

 SAFETY

 HEALTH

 ENVIRONMENT

MANAGEMENT

A SHE management approach founded on zero harm, no repeats, and strict rules and standards.

TOOLKIT

 **SCAW METALS
GROUP**

A toolkit to empower managers to lead the business to Zero Harm.
At Scaw, safety is number one.



WELCOME TO THE SCAW METALS GROUP

SHE MANAGEMENT TOOLKIT

Scaw has invested in programmes that will enable the group to improve its safety record en route to zero injuries. In your capacity as manager, you are relied on to make sure that everyone within the group will live this responsibility so that the goal of zero injuries is achieved. The goal of Scaw Metals Group is to become the safest steel production and processing operation in the world. Apply this toolkit and you will help to realise Scaw's goal.

Remember - Safety IS Number One!

INDEX

A. GROUP SHE POLICY	3
B. SCAW VISION FOR SHE	4
C. PRINCIPLES	4
D. GOLDEN SAFETY RULES	5
E. DUTIES OF THE CEO, MANAGERS, FOREMEN, SUPERVISORS AND EMPLOYEES	6
F. LINES OF RESPONSIBILITY AND REPORTING	7
G. SHE MANAGEMENT SYSTEM	8
H. SHE IMPROVEMENT PLANS	16
I. GROUP AUDIT REVIEW AND PROTOCOL	19



A toolkit to empower managers to lead the business to Zero Harm.



A. GROUP SHE POLICY

The Scaw Metals Group (“the Group”) is an international group manufacturing a diverse range of steel and fibre products, as specified in each operation’s Safety, Health and Environmental (SHE) Management System Manual. The main product lines are: rolled steel, wire rope and strand, fibre products, wire products, chain, forged steel and cast alloy grinding media, and cast steel and alloy iron foundry products.

AIMS AND BELIEFS

The Group believes that safety incidents, occupational illnesses and diseases as well as environmental impacts are preventable through the implementation of safety, health and environmental systems, which facilitates compliance with applicable legislation and which acknowledges the importance of employee behaviour.

The Group believes that safety, health and environmental responsibilities are integral to the way the Group conducts its business.

The Group aims to promote these beliefs in all areas of its operations.

COMMITMENT

The Group is committed to:

- Establishing and maintaining an effective safety, health and environmental management system based on reasonable risk and impact management principles and structures:
 - That complies, as a minimum, with applicable occupational safety, health and environmental legislation;
 - That complies, as a minimum, with specific safety, health and environmental (“SHE”) objectives and targets as set by the Group from time to time;
 - That strives to be consistent with internationally recognised standards and best practice.
- Establishing and maintaining a communication structure and system which regularly informs and engages with relevant stakeholders;
- Establishing and maintaining a SHE programme which promotes and strives:
 - to maintain an acceptable degree of wellbeing of all employees and of people affected by the Group’s activities;
 - to achieve an acceptable level of performance in all facets of safety of employees and of people affected by the Group’s activities;
 - to share responsibility and promote stakeholder awareness of the Group’s performance with regard to the environment, prevention of pollution, and sustainable use of natural resources,

including through the efficient use of water and energy and effective waste management;

- Providing the appropriate resources, training and communication to facilitate greater awareness, competence and responsibility;
- Applying the principle of continual improvement to SHE management and performance;
- Identifying, evaluating and prioritising the SHE hazards and risks, and setting objectives and targets and the implementation of action plans to reduce and manage these;
- Identifying and implementing appropriate control measures to reduce, control, and prevent injuries, occupational diseases, and environmental impacts;
- Developing, implementing and maintaining emergency contingency and response plans;
- Evaluating, monitoring, and reviewing performance of the SHE management system and achievement of targets and objectives through internal and external audits and assessments;
- Reviewing the SHE policy at appropriate intervals.
- Making the policy available to the public.

RESPONSIBILITY AND ACCOUNTABILITY

- The Group acknowledges that line management are accountable for and committed to operating efficient management systems and employing measures to prevent, control, minimise or eliminate SHE hazards and risks;
- Each employee is responsible for their own health and safety and that of fellow employees, and non-employees who may be affected by the Group’s activities.

Revision 8 November 2012

Chief Executive Officer
Scaw Metals Group



B. SCAW'S VISION FOR SHE

Our group's aims for the next three years are to create an interdependent culture where all of our employees believe that all injuries and SHE related incidents are preventable and that all jobs can be done safely and without polluting the environment.

We strive for a compliant culture where all employees at all levels ensure that Scaw's standards are complied with, and non-compliance is dealt with responsibly.

The Scaw vision for SHE will be translated into a strategic plan, which will be updated as required. This will be available from the Group SHE department or your manager.



C. PRINCIPLES

The corporate principles governing the group's approach to SHE management are reflected in the following:

Zero mindset: A belief and an acceptance of the responsibility that all injuries and occupational illnesses are preventable.

No repeats: All incidents will be investigated to determine the root causes and the necessary steps implemented to prevent recurrences.

Strict rules and standards: Adopting common rules and standards across the group to ensure that minimum standards are maintained.



D. GOLDEN SAFETY RULES

The Scaw Metals Group SHE management approach is founded on Zero Harm, no repeats, and strict rules and standards. This is an approach to safety that insists on an absolute adherence to Scaw's SHE policies, standards and procedures at all times; it is an approach that is intolerant of unsafe acts and/or conditions. The Golden Rules are the 10 most critical safety rules.

1. Safety fundamentals

Do not carry out a task unless you are trained and authorised to do it. Make sure that you assess the risks involved and guard against them. Always wear the correct personal protective equipment (PPE) and obtain a permit where required. Intoxication (abuse of alcohol and/or drugs) will not be tolerated.



