a safe, secure, productive and effective manner.

Diamond Offshore employees must:

- Ensure they are competent to perform assigned tasks and inform their supervisor if they are not competent.
- Consult their human resources representative before returning to work if they receive any form of medical care while away from work.

- Understand and comply with HSE procedures and regulations.
- Understand and comply with safety equipment use.
- Report unsafe conditions.
- Identify and correct the unsafe acts of co-workers.
- Report all incidents, injuries and illnesses, no matter how minor, to supervisors immediately.
- Participate in safety committee activities when required.
- Participate in audits and assessments when required.
- Participate in HSE Case development when required.

Individuals may exercise their stop work authority and refuse to carry out a task if they consider that by doing so, their actions could result in injury to personnel or cause equipment or the working environment to become unsafe. When individuals consider a task to be unsafe or result in unnecessary risks to personnel or the environment, they have the responsibility to stop and inform their supervisor. In the event of such a situation, the following actions will be taken:

- The employee(s) will immediately advise their supervisor of the circumstances and their concerns.
- The OIM will investigate the situation further and will provide feedback to personnel involved. If the matter is resolved at this time, the employee(s) will return to work.
- If the employee(s) are not satisfied following the investigation, then the OIM will investigate the situation with their supervisor and the SDR.
- If the OIM cannot resolve the situation, he will contact the HSE and operations departments for clarification.
- Work will then resume in accordance with the OIM's direction. Provided that the employee(s) have followed the above procedure, no disciplinary action will be taken against any employee(s) who refuse to carry out instructions based on their opinion that to do so would constitute an unsafe act.

2.2.2.4 Regulatory Requirement

Diamond Offshore ensures that dealings with regulatory and other associated bodies are carried out in a professional and open manner. Diamond Offshore meet with the various national designated authorities for clarification or advice pertaining to legislative rulings.

Requests for information or assistance on technical or other recommendations from such bodies are to be implemented in a timely manner. Inspectors visiting the facilities are free to talk with crew members and access information as requested.

Diamond Offshore promotes good working relationships with regulatory, classification and insurance authorities in the compliance with applicable rules and regulations and actively seek advice on such matters.

Diamond Offshore is committed to:

- Undertaking periodic internal audits to ensure compliance with regulatory and company policies and procedures relating to the requirements of the HSE management system.
- Assessing and evaluating both the results of the audit of the system as well as evaluation of the system itself for potential improvement.
- Facilitating external audits for legislative compliance, including those conducted by accreditation or regulatory bodies.
- Responding to published directives that require amendment or changes to legislative and regulatory compliance.

Corrective actions and non-conformances identified as a result of a designated authority's safety audit or inspection are closed out promptly and documented using the CAPA system.

Diamond Offshore utilises many external sources of information to ensure they are kept up to date with changes to legislation and the issue of new standards and guidance. These notifications are sent directly to the HSE department where they are assessed for relevance. Where updated or when new legislation is identified that has an interface with Diamond Offshore processes or procedures, Diamond Offshore utilise their MoC procedures as described in Section 4.1 of SEMS to initiate changes to relevant documents, manuals, and procedures to capture such changes and ensure continued compliance with current regulatory requirements.

2.2.3 Resources

2.2.3.1 HSE Resources

The Diamond Offshore Human Resources Manager ensures the continued commitment to human resource development and training across the organisation. It is the responsibility of the Human Resources Manager to ensure that personnel assigned to HSE positions are adequately experienced and qualified for their roles. This includes all levels of the

organisation, from the VP of HSE, through to the HSE department, HSE Supervisors, Area Managers, OIMs and Line Supervisors.

Training and licensing matrices have been developed for all business units, and where required, for each specific region if regulatory requirements dictate extra training or licensing outside of the norm for that business unit. Many of the line items on the matrices relate to HSE-specific training, and almost all other items have some aspect of HSE relevance. All MODU-based personnel are required to maintain their accreditations as described on the matrix for their position and region of operation. It is the responsibility of the Area Manager and OIM to ensure compliance with all personnel training and licensing requirements.

2.2.3.2 HSE Committee Representation

Training and formal involvement of personnel in health and safety issues is critical to the success of effective safety management. Therefore, each Diamond Offshore facility shall appoint or elect a safety committee comprised of safety representatives chosen from the offshore workforce.

The following committee structure is the minimum level and additional members may be added by appointment, election or invitation to the committee as required:

- Committee Chairman (OIM).
- Member from drilling crew.
- Member from deck crew.
- Member from maintenance crew.
- Third party representative (invitation or election).
- SDR (invitation or election).

The OIM will serve as Committee Chairman, ensuring a committee is selected from the offshore workforce by nomination, invitation or election. Selection shall be on a rotating basis. Formal election or unanimous vote of the committee will be used so that all personnel have an equal opportunity to serve on the committee.

Appointed members of the committee designated by the OIM and the SDR will serve on the committee for one hitch. Elected members will serve until the end of the regulated period, or resignation.

When the election of safety representatives is required, the OIM will divide the workforce into constituencies to ensure everyone has the opportunity to be proposed and represented. Appointed members are selected by the OIM and SDR from the above groups.

When safety representatives are appointed by the OIM, the Safety Committee End of Hitch Report form included in GEMS will be completed at the end of each committee's tour. Copies are to be retained on the facility and forwarded to the facility HSE Supervisor and Operations Manager. A list of current committee members will be posted on a notice board designated for committee information in a prominent location on all facilities.

The facility Operations Manager will meet with the safety committee at least once per quarter to maintain effective communication and ensure that any formal training or onshore resources required are provided. The Operations Manager ensures that the procedures are managed effectively through a system of regular audits.

Committee assignments begin as soon as possible after a committee is convened and schedules and results are displayed on the safety committee notice board, so that on-coming crews know their assignment in advance.

2.2.3.3 Support

Corporate management is tasked with maintaining an active HSE department to assist management in implementing and monitoring an active SEMS, and fulfilling the objectives of the company HSE policies, safety philosophies and mission statement. It is the responsibility of corporate management to ensure that the HSE department has adequate resources available to be able to complete its responsibilities.

The HSE department is responsible for the development, maintenance and review of GEMS, safety statistic review and reporting, ensuring MODU regulatory compliance, ensuring HSE related items on the CAPA are being actioned and those responsible have the resources available to do so, reviewing the latest HSE related equipment and systems, ensuring the competency of SDRs and HSE auditors and interfacing with MODU based HSE personnel.

The HSE department works closely with corporate management to ensure that they have adequate resources to complete their responsibilities. Ensuring adequate resources for the HSE department involves three general steps:

- Identifying resource needs.
- Preparing a budget that addresses the needs.
- Ensuring that resources continue to reflect current needs.

Available resources to support HSE activities include, but are not limited to:

- Operations.
- Human resources.
- Technical services.
- Procurement and logistics.
- Financial and legal support.

2.2.3.4 Clients

The SEMS of Diamond Offshore, the client and any subcontractors must be reviewed, and a systems interface document developed, agreed and approved by all parties detailing applicable procedures, alignment and interface between the systems. Some countries have legislation governing the content and format of interface documents and dictate specific requirements. For areas without legislative requirements, Diamond Offshore has developed a procedure which contains guidance on minimum content elements and format.

Interface documents may include, but are not limited to, the following key aspects:

- SEMS objectives.
- Organisational structure.
- Responsibilities and accountability.
- Involvement of the workforce.
- Communication.
- Hazard analysis and controlling risks.
- MoC.
- Operational procedures, with focus on well control aspects.
- Occupational health.
- Safe work practices.
- Environmental aspects.
- Competency and training.
- Critical maintenance.
- Selection and control of third parties.

- Performance measures and monitoring.
- Emergency response, possibly in a stand-alone document.
- Investigation and recording of accidents and incidents.
- Audit and corrective actions.

The interface document, otherwise known as a bridging document, also contains evidence that the appropriate management systems of both companies have been reviewed, any conflict has been identified and agreement on HSE management for the operation reached. It should not diminish the effectiveness of any management system or attempt to shift responsibility or accountability.

The Area Manager, Operations Manager and local shore-based HSE personnel must approve all interface documents. Any deviations from Diamond Offshore procedure require completion and appropriate approvals of the MoC form.

Development, agreement, and endorsement of an interface document from executive management by all involved parties demonstrate that controls are in place to maintain and promote safe operations.

It is the OIM's responsibility to ensure the content and requirements of the bridging document are managed effectively and that all personnel are aware of the document requirements and their particular roles and responsibilities within the system.

2.2.3.5 Client's Third Parties

Interactions with client third party contractors are managed as per interactions with subcontractors. The SEMS of any subcontractors are reviewed and a systems interface document detailing applicable procedures, alignment and interface between the systems is developed, agreed and approved by both Diamond Offshore and the client.

Selection and competency verification of specialist well-services personnel and drilling engineers, contracted by the client, are the responsibility of the client, and will be detailed in bridging documents for such operations. On arrival offshore, all client personnel, including contractors and subcontractors, attend an orientation and are familiarised with the SEMS. All contractor and subcontractor personnel on the facility are also required to attend safety meetings, safety drills and exercises and participate as required in JSAs.

The selection of client's third parties is also governed by the Vendor and Subcontractor Management standard, described in Section 2.2.3.8.

Diamond Offshore policy is to ensure that, where appropriate, both the company's and client's third parties and sub-contractors undertake their obligations in accordance with the requirements of all relevant legislative acts, rules and guidance notes.

2.2.3.6 Catering and Accommodation

The Diamond Offshore Sanitation and Hygiene standard, included in Section 6.1.1.2 of SEMS, outlines the requirements to ensure that a safe, healthy and hygienic living environment is maintained on all company facilities and that all accommodation areas are kept in a sanitary condition.

Accommodation cabins, hallways, staterooms and frequent gathering centres will be swept and mopped daily. These areas will be waxed and buffed at least once a week. Beds will be made daily and bed linen will be changed every seven days. Personnel will not lie on beds in dirty work clothes or boots. Toilet facilities will be kept clean and sanitised on a continuing basis without the use of chlorine cleansers.

Full catering facilities are provided for 24-hour operation, and recreation areas are available at all times. In order to maintain a safe, healthy and hygienic living environment, it is important to ensure that all accommodation areas are kept in a sanitary condition. It is the responsibility of all personnel to keep accommodation and work areas in a clean and orderly condition.

The appointed catering contractor company will ensure that the galley is managed to ensure that clean and sanitary conditions are maintained at all times in accordance with the Sanitation and Hygiene standard. Dining tables, food preparation areas, crockery and cutlery are cleaned after each meal, floors, grease traps and range hoods cleaned daily and all food storage areas must be maintained below specified temperatures. All stored food must be comprehensively labelled and suitably stored. Only authorised employees will be allowed in the food preparation area.

All galley hygiene requirements identified in the Sanitation and Hygiene standard are reviewed by the Medic / SDR and / or OIM as part of their weekly scheduled hygiene inspections. In addition, an annual audit is carried out by the appointed catering company's HSE department, the results of which are shared with the OIM.

Galley personnel are expected to hold a valid health card or fitness certificate, be neat, clean and well-groomed at all times, keep cuts and abrasions suitably dressed, report any medical issues to the Medic / SDR and practice suitable hand and body hygiene.

Drinking water supply locations are routinely sampled and potable water is sampled prior to being loaded onto the facility from supply vessels to ensure that potable water is clean and fit for human consumption. All food waste is disposed of in accordance with the company's Solid

Waste Management standard, i.e. if outside of 12 NM from shore, food waste is ground to less than 25.4 mm (1 in) in diameter and disposed overboard.

2.2.3.7 Medical Support

All Diamond Offshore MODUs are provided with medical facilities and adequately trained medical staff as required by classification societies and regulatory body rules.

Diamond Offshore Medical Protocols Overview is included in Section 6.1.7 of SEMS. These medical protocols serve as a compendium while treating patients on board Diamond Offshore facilities. However, guideline adherence to every possible pre-hospital scenario is unrealistic. Therefore, when presented with a clinical situation not specifically addressed in these medical protocols, the medical provider should refer back to the basics of patient care and sound clinical judgment.

The references used in this section of SEMS have been obtained from a number of national and international sources. In most cases they reflect a standard of care formulated or revised within the last three years.

These medical protocols serve as a minimum standard of care unless dictated otherwise by local laws and regulations. All medical care providers must adhere to these protocols, as they reflect the current standard of care approved and delegated by the Medical Director.

Standing orders are designed for medical care providers to initiate advanced emergency care without having to contact medical control. Standing orders are listed within each protocol. Medical control may be contacted at any step in patient care.

Protocol and guidelines are divided into the following sections:

- Clinical guidelines.
- Cardiac emergencies.
- Medical emergencies.
- Respiratory emergencies.
- Traumatic injuries.

Diamond Offshore's Emergency Medical Response System, as included in Section 10.10.3 of SEMS, has been established to ensure that the priority of offshore medical procedure is to stabilise injured personnel, prepare for evacuation, and establish contact with medical facilities or doctors ashore for directions. This is done by a trained team of first responders, made up from the facility crew and coordinated by the Medic.

Objectives of the system are as follows:

- Minimise injury complications by providing effective, realistic and appropriate life support until professional medical help arrives.
- Decrease mortality, disability, hospitalisation and lost time.
- Enhance crew morale.
- Promote "wellness" and help maintain health.
- Ensure safety personnel promote accident prevention.
- Develop a medical response team and improve overall facility teamwork.
- Heighten the awareness and skills of all MODU crew members in basic first aid procedures.

More details of the available medical and emergency equipment on board the facility can be found in Part 3 - Facility Description of the HSE Case.

Emergency medical response is described in greater detail in Part 5 - Emergency Response of this HSE Case.

2.2.3.8 Selection of Contractors

The selection of third parties, vendors and subcontractors, governed by the Vendor and Subcontractor Management procedure is included in Section 8.9.3.1 of SEMS. The standard is intended to guide Diamond Offshore and its vendors, subcontractors and third party services in the achievement of exemplary quality and safety performance while preserving the independent contractor relationship. The Approved Vendor and Approved Subcontractor Lists designate those vendors and subcontractors with the ability to meet the safety, quality and liability requirements of Diamond Offshore.

A list of approved vendors is maintained for their ability to meet the requirements of Diamond Offshore. All vendors classified as level one or two products or services must be evaluated by the requesting department. The evaluation of products will occur at least once a year. The evaluation of services will be performed by the responsible department at the end of each embarkation or completion of service.

The evaluation forms will be completed and sent to the purchasing department for tracking and archiving. The purchasing department is responsible for collecting and managing all documents to ensure all signatures are noted on forms before vendor is added to the Approved Vendor List.

[redacted]

2.2.3.9 Data Collection and Monitoring

Diamond Offshore uses suitable procedures and technical means on their facilities to ensure the reliable collection of data. The data collected is stored electronically and can be extracted for historical analysis purposes. Some of the tools used for this purpose on the Ocean Onyx are included below.

Computerised Maintenance Management System

The CMMS employed on board Diamond Offshore facilities gives complete control and visibility of all asset maintenance history. The system is used to track and plan maintenance for each of the facilities in the Diamond Offshore fleet. The system can be used to track the history of an asset and store pertinent data. The system:

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

The CMMS includes a data collection system, giving status indication of the following:

- [redacted]
- [redacted]

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

The CMMS is described further in Section 2.3.19.2.

EHS Insight

EHS Insight provides a tailored HSE database system, offering comprehensive risk management, operational performance and regulatory compliance recording software that ensures current and historical information are recorded appropriately. The main functions of the EHS Insight system utilised by Diamond Offshore include the following:

- Incident Investigation:
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
- Audits:
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]

In addition, EHS Insight allows for [redacted]

The CAPA system also serves as the corrective / preventive tool and the general Master Action List for the facility. The CAPA responsibilities are assigned to the OIM.

The CAPA system requires action items to be prioritised as to their safety criticality from priorities one through four, with one being the highest priority. Priority one items must be rectified or made safe immediately; priority two items must be completed within 90 days and so on.

