

A G R E E M E N T

b e t w e e n

The Confederation of Norwegian Business and Industry (NHO)/the Norwegian Oil and Gas
Association

and affiliated operator companies

on the one hand

and

the Norwegian Confederation of Trade Unions (LO),
the Industri Energi

and the relevant sections of the union

on the other hand

CONTENTS

PART I.....	3
PART II.....	3
1. SCOPE OF APPLICATION.....	3
2. EMPLOYMENT AND DISMISSAL.....	3
3. WORKING HOURS AND SHIFT SCHEDULES.....	4
4. WAGE SYSTEM.....	8
5. APPRENTICES.....	14
6. OVERTIME.....	16
7. INCONVENIENCE ALLOWANCE.....	16
8. SHIFT/NIGHT BONUS.....	17
9. SHUTTLING.....	17
10. SAFETY MEETINGS.....	17
11. COURSES.....	17
12. HOLIDAYS AND HOLIDAY PAY.....	18
13. PAYMENT OF WAGES.....	19
14. COMPENSATION FOR PUBLIC HOLIDAYS.....	19
15. TRAVELLING REGULATIONS.....	19
16. COMPASSIONATE LEAVE.....	20
17. PREGNANT EMPLOYEES.....	21
18. NATIONAL SERVICE REFRESHER TRAINING.....	21
19. WORKING CLOTHES AND PROTECTIVE EQUIPMENT.....	21
20. REGULAR MEDICAL CHECK-UPS.....	22
21. ACCIDENT INSURANCE.....	22
22. PAYMENTS TO DEPENDENTS.....	22
23. DETACHED DUTIES.....	22
24. SENIOR EMPLOYEES AND EMPLOYEES WITH IMPAIRED HEALTH.....	22
25. IMMIGRANTS.....	23
26. COMPETENCY.....	23
27. FLEXIBILITY.....	23
28. JOINT DECLARATION ABOUT WAGE SYSTEMS.....	23
29. ADJUSTMENT PROVISIONS FOR 2 ND YEAR OF AGREEMENT.....	24
30. DURATION.....	24
31. SCOPE OF THE AGREEMENT.....	24
PART III.....	25

ATTACHMENTS

1. Contractual pension (AFP)
2. Information and development fund
3. Severance pay
4. Contractual vacation
5. Reduction of working hours as of 1 January 1987
6. Non-union companies
7. Hiring employees and outsourcing work, etc.
8. Union-level funds
9. Policy regarding hiring temporary agency workers

PART I

The Basic Agreement of 2018.

PART II

1. SCOPE OF APPLICATION

These provisions shall apply to employees working on fixed installations on the Norwegian continental shelf who are paid in accordance with the part of the agreement relating to wages.

These provisions shall also apply to operator companies engaged in oil and gas production from mobile production units.

The part of this agreement relating to wages applies in its entirety to new employees undergoing training.

For as long as this agreement remains in force, neither party may enter into new agreements for other operator companies that contain provisions about wage and working conditions differing from the provisions of this agreement.

2. EMPLOYMENT AND DISMISSAL

2.1 Employment is based on a written contract signed by the employee and the employer.

The contract shall be a standard contract and shall be in Norwegian.

The contract shall refer to current agreements (the master agreement and the collective wage agreement), which shall be given to the employee together with other current provisions concerning his/her work.

2.2 Dismissal shall be notified in writing by both parties. For work under this agreement the rules relating to dismissal in the Working Environment Act shall apply.

2.3 In cases of dismissal where the notice period pursuant to the provisions of section 15.3 of the Working Environment Act expires on a specified date (i.e. at the turn of a month), employment shall terminate immediately after completion of the last period on board before the date stipulated.

The employee shall upon the termination of his/her employment be paid any outstanding wages, including wages for accumulated days off which cannot be taken as compensation time due to the employee's termination.

2.4 In cases of dismissal where the notice period pursuant to the provisions of section 15.3 of the Working Environment Act expires on a specified date (i.e. at the turn of a month), which according to the employee's shift schedule falls during a period on board, his/her employment shall not terminate until after completion of this period on board.

With reference to payment, see item 2.3, second paragraph, above.

2.5 If termination is due to the termination/expiry of a contract, the Working Environment Act's provisions for dismissal shall apply.

3. WORKING HOURS AND SHIFT SCHEDULES

3.1 Definitions

Work period: The period (normally 12 hours) during which the employee is at work for the employer in the course of 24 hours.

Period on board: The period during which the employee stays continuously on the installations falling within the scope of the regulations, cf Royal Decree of 27 November 1992.

Leisure period: The time between two periods on board.

Shift work: A work schedule in which the employee's work period is laid to different times of the day/night in accordance with a work schedule determined in advance.

Work schedule: Shift schedule showing periods on board and leisure periods.

Work cycle: A defined part of the work schedule, with periods on board and leisure periods, repeated regularly and together amounting to weekly working hours in accordance with the provisions of the regulations relating to working time.

Shuttling: Shuttling means transport between fixed and/or floating installations.

Daytime work: Normal working hours during the day in accordance with the company's practice.

3.2 Working hours

Regular working hours shall not exceed 12 hours a day and 33.6 hours a week on average during a period not exceeding one year.

The employee shall be given a work schedule which includes periods on board the installation and, if possible, safety training, as well as summer and winter holidays.

This schedule shall indicate when a period on board begins and when it ends.

Reference is otherwise made to "Regulations relating to Health, Environment and Safety in the Petroleum activities (the Framework regulations).

