

## Life-Saving Rules



# Agenda

- **Intro**
- **Life-Saving Rules**
- **Consequence Matrix**
- **Contractors & Life-Saving Rules**
- **Roll-out Plan**
- **Your Actions**

## **Expectations:**

- 1) Life-Saving Rules are understood**
- 2) Everyone knows what they have to do next and what their responsibilities are**



# HSE Performance to date

	2004	2005	2006	2007	2008	2009
<b>Total Fatalities</b>	14	12	11	12	21	3
PDO/Contr Work Related	1	1	5	2	7	1
PDO/Contr Non Work Related	7	1	5	6	14	2
Third Party (from WR incident)	6	10	1	4	0	0
<b>Total LTIs</b>	41	45	76	72	127	14
Industrial LTI's (Hand/Finger/Thumb)	15	13	36	31	28	6
Industrial LTI's (Others)	20	22	24	29	44	7
RTA - LTI's	6	10	16	12	55	1
<b>RTA's</b>	89	138	155	190	216	55
<b>RTA - Rollover</b>	21	45	54	71	63	11
<b>LTIF</b>	0.54	0.62	0.95	0.66	0.93	0.37
<b>TRCF</b>	2.94	3.05	4.03	3.81	2.97	2.02
<b>RTAF</b>	0.55	0.91	0.96	0.88	0.87	0.86
<b>Million man-hours</b>	75.8	73.0	80.2	109.3	137.1	38.1
<b>Million KM driven</b>	145.0	151.3	161.0	218.4	247.0	63.8
<b>NADs</b>	8	10	18	14	21	3



# Deteriorating HSE Performance

Non-Compliance

Road Safety Culture

Complacency

Mismanagement of HSE

Rule Breaking

- *Maximum exposure with Contractors*
- *98% of LTIs involve Contractors*

Outdated Procedures

Incompetence

- *100% Fatalities resulting from RTAs*
- *44% of LTIs are RTA related*
- *56% result from Worksite Hazards*
- *4 High Potential Process Safety Incidents*

Industry Pace

Inexperience

Lack of CEO accountability

Compromise

Sloppiness

Inefficient HSE Leadership



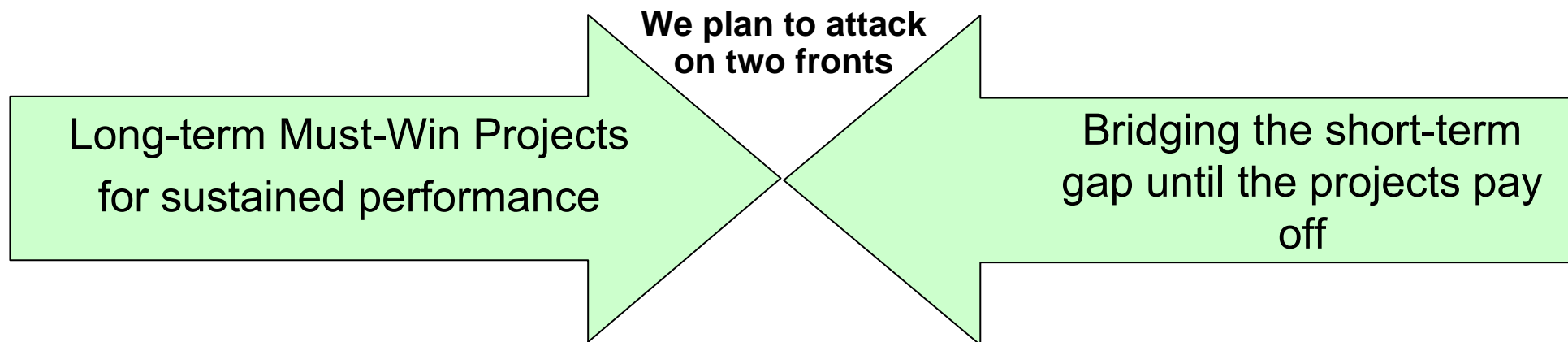
# WHAT IS THE PROBLEM IN PDO?