Job Planning System

The Job Planning System (JPS) is a computer-based program which provides crew members a tool to electronically manage their facility-specific JSA.

JPS is accessible on each facility via a web-based browser interface. The system is designed such that each independent facility operates its own JPS suite, utilising facility-specific JSA data to assist the crew in completing their work in a safe and efficient manner.

The JPS program provides user-friendly administrative controls, standardised data entry format and requirements, and incorporates a task-based risk assessment feature. Additionally, it records energy source identifiers and provides a means to accurately describe all the resources needed to efficiently plan and execute a plan safely. JPS also tracks and facilitates the entire JSA approval process, providing a means to audit safety information for compliance.

Information and data can be entered in JPS by each crew member. This concept pushes ‘ownership’ of a JSA to all crew members, solidifying the tone across Diamond Offshore that safety is the responsibility of everyone and that everyone will contribute to this effort and be held accountable.

Diamond Offshore has adopted the JSA into its safety culture as one of the most important pro-active tools to ensure the safety of its employees. Recognising the need for additional training, the HSE department developed a training video that describes the importance of JSAs to the company, how to manage the JSA process, and answers some frequently asked questions about JSAs. The JSA training video is the corporate minimum standard for JSAs. The SDR ensures that any additional local requirements are also met.

If a JSA is deleted, it remains stored in a folder embedded within the system. A JSA that has expired (i.e. past 12 months since last approval) can be identified within the library because

the last reviewed dates switch to red text and the JSA cannot be printed or used to formulate a job plan.

Furthermore, the JPS with the jobs tab contains infinite records of job plans that have been created. Embedded within each are records of after action review discussions. Whilst hard copies of plans are typically printed for remote worksite use, there is no formal requirement to retain this hard copy paperwork.

Unauthorised Access and Possible Manipulation of Data

In order to prevent unauthorised access and possible manipulation of the collected data, access to software tools on the facility is managed by assigning user identifiers to facility personnel and third party personnel where necessary. User identifiers are issued as per the authorisation level of the personnel.

2.2.4 Competence

2.2.4.1 Selection of Drilling Contractor's Personnel

Diamond Offshore recognises it must train its facility crews in order to deliver quality operating efficiency and customer service. The company expects each employee to accept the responsibility of acquiring the knowledge, skills and abilities essential to their position. In order to achieve this, Diamond Offshore has established the [redacted]

[redacted]

Local regulatory requirements will also dictate additional training which is specific to job positions. Drilling, regulatory and marine requirements for licenses, documents and certificates are established by governmental agencies and company policy. Shore-based employees who have been promoted from the field and are holders of such licenses, documents and certificates are encouraged by the company to maintain their validity.

Supervisors are the key providers of core safety and operational training, and are responsible for accurate verification of the knowledge, skills and abilities of their crew members. SDRs provide safety training, direction and administrative support to crew members as they progress through the program.

[redacted]

[redacted]

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

[redacted]

The [redacted], training and competency systems are described in detail in Section 7 of SEMS.

2.2.4.2 Selection of Vendor and Subcontractor Personnel

The requirements for the assessment of competency of the personnel of third parties, vendors and subcontractors is included in the Vendor and Subcontractor Management standard, described in Section 2.2.3.8. The standard requires that an analysis of subcontractor personnel competency and qualification is carried out for any contractors providing products and / or services that have been assessed to pose a potential high risk impact to Diamond Offshore's operational safety. All other third parties, vendors and contractors must be able to demonstrate a history of safely delivering comparable work scopes to those proposed.

All personnel on board the facility receive appropriate training in emergency procedures and are expected to participate in emergency drills and exercises. Contractors are also required to conduct and participate in JSAs and regular scheduled safety meetings to provide ongoing training and communication of safety issues.

Contractors are responsible in providing appropriate information and job-specific training for their employees to ensure that they have adequate knowledge and skills to perform their jobs safely. Contractors are required to maintain training records and credentials of their employees which should be made available to Diamond Offshore upon request.

2.2.4.3 Competence Assessment and Record

The [redacted] is an ongoing process involving all personnel, starting at the time they are first employed and continuing through their personal development and promotion, to the time they leave Diamond Offshore. Personnel are continually assessed to ensure they are competent in their position, including both HSE and position competency.

Assessments are frequently undertaken and the results of these assessments, including any deficiencies, are communicated to the employee being assessed so that any training or study that may be required to bring the employee to the adequate level of competency is provided or arranged. Records of assessments are entered into the employee's personal file for future reference.

Section 7.1 of SEMS and the training matrices in Section 7.2 of SEMS provide a detailed overview of the training and competency requirements of facility-based positions. The competency program and training matrices are a living set of documents that reside in SEMS and are constantly reviewed by the users, approvers and the respective departments that have employees affected by the facility-based competencies.

The review process for the HSE and job position documents is triggered by changes in regulations, industry / internal incidents, near misses and changes in technology on board Diamond Offshore facilities.

The facility and shore-based training courses associated with each position and listed in the Diamond Offshore area training matrices are reviewed annually. The training department coordinates this process to ensure employees are provided with the appropriate and best training the industry has to offer. The worldwide training matrix is reviewed annually, allowing departments on the facilities enough time to make budget preparations. The training matrix is also reviewed on a campaign-specific basis.

Changes to HSE, job position documents, task guidance or program policies and guidelines require the use of the Management of Change Procedure.

The OIM is ultimately responsible for the implementation and monitoring of the competency program on the facility. The personnel and training departments have an oversight function to ensure program guidelines and requirements are implemented by operations.

2.2.4.4 Training

A comprehensive training program and matrix, described in detail in Section 7 of SEMS, has been developed to ensure employees in each job position on the facility receive adequate training as an integral part of career development.

All personnel on board the facility are trained in accordance with the region-specific training matrices located in Section 7.2 of SEMS. Formal training is provided through recognised, third party training providers. In addition to this third party training, hands-on facility-based training for some operations can be undertaken by personnel who are attempting to progress their knowledge base and careers. Topics for this training include crane operations, well control and stability control, and the training courses are described in Section 7.3 of SEMS. Training may vary depending on geographical locations, availability of training facilities, and legislative or contractual requirements.

A number of occupational health and safety topics are covered through annual facility-based training. The topics covered include:

- Blood borne pathogen.
- Hearing conservation.
- Drug and alcohol awareness.
- Manual lifting.
- Fit test / respirator training.
- Hand awareness training.
- Confined space entry / rescue training.
- Barrier management training.
- Spill prevention training.

Training packages and modules ensure that acceptable competency levels of employees are achieved. Line supervisors are trained to assess subordinates' competencies by using the guidance standards for the respective skills in each job position.

Diamond Offshore maintains an extensive corporate training department that offers a variety of courses structured for compliance to industry and regulatory standards. The training department is responsible for the coordination and administration of the competency program as well as the documentation and record keeping of personnel training.

The OIM is ultimately responsible for orientation, training and maintaining safety equipment. The training department is responsible for monitoring the training status of all employees and scheduling training courses as necessary.

Documentation of facility-based training for employees is maintained on the facility with the following information provided at a minimum:

- Training conducted.
- Employee name.
- Employee's employment number.
- Date of training.
- Name of trainer.

All facility-based training documentation is kept on the facility in a manner that can be readily available for validation. All training conducted, and training documentation is required to be current and within expiration.

The Ocean Onyx training matrix and license matrix is included in Section 7.2 of SEMS and included as Attachment A. Training requirements are reviewed on a regular basis to ensure continued compliance with statutory, industry and company requirements.

2.2.4.5 Induction Program

Diamond Offshore has established an employee induction program, described in detail in Section 6.2.1.1 of SEMS, to ensure that new employees, visitors, customers, and third party sub-contractors and short service employees are provided with a basic induction into facility operations and safe work practices and formally instructed in the facility's emergency procedures. An employee is generally considered a short service employee if they have six months or less experience with their employer or present role.

All personnel boarding the facility, regardless of their status within the company or their employer, are required to undergo induction. A number of induction programs have been developed based on the requirements of personnel as follows:

- [redacted]
- [redacted]

- [redacted]
- [redacted]

All inductions follow the same general format as follows:

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

The SDR is responsible for delivering the inductions as per procedure and maintaining the necessary documentation in association with this procedure. The OIM is responsible for ensuring inductions are carried out as per procedure and monitoring the effectiveness of inductions on board the facility. The Operations Manager ensures that appropriate resources are provided to conduct audits according to procedure and conducts audits in conjunction with the HSE Supervisor. Every employee coming on board the facility receives a muster card. This card provides basic information to the employee on their lifeboat station, cabin assignment. The immediate supervisor will assign one of the more experienced employees,

or in some cases, themselves, to the new employee as a “safety buddy”. The duty of the safety buddy is to assist in the safety, training and orientation process.

A green hard hat identifies a new or short service employee as someone who may not be fully aware of their surroundings or the company policies and procedures. The SDR ensures that all new employees, whether company or third party, have a green hard hat. If the new employee does not have a green hard hat, one will be issued by the SDR. The green hard hat will be worn until the supervisor feels that the new or short service employee is competent to work on their own and ready to be released from their safety buddy, but at a minimum for three hitches. The supervisor will monitor the short service employee for compliance with HSE policies. After three hitches the green hard hat can be replaced with a normal grey hard hat.

When a company employee is promoted to a new position, they are designated a short service employee and wear a green hard hat during their orientation period. This period ends when the immediate supervisor feels they are competent in the new position, but at a minimum for three hitches. At this time the green hard hat can be replaced with a normal grey hard hat.

Occasionally an employee will be required to work in a position that is out of their job scope (e.g. Roustabout filling in for a Floorhand). If the employee is to work in that position for more than one full tour, he must wear a green hard hat for the duration he is working in that position. The purpose of this is to identify an employee who is not in their normal work job position. In some cases, an employee may fill in for their supervisor. In these situations, if the employee filling in has all the proper training, documentation and [redacted], a green hard hat is not required.

2.3 STANDARDS AND PROCEDURES

2.3.1 Planning and Risk Management

Section 3 of SEMS outlines Diamond Offshore's procedures relating to risk management on its facilities. The objective of the SEMS Risk Management Manual is to reduce risks associated with the company's operations to a level that is ALARP. The Risk Management Manual describes Diamond Offshore's methodology of identifying, assessing and controlling risk to the facility, its people and the environment.

The Risk Management Manual covers the following topics:

- FIA.
- HSE Case management.
- Risk assessment.
- BowTie analysis.
- PTW.
- Safety systems of work.
- JSA.
- Stored energy.

Fleet Integrity Assurance

FIA is the Diamond Offshore core process safety system. The development of the program is based on various studies such as previous HSE Cases, quantitative risk analysis performed within the fleet and summarised to be applicable in a high level generic nature to all drilling units. FIA can be summarised by three core objectives:

- [redacted]
- [redacted]
- [redacted]

[redacted]

To perform drilling operations in a safe and efficient manner, a stable foundation is required.

[redacted]

[redacted]

- [redacted]
- [redacted]
- [redacted]
- [redacted]

[redacted]

[redacted]

[redacted]

[redacted]

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

[redacted]

[redacted]

- [redacted]
- [redacted]
- [redacted]

Process Safety versus Personal Safety

FIA focuses on preventing MAEs which is also referred to as process safety management. Examples of MAEs include the following:

- Large fires, explosions or collisions which could cause serious injury or fatality to multiple personnel, including those not directly involved with the activity.
- Severe damage to the vessel.
- Significant pollution.

A full list of MAEs for the facility is included in Part 4 - Risk Management of the HSE Case, as well as a detailed description on the risk management process undertaken for this facility.

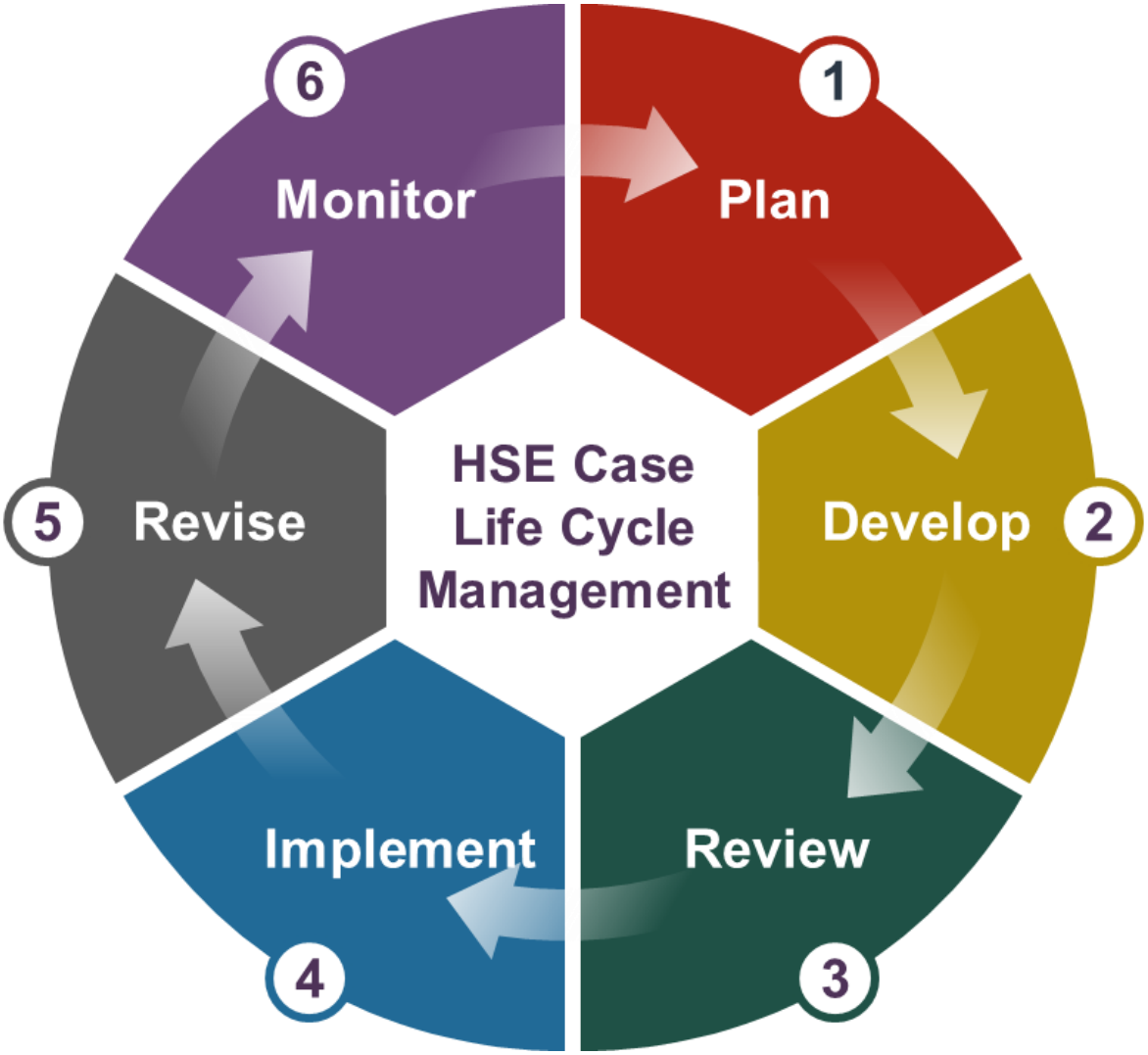
Personal safety focuses on preventing personal injury of lesser extent, such as slips, trips or falls which normally involve a lower risk to the personnel directly involved in the activity. These are an example of other workplace hazards and are assessed during the hazard identification (HAZID) process for this facility. Generally, these risks are adequately mitigated by the various policies and procedures that are industry standard and are implemented across Diamond Offshore.

HSE Case Management

The objective of the HSE Case Management Standard, included as Section 3.10.3 of SEMS, is to ensure that Diamond Offshore HSE Cases (also referred to as safety cases) are developed to a consistent and industry best practice standard and are compatible with the other company systems which are documented in the company SEMS. The requirements of this standard establish the core requirements to be applied in HSE Case management. It is recognised that local regulatory requirements may require deviation from or extension to, this standard; however, these are managed in a manner which minimises the differences from Diamond Offshore's global approach, and so that the company objectives can be achieved.

