

# ALE Global Health, Safety, Quality and Environmental Report for the year ended 31st December 2015.

ALE



SMARTER, SAFER, STRONGER



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**Date:** 31st December 2015

**Distribution:** Board of Directors  
All ALE Regional HSQE Managers/Advisors  
External stakeholders

This report covers the period from 1st January 2015 to 31st December 2015 and utilises data from ALE's global sites and includes contractor performance data where appropriate.

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## Executive Summary

Welcome to ALE's annual HSQE Performance Report for 2015. The report provides a wide range of HSQE-related information for all stakeholders. Our overarching aim is to reduce business risk as far as reasonably practicable. Our HSQE performance is a cornerstone to help manage and mitigate some of these risks.

The information contained in the report is also of use and interest to others, such as those public bodies that are involved in our industry's funding and regulation, as well as those who engage in or who are employed in the heavy lift and transport industry. We would like to highlight a few important changes to the report this year.

Firstly, the reporting scope has been modified to include High Potential incidents (HiPo) during ALE operations. These have been reported into ALE's HSQE data management system, Synergi Life, since 1st January 2015. While in some regions there are no mandatory requirements to report certain HiPo events, we strive to do more than just fulfil our mandatory obligations. We go the extra mile by investing in the recording and analysing of our HiPo events on a voluntary basis.

We have also changed the structure of the report so that the HSQE analysis sections are separated into leading and lagging statistics. The reader can now break down the global trends into the specific indicators, making the report more useful for those managing these

areas of risk. To ensure the report shows high-level trends, i.e. overall risk to all stakeholders, the report will still include this level of analysis. We hope that you find the changes beneficial, and would welcome any feedback that you have.

HSQE news for 2015:

- ALE hosted the very successful international HSQE forum in February 2015
- ALE has delivered another growth year with 1,700 employees and over 4 million man hours
- ALE achieved OHSAS 18001:2007 certification at the head office in Hixon
- Relevant equipment damage costs for the year had reduced by 50% from 2014
- Recording of HSQE observations in the workplace had increased by 40% from 2014
- ALE won the prestigious 'Ground Hero Zero' safety award from Shell for the Malikai project
- Customer satisfaction levels have increased 10 per cent since 2014
- ALE's Crisis Management Framework has been embedded





## Message from the Global Managing Director



"We will not accept that incidents are inevitable in our industry, therefore we will always invest in preventing them. By capturing, and analysing our leading and lagging indicators we have seen that we are able to target areas of concern in a strategic and affective manner. I feel that our HSQE culture has matured over the last 12 months which is a very positive indicator for 2016. We will invest time and money to ensure we investigate, not only our incidents, but also events in industry, in order to learn from them."

## Introduction

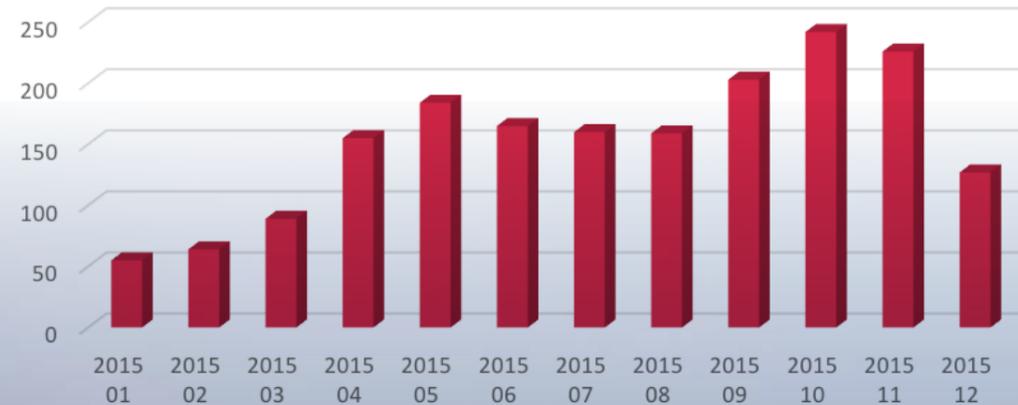
ALE understands that Health, Safety, Quality and Environmental Management is a fundamental foundation of a successful and sustainable business. Managing risk is given the utmost importance and we take pride in our integrated approach to achieving industry leading standards. We know that managing risks to people, environments and assets is as core to our business performance as our service delivery. Our passion is driven by our mind-set of zero harm to people, to have zero incidents and to have zero impact on the environment. HSQE is at the heart of ensuring we exceed the expectations of all our stakeholders.

