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Document Number	COR-OMS-MS 001	
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Paramount Operational Excellence Management System

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Revision	Date	Description	Originator	Reviewer	Approvers
Approval	2018-06-20	Transition to Operational Management System.	Manager HSE	Director HSE	EVP Operations
Rev 1	2020-09-16	Updated references to Paradigm sharepoint	HSE Team Lead	Director HSE	Director ARO



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INTRODUCTION

Paramount Resources Ltd. (Paramount) is in the business of finding, developing and producing oil and gas resources in Western Canada. We create value through our core value chain, which consists of five discrete processes:

- Acquisition and Asset Management
- Exploration
- Development
- Production, and
- Marketing and Transportation

Our Mission is expressed through our business plan and objectives, and our Vision is expressed in our Corporate Policies. These policies in turn drive our corporate management systems, which embed our values and standards into all aspects of our business.

Paramount values the concept of sustainable development¹ and the commitment to a safe working environment for our employees. Paramount is committed to the protection of the environment and the health and safety of our employees, contractors and the public.

Safety and environmental stewardship are critical aspects of our business and will:


1. Build a culture based on safe and environmentally responsible operations. Our work can be carried out without harm to individuals or lasting impact to the environment.
2. Use an Operational Management System that is a best practice in our industry.
3. Make Health, Safety and Environment (HSE) and Integrity Management a consistent component of the corporate decision-making process in all phases of our operations.
4. Commit to continuous improvement by monitoring compliance with regulations and our internal standards and by striving for performance which compares favorably with industry leaders.

I HSE POLICY

The Health, Safety and Environment Policy applies to all Paramount activities. Together, Paramount's policies set the overall HSE and Operational Integrity expectations of the organization with a commitment to continual improvement. The policies are the starting point for setting Paramount's objectives and targets. Paramount's Management commitment, expectations, and the resulting system requirements, processes and procedures flow from these policies.

¹ Sustainable development has been defined by the United Nations World Commission on Environment and Development as: "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

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Paramount's is committed to:

- Protect local communities from adverse health effects from our operations.
- Provide a safe workplace for all employees and contractors, by promoting an accident-free workplace, minimizing exposure to hazardous substances and anticipating, evaluating and managing risk.
- Protect the environment from unnecessary impact and degradation.
- Maintain a positive Corporate image by communicating openly about our policies, programs and performance.

Paramount believes that Safety, Environment and Operational Integrity can best be achieved by:

- Implementing a comprehensive Operating Management System (POEMS) that enables our company to operate with a systematic approach, ensuring continuous improvement.
- Working with our business partners who conduct their activities in a manner consistent with health, safety and environmental considerations and meet or exceed the expectations outlined in Paramount's HSE Policy Statements and the Paramount HSE Practices and Standards.
- Standardizing our contractor selection process and to clearly define how work is to be conducted on Paramount's behalf.
- Conducting our business to meet or exceed Paramount and regulatory requirements in all jurisdictions in which we operate.

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The relationship between core company documents is illustrated in the following figure.

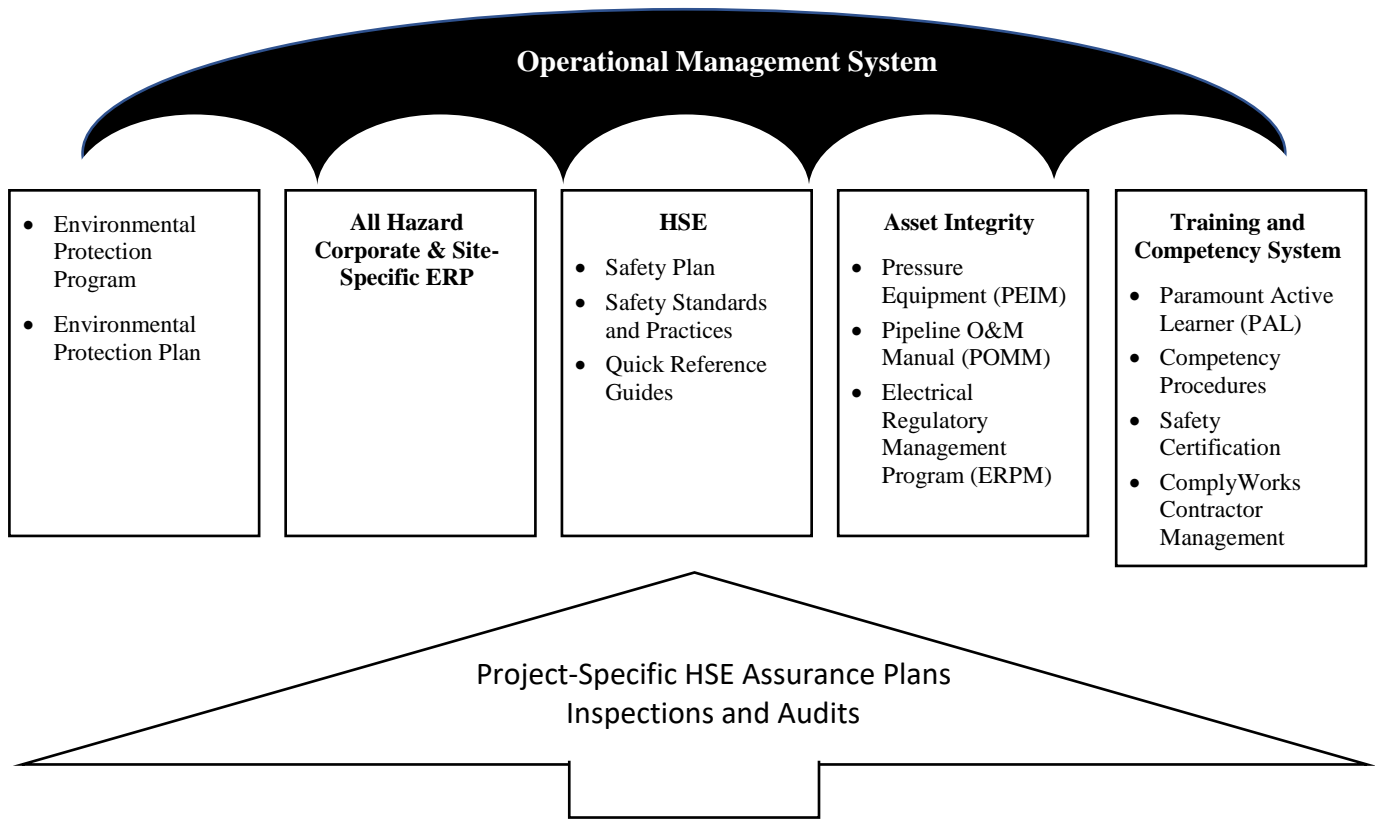



Figure #1 – Management System

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II OPERATIONAL MANAGEMENT SYSTEM FRAMEWORK

Strong performance requires both a sound program to act as a guide for activities, and a positive culture where HSE is an integral part of the corporate value system. The following criteria² are important to the continued success of any Management System:

- Senior management is visibly committed.
- Frontline management leads the process and is actively involved.
- Supervision is performance focused.
- Workers are engaged and actively participating.
- OMS is based on clearly defined values but with flexibility to meet site-specific needs.
- OMS is positively viewed by the workforce.

Paramount has implemented an Operational Management System (POEMS) to manage health, safety and environmental hazards and operation integrity aspects associated with the company's operations. The Management System provides the structure for the delivery of the health, safety, and environment policy commitments made by Paramount. The following figure illustrates how the components of the OMS fit together.