This standard is applicable to all Diamond Offshore MODUs, as it is company policy that all Diamond Offshore facilities operate under an authorised HSE Case, which meets the requirements of this standard and any regulatory authority in the countries in which the company operates. An HSE Case is not simply a document but is a recursive process which is performed and managed over time. The company applies a multi-stage HSE Case life cycle management process for HSE Cases, which is illustrated in Figure 2.3-1. This enables the company to continuously improve the management of major hazards on board its facilities.

Figure 2.3-1: HSE Case Life Cycle Management Process



Risk Management Standard

The objective of the Diamond Offshore Risk Management Standard, included as Section 3.2 of SEMS, is to standardise the way in which the company's risk management system and the principles of the company Risk Management Policy are implemented. Specifically, the objectives of this standard are to:

- Outline the risk management system which will be applied by the company.
- Ensure that the risks associated with company operations are managed to a level that is acceptable, tolerable and ALARP.

The company risk management system is implemented through a structured process, which is aligned to the ISO 31000 [8], shown below in Figure 2.3-2.

Figure 2.3-2: Risk Management Process

The following risk management process is utilised by Diamond Offshore:

[redacted]

[redacted]

[redacted]

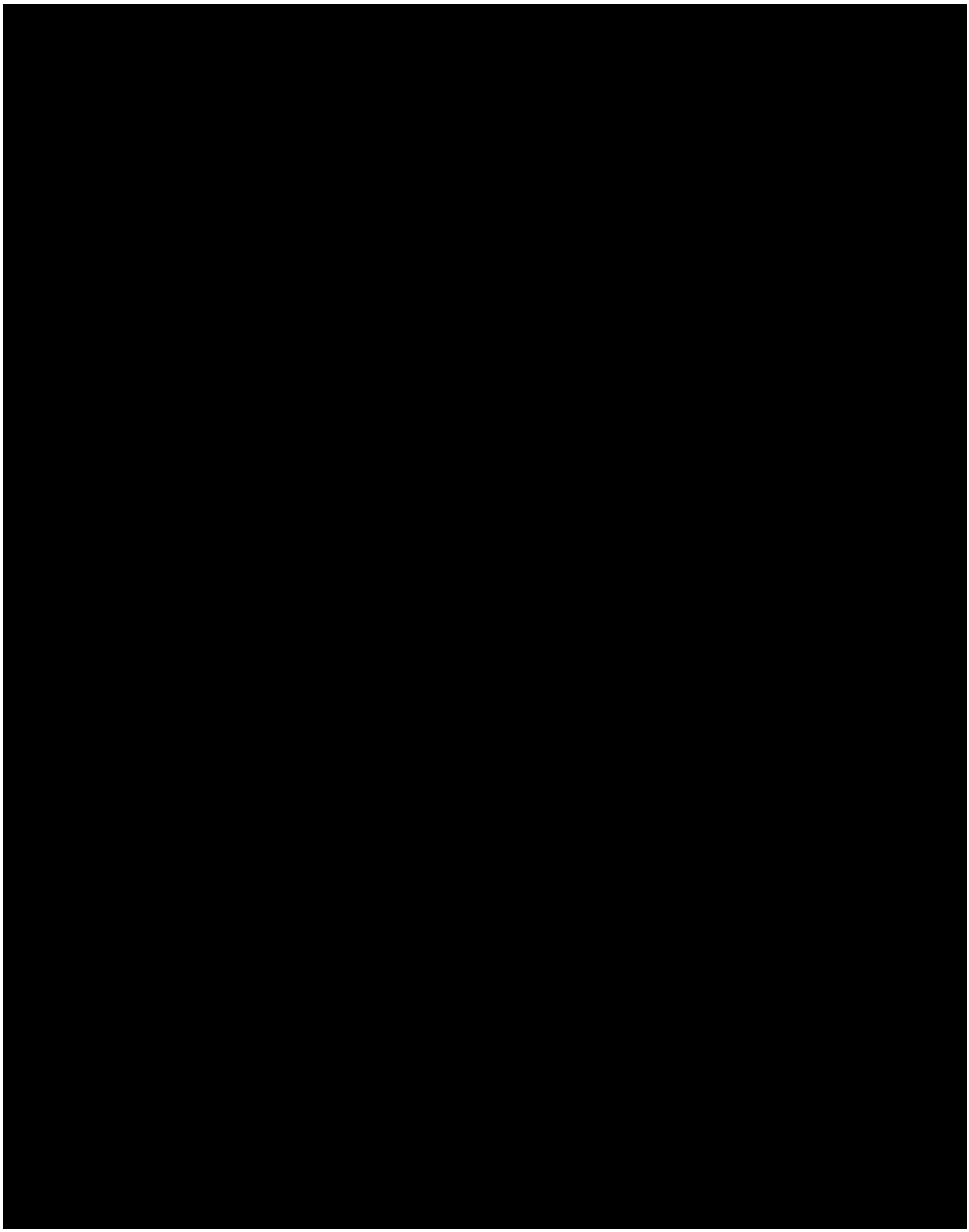
[redacted]

Risk Assessment Procedure

The Diamond Offshore Risk Assessment Procedure, included as Section 3.3 of SEMS, serves to standardise the way in which risk assessments are performed within the company, across all locations. The objective of performing risk assessments is to reduce the risk associated with the company's operations to a level that is acceptable or tolerable, and ALARP. Risk assessment is a sub-process of the overall risk management process, as shown in Figure 2.3-2, and is implemented through the following simple three step process:

- Identifying risks (hazards, events, causes).
- Analysing existing controls, consequence severities, and likelihoods to estimate the risk.
- Evaluating the acceptability and tolerability of the estimated level of risk.

The Risk Assessment - Guide for Decision Making, located within the Risk Assessment Procedure, assists in determining when a risk assessment is required.



The risk assessment matrix, shown in Figure 2.3-4, is used to locate the intersection of the consequence severity and likelihood estimates, which are determined during the risk evaluation phase of the risk assessment process. Any risks that are estimated to have consequence severity levels of 'major' or 'catastrophic', regardless of their likelihood, are classified by Diamond Offshore as 'major hazards'. All major hazards and their risks have been analysed in a detailed BowTie risk analysis study, with the results documented within the Ocean Onyx HSE Case in order to demonstrate that they can be tolerated by the company.

The criteria used by Diamond Offshore to evaluate the acceptability and tolerability of risks are summarised in Figure 2.3-5. These criteria dictate if the risk is acceptable or tolerable, and what actions are required in each case.

Figure 2.3-5: Risk Evaluation Criteria

A variety of forms and tools are made available to personnel in order to implement the requirements of the Risk Assessment Procedure and are summarised in Table 2.3-1. Task-based risk assessments are primarily completed using the JPS, which allows offshore workers to undertake risk assessments within the JSA that they complete for offshore tasks. An online risk assessment web form is also provided in GEMS to enable the performance of more complex formal risk assessment (FRA) for irregular work.

Table 2.3-1: Application of Risk Assessment Forms and Tools

Form / Tool	Application
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

The OIM is responsible for leading risk assessments with regards to their facility, as well as reviewing and approving all offshore risk assessments for the facility.

Higher level risk assessment techniques such as HAZID, BowTie analysis, escape, evacuation and rescue analysis, SOOB and ALARP review have been used in support of the development of the Ocean Onyx HSE Case. All foreseeable sources of hazards are identified during the HAZID process and from these, the identified major hazards are taken forward for in-depth risk analysis.

Refer to Part 4 - Risk Management of the HSE Case for further details of the risk assessment process used.

Formal Risk Assessment

Procedures relating to risk management are required to be dynamic in order to:

- Accommodate changes in declared safety and environmental critical element (SECE) availability and reliability.
- Address any situations that may arise that has the potential to increase the probability of a major accident hazard being realised.

The procedure for FRA within the Risk Assessment Procedure provides the process that meets the above criteria. The procedure provides a robust process that will demonstrably manage major accident hazards where impairment of a SECE (including loss, degradation, maintenance failure) or some other abnormal operational situation that may (potentially) compromise safety and as a consequence increase risk levels. When undertaking a risk assessment for any scenario, consideration shall be given to the potential for cumulative risk; and especially in risk assessment scenarios which involve impairment of SECEs. Cumulative risk occurs where there are multiple deviations or risks which may be acceptable or tolerable in isolation from each other; however, their combined and related effects may result in a level of risk which is not acceptable or tolerable.

[redacted]

Diamond Offshore has integrated the FRA process throughout SEMS, including the risk management, asset management and performance monitoring processes as described in Sections 3 and 8 of SEMS and Part 6 - Performance Monitoring of the HSE Case. SECEs are identified in the FSA process Part 4 - Risk Management of the HSE Case and are assigned an asset prioritisation and asset criticality rating in accordance with the Asset Criticality Standard in SEMS Section 8.5. When the change or impairment is identified, the Management of Change Standard governs the response and the possible impact on existing risks introduced by changes in people, organisation, practices, procedures or assets and equipment. Once the risk is analysed, the changes are documented and approved by the responsible parties before initiating or continuing the affected operation or business process. The MoC process is described further in Section 2.3.2.

BowTie Analysis

The purpose of the BowTie Analysis guideline, included as Section 3.3.4 of SEMS, is to provide guidance on the methodology that is used by Diamond Offshore to conduct BowTie analysis. This guideline is applicable to the BowTie analysis that is performed for major hazards during the development of HSE Cases for company MODUs. The methodology is largely derived from the many lessons learned over years of applying BowTie analysis within the petroleum industry, but also through efforts to achieve alignment with pre-existing risk analysis standards and guidance. The Process Safety Manager is responsible for maintaining this guideline to meet evolving standards, regulatory requirements and company operational needs. A detailed explanation and demonstration of the BowTie analysis process that has been applied in the development of this HSE Case is presented in Part 4 - Risk Management of the HSE Case.

Permit to Work

The objective of the PTW system is to control any work that may present hazards or high risk to personnel or the integrity of the drilling unit, or conflict with other work by introducing hazards or risks not previously identified. The objective of the system is to ensure that certain work is adequately defined, planned and authorised, and that hazards are identified, and a mechanism exists for their control.

[redacted] The PTW system is described in greater detail in Section 2.3.4.

Job Safety Analysis

Diamond Offshore has designed a JSA process to systematically plan and organise jobs, tasks and procedures in order to minimise risk to employees, equipment, or the environment, and to maximise operational efficiency.

The JSA is applied to all safety-critical jobs, tasks and procedures, and no completely new task will be performed without a JSA being completed. The JSA is a living document, and a master copy will be maintained on the facility and reviewed prior to performing the job for which it was written.

JSAs will be completed for at least every task listed on the JSA task list. Additional JSAs will be developed when appropriate, depending upon facility type and activity. There shall be only one JSA for a particular job task. As criteria or conditions change that may affect the original plan, it must be updated to compensate for the changes. If conditions change at any time

during the performance of the task, then the job will be stopped to analyse the effects of the change. If necessary, the JSA will be modified prior to resuming the task.

The JSA is to be used as a job reference and training tool for all crew members. It is the basis for pre-job and pre-tour safety meetings and will promote hazard awareness.

Diamond Offshore has adopted the JSA into its safety culture as one of the most important pro-active tools to ensure the safety of its employees. Recognising the need for additional training, the [redacted]
The SDR ensures that any additional local requirements are also met.

Once training and orientation are conducted, it is Diamond Offshore's expectation that JSAs will be conducted in accordance with the training received. Correct application of the JSA system will assist in achieving the shared goal of always working safely.

[redacted]

The Job Safety Analysis procedure is set out in Section 3.5 of SEMS, and involves the following steps:

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

It is the responsibility of the OIM to develop and maintain the master JSAs, review and approve all JSAs prior to use, ensure that all personnel are effectively utilising the JSA process and supplying all the resources required for the safe completion of all tasks. It is the responsibility

[redacted]

Risk Assessment Review

The FSA is periodically reviewed over the lifecycle of the facility. The assessments are reviewed as a minimum during each revision to the HSE Case, as described in Part 1 - Introduction, Section 1.2.5 of the HSE Case.

2.3.2 Management of Change

The objective of the Management of Change Standard is to describe the key elements necessary to achieve effective MoC which include:

- [redacted]

The Management of Change Standard, detailed in Section 4.1 of SEMS, applies to company operations worldwide and establishes a formal method to submit, review, assess, authorise, and document change to ensure the integrity and safe operations of the MODUs globally.

The company defines MoC as a change control process that is implemented to safely manage variations in people, organisation, practices, procedure, equipment or materials in the

approved plan or guideline. The MoC process provides a structure to analyse new risks and the possible impact before business operations deviate from approved plans.

MoC may need to be created for changes made to MODUs such as the addition of new equipment or critical system, changes in the organisation of critical positions on the MODU or changes to company / enterprise arrangements, e.g. changes to GEMS policies, standards, procedures or training requirements. Once the change is identified, the originator is required to develop a clear, concise explanation of the change so that well-informed, fact-based decisions are made in subsequent steps.

The proposed change is to undergo a risk assessment and evaluation in accordance with the risk management standard described in SEMS. The risk evaluation is required to communicate the benefit of the change in the context of accepted company business goals. Part of the risk evaluation process is reviewing which departments are “impacted” by the change and to select the appropriate team members from these departments which have the knowledge about the proposed change and the implications of the change, credibility and willingness to represent their views objectively. Team members carrying out the evaluation are required to be from different and relevant disciplines, e.g. operations, HSE, maintenance, marine, drilling in order to achieve a well-balanced viewpoint. Changes that are identified as acceptable are processed with no other special actions required; however, changes that are assessed to have a risk level that is not ALARP must have mitigation actions identified in order to reduce the risk of the change to a level that is acceptable.

The Management of Change Procedure includes the necessary steps that are required to create, review and approve a MoC and the associated FRA. The [redacted]

- [redacted]
- [redacted]
- [redacted]
- [redacted]

During the process of submitting the MoC, the system determines whether MoCs will be subject to an FRA which will consider the impact of the change and the risks involved as described in Section 3 of SEMS. Records of electronic MoCs are maintained in the MoC section of GEMS. The log will keep the status and approval history of each form.

Each change is managed through an approval workflow specific to the MoC process; the approver of an MoC assesses the change, the identified risks and mitigation actions and ensures the mitigations are verified and implemented at the specified times. Roles and

responsibilities for administering the process are detailed in the Management of Change Standard.

The description of the MoC process is provided in the Management of Change Manual, included as Section 4 of SEMS.

2.3.3 Emergency Response

Part 5 - Emergency Response of the HSE Case provides a detailed description of the internal emergency response arrangements. This includes:

- Emergency response management.
- Command and communication.
- Training for emergencies.
- Temporary refuge assessment.
- Details of emergency equipment and systems.

These activities are described in detail in Section 10 of SEMS.

Details of the Ocean Onyx gas detection systems, fire protection, emergency shutdown system, emergency lighting and evacuation and escape systems can be found in Part 3 - Facility Description of the HSE Case.

