
Registry Use in the Upstream Oil and Gas Industry

Client and Contractor Perspectives

Survey Report

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The Safety Association for Canada's Upstream Oil and Gas Industry

By industry, for industry



ENDORSEMENT

This document was developed by industry for industry. Enform gratefully acknowledges the support of the endorsing organizations in the development of this document.

- Canadian Association of Geophysical Contractors (CAGC)
- Canadian Association of Oilwell Drilling Contractors (CAODC)
- Canadian Association of Petroleum Producers (CAPP)
- Canadian Energy Pipeline Association (CEPA)
- Explorers and Producers Association of Canada (EPAC)
- Petroleum Services Association of Canada (PSAC)

ABOUT ENFORM

Enform is the upstream oil and gas industry's advocate and leading resource for the continuous improvement of safety performance. Our mission is to help companies achieve their safety goals by providing practices, assessment, training, support, metrics and communication.

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The Safety Association for Canada's
Upstream Oil and Gas Industry

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Executive Summary

In 2013, CAGC put forth a New Issue Proposal on the use of registries. Registries are used by clients as part of their contractor management program to pre-qualify service providers. The advent of the use of registries by clients is relatively a new development in contractor management within the upstream oil and gas industry. Clients require their service providers to have accounts with their registry providers and submit their Health and Safety Programs to the registry provider to pre-qualify for work. The use of registries for contractor management results in costs and efforts for both the client and the contractor. In response, a survey was proposed to better understand the challenges.

The survey was conducted using Survey Monkey and was opened on November 9, 2014 and closed on February 6, 2015. The survey questions were developed in consultation with all six industry associations. The survey link was sent to all six associations for distribution to their members. This survey data is not validated, but is taken “as is” and should be viewed with this perspective. A total of 93 respondents provided survey data. The findings of the survey have been grouped into four sections: profile, resources, validation and perception. Highlights include the following:

Profile:

- The majority of contractors are required to submit to multiple (2-5) registries.
- Clients are managing between 10 and 2,500 contractors with one or more registries.
- The vast majority of clients and contractors use ISNetworld and COMPLYWORKS.

Resources:

- The survey highlights the resource demands of registries both in terms of personnel and other related costs.
- The overall cost and effort of registry participation will be felt much more by smaller contractors than larger contractors.

Verification:

- Most clients are using validation methods beyond documentation review.
- Contractors are subject to multiple verification exercises including an average of three health and safety audits per year.
- There are divergent perspectives on COR/SECOR.
- Clients treat COR/SECOR as part of an overall score, but not required. Contractors believe that it is always required.

Perception:

- Contractors have significant concerns regarding the privacy of their information in registries.
- Clients have no privacy concerns in relation to Canadian privacy regulations.
- A large majority of contractors did not feel that the data submitted to registries accurately reflects their Health and Safety program.

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1.0 Introduction

In 2013, CAGC put forth a New Issue Proposal on the use of registries. Registries are used by clients as part of their contractor management program to pre-qualify service providers. The advent of the use of registries by clients is relatively a new development in contractor management within the upstream oil and gas industry. Clients require their service providers to have accounts with their registry providers and submit their Health and Safety Programs to the registry provider to pre-qualify for work. The use of registries for contractor management results in costs and efforts for both the client and the contractor. In response, a survey was proposed to better understand the challenges.

2.0 Methodology

The survey was conducted using Survey Monkey and was opened on November 9, 2014 and closed on February 6, 2015. The survey questions were developed in consultation with all six industry associations. The survey link was sent to all six associations for distribution to their members. The survey categorized respondents into three categories: Client, Contractor or Both. The survey consisted of up to 54 questions depending on which category respondents fell into. For a complete list of the questions please refer to Appendix I.

3.0 Limitations

It is important to recognize that not all respondents answered all of the questions. Some questions were intentionally omitted and in some cases respondents indicated that they used registries to manage contractors as well as qualify for contracts, but did not fill out both survey questions. This survey data is not validated, but is taken “as is” and should be viewed with this perspective.

4.0 Summary of Results

A total of 93 respondents provided survey data. The results of the survey are grouped into the four sections: profile, resources, validation and perception. For all of the tabulated and graphed results please refer to Appendix II.

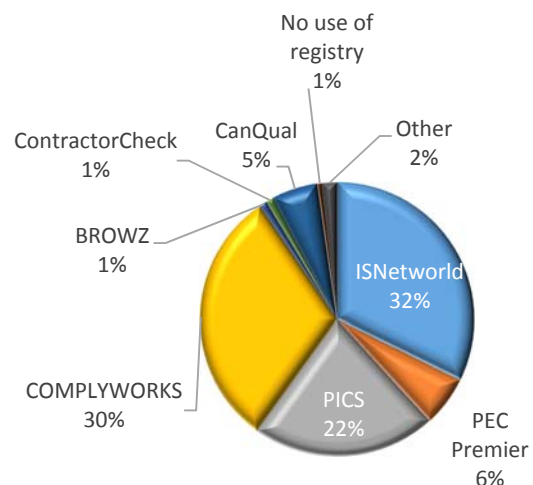
4.1 Profile

- The majority of contractors are required to submit to multiple (2-5) registries.
- Clients are managing between 10 and 2,500 contractors with one or more registries. (Graph 6 in Appendix II).
- The vast majority of clients and contractors use ISNetwork and COMPLYWORKS.

Table 1 - Number of registries indicated by contractors

| Contractor Count of Registries | Total |
|--------------------------------|-----------|
| 0-1 | 2 |
| 2-3 | 54 |
| 4-5 | 10 |
| 6-7 | 1 |
| 8-10 | 1 |
| Grand Total | 68 |

Graph 1 - Registries identified by contractors as required for their business as a percentage of total responses



4.2 Resources

- The survey highlights the resource demands of registries both in terms of personnel and other related costs.
- The overall cost and effort of registry participation will be felt much more by smaller contractors than larger contractors.

Table 2 - Comparing value of contracts subject to registry participation to the resources of personnel required to maintain registry participation.

| Total Number of Contractors in Category | Total Contract Value Reported by Contractor | Average Total Registry Cost | Total Registry Cost as Percentage of Contract Value (assuming high end of contract value range) | | | FTE Required to Manage Registry Data (assuming high end of FTE range) | | |
|--|---|-----------------------------|---|--------|--------|---|------|------|
| | | | Average | Low | High | Average | Low | High |
| 3 | Less than \$200,000 | \$45,600 | 22.80% | 1.40% | 62.50% | 0.75 | 0.5 | 1 |
| 2 | \$200,000-\$500,000 | \$51,000 | 11.10% | 10.20% | 12.00% | 0.63 | 0.5 | 0.75 |
| 3 | \$500,000-\$1 million | \$14,100 | 1.43% | 1.30% | 1.50% | 0.58 | 0.5 | 0.75 |
| 1 | \$1-\$2 million | \$3,500 | 0.18% | 0.18% | 0.18% | 0.5 | 0.5 | 0.5 |
| 6 | \$2-\$5 million | \$22,050 | 0.44% | 0.02% | 1.10% | 0.58 | 0.5 | 0.75 |
| 6 | \$5-\$10 million | \$26,670 | 0.27% | 0.08% | 0.58% | 0.63 | 0.5 | 1 |
| 8 | \$10-\$25 million | \$39,930 | 0.16% | 0.04% | 0.42% | 0.69 | 0.5 | 1 |
| 3 | \$25-\$50 million | \$40,670 | 0.08% | 0.02% | 0.17% | 0.67 | 0.5 | 1 |
| 4 | \$50-\$100 million* | \$121,200 | 0.12% | 0.05% | 0.19% | 2.25 | 0.5 | 4 |
| 7 | \$100+ million** | \$149,070 | 0.10%** | 0.03% | 0.19% | 2.25 | 0.75 | 4 |
| *With \$2.15 million registry cost outlier included: | | | | | | | | |
| 5 | \$50-\$100 million* | \$526,960 | 0.53% | 0.05% | 2.15% | 1.9 | 1 | 4 |