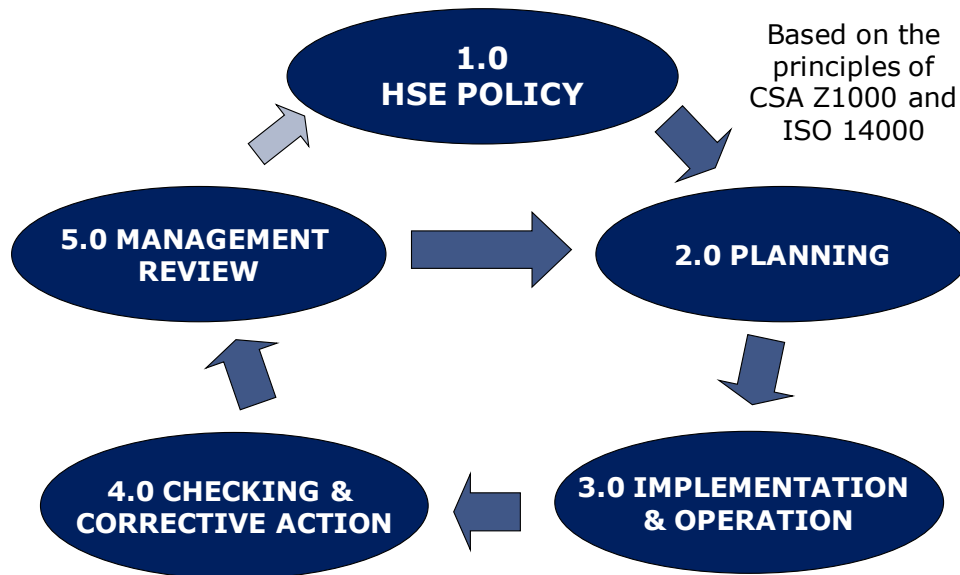



Figure #2 – Continual Improvement Framework

² Based on the work of Dan Petersen, Ph.D.

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Paramount's Management System has been structured to:

- Ensure that there is commitment from Paramount's Senior Management for the protection of employees, contractors, the public and the environment;
- Ensure that the HSE hazards and the potential effects of those hazards inherent in Paramount's operations have been systematically identified and risks associated with the hazards are assessed and are reduced to acceptable levels;
- Monitor the risk management processes to assess their effectiveness, and review and modify risk management processes where necessary to ensure that there is continual improvement in the management of HSE related risks.


The management system³ provides a framework to ensure that operational, health, safety and environmental risks are systematically identified, controlled, and monitored. There are several reasons for selecting these standards as models for the framework:

1. The ISO/CSA 14004 Environmental Management Systems is a widely accepted international Standard for Environment Management Systems.
2. The standards incorporate the concept of continual improvement.
3. The standards are consistent with the key elements found in most management system models of industry's leading performers.

Every person in the organization has a personal responsibility for HSE. Therefore, if activities are to proceed safely and in an environmentally responsible way, roles and responsibilities must be clearly defined by management, clearly communicated and rigorously followed within the Paramount organization. This means:

- Those who are planning, designing, and managing the work must be aware of hazards and ensure appropriate plans and controls are developed and implemented. They are also responsible for providing resources to implement and manage developed plans and controls.
- Those who are supervising activities must be aware of the plans and capable of implementing them. They must be able to recognize and respond to changing conditions.
- Those who are doing the work must understand work plans, be able to recognize hazards and have the knowledge and training of the equipment and procedures to complete the work safely and in an environmentally responsible way.

³ The system is based on CSA 14004:04, CSA Z1000-06: Occupational Health and Safety Management Systems, Enform Guideline: Introduction to Safety Management Systems, and OHSAS 19001

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III MANAGEMENT SYSTEM “ROADMAP”

POEMS main components are Policy, Planning, Implementing, Monitoring & Checking and Management Review. These describe the process of continual improvement shown in Figure 2.


The management system components are described in this document. Each program component consists of the following subsections:

- a. **Objectives:** Includes the Objective(s) established for the element.
- b. **Expectations:** There are clear expectations established for each Paramount Management System component. The expectations describe what is required to achieve the component’s objective. The specific details and requirements for each expectation are included within the Management System and supported by the HSE Practices and Standards.
- c. **Key Actions:** Specific Key Actions are provided for each set of expectations. The Key Actions detail the specific actions that are required to achieve the expectations for each component. The Key Actions are used to generate annual Corporate HSE Work Plans.
- d. **Program Documents:** The specific programs and references that support each element are provided in this section. These documents detail the requirements needed to manage hazards and risks aligned with the HSE policy. The majority of these programs are located on-line in Paramount’s Paradigm System.

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DESCRIPTION OF MANAGEMENT SYSTEM COMPONENTS

Component 1.0 - HSE Policy

Management is responsible for achieving the intent of the HSE policy through the effective implementation of POEMS. This requires visible leadership and commitment

- 1.1: MANAGEMENT, LEADERSHIP & COMMITMENT AND POLICY**

Component 2.0 - Planning

Management is responsible for establishing and supporting clear HSE goals and objectives, roles and responsibilities and supporting risk management programs and decisions

- 2.1: RISK MANAGEMENT**
- 2.2: GOALS AND OBJECTIVES**
- 2.3: ROLES AND RESPONSIBILITIES**

Component 3.0 - Implementation and Operations

There is a planned and systematic approach to implementing the HSE policy's through an effective Operational Management System. This includes:

1. Clear documented programs and procedures, including hazard identification and risk assessment;
2. Training and competence assurance;
3. Contingency plans in the event of emergencies.

- 3.1: OCCUPATIONAL HEALTH AND SAFETY**
- 3.2: ENVIRONMENTAL PROTECTION**
- 3.3: EMERGENCY MANAGEMENT**
- 3.4: INTEGRITY MANAGEMENT**
- 3.5: EXTERNAL RELATIONS**
- 3.6: EMPLOYEE AND ORGANIZATIONAL CAPABILITY**

Component 4.0 - Monitoring and Corrective Action

The POEMS elements are subject to periodic assessment and review to ensure that the requirements of the elements are effectively implemented and continuously improved.


- 4.1: MEETINGS AND COMMUNICATIONS**
- 4.2: INCIDENT MANAGEMENT**
- 4.3: AUDITS AND INSPECTIONS**
- 4.4: PERFORMANCE MEASUREMENT AND REPORTING**
- 4.5: RECORDS MANAGEMENT**

Component 5.0 - Review


Drawn from the findings of the POEMS assessments (as well as from operational experiences), changes to personnel, equipment, processes and procedures are identified and implemented to help improve Operational performance.

- 5.1: MANAGEMENT REVIEW AND SYSTEM IMPROVEMENT**

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Subject	Element 1.0 Management, Leadership and Policy	

1.0 MANAGEMENT, LEADERSHIP AND POLICY

Objective

Management demonstrates commitment and effective leadership by promoting HSE culture and performance through active and visible participation with employees and contractors.

Paramount Expectations

1. A positive and vital HSE culture is fostered. An environment exists for the open identification and communication of HSE risks, reporting of incidents and non-compliances, and the sharing of lessons learned.
2. Business and operating risks are identified and the required HSE plans and programs are developed to manage these risks.
3. HSE goals, objectives and responsibilities are established and communicated. Both the organization and personnel are held accountable by management.
4. Sufficient resources are allocated to enhance knowledge and technology, ensure compliance with applicable laws and regulations, and implement HSE requirements;
5. Regular review and continued improvement of the Management System is conducted with an emphasis on reducing the severity and frequency of incidents and improving performance.