When the transport situation entails that a 12-hour work period must be divided on the departure and return days, this shall not entail any additional payments.

The practice of daylight saving time does not entail any change in the wage payments for employees that are affected by this in the spring/autumn.

3.3 Periods on board

The length of periods on board shall be agreed between each company and the local trade union.

Normally, an employee shall in principle not return to shore on a later flight than that on which he/she arrived at the field.

Extra time worked in connection with a regular period on board is only permitted pursuant to section 10.6 of the Working Environment Act and shall be remunerated with overtime pay pursuant to item 6.2.

If the employer, through no fault of his own, is unable to carry out a change of crew in due time, for example in case of difficult weather conditions, technical problems with the helicopter or because the relief worker has fallen ill, the employee(s) in question shall continue in service to the extent reasonable if significant difficulties for the installation or other persons on board would otherwise arise.

Any waiting time offshore exceeding the length of a normal period on board according to each company's contract shall be paid as follows:

$$\text{Total hourly pay} = \frac{\text{standard wage incl. offshore compensation and holiday pay}}{1752}$$

Before any waiting time payment is to apply, the employee must work a whole, normal period on board. This also applies to part-time workers with an agreed shorter period on board than normal.

Leisure time which has been lost will thereby have been settled.

Normal periods on board include the absence of shop stewards, safety representatives and members of working environment committees when performing their work pursuant to the Master Agreement and the provisions of the Working Environment Act.

This also applies to employees summoned ashore by the enterprise during their period on board in connection with work, courses, meetings and the like.

Any waiting time at a heliport exceeding one hour after normal departure time (due to delayed departure of the helicopter) shall be compensated as follows:

$$\text{Total hourly pay} = \frac{\text{standard wage including offshore compensation and holiday pay}}{1752}$$

from the helicopter's scheduled departure.

In cases where the departure is delayed and the employee is ordered to work beyond the duration of a normal full period on board, waiting time payment will apply after the end of the normal period on board. For such waiting time payment to be applicable, the employee must arrive at the agreed time and place for a full, normal period on board.

If waiting at a heliport occurs during what should have been working hours on the shelf, and/or when the employee is sent home or to a hotel from the heliport, payment for waiting time shall be suspended.

If the company asks an employee to postpone his/her departure from home or move the return trip from the field forward, standard wages pay shall be retained including offshore compensation, even if this should result in fewer days on the shelf than established in the work schedule.

Provided that the employee shows up at the scheduled hour and place, he/she will be entitled to full pay pursuant to his/her offshore work schedule when waiting for a delayed helicopter.

3.4 Change of work schedule and place of work

For operational reasons it may become necessary to transfer personnel from one area or platform to another. In such situations, the company will decide which employee is to be transferred and also his/her destination.

No-one benefits from unnecessary changes of work schedule/platform, but crew requirements and the employees' wishes may make this necessary.

Whenever possible, the wishes of the individual employee will be taking into consideration, as well as those of the whole group or groups of employees.

In case of changes to a work schedule at an employee's request, no compensation for any loss of leisure days will be given.

In case of an imposed change of work schedule, compensation will be given for 12 hours of total hourly pay per leisure day lost in addition to normal wages.

At each company the parties shall agree on further guidelines on how to practice the provision above. Such guidelines shall not represent a deterioration of established practice in each company or be in conflict with the provision's wording.

The provision in the 5th paragraph also applies to any changes in work schedules due to a change of position.

3.5 Change of work period

Notice of any change to a work period shall be given to each employee as soon as possible. Moving a work period will not be compensated when the employee has been notified of this before departure from the heliport. When the employee is informed of a changed work period after the helicopter departs, current overtime bonus shall be paid for hours worked in excess of the regular, scheduled hours during the two first work periods.

Example:

A If the employee changes from working from 0600 - 1800 h.
to working from 1200 - 2400 h,

he/she will be paid 6 hours x overtime bonus of 65 % of the two first work periods.

B If the employee changes from working from 0600 - 1800 h
to working from 1800 - 0600 h,

he/she will be paid 12 hours x overtime bonus of 65% of the two first work periods.

3.6 Working time arrangements

In the 2000 settlement, the central parties agreed that for the offshore agreements, contractual holidays shall be laid to the leisure periods of the work cycle.

When a 2–4 work schedule is established locally, the following conditions must be met:

- The parties shall agree locally on specific cooperation measures to improve efficiency, productivity and flexibility regarding the use of personnel, and shall actively contribute to avoiding a crew increase – as far as possible.
- When a work schedule is agreed with a lower number of hours per year than 1582, the pay shall be reduced correspondingly. When a 2–4 work schedule is agreed, an annual average of 122 hours will be due. A deduction will be made for these hours of 10.16 hours per month, calculated to 7.71%. In the 2006 settlement it is agreed that the wage deductions on 7.71% for 2-4 work schedule lapses.
- When working time under 1582 hours is permanently introduced for any employee, the basis for sickness benefits and pensionable income shall be reduced correspondingly.
- Changing to and introducing a new work schedule, for example 2-4, shall not entail any additional expenses for the company, in the form of compensation for swing shifts, overtime, waiting time and/or lost leisure time.

Work schedules 2-3-2-4 will mean that average annual working hours in 2002 will be 11 hours longer than standard working hours. From 1 January 2002, the average number of hours under the established work schedule exceeding 1582 hours will be compensated by 11 overtime hours in the year in question.

