Rethinking safety through INCLUSION + WELLBEING

HEALTH + SAFETY

SYSTEM REQUIREMENT

10/01/2025

SUPPLY CHAIN MANAGEMENT

PURPOSE AND SCOPE

1.1 PURPOSE

This System Requirement sets out our approach to and expectations of how our supply chain partners manage health, safety and environmental (HSE) performance by our supply chain partners. Health, safety and wellbeing are core values at Laing O'Rourke. Together with our staff and workforce, our supply chain, delivery partners, clients and designers all have a role to play in Rethinking Safety Through Inclusion + Wellbeing.

Our HSE approach reflects the concept of freedom with a framework which means we support innovation and excellence over and above the required minimum standards. This concept does not enable individuals to shirk their personal accountability to follow the necessary procedures

It is essential our supply chain partners work with us to uphold these values at all times. We commit to building an open and supportive approach to managing HSE. We will provide support and guidance to assist our supply chain partners develop the necessary HSE systems and frameworks to successfully deliver work for Laing O'Rourke.

Laing O'Rourke believes that by working closely with our supply chain partners and focusing on common objectives we will deliver measurable and sustainable improvements in HSE performance. It's imperative that we have absolute alignment across our projects, ensuring that everyone on-site understands Laing O'Rourke's approach to safety and the processes and procedures in place.

Compliance with contractual arrangements and all State legislation and standards is essential and is our licence to operate. In addition, Laing O'Rourke requires each supply chain partner to understand and engage with the principles of Rethinking Safety through Inclusion + Wellbeing, Primary Standards and System Requirements contained in the Health, Safety and Environment Management System (HSEMS) at www.lorhsems.com.

1.2 SCOPE

Laing O'Rourke's HSEMS applies to all supply chain partners engaged on any portion of works associated with a Laing O'Rourke project. This includes organisations engaged by third parties and joint venture projects.

This document defines the minimum requirements for the control of HSE hazards, and management of risks to as low as is reasonably practicable (ALARP) where the supply chain has a prevailing influence over the performance of the works.

Supply chain partners include:

- The entity that Laing O'Rourke contracts with under a package-specific contract. This includes the performance of works, supply of goods (other than goods supplied under a purchase order), hire of plant/equipment, contract labour and professional services.
- All other entities in the subcontract chain contracted by the entity that contracts with Laing O'Rourke.

A specialist supply chain partner is a business that performs a scope of work that has risks not defined in the Laing O'Rourke HSEMS.

2.0 PROCUREMENT

A list of proposed tenderers is created in conjunction with Laing O'Rourke's Central Procurement function. Wherever possible this will incorporate supply chain partners from the approved prequalified supplier database (held on Asite) and from those approved or nominated by the client. The process is managed by the team responsible for procurement and invitations to tender are issued in line with the Project Procurement Plan. As part of the tender process, it is expected the following information as a minimum is provided to the tendering party:

- A scope of works that clearly articulates the contractors HSE responsibilities
- A copy of the Workplace/Project Health and Safety Management Plan and appendices (if a specialist Supply chain partner)
- The project Risk Assessment (PRA) as applicable to scope of works
- Access to Laing O'Rourke's HSEMS including relevant Primary Standards and System Requirements
- Fatal and Severe Risks (FSR) Controls Standard
- The Workplace/Project HSES general preliminaries document (or equivalent).

All supply chain partners must have undergone an HSE evaluation to consider past performance and suitability of systems.

Laing O'Rourke HSE specifications must be included in all supply chain partner agreements. These must be reviewed to ensure the specific client and project requirements are included in addition to all Laing O'Rourke standards. Supply chain partners will be briefed on these requirements prior to award.

3.0 SUPPLY CHAIN PARTNER AWARD

Prior to work commencing, supply chain partners and their leadership teams will be engaged by the Laing O'Rourke Procurement, Commercial and Senior Project/Management teams to convene a joint kick-off meeting to discuss (records of this meeting shall be maintained):

- Clarification of specifications and standards required
- Understanding of the Rethinking Safety Through Inclusion + Wellbeing principles and way of work implementation plan
- Arrangements for a joint Project Risk Assessment (PRA) workshop to understand the Fatal and Severe Risks (FSR) and Severe Environmental Risk (SER) requirements
- Project coordination arrangements
- Site induction requirements
- HSEMS requirements including Safe Work Method Statement (SWMS), Work Method Statements and registers required prior to mobilisation
- Performance monitoring requirements
- Confirm responsibility for management of verification of competencies (VOC) (supply chain partner), other training records and the system to be used.