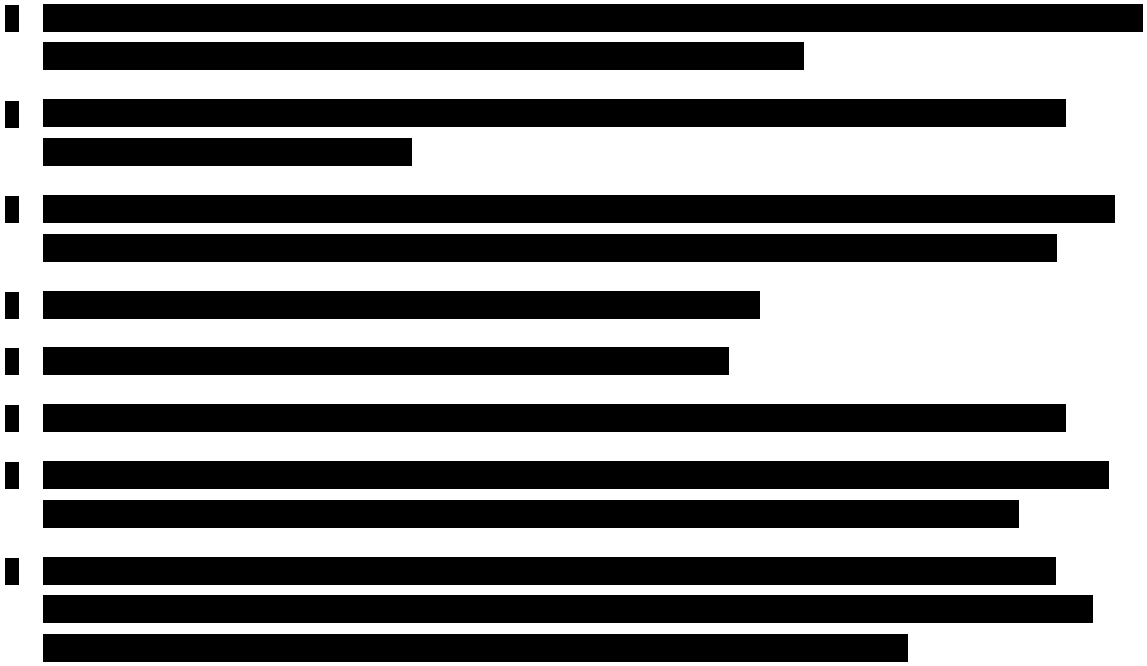
2.3.4 Permit to Work System

Diamond Offshore has developed, implemented, and monitors, audits, and reviews an effective PTW system. This PTW system is supported by adequate training and instructions, as a component of an overall SSoW, as provided for within SEMS.

The PTW system is applicable to certain types of work undertaken by any person on the MODU, including employees of Diamond Offshore, the client and all third parties.

The detailed objectives of the permit system are summarised as follows:

- [redacted]
- [redacted]



The permit system is a part of the overall SSoW, described in Section 3.7 of SEMS. The SSoW describes how all work is to be planned, permitted and executed safely. The work planning, permitting and execution process is illustrated in Figure 2.3-6. The PTW system and the associated equipment isolation procedures are described in detail in Section 3.8 of SEMS.

2.3.4.1 Permit Roles and Responsibilities

The roles, positions, and responsibilities that are required for the implementation of the PTW system (the permit system) are summarised in Table 2.3-2.

Table 2.3-2: Permit to Work System Roles and Responsibilities

Permit System Role	Key Role Responsibilities

[redacted]	[redacted]
	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

Permit System Role	Key Role Responsibilities
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

2.3.4.2 Permit General Requirements

Selecting the right permit and associated forms for the right work is ultimately the responsibility of the Permit Authority; however, the Permit Administrators and Permit Issuers apply the following criteria when determining which permits and forms are required for the work:

- [redacted]
- [redacted]
- [redacted]
- [redacted]

The following general requirements apply for work performed under a PTW:

- No work shall commence until the PTW, and associated forms have been authorised by the required signatures of the relevant permit system roles.

- The Permit Authority or a Permit Issuer may request any work to be performed under a PTW; however, the permit system should not be overused to control work, as this can result in a degradation of perceived importance of the permit system by the workforce.
- Any potentially conflicting work, such as that which is identified in simultaneous operations plans or SOOB matrices (if available) shall be performed under a PTW.

Work requiring a permit falls into two basic categories, [redacted]

[redacted]

[redacted]

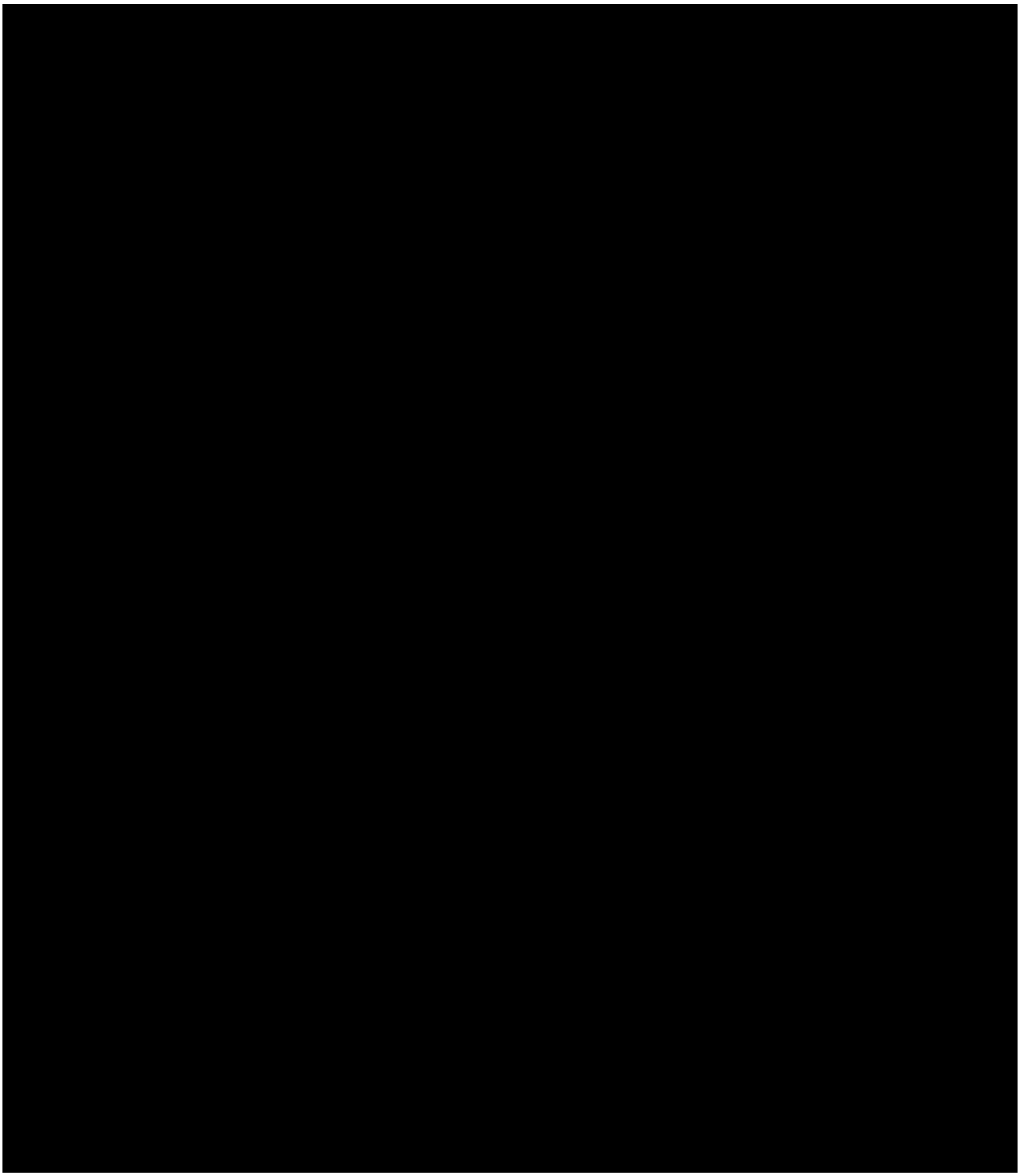
- [redacted]

[redacted]

[redacted]

- [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

Figure 2.3-6: Work Planning, Permitting, and Execution Process



2.3.4.3 Permit System Training

All personnel who occupy any permit system role shall be trained and competent to undertake the responsibilities of their permit system role. The SDR provides an introductory overview of the permit system as a component of the induction process for all persons who will be working on the facility. Workers are provided with training prior to undertaking any work authorised under the permit system. The level of permit system training required by each person depends on their allocated role in the permit system, which is summarised in Table 2.3-3.

Permit system training for all users, including third party personnel, is recorded in the Permit Training Log on the facility server, which is maintained by the Medic, and a copy of the permit training certificate is held on file.

The Permit Administrator does not permit any person to perform the duties of a permit system role who does not have the required training, as evidenced by the Permit Training Log and a current training certificate.

Table 2.3-3: Permit to Work System Role Training Requirements

[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]

Any employee designated, authorised and suitably trained to be in charge of all isolation and de-isolation of machinery and equipment, must have successfully completed training in

isolation as well as the PTW system and demonstrated an ability to safely perform effective isolation and applicable procedures.

2.3.4.4 Permit to Work System Monitoring, Audit and Review

The permit system is regularly audited to ensure that the system is effectively implemented in accordance with the requirements of the procedure. The OIM is responsible for monitoring and auditing compliance with the permit system. Permit audit findings are recorded as CAPA items to facilitate trend analysis. Permit system audits include both closed and open permits at the time that the audit is conducted. All auditors of the permit system must have successfully completed level one and two and lock-tag-try training.

2.3.5 Safe Working Practices

The company believes that employees are the foundation and the most important contributor to the success of GEMS. The employees of Diamond Offshore and its subsidiary companies have had input into compiling the safe work practices section, Section 6.2 of SEMS, that is endorsed by company management.

As the company takes the necessary measures to ensure they meet or exceed their duty of care in relation to health and safety of employees and others, all personnel are responsible for the safety of themselves and those working with them and to ensure safe work practices are applied to all tasks.

The safe working practices system contains information on the following:

- Basic safety rules.
- Facility induction procedures.
- DODI process.
- Housekeeping.
- PPE.
- Pre-tour safety topic.
- Shore-based safety training.

The safe working practices section contains policy and procedures on key elements of HSE management to ensure company employees and other personnel working on any Diamond Offshore facility are provided with SSoW and sufficient information to allow them to undertake

that work in the safest and most efficient manner possible in accordance with company requirements.

General safety, safe working conditions and equipment safe-use practices are described in greater detail in Section 6.2 of SEMS.

Diamond Offshore also utilises a behavioural-based safety system called the DODI process. The objective of the DODI process is to create a strong safety culture whereby personnel frequently discuss one another's workplace behaviour in order to reinforce safe behaviours and address opportunities for improvement.

Behavioural-based safety is built on the principle that targeting undesired behaviours for correction and encouraging desired behaviours both in the work place and at home will provide critical support to Diamond Offshore to be the best and safest drilling contractor in the world. When used correctly the DODI process will have the greatest immediate impact on incident prevention as well as strongly influence the safe work culture. The DODI process is described in more detail in Part 6 - Performance Monitoring of the HSE Case.

2.3.5.1 Safe Systems of Work

The objective of the Safe Systems of Work overview, included as Section 3.7 of SEMS, is to highlight the five key elements of the Diamond Offshore SEMS, to ensure that personnel are aware of them and the important aspects of safety and environmental management that they perform. These five key elements provide clear, standardised, and effective systems for safely managing all work performed on company assets. These systems are collectively referred to as the company Safe Systems of Work (SSoW). The SSoW is applicable to all Diamond Offshore MODUs operating worldwide. The use of the SSoW is applicable to work that is undertaken by any person on the MODU, including Diamond Offshore employees, the client, and third parties.

All of these systems are related and work in coordination to provide critical, risk-based information at each step of the work process. Information and actions developed at one step are carried forward and implemented in subsequent steps, eventually forming a closed and self-reinforcing and learning loop. The foundation of the SSoW begins and ends with risk management principles, which flow into all other SSoW steps as illustrated in Figure 2.3-7. A summary of the principles, requirements, and objectives of each element of the SSoW is provided in the Safe Systems of Work overview.

Figure 2.3-7: Company Safe Systems of Work Overview

2.3.5.2 Stored Energy

Potential energy is energy that is stored within an object. It exists when there is a force that tends to pull an object back towards some original position when the object is displaced. This force is often called a “restoring force”. For example, when a spring is stretched to the left, it exerts a force to the right so as to return to its original, un-stretched position. Similarly, when a weight is lifted, the force of gravity will try to bring it back down to its original position. The initial steps of stretching the spring or lifting the weight both require energy to perform.

Stored energy is not visible but can be detected and measured with pressure gauges, potentiometers, circuit testers, torque gauges, tension gauges.

Any plans to perform work on pressurised or energised equipment will require a risk assessment along with a MoC to be completed. The approval of a VP is required before the work is allowed to commence.

Greater detail about the procedures surrounding work on sources of stored energy can be found in Section 3.6 of SEMS.

2.3.5.3 Confined Space Entry

Confined space entry procedures are outline in Section 6.2.2.3 of SEMS. The procedures aim to minimise the possible risk to personnel who are required to open or enter confined spaces where oxygen deficiency, toxicity or explosive atmospheres are suspected.

Every Diamond Offshore facility will develop a listing of confined spaces on board which is displayed in several locations around the facility. The listing and the confined space policy is reviewed and updated at least once annually. Each confined space is marked with a notice placard or signage and provided with access controls.

Confined space entry training is conducted upon an employee's initial assignment to the facility and on an annual basis thereafter. If an employee's assigned duties change and the duties require them to enter a confined space, they will be trained prior to entry. If a new hazard has been introduced or any special deviations have occurred, the employee will be trained in these changes.

[redacted]

Methods for the control of hazards associated with confined spaces include:

[redacted]

- [redacted]
- [redacted]

[redacted]

[redacted]

[redacted]

At [redacted]

2.3.5.4 Working at Height

Diamond Offshore has established a procedure for working at heights, included as Section 6.2.2.5.e of SEMS. Jobs and conditions that are considered working at heights include but are not limited to:

- Working at 1.83 m (6.00 ft) or higher, or when there is a potential to fall from one level to another.
- Conducting man riding operations.
- Working from a work basket.
- Working on elevated platforms or walkways lacking proper handrails.
- Working in the derrick.
- Working over water.

While a 1.83 m (6.00 ft) threshold has been identified as a mandatory requirement for wearing appropriate fall protection, such measures are often necessary below this threshold if

recognised during job evaluation. The supervisor and employee will evaluate each job to ensure that the proper fall protection is put into place. If any doubts arise regarding the job being performed in a safe manner, then an FRA will be completed.

It is important that priority be given to personnel working at heights by ensuring that no other operations that could affect the safety of personnel working aloft are undertaken simultaneously. Prior to commencing work at heights, the JSA is reviewed to make sure effective control measures are in place to eliminate or minimise the risk, and that PTW and Lock / Tag / Try are in place where and when required by the Permit to Work Policy.

The working at height procedure establishes minimum requirements for working at height safety with the objective to ensure that all working at heights is performed in a manner that exposes the employee to the lowest possible risk, and to ensure that all personnel involved in the operation are made aware of the procedures, risks involved, and rescue methodology.

2.3.5.5 Personnel Transfers

Procedures covering all aspects of personnel transfer operations are described in the Workboat and Crew Boat Procedures, included as Section 5.4.1.c of SEMS, and the Personnel Basket procedure, included as Section 6.2.2.5.a of SEMS. The procedures aim to ensure that the transfer of equipment, materials and personnel to and from workboats and crew boats is performed in a safe and efficient manner according to an agreed upon procedure to eliminate risk to personnel, the environment and equipment.

2.3.5.6 Barrier Management

There are several sources of dropped object potential that exist on the facility and Diamond Offshore has implemented the Barrier Management standard, SEMS 6.2.2.10 of SEMS, to identify and establish common and consistent drill floor red zones, and temporary red zones across the fleet and on the facility.

[redacted]

[redacted]

[redacted]

- [redacted]
- [redacted]
- [redacted]

[redacted]

[redacted]

2.3.5.7 Dropped Object Prevention

The objective of SEMS 6.2.2.4 is to identify potential dropped objects, implement mitigation measures and define consistent standards to prevent objects from falling. [redacted]

[redacted]

[redacted]

More in-depth information regarding dropped object prevention is available in Section 6.2.2.4 of SEMS.

2.3.5.8 Personal Protective Equipment

The Personal Protective Equipment standard, included as Section 6.2.1.4 of SEMS, has been developed to ensure that all PPE used by Diamond Offshore personnel provides suitable protection and is properly stored, maintained, cleaned and inspected after use. PPE is vital to health and safety and is provided by the company at no expense to the employee.