In the event of future working hours reductions, the agreed number of working hours on the Shelf, 1460 hours, shall be maintained until the agreed number of hours is harmonised by working hours reductions in the industrial sector/ society at large. Such reductions are to be compensated as regards financial value if the general working hours reductions are implemented without a reduction in pay.

4. WAGE SYSTEM

Wage system for operator companies excl. catering:

4.1 Wage group position

Wage group	Position
A1	Working foreman
A	Senior trained worker/senior technician
B 1	Trained worker/technician with apprenticeship certificate or similar training
B	Administrative staff, crane operator, warehouse personnel (matr.exp.)
C	Administrative staff
E	Unskilled labourer, administrative staff, junior trained worker/operator, warehouse personnel (storekeeper)

The working foreman's pay is fixed on an individual basis taking into consideration the company's wage conditions and other factors, as well as the employee's competence, experience, training, time of employment, line of work and responsibilities.

Working foreman means a shift operator and other operators who do not have personnel responsibility and who have been set to distribute and control work on behalf of the employer while taking a substantial part in operative work

Any deviation from the above wage group positions for employees in the various categories, including combination positions, will be agreed at each company in local negotiations on the basis of the content of the position.

Promotion to wage group A is based on operational needs or needs for special competence.

- 4.1.1 In case of promotion to a higher wage group, each employee shall be placed in the wage level which, as regards monetary amount, lies immediately above the wage level which the employee was in before being promoted.
- 4.1.2 New employees shall be placed in wage level 0. For exceptions, see items 4.1.3 and 4.1.4.
- 4.1.3 Relevant offshore experience is credited with up to the same wage seniority as the employee had in his/her last job. To the extent the company has established a wage matrix according to 4A with a corresponding provision, the local agreement will be continued. Employees with relevant experience not covered by item 4.1.3 will upon employment be credited for seniority as follows:

Relevant experience:	Credited with:
0 year - up to 3 years	0 wage level
3 years - up to 6 years	1 wage level
6 years - up to 9 years	2 wage levels
9 years – and more	3 wage levels

Employees with relevant experience from his/her own firm will be credited for seniority upon employment as follows:

0 year - up to 2 years	0 wage level
2 years - up to 3 years	1 wage level
3 years - up to 4 years	2 wage levels
4 years - up to 5 years	3 wage levels
5 years - up to 6 years	4 wage levels
6 years – and more	5 wage levels

4.1.5 Employees employed during the period 1 January to 30 June will get a seniority increment on 1 January in the following year.

Employees employed during the period from 1 July to 31 December will get a seniority increment from the second turn of the year.

When temporary employees are given permanent employment, seniority will be credited fully for the total time worked. The second paragraph shall not apply to the first increment if the temporary employee has accumulated more than half a man-year (791 hours) at the time of employment. In this case, he/she will be included in the next increment. The second paragraph applies to persons who have worked less than half a man-year.

4.1.6 Parental leave

In connection with the local wage negotiations, the company shall also carry out a wage evaluation of employees who are absent due to parental leave.

4.1.7 The Industri Energi may demand negotiations to determine the wages for positions not mentioned in item 4.1.

4.2 Table of wages at 1 June 2018 / 2-4 work schedule

OPERATOR COMPANIES

	0	1	2	3	0	1	2	3	4	5
	0	1	2	3	4	5	6	7	8	9
A	540 686	551 231	561 778	572 324	582 871	593 418	603 965	614 512	628 338	639 336
	605 568	617 378	629 192	641 003	652 816	664 628	676 441	688 254	703 738	716 057
B 1	530 155	540 308	550 461	560 615	570 770	580 924	591 078	601 232	614 667	
	593 773	605 145	616 517	627 889	639 263	650 635	662 007	673 380	688 427	
B	520 716	530 477	540 238	551 466	560 276	569 087	579 284	590 104	602 086	
	583 202	594 134	605 067	617 642	627 510	637 377	648 798	660 916	674 337	
C	502 442	510 954	519 467	527 980	536 493	545 006	553 518	562 031	573 824	
	562 735	572 269	581 803	591 337	600 872	610 406	619 941	629 475	642 683	
E	494 865	502 696	510 530	518 361	526 192	534 023	541 855	549 687	560 799	
	554 248	563 020	571 793	580 565	589 335	598 106	606 877	615 650	628 095	

Line 1 = annual pay excluding holiday pay
Line 2 = annual pay including holiday pay

The central parties in the 2002 settlement agreed that for the continental shelf agreements, contractual holidays shall be taken during leisure periods. 2-3-2-4 work schedules mean that average annual working hours in 2002 will be 11 hours longer than standard working hours. From 1 January 2002, the average number of hours under the established shift schedule exceeding 1582 hours will have a fixed compensation of 11 overtime hours in each year.

For senior employees and employees with impaired health, the parties may locally establish work rotations with few hours worked than a normal man-year. The basis for such rotations must be that the parties at each company agree that too little time worked must be balanced by wage deductions corresponding to the reduced number of hours. The same must apply if such arrangements are implemented on the basis of other needs.

4.2.1. Temporary positions

An employee who serves for one whole day or more in a higher-placed position within the same contract area than his/her present employment is entitled to the wage fixed for the higher position during the time he/she worked in this higher position.

4.2.2. Temporary leading positions

Employees in a subordinate position acting temporarily in a leading position will be given a compensation of NOK 400 for each day he/she acts in this capacity. The agreement's provisions shall apply otherwise.