This year has seen more than a 15 per cent increase in the number of people employed in the ALE group with a corresponding increase in the number of worksite exposure hours as well as assets. Improving HSQE performance in this dynamic and fluid environment has been achieved by creating a maturing culture, where HSQE is seen as an enabler of successful business. Our approach to HSQE is proactive and this year we have placed even more emphasis on HSQE Observation reporting which is providing us with mature and transparent leading indicators. These are creating momentum towards maintaining a mature and self-reinforcing safety culture within ALE.

## Highlights

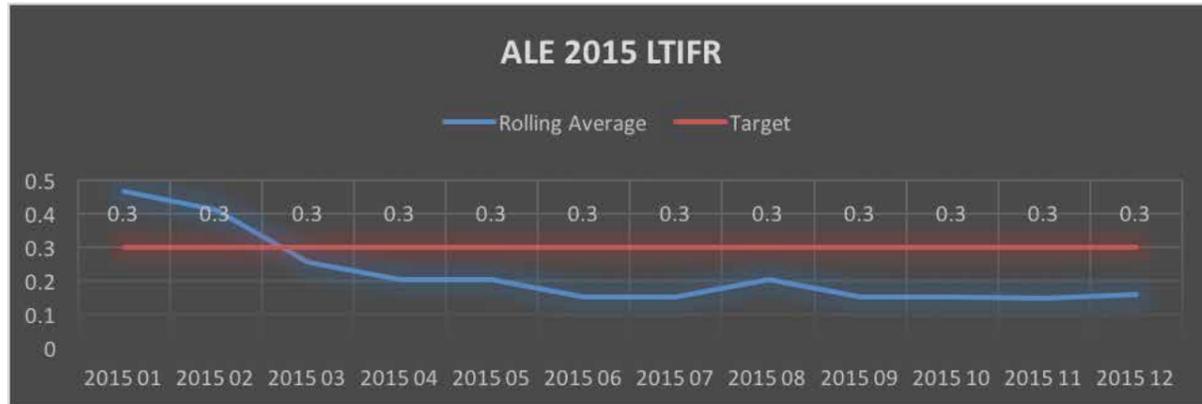
- In February 2015 ALE hosted the very successful international HSQE forum. This forum was held over three days and included the attendance of the Global Managing Director. During these three days each region presented past and future risk mitigation strategies as well as contributing to the group targets and objectives for HSQE. The forum also gave rise to many new HSQE initiatives targeted towards the reduction of incidents
- In May 2015 ALE achieved OHSAS 18001:2007 certification at the Hixon branch, UK. This was a great achievement and affirms the reality that we mitigate and manage risk to as low as reasonable practicable. This certification is also present in the other key operating regions with the target for 2016 to achieve all three ISO certifications at every regional hub
- In 2015, ALE has seen equipment damage costs reduced by 40 per cent from 2014. This is a fantastic result and proves the changing and maturing cultures we are seeing of safe behaviours in the work place
- ALE has a strong belief that employees who are aware of their workplace as well as any safe or unsafe acts and conditions will enable safer and more productive operations. We have seen a great improvement in the recording of HSQE Observations in the workplace, these have increased by 40 per cent from 2014