In order to determine what PPE is required for a particular task, the applicable procedure or where applicable, the PPE listed within safety data sheets (SDS) will be used. Any extra PPE identified through toolbox talks, during the course of any stop work moments and after action reviews shall be implemented into the task specific JSA.

Employees are properly trained in the adequacy, maintenance and sanitation of all PPE provided by the company or by the employee. This training is conducted through the use of the WWC program.

Any equipment that no longer provides adequate protection will be replaced immediately. PPE will be inspected before and after each use.

It must be remembered that PPE is not a substitute if elimination of a hazard is possible. All hazards must be identified, and risk controlled to a level that is ALARP.

Greater information regarding PPE on Diamond Offshore facilities is provided in Section 6.2.1.4 of SEMS.

2.3.5.9 Fatigue Management

Work hours and shift patterns follow normal industry practice. Normal working hours offshore are based on a 12 h shift followed by a 12 h rest period. The OIM is required to maintain an accurate record of the hours worked by each person on the facility. This record must include all personnel on board including third parties. It is the responsibility of the OIM to ensure that no facility-based employee is permitted to work more than 16 h per day.

Before shifts of up to 16 h are to be worked or when the rest period after a 16 h shift is less than 8 h, written approval has to be obtained from the OIM. Should extraordinary circumstances dictate that an employee works beyond the 16 h maximum, the facility management is required to get written approval from the Operations Manager.

Personnel work rosters are reflective of normal industry practice and should avoid unnecessary fatigue. When allocating manpower for specific operations, the supervisors must consider the physical aspects of the job to ensure that adequate rotation of personnel is conducted to ensure no one person is required to do the bulk of the physical work to such an extent that their fatigue level makes them unable to safely continue the work process.

2.3.5.10 Drugs, Alcohol and Weapons

Diamond Offshore has in place an Alcoholism, Drug Abuse and Contraband Policy and a Prohibition of Firearms Policy that apply to all personnel on board Diamond Offshore MODUs. These policies are included in Section 0.10 and 0.20 of SEMS. The policies strictly state that illegal and unauthorised drugs (and related suspicious paraphernalia) including narcotics, alcohol, and firearms are not permitted on board any Diamond Offshore property.

It is also the policy of the company to prohibit reporting to work under the influence of alcohol or drinking alcoholic beverages during working hours as well as prohibiting the illegal use, sale, possession or being under the influence of narcotics, drugs or controlled substances while on the job or on company premises. Passing a company pre-employment drug screen is a condition of employment and anyone failing such will be denied employment with Diamond Offshore. The company also reserves the right to conduct random and post-accident alcohol and drug screens and employment is contingent on returning a negative result. Enforcement of this policy by the company may take into account the area's legal requirements.

Prescribed medications and medical equipment are controlled by the Prescription and Non-Prescription Drugs standard, included as Section 6.1.5.4 of SEMS. The procedure aims to ensure that drugs and medications are logged, stored and administered in compliance with local regulations and Diamond Offshore policies and guidelines.

In order to provide a safe and healthy work environment for all employees of Diamond Offshore and its subsidiaries, and to prevent accidents and casualties in the company's operations that result from impairment of employees using prescription drugs, Diamond Offshore has determined that a uniform and effective prescription drug policy be established.

It is the policy of Diamond Offshore that all persons arriving on its facilities report the use of any prescription medication or non-prescription medication to the Medic upon arrival. The Prescription and Non-Prescription Drugs standard contains guidelines on medication and medical equipment that personnel may be allowed to possess and use on the facility and rules for their possession; however, this can change depending on regional requirements.

2.3.6 Environmental Management

An Environmental Management System (EMS) has been developed to establish standards and company policy for environmental management in operations to protect the environment and to comply with applicable laws and regulations and is applicable to company operations worldwide.

Annual goals for the EMS are set, monitored and measured according to frequency and volume. The ultimate goal is zero incidents, but the target is continuous improvement by exceeding the previous year's performance as stated in the corporate annual plan. Annual plans and goals are described in the SEMS performance monitoring manual.

Diamond Offshore recognises the importance of all employees working together to achieve the goals in the protection of the environment. Therefore, each employee has the responsibility to conduct activities with the protection of the environment as one of the main priorities. The EMS also includes specific responsibilities that contribute to protection of the environment.

In addition to the elements detailed above, the environmental practices section addresses the topics shown below:

- HSE policy.
- Environmental aspects.
- Regulatory compliance.
- Environmental procedures.
- Waste management.

2.3.6.1 Health, Safety and Environment Policy

The EMS is designed to fulfil the company's HSE Policy, and environmental goals and objectives. Diamond Offshore has a corporate HSE department to establish, maintain, and monitor implementation of environmental procedures and to ensure regulatory compliance.

A corporate GEMS assessment, including EMS elements, is conducted on each Diamond Offshore facility annually.

2.3.6.2 Environmental Aspects

An environmental aspect is any element of the company's activities, products or services that can interact with the environment. As an offshore drilling contractor, Diamond Offshore owns and operates MODUs around the world. Environmental aspects resulting from Diamond Offshore's operations include:

- Energy use.
- Storage and use of chemicals.
- Emissions.
- Waste.
- Unintentional discharges.

Diamond Offshore has adopted the JSA as a key tool for safe operations and the protection of the environment. The objective of the JSA program is to systematically plan and organise jobs, tasks and procedures in order to minimise risk to employees, equipment or the environment, and to maximise operational efficiency.

Each facility utilises the general Environmental Aspects Chart to identify and control facility specific environmental aspects and impacts within their JSA process. The environmental aspects list links the aspect with the associated JSA to ensure safeguards are in place to minimise environmental impacts. Each facility must maintain their environmental aspects list with its master JSAs. It is the responsibility of the OIM to ensure that the Environmental Aspects Chart is complete and available.

The detailed Environmental Aspects procedure is provided in Section 6.3.3 of SEMS.

2.3.6.3 Regulatory Compliance

The Regulatory Compliance overview, included in Section 6.3.4 of SEMS, contains detailed and continually reviewed and updated information on regulatory requirements in all regions where Diamond Offshore has operated or currently is operating. The following general worldwide regulatory requirement topics are addressed:

- Ozone depleting substances.
- Overboard discharges.
- Overboard discharge valves.
- Ballast water management.

- Sewage discharges.
- Solid waste management.
- Environmentally critical valves.

If any region has any specific regulatory requirements, or has more stringent requirements of the above topics, these requirements are outlined in the separate sub-sections of Section 6.3.4 of SEMS.

2.3.6.4 Environmental Procedures

The environmental procedures section of SEMS covers the following topics:

- Environmental incident reporting and procedures.
- Environmental tracking.
- Pollution prevention.
- Onboard fluid transfers.

The Environmental Incident Procedures and Reporting document ensures that reporting requirements are met for local government, flag state and Diamond Offshore to ensure compliance on all levels.

The Environmental Tracking Report procedure is utilised to measure the efforts of the offshore fleet and land-based facilities to increase positive change in the protection of Earth and its resources. Tracking environmental impacts, fuel consumption, and emissions allow the company to benchmark and improve performance with accurate reporting and accounting of environmental impacts and fuel consumption.

The Pollution Prevention standard aims to reduce the risk of accidental spills, emissions and discharges to protect the environment in which Diamond Offshore's facilities operate.

The Onboard Fluid Transfer Standard aims to ensure all fluid transfers that occur on board the facility are conducted in a safe and responsible manner whereas to prevent the possibility of any pollution incidents from occurring.

2.3.6.5 Waste Management

The Waste Management standard, included as Section 6.3.6 of SEMS, contains an array of region-specific waste management procedures to ensure that waste is collected and stored properly to minimise the risk of a spill, pollution or injury to personnel.

The Australian Waste Management procedure, included as Section 6.3.6.1 of SEMS, defines the methodology to be used by Diamond Offshore for the segregation, handling, storage and disposal of controlled waste. The objective of the procedure is to ensure that the required methods of work are applied to achieve full compliance with the applicable legislation. The company's main responsibilities are to ensure:

- A full, correct written description is given of all necessary information pertaining to the handling and treatment of the waste.
- That the packaging of waste prevents any unwanted assimilation with other types of waste and its escape while in transport.
- The company uses a registered licensed or exempt carrier for the disposal of the waste produced.
- Conform to GEMS materials control procedures.

2.3.7 Occupational Health

Protecting the health of personnel is within the company's HSE Policy objectives and has equal priority with other elements of HSE management. Personal injury resulting from an incident is usually noticeable and immediate. However, any injury or illness resulting in exposure to a health hazard is usually less apparent.

The principles for controlling health risks are basically the same as for other risks, i.e. identify the hazard exposure, assess exposure, eliminate the hazard if possible, and if not possible control it to an acceptable level. A JSA will provide sufficient preliminary information to decide whether a more detailed assessment is required, and the level of protection is adequate.

Monitoring of health includes periodic medical examinations to determine fitness to work offshore, or to return to work after an injury or illness. Medical advisors, industrial hygienists and health advisors are retained to provide support and specialist advice regarding unusual health situations. When necessary, checks on atmospheric conditions such as noise levels and air quality are undertaken, as well as regular inspections of accommodation hygiene standards.

Health and safety hazard information is communicated to those responsible for managing, providing resources and devising safe work practices, as well as those who may be exposed to a hazard or have to apply control measures.

2.3.7.1 Manual Handling

The Manual Handling guideline, included in Section 6.2.2.6 of SEMS, defines how Diamond Offshore identifies the hazards and controls the risks associated with manual handling operations. The Manual Handling procedure aims to ensure that any risks and hazards associated with manual lifting are identified and eliminated or minimised as far as reasonably practicable.

Task and Load Assessment

Task and load assessment involves making an evaluation of the working environment remembering to include the initial location of the load, the entire route of transport and the intended set-down location. This analysis includes (as a minimum):

Risk Reduction

More direct risk reduction measures are to be adopted by focusing on safer systems of work through engineering, design or organisational improvements related to the task, load or the working environment. Consideration is to be given to the preferred risk reduction strategy and controls:

- Elimination.
- Substitution.
- Engineering.
- Administration.
- Personal protective equipment.

Training

Training is conducted on manual handling and back injury prevention as per the facility-based Training Matrix. Training includes information regarding manual handling, proper lifting and musculoskeletal injury prevention.

2.3.7.2 Industrial Ergonomics

Diamond Offshore's Ergonomics Procedure, as described in detail in Section 6.1.4.4 of SEMS, has been established to ensure all personnel working on Diamond Offshore facilities meet company, and where required, legislative standards to mitigate or remove adverse strain as a consequence of manual handling, work position, repetitive movements, work intensity or similar employment-based tasks.

The procedure covers the following:

- Periodic assessment of work stations and working environment.
- Assessment of man-machine interface.
- Provision of training or information and instruction on muscular-skeletal injury.
- Manual handling.
- Slips, trips and falls.
- Poor working posture.
- Difficult access to plant and equipment.

- Utilising equipment with difficult / complex operating features / requirements.

All personnel ensure that they have received information and training in the safe use of equipment prior to use and report any defects immediately to their supervisor or SDR. All personnel must familiarise themselves with their work stations or areas, seek advice if they are unsure about anything and report any symptoms or health related problems. The OIM is responsible for ensuring that the procedure is complied with on board the facility and is assisted in this by the SDR and facility medic.

2.3.7.3 Vibration Management

Vibration related hazards, and hand and finger safety in general, are managed by the Hand and Finger Safety standard, included in Section 6.2.2.1 of SEMS. [redacted]

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

2.3.7.4 Noise Management

Diamond Offshore's management system requires that each facility must comply with the relevant local state regulations in relation to the management of noise related hazards. The Hearing Conservation standard, included in Section 6.1.4.6 of SEMS, defines the responsibilities and actions required to ensure compliance with the Offshore Petroleum and Greenhouse Gas Storage (Safety) Regulations [15]. In order to comply with these regulations and to ensure that all noise hazards are managed in a manner consistent with the provisions of National Occupational Health and Safety Commission (NOHSC) code 2009(2004) [12], after allowing for the protection offered by hearing protectors, the level of noise exposure is less than an $L_{Aeq,12h}$ of 82 dB(A); or an $L_{C,peak}$ of 140 dB(C). The relevant noise exposure standard which will be applied by Diamond Offshore will be that as set out in NOHSC:1007(2000) [11].

The standard contains the following required steps:

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

Approved hearing protection consists of ear defenders or ear plugs which reduce the noise exposure to a permissible limit. They may be worn together to meet adequate protection requirements. Appropriate hearing protection is available outside all entrances to high noise areas and personnel will be given the opportunity to select their hearing protectors. Training is updated consistent to changes in PPE and works processes and includes the proper techniques of wearing hearing protection.

The SDR is the designated person and is responsible for assisting the OIM in maintaining and monitoring compliance with regulations.

2.3.7.5 Asbestos Management

The Ocean Onyx is certified as being free of asbestos. If any asbestos materials are discovered in future that are suspected to be constructed of or contain asbestos, the asbestos management procedure in SEMS will be followed and a licensed third party contractor will be engaged to remove the material according to NOHSC:2002(2005) [13], and it will be replaced with a suitable alternative material.

The Diamond Offshore asbestos management procedure, as included in Section 6.1.3.4 of SEMS, has been developed to ensure all hazards associated with the presence of asbestos materials are eliminated where possible and risks reduced.

On facilities identified with asbestos-containing materials (ACM), Diamond Offshore will inform all persons on the facility of any work which is to involve asbestos prior to the commencement of the works. Asbestos awareness is covered on facilities where asbestos has been identified as being present through asbestos surveys commissioned through a licensed asbestos contractor. Information relating to asbestos specific to these facilities is included in the facility induction which is a mandatory requirement for all personnel attending the MODU, including visitors. They are advised of the presence of ACM on the MODU and their location. In

addition, during the tour of the facility, which is part of the induction process, time is taken to highlight the location of ACMs.

Asbestos awareness training is then administered to all facility-based crew. Management of ACMs, licensed activities and non-licensed activities involving ACMs, including the removal of compressed asbestos fibre gaskets, are carried out by the Diamond Offshore approved and licensed asbestos contractor. Diamond Offshore do not expose any members of their crew or visitors in activities that involve working with ACMs, electing instead to deploy trained operatives from the licensed contractor to remove such hazardous material using approved techniques. Therefore, further training of Diamond Offshore personnel with regard to the management of ACMs and any associated training for non-licensed removal of ACMs is not required.

All asbestos-related material is labelled in accordance with the applicable legislation to heighten awareness regarding the presence of the hazardous material. Where necessary, the material is encapsulated to ensure that its condition does not, as far as reasonably practicable, deteriorate. In addition, an asbestos register is retained on the facility with details of the asbestos material recorded within the register.

2.3.7.6 Health and Hygiene

The Sanitation and Hygiene standard, included in Section 6.1.1.2 of SEMS, aims to ensure that a safe, healthy and hygienic living environment is maintained, and accommodation areas are kept in a sanitary condition. In order to maintain a safe, healthy and hygienic living environment, it is important to ensure that all accommodation areas are kept in a sanitary condition. It is the responsibility of all personnel to keep accommodation and work areas in a clean and orderly condition.

In order to achieve this aim, the sanitation and hygiene guidelines set forth the sanitation and hygiene requirements of the living quarters, mess and galley, as well as standards for galley personnel, users of tobacco products and pest control.

The Medic or their designee will inspect the accommodation [redacted] When the inspection is complete, the Medic and OIM sign the inspection form and ensure that any deficiencies are corrected immediately or added to CAPA, if required.

The Medic provides the OIM with advice on all aspects of occupational hygiene. This includes advice on hazardous substances and general occupation hygiene matters. The Medic may seek advice directly from the HSE department on these matters.

2.3.7.7 Hypo and Hyperthermia

Hazards associated with working in hot and cold atmospheric conditions are managed by the procedures included in Section 6.1.4.2 and 6.1.4.3 of SEMS.