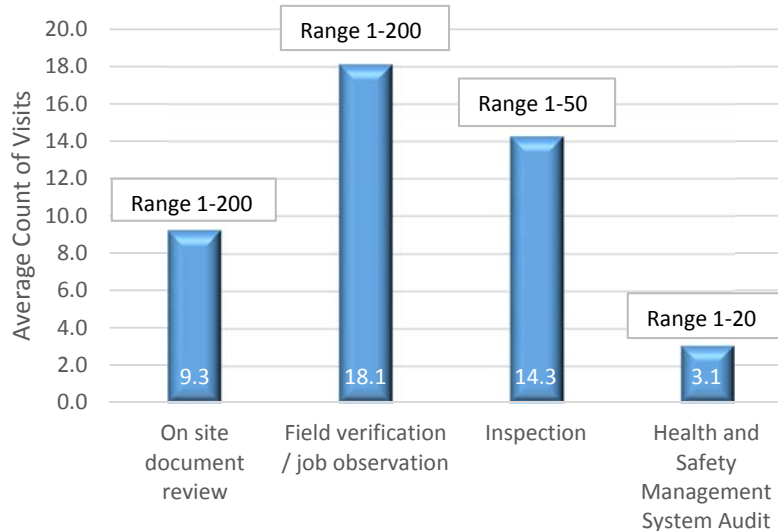
** Assumed \$150 million average contract value to generate percentage

4.3 Verification

- Most clients are using validation methods beyond documentation review. (Table 12 in Appendix II)
- Contractors are subject to multiple verification exercises including an average of three health and safety audits per year.
- There are divergent perspectives on COR/SECOR. (Graph 17 and 18 in Appendix II)
- Clients treat COR/SECOR as part of an overall score, but not required. Contractors believe that it is always required.

Graph 2 - Contractor response, average verification types per year by client

(Question: How many of the following types of contractor verification/audit activities are you subject to in a typical year? Open field)

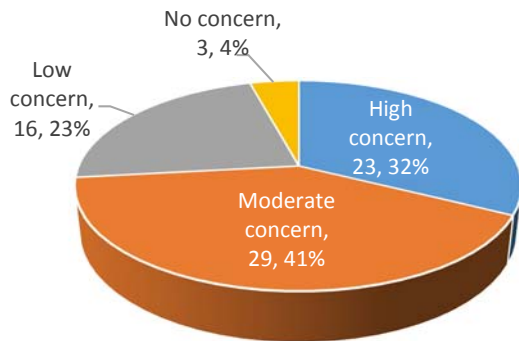


4.4 Perception

- Contracts have significant concerns regarding the privacy of their information in registries.
- Clients have no privacy concerns in relation to Canadian privacy regulations.
- A large majority of contractors did not feel that the data submitted to registries accurately reflects their Health and Safety Program.

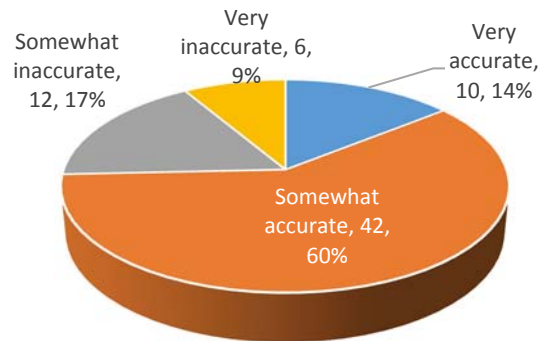
Graph 3 - Contractor's concern over registry privacy

(Question: Do you have ongoing concerns related to privacy, intellectual property, confidentiality, financial disclosure, or personnel records with respect to registry reporting or audit/verification process?)



Graph 4 - Contractor's response on how accurately the registry data reflects their health and safety programs

(Question: Does the information you provide through the registry accurately reflect the scope and performance of your health and safety program?)



Appendix I: Survey Questions

Registry Use in the Upstream Industry: Client and Contractor Perspectives

The following survey is designed to provide information on the use of "registries" in the upstream oil and gas industry.

A "registry" in the following questions is a third party service provider that facilitates the exchange and, possibly, the verification of documents companies require as part of their contractor management process.

In particular, this survey is interested in the use of registries as part of verifying compliance with safety-related requirements.

1. Which of the following industry associations does your company belong to:

- Canadian Association of Geophysical Contractors (CAGC)
- Canadian Association of Oilwell Drilling Contractors (CAODC)
- Canadian Association of Petroleum Producers (CAPP)
- Canadian Energy Pipelines Association (CEPA)
- Explorers and Producers Association of Canada (EPAC)
- Petroleum Services Association of Canada (PSAC)
- None of the above

Any other significant industry association affiliations? (e.g., ACSA, AMTA, etc.)

2. Which of the following represents your company? (Your choice here will determine which set of questions you will answer in this survey)

- We use a registry or registries to manage our contractors.
- We use a registry or registries to qualify for contracts with producers or other clients.
- Both--we manage our contractors with a registry and we use registries to qualify for contracts with producers or other clients.
- Neither--we have no dealings with registries.

If "Neither", please explain why.

Registry Use in the Upstream Industry: Client and Contractor Perspectives

Instructions for companies that use registries as both a client and a contractor...

This survey presents unique (but also related) questions to clients and contractors. As a company using the registry from both vantage points, you have the option to complete only one or the other or both.

We would appreciate you filling in both given your unique perspective. However, we also appreciate you may only have time for one or the other.

Please note that the first set of questions are from a client company perspective (your management of your contractors) while the latter set of questions are from a contractor company perspective (your registry engagement as a contractor).

3. Select the survey you would like to complete:

- Client survey only (our use of a registry to manage our contractors)
- Contractor survey only (our use of a registry/registries as a contractor)
- Both

Registry Use in the Upstream Industry: Client and Contractor Perspectives

Questions for companies using registries to qualify for contracts

4. Which registry or registries are you currently required to use by your client(s)? (Check all that apply)

- ISNetworld
- PEC Premier
- PICS
- COMPLYWORKS
- BROWZ
- ContractorCheck
- CanQual
- No use of registry

Enter registry name if not listed above

5. Estimate the number of human resources your company dedicates to managing registry related data?

- 0.25-0.5 Full Time Equivalent
- 0.5-0.75 Full Time Equivalent
- 1 Full Time Equivalent
- 2-4 Full Time Equivalent

Full Time Equivalent # (if over 4)

6. Estimate the overall financial resources (in \$) your company dedicates to registry fees and managing the registry data.

Registry Fees

Registry Data

Management
Costs

7. Approximately what percentage of your company's overall business operations is subject to registry participation and, in round figures, what is the overall value of these contracts?

Percentage of Business Ops

Approximate Value

Subject to Registry
Requirements

Registry Use in the Upstream Industry: Client and Contractor Perspectives

8. Does the information you provide through the registry accurately reflect the scope and performance of your health and safety program?

Very accurate Somewhat accurate Somewhat inaccurate Very inaccurate

Why or why not?

9. How is/are your client(s) verifying the data you supply to the registry? (Check all that apply)

- Desktop Audits (documentation verification that does not involve any on site visit by client)
- Office Audits (includes visit by client to your place of business)
- Field Audits (includes visit by client to your operational sites)
- Limited Interviews
- No verification conducted
- Unknown

Other (please specify)

10. Do you know how your client(s) are evaluating your data in order for you to achieve or maintain your approved contractor status?

Clear understanding Some understanding Minimal understanding No understanding N/A

Additional comments (e.g., specify if this varies from client to client)

11. Do you have ongoing concerns related to privacy, intellectual property, confidentiality, financial disclosure, or personnel records with respect to registry reporting or audit/verification process?

High concern Moderate concern Low concern No concern

Additional comments:

Registry Use in the Upstream Industry: Client and Contractor Perspectives

12. Are you able to communicate with your client(s) directly on registry related concerns or issues?

| | | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Always | Sometimes | Occasionally | Rarely | Never | N/A |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Additional Comments:

13. How many of the following types of contractor verification / audit activities are you subject to in a typical year:

| | |
|---|----------------------|
| On site document review | <input type="text"/> |
| Field verification / job observation | <input type="text"/> |
| Inspection | <input type="text"/> |
| Health and Safety Management System Audit | <input type="text"/> |

14. What percentage of your clients require a COR or SECOR?

Registry Use in the Upstream Industry: Client and Contractor Perspectives

Questions for companies using registries to manage their contractors

15. Which registry are you currently using? (Check all that apply)

- ISNetworld
- PEC Premier
- PICS
- COMPLYWORKS
- BROWZ
- ContractorCheck
- CanQual
- No use of registry

Enter registry name if not listed above

16. Which of the following best characterizes your use of a registry? (Check all that apply)

- Collect data that is automatically scored to pre-qualify contractors.
- Collect data that is manually reviewed to pre-qualify contractors.
- Collect data that is regularly reviewed on an ongoing basis as part of a contractor management program.
- Collect data and conduct field verification as part of your contractor management program.
- None of the above.