4.3 Offshore compensation

The total pay in item 4.2 (line 2) includes a 47% offshore compensation. Offshore compensation includes payments for the special conditions which offshore work entails and which are not otherwise compensated in this agreement.

Wage system for catering employees in operator enterprises:

4.1 Wage group position

Wage group	Position
A	Chef
B 1	Cook, baker and pastry cook with craft certificate, Senior cleaner
B	Cleaning assistant with a cleaning craft certificate
C	Service worker with cleaner's craft certificate
E	Cook, baker and pastry cook without craft certificate, Cleaning assistant

The wages of stewards/heads of catering and section managers [*fagleder*] shall be established on an individual basis taking into consideration the wage conditions in the company and other circumstances, as well as the each employee's competence, experience, education, time of employment, line of work and area of responsibility. For these employees, items 3, 4.1 and 4.2 and 5-10 shall not apply.

Employees who have been employed as cook/baker in offshore service must, besides their normal line of work, also do cleaning work as instructed. This applies among other things to cleaning the ceilings and walls of their own work area. This work must be performed within ordinary working hours and without additional pay, as this is compensated in the wages indicated in item 4.2.

4.1.1 In case of promotion to a higher wage group, each employee shall be placed in the wage level which, as regards monetary amount, lies immediately above the wage level which the employee had before being promoted.

4.1.2 New employees shall be placed in wage level 0. For exceptions, see items 4.1.3 and 4.1.4.

Relevant offshore experience is credited with up to the same wage seniority as the employee had in his/her last job. To the extent the company has established a wage matrix according to 4A with a corresponding provision, the local agreement will be continued.

4.1.4 Employees with relevant experience, not covered by item 4.1.3, will upon employment be credited for seniority as follows:

Relevant former experience:	Credited with:
0 year - up to 3 years	0 wage level
3 years - up to 6 years	1 wage level
6 years - up to 9 years	2 wage levels
9 years and more	3 wage levels

Employees with relevant experience from their own firm will upon appointment be credited for seniority as follows:

0 year - up to 2 years	0 wage level
2 years - up to 3 years	1 wage level
3 years - up to 4 years	2 wage levels
4 years - up to 5 years	3 wage levels
5 years - up to 6 years	4 wage levels
6 years and more	5 wage levels

4.1.5 Employees employed during the period from 1 January to 30 June will get a seniority increment on 1 January in the following year.

Employees employed during the period from 1 July to 31 December will get a seniority increment after the second turn of year.

When temporary employees are given permanent employment, seniority will be credited fully for the total time worked. The second paragraph does not apply to the first increment if the temporary employee has accumulated more than half a man-year (791 hours) at the time of employment. He/she will be included in the next increment. The second paragraph applies to persons who have worked less than half a man-year.

4.1.6 The Industri Energi may demand negotiations to determine the wages of positions not mentioned in item 4.1.

4.2. Table of wages at 1 June 2018 / 2-4 work schedule

CATERING IN OPERATOR COMPANIES

					0	1	2	3	4	5
	0	1	2	3	4	5	6	7	8	9
A	540 686	551 231	561 778	572 324	582 871	593 418	603 965	614 512	628 338	639 336
	605 568	617 378	629 192	641 003	652 816	664 628	676 441	688 254	703 738	716 057
B 1	530 155	540 308	550 461	560 615	570 770	580 924	591 078	601 232	614 667	
	593 773	605 145	616 517	627 889	639 263	650 635	662 007	673 380	688 427	
B	520 716	530 477	540 238	551 466	560 276	569 087	579 284	590 104	602 086	
	583 202	594 134	605 067	617 642	627 510	637 377	648 798	660 916	674 337	
C	502 442	510 954	519 467	527 980	536 493	545 006	553 518	562 031	573 824	
	562 735	572 269	581 803	591 337	600 872	610 406	619 941	629 475	642 683	
E	494 865	502 696	510 530	518 361	526 192	534 023	541 855	549 687	560 799	
	554 248	563 020	571 793	580 565	589 335	598 106	606 877	615 650	628 095	

Line 1 = annual wage excluding holiday pay

Line 2 = annual wage including holiday pay

2010 settlement

Cleaning assistants who acquire a craft certificate in the years ahead will advance from wage group E to wage group B every 1.6 years, though no higher than B 3/7.

The promotion will be part of the settlement in each respective. New employees with craft certificates are placed directly in wage group B, pay grade minus 1/3.

The Chef and Senior cleaner are given a supplement of NOK 1,200 per month + holiday pay.

4.2.1 Temporary positions

An employee who serves for one whole day or more in a higher-placed position within the same contract area than his/her present employment is entitled to the payment fixed for the higher position during the time he/she worked in this higher position.

4.2.2 Temporary leading positions

Employees in a subordinate position acting temporarily in a leading position will be given a compensation of NOK 400 for each day he/she acts in this capacity. The agreement's provisions shall apply otherwise.

4.3 Offshore compensation

The total wage in item 4.2 (line 2) includes a 47% offshore compensation. Offshore compensation includes payments for the special conditions which offshore work entails and which are not compensated otherwise in the agreement.

4.A Company-adjusted wage systems for operator companies

1. The wage system described in item 4 shall not prevent the local parties from reaching a special agreement on a separate wage system adjusted to the company in replacement of the wage system under this agreement.