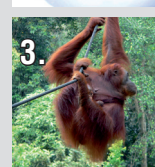
2. Confined spaces

Never enter a confined space without understanding and following the procedure. The procedure includes obtaining a permit authorised by a competent person.



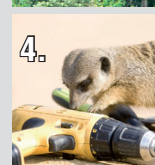
3. Working at heights

Never work at heights without following the standards and procedures. Always ensure that fall prevention and protection equipment are in place. Barricade the area beneath you.



4. Energy and machinery isolation

Never work on plant or equipment that has not been electrically and mechanically isolated. Always follow the lock-out and isolation procedures.



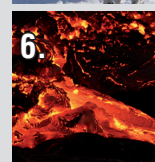
5. Operation of vehicles

Drivers must be authorised and licensed to operate a vehicle in accordance with the current legislation and site-specific traffic rules and procedures. The maximum speed limit of 20km/hr (or as specified) must be adhered to at all times when driving.



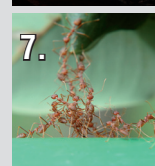
6. Molten metal and hazardous substances

Appropriate safety equipment and PPE must be used when working with or near molten metal and hazardous substances. Be aware of the risks associated with these substances and adhere to the safe working procedures at all times.



7. Lifting and mechanical handling

Make sure that the lifting device is capable of lifting the load. Never allow anyone to be in the drop zone of the load. Operators and slingers must be licensed and must adhere to the safe working procedures.



8. Safety devices

Tampering with, making safety devices inoperable and not using the recognised and correct safety devices are offences that will lead to disciplinary action.



9. Dams and water storage

All dams and water storage areas must be enclosed and locked at all times where practicable. Do not work around water if you cannot swim. Always wear a personal flotation device and never work alone.



10. Stockpile management

Do not enter restricted stockpile areas without permission. Always stand clear of mobile equipment and maintain stockpiles at a safe angle.





E. DUTIES OF THE CEO, MANAGERS, FOREMEN, SUPERVISORS AND EMPLOYEES

Our Chief Executive Officer (CEO) has the overall responsibility for the health and safety of everyone who works for our group, as well as the protection of the environment in which we operate. This responsibility applies to permanent, temporary and contracted employees. In order to comply with these legal obligations, the CEO has delegated these duties to some managers who report to him and are directed and controlled by him.

Managers, foremen and supervisors have specific health and safety duties assigned to them in terms of the Occupational Health and Safety Act of 1993 and the Scaw Health and Safety System. To achieve this, managers need to:

- Identify the health and safety hazards and environmental aspects associated with all activities performed within the group.
- Eliminate or mitigate all risks to people's health, safety and the environment that relate to production, processing, use, handling, storage or transportation activities.
- Establish the precautionary measures that must be taken to avoid these risks and to protect the health and safety of all people before personal protective equipment is needed.
- Make sure that work is performed under the general supervision of a person trained to understand the hazards associated with the work; someone who has the authority to implement all precautionary measures.
- Provide all information, instructions, training and supervision necessary to ensure the health and safety of their employees, and the protection of the environment.
- Forbid employees from doing any work until the necessary precautionary measures have been taken.
- Take all necessary steps to ensure that all employees and contractors comply with the specific SHE legislation requirements of your country.
- Enforce all necessary measures required in the interests of health, safety and the environment.

As a manager, it is important to make sure that your employees and everyone else who is linked to the group and within your sphere of influence is prevented from being exposed to hazards to their health and safety.

EMPLOYEES ALSO HAVE RESPONSIBILITIES

All employees must take reasonable care for their own health and safety as well as that of others who may be affected by their acts or omissions. They must comply with the duty or requirement imposed by country specific legislation, and cooperate with the group so that these duties or requirements can be performed or complied with. They must carry out any lawful orders given to them and obey the SHE rules and procedures as laid down by the group.

If an unsafe or unhealthy situation comes to an employee's attention, he must report it as soon as possible to his manager, supervisor or to the SHE representative of his workplace, who must then report it to the person in charge. In the same way, if an employee is involved in an incident that may affect his health or injure him, he must report the incident to his manager or SHE representative as soon as possible, but no later than the end of the shift during which the incident occurred. If circumstances prevent the reporting of the incident during the shift, then it must be reported as soon as possible after the shift.

Employees may not enter the workplace under the influence of alcohol or other illegal substances, and they have the right to stop anyone who is under the influence from entering the workplace.

GENERAL DUTIES OF MANUFACTURERS AND OTHERS REGARDING ARTICLES AND SUBSTANCES FOR USE AT WORK

Anyone who designs, manufactures, imports, sells or supplies an article to be used at work must make sure that the article is safe, will not risk anyone's health when properly used, and that it complies with all prescribed national and international SHE requirements. Anyone who erects or installs an article to be used at work or on any premises must make sure that it is erected or installed safely and will not be a risk to anyone's health when used properly.

DUTY TO INFORM

All employees must know and understand the SHE hazards, risks and controls associated with their activities within the business unit, and inform their respective managers if new or unmanaged hazards and risks arise. Managers must communicate inspections, investigations, formal inquiries or incidents effectively to all relevant parties.

DUTY TO NOT INTERFERE WITH OR MISUSE THINGS

No-one may intentionally or recklessly interfere with, damage or misuse anything that is provided in the interests of health, safety and the environment.