4.0 MOBILISE SUPPLY CHAIN

Supply chain partners must comply with the relevant parts of the Laing O'Rourke HSEMS by either:

- Demonstrating the existence of their own HSEMS with supporting plans, procedures and SWMS that are as a minimum equal to Laing O'Rourke's HSEMS
- Agreeing to adopt and implement Laing O'Rourke's HSEMS.

Specialist supply chain partners, regardless of their value of scope of work, are required to develop and submit their own HSE management plans for review and assessment. These plans will align to the specific requirements of their scope of work and any contractual, legislative requirements and industry best-practice.

4.1 PROJECT RISK ASSESSMENT (PRA)

A PRA must be developed by the supply chain partner prior to mobilisation. Laing O'Rourke may also facilitate a PRA workshop as a forum for the Laing O'Rourke Senior Project/Management Team and senior members of the supply chain partner to review the PRA within 14 days of the commencement of their works.

4.2 SAFE WORK METHOD STATEMENTS

SWMS must be:

- Developed by supply chain partners for each high-risk activity identified within the PRA
- Submitted for review and assessment utilising the SWMS Part B Checklist prior to supply chain mobilisation or before the work task commencing. Completed SWMS Part B Checklists are to be uploaded into Intelex.
- Reviewed by the Lang O'Rourke Senior Project/Management Team and senior members of the supply chain partner within 14 days of the commencement of their works.

Any additional high-level risks have been identified during the SWMS Part B Checklist review will be updated within the supply chain partner's PRA and the relevant SWMS updated.

Refer **System Requirement SWMS** for further information.

4.3 FATAL AND SEVERE RISKS AND SIGNIFICANT ENVIRONMENTAL RISK ASSESSMENTS

The supply chain will complete planning elements of the FSRs and SERs assessment for all high-risk works prior to the work task commencing. These will be reviewed by the Laing O'Rourke Senior Project/Management Team and senior members of the supply chain partner within 14 days of the commencement of the work task. The GO/NO GO (immediately rectified)/NO GO process will be discussed and briefed to the supply chain partner's employees.

Prior to works commencing, Laing O'Rourke must confirm planning is completed including but not limited to any contract, project-specific or legislative requirements as a minimum.

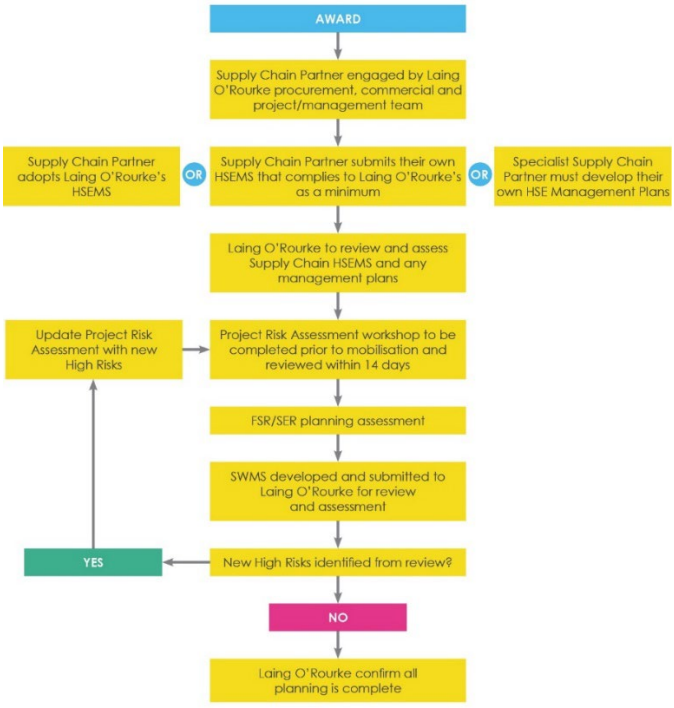

Figure 1 Supply Chain Award Flowchart

5.0 SUPPLY CHAIN ENGAGEMENT

Achieving and maintaining effective working relationships on our sites requires everyone to be aligned and delivering the Rethinking Safety Through Inclusion + Wellbeing principles. Supply chain partners are invited to actively participate in HSE campaigns and engagement forums to drive continuous improvement, innovation and strengthen relationships for ongoing success. The frequency of these campaigns and forums is to be determined and managed in consultation with the projects/sites and relevant supply chain partners Leadership.

Laing O'Rourke recognises that effective leadership and supervision are crucial to ensure high performance of HSE and are a key requirement for all supply chain partners. Refer to **System Requirement Leadership Engagement**.