Key Actions

Senior and Frontline Managers are responsible for:

- Communicating and reinforcing Paramount's mission, vision, policies, objectives and goals at least annually.
- Ensuring that the Management System is implemented.
- Identifying business risk and address regulatory needs and changes.
- Establishing annual long term HSE performance targets for the corporation.
- Assigning roles and responsibilities specific to personnel at all levels of Paramount as defined by this management system.
- Visiting operations to promote and monitor program implementation.

Supervisors, employees and contractors are responsible for:

- Establishing and implementing annual plans for each Management System element.
- Developing and implementing Project OMS Plans specific to each project.
- Ensuring current program documents are available and communicated to everyone.

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HSE Department is responsible to:


- Identify opportunities for improvement and assist implementing element plans.
- Identifying and assisting with the implementation of leading edge safety management tools.
- Audits and assessments of the Management System on a periodic basis to ensure compliance with company and regulatory requirements and to confirm OMS objectives are addressed.

Program Documents and References

Paramount Policies, Systems and Programs:

- Health, Safety and Environment Policy
- Upstream Petroleum Industry Guiding Principles for Worker Safety
- POEMS Management System
- HSE Practices and Standards



Document Title	Paramount Operational Excellence Management System	
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Subject	Element 2.0 Planning 2.1 Risk Management	

2.0 PLANNING

2.1 RISK MANAGEMENT

Objective

Risks are identified, consistently evaluated and mitigated using appropriate, reasonable and practical risk management tools. Risks include potential hazards, operational problems or non-compliance with regulations, operating standards, or safe work practices. Changes are recognized, documented, formally reviewed and approved prior to their implementation and the continuation of work as required to reduce business and operation risks.


Paramount Expectations

1. Business and operating risks are identified, and the required plans and programs are developed to manage these risks.
2. A corporate wide risk assessment model is used for consistency in evaluation and decision making. Risk assessments are regularly performed throughout the lifecycle of a project.
3. A risk management process exists to identify, evaluate, prioritize, manage and communicate sources and consequences of risks.
4. A process exists to identify and document applicable licenses and approvals, regulations, industry guidelines and standards and corporate policies, plans and programs.
5. Risks associated with change to personnel, organization, procedures, practices, designs, facilities and regulatory requirements are identified, evaluated and managed through a Management of Change (MOC) Code of Practice.

Key Actions

Senior and Frontline Managers are responsible for:

- Applying Paramount's risk assessment processes to assess hazards related to the Company's business plans and activities.
- Evaluating the potential business and operation risks and confirming that decisions are consistent with acceptable risk levels established by management.
- Ensuring that a review of regulatory requirements is conducted prior to each project and incorporated into project-specific safety management plan
- Ensuring that formal, project-specific risk assessments (i.e. What-If, HAZOP etc.) are completed as required.
- Requiring contractors to conduct risk assessments for the services and equipment being provided in cooperation with Paramount.

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Subject	Element 2.0 Planning 2.1 Risk Management	

Supervisors, employees and contractors are responsible for:


- Complying with Project OMS Plans and identified regulatory requirements.
- Addressing the recommendations identified by project-specific risk assessments. (What-If, HAZOP etc.)
- Identifying and applying the necessary engineering and administrative controls needed to prevent, detect or mitigate potential hazards.
- Identifying warning signs and applying Management of Change (MOC) Code of Practice when required.

HSE Department is responsible for:

- Assisting with regulatory reviews for each project.
- Monitoring operations to ensure controls are effective.
- Ensuring that written assessments and reports are available and communicated to management and affected workers.

Program Documents

- Paramount HSE Practices and Standards – Hazard Assessment, Elimination and Control
- Paramount HSE Practices and Standards – Site Safety Management
- Paramount Asset Integrity Plans and Programs (Including Pressure Equipment Integrity Management (PEIM) and Pipeline Operating and Maintenance (POMM), and Electrical Regulatory Management Program (ERPM))
- Working Alone Risk Assessments
- Emergency Response / CEPA E2 Risk Assessments

Document Title	Health, Safety & Environmental Management System	
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Subject	Element 2.2 Goals and Objectives	

2.2 GOALS AND OBJECTIVES

Objective

Paramount will establish objectives and targets for Operational performance. Annual HSE action plans should be developed to achieve the stated objectives and targets. The action plans will include responsibilities and timeframes.

Paramount Expectations

1. A process exists to develop Operational performance objectives and targets at both the corporate and project level;
2. Progress towards meeting the objectives and targets is monitored, reported and communicated;
3. Both leading and lagging HSE performance indicators are utilized;
4. A process exists at each organizational level to develop and raise action plans to meet objectives and targets;
5. The objectives, targets and action plans are communicated to all relevant employees and contractors.

Key Actions

Executive and Departmental Managers are responsible for:


- The development of a Management System Plan.
- Integrating HSE goals into the corporate annual objectives for each Paramount department or corporate operating unit.
- Communicating objectives and goals to the Board of Directors
- Providing implementation support for the Company's corporate and project goals.
- Monitoring the implementation and effectiveness of the goals.
- Considering HSE performance when completing employee performance reviews.
- Using HSE performance in the selection and use of contractors.

Supervisors, employees and contractors are responsible for:

- Implementing the HSE activities needed to achieve the project goals.
- Including HSE performance when setting personal performance objectives.


HSE Department is responsible for:

- Establishing processes for tracking the key performance indicators.
- Preparing and distributing internal reports.

Document Title	Health, Safety & Environmental Management System	
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Subject	Element 2.2 Goals and Objectives	

Program Documents

- Paramount Management System Plans
- Paramount Management System – Gap Analysis
- Paramount Management System – Progress Report
- Annual Corporate Key Performance Indicators

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Subject	Element 2.3 Roles and Responsibilities	

2.3 ROLES AND RESPONSIBILITIES

Objective

Continually improve performance by having clear roles, responsibilities and accountabilities for Paramount and contractors.

Paramount Expectations

1. HSE goals, objectives and responsibilities are established and communicated. Both the organization and personnel are held accountable by management. Management is accountable to the Board of Directors;
2. Comply with health, safety and environmental regulations;
3. One party is assigned the overall responsibility for managing site safety at every Paramount worksite;
4. All workers directly involved in Paramount's activities, including Paramount employees and contractors, are responsible for ensuring their activities are conducted in a manner consistent with the company's HSE plans and programs.

Key Actions

Executive and Departmental Managers are responsible for:


- Preparing and updating Paramount Resources' HSE Accountabilities
- Assigning and communicating HSE responsibilities and accountabilities to managers, supervisors and workers.
- Holding managers, supervisors and workers accountable for Paramount's HSE performance just as they are held accountable for other aspects of Paramount's corporate results.
- Taking appropriate disciplinary actions when company HSE requirements are violated.

Supervisors, employees and contractors are responsible for:

- Knowing and understanding their HSE responsibilities.
- Participating in the development and implementation of HSE plans and programs.
- Understanding the right and obligation to refuse unsafe work

HSE Department is responsible for:


- Developing and maintaining the Paramount HSE Plan and provide regular progress reports to the management team.
- Ensuring HSE responsibilities are emphasized in program documents and orientations.
- Assisting managers, supervisors and workers with understanding and implementing of assigned responsibilities.