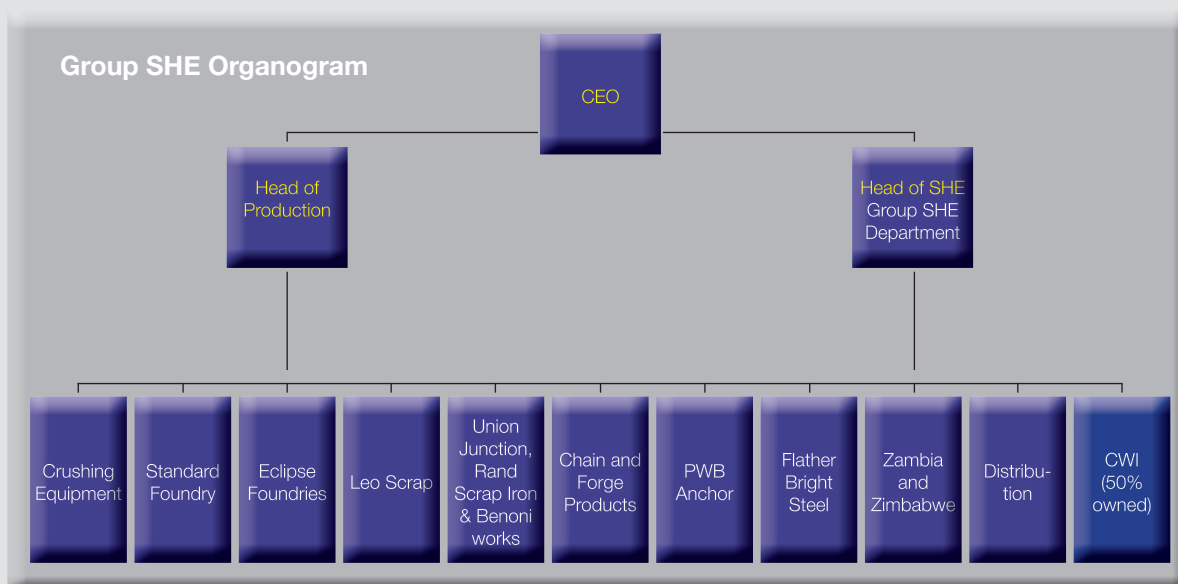
Safety concerns all workers

F. LINES OF RESPONSIBILITY AND REPORTING

Most people are under the impression that SHE management is the responsibility of only your SHE professional. This is not true. While it is your SHE professional’s responsibility to assist, consult and advise managers and employees regarding SHE management duties, it is the responsibility of managers to take care of all SHE matters within his/her area. Clarity on the lines of SHE responsibility is provided in the table below:

SHE professional	Line manager
Co-ordinate site activities. Advise management on SHE issues. Analyse site-wide SHE needs. Plot site-wide SHE audit trends. Classify injuries and environmental incidents. Provide resource information on SHE. Analyse injury patterns. Establish and maintain understanding with outside groups.	Investigate incidents. Schedule and conduct audits. Implement SHE rules and develop safe work procedures. Initiate SHE programmes and activities. Train employees re: SHE aspects of jobs. Train supervisors re: their SHE responsibilities. Conduct SHE meetings. Chair SHE committees. Determine SHE goals and objectives. Discipline for SHE infringements. Plan for emergencies.

The following top-level organogram illustrates where SHE management responsibilities begin within the business.





G. SHE MANAGEMENT SYSTEM



This practical and easy-to-use toolkit will clarify all the elements that make up SHE policies and objectives, and give you the tools you need to gain the necessary co-operation from your employees – key to achieving our target zero objective.

Read through this SHE Strategic Plan to find out more about how you can lead your team in health and safety management, while you continue to preserve our environment.

PROCEDURES, STANDARDS AND GUIDELINES

Our SHE system has been developed along the PLAN-DO-CHECK-ACT methodology, which forms the basis of our ability to develop, enhance and apply our comprehensive and integrated SHE management systems throughout our operations. These standards have been developed from industry best practices and from internationally recognised SHE management system standards.

If you notice that any of these SHE standards are not being met, then it is your duty, as a leader, to make the necessary change to ensure alignment, with assistance from your SHE department.

1. POLICY, LEADERSHIP AND COMMITMENT

Our commitment: As managers, we will demonstrate leadership and proactive commitment to SHE in line with the Scaw Metals Group's vision of Zero Harm, SHE policy, SHE principles and Golden Safety Rules in order to develop an interdependent safety culture.

- We will maintain a SHE policy appropriate to the nature and scale of our activities. Our executive board endorses and regularly reviews the SHE policy, making sure the policy remains current and relevant. Our safety policy is available to all stakeholders.
- It is the duty of our senior management to establish and maintain a local SHE policy and system that reflect the group's principles, vision of Zero Harm and legislation that meets the requirements of an internationally recognised system, such as OHSAS 18001 and ISO 14001.
- We will have clearly defined roles, responsibilities and accountabilities to effectively implement our SHE management system, which are documented and communicated to all employees. All our operations have management appointees whose focus it is to implement our SHE policy and management system.
- We have adequate human, technical, financial and advisory resources to implement and maintain our SHE management system.

- Our executives and managers are accountable for safety, health and environment within our operations. They are responsible for setting priorities for SHE and demonstrating commitment to continual improvement within their operations. Their responsibilities are defined in performance contracts.
- Our executives and managers demonstrate that SHE is as important as costs, production, quality, employee relations and other key business priorities.
- Proactive processes are in place to continually improve the SHE performance of all our operations.
- All role players within our group demonstrate a clear understanding of the need to comply with group and site-specific SHE standards and the consequences of non-compliance. They are committed to Zero Harm and our SHE Principles by preventing and correcting unsafe work conditions.
- Our executives, managers and supervisors proactively demonstrate their commitment to SHE by taking part in SHE programmes, audits and reviews, and making sure that corporate and site-specific safety standards are entrenched in workforce behaviours. They engage with employees, lead by example, use audit techniques and demonstrate visibly felt leadership.
- Our executives and management adopt formal processes that recognise, reinforce and reward desired SHE outcomes.
- Our SHE policies are reviewed periodically in all our operations to make sure that they are relevant and appropriate to the nature of associated risks.
- All role players within the group demonstrate their responsibility by refusing to allow work to continue where conflict exists between safety and other business priorities.
- Our executives and managers are visible in the field, where they demonstrate safety, leadership and commitment.