The following expectations are set as the minimum requirements for successful leadership engagement on projects/sites:

- Supply chain partner project/management leadership (on-site) required to participate in monthly contractor HSE leadership meetings held on the project
- Supply chain partner project/management leadership (on-site) required to complete monthly high-risk work activity HSE inspections
- Supply chain partner senior leadership (off-site) required to attend site quarterly and provide a written safety leadership report (bespoke audit form)
- Supply chain partner senior leadership (off-site) required to attend site quarterly and actively partake in a Collective Insight session or Positive Investigation.

The meetings and visits will involve conversations with Laing O'Rourke about HSE performance and may be followed by a project/site inspection.

It is important during every visit, inspection and communication with the project team, that senior leaders align their approach using the Rethinking Safety Through Inclusion + Wellbeing principles. By empowering and enabling our people in a trusting an open environment, we can best support the delivery of a successful project/site.

5.1 SUPERVISION

The standard and level of HSE competence of supervision provided by supply chain partners must be demonstrated as proportionate to the level of risk associated with the specific operations being delivered and, where applicable, the specialty of their scope of works.

The supervisor's role is to ensure the works are always delivered safely and efficiently and that the workforce is provided with:

- Appropriate training or instruction
- Time
- Resources to complete their task effectively
- Instruction on safe and environmentally conscious working practices and in accordance with the agreed systems of work.

Supply chain partners must provide full-time competent supervision for their works. The competency and number of supervisors must be proportionate with the identified risk and agreed before award and mobilisation to site.

The minimum expectation is that there is at least one supervisor for every 10 people on a project/site for identified high-risk activities.

All supervisors must align with the Laing O'Rourke **System Requirement Consultation and Health and Safety Meetings** and deliver/be supportive of:

- Rethinking Safety Through Inclusion + Wellbeing
- Prestarts
- Toolbox talks
- FSRs/SERs
- Positive Investigations
- Collective Insights
- Any other project initiatives that require a supervisor's engagement and support.

Additionally, all supervisors must complete the Laing O'Rourke HSEMS Work Pack Delivery Excellence and Risk Management 360 training. The aim of these two programmes is to support supervision with the foundations of LOR risk management processes and HSEMS and application in the field. For more information, refer to **System Requirement Rethinking Safety.**

5.2 HSE SUPPORT

To achieve, maintain and support future success, we have identified that technical HSE support is necessary for Laing O'Rourke and supply chain partners to reach their full potential. The following are the minimum expectations of supply chain partners' HSE support personnel:

- Supply chain partners are required to have an appointed and qualified HSE support person, either off- or on-site, depending on the risk profile.
- Specialist supply chain partners are required to have an appointed and qualified HSE support person (on- or off-site with intermittent project/site visits as required) for the project/site.
- Specialist supply chain partners are required to have an appointed and qualified, full-time, on-site HSE support person for the project if their scope of work has a greater than two severe safety and/or environmental score. This is based on their procurement assessment and/or multiple significant high-risk activities based on the PRA completed prior to mobilisation.

NOTE: The Laing O'Rourke Senior Management Team may specify within the contract that a supply chain partner is exempt from the requirement of an appointed and qualified HSE support person. This does not apply to high-risk activities and specialist supply chain partners.

5.3 OTHER KEY APPOINTMENTS

Supply chain partners must ensure suitable and sufficient provision of resources to satisfy all necessary HSE appointments and deputies where appropriate. This includes but is not limited to:

- First aid representatives; Fire/Emergency Coordinator
- Temporary Works Coordinators and Temporary Works Supervisors
- Crane Appointed Persons, Crane Supervisors for lifting operations.

6.0 COMMUNICATION AND CONSULTATION

Consulting and engaging with our people and creating a two-way dialogue is an essential part of creating and maintaining a safe and healthy working environment. The importance of consultation and the continuous improvement model has been consistently proven over time within Laing O'Rourke and across many different industries.

Active engagement and open communication in all workplaces and at all levels is promoted and encouraged by Laing O'Rourke and confirmed by the behaviours of the Senior Leadership Team. Effective communication is a key element of our HSE strategy which incorporates the elements discussed within this document.

7.0 SUPPLY CHAIN GOVERANCE AND ASSURANCE

7.1 TRAINING AND COMPETENCE STANDARDS

All people working on-site must be competent to carry out their particular duties and tasks. Competence is achieved through a combination of skills, knowledge, training and experience.