Other

17. What year did you move to using an external registry for contractors in Canada?

18. Approximately how many contractors do you monitor in Canada with your current registry provider(s)?

19. Does your company use a registry for operations outside Canada?

- Yes
- No
- Not applicable as we operate exclusively within Canada

20. Which department within your company has organizational control of the registry process?

Registry Use in the Upstream Industry: Client and Contractor Perspectives

21. Estimate the number of human resources your company dedicates to managing registry related data?

- 0.25-0.5 Full Time Equivalent
- 0.5-0.75 Full Time Equivalent
- 1 Full Time Equivalent
- 2-4 Full Time Equivalent

Full Time Equivalent # (if over 4)

22. Estimate the overall financial resources (in \$) your company dedicates to licensing registry use and managing the registry data.

Licensing Registry

Use

Managing Registry

Data

23. What role does a COR or SECOR play in your contractor evaluation process?

- Require current COR/SECOR certification for all contractors
- Require current COR/SECOR certification for some contractors
- COR/SECOR not required, but is included as part of contractor scoring within our registry system
- Not applicable to our contractor selection process

Additional comment if clarification required

24. Do you gather contractor information that is subject to privacy regulations in Canada?

- Yes
- No

If yes, what type?

Registry Use in the Upstream Industry: Client and Contractor Perspectives

25. What level of documentation review is applied to verify data uploaded via the registry? (Check all that apply)

- Desktop Audits (documentation verification that does not involve any on site visit)
- Office Audits (includes visit to contractor place of business)
- Field Audits (includes visit to operational sites)
- Limited Interviews
- No verification conducted

Other (please specify)

Verification Techniques

26. Who is conducting your documentation review? (Check all that apply)

- Certified Auditors
- Third Party Safety Professional
- Personnel from your company
- Registry Personnel (i.e., registry employee)

Other (please specify)

27. How often do you conduct audits, on site documentation reviews, or field verification or inspections on your approved contractors? (Check all that apply)

- On initial onboarding
- No audit or review once deemed approved contractor
- Once a month
- Once a quarter
- Once a year
- In the event of an incident
- At end of contract

Other (please specify); If selecting multiple time frames, please briefly explain.

28. Who is conducting your contractor audits or field verification/inspection visits? (Check all that apply)

- Certified Auditors
- Third Party Safety Professional
- Personnel from your company
- Registry Personnel (i.e., registry employee)
- Not applicable as no auditing or field visits conducted

Other (please specify)

Registry Use in the Upstream Industry: Client and Contractor Perspectives

(Both) Part 1: Questions from the perspective of a company using registries...

Answer the following questions from the perspective of your use of registries in the course of qualifying for contracts with producers / owner-clients.

29. Which registry or registries are you currently required to use by your client(s)? (Check all that apply)

- ISNetworld
- PEC Premier
- PICS
- COMPLYWORKS
- BROWZ
- ContractorCheck
- CanQual
- No use of registry

Enter registry name if not listed above

30. Estimate the number of human resources your company dedicates to managing registry related data (in your role as contractor providing information to your clients)?

- 0.25-0.5 Full Time Equivalent
- 0.5-0.75 Full Time Equivalent
- 1 Full Time Equivalent
- 2-4 Full Time Equivalent

Full Time Equivalent # (if over 4)

31. Estimate the overall financial resources (in \$) your company dedicates to registry fees and managing the registry data (in your role as contractor providing information to your clients).

Registry Fees

Registry Data

Management
Costs

Registry Use in the Upstream Industry: Client and Contractor Perspectives

32. Approximately what percentage of your company's overall business operations is subject to your participation in a registry and, in round figures, what is the overall value of these contracts?

| | Percentage of Business Ops | Approximate Value |
|----------------------------------|----------------------------|----------------------|
| Subject to Registry Requirements | <input type="text"/> | <input type="text"/> |

33. Does the information you provide through the registry accurately reflect the scope and performance of your health and safety program?

| | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|
| Very accurate | Somewhat accurate | Somewhat inaccurate | Very inaccurate |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Why or why not?

34. How is/are your client(s) verifying the data you supply to the registry? (Check all that apply)

- Desktop Audits (documentation verification that does not involve any on site visit by client)
- Office Audits (includes visit by client to your place of business)
- Field Audits (includes visit by client to your operational sites)
- Limited Interviews
- No verification conducted
- Unknown

Other (please specify)

35. Do you know how your client(s) are evaluating your data in order for you to achieve approved contractor status?

| | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Clear understanding | Some understanding | Minimal understanding | No understanding | N/A |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Additional comments (e.g., specify if this varies from client to client)

Registry Use in the Upstream Industry: Client and Contractor Perspectives

36. Do you have ongoing concerns related to privacy, intellectual property, confidentiality, financial disclosure, or personnel records with respect to registry reporting or audit/verification process?

High concern

Moderate concern

Low concern

No concern

Additional comments:

37. Are you able to communicate with your client(s) directly on registry related concerns or issues?

Always

Sometimes

Occasionally

Rarely

Never

N/A

Additional Comments:

38. How many of the following types of contractor verification / audit activities are you subject to in a typical year:

On site document review

Field verification / job observation

Inspection

Health and Safety Management System Audit

39. What percentage of your clients require a COR or SECOR?

Registry Use in the Upstream Industry: Client and Contractor Perspectives

Contractor based survey questions complete

Thank you for sharing information on your company's use of registries as a contractor.

If your company also uses a registry to manage your contractors, you may now proceed to answer questions related to this activity.

40. Please select from the following to complete or proceed with the survey:

- End survey
- Proceed to questions based on your company's use of a registry to manage your contractors

Registry Use in the Upstream Industry: Client and Contractor Perspectives

(Both) Part 2: Questions from the perspective of a company using a registry...

Answer the following questions from the perspective of your company's use of a registry (registries) to manage your contractors.

41. Which registry are you currently using (as a client)? (Check all that apply)

- ISNetworkWorld
- PEC Premier
- PICS
- COMPLYWORKS
- BROWZ
- ContractorCheck
- CanQual
- No use of registry

Enter registry name if not listed above

42. Which of the following best characterizes your use of a registry? (Check all that apply)

- Collect data that is automatically scored to pre-qualify contractors.
- Collect data that is manually reviewed to pre-qualify contractors.
- Collect data that is regularly reviewed on an ongoing basis as part of a contractor management program.
- Collect data and conduct field verification as part of your contractor management program.
- None of the above.

Other

43. What year did you move to using an external registry for contractors in Canada?

44. Approximately how many contractors do you monitor in Canada with your current registry provider(s)?

45. Does your company use a registry for operations outside Canada?

- Yes
- No
- Not applicable as we operate exclusively within Canada

Registry Use in the Upstream Industry: Client and Contractor Perspectives

46. Which department within your company has organizational control of the registry process?

47. Estimate the number of human resources your company dedicates to managing your contractors' registry related data?

- 0.25-0.5 Full Time Equivalent
- 0.5-0.75 Full Time Equivalent
- 1 Full Time Equivalent
- 2-4 Full Time Equivalent

Full Time Equivalent # (if over 4)

48. Estimate the overall financial resources (in \$) your company dedicates to licensing registry use and managing your contractors' registry data.

Licensing Registry
Use

Managing Registry
Data

49. What role does a COR or SECOR play in your contractor evaluation process?

- Require current COR/SECOR certification for all contractors
- Require current COR/SECOR certification for some contractors
- COR/SECOR not required, but is included as part of contractor scoring within our registry system
- Not applicable to our contractor selection process

Additional comment if clarification required

50. Do you gather contractor information that is subject to privacy regulations in Canada?

- Yes
- No

If yes, what type?