Hazards associated with working in hot and cold conditions are identified during job planning. The procedures in SEMS provide guidelines for recognising hyperthermia, hypothermia and frostbite and also procedures for first response. Personnel working in hot conditions will maintain a suitable intake of fluids, schedule breaks with sufficient regularity, include enough personnel to share the workload sufficiently and incorporate equipment to aid in the regulation of body temperature, such as ventilation or shelter. Personnel are provided with appropriate PPE for working or evacuating in cold conditions where required. The procedure also includes guidelines on cold water survival and tools for use during job planning where hot or cold conditions are identified.

2.3.7.8 Contagious Diseases

Procedures to prevent contagious diseases being transported to Diamond Offshore MODUs and the management of contagious disease outbreaks offshore is governed by the procedures included in Section 6.1.1.1 of SEMS.

Understanding the epidemic threat, recognition of an outbreak, providing early warning and delivering a targeted response may well prevent a large pool of susceptible persons from becoming infected. If an individual abruptly presents with symptoms, it will be necessary to isolate that person immediately. It may also become essential to quarantine all the individuals that person had contact with. Section 6.1.1.1 of SEMS provides procedures for transmission precautions, including isolation, quarantine, PPE and surface disinfection. Transmission based precautions are used for individuals who are known or suspected of harbouring certain infections. There are three categories of transmission based precautions: airborne, droplet and contact precautions; and they reflect the variations in the way infections are transmitted.

[redacted]

Contagious diseases which are declared by the [redacted] and accepted by the Australian government as a “pandemic” are addressed in this HSE Case as potential major

hazards which could become present on the Ocean Onyx, but out of necessity these are addressed in a general manner only. See Part 4 - Risk Management of the HSE Case for further information relating to the communicable pandemic disease MAE assessment. In scenarios where a pandemic is declared, an exposure control plan will be developed that will specifically address all additional necessary work practice controls, housekeeping requirements, vaccination, post-exposure evaluation and training requirements.

2.3.8 Health, Safety and Environment Procedures

A variety of HSE procedures relating to operations have been developed by Diamond Offshore to ensure a proactive approach to health, safety and protection of the environment, and are included in Section 6 of SEMS.

Responsibility for health, safety, quality and environmental protection lies directly with all employees from the company President through line management to each individual employee.

It is Diamond Offshore's policy to promote a proactive approach to health, safety and protection of the environment, ensure that all personnel actively participate in the HSE program, and have an extensive facility-based program that optimises the company's performance in accident prevention and environmental protection.

It is Diamond Offshore's policy to act positively to prevent injury, ill health and damage to the environment arising from its operations, and to ensure compliance with applicable HSE regulations in any area of the world where the company's facilities operate.

Facilities operate in various geographical locations worldwide and requirements and regulations vary between locations. Therefore, the HSE procedures cannot cover all the associated rules and regulations applicable to the offshore industry. The intention of the safe working practices section is to set a minimum standard for policy and procedures to complement daily work activities. It is not intended to be used as a substitute for legislation, regulations, or competent supervision.

The SEMS HSE Manual, included as Section 6 of SEMS, is organised as follows:

- Occupational health practices.
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]

- [redacted]
- [redacted]
- [redacted]
- Safe work practices.
  - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
  - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
  - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

- Environmental practices.
  - [redacted]
  - [redacted]
  - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
    - [redacted]
  - [redacted]

Each procedure lists the objective, scope, definitions, overview, procedures, responsibilities and references involved in the topic, and the procedures include the requirements for inspections, reporting, the communication and recording of the results and the review of the procedure.

2.3.9 Health, Safety and Environment Communication

Diamond Offshore has created a high-level Communication policy, included as Section 9.1 of SEMS, to ensure that effective communication is achieved and maintained at all levels throughout the company.

As stated in this policy, Diamond Offshore utilises the following communication techniques to ensure effective communication of HSE critical information:

- [redacted]
  - [redacted]

[redacted]

Individual HSE procedures will state whether the information gathered during the completion of the procedure warrants inclusion in any of these communication techniques. Some of the more important items above are included in Section 2.7.4 of SEMS and described below.

2.3.9.1 Safety Meetings

Safety meetings can be held anytime a supervisor feels it necessary to ensure continuing safety, assist with planning of work, or where there is a significant change to an operation or task. [redacted]

- [redacted]
- [redacted]
- [redacted]

[redacted]

[redacted]

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

[redacted]

Diamond Offshore ensures that arrangements are in place for gathering information such as legislative amendments and alterations to technical standards or practices. This ensures that Diamond Offshore is able to manage major accident hazards properly through awareness of these issues and being able to achieve compliance where there are legal requirements. Important safety information is acquired through Diamond Offshore's active participation in the [redacted] and through subscription services provided by various professional bodies (such as [redacted] and the [redacted]). In addition, Diamond Offshore has ensured that dedicated resources are available to assist management in implementing, monitoring and communicating such information. The following company segments and position types which exist to ensure communications are cascaded from senior management throughout the organisation are as follows:

- Area Manager (accountable for planning, organising, directing and controlling activities).
- HSE department (advising management, supply pertinent key HSE-related information).
- Operations Manager (ensure operations are carried out to meet stated requirements).
- OIM (accountable for ensuring the effective implementation of all HSE issues).

To ensure information relevant to the control of major accident hazards is communicated internally, Diamond Offshore makes use of a SEMS amendment record. The OIMs and supervisors are responsible to remain up to date with the changes in GEMS and to notify the relevant employees in their charge of the applicable changes. All changes to GEMS are posted in the amendment record, which is found on the GEMS home page. [redacted]

[redacted]

In addition, where bulletins are deemed likely to influence safety, or the integrity of equipment or facility, all external HSE alerts or technical bulletins received at shore bases or on board MODUs from vendors, customers, government agencies will be forwarded to the Area HSE Manager or Technical Manager for review and comment. If the alerts contain relevant or critical HSE information, they will be forwarded to the VP - HSE in the corporate office for review, distribution, approval and issue if necessary. If the alert is related to technical information, it is to be sent to the Houston technical department for review and distribution.

Diamond Offshore has an automated notification function integral to the incident management database (EHS Insight) which ensures that senior management, and all other stakeholders within the organisation, receive immediate and direct notification of incidents or near miss events. The criticality or potential of these incidents then dictates the level of resource allotted to the investigation, up to and including shore-based intervention with subject matter expert support from external parties.

Improvement actions discovered during normal operations, incident investigations, near misses, significant near misses or critical equipment failure that may have a significant impact or relevance to all MODUs, worksites or facilities may be summarised and distributed as an alert or bulletin.

This communication process of critical HSE-related information provides a robust method for ensuring major accident hazards are managed appropriately and that all relevant personnel, including supporting roles such as contractors, are made aware through effective communication channels throughout the organisation.

2.3.9.2 Handovers

The Handover to Designated Relief standard, included as Section 2.7.5 of SEMS, describes the requirements in place to ensure the provision of pertinent information to designated reliefs during tour change or crew change through clear and proper documentation of ongoing work. A comprehensive handover will ensure the safe and efficient continuity of operations and will minimise the risk for errors to occur.

All crew members are required to have a handover with their relief to discuss:

- Operations that are completed, ongoing or planned.
- Any pertinent work place conditions.
- Relevant PTWs.

- Other essential work-related information.

Alongside a verbal briefing, a written handover is maintained for all but the most junior positions on board (e.g. roustabouts, floorhands, trainees) which notes the events of the hitch or tour. These notes properly document the status of projects in progress, and detail items or tasks that require further action for completion. Key information contained in the written handover may include but is not limited to:

2.3.10 Health, Safety and Environment Alerts and Bulletins

The Issue and Control of Alerts and Bulletins procedure, included as Section 13.1 of SEMS, describes the method with which Diamond Offshore effectively communicates appropriate information efficiently to all personnel working on Diamond Offshore worksites and facilities worldwide. This ensures they are informed of all current HSE issues, incidents and technical information which could influence their safety and / or the integrity of the facility or its equipment.

The procedure has been developed to manage, organise and control the receipt and prompt development and distribution of all HSE alerts, technical bulletins and lessons learned from

Diamond Offshore operations worldwide, information from vendors and other external agencies.

The primary purpose is to ensure accurate information is distributed to designated parties, and ensure these parties initiate a timely response to any action item generated from these alerts and bulletins that may apply to their operations, with the further aim to increase safety and enhance performance standards and practices.

The procedure contains information on the management and control of the following types of alerts and bulletins:

- Safety alerts and technical bulletins.
- Lessons learned.
- Flash alerts.
- Diamond Offshore HSE alerts and technical bulletins.
- Original equipment manufacturer product and engineering bulletins / alerts.

Alerts issued from the corporate office that require actions to be taken are sent to applicable facilities using the Multi-CAPA feature of EHS Insight. The alert is generated by the respective department relating to the type of alert and will be assigned to the related position offshore.

The OIM receives notification of the CAPA through EHS Insight and must review it and send to the assigned person. The actions are progressed, completed and closed through CAPA and will form a history for reference.

Lessons learned are alerts and bulletins received from sources outside the company and are not normally document alerts in the GEMS system. These alerts may or may not be relevant to company operations but are provided to facilities and work sites for information purposes and will be posted on the bulletin board.

2.3.11 MODU Security

Diamond Offshore has developed a number of policies and procedures for ensuring proper and effective security measures are applied to prevent and mitigate security-related incidents, injuries and loss of assets resulting from security breaches. The overarching company policy regarding global security is described in Section 2.1.1.

Section 0.13 of SEMS contains the Security and Confidentiality policy, which aims to maintain adequate control over entrance to premises and work locations, as well as access to records, computer information and cash or other items of monetary value. [redacted]

[redacted]

Facility-level security procedures are included in Section 5.5.1.5 of SEMS. These procedures relate to vessel trespass, the vessel safety zone and vessel access control.

The Vessel Safety Zone and Floating Trespass procedure defines the sea-room and security safety margins around the facility. The implementation of a safety zone to prohibit unauthorised vessels from entering the area of operations of a facility will not deter terrorist attacks, but it may prevent fishermen from fouling the facility's underwater equipment, or simply from colliding with the facility.

The Vessel Access Control procedure aims to provide a system for the control of personnel boarding the facility to prevent the admission of anyone with a hostile intent toward the vessel or its crew and prevent unknown or unauthorised materials from arriving on board that may cause harm or injury to personnel or damage to the vessel.

Emergency response to breaches of security are addressed in the Emergency Response Manual, included in Section 10 of SEMS, and described in detail in Part 5 - Emergency Response of the HSE Case.

An integral component of the overall security of the MODU is the implementation of the Industrial Automation and Control System (IACS) Security Policy. Diamond Offshore recognises the importance of securing offshore assets from accidental or intentional disruption of operations that may result in financial, safety or environmental impacts. Diamond Offshore has established and implemented an IACS security management system that details the security implementations and facilitates assessments of offshore IACS security systems. This system provides a framework to proactively manage cybersecurity and develop a culture of IACS security discipline within Diamond Offshore. Cybersecurity measures are described in detail within Section 8.7 of SEMS.

2.3.12 Drilling and Well Control Operations

Standards and procedures relating to drilling and well control operations which can be performed from the Ocean Onyx are presented with the following hierarchy in Section 5 of SEMS:

- [redacted]
  - [redacted]
    - [redacted]

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

- [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]

- [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]

These sections contain a comprehensive library of procedures relating to drilling and well control operations, each set out in a similar manner with the objective of the procedures, [redacted] Each procedure also lists the relevant design standards to which equipment must be designed, maintained, inspected and accredited, such as [redacted] recommended practices and standards. The section also contains departmental organisation charts.

2.3.12.1 Simultaneous and Combined Operations

The Simultaneous Operations procedure is included as Section 5.6.4 of SEMS. The procedure addresses internal simultaneous operations (SIMOPS), courtesy of the facility SOOB matrix, and includes a guide for the correct use of the SOOB matrix. The SOOB matrix located in Section 5.6.4.a of SEMS is a generic matrix, with the facility-specific matrix being included as an annex to Part 4 - Risk Management of the HSE Case.

SIMOPS that are outside the scope of these procedures are subject to the creation of bridging documentation between Diamond Offshore and the third party with which the SIMOPS will be taking place. The procedure for creating this bridging documentation is included in Section 3.10.4 of SEMS. This section of SEMS, the HSE Management Systems Interface (Bridging Document) procedure, details the minimum requirements, elements and standards to be included in a formalised management system interface document, otherwise known as a bridging document, between the SEMS of Diamond Offshore and the management system of the client or third party involved in the SIMOPS, and including any subcontractors where applicable.

2.3.13 Marine Operations and Site Assessment

Marine operations procedures are included within Section 5.5 of SEMS. The procedures provided in the marine section of the operations manual are generic in nature, reflecting the differences among the facilities in the fleet and the operations they may be engaged in. The marine operations procedures included in this system provide the minimum standard for marine assurance throughout the worldwide fleet and are intended to be used as guidance in developing facility-specific procedures.

These procedures reflect what Diamond Offshore believes to be best practices at the time of publication. It is recognised that other procedures may be introduced to meet legal or operator requirements in specific areas of operation, provided such standards are written to an equal or higher standard than those included in this system. Deviation from procedures in this manual will likely require the personnel on the facility to complete the risk assessment and MoC procedures in order to properly identify risks and ensure they are documented and approved by the proper people.

In the absence of conflicting requirements, Diamond Offshore personnel are required to follow the marine operations procedures contained in the SEMS operations manual. The procedures are as follows:

- [redacted]
  - [redacted]

- [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
- [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted].
    - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]

[redacted]

Facility-specific operational procedures are addressed within the Ocean Onyx Operations Manual (MOM) [2].

2.3.13.1 Adverse Weather

The marine manual contains a number of procedures relating to inclement weather, the avoidance of inclement weather if possible, and the methods to prepare the moored semi-submersible MODU when it may be vulnerable. The procedures are as follows:

- Weather forecast and metocean voyage routing.
- Severe weather procedures on location.
- Disconnecting in heavy weather.
- Preparing for field moves.
- Weather conditions - field moves.

These procedures are all located in Section 5.5 of SEMS.

Guidance is also available to the OIM on the weather limitations for the following:

- Helicopter operations.
- Drilling operations.
- Crane operations.
- Well testing.
- Equipment handling through the moon pool.
- Handling / operation with marine riser.
- Support vessel capabilities.

The environmental operating limits of the facility are provided in Part 3 - Facility Description of the HSE Case. [redacted]

[redacted]

Diamond Offshore has also developed some guidance material specifically targeted at Australian operations, including a Cyclone Evacuation and Mobilisation Procedure, located in GEMS, and a Tropical Season Contingency Plan - Australasia, included as Section 10.3 of SEMS. These procedures describe the weather forecasting systems used in Australia, such as green, yellow and red alerts, terminology used, and the procedures to be followed for each alert status. GEMS also contains checklists for each of these alert statuses.

Emergency response for situations that may arise due to inclement weather are described in detail in Part 5 - Emergency Response of the HSE Case.

2.3.13.2 Support Vessels

Interactions between Diamond Offshore facilities with their support vessels are governed by the SOOB matrices for those facilities. The SOOB matrix for this facility is included as an annex to Part 4 - Risk Management of the HSE Case. A generic SOOB matrix is supplied in Section 5.6.4.a of SEMS.

[redacted]

Support vessel operations are controlled by the Procedures for Bringing Vessels Close to MODUs, included as Section 5.5.1.3.l of SEMS. This procedure aims to ensure that a senior responsible person assesses all risks on the facility before any boats are allowed in close proximity to the facility or any facility personnel are sent on board a boat alongside the facility for any reason. This procedure also outlines the requirement for initiation of communications with support vessels.

Fluid transfers from support vessels are outlined in the Fuel Oil and Hazardous Fluid Transfer procedure, included in Section 5.5.1.3.c of SEMS.

A marine data card is developed for the Ocean Onyx at each operating location and distributed to all support vessels contracted to work adjacent to the facility. The card outlines the following pertinent information about the facility:

- [redacted]
- [redacted]
- [redacted]
- [redacted]

- [redacted]
- [redacted]

[redacted]

2.3.13.3 Towing Operations

Anchored semisubmersible rig moves can be divided into several phases. Each phase has typical actions and may have special requirements due to local conditions (e.g. pipelines or biological communities within the anchor pattern).