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Subject	Element 2.3 Roles and Responsibilities	

Program Documents

In addition to the Management System summary, roles and responsibilities are discussed in detail in the following company documents:

- Paramount POEMS Management System
- Paramount Resources HSE Accountabilities
- Paramount HSE Practices and Standards – Roles and Responsibilities
- Paramount Quick Reference Guides by discipline

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Subject	Element 3.1 Occupational Health and Safety (OH&S)	

3.0 POEMS IMPLEMENTATION

3.1 OCCUPATIONAL HEALTH AND SAFETY (OH&S)

Objective

Paramount ensures appropriate Occupational Health and Safety controls and programs are in place and working to meet the objective to achieve no harm to people.

Paramount Expectations

1. Systems are in place to manage work site safety and coordinate contractor activities;
2. Processes are in place to identify and control hazardous acts or conditions;
3. HSE performance is evaluated in the selection of contractors, vendors and service providers;
4. Work plans, practices and procedures are developed and implemented for the work activities being conducted.

Key Actions

Executive and Departmental Managers are responsible for:


- Maintaining effective site safety plans.
- Hiring suitable contractors and confirming that these contractors meet Paramount's expectations.
- Recognizing and positively reinforcing the consistent implementation of safe work practices, tools and behaviours including the use of PPE. Issues of noncompliance are dealt with immediately.
- Establishing monitoring programs to identify and measure occupational exposures.

Supervisors, employees and contractors are responsible for:

- Following work permit practices incorporating checks and authorizations in line with risks.
- Conducting hazard assessments and worksite inspections regularly to prevent the development of unsafe or unhealthy conditions.
- Implementing corrective items identified during assessments and inspections.
- Ensuring employees and contractors using, handling, storing or exposed to hazardous material in the workplace comply with hazard prevention measures including the use of PPE;

HSE Department is responsible for:

- Preparing and distributing standards and processes to address key OH&S risks.
- Monitoring company, industry and regulators for new safety initiatives to improve worksite safety as well as regulatory compliance.

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Subject	Element 3.1 Occupational Health and Safety (OH&S)	

Program Documents

Occupational health and safety issues are discussed in the following sections of Paramount's HSE Practices and Standards:


- Site Safety Management
- Hazard Assessment, Elimination and Control
- Contractor Management
- Work Practices and Procedures

These issues are also addressed in other Paramount documents including:

- Project-specific HSE Assurance Plans

Paramount prequalifies its contractors using ComplyWorks:



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Subject	Element 3.2 Environmental Protection	

3.2 ENVIRONMENTAL PROTECTION

Objective

Both the management and minimization of environmental risks and liabilities is an integral part of our business operations. Paramount takes a proactive approach toward project management that recognizes the benefit of environmental protection and the full cycle costs associated with environmental alteration and reclamation.


Paramount Expectations

1. A process exists to identify and obtain the applicable licenses and approvals for each project needed to ensure compliance with environmental requirements, industry guidelines and standards and corporate policies, plans and programs.
2. Operations are managed to comply with Paramount's Corporate Health, Safety and Environment Policy and environmental laws, regulations and approvals.
3. Project-specific plans and programs are established to manage the environmental impacts including:
 - Air Quality (Emissions Reductions / Energy Conservation)
 - Spill Management (Reporting and Clean up)
 - Waste Management Plans
 - Lease and Right-of-Way Management
 - Natural and Historic Resource Protection
 - Site Assessment and Remediation
4. Detailed assessments are completed to identify environmental risks and liabilities before irrevocable commitments are made to acquire, lease or divest of physical properties, technology/intellectual property or an interest in a joint-venture operation.

Key Actions

Executive and Departmental Managers are responsible for:

- Ensuring environmental requirements are identified and that all regulatory approvals are obtained prior to commencing work.
- Establishing plans and budgets to ensure that environmental protection plans, and programs are implemented.
- Providing the required resources and procedures to manage the environmental impacts of operating activities.
- Using qualified employees and consultants to complete environmental impact and site assessments.

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Supervisors, employees and contractors are responsible for:

- Ensuring activities are in compliance with environmental approvals, plans and programs.
- Ensuring Key Actions identified during inspections, investigations and audits are addressed.


HSE Department is responsible for:

- Assisting with the environmental portions of required applications for licenses and approvals related to exploration and development activities.
- Monitoring changes in the applicable environmental acts and regulations and ensuring plans and programs are developed and/or revised to meet any project scope or regulatory changes.
- Providing staff with required training and guidance to implement requirements.

Program Documents

Paramount has established a formal environmental protection program and associated plans needed to comply with the regulations to protect the environment. Key Paramount program documents include:

- Paramount’s HSE Practices and Standards – Environmental Protection
- Environmental Protection Program and Plans
- Project Description documents (Where applicable)

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Subject	Element 3.3 Emergency Management	

3.3 EMERGENCY MANAGEMENT

Objective

When a serious incident occurs, proper planning and preparation will allow Paramount and its contractors to activate action plans and mobilize response teams and resources in a safe and effective manner, as well as coordinate activities with regulatory agencies; thereby reducing the overall impact of the emergency.

Paramount Expectations

1. Project-Specific Emergency Response Plans will be developed and will bridge to Paramount’s Corporate Emergency Plan (CEP).
2. Project-Specific Emergency Response Plans are developed, accessible, clear and address known hazards and potential emergency situations including:
 - Responsibility has been assigned to identify and list possible emergencies, identify their effects and impact, and review response scenarios for each project.
 - Security threats and risks to personnel, equipment and operations are identified, and actions and safeguards are developed and implemented to manage security threats and risks.
3. Trained personnel are available and prepared to fulfill their role in emergency situations. Equipment and facilities required to respond to emergencies are maintained and readily available.
4. The roles and responsibilities of government, emergency response agencies and mutual aid partners are understood and incorporated into emergency response plans.
5. Regular emergency response training exercises, including applicable on-location emergency drills, are conducted to ensure readiness.


Key Actions

Executive and Departmental Managers are responsible for:

- Providing the required resources to ensure the emergency plans are current and all necessary emergency management equipment is in place or available;
- Leading emergency response events, including major exercises and tabletops, and supporting field and operations staff.

Supervisors, employees and contractors are responsible for:

- Participating in emergency training including major exercises and tabletops;
- Ensuring training is current and complete, and personnel understand their role(s) in the emergency response plans;
- Being active participants in the event of a real emergency.


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HSE Department is responsible for:

- Developing, implementing and maintaining the emergency management plans;
- Developing and scheduling training, including major exercises and tabletop events;
- Providing staff with required training and guidance to satisfy emergency management requirements.

Program Documents

- Paramount Emergency Response Plan – Corporate and Field Specific
- Paramount SDS Sheets / Binders
- Paramount Industrial Wildfire Control Plans

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Subject	Element 3.4 Process Safety and Integrity Management	

3.4 PROCESS SAFETY and INTEGRITY MANAGEMENT

Objective

Manage asset risk by providing an effective integrity management plan for designing, constructing, maintaining, inspecting and operating Paramount's pipeline system and facilities to reduce loss, ensure worker safety and protect the environment through training and inspection.

Paramount Expectations

1. Equipment and services will be obtained from qualified contractors and equipment vendors.
2. All new equipment will conform to legislation along with applicable Corporate and Industry policies, standards, codes, and guidelines.
3. All equipment will be operated within the design operating range and inspected on a frequency as determined by the Pipeline Integrity Management System (PIMS).
4. All construction related equipment (including safety equipment, emergency relief and shutdown systems, pollution control equipment,) is inspected and tested as part of a comprehensive inspection program. Inspections of equipment will be performed by qualified inspectors who are suitably trained, certified and sufficiently experienced to perform the work.
5. Conduct Operational Readiness / Pre-Startup Safety Reviews as part of commissioning and start-up activities.
6. Non-conformance incidents related to construction, start-up and commissioning of process equipment will be submitted to the appropriate technical personnel for review and follow-up action.