2. RISK AND CHANGE MANAGEMENT

We will identify, risk assess and appropriately manage all hazards on an ongoing basis. Our assessment processes will include changes to operations, processes and personnel, as well as routine and non-routine activities.

- All our operations maintain formal and proactive systems and processes to identify hazards, assess risks and implement appropriate control measures, so that risks are managed at a tolerable level.
- Our systems and processes are developed in consultation with competent personnel and are implemented consistently throughout the operation.
- Our risk assessment processes are documented and consistent with the requirements of internationally-recognised safety management system standards, such as OHSAS 18001 and ISO 14001.
- All of our operations proactively identify hazards, and risk assessments are appropriate to the nature and extent of associated SHE risks.
- We have competent people who develop, implement and maintain methodologies to classify and prioritise risks, determining their significance and applying the hierarchy of control, as well as the operating experience and capabilities of control measures to be used. Our methodologies are consistent with internationally-recognised safety management systems, such as OHSAS 18001 and ISO 14001.
- Our risk assessment process considers, as a minimum, all activities, procedures, services, changes, all people in any way linked to the group, all equipment and facilities, the design, commissioning and operation of the workplace, processes, installations, machinery, operating procedures and work organisation.
- In all our operations, formal systems are put in place to identify serious risks and use appropriate control measures to prevent catastrophe.
- We identify and assess all high-risk processes and equipment, using relevant methodologies. These are reviewed periodically so that control measures reflect the nature and extent of the risks.
- All our operations have formal systems in place so that risk assessments are undertaken, reviewed and signed off by competent people before our work activities begin.
- Results of risk assessment processes are fully communicated to relevant people within all our opera-



tions and are considered when we establish training, awareness and competency requirements.

- Formal management of change programmes are developed, implemented and maintained by competent people to manage the risks associated with planned or unplanned changes. The content of each programme is appropriate to the nature and extent of the associated risks.
- As a minimum, these programmes consider changes in duration, personnel, organisation, activities, processes, facilities, equipment, procedures, laws, standards, materials, products, systems and services.
- Systems are in place so that change processes are proactively used, monitored and communicated. Where appropriate, consultation is engaged. All changes are evaluated and formally authorised by competent people.
- The impacts of changes are communicated so that they are understood and tracked by all relevant personnel. In this way, documents and risk assessments are updated.
- Systems are reviewed to make sure they remain relevant and appropriate to the nature and extent of associated risks.
- Sites maintain an up-to-date risk register, containing significant risks for the site. These are maintained, updated and reviewed at least once a year.

3. LEGAL REQUIREMENTS

We will integrate targets and objectives for SHE into the overall business planning process and deploy these throughout our group so that we can continuously improve.

- All our operations have a formal system to access the most current, relevant, legal regulatory and other requirements.
- All our operations have access to competent people to interpret and apply all relevant legal, regulatory and other requirements.
- We have formal systems in place to communicate relevant information effectively to all employees so that our legal, regulatory and other requirements are understood.
- All operations maintain a formal register of their key legal, regulatory and other requirements relating to SHE management, which is reviewed and kept up-to-date.
- Where local, legal and regulatory requirements do not demand an appropriate level of performance, all our activities are consistent with the group's rules, standards and other internationally-recognised SHE performance standards.

4. TARGETS, OBJECTIVES AND PERFORMANCE MANAGEMENT

We will integrate targets and objectives for SHE into the overall business planning process and deploy these throughout our group so that we can continuously improve.

- All our operations have formal and measurable SHE performance targets and objectives, at all levels and functions. These are consistent with the group's rules and standards.
- Our targets and objectives reflect applicable legal, regulatory and other requirements and are consistent with the nature of the hazards and risks associated with each operation.
- When we establish targets and objectives we consider the results of risk assessment processes, as well as the effects of our control measures.
- We have formal systems in place so that targets and objectives are assigned, communicated and understood by management, employees and, where appropriate, contractors.
- All our operations have adequate resources (human, technical and financial) that are available and deployed, making sure that our targets and objectives are met.
- In all our operations, relevant employees and contractors understand targets and objectives, so that SHE obligations are included in their agreements. These include abiding by the SHE requirements established by the operation and reporting unsafe acts, conditions, procedures and policies to appropriate management.
- In all our operations there are formal processes in place, allowing effective

two-way communication and consultation to establish SHE targets and objectives.

- Our management has a clear and defined responsibility to monitor progress towards meeting targets and objectives.
- SHE is a priority for managers and is the first Key Performance Area (KPA) in their performance contracts. Their

KPAs reflect SHE targets and objectives established.

- We have formal processes in place to monitor and review our targets and objectives so that they remain relevant, on track for completion within defined time frames, and contribute to continual improvement in performance. These reviews are carried out every year.

5. TRAINING, AWARENESS AND COMPETENCE

All our employees and contractors will be competent to perform their activities safely and with due regard for the environment.