The entire move will be evaluated, and a move-specific procedure document will be developed by the Barge Supervisor. All phases of the move will comply with all of the requirements of SEMS.

The following are the general phases in an anchored rig move.

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

Generic procedures for each phase are described in Section 5.5.3.2 of SEMS. In addition to these requirements, specific requirements regarding rig moves conducted within Australian waters are described in Section 5.5.5.1.a of SEMS. This document describes the organisations that must be notified before a rig move is conducted, as required by Australian regulatory bodies.

Rig Move Planning

[redacted]

[redacted]

[redacted]

The aspects to be covered by the rig move procedures are listed in Section 5.5.3.2.a of SEMS.

Location Approval

Before an anchor pattern is established, the client shall provide maps showing obstructions and hazards on the seabed within the anchor pattern taking into account the distance each particular unit deploys anchors in the water depths encountered.

The maps shall show:

- [redacted]
- [redacted]
- [redacted]
- [redacted]

[redacted]

[redacted]

[redacted]

[redacted]

Anchor Handling Vessel / Towing Vessel Selection Criteria

It is critical to ensure that tow vessels of adequate power are provided for all rig moves and that all towing equipment and connections are designed for and are suitable for use. Section 5.5.3.2.f of SEMS contains procedures which apply to all semi-submersible MODUs in the Diamond Offshore fleet. All tow vessels employed by either Diamond Offshore or the client

for field moves are required to have a bollard pull which is acceptable to Diamond Offshore and the underwriter's surveyor.

The selection of vessels to carry out anchor handling and towing operations for a move of a Diamond Offshore facility is governed by factors including the following:

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

2.3.13.4 Station Keeping Operations

Mooring Analysis

A mooring analysis is required for all operating locations. [redacted] Mooring analyses are conducted in accordance with the requirements of Section 5.5.3.2.l of SEMS, and also local regulatory requirements. [redacted]

[redacted]

The maintenance of these mooring elements will be managed in accordance with the maintenance management philosophy described in Section 2.3.19. Also during operations and for subsequent future campaigns over the life of the facility, the installed mooring elements will comply with the mooring equipment inspection intervals relative to the age of the mooring lines as provided for within the APPEA MODU Mooring in Australian Tropical Waters Guideline [1].

Note: Maximum wave height, wave period and wind speed stated in Part 3 - Facility Description, Section 3.2 of the HSE Case are for structural designs, not for station keeping. Capacity for station keeping will be decided separately by site-specific mooring analyses as described above.

Mooring Integrity Management System

The mooring integrity management system (MIMS), described in Section 5.5.2 of SEMS, is a leading industry standard that incorporates a prevention strategy, operational practices, and reactive protocols to capture data from undesired events to provide for continual improvement. MIMS provides guidelines for procurement and operation of mooring equipment. [redacted]

Mooring Operations

The mooring systems can require a considerable period of time to deploy and recover. Therefore, rapidly changing weather conditions during rig moves may endanger the MODU by leaving insufficient mooring capacity to withstand adverse weather while waiting for the boats to resume work. Section 5.5.3.2.e of SEMS contains the procedures to be followed with respect to weather conditions.

SEMS Section 5.5.2.6 MIMS-6 Installation and Operational Practices provides generic guidance for the facility crew for installation and operational practices to mitigate damage to mooring equipment and ensure that mooring operations are conducted safely. Note, site-specific procedures are developed for use during the different aspects of anchor handling. The SEMS procedures provides guidance on the following:

[redacted]

[redacted] Full pre-move procedures, including checklists are described in Section 5.5.3.2.c of SEMS.

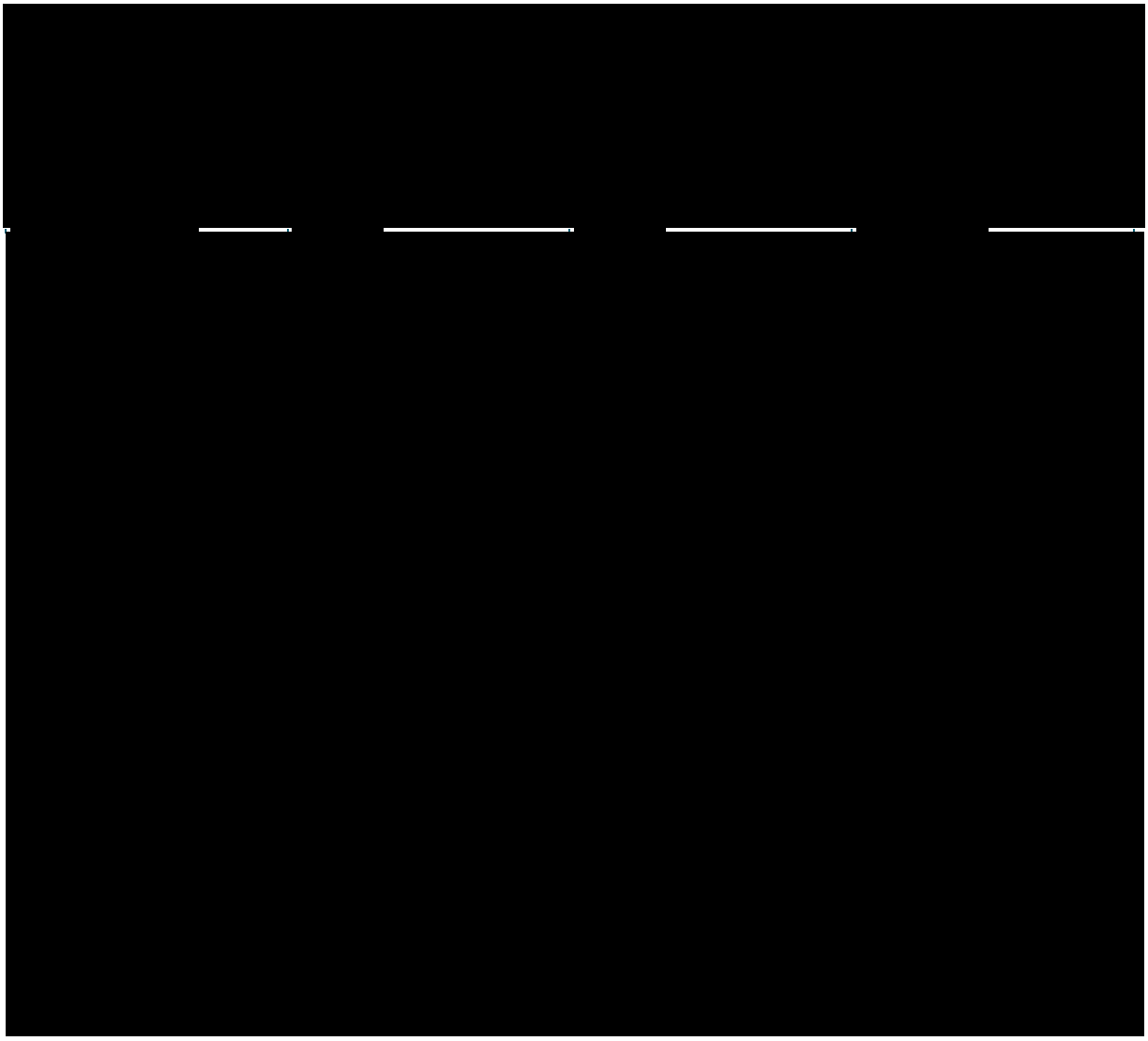
Riser Analysis

Riser analysis is a critical element of any drilling or workover campaign and must be completed prior to [redacted] The riser analysis will consider inputs such as [redacted] A sample riser analysis is available within SEMS.

Station Keeping Alert Guidelines

Station Keeping on Moored Rigs - Alert Guidelines, included as Section 5.5.3.1.n of SEMS, describes the station keeping alert guidelines for moored facilities and is applicable to the marine operations on the Ocean Onyx. The objective of these guidelines is to ensure that all moored MODUs use and apply a uniform and approved format of alert system for decision making in the event of extreme weather, high current or other environmental issues. The guidelines were developed for the common use by the moored MODUs in the Diamond Offshore fleet. The guidelines may only be superseded by an approved operating manual or local and governmental rules. In the cases of specific and approved more restrictive guidelines, then those guidelines shall be used as basis for limits and limitations on alert implementation. In cases where the SEMS guidelines provides more strict limitations than the approved operating manual or local regulations, then the SEMS guidelines shall provide the basis for alert implementation. The OIM is responsible for ensuring that the moored rig alert guidelines are followed and that any changes to them are made through a MoC, which must be submitted and approved in advance of any changes where and when practicable.

Table 2.3-1: Station Keeping Guidelines for Moored Facilities



2.3.14 Engineering Management

Major facility modifications are managed by the MoC system. Whenever operational requirements call for a change to the structure, procedures or major equipment of the facility, the correct process must be followed before that change can occur. The technical services department of Diamond Offshore is generally responsible for managing any major changes to the facility.

Proposed major changes to structure or equipment are submitted using the TSWR and modification MoC process described in Section 2.3.2. [redacted] TSWRs are described in greater detail in Section 8.10 of SEMS.

The modification MoC process is intended to document a modification which has already been properly researched and vetted. Investigation of proposed facility modifications should be pursued through regular channels, especially including the TSWR, before a modification MoC is created.

A modification MoC must be submitted for any modification of a facility's systems, equipment, or components. This includes:

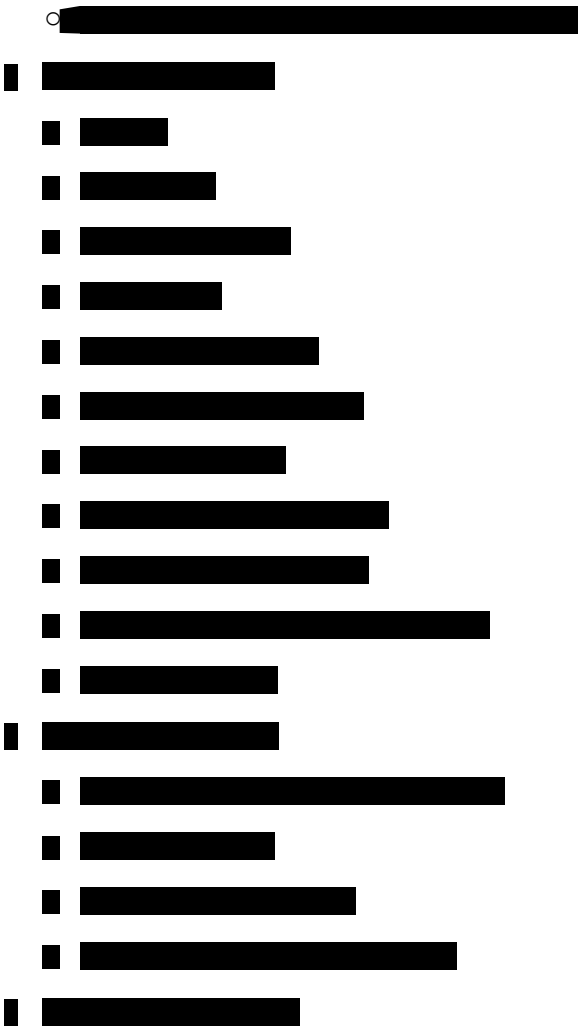
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

[redacted]

2.3.15 Lifting Operations and Material Handling

A comprehensive library of lifting operations procedures is located in Section 5.4 of SEMS. These standards and procedures are divided into the following categories:

- [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]



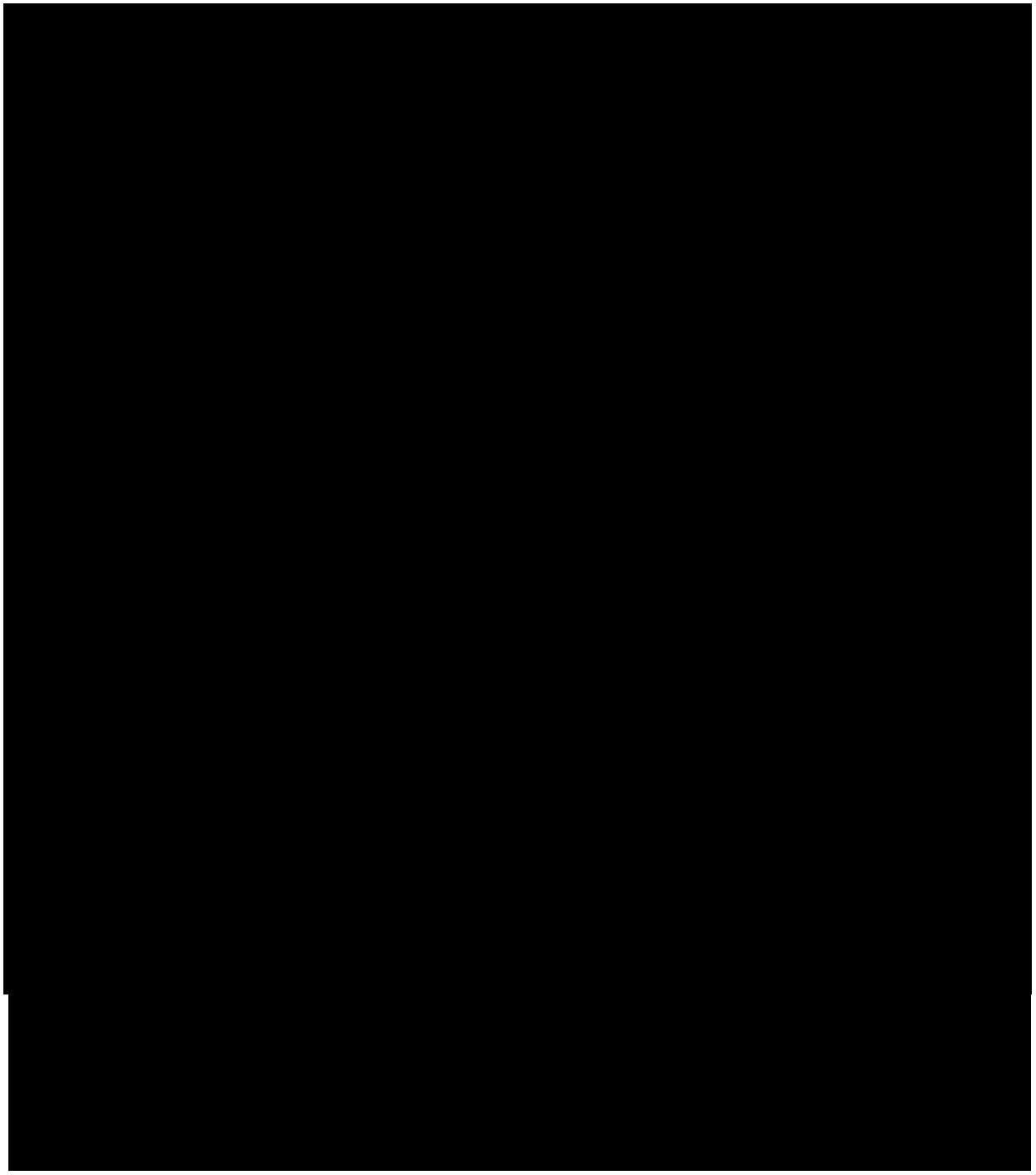
The local requirements section outlines any extra region-specific lifting equipment requirements that must be considered for operations in those regions.

Each procedure also lists the relevant design standards to which equipment must be designed, maintained, inspected and accredited, such as API recommended practices and standards.

In addition to the lifting standards and procedures described above, Diamond Offshore has also developed a procedure which specifically addresses any extra requirements for lifting gear management while operating in Australian waters.

A summary of the positions which have training and competency requirements to operate lifting devices relative to the equipment that they operate is provided in Table 2.3-4. The specific training and competency requirements are included in the training matrix included in Attachment A.