Key Actions

Executive and Department Managers are responsible for:


- Establishing plans and budgets to ensure that asset integrity programs are effectively implemented.
- Assigning specific responsibilities to asset integrity personnel, when required.

Supervisors, employees and contractors are responsible for:

- Ensuring activities are conducted in a manner consistent with asset integrity programs.
- Ensuring Key Actions identified during asset integrity audits and inspections are addressed.

Engineering/Operations is responsible for:

- Developing and maintaining the required asset integrity programs.
- Preparing and distributing the program related documents.
- Providing staff with required training and guidance to effectively implement.

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Subject	Element 3.4 Process Safety and Integrity Management	


- Monitoring changes in the applicable regulations and ensuring plans are updated to meet any regulatory changes.
- Monitoring the implementation and effectiveness of their programs.

Program Documents

An overview of the expectations regarding integrity management is provided in the Integrity Management programs.

The principle documents detailing Paramount’s integrity management practices will include:

- Paramount’s Pipeline Operating and Maintenance Program (POMM)
- Paramount’s Pressure Equipment Integrity Management (PEIM) Program
- Paramount’s Electrical Regulatory Management Program (ERPM) (Owner/User Safety Codes)
- Paramount’s Preventive Maintenance Program (Maximo)

Document Title	Paramount Operational Excellence Management System (POEMS)	
Document Number	COR-OMS-MS 001	
Subject	Element 3.5 External Relations	

3.5 EXTERNAL RELATIONS

Objective

Earn the public trust by communicating openly about our policies, programs and performance with external stakeholders, including regulators, communities, industry operators and non-government agencies.

Paramount Expectations

1. Build effective relationships through honest, open communication with both regulatory agencies and the public;
2. Ensure that our consultation activities are compliant with the regulatory requirements and industry practices;
3. Establish a formal planning framework and communication tools to support community relations and consultation initiatives related to both development and ongoing operations;
4. Proactively identify and address potential risks to the extent possible;
5. Develop a Crisis Communications Plan to ensure accurate and timely information is delivered to internal and external stakeholders during an emergency involving Paramount;
6. Where appropriate, participate by supporting industry initiatives and organizations and in the creation of responsible policies, regulations and industry standards that may be applicable to Paramount’s exploration and development activities.

Key Actions

Executive and Department Managers are responsible for:


- Ensuring that key regulators and member of the public are identified and responsibilities for communication with these groups are assigned as required.
- Ensuring that communication plans are developed for situations requiring a more formalized communication (i.e. community outreach programs, including open houses).

Supervisors, employees and contractors are responsible for:

- Ensuring regulatory and public communications are consistent with Paramount's expectations and the terms and conditions of all exploration and development approvals.

Community and Regulatory Affairs is responsible for:


- Developing and maintaining an overall communications strategy.
- Preparing and distributing program Practices and Standards and related documents.
- Providing staff with required training to effectively communicate with the public.
- Monitoring the implementation and effectiveness of the plans and training.
- Monitoring changes in the applicable regulations and ensuring communication plans are updated to address those changes.

Document Title	Paramount Operational Excellence Management System (POEMS)	
Document Number	COR-OMS-MS 001	
Subject	Element 3.5 External Relations	

Program Documents

Paramount has developed stand-alone program documents detailing the Company's regulatory and community communication consultation initiatives. These are summarized in the following Company documents:

- Paramount's - Stakeholder Consultation Framework and Consultation Guidelines.
- Paramount's Emergency Response Plan.

Document Title	Paramount Operational Excellence Management System (POEMS)	
Document Number	COR-OMS-MS 001	
Subject	Element 3.6 Employee and Organizational Capability	

3.6 EMPLOYEE AND ORGANIZATIONAL CAPABILITY

Objective

Paramount strives to select, hire, train and assess personnel to ensure that the workforce has the training and experience to perform the specified work assigned in a competent and safe manner.

Paramount Expectations

1. Communicate Paramount's corporate policies, standards, and procedures to new employees and contractors through worker orientations and core safety training.
2. Provide a framework for the development of Codes of Practice, general work practices and site-specific work procedures for both critical and non-critical tasks.
3. Understand and apply relevant Industry Recommended Practices (IRP).
4. Establish a process to identify, evaluate and review HSE training needs for each level and function within the organization and develop a training plan that addresses these needs. Ensure that documentation of HSE and competency training is maintained.
5. Establish processes to assess and provide feedback to employees on their performance.

Key Actions

Executive and Department Managers are responsible for:


- Ensuring HSE and competency training for all levels of employees is provided.
- Supporting contractor pre-qualification evaluations.
- Ensuring that all personnel hired by Paramount are competent on the basis of appropriate education, training and/or experience.

Supervisors, employees and contractors are responsible for:

- Understanding current HSE regulations, guidelines and corporate policies related to their area of responsibility.
- Ensuring that all plans, practices, and procedures required to complete work in a safe and environmentally responsible manner, are available and communicated.
- Participating in HSE and competency training as assigned.

HSE Department is responsible for:

- Recommending a training program to address defined needs and verify conformance of training program to regulatory and company requirements.
- Directing the development and delivery of orientations on Paramount's HSE requirements.
- Assisting the operating units with development and delivery of required HSE and competency training programs.

Document Title	Paramount Operational Excellence Management System (POEMS)	
Document Number	COR-OMS-MS 001	
Subject	Element 3.6 Employee and Organizational Capability	

- Ensuring that HSE trainers are appropriately qualified and that HSE training and education programs are evaluated for effectiveness.
- Revising training programs as needed to maintain compliance with regulations.


Program Documents

The primary documents outlining expectations are Paramount’s HSE Practices and Standards that outline requirements for qualifications, orientations and training. Other documents critical to Paramount’s employee and organizational capability initiatives include:

- HSE Practices and Standards
- HSE Practices and Standards – Contractor Management
- HSE Practices and Standards - Work Practices and Procedures
- Paramount’s Operating and Maintenance Practices and Standards (POMM)
- Paramount’s Pressure Equipment and Integrity Management (PEIM) Program Practices and Standards
- Paramount’s Preventive Maintenance Program

Paramount utilizes ComplyWorks to track contractor training and certifications.



Document Title	Paramount Operational Excellence Management System (POEMS)	
Document Number	COR-OMS-MS 001	
Subject	Element 4.1 Monitoring and Review	

4.0 MONITORING AND REVIEW

4.1 MEETINGS AND COMMUNICATION

Objective

Paramount is committed to communicating openly with employees, the communities in which we operate, and other relevant stakeholders with respect to HSE risks associated with its operations.

Paramount Expectations

1. Ensure workers have been made aware of the hazards and the control measures for any given task or job;
2. HSE risks and performance are an integral part of every meeting including management, field operations and project meetings;
3. Establish a process for monitoring the status of the Key Actions identified in meetings to address current HSE issues and improve Paramount's Operations performance;
4. Provide meaningful opportunities for the sharing of HSE information at every level of the organization through relevant risk management bulletins;
5. Provide opportunities for all stakeholders to raise HSE issues.


Key Actions

Executive and Department Managers are responsible for:

- Identifying site-specific expectations for HSE meetings, work permits and stakeholder consultation within the scope of the corporate expectations;
- Ensuring compliance with project and general HSE meeting expectations;
- Identifying consultation expectations;
- Attempt a meaningful resolution of any conflicts.