Registry Use in the Upstream Industry: Client and Contractor Perspectives

51. What level of documentation review do you apply to verify your contractors' data uploaded via the registry? (Check all that apply)

- Desktop Audits (documentation verification that does not involve any on site visit)
- Office Audits (includes visit to contractor place of business)
- Field Audits (includes visit to operational sites)
- Limited Interviews
- No verification conducted

Other (please specify)

Registry Use in the Upstream Industry: Client and Contractor Perspectives

(Both) Verification Techniques as Client

These final questions are all aimed at your practice AS A CLIENT, i.e., how do you verify the data you are collecting on YOUR contractors.

52. Who is conducting your documentation review? (Check all that apply)

- Certified Auditors
- Third Party Safety Professional
- Personnel from your company
- Registry Personnel (i.e., registry employee)

Other (please specify)

53. How often do you conduct audits, on site documentation reviews, or field verification or inspections on your approved contractors? (Check all that apply)

- On initial onboarding
- No audit or review once deemed approved contractor
- Once a month
- Once a quarter
- Once a year
- In the event of an incident
- At end of contract

Other (please specify); If selecting multiple time frames, please briefly explain.

54. Who is conducting your contractor audits or field verification/inspection visits? (Check all that apply)

- Certified Auditors
- Third Party Safety Professional
- Personnel from your company
- Registry Personnel (i.e., registry employee)
- Not applicable as no auditing or field visits conducted

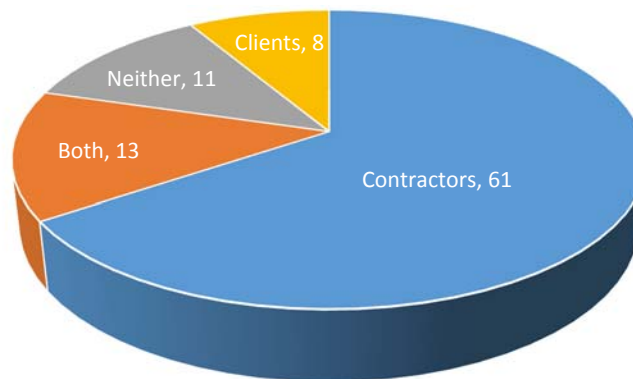
Other (please specify)

Appendix II: Detailed Results

Table 1 - Type of respondents in relation to use of registries

| Which of the following represents your company? | Total |
|---|-----------|
| Contractors-We use a registry to qualify for contracts with producers or other clients. | 61 |
| Both-we manage our contractors with a registry and use registry to qualify for contracts with producers or other clients. | 13 |
| Neither-we have no dealings with registries. | 11 |
| Clients-We use a registry or registries to manage our contractors. | 8 |
| Grand Total | 93 |

Graph 1 - Registry survey participation



Graph 2 - Industry association participation

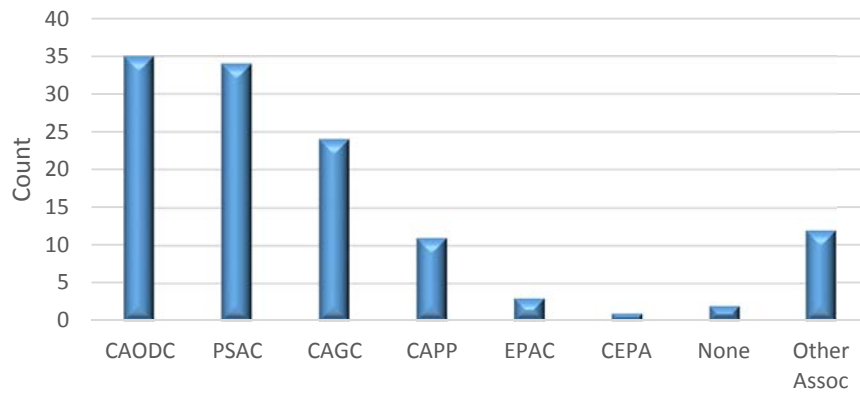


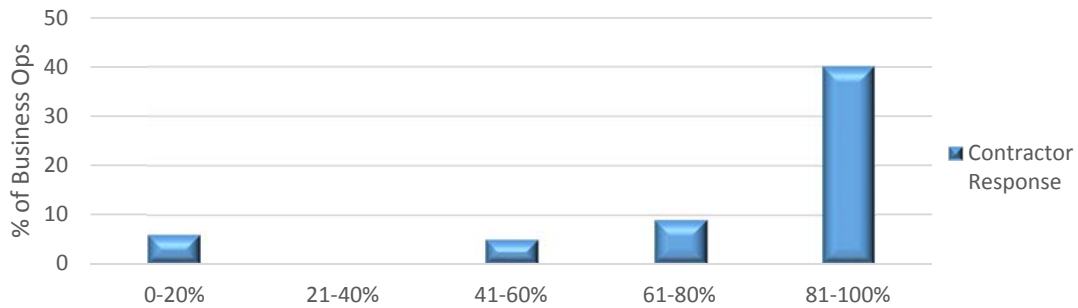
Table 2 - Association membership of companies with both perspectives: client and contractor

| Association | Count |
|-------------|-------|
| PSAC | 9 |
| CAODC | 5 |
| CAPP | 1 |

Table 3 - Other associations

| Other Associations | Total |
|--------------------------------|-----------|
| ACSA | 4 |
| CSEG | 2 |
| APEGA | 1 |
| CSEG, APEGA, CHOA, CAPLA, APFT | 1 |
| IADC | 1 |
| ACSA, AHSA | 1 |
| AASP | 1 |
| ACSA, ENFORM | 1 |
| Grand Total | 12 |

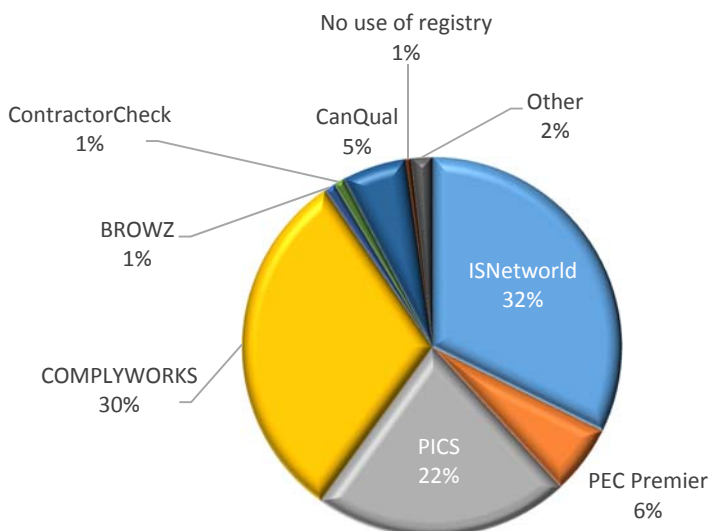
Table 4 - Percentage of contractor’s business operations subject to registry participation
 (Question: Approximately what percentage of your company’s overall business operations is subject to registry participation? Open field)



Comment: 62 contractors responded to this question, and on an average 78% of the business operations are subject to registry participation.

Graph 3 - Registries identified by contractors as required for their business as a percentage of total responses

(Question: Which registry or registries are you currently required to use by your client(s)? Check all that apply)



Graph 4 - Registries in use by clients as percentage of total responses

(Question: Which registry are you currently using? Check all that apply)

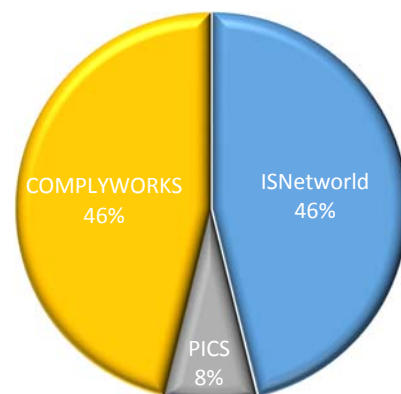


Table 5 - Percentage of contractor respondents that identified this registry as required for their business.

| Registry | Percentage of Contractor Respondents that Identified this Registry as Required for Their Business |
|--------------------|---|
| ISNetwork | 97% |
| COMPLYWORKS | 92% |
| PICS | 66% |
| PEC Premier | 18% |
| CanQual | 16% |
| Other | 5% |
| Contractor Check | 3% |
| Browz | 3% |
| No use of registry | 1% |