For relevant trades and occupations, certification and/or high-risk work licences listed in the Project Construction Health and Safety Management Plan may be used as indicative of the appropriate training and experience. If individuals do not hold such certifications and licences, they must demonstrate other proof of competence or assurance to the satisfaction of Laing O'Rourke management.

All high-risk work and plant and equipment operators must hold the appropriate certification (licence or ticket) and currency of Verification of Competency, as outlined in **System Requirement On-boarding, Training Induction and VOC**, either on-site or prior to mobilisation.

The project/site training matrix requirements for specific roles must be adopted.

7.2 TRAINING COMPLIANCE RECORDS

Prior to project/site mobilisation, supply chain partners must provide a Training Needs Analysis for review.

Supply chain partners are required to use Laing O'Rourke EIFY system to record, manage and report on the training and compliance records of their people. Any proposed alternative system must, at a minimum, meet Laing O'Rourke EIFY system and be approved for use.

7.3 INSPECTIONS

Laing O'Rourke must complete:

- FSR and SER in-field assessments with the supply chain partner. Timing to be risk-based and conducted as outlined in the HSE activity schedule.
- SWMS Part C Task Observations of the supply chain partner to ensure the agreed controls listed are effectively resourced, implemented and maintained during the task. These task observation findings will be recorded on the SWMS Part C Task Observation Form and completed in Intelex.
- Weekly inspections of their supply chain partner's work area with the findings recorded in Intelex. Supply chain partners will be included in the inspection of their work area. Positive observations and hazards will be recorded through Intelex (via mobile app) or an agreed process.

The supply chain partner must complete:

- Daily work area inspections to identify HSE hazards and risks with actions developed as required. Positive observations and hazards will be recorded through Intelex or an agreed process.
- Weekly inspections of their work area and record findings with high-risk actions communicated in the weekly report.

7.4 AUDITS

Table 2 outlines the minimum requirements to facilitate effective communication and promote assurance of supply chain partners working with Laing O'Rourke.

Table 2 Minimum audit requirements

GROUP	MINIMUM REQUIREMENTS
SUPPLY CHAIN PARTNER	• Audit the implementation of the project HSE systems within six weeks of commencing work on-site by a supply chain senior leader and provide a report to Laing O'Rourke • Audit against their compliance to Laing O'Rourke's HSEMS and plans for their scope of works every six months.
SPECIALIST SUPPLY CHAIN PARTNER	• Audit within six weeks of commencing work on-site by a qualified HSE auditor (either internal or third party) and provide a report to Laing O'Rourke • Audit against their HSE management plans for their scope of works every six months by a qualified HSE auditor (either internal or third party) and provide a report to Laing O'Rourke.
LAING O'ROURKE	• Complete an operational readiness review within 12 weeks of the supply chain partner's mobilisation to project/site. • Complete an audit against the supply chain partner for compliance to the agreed HSEMS and plans for their scope of works every six months. • Establish a supply chain partner HSE activity schedule that will audit implementation of HSE across the project/site. The schedule will be maintained and monitored by the Laing O'Rourke HSE Manager with input from relevant operational personnel such as engineers and supervisors. • All audits and actions will be uploaded to Intelex and tracked. Laing O'Rourke will actively engage with supply chain partners at each stage of the audit, review and continual improvements process.

8.0 SUPPLY CHAIN REPORTING REQUIREMENTS

Following the engagement and assurance process are the reporting requirements. These will establish the minimum standard to ensure Laing O'Rourke is fostering an environment of continual improvement across all aspects of the project. As a minimum, Laing O'Rourke will monitor the supply chain partner performance using a traffic light system. Performance will consider but is not limited to the following items:

- Planning and risk management
- Compliance to HSE standards and requirements
- Resource availability
- Work coordination with both themselves and other supply chain partners
- Integration of Rethinking Safety Through Inclusion + Wellbeing principles and tactics
- Assurance activities.

The supply chain partner will be formally notified in a timely manner if their performance does not meet Laing O'Rourke's expectations.

9.0 REWARD AND RECOGNITION

To uphold and continually promote the Rethinking Safety Through Inclusion + Wellbeing principles, supply chain partners who demonstrate a strong commitment and exceed expectations will be celebrated. The following mechanisms can be utilised: Supply chain partner meetings

- Prestarts
- Toolbox talks
- Pit Crew meetings
- Supply chain engagement forums.

10.0 PLANS, FORMS AND TEMPLATES

For relevant plans, forms and templates see the Laing O'Rourke HSEMS at www.lorhsems.com.