# BHP

# Off Contract Engagement Tool (OCET) Quick Reference Guide for contracting partners

Minerals Australia Contractor Management Framework

**April 2019** 

# **OCET Quick Reference Guide**

To ensure we have consistency in how we engage and manage contractors across our Minerals Australia operations, we have implemented a regional contractor management standard (or CMF) which standardises each of the critical engagement steps regardless of whether you (as a contracting partner) are engaged on or off-contract.

For contractors engaged for services off-contract (via direct purchase order), we have introduced an Off-Contract Engagement Tool (or OCET) to provide a consistent framework and process for how we scope work, and identify and address risks. The OCET also clearly outlines roles and responsibilities between BHP and the contractor.

All contracting partners will receive an OCET for the purposes of clarifying the scope, risks and controls of their engagement, and their responsibilities. In some instances contracting partners will be required to complete information in the OCET such as the Scope of Work and risk assessment.

The following information takes you through each tab of the OCET.



# **OCET Summary**

A high level summary of the sections of the OCET. You should refer to the detailed information on each section prior to completing an OCET.

OCET Section	Summary	Description
0. Overview	No action required	There is no requirement for a contracting partner to enter any information in this tab.
Engagement Requirements	No action required	There is no requirement for a contracting partner to enter any information in this tab.
2. Scope of Work	Embed your SOW or review BHP's SOW	If you are developing the Scope of Work on behalf of BHP you should embed it here. If BHP is developing the Scope of Work you should review it.
3. Risk Identification	Review risks and embed control documentation	You should embed your documentation describing the controls associated with the risks shown in this section.
4. Contractor Summary	Complete information if required	Once you have been engaged as the contracting partner, a BHP representative may send this section to you to complete or complete it with you.
5. Contractor Risk Assessment	Work with the BHP representative to complete a Risk Assessment	Assess the risks relating to this Scope of Work
6. Plan to Monitor and Verify	Review	Review and understand the Plan and complete all assigned actions prior to engagement. You must also ensure that your team understand the risks and controls for their work.
7. Work Area Manager Approval	Review	Review the details of the nominated person who will be supervising the work (i.e. Execution Supervisor) and Vendor Owner if this Engagement is ongoing.
8. Meeting Minutes and Actions	Review	If the engagement is ongoing or a fatal risk has been identified, this section shows the meetings that must be conducted.



## 0. Overview

#### This section provides a description of the OCET and basic instructions.

#### Overview



#### Off-Contract Engagement Tool (OCET) Overview

When engaging a contractor, our primary consideration must be safety.

Off contract engagements (especially those which involve high risk work) have the potential to introduce uncontrolled risk to our business. By following a structured approach to engaging contractors, all parties will have the opportunity to ensure that risks related to the engagement are identified and controlled and understand their accountabilities during the engagement.

It is essential that the vendor is engaged as a part of the process to create this OCET, and the completed OCET is sent to the vendor.

The OCET is a part of the Contractor Management Framework and provides a structure to:

- 1. Understand the engagement
- 2. Develop/Review the scope of work to ensure any changes to scope are managed
- 3. Identify the risks, and understand, agree and align on the minimum controls for those risks
- 4. Identify the contractor engaged for the work and document contact details
- 5. Determine the safe system of work is robust enough to manage the risks
- 6. Create a plan to monitor that the safe system of work is effective
- 7. Have the engagement (the contractor, the scope of work, the risk assessment, and the supervision) approved by the Area Manager
- 8. Link to records applicable to the monitoring and controlling activities required for the vendors engagement.

Please revise the information in the OCET so that it is up to date at all times. For example, if there are changes to the Scope of Work you must update the OCET and return it to the Vendor Owner / Area Manager for reapproval.

**Do not** include any commercial or competitively sensitive information ("CSI") in this document. CSI includes any current, non-public information that may be used to affect the competitive process such as: pricing, costs, revenues, margins, market share information, terms of sale or purchase, production volumes and capacities, bidding intentions, employee salary and benefit information, and strategic information, including marketing, production, and expansion and contraction plans. Health, safety or environmental (HSE) data is not CSI.

Do not include any links to any commercial terms in this document, including any subsequent quotes or purchase orders.

Once completed save this OCET to the MAuCMF SharePoint folder for the vendor at your Asset.

# There is no requirement for a contracting partner to enter any information in this tab.

The intent of the OCET is to provide clarity between BHP and our contracting partners relating to scope of work and risk management. It is essential our contracting partners are a part of the development of the OCET so there is a shared understanding of the scope and risks prior to work commencing.

