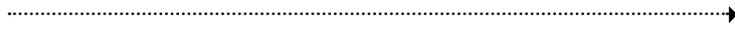




# *THIRD-PARTY HSEC INCIDENT REPORTING & INVESTIGATION GUIDELINES*



TRAFIGURA TRADING DIVISION & SHIPPING & CHARTERING DESK



*HSEC* APPROACH

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# *INTRODUCTION*

## **1.1. PURPOSE**

Trafigura requires that serious Health, Safety, Environmental and Community (HSEC) work-related incidents associated with our business are reported and appropriately investigated. By building a clear view of the HSEC risks faced by our employees and by third-parties engaged in support of Trafigura's business we will be better placed to manage our shared impacts.

This document aims to provide Trafigura's partners involved in the storage and transportation of Trafigura owned product with clear guidance on how to:

- i) Report to Trafigura in the event of a serious incident and;
- ii) Carry-out incident investigations with a view to mitigating against future incidents.

The participation of third-parties in this exercise is strongly encouraged. Data obtained from third-party incidents and investigations will be used to inform and manage Trafigura's HSEC risks on a global basis.

Should you have any questions about the approach presented in this document please contact your existing contact point at Trafigura accordingly or alternatively email [hsec@trafigura.com](mailto:hsec@trafigura.com).

For further information on Trafigura's HSEC Policy and Business Principles please refer to [Trafigura.com](http://Trafigura.com).

## **1.2. SCOPE**

All third-parties engaged directly or indirectly by Trafigura's "Oil & Petroleum Products Trading Division", "Metals & Minerals Trading Division" and "Shipping & Chartering desk" are encouraged to report against these guidelines.

Trafigura defines an incident as a single event or continuous/repetitive series of events that results in, or could have resulted in, one or more of the following impacts:

- Injury or illness;
- Damage to the environment;
- Damage to physical assets (e.g. product, buildings, plant and equipment);
- Disruption to a community;
- Exposure to legal liability;
- Security threat.

Third-parties are to report work-related incidents and near-misses where they are either of "Level 3", "Level 4" or "Level 5" in seriousness (see Section 1.5) and where they meet the definitions as provided (see Appendix 1).



### 1.3. REGULATORY REPORTABLE INCIDENTS

Trafigura's reporting guidelines do not supersede local or national regulatory incident reporting requirements or absolve third-parties associated with our business from reporting within designated timescales.

### 1.4. WHEN TO REPORT

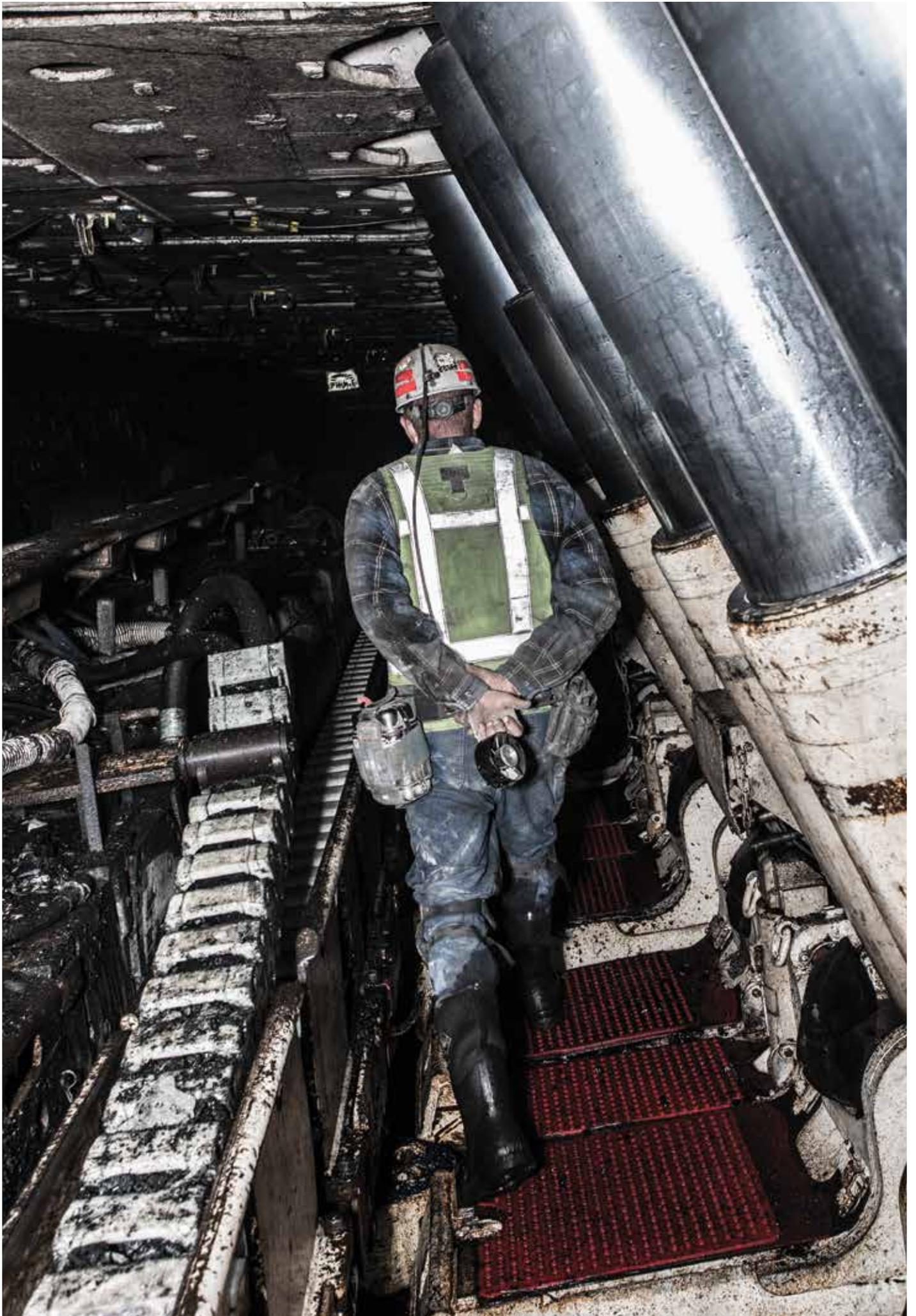
Trafigura requires that third-parties provide an initial alert to their nominated contact within Trafigura within 4 hours of an incident occurring. Third-parties are not expected to submit a formal incident investigation as part of this alert.