# The 2009 aim is to develop a sustained HSE performance

## Changing attitude and behaviors at all levels

- By doing the following:
  - Introducing technical solutions & systems
  - Addressing Hearts & Minds
  - And backed up by a permanent strong and consistent verification / policing effort



**Achieving this will impact 2009 and turn PDO into a top performer!**



# Long-term – must win - Projects Management Structure

Overall sponsor: **Martin Stäuble**

Corporate HSE: **Naaman al Naamani**

**WHM**

**CHM**

**RSM**

**PSM**

Champion	Eamon Gorman	Saif Al Hinai	Martin Stäuble	Suleiman Toby
PM:	Humaid Balushi	Hamad Khalfeen	Chris Evans	Coen Fossen
Projects:	<ul style="list-style-type: none"> <li>• Safety Training</li> <li>• JSA/TBT</li> </ul>	<ul style="list-style-type: none"> <li>• Contract Holders</li> <li>• Prequalification &amp; Banding</li> <li>• CEO Role</li> </ul>	<ul style="list-style-type: none"> <li>• Driver Training</li> <li>• Compliance</li> <li>• Hearts &amp; Minds</li> <li>• IVMS</li> </ul>	<ul style="list-style-type: none"> <li>• People &amp; systems</li> <li>• Technical Integrity</li> <li>• Operating Integrity</li> <li>• Design Integrity</li> </ul>

**Project Office: Graham Degens, Gregory Greenwell,**

**Purpose of the Project Office: Provide the glue between the Must Wins and Focus Areas to create & deliver a holistic/integrated PDO plan. Engage the organisation through communication, support change management, and ensure sustainability**

# Life-Saving Rules





# What Are They?

<p>Obtain a valid Permit to Work whenever required for the task at hand.</p>	<p>Verify isolation before work begins and use the specified life-protecting equipment.</p>	<p>Obtain authorization or a valid Permit to Work before overriding or disabling safety-critical equipment.</p>	<p>Do not walk under a suspended load.</p>	<p>Follow the prescribed Safe Journey Management Plan.</p>	<p>While driving, do not use a mobile phone and do not exceed speed limits.</p>
<p>1</p> 	<p>3</p> 	<p>5</p> 	<p>7</p> 	<p>9</p> 	<p>11</p> 
<p>2</p> 	<p>4</p> 	<p>6</p> 	<p>8</p> 	<p>10</p> 	<p>12</p> 
<p>Conduct gas tests whenever required.</p>	<p>Obtain authorization or a valid Permit to Work before entering a confined space.</p>	<p>Use specified fall-prevention equipment when working at height.</p>	<p>Do not light up cigarettes, cigars or pipes in no-smoking areas.</p>	<p>Wear seat belts when in a moving vehicle.</p>	<p>Do not drive or work under the effect of drugs or alcohol.</p>



# No Surprises ...

- They are not new rules
- They are already covered by existing standards and procedures

## **So why treat them differently?**

- Violations of the Life-Saving Rules contributed to a very large proportion fatalities in the industry (e.g. >50% of all Shell fatalities)
- They thus cover the activities that we know have the highest potential for fatal injury.



# Examples of what happened in 2008 when they were broken

No valid  
Permit to Work



**LTI  
97**

No seat belts worn



**LTI  
76  
(fatality)**

Failure to follow Safe  
Journey Management  
Plan



**LTI  
24-26**



# Examples of what is still happening

Workers entered confined space without Permit to Work and without a gas test being conducted

▶ **Near Miss on 1 February 2009 at Hoist 20**

Incorrect fall-prevention equipment used when working at height.

▶ **Near Miss on 23 February 2009 at Rig 52**

No verification of isolation before work begins

▶ **Near Miss on 25 February 2009 at Harweel Main Production Station**

Safety equipment overridden without Permit to Work

▶ **Near Miss on 5 March 2009 at Hoist 21**



# Obtain a valid Permit to Work whenever required for the task at hand



- PtW Applicant must visit the worksite when planning the task.
- The PtW Approver must also visit the worksite, when required by the PtW procedure.
- An effective, documented toolbox talk is needed to ensure that all PtW conditions are well understood by the work team.
- Proper controls and procedures must be followed.
- Through site visits, supervisors and department heads shall verify PtW is adhered to and Job Safety Plans are being followed.