Such an adjusted wage system must meet the following criteria:

- The adjusted wage system must be a matrix system with position groups, seniority provisions and specification of the employee's wages. For position groups higher than the present wage group A, the local parties may agree on individual remuneration.
- Any bonus payments may be combined with the company wage system and must be based on demonstrable improvements in performance and/or results in the company/group.
- Local negotiations must be held until an adjustment date which is 1 June each year. The level of the adjustment shall not be less than the adjustment given in the shelf agreements pursuant to item 2 a), unless the parties have agreed otherwise.
- Any special local agreement shall have the same duration as this agreement.
- The local wage system must be approved by the union and the national association before being implemented. The same applies to future changes.
- This system is a trial arrangement for the contract period 2000-2002.
- If the local parties are unable to agree on a company-adjusted wage system, the wage system in this agreement shall apply fully.

2. New wage adjustment clause in the shelf agreements:

At 1 June each year, negotiations shall be conducted between the national association and the unions. In connection with this, adjustments shall be made to the agreement's wage matrix, which must:

- a) Correspond to the regular, annual wage settlement as per 1 June.
- b) Ensure that wage developments under this agreement are approximately the same as the average wage development of the company-adjusted wage systems.

Any bonus payments in the operator companies are not included in the calculation basis for wage developments.

Note:

Even if the right to automatic wage adjustment according to item 4A 2 b) lapses, this shall not prevent the organisations from demanding compensation for bonus paid in the oil companies. The Norwegian Oil and Gas Association will be free to consider such demands.

5. APPRENTICES

Technical training and further education

The companies are faced with major challenges in the years to come, not least as regards technological change. The introduction of new technology and changes in modes of production will also mean that the employees will be faced with new and greater demands for competency.

It is the goal of the parties that an employee shall be able to qualify himself or herself to master the assignments allocated him or her at any given time. The necessary training and further education will be decisive in this connection. The parties presuppose that all employees are willing to undergo the necessary craft training that the company regards as necessary in order to meet the requirements as to increased competency that the post demands.

Craft training shall be done in conformity with the Education Act and the regulations that at any given time are promulgated pursuant to this Act and the provisions of the Basic Agreement.

The parties are agreed:

- that the company and the union representatives discuss the need for intake of apprentices, so that the necessary intake of apprentices can be facilitated.
- the local parties discuss support for relevant schemes such as support for travel and moving expenses, and evaluating the need for measures that increase mobility and the supply of apprentices.
- apprentices and practice candidates shall not have economic expenses for e.g. course fees and study material in the period up to the craft examination. The employer will cover wages during the practical examination and the theoretical part of the craft examination for apprentices. The employer shall not be obligated to cover wages more than once for the same subject.
- jointly to work for a continuous updating of craft training, so that it is at all times in optimal conformity with industry requirements.
- to endeavour to ensure that the scheme whereby the craft examination can be taken under Section 3.5 of the Education Act (the Practice Candidate Scheme) is upheld also in the future.
- that the relevant public craft councils seek to prepare training services for updating the skilled workers' qualifications, which changed work requirements, working conditions, new technology and so forth will demand.

Further education

The companies are requested to treat training questions systematically in line with Chapter 18 of the Basic Agreement and in Section 13-8, which states: The Works Committee shall have the authority and responsibility for stipulation of general guidelines regarding vocational training for the employees in the company about whom the members of the Committee are agreed. The same shall apply to guidance for new employees. The Works Committee may also be a forum for the employees' active co-determination as regards general questions of training.

The parties will recommend that the local parties adapt their work organisation and their internal company agreements with a view to the requirements that new technology will involve.

Wage provisions for apprentices:

1. Apprentices pursuant to Reform 94:

The main model for vocational training comprises 2 years of upper secondary school (Foundation Course and Advanced Course I), plus 2 years of apprenticeship in a company, of which 50% is training and 50% productive time.

Hourly earnings of apprentices constitute a percentage of the hourly earnings excluding all supplements for newly-trained skilled workers in the company.

<u>1st</u>	<u>2nd</u>	<u>3rd</u>	<u>4th</u>		<u>5th</u>	<u>6th</u>	<u>7th</u>	<u>8th</u>	<u>half-year</u>
School					30	40	50	80	percent

2. Apprentices in trades requiring 3 years' training in the upper secondary school (Foundation Course, Advanced Courses 1 and 2) plus 1 year's apprenticeship will be on the following wage scale:

<u>7th</u>	<u>8th</u>	<u>half-year</u>
50	80	percent

3. Apprentices in trades with 3 years' training in upper secondary school (Foundation Course, Advanced Courses 1 and 2) plus 1 1/2 year's apprenticeship will be on the following wage scale:

<u>7th</u>	<u>8th</u>	<u>9th</u>	<u>half-year</u>
40	50	80	percent

4. For apprentices who do not have the Foundation Course or Advanced Course I pursuant to Reform '94, the distribution of a skilled worker's pay in aggregate in the course of the apprenticeship shall be agreed locally. The company must register apprentices for compulsory school training.

5. The parties agree that the above-mentioned wage provisions relating to Reform '94 shall be applied on the condition that State support to the apprenticeship scheme is upheld at the level assumed when the reform was introduced.

6. Apprentices above the age of 18 doing overtime will be paid as much as an unskilled labourer.
7. The above provisions shall apply if no other schemes have been agreed locally within the framework of current guidelines for paying apprentices according Reform –94.
8. Apprentices will have half their apprenticeship (one year) approved as wage and corporate seniority in the event of employment in the company.

6 OVERTIME

- 6.1 Overtime work shall be kept to a minimum and only be used when justified by particularly important considerations, see section 10.6 of the Working Environment Act.
- 6.2 Work exceeding 12 hours a day is regarded as overtime and will be compensated by adding a 65% bonus to total hourly pay.