Table 6 - Number of registries indicated by contractors

| Contractor Count of Registries | Total |
|--------------------------------|-----------|
| 0-1 | 2 |
| 2-3 | 54 |
| 4-5 | 10 |
| 6-7 | 1 |
| 8-10 | 1 |
| Grand Total | 68 |

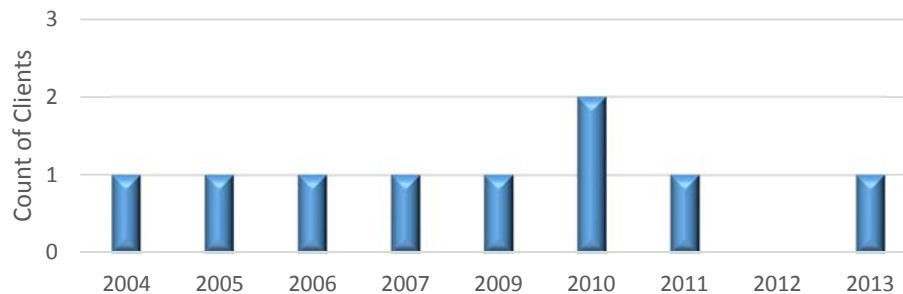
Table 7 - Client's use of registries

(Question: Which of the following best characterizes your use of a registry? Check all that apply)

| Participating Client Company | Collect data that is <i>automatically scored to pre-qualify</i> contractors. | Collect data that is <i>manually reviewed to pre-qualify</i> contractors. | Collect data that is <i>regularly reviewed on an ongoing basis</i> as part of a contractor management program. | Collect data and <i>conduct field verification</i> as part of your contractor management program. |
|------------------------------|--|---|--|---|
| a | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| d | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| e | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| f | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| h | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| i | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| j | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| k | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| l | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| m | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Total # (/13) | 9 | 5 | 8 | 7 |
| Percentage | 69% | 38% | 62% | 54% |

Graph 5 - Client year when registry was implemented

(Question: What year did you move to using an external registry for contractors in Canada? Open field)



Graph 6 – Client response – number of contractors managed using registry provider *(each square represents a client response)

(Question: Approximately how many contractors do you monitor in Canada with your current registry provider(s)? Open field)

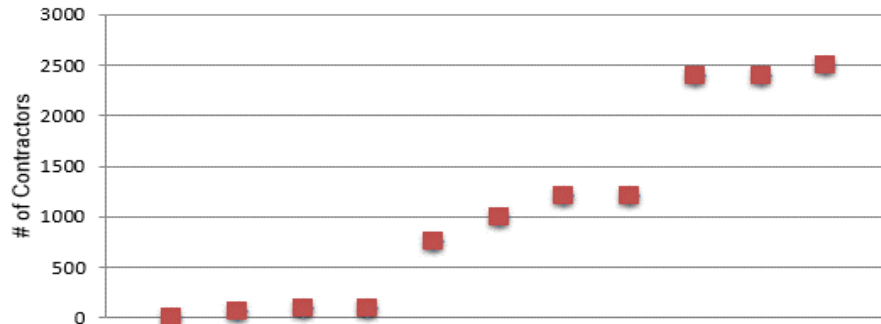


Table 8 - Client’s use of registries outside of Canada

(Question: Does your company use a registry for operations outside of Canada?)

| Participating Client Company | Association | Registries | Client-Does your company use a registry for operations outside Canada? |
|------------------------------|-------------|---------------------------------|--|
| 1 | PSAC | ISNetwork, COMPLYWORKS and PICS | Yes |
| 2 | CAPP | ISNetwork | No |
| 3 | CAPP | ISNetwork and COMPLYWORKS | Not applicable as we operate exclusively within Canada |
| 4 | CAPP | COMPLYWORKS | Yes |
| 5 | CAPP | ISNetwork | Yes |
| 6 | CAPP | ISNetwork and COMPLYWORKS | Not applicable as we operate exclusively within Canada |
| 7 | CAPP | ISNetwork | Yes |
| 8 | CAPP | COMPLYWORKS | Yes |
| 9 | CAPP | COMPLYWORKS | Yes |

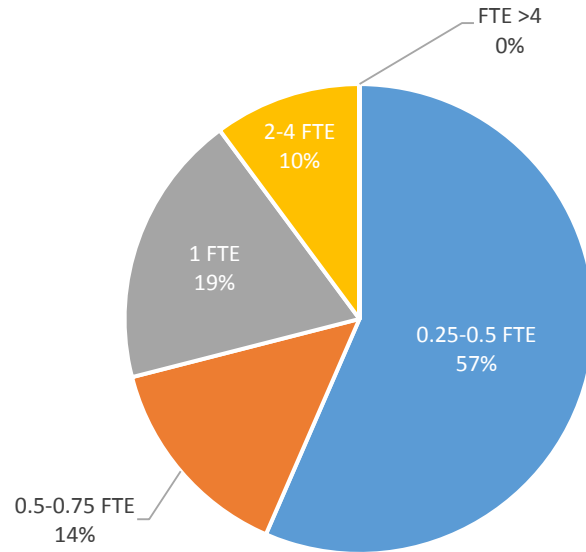
Table 9 - Client department managing registries

(Question: Which department within your company has organizational control of the registry process? Open field)

| Department | Count |
|--|-------|
| Environmental, Health & Safety (EHS) | 1 |
| Health, Safety & Environment (HSE) | 9 |
| Quality, Health, Safety and Environment (QHSE) | 1 |
| Safety Department | 1 |

Graph 7 - Estimated number of personnel dedicated to registry management by contractors

(Question: Estimate the number of human resources your company dedicates to managing registry related data?)



Graph 8 - Estimated number of personnel dedicated to registry management by clients

(Question: Estimate the number of human resources your company dedicates to managing registry related data?)

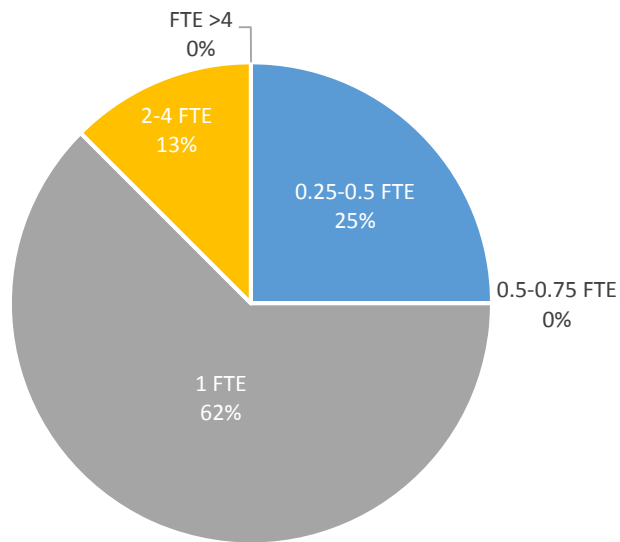
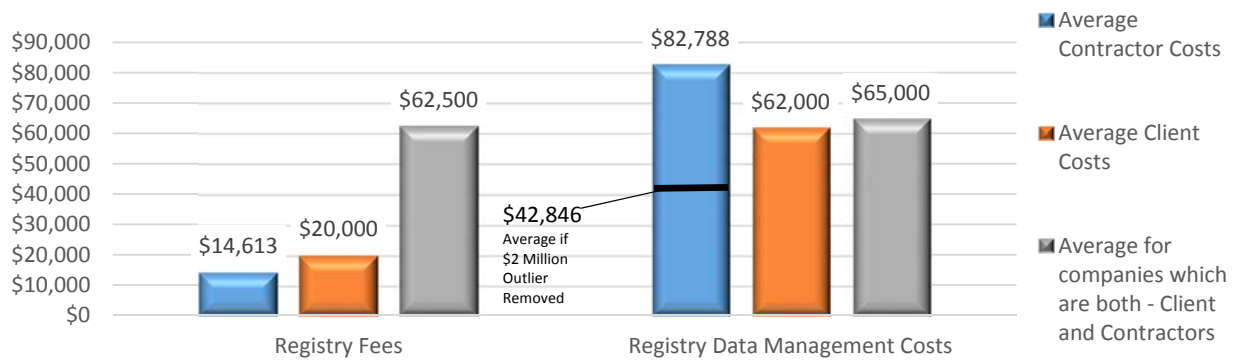


Table 10 - Correlating the number of registries a contractor populates versus the personnel requirements for the task.