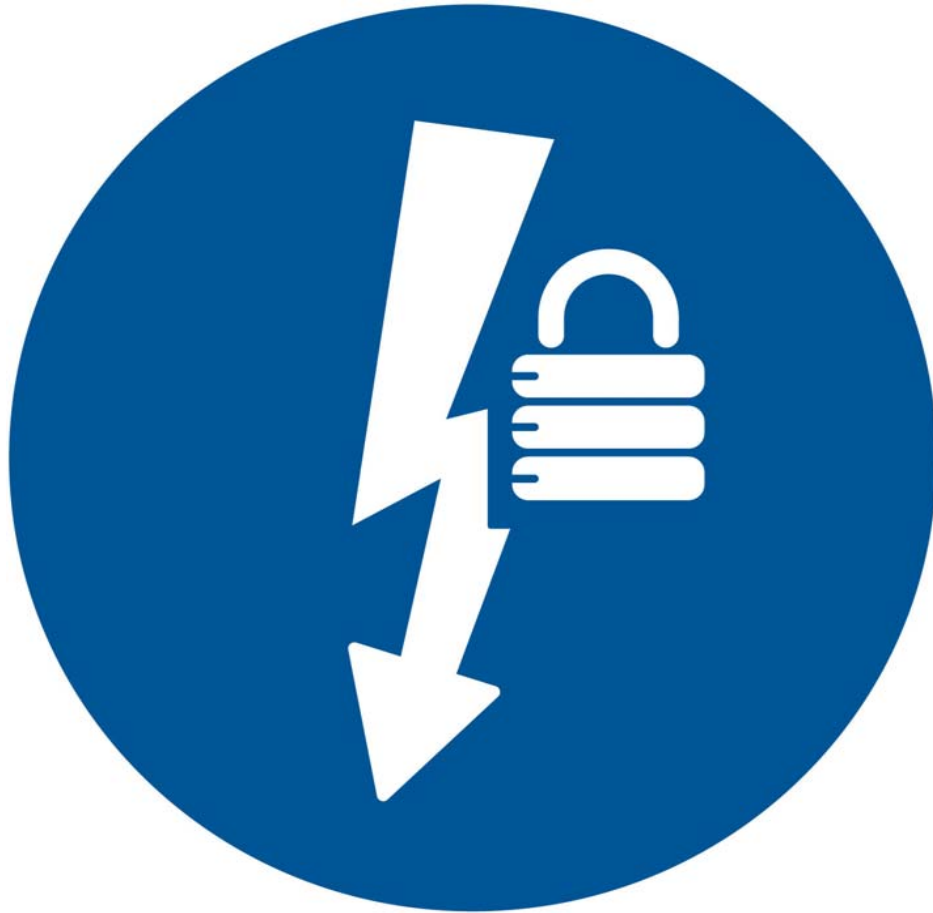
# Conduct gas tests whenever required



- When gas testing is required by the PtW, the Area Authority shall ensure that the appropriate test (for oxygen, hydrocarbons or toxics) is carried out by an Authorised Gas Tester at the frequency specified on the PtW.
- The test results must be accepted by Permit Holder before work commences.



# Verify isolation before work begins and use the specified life-protecting equipment



- Area Authority shall verify that all locks, disabling devices and isolation tags are in place, as specified on the PtW and Isolation Certificate (Mechanical/Electrical).
- Area Authority shall update the isolation/override registers.
- Marked-up drawings and sketches showing the isolation arrangement must be available at the work site with the PtW.
- The Area Authority will verify the reinstatement of systems and update the isolation/override registers on completion of all works.



# Obtain authorization or a valid Permit to Work before entering a confined space



- No one shall enter a confined space without a valid PtW and a Confined Space Entry Certificate.
- When gas testing is required by the PtW, the Area Authority shall ensure that the appropriate test (for oxygen, hydrocarbons or toxics) is carried out by an Authorised Gas Tester and that the results are accepted by the Permit Holder before and during the confined-space work.
- Supervisors will ensure a 'Standby Watch' or 'Standby Person' is posted and monitors the confined-space work.