- We have systems in place to make sure that all people involved with our group are competent to perform their activities safely and with due regard for the environment.
- Management is accountable for developing and implementing formal training, awareness and competency programmes that apply to all levels and functions in the operation.
- Our management, employees and other relevant personnel are regularly trained and coached in assessing risks, and identifying and controlling all hazards in their workplaces. Our line managers develop, implement and monitor the effectiveness of this training.
- Training is designed and delivered so that the importance and benefit of conformance (and the penalties for non-conformance) to these standards and the group's rules are emphasised.
- All our organisational roles, positions and job functions have the required SHE competencies in the form of education, training and experience.
- Our management ensures that systems and procedures are in place so that, before any work is begun, the relevant personnel are competent to perform their jobs safely and with due regard for the environment.
- General and specific training needs, including refresher training, are identified, prioritised and delivered before work activities begin. Training records for employees, contractors and visitors are documented, maintained and accessible.
- When training, all changes to operations and personnel that may impact upon SHE are considered, as well as changing roles and return from absence.
- Training programmes specifically consider the results of risk assessments and the management of change programmes.
- In selecting and recruiting personnel, the SHE training, awareness and competencies of the potential employee are considered.
- Our training programmes consider the cultural and educational diversity of our workforce, as well as the varying levels of responsibility, ability and workplace risk. They are adapted according to these factors and reviewed and delivered in the appropriate medium so that they are effective.
- Our management is trained in effective leadership techniques so that desired behaviours in the workplace are achieved.
- We have a formal induction programme that provides visitors with the nature and scale of hazards and risks relating to our operations, and we evaluate their understanding of the programme. We review our systems and processes for relevancy and appropriateness to the nature and extent of associated risks.

6. COMMUNICATION, CONSULTATION AND INVOLVEMENT

We will proactively communicate, consult and involve all appropriate employees and contractors in matters of SHE management.

- Our consultation, participation and communication of matters relating to

SHE at all levels and functions within our operations are interactive, allow for two-way dialogue, and involve all appropriate personnel, contractors and suppliers.



- Our consultation and participation processes define and communicate arrangements for employee SHE representation to all appropriate personnel.
- Effective and appropriate forums have been established to regularly consult and communicate SHE matters involving all relevant personnel. They are used to track, monitor and report on the effectiveness of safety systems and performance.
- The cultural and educational diversity of our workforce is taken into account in our consultation,

participation and communication programmes, which are adapted accordingly and reviewed for effectiveness.

- Formal processes allow for the free flow of information within our operations that include sharing of lessons learned, good practices and improvement opportunities.
- Our consultation, participation and communication processes are reviewed regularly to evaluate their effectiveness, relevance and appropriateness to the nature and extent of their associated risks.

7. DOCUMENT AND DATA CONTROL

We will identify all relevant SHE information, make it readily available and, where appropriate, control it.

- We have appropriate document control systems to control relevant SHE management systems, documentation and data.
- Relevant documents, which are legible and understandable, are available, maintained and reviewed for adequacy and accuracy by authorised personnel.
- Documents from external sources that are necessary for planning and operating SHE management systems are registered, current and in a suitable paper or electronic format.
- Accurate, legible and identifiable SHE records are established and maintained, indicating revision dates, and are retained for specified periods.
- All SHE documents and records are

identified, stored securely, readily located and retrievable. Their retention times are based on legal requirements and knowledge preservation. Responsible custodians are assigned to maintain them.

- Obsolete documents and data are either promptly removed or identified and protected from unintended use.
- All archival documents and data retained for legal and/or knowledge preservation purposes are suitably identified.
- All confidential records, including medical, personnel, legal and other are controlled and maintained securely.
- We maintain documents outlining the core elements of our SHE management system and its interactions, including directions to related documents.

8. OPERATIONAL CONTROL

We will apply appropriate control measures to effectively manage all hazards and risks arising from our processes and activities.

- Based upon the results of risk assessments, we identify and plan processes and activities to apply control measures. These operational controls are consistent with the nature and extent of the hazards and risks associated with operations.
- Control measures for relevant processes, products, services and activities, including maintenance, have been established, implemented and are maintained by competent people and approved by senior management.
- Our control measures are based

upon the results of risk assessments and are consistent with the nature and extent of these risks. These include documented systems and procedures, which are implemented following the principles of the Hierarchy of Control.

- Systems, procedures and work practices are reviewed periodically or after an incident to make sure that they are applicable, relevant and effective in controlling the risks for which they were developed. The results of these reviews are used for continuous improvement and discussion.
- Control measures that include procedures are clearly communicated to all relevant people, including suppliers and contractors.

- Appropriate systems are in place to train all relevant personnel in operational controls and requirements.
- Documented maintenance and inspection programmes are in place to maintain the ongoing integrity of the facility, work equipment and SHE critical devices. These include testing, calibrating and certification at intervals according to the manufacturers' requirements.
- Systems are in place to test and maintain the availability and effectiveness of protective systems and devices.
- Relevant personnel are trained to understand the controls, operational parameters, procedures and maintenance requirements that are in place to manage SHE risks.
- Facility design, construction and maintenance activities are developed according to the strictest engineering practices of the group or international codes and standards.
- Programmes are in place to make sure that all personnel in critical jobs are fit for duty and not affected by external factors such as drug and alcohol abuse.
- Operational control systems, measures and processes are reviewed to ensure that they are relevant and appropriate to the nature and extent of the associated risks.

9. EMERGENCY PREPAREDNESS AND RESPONSE

We will identify, prepare for and have the capability to respond appropriately to emergency and crises situations.