Supervisors, employees and contractors are responsible for:

- Holding meetings to discuss the scope of the task, hazards involved, and control measures implemented. The types of meetings to be held include project kick-off and scheduled project HSE meetings, tailgate safety meetings, and regularly scheduled general HSE meetings.
- Ensuring key actions identified during safety meetings are recorded and implemented;
- Ensuring hazard management communication takes place before work begins, at handoff meetings between shifts, and continues throughout the life cycle of all operations on site;
- Communicating and distributing HSE information on a timely basis. Examples include:
 - Reports of current accidents, near misses and hazards, releases and spills, and their causes and prevention;

Document Title	Paramount Operational Excellence Management System (POEMS)	
Document Number	COR-OMS-MS 001	
Subject	Element 4.1 Monitoring and Review	

- Remedial action taken or required by assessments, inspections and investigation reports;
 - Any other matters pertinent to worker health, safety and environmental protection.
- Participating in external consultation initiatives as required and ensuring that any identified conflicts are documented, and resolutions are sought.

HSE Department is responsible for:

- Developing, maintaining and coordinating corporate HSE communication initiatives.
- Monitoring and communicating regulatory and industry HSE documents.

Program Documents


The primary document outlining expectations is Paramount’s HSE Management Practices and Standards, Section 5 – Meetings and Communications. Other sections of the HSE Practices and Standards which detail communication expectations include:

- Paramount’s Permit to Work System
- Hazard Assessment, Elimination and Control
- HSE Orientation Practice – Supervisor & Worker Orientations

Additional documentation is included in the following documents:

- Paramount Project HSE Assurance Plan(s).
- Company orientations and bulletins;



Document Title	Paramount Operational Excellence Management System	
Document Number	COR-OMS-MS 001	
Subject	Element 4.2 Incident Management	

4.2 INCIDENT MANAGEMENT

Objective

Incidents and near misses will be reported, analyzed and investigated (as required). Investigation findings and learnings will be documented and communicated to prevent future recurrence.

Paramount Expectations

1. Incidents and near misses with the potential to impact worker health and safety, the public, the environment and other aspects of the company's operations are promptly reported.
2. Incidents and near misses are investigated to document what happened, document the causal analysis and a corrective action plan is developed and tracked to address the findings of the investigation.
3. Provide an environment for the open identification and communication of HSE issues, reporting of incidents and non-compliances, and the sharing of lessons learned
4. Responsibilities for any corrective actions are identified and assigned to personnel to confirm that the action items have been implemented and completed.
5. Ensure that incident and near miss history is analyzed to understand frequency, trends, and common causes to identify risk areas, and determine where further improvements are necessary.

Key Actions

Executive and Departmental Managers are responsible for:


- Ensuring staff understand and implement incident and near miss reporting requirements.
- Ensuring incidents and near misses are investigated and corrective actions identified to address the causes.
- Participating in the investigation and follow-up of significant incidents.
- Establishing processes to ensure incident and near miss key actions are addressed.
- Communicate lessons learned.

Supervisors, employees and contractors are responsible for:

- Encouraging the prompt reporting of incidents and near misses.
- Completing the investigation of incidents and near misses with high potential severity within area of responsibility.
- Ensuring that all identified corrective actions are completed.

HSE Department is responsible for:

- Developing and maintaining an incident and near miss tracking system and related documentation.


Document Title	Paramount Operational Excellence Management System	
Document Number	COR-OMS-MS 001	
Subject	Element 4.2 Incident Management	

- Provide trained personnel to assist with formal incident and near miss investigations when required.
- Preparing and distributing incident and near miss summaries and analysis reports to internal and external stakeholders (as required).
- Monitoring corrective actions to ensure completion.

Program Documents

Paramount HSE Practices and Standards – Incident Management. Other corporate documents relating to incident reporting and follow up requirements include:

- HSE Practices and Standards
- HSE Practices and Standards - Environmental Protection – Spill Response Procedures
- Corporate and Site-Specific Emergency Response Plans

Document Title	Paramount Operational Excellence Management System (POEMS)	
Document Number	COR-OMS-MS 001	
Subject	Element 4.3 Audits and Assessments	

4.3 AUDITS AND ASSESSMENTS

Objective

Paramount will conduct audits, inspections, and assessments to verify compliance with HSE standards and the effectiveness and efficiency of its HSE Management System.

Paramount Expectations

1. Audits will confirm compliance with applicable legislation, and regulatory requirements;
2. Audits will confirm conformance with corporate and industry policies, standards and guidelines;
3. Ensure appropriate HSE management and control systems are in place and functioning to assure compliance;
4. Identify HSE risks and provide recommendations for corrective action;
5. Demonstration of due diligence in the administration of HSE affairs;
6. Report the status of HSE stewardship to Paramount's Board of Directors, management and other stakeholders.

Key Actions

Executive and Senior Management are responsible for:


- Establishing plans and budgets to ensure the audit of key actions are addressed.
- Ensuring that any recommendations identified, and feedback provided during review are implemented to provide the stimulus for continuous improvement.
- Communicating audit results to staff throughout their area of responsibility, HSE Steering Committee and to the HSE Committee of the Board of Directors.

Supervisors, employees and contractors are responsible for:

- Assisting the audit team during reviews and assessments.
- Ensuring Key Actions identified during a review or assessment are addressed.


HSE Department is responsible for:

- Establishing audit frequency and scheduling;
- Leading audits and assessments.;
- Developing and maintaining appropriate audit protocols.
- Preparing and distributing summary reports of findings to management, HSE Steering Committee, and the HSE Committee of the Board of Directors.
- Monitoring the implementation and effectiveness of audit and assessment programs.

Document Title	Paramount Operational Excellence Management System (POEMS)	
Document Number	COR-OMS-MS 001	
Subject	Element 4.3 Audits and Assessments	

Program Documents

There are no specific Paramount references currently available.

Document Title	Paramount Operational Excellence Management System (POEMS)	
Document Number	COR-OMS-MS 001	
Subject	Element 4.4 Performance Monitoring and Reporting	

4.4 PERFORMANCE MONITORING AND REPORTING

Objective

The effective monitoring and reporting of key actions will ensure that Paramount's objectives and targets are being met and that real improvements in performance are being achieved.

Paramount Expectations

1. A system is in place to monitor key leading and lagging performance indicators, goals and objectives of the corporation and each operating region and uses them to track and communicate performance;
2. Workplace behavior programs are in place to measure conformance with practices and procedures;
3. External benchmarking is conducted to ensure that systems and programs are current and effective;
4. An external communications strategy exists to share company performance with affected stakeholders.

Key Actions

Executive and Department Managers are responsible for:


- Preparing and submitting relevant reports pertaining to Paramount's operations as required by its licenses and approvals.
- Reviewing and communicating information pertaining to HSE issues and performance related to Paramount's operations to all appropriate personnel.
- Reporting HSE performance to Sr. Management, the HSE Committee of the Board of Directors and the Board of Directors.

Supervisors, employees and contractors are responsible for:

- Providing monitoring and measurement information as required.
- Reviewing relevant information about Paramount's operations and performance, as well as its associated HSE impacts.

HSE Department is responsible for:


- Providing the appropriate information needed to communicate HSE risks and performance associated with Paramount's operations.
- Establishing the appropriate HSE performance indicators and periodically assessing their completeness and accuracy.