# Obtain authorization or a valid Permit to Work before overriding or disabling safety-critical equipment.



- Instrument Technician or Area Authority shall ensure the Overriding Request Form is completed and authorised before any overrides are put in place.
- Safety System Overrides must be clearly labelled, communicated and registered.
- Instrument Technician shall verify the removal of overrides, normalisation of the systems and close out the Overriding Request Form on completion of all works.
- The Area Authority shall close out the PtW and verify all isolations and overrides are removed.



# Use specified fall-prevention equipment when working at height



- Supervisors shall ensure work at height is safe.
- All persons working above 2 metres will use a safety harness, unless working on a flatbed trailer.
- Supervisors are responsible for 100% tie-off compliance.
- Supervisors shall ensure fixed barriers are placed around openings where a potential fall is more than 2 meters.
- Supervisor shall ensure that scaffolding is certified prior to any worker working on it.



# Do not walk under a suspended load



- Every “routine” lift must have a generic lifting plan.
- Every “non-routine” lift must have specific lifting plan.
- Person In Charge shall ensure lift area is cordoned off during the lifting operations.
- No one should ever be under any working crane or suspended load.



# Do not light up cigarettes, cigars or pipes in no-smoking areas



- Zero tolerance for smoking outside designated area.



# Follow the prescribed safe Journey Management Plan



- Drivers will not commence a journey without a Journey Management Plan (JMP) where required and will follow the approved JMP.
- Journey Manager will ensure drivers are aware of the JMP requirements and verify compliance before authorizing the journey.
- Vehicles must meet the JMP requirements, and drivers must inspect the vehicles prior to departure.



# Wear seat belts when in a moving vehicle



- Vehicle occupants shall never be in a moving vehicle without wearing a seatbelt.
- Drivers will never drive without first ensuring that all vehicle occupants are wearing seat belts.



# While driving, do not use a mobile phone and do not exceed speed limits



- While driving, no one shall use mobile phones, including hands-free/blue tooth GSM or two-way radio.
- Drivers shall never exceed posted speed limits.
- Drivers shall never overtake in a dust cloud nor tamper with a vehicle's safety devices.



# Do not drive or work under the effect of drugs or alcohol



- No person will report for work or be at work under the influence of alcohol or drugs.





# **Life-Saving Rules**

## **The Consequence Matrix**



# What are the Consequences of Rule-Breaking for PDO Staff?



A Life Saving Rule is broken for the first time	<b>First Warning Letter</b> <i>Low Potential Impact</i>	<b>Final Warning Letter</b>	<b>Dismissal</b>
	<b>Final Warning Letter</b> <i>High Potential Impact</i>		
Second time Rule Breaking or if several Rules are broken at the same time	<b>Final Warning Letter</b>	<b>Dismissal</b>	
Third time rule breaking, or rule breaking caused injury or death or done recklessly or wilfully	<b>Dismissal</b>		



The Company reserves the right to take circumstances of the rule breaking into account to increase or decrease the disciplinary measure(s). The breaking of a Life-Saving Rule is considered a Major Misconduct, and the HR disciplinary process as defined in the Employee Policy Manual will be used to administer this consequence matrix. ROP speed and alcohol thresholds will be used. Other existing rules and procedures remain valid.

# The Fine Print

- The Company reserves the right to take circumstances of the rule breaking into account to modify the disciplinary measures.
- The Breaking of a Life-Saving Rule is considered a Major Misconduct, and the HR disciplinary process as defined in the Employee Policy Manual will be used to administer this consequence matrix.
- ROP speed and alcohol thresholds will be used.
- Other existing rules and procedures remain valid.



# The PDO Consequence Management Process

## Ownership: Life-Saving Rules (LSR) Scheme is owned by MSEM

- Consequence management process owned by HR through Policy manual

1. The breaking of a rule is considered a major misconduct, as defined in the HR policy.
2. Issuing a warning letter follows standard HR procedures as outlined in the Policy.
3. If the investigation show that a dismissal is possible, a formal Disciplinary Panel, following standard HR procedures is convened.
4. As part of the LSR roll-out, HRO will update the section [1.5 \(Discipline\) of the Employee Policy Manual](#)



# What are the Consequences of Rule-Breaking for Contractor Staff?

- We expect the contractor to investigate why a rule was broken **and** feed back the investigation's conclusions to the CH
- Contractor staff who are caught **breaking the rules** can be removed from the site and will not be allowed to work on any PDO activities.
- Standard contractual clauses allows for such suspensions.
- Contractors are responsible for dealing with their rule-breakers.
- Contractors will need to demonstrate to PDO that they indeed have an effective and verifiable process for dealing with rule-breakers.