- Potential emergency and crisis situations and their impacts, including neighbours and off-site emergencies, are proactively identified, assessed and documented.
- Assessments are undertaken using methodologies appropriate to the nature and scale of risks and potential, identified emergency and crisis situations.
- Plans that outline measures to prevent illnesses and injuries are developed and implemented to respond to identified emergency and crisis situations. These plans are aligned to the group's Crisis Communication Plan.
- Aspects considered when developing plans include the nature and scale of the operation, results of risk assessments and control measures, worst case scenarios, availability and capability of local emergency services, emergency response details, legal requirements, previous accident, incident and emergency experiences, lessons learned, best practices and findings from emergency practice drills.
- Roles and responsibilities regarding the implementation and execution of emergency and crisis situations are clearly defined, documented and communicated with appropriate employees, contractors, legal advisors, and external regulators and services.
- Appropriate resources, both on and off site, are identified, maintained, tested and available to effectively implement emergency and crisis situation arrangements. These include people, organisations, equipment and warning devices necessary for emergency response.
- Relevant personnel are trained, competent and familiar with the requirements of the emergency and crisis situation arrangements, as well as their roles and responsibilities.
- Employees, contractors and visitors are trained to understand their roles and responsibilities in an emergency.
- Emergency response drills are conducted to determine the effectiveness of emergency and crisis situation arrangements. These could involve external organisations. Lessons learned are included in revised arrangements.
- Emergency response drills include desk-based exercises and full evacuations. The type and frequency of evacuations depend on the nature and scale of the operation and the extent of the risks associated with the specific operation.
- Emergency and crisis situation arrangements are reviewed, documented and amended at least every year, and after every emergency situation, to ensure that they remain relevant.



10. CONTRACTOR AND BUSINESS PARTNER MANAGEMENT

All our contractors and business partners will undertake their activities according to legal, regulatory and other SHE requirements, including the standards documented in this toolkit.

- Our contractor management systems are appropriate to the nature and extent of associated risks, so that all contractors and business partners undertake their activities in line with the group's rules.
- Within our contractor management system, all contractors and business partners must be evaluated before contractual arrangements are established. Considered within this evaluation is the nature of their products, activities, services, previous safety performance, training, awareness and competence.
- Included in the contractor management system is the requirement for SHE arrangements to be in place so that contractors and business partners comply with the group's rules and standards. Specific reference is communicated regarding the consequences of non-compliance.
- Contractors and business partners are required to establish and maintain systems according to the group's standards.
- Contractors and business partners are required to undertake their activities based upon methodologies that reflect legal obligations, the group's rules, the standards documented in this toolkit, and internationally-recognised SHE management standards, such as the OHSAS 18001 and ISO 14001, and are appropriate to the nature and extent of the risks associated with their work.
- Our contractor management system contains clear and documented reporting relationships, lines of consultation and communication, roles, responsibilities, accountabilities and system interfaces between contractors and business partners and our operations.
- Each business unit appoints a specific representative to act as a focal point in managing and overseeing contractors and business partners. These representatives ensure that people competent in contractor and business partner safety performance, according to our contractor management system, undertake periodic SHE reviews.
- The contractor management system includes arrangements to monitor and report the SHE performance of contractors and business partners.
- All contractors and business partners are required to report their SHE performance regularly to the SHE representative and, where appropriate, be involved in site meetings, audits and incident investigations.
- Our contractor management system includes arrangements to evaluate and assess risks of equipment or materials by competent people, before they are purchased, hired or leased, so that SHE hazards and risks are not introduced to the operation.
- All contractors and business partners are required to provide information on the hazards and risks associated with their equipment, products and services before these are delivered and whenever changes occur.
- Contractors and business partners' arrangements include temporary activities, discreet projects, as well as short, medium and long-term tasks and/or services within our operations.
- All our operations have registers of contractors and business partners working on site. This includes documented information on SHE performance involving compliance and non-compliance. Our contracts give us the right to terminate contracts for poor SHE performance.
- Managers of contracting companies are required to review and audit their operations, while on site, for compliance to their own, the group's and the standards documented in this toolkit. Any at-risk behaviours are required to be corrected by fellow workers.
- Processes are in place to review the contractor management system so that it remains relevant to the nature and extent of associated risks.

11. INCIDENT REPORTING AND INVESTIGATION

Safety
concerns all
workers

We will report, investigate and analyse all SHE incidents. We will take corrective and preventative actions, close them out and share the learnings.

- Formal systems are in place to report, investigate, close-out and communicate near hits, incidents and non-conformances.
- Our systems define the methodology, responsibility and authority for handling and investigating near hits, incidents and non-conformances to establish the root cause.
- Our systems include mechanisms to ensure that legal defences are not compromised during investigative processes.
- As a minimum, the system includes identifying and documenting controls to prevent near hits, incidents or non-conformances, to analyse contributing factors and root causes, and to control failures.
- We perform comprehensive incident investigations to identify and prioritise corrective and preventive actions, so as to eliminate and/or reduce the risk and recurrence of near hits, incidents and non-conformances.
- Using our risk assessment process, we review the corrective and preventive actions before implementing them, to make sure that they are appropriate to the nature and extent of the hazards and associated risks.
- All corrective and preventive actions, including changes in procedures, are documented, communicated, followed up and completed. Effectiveness of these actions is confirmed.
- All changes to existing systems or procedures are communicated to all relevant personnel.
- If there is a significant near hit or SHE incident, work is stopped and only resumed once the necessary actions, including the re-evaluation of risk assessments, are undertaken. Formal authorisation from senior management is required before work is allowed to recommence.
- Following a near hit, incident or non-conformance investigation, relevant information is gathered and analysed to identify lessons learned and monitor trends. The findings are forwarded to management so that additional control measures can be assessed.
- Systems are in place to allow learnings to be shared across all our operations.
- When an incident occurs, all similar workplaces, locations, activities, operations and scenarios that relate to the incident are assessed for possible recurrence and allow appropriate corrective action to be taken to prevent recurrence.
- Competent senior management will sign off the investigative process, indicating that the appropriate review and assessment has occurred.
- All personnel and contractors are encouraged to report near hits.
- Significant near hits are investigated as though an actual incident has occurred. This information is communicated to the Group SHE department and disseminated to other operations that may be at risk of a similar incident occurring.
- We have a formal system of processing and implementing relevant information that has been gathered from incident reports and alerts.
- Systems and processes are reviewed to ensure that they remain relevant and appropriate to the nature and extent of the associated risks.