Total hourly wage = $\frac{\text{standard wage including offshore compensation and holiday pay}}{1752}$

A commenced half-hour shall be calculated as half an hour.

- 6.2 Employees who are called out for work outside regular working hours shall receive overtime payment for at least 2 hours. This does not apply to overtime directly connected with regular working hours.
- 6.4 Due to the special work situation of nurses, they will receive a compensation for irregular working hours of 8% of their basic pay and offshore compensation. This is regarded as full compensation for time worked outside normal working hours during normal periods on board.

SAR service, training and instruction assignments during leisure time, and accompanying patients ashore during leisure is compensated by overtime pay for the time spent on this.

7 INCONVENIENCE ALLOWANCE

- 7.1 When night lodgings must be improvised and the employee is not given a bed in a cabin, this is to be compensated by an inconvenience allowance of NOK 780 per night. The employee shall be given toilet requisites.
- 7.2 The following applies to operator companies, excl. caterers:

The use of a mask with air exchanger or a whole face mask in case of sand blasting or spray painting will be compensated by an hourly allowance of NOK 22 for the hours worked. Welder's screens and the like do not qualify for an inconvenience allowance.

Internal cleaning of tanks will be compensated in accordance with the above.

- 7.3 Employees who are called out during leisure periods for consultations, briefings, meetings etc. on shore shall be given an allowance for this.

The allowance shall amount to the total hourly wage + 65% for the time actually spent on this, cf item 6.2.

- 7.4 The following applies to operator companies excl. caterers:

Positions related to drilling shall be compensated by an allowance of NOK 90 for work on oil-based drilling mud for each 12-hour shift worked.

8 SHIFT/NIGHT BONUS

For shift and night work, a bonus of NOK 73,50 will be paid per hour worked outside daytime working hours (cf item 3.1). Hours compensated by an overtime allowance according to item 6.2 (work exceeding 12 hours per 24 hours) do not carry a bonus.

Employees required to take part in consultations of at least 15 minutes per shift within the round-the-clock shift schedules will have a shift and night bonus of NOK 93,50 per hour.

The local parties will discuss and decide which employee groups in the company to include in this consultation scheme.

No employee shall leave his/her place of work before he/she has been replaced and the replacement has been informed of the work situation.

9 SHUTTLING

- 9.1 Time spent on travelling/waiting for transport from the accommodation platform to the place of work before and after a work period is not considered as working hours.

Time spent on travelling/waiting as mentioned above is compensated by the total hourly wage.

- 9.2 Time spent on travelling/waiting for transport between platforms is considered as working hours.

10 SAFETY MEETINGS

- 10.1 Attendance at compulsory safety meetings outside regular working hours will be compensated by overtime payment for the time spent.

11 COURSES

- 11.1 Each company shall at any time follow up any changed requirements to positions for its own permanent personnel.

If the employee holding the position does not meet the requirements, the company and the employee will together ensure that the required training is completed.

- 11.2 In case of compulsory courses ashore during the employee's period on board, the employee shall maintain his/her basic wage and offshore allowance.

If such courses are held during the employee's leisure periods, this will be compensated by his/her total hourly pay + 65% for 8 hours per course day. If this course is held during the employee's leisure time on the shelf, he/she will be paid a compensation amounting to the total hourly pay + 65%, cf item 6.2.

The provisions relating to courses in the new agreement does not apply to companies in which a company-adjusted wage system has been established. Where a company-adjusted wage system has been established, the provisions relating to courses will form part of the local special agreement. The wording of the new agreement will be upheld until the local parties agree on changing it.

- 11.3 Onshore courses with a duration exceeding 24 days will be paid according to agreement between employee and company.

- 11.4 If a course is held in Norway, the employee is entitled to a free trip home in connection with weekends and movable holidays.

In case of training abroad, the employee and the company must in advance agree on any trips home in connection with weekends and movable holidays. If the employee is resident abroad, travelling expenses to and from the course location will be paid according to agreement between employee and company.

- 11.5 The company will pay the course fee for temporary employees who have been working in the company for at least one man-year (1582) in connection with repetition of the safety and emergency training, and will also cover the doctor's fee in connection with the renewal of health certificates.

12 HOLIDAYS AND HOLIDAY PAY

Holidays and holiday pay will be granted in accordance with the Act relation to Holidays.

Unless otherwise agreed locally, the following shall apply:

Employees must be exempt from all work the first eight days in the first free period after 1 February, and in the 21 first days in the first free period after 1 June.

If the employee falls ill before the above leisure periods, he/she shall be exempted from all work during the first leisure period after being taken off the sick list if he/she requests this before the periods in question, cf the principle of section 5 second subsection of the Holiday Act.

Contractual holidays will be given in accordance with the attachment.

Note:

Contractual holidays must be taken during the leisure periods in the course of the holiday year.

13 PAYMENT OF WAGES

Payment of wages will be done pursuant to agreement between the local parties.

Unless otherwise agreed, overtime accrued during a month shall be paid together with the regular wages as soon as possible and no later than the end of the following month.

14 COMPENSATION FOR PUBLIC HOLIDAYS

Employees who are on the shelf or registered at a heliport for departure on the following days are to be paid a compensation of NOK 1,975 per day:

New Year's Day, Maundy Thursday, Good Friday, Easter Sunday, Easter Monday, Ascension Day, Whit Sunday, Whit Monday, Christmas Day, Boxing Day, 1 and 17 May. Compensation will also be paid to employees who are on the shelf after 3 p.m. on Christmas or New Year's Eve.