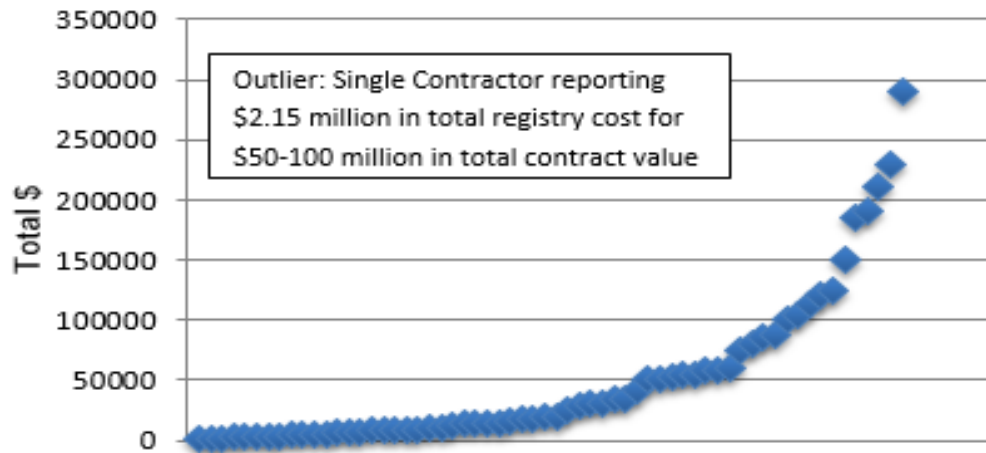
| Number of Registries in use by Contractors | 0.25-0.5 Full Time Equivalent | 0.5-0.75 Full Time Equivalent | 1 Full Time Equivalent | 2-4 Full Time Equivalent |
|--|-------------------------------|-------------------------------|------------------------|--------------------------|
| 0-1 | 2 | 0 | 0 | 0 |
| 2-3 | 34 | 9 | 7 | 3 |
| 4-5 | 3 | 0 | 4 | 4 |
| 6-7 | 0 | 1 | 1 | 0 |
| 8-10 | 0 | 0 | 1 | 0 |
| Grand Total | 39 | 10 | 13 | 7 |

Graph 9 - Average financial resources allocated to the registry



Graph 10 - Total registry costs for contractors, licensing fees and data management costs

*(each square represents a contractor response)



Graph 11 - Total registry costs for clients, licensing fees and data management costs

*(each square represents a client response)

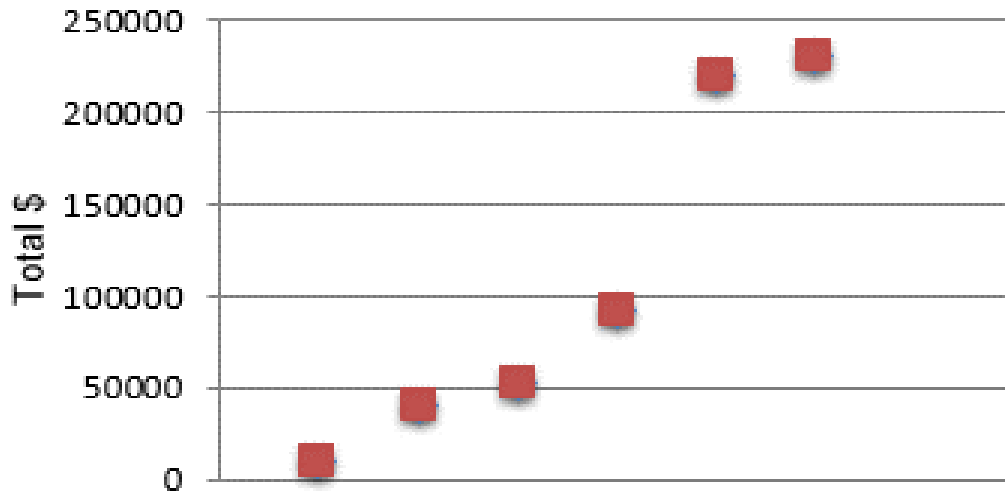
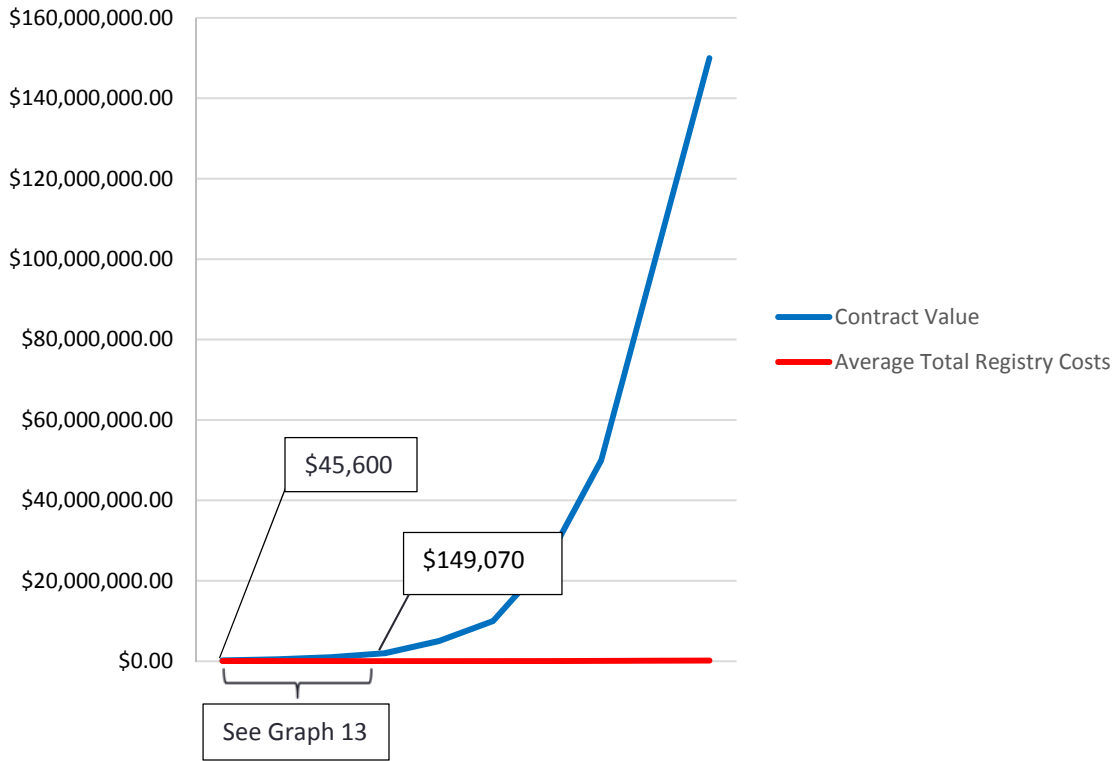


Table 11 - Comparing value of contracts subject to registry participation to the resources of personnel required to maintain registry participation.

| Total Number of Contractors in Category | Total Contract Value Reported by Contractor | Average Total Registry Cost | Total Registry Cost as Percentage of Contract Value (assuming high end of contract value range) | | | FTE Required to Manage Registry Data (assuming high end of FTE range) | | |
|--|---|-----------------------------|---|--------|--------|---|------|------|
| | | | Average | Low | High | Average | Low | High |
| 3 | Less than \$200,000 | \$45,600 | 22.80% | 1.40% | 62.50% | 0.75 | 0.5 | 1 |
| 2 | \$200,000-\$500,000 | \$51,000 | 11.10% | 10.20% | 12.00% | 0.63 | 0.5 | 0.75 |
| 3 | \$500,000-\$1 million | \$14,100 | 1.43% | 1.30% | 1.50% | 0.58 | 0.5 | 0.75 |
| 1 | \$1-\$2 million | \$3,500 | 0.18% | 0.18% | 0.18% | 0.5 | 0.5 | 0.5 |
| 6 | \$2-\$5 million | \$22,050 | 0.44% | 0.02% | 1.10% | 0.58 | 0.5 | 0.75 |
| 6 | \$5-\$10 million | \$26,670 | 0.27% | 0.08% | 0.58% | 0.63 | 0.5 | 1 |
| 8 | \$10-\$25 million | \$39,930 | 0.16% | 0.04% | 0.42% | 0.69 | 0.5 | 1 |
| 3 | \$25-\$50 million | \$40,670 | 0.08% | 0.02% | 0.17% | 0.67 | 0.5 | 1 |
| 4 | \$50-\$100 million* | \$121,200 | 0.12% | 0.05% | 0.19% | 2.25 | 0.5 | 4 |
| 7 | \$100+ million** | \$149,070 | 0.10%** | 0.03% | 0.19% | 2.25 | 0.75 | 4 |
| *With \$2.15 million registry cost outlier included: | | | | | | | | |
| 5 | \$50-\$100 million* | \$526,960 | 0.53% | 0.05% | 2.15% | 1.9 | 1 | 4 |