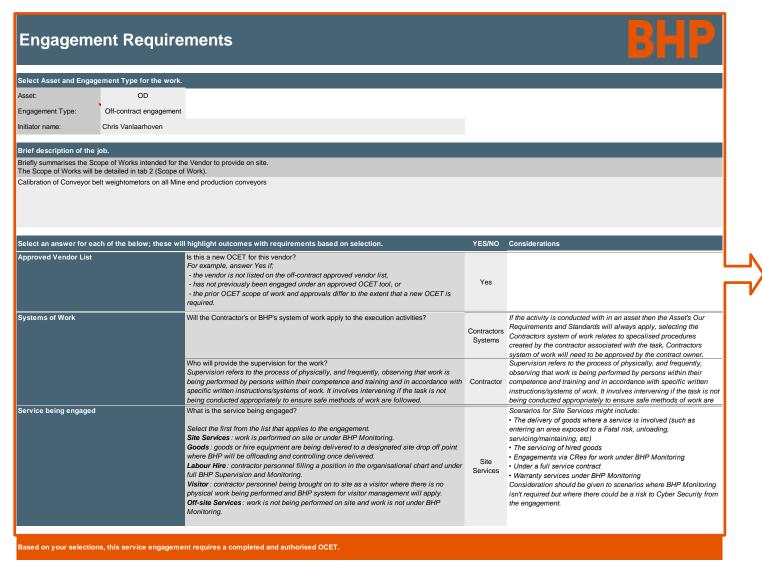
An OCET will only need to be completed once for work that has a Vendor Owner assigned to manage the scope

If there is a change in scope or risk during the engagement, then the current OCET will need to be revised or a new OCET completed.



# 1. Engagement Requirements

This section helps the BHP representative to decide if an OCET is required for the engagement.



There is no requirement for a contracting partner to enter any information in this tab.

This tab will be completed by a BHP representative, as it prompts the person to:

- Document a short description of the Scope of Work as a quick reference point;
- Check for an existing OCET to use; and
- Analyse the type of engagement and provide instructions if a new OCET is required.
- Select which system of work is being as this influences who should undertake the risk assessment



# 2. Scope of Works

This section outlines the Scope of Works which all parties need to understand and be comfortable with to deliver.



You may be required to enter information in this tab.

The BHP representative will enter the start and completion date of the engagement. If the engagement is proposed to be repetitive under the same SOW and risks, a specific BHP representative will be assigned to manage the ongoing engagement as a Vendor Owner.

#### **Contracting Partner:**

If you are developing the Scope of Work on behalf of BHP the content needs to:

- Include a description of the work to be done and the timing expectations;
- Identify at a minimum, the risks that have the potential to cause a fatality;
- · Provide details of the technical and quality requirements; and
- Identify who will be responsible for supervising the work (if they are from BHP or your company).

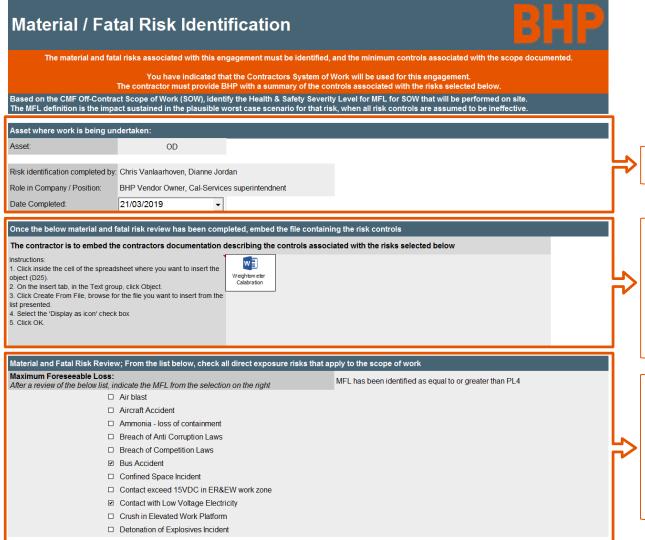
You can ask the BHP representative to send you a template to use, if required.

If the Scope of Work has already been developed, please review it to make sure you agree with what is to be delivered. Please contact your BHP representative if you have any questions or concerns.



## 3. Risk Identification

This section outlines identified risks for the scope - all parties need to understand the material/fatal risks and controls.



You will be required to enter information in this tab.

This information will be completed by a BHP representative

#### **Contracting Partner:**

You should embed your documentation describing the controls associated with the risks selected below.