Table 2.3-4: Facility Positions with Lifting Roles, Responsibilities and Competencies



2.3.16 Logistics Management

2.3.16.1 Personnel Tracking

Personnel assigned to duties on the facility are provided with travel details by the onshore client logistics administration. Prior to embarking, the rules regarding helicopter and prohibited substances are communicated to all personnel. A manifest of personnel boarding the aircraft is presented to the helicopter pilot who also verifies the numbers.

The heliport must confirm to the facility the identity of the individuals boarding the craft for the trip to the facility prior to departure. Individual identification includes name, passport, employer name and company, purpose of the visit and who requested the visit or service.

All personnel travelling to the facility must be confirmed by the Radio Operator, 24 hours prior to arrival. Any individual who cannot, or will not, provide the proper identification or purpose for the trip to the facility will not be allowed to board the craft.

On arrival at the facility, helicopter disembarking procedures are followed and personnel are directed to the accommodation for an initial induction. The helicopter pilot presents the personnel manifest to the relevant person who verifies each person who comes on board.

Each person is assigned a T-card placed at each of the relevant muster stations. It is each person's responsibility to familiarise themselves with the mustering procedures and the T-card system.

Upon arrival at the facility and at the discretion of the OIM, new crew personnel or persons not assigned to the facility's crew may be asked to present their valid picture identification and submit to another baggage examination.

Embarkation point security measures, which may include x-ray or physical searches of baggage, will be strictly enforced. Diamond Offshore's Alcoholism, Drug Abuse and Contraband Policy will apply.

Anyone refusing to submit to an examination of personal baggage will be denied access to transportation to the facility.

When personnel arrive on board or leave a Diamond Offshore facility, the persons on board (POB) list is immediately updated, and a copy of the new list is transmitted to the personnel department by the Medic. The POB list records:

- The full name and address.

- The nationality and date of birth.
- The employer's name and address.
- The next of kin name, address and relationship.

Copies of the current POB are held in the emergency control centre and the personnel department. The personnel department copies are retained for 28 days.

The Helicopter Operations procedure is included as Section 5.4.5 of SEMS and Rig Induction Procedures are included as Section 6.2.1.1 of SEMS.

2.3.16.2 Helicopter Operations

The OIM is ultimately responsible for safe helicopter operations on the facility, and shall appoint a competent person, typically the Deck Supervisor, to be responsible for the control of helicopter operations on the facility. This person is designated the facility Helicopter Landing Officer (HLO).

All personnel involved in operations in or near any helicopter landing area are under the immediate supervision and control of the HLO. HLO appointments are to be made in writing and posted in a prominent place on the facility. The HLO will wear a distinctive jacket or vest that identifies him as the HLO and shall have completed a course approved by the [redacted] or other federal bodies as required.

The HLO is responsible for supervising all helideck operations and is accountable for ensuring that the many individual activities are conducted safely. The HLO maintains radio contact with helicopter pilots and follows any instructions and requests given by them. The HLO is also the helideck team leader and responsible for briefing the helideck team, ensuring that they are properly clothed, trained, competent and familiar with helicopter firefighting techniques.

Appropriate guidance is provided in SEMS 5.4.5, ensuring that a sufficient number of persons attend the helicopter landing area during helicopter movements.

The MOM and the relevant work instructions for helicopter operations also set out the procedural requirements for safe helicopter operations. Specific detail is given on the requirements for:

- HLO duties.
- Helideck crew duties.
- Helicopter fuelling and sampling procedures.

- Manning of the firefighting equipment.
- Weather reporting criteria from the radio operator to the helicopter.

Refer to Part 3 - Facility Description of the HSE Case for a description of the helicopter facilities on the Ocean Onyx.

2.3.17 Hazardous and Radioactive Substances

2.3.17.1 Hazardous Substances

All cargo, including hazardous substances, directed for delivery to the facility must be properly manifested or ticketed and the manifest or ticket delivered to the facility Storekeeper prior to the delivery of cargo. Third party equipment and cargo scheduled for delivery to the facility must follow the same procedures. Any cargo containers which show signs of tampering, such as broken or missing locks or seals, will not be offloaded to the facility.

Hazardous materials will, where required, be stored in appropriate locations on the facility which have been specially selected to mitigate the possibility of potential threats involving those substances. SDS sheets will be requested for any chemicals and products purchased by the company that are not included in a shipment. This information will be maintained in the OIM's office, SDR's office, Storekeeper's office, the sack room "right to know cabinets" and the recreation room.

Using SDS and any other resources available, an assessment of the chemical must be conducted prior to the handling of the product. If the chemical is being used for the first time or possesses a significant risk of injury, a risk assessment for the chemical substance must be completed. At no time shall an employee be exposed to a hazardous substance in excess of the exposure standard set forth by the SDS or local regulations - whichever is more stringent. When conducting the risk assessment, the exposure standard listed on the SDS will be recorded and mitigated on the assessment form.

The manufacturer of the product is legally required to install warning labels and pictograms prior to being shipped. If any of these labels are missing or defaced, then it is the responsibility of the person conducting the weekly hazardous material inventory to order and replace the appropriate pictograms for those items.

These labels can assist the employees by identifying the chemical hazards in the immediate work area. Safety precautions to be taken when working with the substance are also listed. Labels shall be legible and presented in English as well as the appropriate host country or non-English speaking language.

The handling, shipping and labelling of explosives is well documented within the International Maritime Dangerous Goods Code [7] and the [redacted] Dangerous Goods Regulations [4] and these must be strictly adhered to at all times.

Care must be taken to prevent dropping, spilling, water damage or exposure to excessive heat during storage and transportation. A designated area is to be allocated on each facility specifically for the storage of explosives containers. This is to be in a remote area clear of the accommodation and general work areas. It must be clearly identified by yellow and red hatching painted on the deck and any adjacent structures. An explosives warning sign must be in a prominent place at the designated area. This location must be shown on the facility emergency plans.

The Control and Handling of Explosives Procedure is included as Section 5.1.1.6.d of SEMS and the handling of cargo is addressed in the Vessel Access Control Procedure, included as Section 5.5.1.5.c of SEMS.

Hazard labelling is addressed in the Safety Signs and Markings guideline, included as Section 6.2.2.7 of SEMS. The guidelines aim to ensure personnel are aware of the safety requirements and conditions around the facility through the use of visible signs and markings.

Safety signs are posted in selected areas to remind personnel of safety requirements and conditions around a facility. All personnel are expected to observe and comply with all warning and caution signs.

The guidelines cover the types of accident prevention signs, the general placement of the signs on the facility and types of general safety signs.

Hazardous substance warning labels are addressed in the Chemical Hazard Communication Program procedure, included as Section 6.1.3.1 of SEMS.

The manufacturer of the product is legally required to install warning labels and pictograms prior to being shipped. If any of these labels are missing or defaced, then it is the responsibility of the person conducting the Weekly Hazardous Material Inventory to order and replace the appropriate pictograms for those items.

Once the physical hazards and health hazards are identified, the manufacturer is required to communicate these hazards. This is accomplished by labelling containers and supplying SDSs. These labels can assist the employees by identifying the chemical hazards in the immediate work area. Safety precautions to be taken when working with the substance are also listed. Labels shall be legible and presented in English as well as the appropriate host country language where applicable.

2.3.17.2 Radioactive Substances

The Naturally Occurring Radioactive Materials (NORM) procedure, included as Section 5.1.3.4.e of SEMS, describes the procedures surrounding the handling of NORMs on Diamond Offshore facilities. The administrator for this operation is normally the client representative working on the facility. The client will provide their personnel or a third party company for the control of work involving radioactive substances.

The operator will provide a NORM survey prior to any work commencing. Diamond Offshore requires the client to provide documentation of the training and qualification of the third party responsible for the NORM operation on board its facilities.

The most important aspects of NORM management include:

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

All radioactive sources stored on board the company's facilities are kept in a suitable receptacle at a secure area when not in use. This secure area must be located as far away as reasonably practicable from any hazardous area and living accommodation in an area clearly shown on facility drawings as a designated storage area for radioactive sources.

The control of the risks associated with hazardous and radioactive substances on board Diamond Offshore facilities follow the principles of ALARP which may include, where considered appropriate, the application of additional engineering controls.

2.3.18 Procurement Management

Procurement management is mainly controlled through the vendor selection process. This process stringently assesses vendors and subcontractors on their ability to meet the [redacted] This process is

described in detail in Section 2.2.3.8 and the Vendor and Subcontractor Management procedure, included as Section 8.9.3.1 of SEMS.

Diamond Offshore requires that any equipment, plant, spare parts and goods and services requested are specified such that they are fit for purpose. All purchase orders must confirm compliance with that specification, and all receipts are verified to determine the items are correct as per the original specification. [redacted]

2.3.19 Maintenance Management

Maintenance management for Diamond Offshore is the implementation of asset management to ensure the functional and operational integrity of assets in combination with the tracking of asset maintenance history using the CMMS.

2.3.19.1 Asset Management

Diamond Offshore's Asset Management Policy, included as Section 8 of SEMS, states that delivering the Diamond Difference through excellence in asset management enhances the brand while upholding the pledge: Honour Safety. Protect All.

The asset management system is fundamental to managing fleet assets throughout their lifecycle and is implemented through the achievement of the following objectives:

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

[redacted]

The Asset Management Strategy, included as Section 8.3 of SEMS, outlines Diamond Offshore's objectives with regard to asset management, and the supporting organisational structure with defined roles and responsibilities. The strategy applies to assets associated with MODUs, systems, equipment and components.

The intent of the strategy is to minimise risk and optimise reliability for the MODU and the assets on board the MODU throughout their lifecycle through the application of risk-based asset management (asset criticality), computer-based maintenance, as described in this part of the HSE Case, and performance standards, change management and review processes as described in Part 6 - Performance Monitoring of the HSE Case. The implementation of the strategy supported by the Asset Management Standard, included as Section 8.2 of SEMS, ensures that assets in both operational and stacked modes are maintained in compliance with regulatory requirements.

The Vice President HSE, QA and Maintenance is the owner of asset management and responsible for its application for the duration of the MODU's lifecycle.

Asset Criticality

The Asset Criticality Standard, included as Section 8.5 of SEMS, outlines the method used by Diamond Offshore for ranking assets according to criticality and prioritising their maintenance to ensure the functional integrity of critical assets.

[redacted]

[redacted]

Planned Maintenance Workbook Management

The purpose of the planned maintenance workbook management is to describe the development of planned maintenance workbooks and to define their role as part of the asset management strategy.

Diamond Offshore maintains a library of planned maintenance which specifies maintenance tasks assigned to each asset or system, captured in a Planned Maintenance Workbook. The workbook serves to establish a baseline and pedigree of the asset or system maintenance tasks. Planned maintenance is carried out according to work orders which are generated by the CMMS. [redacted]

[redacted]

2.3.19.2 Computerised Maintenance Management System

Diamond Offshore operate a CMMS on all MODUs, that allows complete control and visibility of all asset maintenance history, which is used to track and plan maintenance for each asset. The CMMS is also used to track the history of an asset and store pertinent documentation such as data booklets and surveys. The CMMS is comprehensively described in the Computerized Maintenance Management System (CMMS) standard, included as Section 8.6 of SEMS.

[redacted] are the core components that make-up the CMMS.

Asset Tracking

Assets are loaded into the CMMS into an asset register. The asset register contains pertinent information such as serial number, make and model, criticality, and system / asset number. Each asset is assigned to a location (e.g. MODU) and an equipment status (e.g. full service, warm stacked, fleet spare). Assets assigned to a MODU are maintained according to prescribed maintenance generated by the CMMS.

Computerised Maintenance Management System Work Orders

Using a standardised approach, planned maintenance is developed using regulatory, original equipment manufacturer or engineering best practices, bulletins and incident investigations, and assigned to assets globally. Planned maintenance is carried out according to work orders generated by the CMMS.

Work order types include:

- [redacted]
- [redacted]
- [redacted].

[redacted]

[redacted]

[redacted]

Key Performance Indicators

The CMMS has a suite of reporting tools used to identify assets and trend maintenance completion. These reports are used to identify and track fleet assets and generate predictive reports based on metered routines or known timeframes. The CMMS allows key performance indicator reporting for the following:

- [redacted]
- [redacted]
- [redacted].

Computerised Maintenance Management System Implementation

The CMMS is installed on each of the company's MODUs where it is used to ensure that maintenance is planned and performed on a routine basis. The system standardises and optimises procedures throughout the fleet and provides continuity during crew and project changes. It provides operating records and other technical information for maintenance personnel and keeps shore-based management informed of the status of facilities and

equipment at all times. The CMMS has been developed to be comprehensive, flexible and easy to operate by MODU personnel.

The company recognises the important role that effective maintenance management programs play in ensuring a safe and efficient operation. The program is designed to minimise downtime and extend the useful life of equipment, while ensuring it is fit for purpose. This is achieved by utilising a comprehensive maintenance and inspection program that ensures all Diamond Offshore equipment meets or exceeds regulatory requirements and industry standards and achieves the company goal for superior safety and quality.

It is the responsibility of the corporate technical support department to accurately implement the asset criticality process in the CMMS and it is the responsibility of the MODU senior management to ensure the MODU has adequate resources to execute and complete all work scheduled or generated within the CMMS.

2.3.20 Contractor Management

Contractors employed by Diamond Offshore shall have the responsibility to provide appropriate information and training to ensure that their employees have adequate knowledge and skills to perform their jobs safely.

The contractor is generally responsible for providing safety and job-specific training for its employees and shall maintain records of training and make them available to Diamond Offshore upon request.

Contractors, subcontractors and third parties new to a Diamond Offshore MODU are provided with an orientation about the job, MODU and specific safety requirements, including emergency training, and the PTW system prior to commencing the work.

It is the contractor's responsibility to comply with the Diamond Offshore emergency response procedures and evacuation plans. All personnel receive appropriate orientation and training in emergency procedures and participate in emergency drills and exercises.

Contractors shall conduct and participate in JSAs and regularly scheduled safety meetings to provide on-going training and communication of safety issues. Contractors and other third parties are required to attend all applicable safety meetings.

While on a Diamond Offshore MODU, all occupational injuries and illnesses, and property or equipment damage incidents associated with the contractor's on-site work must be reported to Diamond Offshore.

Detailed information on contractor management is located in Section 8.9.3 of SEMS. Contractor selection procedures are described in Section 2.2.3.8 and assurance of contractor personnel is further addressed in Section 2.2.4.2. [redacted]

2.4 PERFORMANCE MONITORING

Part 6 - Performance Monitoring of the HSE Case provides a detailed description of the monitoring, reporting, investigation, auditing, compliance and verification processes which are critical to ensuring that the administration and technical controls related to major hazards are in place and effective when needed. Part 6 - Performance Monitoring also provides a detailed description of the performance standards and ongoing assurance for the safety and environmental critical equipment identified and assessed within the FSA.

Details provided within Part 6 - Performance Monitoring include a description of Diamond Offshore's internal audit program, the range of audits undertaken and how topics for audit are selected. The description references the means for assuring the competence of those carrying out audits and how audit programs are monitored to ensure they remain effective. The description further explains how audit findings are reported, reviewed and actions taken to ensure timely close out.

Refer to Part 6 - Performance Monitoring of this HSE Case for a detailed description of HSE performance monitoring, including:

- Performance Monitoring.
- Monitoring.
- Audit and Audit Compliance.
- Verification of HSE Critical Activities, Tasks, Equipment and Systems.
- Certification.

2.5 MANAGEMENT REVIEW AND IMPROVEMENT

Diamond Offshore management conducts periodic documented management reviews of GEMS to determine the suitability, adequacy and effectiveness of its controls, to evaluate their efforts to remain in compliance with applicable laws and regulations, to facilitate continuous improvement of GEMS and to determine if they are effectively addressing Diamond Offshore's HSE issues. These processes are further described in Part 6 - Performance Monitoring of the HSE Case.

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2.8 ATTACHMENTS

- Attachment A - Ocean Onyx Training and Licensing Matrices.

Attachment A Ocean Onyx Training and Licensing Matrices

ONYX TRAINING MATRIX

[redacted]

ONYX LICENSE MATRIX