Document Title	Paramount Operational Excellence Management System (POEMS)	
Document Number	COR-OMS-MS 001	
Subject	Element 4.4 Performance Monitoring and Reporting	

Program Documents

HSE performance and impacts such as the results of hazard assessments, incident investigations, compliance audits and other HSE records identified in Paramount's plans and programs are communicated in the following:

- Weekly Operations Reports;
- Monthly and Annual regulatory reports (i.e. environmental and safety reports);
- Environmental monitoring reports;
- HSE Management Reports and semi-annual reports to the Board of Directors;
- Annual Corporate Abandonment, Decommissioning and Reclamation Reporting (Asset Retirement Obligation).

Document Title	Paramount Operational Excellence Management System (POEMS)	
Document Number	COR-OMS-MS 001	
Subject	Element 4.5 Records Management	

4.5 RECORDS MANAGEMENT

Objective

Information systems needed to identify, collect, protect, store, retrieve, route and dispose of POEMS documentation to assure operational integrity and regulatory compliance are in place.

Paramount Expectations

1. A Document retention framework for controlling all electronic and paper documents is established and followed;
2. All Documents must be maintained in a manner that ensures that they are:
 - a) legible, identifiable, and traceable to the activity, product or service;
 - b) readily retrievable; protected against damage, deterioration or loss;
3. Ensure sensitive Documents, such as personnel, landowner, or resident information or legal records are securely stored and shredded prior to their disposal;
4. All working Documents related to the HSE Management System are readily accessible to personnel who may require them;
5. Document retention guidelines are in place and adhered to;

Key Actions

Executive and Departmental Managers are responsible for:


- Ensuring a system is in place for the identification, storage, protection, retrieval, retention and disposition of all POEMS Documents;
- Notifying affected personnel of relevant Document changes;
- Ensuring that critical Documents are forwarded to the HSE Department for inclusion with corporate Documents.

Supervisors, employees and contractors are responsible for:

- Ensuring relevant legislation, safety and environment documents and procedures are available to all personnel as required to complete the job in question;
- Ensuring that paper documents are current at the time of use;
- Periodically evaluating records under their management versus applicable retention times;
- Providing records of POEMS related activities, as required.

HSE Department is responsible for:


- Ensuring a framework is in place to control required HSE Management documents;
- Developing and maintaining a system for maintaining, distributing, retrieving and disposing of corporate HSE documents;

Document Title	Paramount Operational Excellence Management System (POEMS)	
Document Number	COR-OMS-MS 001	
Subject	Element 4.5 Records Management	

- Developing recommendations for the identification, maintenance and disposition of function and site-specific HSE records.

Program Documents

- Paramount's Information Management and Document Control outlines the expectations of records management, retention and disposal.

Document Title	Paramount Operational Excellence Management System (POEMS)	
Document Number	COR-OMS-MS 001	
Subject	Element 5.0 Review and Continual Improvement	

5.0 REVIEW AND CONTINUAL IMPROVEMENT

Objective

Ensure senior management performs regular strategic reviews of the Operations Management System and Paramount's HSE performance indicators to confirm its efficiency and effectiveness.

Paramount Expectations

1. A system is in place to monitor key performance indicators, goals and objectives of the corporation.
2. New or changed legislation and other requirements as well as changing stakeholder expectations are monitored to understand the impact on Company's plans and programs.
3. The results from incident investigations, non-compliances, compliance audits are reviewed by management.
4. Identified actions are tracked to ensure timely completion.
5. Benchmarking occurs to assure that systems and programs remain current and effective.


Key Actions

Executive and Department Managers are responsible for:

- Assessing the need for changes in policy and objectives and other elements of Paramount's POEMS Management System.
- Establishing a review process for their department or operating unit.
- Documenting and communicating the results of their reviews.
- Following up to confirm that all identified actions are completed.
- Communicating the status of activities and results with the company, including the Board of Directors.

Supervisors, employees and contractors are responsible for:

- Conducting periodic reviews to assess the efficiency, adequacy and effectiveness of plans and activities.
- Identifying, implementing and following up on all assigned corrective and preventive action plans as needed to drive positive improvement in Paramount's HSE performance.
- Reviewing performance reports and communicating any recommendations for improvement to management.

Document Title	Paramount Operational Excellence Management System (POEMS)	
Document Number	COR-OMS-MS 001	
Subject	Element 5.0 Review and Continual Improvement	

HSE Department is responsible for:

- Compiling the needed information to allow for management review.
- Assisting departments and operating units with the establishment of appropriate review processes for their activities.
- Assessing the need for changes to the elements of Paramount's POEMS Management System


Program Documents


Documents supporting the management and review process include:

- Issues related to Paramount's HSE performance are an integral part of management review meetings (i.e. Weekly Operations Meetings, HSE Steering Committee Meetings)
- Semi-annual HSE Reports to the Board of Directors HSE Committee documenting the progress toward the development and implementation of the management plan.
- Record of discussions and decisions;
- Revisions to the HSE Management System policy, objectives and other framework elements to address deficiencies or opportunities for continuous improvement; and
- Action plans with specific corrective actions, resources, assigned responsibilities and defined timeframes.




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Document Title	Paramount Operational Excellence Management System (POEMS)	
Document Number	COR-OMS-MS 001	
Subject	Appendix 1: HSE Accountabilities and Operational Roles	

Document Title	Health, Safety & Environmental Management System	
Document Number	PRL HSE-MS 001	
Subject	Glossary of Terms	


Appendix 1 – Glossary of Terms

Assessments	An assessment is a less structured review of HSE procedures and practices directed at operational enhancements and at monitoring progress toward completion of audit recommendations. Generally performed by internal company resources.
Audit	An audit is an intensive review of policies, standards, procedures and HSE management systems to ensure that they are adequate to meet the needs of the operation and are in compliance with all company and legislated standards.
Basic Cause Analysis (Root Cause Analysis)	A process to identify basic (personal and job/system factors) and contributing causes that can result in an undesired event.
Business/Project HSE Personnel	Refers to those HSE professionals who, within the organization, are assigned to individual Paramount businesses or facilities and who are accountable to local line management for carrying out their assigned HSE responsibilities.
Business Partner	Any second or third-party company, including Contract Manufacturing, Licensee, Partially Owned Entities, tolling and transfer operations with which Paramount has an ongoing relationship, involving the provision of raw materials or services to or the movement, handling, use or disposal of Paramount’s products or waste materials.
Business Entity	An Paramount partially owned or wholly owned, operating company or limited partnership.
Community	A group of people having common ties or interest who are subject to the same laws and live in the same locality.
Company	A legal entity, incorporated under the laws of the jurisdiction in which the entity operates, that conducts legal business for the purpose of earning revenues and profits for the entities’ owners. For the most part, Company will refer to Paramount or its subsidiaries or partially owned entities.
Confidentiality	Spoken to in confidence; entrusted with information.
Consultant	A personal services consultant provides a service defined in the contract in a manner that is similar to an employee assignment. Work may be performed full-time or part-time on site or off site.
Contractor	A person or group of people hired to do work on behalf of Paramount or at a Paramount business/project.
Corporate HSE	Refers to those HSE professionals who, within the organization, are assigned to Paramount’s corporate office and who are accountable to one or more members of the Corporate Executive for carrying out their assigned HSE responsibilities.