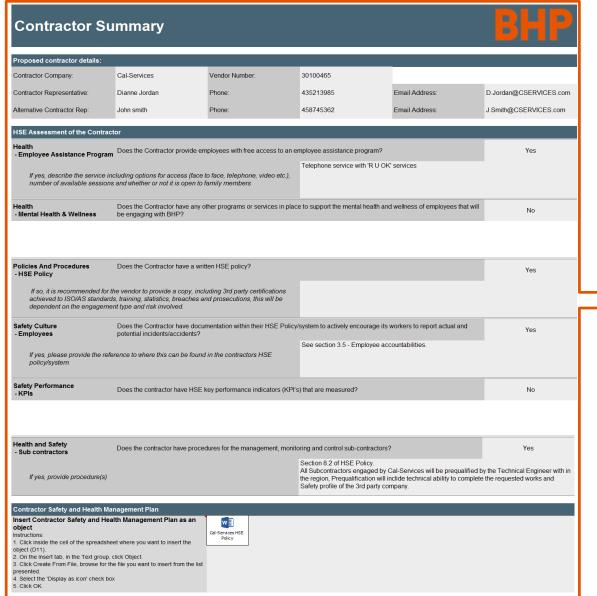
BHP may have minimum critical controls for certain risks. If you disagree with any controls identified by BHP or have an alternative or additional control to suggest please raise this with the BHP representative and make any required update.

This field is populated by the BHP representative, however in order to be able to explain how you will deploy the controls to manage material and fatal risks, you need to know what those risks are. This is set out here. You should also discuss with the BHP representative if you have any questions or concerns.

If you identify additional risks associated with the scope of work, these must be raised with the BHP representative and documented here.

# 4. Contractor Summary

This section outlines the Safety Profile of the engaged Contracting Partner.



You may be required to enter information in this tab.

#### **Contracting Partner:**

Once you have been engaged as the contracting partner, a BHP representative may send this section to you to complete or complete it with you.

There is no right or wrong answers for this section, and there is no disadvantage if information is not available.

This intent of this section is to understand your safety profile, and provides your BHP representative with guidance for setting the monitoring strategy.

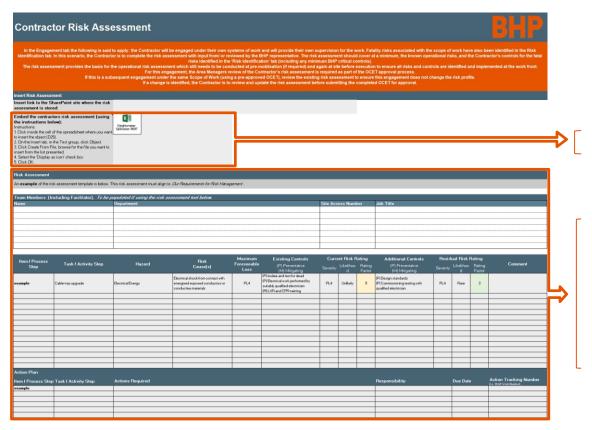


# 5. Contractor Risk Assessment

#### This section outlines the risk assessment for the Scope of Works.

#### You will be required to undertake a risk assessment

- BHP systems of work and BHP supervision: the BHP Representative should complete the risk assessment with input from the Contractor, or provide to the Contractor for review.
- Contractor systems of work and Contractor supervision: the Contractor is to complete the risk assessment with input from/ or reviewed by the BHP representative.
- Contractor systems of work and BHP supervision: the Contractor is to complete the risk assessment with input from/ or reviewed by the BHP representative.
- BHP systems of work and Contractor supervision: the BHP Representative should complete the risk assessment with input from the Contractor, or provide to the Contractor for review. Regardless of who is required to conduct the risk assessment under the OCET, in order for you to comply with your WHS obligations, you may conduct a risk assessment in any event in relation to your scope and system of work. This will be taken into account in this risk assessment.



If not completed in the form below the risk assessment must be inserted here.

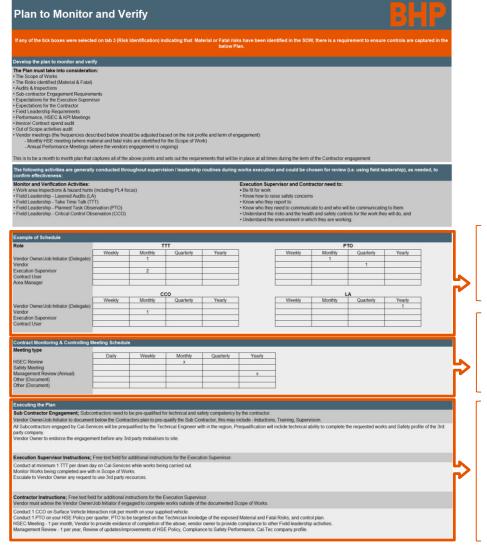
Where the risk assessment is being completed by the BHP representative they may complete this form rather than embed a file above. Please note:

- Existing Controls will be the assigned critical controls for a material risk, or the known controls for operational risks.
- Additional controls identified within the risk assessment should be included in the Monitoring and Verification Plan.