The above-mentioned compensation is to be regarded as an occasional bonus for the individual employee and shall not be included in the basis for calculating sickness benefits.

15 TRAVELLING REGULATIONS

- 15.1 The most expedient travel route from the employee's place of residence to the point of departure and back is to be worked out in consultation with each employee. This travel route must normally be followed.

Transport expenses in this connection will be covered against receipt, unless otherwise agreed.

In case of necessary overnight stays under the travel route, a daily allowance will be paid according to the rate for trips lasting more than 12 hours in the State rates for travel allowances.

Use of own car for the travel route from residence to point of departure and back will be compensated according to the current tax deduction rates for approved use of car from residence to place of work.

- 15.2 In case of changes to the employee's travel route due to a change of helicopter departure, the company will refund expenses according to the State rates for overnight stays, transport and meals.

If the helicopter departure to the field is delayed more than two hours from scheduled departure, the employee is entitled to a meal at a value of NOK 100.

For every quarter hour of waiting at a heliport in excess of the above, the employee is entitled to a meal at a value of NOK 150.

Each company must do its best to ensure that employees will not have to wait at the point of departure.

After a continuous waiting period at the point of departure of maximum 10 hours after the scheduled helicopter departure, the employee should be allowed to rest in an appropriate place.

15.3 Expenses in connection with travels in the service of the company (courses, meetings etc.) will be reimbursed according to the State rates for travelling, unless otherwise agreed by the local parties.

15.4 Employees with travelling expenses exceeding NOK 500 for a return trip from residence to heliport may be given an advance corresponding to a double of one return trip.

The provisions in item 15.1 apply correspondingly in case of a necessary trip home due to illness during service.

16. COMPASSIONATE LEAVE

16.1 Compassionate leave is normally granted in connection with the following situations:

- a) Documented illness in the employee's close family
- b) Birth of own child and adoption
- c) Death in the employee's close family
- d) Confirmation of own child

Leave cases letters a and c shall be compensated with up to 5 days' wages (60 hours). For leave under d, compensation will be given up to 2 days' wages (24 hours), even if the duration of such leaves should exceed this due to communication difficulties or the like. Compassion leave under b shall be compensated with up to 14 days' work (168 hours), even if the duration of such leaves should exceed this due to communication difficulties or the like. Right to paid leave applies only for days' which falls within an offshore period.

The parties at each company shall agree on the further guidelines for how to practice the provision above.

16.2 Cases covered by each company's policies will come in addition to the above provisions. The number of days with wages shall be granted pursuant to each company's policy.

16.3 Leave without pay may be given for a maximum of 1 year when someone in the employee's close family has problems which, at a doctor's recommendation, would justify granting him/her leave. The company will also, if practicable, grant leave for more than one year.

16.4 When granting an employee leave, he/she shall be given written notification of the conditions for transfer from and to his/her work schedule.

16.5 Close family shall mean spouse, cohabitant, children, parents, grandparents, brothers, sisters, grandchildren and parents-in-law.

By cohabitants are meant persons with the same registered fixed address the last 12 months.

- 16.6 The employer shall provide transport ashore as soon as possible. Expenses in connection with travelling from heliport to place of residence are of no concern to the company, unless otherwise agreed.

If any compassionate leave should occur in the beginning of a period on board, so that departure is delayed, or at the end of a period on board, so that returning in the same period is not possible, the employer shall pay for travel to and from the place of residence in the usual way.

17. PREGNANT EMPLOYEES

Where transfer is possible, a pregnant employee has the right to transfer to other work in the company during pregnancy if her work may harm the foetus or the employee. Such transfer shall, if possible, also be made if pregnancy makes the work difficult. In case of temporary transfer to other work, the employee's wages shall not be reduced.

Where transfer is possible, a pregnant employee has the right to transfer to other work in the company during pregnancy. In such temporary transfer, her wages will not be reduced. If temporary transfer to other work is impossible, the employee is nevertheless entitled to full pay from and including the 29th week of pregnancy.

18. NATIONAL SERVICE REFRESHER TRAINING

- 18.1 National service refresher training or compulsory service in the Home Guard and the Civil Defence during an employee's leisure period does not entail any wage reduction.
- 18.2 If any of the days mentioned in item 16.1 should fall within working hours, a pro rata share of the payment from the institution in question shall go the company.

19. WORKING CLOTHES AND PROTECTIVE EQUIPMENT

The employer shall provide necessary working equipment (boiler suit, working shoes or the like and, if required, thermal suit, winter boiler suit and rainwear) as well as protective equipment, hereunder personal protective equipment.

Working clothes and protective equipment handed out are the property of the company. When taking out a new set of working clothes or equipment, the worn set must be handed in.

Used protective equipment as mentioned above must be properly cleaned before being handed out.

The operator or the company will provide the employee with a survival suit during transport from the heliport to the installation, during his/her stay on the installation and during transport from the installation to the heliport.

The practical implementation of this provision shall be agreed locally.

20. REGULAR MEDICAL CHECK-UPS

With respect to regular medical check-ups, reference is made to the Regulations relating to health control of employees in the petroleum activities. The company covers the doctor's fees for approval and renewal of the health certificate. Any necessary, documented travel expenses to reach the nearest approved doctor will also be covered.