HSQE Observations 2015

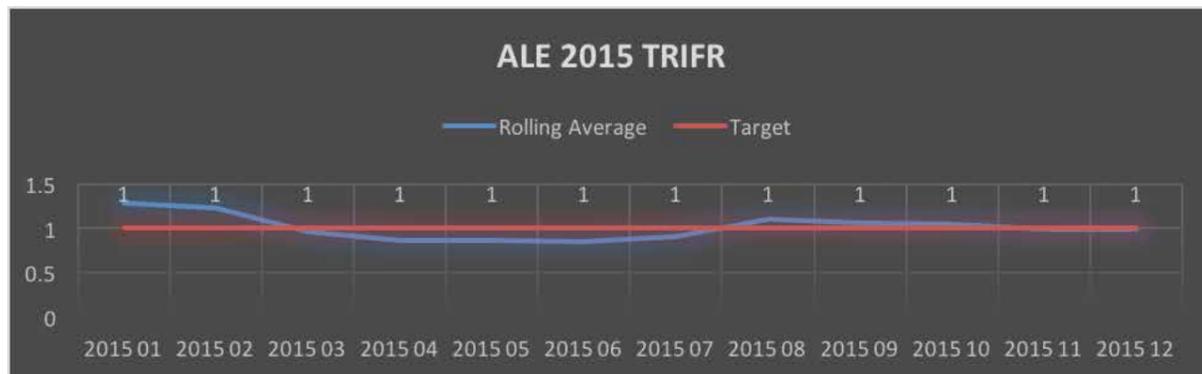


## Performance

The key performance indicators we focus on are **Lost Time Incident Rate (LTIR)** and **Total Recordable Incident Rate (TRIR)**. There were no fatalities during the year, however, we did have three Lost Time Incidents (LTI's) and 20 Recordable Incidents (RI's) which is made up of three LTI's, six Restricted Work Cases (RWC) and 11 Medical Treatment Cases (MTC).



Despite this, we have improved the management of injuries and have achieved the reductions set from 2014. The LTIR rate for 2015 was 0.16 (2014-0.45) and the TRIR was 0.9 (2014-1.3). (See Appendix).



## Targets and Objectives

Our targets for 2016 include a reduction in the LTIR by 5 per cent and TRIR by 10 per cent. We believe this is achievable given the momentum gained in 2015 and the investment made in proactive strategic HSQE management. The trend in the recording and sharing of leading indicators give us great confidence that our culture will continue to mature in 2016. In addition to these two principle targets we have a set of targets and objectives which are agreed by the Board of Directors and are reported on a monthly basis to them. This set of targets and objectives is cascaded down to regional level where specific local targets and performance indicators are set in line with the global targets and monitored.