# 6. Plan to Monitor and Verify

This section outlines the plan for managing the engagement for the contracted term.



There is no requirement for a contracting partner to enter any information in this tab, however, you need understand the Plan and complete all assigned actions prior to engagement. This Plan will be reviewed and revised through the engagement.

You must also ensure that your team understand the risks and controls for their work.

The BHP representative will populate this section with actions from the Risk Assessment, Standard Field leadership activities or nominated schedules from the contracting partners HSE Policy. The extent of the activities to be completed will match the risk exposure of the Scope of Work, and need to be sufficient to manage the identified risks.

This section nominates the meeting requirements for the e.g. if fatal risks have been identified in the scope of work, monthly HSEC meetings will be required to measure compliance to this Plan; if the engagement is ongoing an Annual Management review will be required to review overall performance etc.

This section provides further information on the monitoring and verification plan, which you and your team need to understand.

As the contracting partner, it is your responsibility to assess any sub-contractors you're planning to engage as part of the work, and ensure they meet the same technical and safety standards as we require of you. You also need to notify BHP of the sub-contractors you intend to use. The information you provide on your strategy for pre-qualification and sub-contractor engagement is included in this section.

# 7. Work Area Manager Approval

This sections details the assigned Supervisor and Vendor Owner, and confirmation that the Area Manager has approved the work.

#### Work Area Manager Approval If any of the tick boxes were selected on tab 3 (Risk Identification) indicating that Material or Fatal risks have been identified in the SOW, there is de evidence that a Manager has reviewed and approved the information in this tool (e.g. email, certified digital signat Once the OCET has been Manager approved, send copy to engaged Vendor for reference upervisor Details The Supervisor is the person who is accountable for supervising the Contractors' (including any Sub-contractors') work, managing the Scope of Work and has to make sure they have adequate time for these tasks (taking into account the risks involved with the work, its location and their oth-If more than one Supervisor will be overseeing the contractors, insert additional rows for each Supervisor Janet Bloggs 0401555555 janet.bloggs@bhp.com Joe Elect 0402555555 joe.elect@bhp.com endor Owner Details For an off-contract engagement, the Vendor Owner is appointed by the Asset, Operation or Function. The Job Initiator should escalate the appointment of a Vendor Owner to the appropriate organizational level dependent on the Scope of Work and geographical span of the engagement If required, the Vendor Owner appointment form can be found in the MAuCMF SharePoin MAuCMF > CMF and Supporting Artefacts > Mau CMF Vendor Owner Appointment Form Site/Operation Area 0411555555 Chris Ven Dorowner chris.vendorowner@bhp.com As the Manager (Level E) by signing the below, you are approving the information in this OCET which will allow the Contractor to Work in accordance with the Risk Assessment and under the supervision of The Supervisor(s) Mine Maintenance Area Manager Name Liezel Chin Signature 30/03/2019 If required, Manager Approval can be inserted as an object below 1. Click inside the cell of the spreadsheet where you want to insert the 3. Click Create From File, browse for the file you want to insert from the list presented. Select the 'Display as icon' check how

There is no requirement for a contracting partner to enter any information in this tab.

You will receive a copy of the OCET after it is approved.

This section details the nominated person who will be supervising the work (i.e. Execution Supervisor), and can be BHP or contractor. If the engagement is ongoing or over an extended period of time additional supervisors can be nominated. It is important you and your team understand who the Supervisor is as they are the key contact on site and during the execution of the work, and will undertake monitoring and ongoing engagement routines.

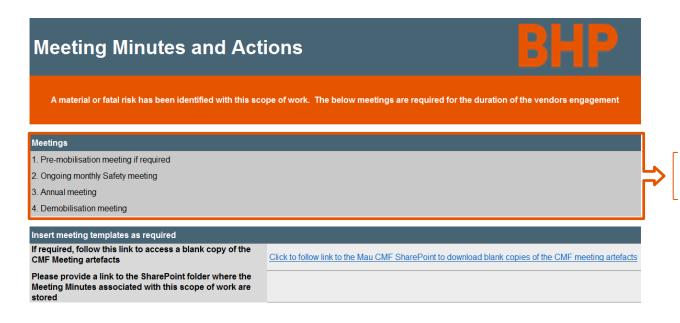
If the engagement is ongoing, a Vendor Owner may be assigned and their details included in this section.

This section confirms approval of the work by the Area Manager.



# 8. Meeting Minutes and Actions

This section details the required meetings for monitoring and verification.



There is no requirement for a contracting partner to enter any information in this tab.

If the engagement is ongoing or a fatal risk has been identified, this section shows the meetings that must be conducted.



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