** Assumed \$150 million average contract value to generate percentage

Graph 12 - Contract value and average total registry costs across all contract value categories



Graph 13 - Contract value and average total registry costs for first three contract value categories

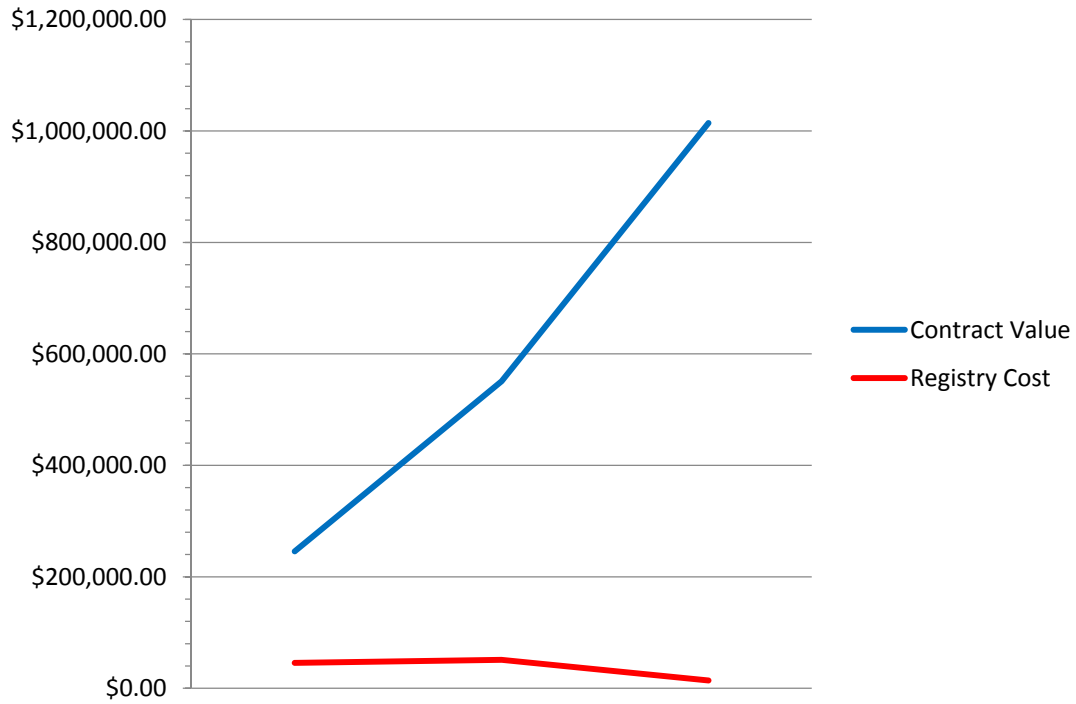


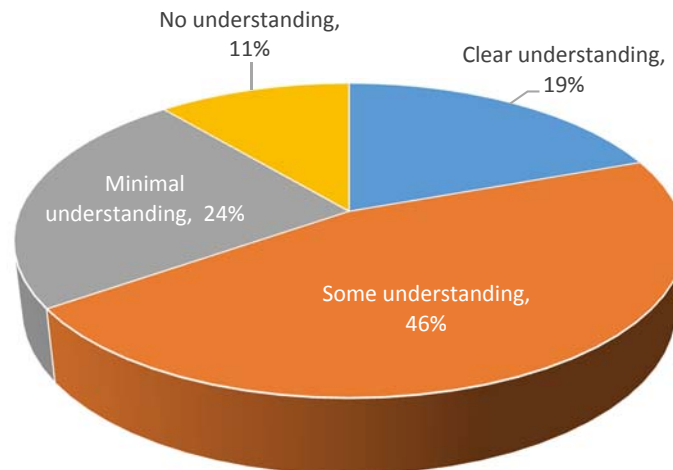
Table 12 - Verification of data in registry

(Question: How is the data in the registry verified? Check all that apply)

| Verification Type | Contractors % | Client % |
|---------------------------|---------------|----------|
| Desktop Audits | 59% | 50% |
| Office Audits | 41% | 36% |
| Field Audits | 36% | 64% |
| No verification conducted | 36% | 0% |
| Limited Interviews | 18% | 21% |
| Other | 10% | 7% |
| Unknown | 14% | N/A |

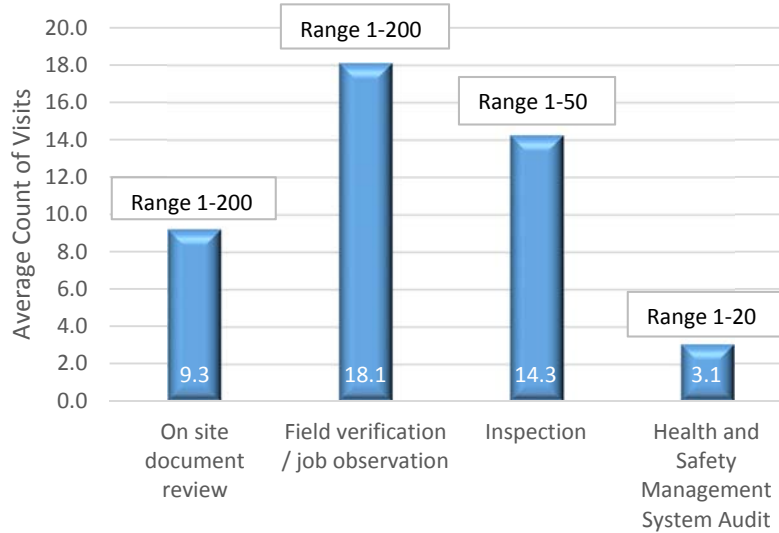
Graph 14 - Contractors understanding of how client evaluates their data

(Question: Do you know how your client(s) are evaluating your data in order for you to achieve or maintain your approved contractor status?)



Graph 15 - Contractor response, average verification types per year by client

(Question: How many of the following types of contractor verification/audit activities are you subject to in a typical year? Open field)



Graph 16 - Average number of each verification type per year by contractors as compared to contract value

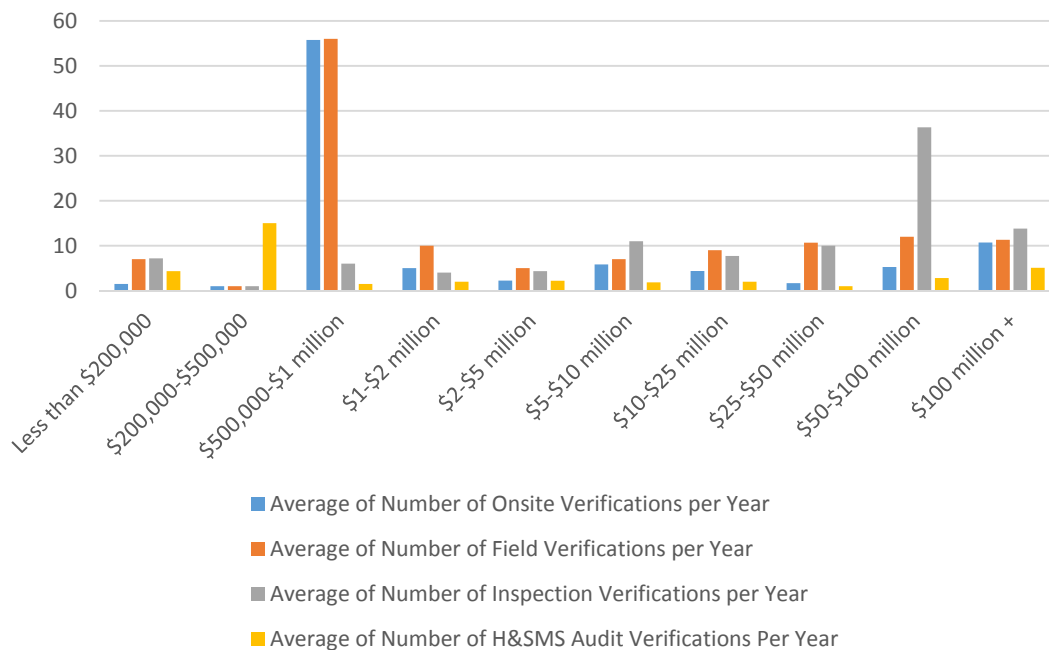


Table 13 - Personnel conducting documentation review for client

(Question: Who is conducting your documentation review and contractor audits or field verification/inspection visits?
Check all that apply)

