

No excuses for not reporting HSE incidents

PDO is continually striving to achieve Goal Zero, 'No harm to people and no damage to the environment'. We have not yet achieved this and are still on the improvement journey and as such we still suffer casualties and losses from incidents.

To achieve our goal it is imperative that we eradicate our repeat incidents, and to do this we need to learn from the incidents we suffer and implement actions to ensure they never happen again to anyone else in the future.

If, however, incidents are hidden and not reported then the lessons from the incidents and investigations are lost we risk repeating the same mistakes. We are also breaking the law.

As such, PDO has added specific penalties to contracts to discourage anyone from not reporting incidents and injuries. These become effective in all contracts on the **9th December 2015** and are outlined below:

Penalty for non-reporting of Total Recordable Cases *

1.0 PDO

If a member of PDO staff deliberately does not report a total recordable case then the Company disciplinary process shall be followed.

2.0 PDO Contractor: Head office involved

Based on PDO investigation, if the Contractor management head office knew of the incident but did not report then the following will apply:

First offence:

- Apply HSE default for everyday; starting from the day that incident happened until it was discovered to a maximum of US\$15000 and remove the Contract Manager from PDO operations.

Second offence:

- Apply HSE default for everyday; starting from the day that incident happened until it was discovered to a maximum of US\$50,000.
- Apply US\$ 100,000 or 1% of contract value Penalty, whichever is less.
- Remove Contract Manager, Operation Manager & HSE Manager from PDO operations.
- Work stoppage for 2 days and top management visit the site to address and rectify the breach.
- 1 year suspension for bidding for any future contracts.

Third offence:

- Terminate contract and 1 year suspension for bidding any future contracts.

3.0 PDO Contractor: Head office not involved

Based on PDO investigation, if the head office did not know but the contractor site management did know and did not report then the following will apply:

First offence:

Apply HSE default for everyday; starting from the day that incident happened until it was discovered to a maximum of US \$15000 and remove site manager from PDO operations.

Second offence:

- Apply HSE default for everyday; starting from the day that incident happened until it was discovered to a maximum of US\$50,000.
- Apply US\$ 50,000 or 0.5% of contract value Penalty, whichever is less.
- Work stoppage for 1 day and top mgt. visit the site to address and rectify the breach.
- Remove contract manager from PDO operations.
- 6 months suspension for bidding for any future contracts.

Third offence:

- Terminate contract and 1 year suspension for bidding any future contracts.

*Total Recordable Cases are injuries resulting in fatalities, permanent total disabilities, permanent partial disabilities, lost workday cases, restricted work cases and medical treatment cases.

Regards,

Mohamed Salmani
MSEM