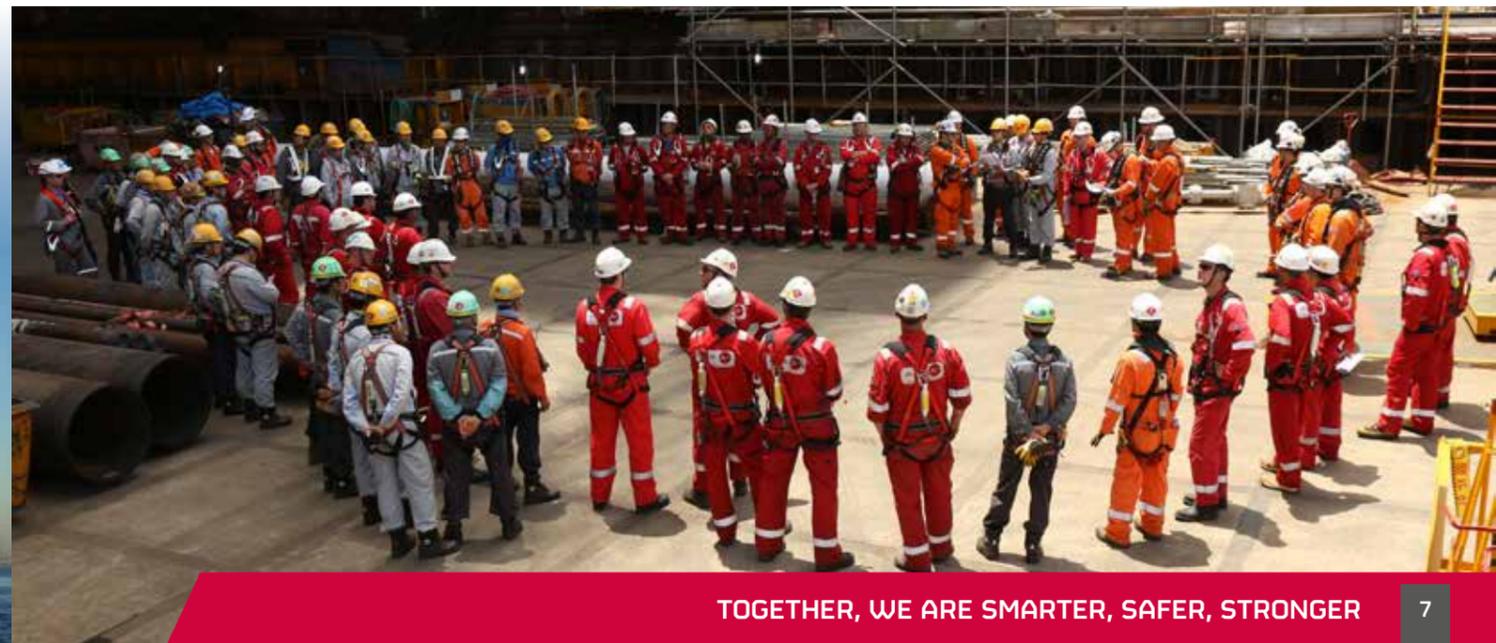
The ALE group is organised in geographic regions, with each region having its own regional management team. The Regional Directors together with the regional HSQE Managers plan on how the targets and objectives shall be met. These are documented in separate annual regional plans for Health, Safety, Quality and Environment.

We have set these other targets and objectives to facilitate continual improvements in HSQE in 2016:

- Improved use across the group of HSQE data reporting via the newly acquired **Synergi Life system** in order to improve and augment the existing HSQE and reporting systems
- Strengthen the **environmental management** aspect of the IMS with internal and external assurance activities that support it
- Utilise a **standard investigation tool** for incident investigations in order to extract the most value out of these activities and **benefit from lessons learnt**
- Embed the updated **Cofano Model** in each region and audit against the content
- Strengthen the existing **internal audit** framework to focus on the operational controls and their implementation

These targets and objectives will be reviewed on a regular basis taking into account

- Current trend in ALE global HSQE performance
- Changes to any legal, government or stakeholder requirements
- Market conditions and clients' needs
- Improvements in technological options for mitigation of HSQE impacts
- Financial, operational and strategic business requirements relating to ALE's activities





## Conclusion

Throughout 2015 we have gradually seen a maturity in the reporting of leading and lagging indicators as well as the investigating of incidents. We have seen a positive cultural shift towards proactive HSQE management and the connection between safe behaviour and safe operations. We must now capitalise on the great achievements in 2015 by focusing on the controls we have in place at the operational level throughout 2016.



## Appendix

### ALE-IMS-01-HSQE-GUI-001

### ALE 2016 HSQE TARGETS AND OBJECTIVES

#### Purpose

ALE will set the international industry standard for the protection of its people, environments and assets globally. To that end, ALE has agreed and established relative targets and objectives in accordance with the ALE Core Values and HSQE Policies.

The targets and objectives have been established for 2016 and continue to be reviewed annually in the light of the following considerations:

- Current trend in ALE Global HSQE performance
- Any legal, central Government and appropriate stakeholder requirements
- An ongoing review of the significant HSQE aspects
- Current technological options for mitigation of HSQE impacts
- Financial, operational and strategic business requirements relating to ALE

#### Scope

As part of establishing the targets and objectives, it is essential that they are congruent with the ALE HSQE Policies and Vision. As a leading provider of comprehensive engineering, heavy lift and haulage support for the world's diverse industries, ALE is committed to improving its HSQE performance and able to express a wider commitment to Corporate Social Sustainability globally.