| Personnel Type | Documentation Review | Contractor Audits |
|-----------------------------|----------------------|-------------------|
| Certified Auditors | 21% | 21% |
| Third Party Safety Prof | 36% | 21% |
| Personnel from your company | 79% | 79% |
| Registry Personnel | 64% | 7% |

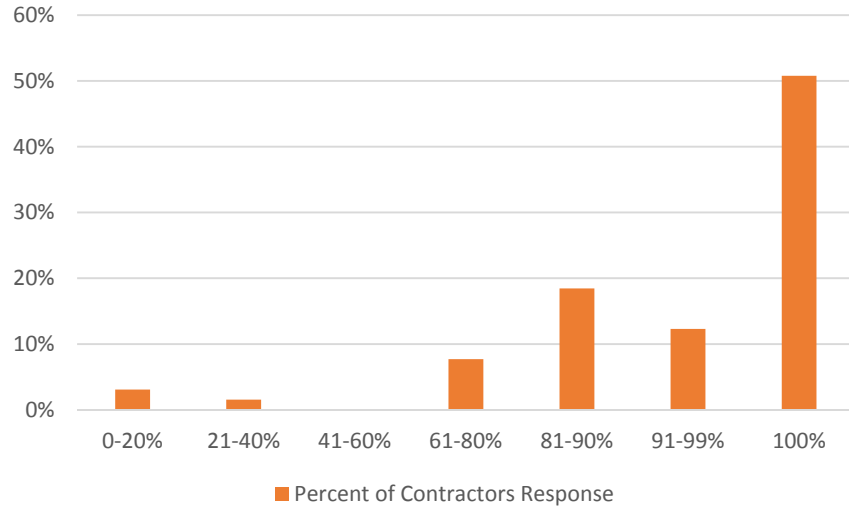
Table 14 - Frequency of client's verification

(Question: How often do you conduct audits, on site documentation reviews, or field verification or inspections on your approved contractors? Check all that apply)

| Verification/Audit Activity | Count of Client Respondents |
|-----------------------------|-----------------------------|
| On initial onboarding | 3 |
| Once a month | 1 |
| Once a quarter | 2 |
| Once a year | 5 |
| In the event of an incident | 4 |

Graph 17 - Contractor response – percentage of clients that require a COR/SECOR

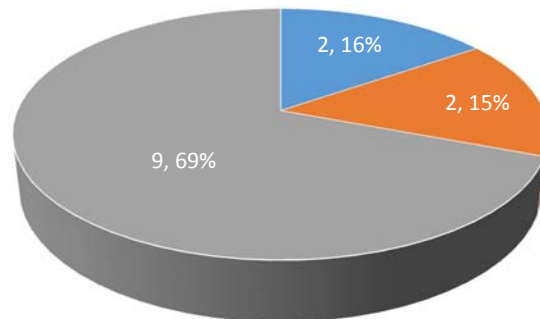
(Question: What percentage of your clients require a COR or SECOR? Open field)



Graph 18 - Clients response to role of COR/SECOR

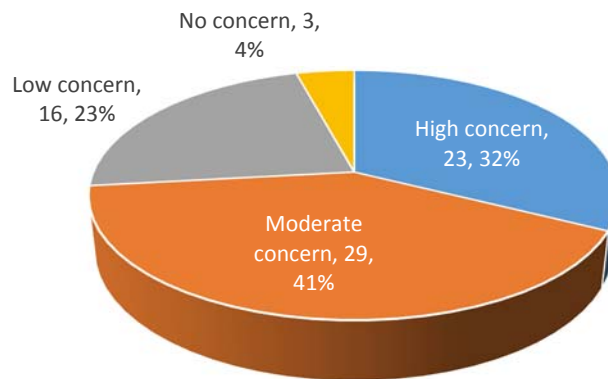
(Question: What role does a COR or SECOR play in your contractor evaluation process?)

- Require current COR/SECOR for all contractors
- Require current COR/SECOR for some contractors
- COR/SECOR not required, but is included as part of contractor scoring within our registry system



Graph 19 - Contractor’s concern over registry privacy

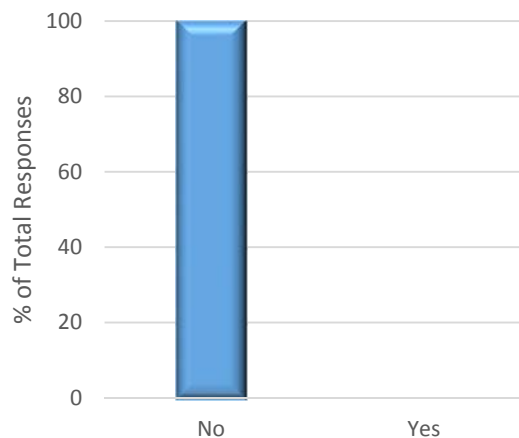
(Question: Do you have ongoing concerns related to privacy, intellectual property, confidentiality, financial disclosure, or personnel records with respect to registry reporting or audit/verification process?)



Comments: Concerns included disclosure of their Health and Safety Programs to other clients and to clients that are competitors to other company divisions as well as the inclusion of financial information by some registries.

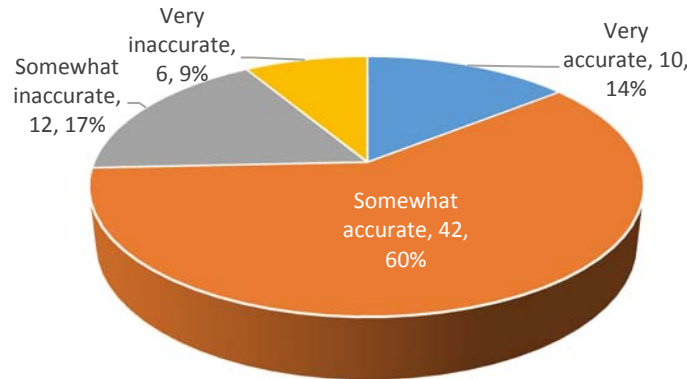
Graph 20 - Client response to registry privacy

(Question: Do you gather contractor information that is subject to privacy regulations in Canada?)

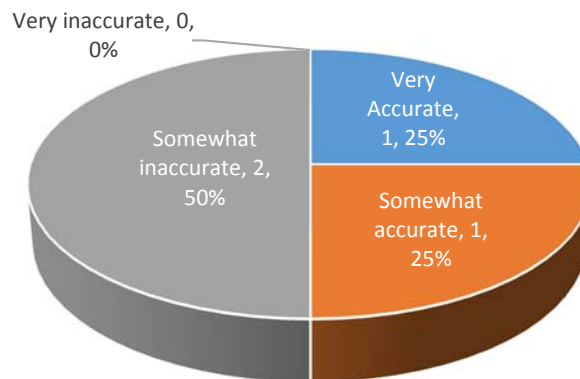


Graph 21 - Contractor's response on how accurately the registry data reflects their health and safety programs

(Question: Does the information you provide through the registry accurately reflect the scope and performance of your health and safety program?)



Graph 22 - Contractor's response on how accurately the registry data reflects their health and safety programs that were both clients and contractors



Graph 23 - Contractor's response on direct communication with clients on registry related Issues
(Question: Are you able to communicate with your client(s) directly on registry related concerns or issues?)