20 ACCIDENT INSURANCE

21.1 Satisfactory accident insurance shall be taken out for the employees, cf. Section 73 of Regulations to Act relating to petroleum activities of 27 June 1997 No 653. This scheme shall cover at a minimum:

- A. Insurance amount in case of invalidity: 40 x the National Insurance basic amount
- B. Insurance amount in case of death: 20 x the National Insurance basic amount.

21.2 Every employee shall have a locker at his disposal. If illness, transfer etc, should make it necessary to move belongings that are locked up, the company must provide safe storage.

Personal belongings lost or damaged due to incidents on board or during travelling to and from service will be compensated by up to NOK 6,350.

Liability may be reduced or may lapse subject to any fault or neglect on the part of the employee.

21 PAYMENTS TO DEPENDENTS

At the death of an employee who has been employed in the same company for at least 3 years, the company shall pay his/her spouse/cohabitant, children or other dependents, as specified in the Taxation Act, a sum totalling full pay for at least 2 months.

22 DETACHED DUTIES

No company can introduce detached duties as work scheme unless the premises for such work have been agreed locally.

23 SENIOR EMPLOYEES AND EMPLOYEES WITH IMPAIRED HEALTH

The parties agree at the association level to work for secure a personnel policy that will allow senior employees and employees with impaired health to continue working until they reach ordinary retirement age.

A condition for this, is that the parties in each company discuss the work situation for older employees and employees with impaired health. It should in particular be taken into account that heavy lifting, shifts, overtime, travelling and particularly dirty work may represent a strain that may be detrimental to these employees. For this reason, older employees and employees with impaired health should as far as possible, on the basis of a medical assessment and at his/her own request, be exempted from such work assignments.

Each employee and the company may enter into individual agreements for senior employees and employees with impaired health regarding responsibilities, rest periods, home/detached duties, part-time work etc.

For older employees and employees with impaired health, individual agreements may be set up between each employee and the company concerning work tasks, adapted training/updates within their own work area, breaks, home/remote office, part-time work / reduced working hours, etc.

24 IMMIGRANTS

The parties agree that work must be done both locally and centrally to ensure that immigrants will to a greater extent choose to work in the oil industry. The parties should therefore locally discuss company-related questions concerning recruitment of immigrants, such as for example practical arrangements and attitude issues.

25 COMPETENCY

The individual employee is entitled to have his or her real competency documented.

26 FLEXIBILITY

If the parties agree on this locally, company-adjusted trial arrangements may be implemented that go beyond the provisions of this agreement with regard to working hours and compensation for this. Such arrangements shall be submitted to the union and the national association for approval.

Average working hours may be calculated pursuant to the rules in section 10.5 of the Working Environment Act. The parties to the collective agreement may contribute to the establishment of such agreements.

Individual needs/wishes for different work schedules, leisure periods etc may exist. Such arrangements must be agreed with the person concerned or the shop stewards, for example in the form of calculating average working hours or a “time account” system. Agreements concluded with shop steward take priority over individual agreements.

27 JOINT DECLARATION ABOUT WAGE SYSTEMS

The organisations underline the importance of working actively for greater productivity and profitability at each company. This is necessary to strengthen the companies’ competitive ability and facilitate investments that will secure the companies in the long term.

The aim of the parties to this agreement is therefore that local wages should in the future be linked to demonstrable improvements in performance and/or results on the basis of a wage system developed in cooperation between company and employees.

New wage systems shall, during the present contract period, be forwarded to the central organisations for approval before being implemented.

28 ADJUSTMENT PROVISIONS FOR 2ND YEAR OF AGREEMENT

Prior to the end of the 1st year of the agreement, negotiations shall be initiated between LO and NHO, or a body designated by LO, regarding potential wage adjustments for the second year of the agreement. The parties agree that the negotiations shall be conducted on the basis of the financial situation when the negotiations are held and the prospects for the second year of the agreement, as well as price and wage developments in the first year of the agreement.

Amendments to the collective wage agreements for the second year of the agreement shall be considered by LO's General Council, or a body designated by LO, and NHO's Executive Council. If the parties do not agree, within 14 – fourteen – days after the negotiations are ended, the organization that has issued demands can terminate the respective collective wage agreements with 14 – fourteen – days' notice (however, no expiration before 1 June 2019).

29 DURATION

The agreement applies from 1 June 2018 to 31 May 2020, and then for one year at a time, if neither party gives the other party notice of termination, with two months' notice.

30 SCOPE OF THE AGREEMENT

This agreement comprises at present the following companies:

Operator companies:

Aker BP ASA
Eni Norge AS
Point Resources AS
Equinor ASA
ConocoPhillips Norge
A/S Norske Shell
Wintershall Norge AS

Catering employees in operator companies:

Equinor ASA
Wintershall Norge AS

PART III

1. The fire brigade supplement applying to Statoil on the Statfjord field shall be upheld.
2. Compensation to ALP personnel serving at buoy-moorings shall be upheld.
3. Compensation scheme for loss of health certificate

The compensation scheme for loss of health certificate as regulated in Part III of the shelf agreements 2000 – 2002 is omitted.

A compensation scheme will be established from 1 October 2002 by the unions that are parties to the shelf agreements.

The companies shall pay 11.5% of the Social Security basic amount (G) towards this scheme for all employees comprised by the shelf agreements.

The Norwegian Oil and Gas Association will participate in the steering group for this scheme.

Stavanger, ____

LO

NHO

Industri Energi

Norwegian Oil and Gas Association