12. MONITORING, AUDITS AND REVIEWS

We will monitor, audit and review SHE performance, systems and equipment to identify trends, measure progress, assess compliance and establish applicability and relevance.

- We have programmes that monitor and measure safety performance periodically. Our criteria are consistent with OHSAS 18001 and ISO 14001.
- We have a formal audit programme to monitor our conformance to the group's rules and the standards documented in this toolkit.
- Our audit programmes are defined by the results of risk assessments and previous audits, and are appropriate to the nature and scale of hazards and associated risks.
- Our programme is defined in terms of scope, frequency, methodologies, competencies, roles, responsibilities and the requirements to conduct audits and report results.



- Our audit programmes include SHE management system audits, behavioural audits, departmental and technical aspects, and contractor and third party audits.
- We implement and maintain first party audit programmes that monitor conformance to the group's rules and these standards.
- Our management is actively involved in appropriate audits so as to demonstrate effective, visibly felt leadership, mentoring and coaching.
- Our operations have formal processes to respond to and monitor actions resulting from our audit programmes so that issues are closed-out appropriately and timeously.
- Equipment required to monitor and measure SHE performances is calibrated and maintained, the records of which are documented and re-tained for appropriate periods.
- Our executive and senior management are accountable for the development, implementation and review of our audit programme, thereby enabling continual improvement.
- Our management is responsible for effectively implementing and maintaining our audit programme.
- Our senior management reviews the SHE management system, its implementation and effectiveness, to ensure that it is relevant to the operations. Reviews are documented and address the possible need for changes to policy, objectives and other elements of the SHE management system. Findings from our SHE management system audits are analysed and used to continually improve our system.

H. SHE IMPROVEMENT PLANS

To fulfill our vision and mission, and support our SHE policy, the Scaw Metals Group has 12 SHE policy objectives, which are to:

1. Embrace SHE as a line management responsibility.
2. Identify, evaluate and prioritise SHE hazards, and manage changes.
3. Comply with legal stipulations as a minimum requirement.
4. Set targets, objectives and performance management principles as our continuous improvement tools.
5. Create training, awareness and competence.
6. Implement focused communication.
7. Enable effective document and data control.
8. Reduce, control and prevent all injuries and environmental incidents to reach Zero Harm.
9. Be well prepared for any emergencies.
10. Have effective contractor and partner management systems.
11. Report, investigate and analyse incidents effectively to prevent repeat incidents.
12. Monitor, audit and review the effectiveness of our SHE management systems.

FOR EACH POLICY OBJECTIVE, A SHE IMPROVEMENT PLAN IS COMPILED:

Safety
concerns all
workers

1. Embrace safety, health and the environment as line management responsibilities

Strategy: Gain buy-in and commitment from top management who is to realise that SHE management is a line management responsibility and SHE professionals provide the supporting function. To do this:

- Top managers must be actively involved in Visible Felt Leadership (VFL) walk-about or behavioural audits. All managers must encourage the belief that all injuries and environmental incidents are preventable within the group.
- All unsafe acts must be recorded and other feedback received to gauge leading indicators. Managers and supervisors on all levels are to increase VFL frequency, so that they:
 - Reach and communicate effectively with all employees.
 - Illustrate their commitment to SHE.
 - Lead by example.
 - Keep focused on leading indicators.
 - Develop an interdependent SHE culture.
- Line managers to chair SHE meetings and take the lead in implementing SHE management systems. The SHE department will provide them with the necessary tools to do this. All managers to understand that good SHE performance is essential for good business results and a poor SHE track record could be a symptom of other problems, such as weaknesses in quality, industrial relations or productivity.

2. Identify, evaluate and prioritise SHE hazards, and manage change

Strategy: Focus efforts on major risks and hazards and manage process/people changes to alter the status quo of such risks and hazards. To do this:

- We have established and regularly review a common and simple risk assessment methodology for the group.
- SHE professionals must receive root cause analysis training as a starting point to effectively investigate incidents.
- We must formulate a simple but effective method of managing changes for both capital and non-capital projects.

3. Comply with legal stipulations as a minimum requirement

Strategy: Achieve legal compliance as a minimum SHE requirement and embrace best practices as the norm. To do this, we:

- Developed a corporate SHE legal register to be complemented with site-specific legal registers, linked with activities and legal documents.
- Conduct centralised legal audits by specialists, making sure that group SHE liabilities are identified and managed.

4. Set targets, objectives and performance management principles as our continuous improvement tools

Strategy: Implement a SHE performance management system to ascertain whether performance levels are appropriate. To do this:

- We must define and implement a performance reward system of quick wins to maintain momentum and morale. Reward systems must keep changing to entice and motivate employees.
- Individual performance must be managed, enabling employee appraisals against KPIs/KPAs.
- SHE management must be detailed in individual job descriptions and letters of appointment.
- Clear SHE rules must be communicated to all employees through correct channels and with union involvement. Consistent discipline must be handed out to all who violate these rules.

5. Create training, awareness and competence

Strategy: To make sure that adequate training is provided to employees and contractors, and that individuals are equipped with the knowledge and skill to conduct activities safely and with due regard for the environment. To do this, we must:

- Continue with SHE Fundamentals executive training and Peer Review Audit training for individuals within the group. The system starts with top management and focuses on behaviour instead of conditions in the workplace.



- Share the learnings of the Safety Fundamentals SHE professional training with operating units in the group.
- Have interactive sessions communicating the behavioural approach and the group's requirements in terms of SHE management.
- Equip managers with skills necessary to be SHE leaders, stemming from commitment, consistency, persistence, and a proactive and predictable behavioural approach to SHE, shifting the focus from 'machines' to 'men'.
- Provide and review visual training material and programmes for effective induction and re-induction of employees, visitors and contractors, in applicable languages – focusing on the principles of SHE management.