LOA includes e.g. & Pre-qualification & Life Saving Rules



# Roll-out Plans

**21 April**

Management Circular to all staff

**22 April**

Letter to all contractors

**25 April**

“Town Hall” meeting for Contract Holders

**26 April – 3 June**

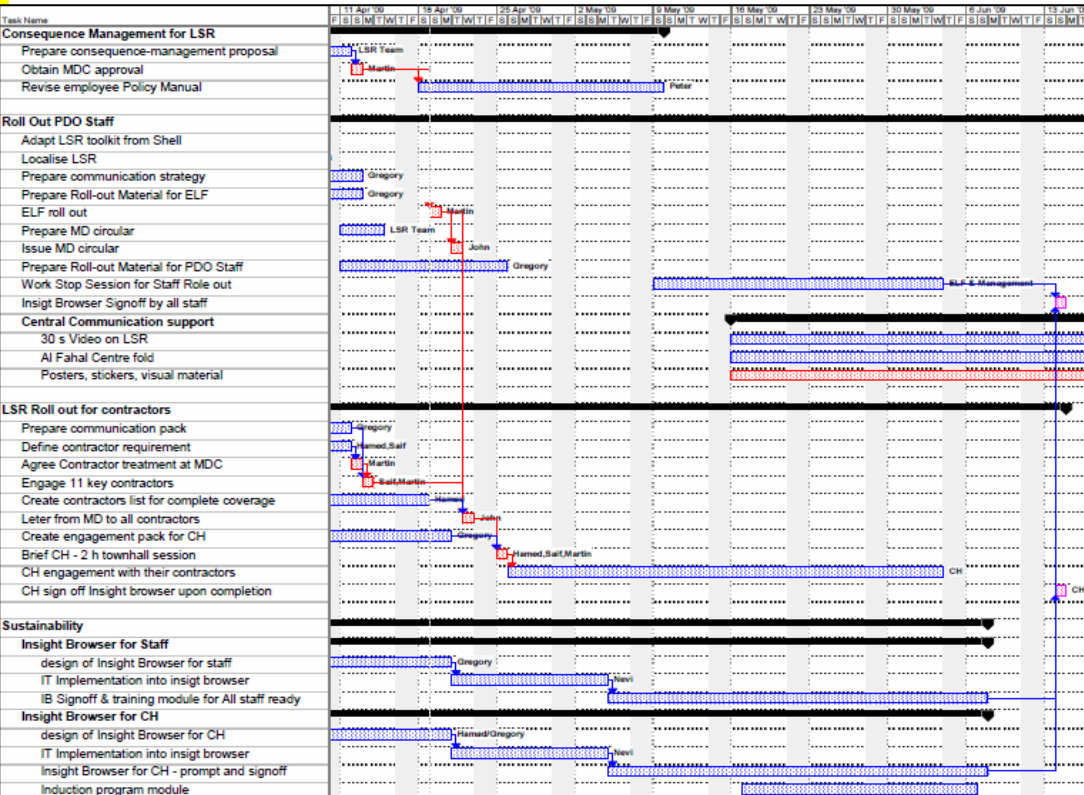
Contract Holder engagement with contractors

**9 May – 3 June**

Stop-work sessions with slides to be made accessible through intranet

**14 June – 1 July**

Insight Browser to confirm understanding & commitment of all staff



# Your Actions

- You will lead a two-hour stop-work sessions to discuss the Life-Saving Rules with your direct reports, starting off a cascade of such sessions between 9 May and 3 June
- You will ensure that the Life-Saving Rules cascade has been completed down the line (also in the interior for both shifts) by 3 June
- You will be responsible for coaching your staff through the Insight Browser declaration of understanding and commitment beginning 14 June
- Support your Contract Holders & CSRs in the LSR Roll-out amongst contractors.
- **Live the Life-Saving Rules**  
Set an example from now on: show how you fully comply with them and intervene with respect wherever you see potential for them being broken



**Good Luck**