Document Title	Health, Safety & Environmental Management System	
Document Number	PRL HSE-MS 001	
Subject	Glossary of Terms	


Critical	A subject or condition that could result in a significant loss to a person, property, process or the environment.
Critical Equipment	Equipment whose failure cannot be tolerated for health, safety, environmental or functional reasons and for which specific practices and procedures need to be specified to eliminate or reduce the probability of failure to acceptable levels.
Element	Management System content and detailed description of requirements and expectations.
Emergency	An unforeseen combination of circumstances or the resulting state that calls for immediate action to prevent or resolve injury, illness or damage to facilities, equipment or the environment.
Emission/Release	A release of any substance or product into or onto the air, land, water or groundwater.
Employees	All Paramount permanent, part-time and temporary employees (including co-op and summer students).
Equipment	A physical component or item installed at any company location that carries out a specific function.
Expectation	A statement that must be achieved to meet the intent of Paramount's HSE policies and management system.
Exposure	An instance where an employee or contractor is, or was, subject to some effect, influence or safety hazard.
First Aid	Any one-time treatment and subsequent observations of minor scratches, cuts, burns, splinters, etc. which do not ordinarily require medical care.
Framework	Provides guidance to all Business entities within Paramount for developing the HSE management system and individual HSE programs to manage specific risks in support of the corporate HSE Commitment.
Hazard	A condition or practice <u>with the potential for loss</u> , release of energy or chemical material that could have injured a worker, damaged equipment, or the environment or produced a disruption of the job
Hazardous Materials	Compounds, mixtures or products that (when stored in certain quantities or containers, spilled or when burning) create specific hazards to people and/or the environment.
Hazardous Waste	Any waste that may constitute a danger to the environment or human health.
Health Hazard	Any chemical, biological, ergonomic or physical agent that has the potential to adversely affect employee health.
HSE	Health, Safety & Environment. Acronym used to describe people, departments and initiatives in force across the organization.
Incident	An undesired and unplanned event that may result in injury to people, damage to property, damage to the environment or loss to process.

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Incident Management Process	A formalized Paramount system for managing an HSE incident. The Incident Management Process includes: controlling the incident; reporting the incident; taking immediate corrective action; investigating the incident; documenting the investigation results; making recommendations to ensure that the same or similar incident does not recur; and, communicating the incident causes and preventative recommendations to all Paramount business entities.
Incident Rates	The number of injuries, illnesses, lost time cases, lost workdays and recordable incidents related to a common exposure hour's base of 100 full-time workers that enables inter-industry comparisons and trend analysis over time or comparisons among firms regardless of size.
Inspections	Inspections are undertaken at regular intervals by facility personnel to detect and remedy conditions and operating practices that may expose the company to unacceptable levels of risk. Facility and management personnel regularly participate in HSE inspections.
Industrial Hygiene Monitoring	Refers to a specialized form of workplace exposure monitoring. Industrial hygienists do not monitor biological systems, but rather environmental agents (i.e. physical, biological or chemical).
Key Transportation Route	The route that the business/facility regularly uses to move goods or materials during their normal activities.
Lesson Learnings	Knowledge and information obtained as a result of incident investigations, about causes of incidents and recommendations for actions to prevent similar incidents from recurring. Learnings will be communicated to Paramount employees and contractors.
Loss	Loss is the result of an incident that results in unintended harm or damage or production and/or revenue impact
Lost Time Incident	Injury or industrial illness cases in which the employee is unable to return to work the next scheduled shift.
Lost Work Days	The number of workdays (consecutive or not), beyond the day of injury or illness that the employee was away. The total amount does not include the day of the injury or onset of the illness or any days on which the employee would regularly have been scheduled off.
Maintenance	The combination of all technical and administrative actions, including supervision actions, intended to retain an item, or restore it to a state in which it can perform a required function.
Management Practice	The method by which the components of an element are introduced and implemented at the operational level.
Management System	Is that part of the overall management system which includes the organizational structure, planning activities, responsibilities, practices, procedures, processes and the resources for developing, implementing, achieving, reviewing and maintaining a policy.
Medical Aid	An injury that requires treatment from a physician or medical professional. The injury is not severe enough to prevent the employee from returning to work the next day.

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Document Title	Health, Safety & Environmental Management System	
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Near Miss (or Close Call)	An undesired event with <u>no visible injury or damage</u> , but which could have resulted in a loss, had the circumstances been different
Occupational Illness	Any abnormal condition or disorder, other than one resulting from an occupational injury, caused by exposure to factors associated with employment. It includes acute and chronic illnesses or disease which may be caused by inhalation, absorption, ingestion or direct contact (e.g. repetitive stress). The basic difference between an injury and an illness is the single instantaneous exposure concept.
Occupational Injury	Any injury, such as a cut, fracture, sprain, amputation which results from a work-related event or from a single instantaneous exposure in the work environment. Note: Injuries resulting from animal, insect or snake bites or from one time exposures to chemicals (including chemical burns) are considered injuries.
Operable	The ability to start and stop equipment as required and the ability of the equipment to operate at the rate capacity.
Partially Owned Entity	Any entity in Paramount that is not fully owned by the company.
Performance Indicator	An established, measurable parameter that provides an indication of the performance level for the associated subject.
Personal Protective Equipment	The general term used to describe specialized clothing (e.g. fire-resistant clothing, steel toe boots, safety helmets, work gloves) and other apparatus worn by workers to protect themselves from occupational exposures. Personal protective equipment reduces the exposure by creating a barrier between the person wearing the equipment and the hazard.
Policy	A statement of fundamental principles and objectives established by senior management.
Pollution	Any physical, biological or chemical substance that, when released into the environment, results in adverse or harmful conditions.
Practice(s)	Generally accepted (by industry and/or government agencies) method for completing a task or job that is repeated numerous times.
Procedure(s)	Statements of who does what, how and in what sequence. Procedures may be mandatory or discretionary.
Process Safety	A discipline that focuses on prevention of physical situations with the potential for human injury, damage to property or damage to the environment through the release of chemical or mechanical energy.
Project (from HSE perspective)	A defined scope of work such as exploration drilling, new construction, seismic, significant modifications or replacement, acquisition and divestiture or new activity from linear or fixed facilities that may have impact on health, safety or the environment.
Protocol	Provides guidance with respect to execution of identified topics and requirements.
Qualitative Assessment	An evaluation based on opinion or experience without the benefit of full numerical methods.

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Quantitative Assessment	An evaluation based entirely on the use of numerical methods.
Spill	A release, leak, discharge or deposit of a liquid, solid substance or product from its intended containment onto the land, into the air or into waters or groundwater.
Stakeholder	All persons who are affected by any aspect of Paramount's operations. Includes employees, customers, the general public, special interest groups, First Nations, Metis Settlements and government agencies for the jurisdictions in which Paramount operates.
Strategy	Long-term plan that forms the framework for actions to meet objectives and goals.
Technology / Intellectual Property	Includes personnel, sales offices, licensing and technology agreements, patents, etc., but does not involve the transfer of physical facilities.
Trend / Group Data Analysis	Analysis and interpretation of health surveillance data to identify patterns or trends among groups of employees potentially at risk. This interpretation may suggest an adverse effect and the need for further action.
Waste	A product, substance, class of substances or mixture of substances that is intended for disposal or recycling.
Waste Prevention	Reduction in the amount of waste generated through elimination, reduction, reuse, recycling and recovery.
Wellness	A general description encompassing health programs and services, which are directed at employee well-being in the workplace.
Work Permit System	A system, requiring a site permit, used to review and authorize any potentially hazardous and/or non-routine task. The work permit system facilitates: the identification of hazards that may be associated with the task; identification, specification and documentation (in the work permit) of operational procedures and protective measures to reduce or eliminate identified hazards; and, identification and documentation of procedures to ensure that the specified operational procedures and protective measures are implemented while the task is being undertaken.