6. Implement focused communication

Strategy: To realign current channels of communication to guarantee that concise and simple messages are spread throughout the group, at all levels within the group, to prevent repeat incidents. To do this, we:

- Developed a tiered communication system, based on a variety of communication media and forums.
- Review and realign strategies and methods, making sure that front line employees receive messages effectively.
- Screen electronic mail to prevent information overload at management level.
- Simplify SHE messages to get the point of each message across effectively.
- Implement a group communication plan, outlining methods of periodic information sharing and 'cross-pollination'.
- Implement a SHE forum that makes use of a Group SHE liaison schedule for all operating units in order to enhance knowledge and best practice sharing across the group, proactively identify broader SHE management issues, and steer the group in a common direction.
- Developed group newsletters and electronic media to complement effective communication.

7. Enable effective document and data control

Strategy: To simplify and streamline the SHE management system, lifting the administrative burden from managers, so that they can focus on employee behaviour and make sure that responsibilities that relate to actions are assigned, managed and closed-off. To do this, we need to:

- Put corporate group SHE standards in place that are supported by site-specific requirements and Safe Work Procedures, so as to minimise duplication and maintain a common standard across the group.
- Implement a SHE action management system for the group (Isometrix) to simplify action management measures and provide line managers with tools to manage safety, and understand underlying requirements, enabling effective close-off actions to be traced.

8. Reduce, control and prevent all injuries and environmental incidents in order to reach Target Zero

Strategy: To reaffirm the behavioural-based management approach with the focus on top managers leading by example without neglecting to encourage bottom-up responsibility. The objectives of this approach are to instill a sense of pride and team spirit within the group, to make working safely and efficiently a group effort driven by a personal and internalised value and belief system. To align authorities and responsibilities so that SHE professionals are clear about roles to be filled within the SHE management structure, and are competent to act as consultants and facilitators. To do this, we:

- Identify the changing organisational culture to determine its level of interdependence, and replace site assessments and perception surveys.
- Updated the SHE policy to reflect the group's behavioural approach to SHE management.
- Merge the formal and informal approaches to SHE into a single, two pronged behavioural SHE-based management approach – being top-down and bottom-up.

- Focus attention on leading indicators by reviewing information relating to unsafe behaviours and conditions, and developing a simple system that will prompt managers into action and close-off.
- Encourage top managers to drive team building to instill an interdependent culture of pride and co-operation and break down inter and intra departmental silos.
- Focus on a SHE culture that will include a mature system of off-the-job safety as well as safety at work.

9. Be well prepared for any emergencies

Strategy: To be in a position to respond to potential emergency situations quickly and efficiently.

- To do this we must adopt a co-ordinated approach to emergency drills that is guided by our corporate standards but executed on a site-specific basis.

10. Have effective contractor and partner management systems

Strategy: To embrace contractors as an integral part of our SHE management system with the aim of influencing them to adopt safety as a key performance indicator.

- To do this we must include contractors in our SHE management system so that they receive and understand all SHE messages. We must also select contractors based on their past SHE performance.

11. Report, investigate and analyse incidents effectively to prevent repeat incidents

Strategy: To encourage, facilitate, investigate and analyse all incidents effectively so as to prevent repeat incidents.

To do this, we:

- Developed a simple format for SHE Improvement Plans that was incorporated into the SHE Action Management System (Isometrix), so that the relevant divisions implement their assigned responsibilities and safety strategies within specific time frames, and so that actions and responsibilities that arise from incidents are executed.
- Evaluate the group approach to incident investigations so that their root causes are identified and addressed.

12. Monitor, audit and review the effectiveness of our SHE management systems

Strategy: To implement an integrated SHE management approach based on internationally-accepted standards throughout the group. To do this, we need to:

- Attain and maintain OHSAS 18001 and ISO 14001 certification for operating units in the group through gap and pre-certification audits.
- Commence cross-auditing to maintain a common standard to assist in developing SHE professionals.
- Link job descriptions and specifications to certain positions to enable focused development of individuals so that SHE professionals have the necessary attributes for these positions.

J. GROUP AUDIT REVIEW AND PROTOCOL

In implementing our group SHE standards review protocol, we aim to ensure that group business units are consistently audited so as to achieve a common standard across the group.

The Group Audit Review is based on the international OHSAS 18001 and

ISO 14001 standards, which provide a benchmark against which companies compare their SHE management systems.

Plant specific procedures must also be included in your audits, specifically with regard to operational control.



Now that you have been through this

SHE MANAGEMENT TOOLKIT

you will understand the significance of your role in achieving our group's goal of zero injuries and environmental incidents. If you have any questions please contact your manager or the relevant manager in the Group SHE department.

All incidents and injuries are preventable. As a manager, you are expected to utilise this toolkit in leading your team to reach target zero. Thank you for joining our journey to make the Scaw Metals Group the safest and most efficient steel production and processing operation in the world.

Always remember - Safety IS Number One!

PLEDGE

Acknowledgement by manager / supervisor / employee:

I, _____ (full name)
_____, (identity number), hereby confirm that I have been taken through the contents of the SHE Management Toolkit and hereby acknowledge the following:

1. I have been thoroughly informed about the safety, health and environmental framework that applies to the Scaw Metals Group, and I understand these rules.
2. Furthermore, I acknowledge and confirm that I understand what is expected of me in implementing the requirements, as defined in the SHE Management Toolkit, to ensure safety, health and environmental management practices at my workplace.
3. I commit to my responsibility to ensure that the Scaw Metals Group SHE Strategic Plan is implemented.
4. Finally, I confirm that disciplinary action could be instituted against anyone in the event of any failure and/or refusal to abide by fundamental SHE requirements.

Date _____

Signature of manager / supervisor / employee _____