ALE recognises the increasing diversity within the Industry Risk Profile and that it will bring new challenges in the future. ALE will develop and implement strategies and plans to mitigate and manage these risks to a level that is as low as reasonably practical. ALE will also encourage our suppliers and sub-contractors to do the same.

ALE senior leadership teams acknowledge their responsibilities in delivering these commitments and recognise the importance of engaging all staff and contractors in its implementation.

The ALE Quality Management System shall contain HSQE performance objectives, standards and measurement criteria. These will be relevant to the current market conditions and trend in legislative changes. The targets and objectives are also focused on maintaining the global ISO certification portfolio for OHSAS 18001, ISO 9001 and 14001.



	Objective	Key Performance Indicator	TARGET	2015	2016	Person Responsible	Due Date
1	To protect and preserve the safety of our people, environment and assets	Lost Time Incidents (3) * 200000 Total hours worked	To reduce the Lost Time Incident Rate by 5% from the year 2015	0.17	0.16	Global MD Global HSQE Manager	31/12/16
		20% increase of HSQE Observations submitted by employees from 2015	1800 PA	1.1 PP	1.3 PP	Regional Directors Regional HSQE Managers	
		Recordable Incidents (20) * 200,000 Total hours worked	To reduce the Total Recordable Incident Rate by 10% from the year 2015	0.98	0.88	Global MD Global HSQE Manager	
		To implement OHSAS 18001 certification in ALE regional hubs	All regional locations certified to OHSAS 18001	50%	100%	Global HSQE Manager	
2	To deliver a measurable quality service to internal and external customers	Commit to a 20% reduction in annual at fault equipment damage cost from 2015	To achieve a reduction of annual cost to below	€450K	€400K	Global MD Regional Directors Global HSQE Manager	31/12/16
		Sum of all % scores received *100 Total number of scores received	85% average customer satisfaction feedback rating over year 2016	84%	85%	Regional Directors Regional HSQE Managers	
		To have a minimum reply rate from clients of 80%	Ensure that a 100% of all jobs completed (>10K Euro) have a CSS sent to the external clients	50%	100%	Regional Directors	
		Total number of Global Process audits conducted per year	48 priority risk ranked	53	48	Global HSQE Manager	
		Total number of regional GM/Director audits conducted per year	12 priority risk ranked	9	12	Regional Directors	
		Ensure that 100% of main regional hubs have the ISO 9001 certification	All Regional locations certified to ISO 9001	90%	100%	Regional Directors	
		Ensure group SSOT competency coverage is maintained	Level required is 90%	86%	90%	Regional Directors	
		Ensure that all employees form part of the performance approval process	Level required is 1 green red process per person per annum	20%	100%	Regional Directors	

	Objective	Key Performance Indicator	TARGET	2015	2016	Person Responsible	Due Date
3	To protect and preserve the environment that ALE operate in	Do develop a 'Go Green' procurement and operational strategy	Follow best practice in line with emission standards and directives by practically monitoring relevant emissions	As per local directives		Global MD Global HSQE Manager	31/12/16
		Reduce the amount of waste into the environment	Purchase of more recycled products in terms of chemicals or paper and other consumables as well as ensuring we recycle our waste where practical	Log via audit		Global MD Global HSQE Manager	
		Monitor and reduce where possible hazardous waste streams	Reduction of hazardous waste streams that we have oils or paints	Log via audit		Global MD Global HSQE Manager	
		Reduce the amount of spills that occur by 10%	Basic reduction in spill incidents (2015 was 102) through appropriate maintenance programs	102	92	Global MD Global HSQE Manager	
4	To protect and preserve the security of our people, environments and assets	All travel to high risk countries to be risk assessed	100% travel briefs to be sent to the traveller prior to travel to high risk areas	50%	100%	Regional Directors Regional HSQE managers	31/12/16
		To ensure that ALE business continuation is implemented and affective	Crisis management framework tested once per annum	Booked for 21/1/16	N/A	Global MD	

# WORLDWIDE HEAVY TRANSPORTATION AND LIFTING

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