### 1.5. WHAT TO REPORT

The following guidelines are designed to enable third-parties to assess the seriousness of HSEC incidents. While third-parties are encouraged to report "Level 3", "Level 4" or "Level 5" incidents and near misses, the company also welcomes the reporting of lower level incidents and near misses i.e. "Level 1 and Level 2".

If in any doubt as to the seriousness of an incident, third-parties are encouraged to contact Trafigura immediately.

CATEGORY	LEVEL 1 LOW	LEVEL 2 MINOR	LEVEL 3 MODERATE	LEVEL 4 MAJOR	LEVEL 5 CRITICAL
Injury and Illness	No medical treatment required (other than first aid treatment). Short term subjective inconvenience. No lost time or modified duties.	Medical treatment required. Reversible disability / impairment. Results in Lost Time Incident or modified duties. Potential breach of health and safety legislation.	Illness or injury resulting in incapacitation for more than three consecutive days. Moderate irreversible disability or impairment to one or more persons.	Single fatality. Severe irreversible disability or impairment to one or more persons. A "reportable" injury or clear breach of legislation.	Short or long term effects leading to multiple fatalities. Significant irreversible human health effects or hospitalization of a large number of people (+10).
Environmental Effects	No permanent impact on biological or physical environment. Limited damage to minimal area of low significance e.g. small contained oil spill on deck of vessel. Release contained or < 1 BBL.	Minor effects on biological or physical environment. Minor short-term damage to small area of limited significance. Some limited clean-up required within boundaries of local legislation. Potential breach of environmental legislation. Oil spill of > 1 BBL < 7 BBLs / 1 tonne.	Moderate negative effects on biological or physical environment. Moderate short-term impacts e.g. localised spillage of metal concentrate or bulk material. Oil spill of 1 - 7 tonnes / 51 BBLs.	Serious environmental effects. Relatively widespread long term impacts. Significant clean up required. A "reportable" incident or clear breach of environmental legislation. Oil spill of 7 - 700 tonnes / 51 - 5,110 BBLs.	Long term, widespread effects on significant ecosystem. Impact on nationally or internationally recognised protected environment. Major clean-up / intervention programme required. Oil spill of over 700 tonnes / 5,110 BBLs.
Social and Community Issues	Public concern, if any, limited to local community. No lasting social or cultural impact.	Minor medium-term social impacts on local population. Mostly repairable issues or impacts. Adverse local media or NGO attention.	On-going social issues. Adverse community, national media or NGO attention.	On-going serious social issues. Adverse international media or NGO attention.	Irreparable damage to highly valued items / property of cultural significance. License to operate under threat.
Material Losses (as a consequence of the incident) or Business Interruption	HSEC incident with impact leading to losses below US\$5,000	HSEC incident with impact leading to losses, material damages or business interruption of between US\$5,000 - US\$50,000	HSEC incident with impact leading to losses, material damages or business interruption of between US\$50,000 - US\$500,000	HSEC incident with impact leading to losses, material damages or business interruption of between US\$500,000 - US\$5 million	HSEC incident with impact leading to losses, material damages or business interruption of over US\$5 million



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# INCIDENT INVESTIGATIONS

## 2.1. INCIDENT INVESTIGATION APPROACH

The following guidelines provide a recommended template for use by third-parties.

Trafigura encourages all third-parties to conduct investigations against "Level 3", "Level 4" or "Level 5" incidents.

Trafigura may request information in relation to an incident in order to seek assurance that incidents are adequately investigated and that appropriate measures have been taken to mitigate against a repeat of the incident taking place in future.

## 2.2. RESPONSIBILITY

The responsibility for an investigation by a third-party should be handled by an "Investigation Lead". The Investigation Lead is to be technically competent to undertake the investigation, or have the appropriate technically competent resources made available to them.

The Investigation Lead is responsible for undertaking a causal analysis and identifying corrective actions required associated with each incident.

## 2.3. RECOMMENDED PROCESS

Incidents do not just happen, they are caused. The key to the investigation process is to determine the root cause of the incident. The investigation process adopted by the third-party shall include the following steps as a minimum:

### *Information gathering*

- What happened, under what conditions and as a result of what actions – examine the sequence of events that led up to the incident.

- Obtain information - physical (scene of incident), verbal (accounts of witnesses), written (photos, documents, drawings, risk assessments, procedures, etc.).

### *Causal analysis*

- Review of information obtained to determine the underlying or root causes. May involve application of formal method of analysis (e.g. event and causal factor analysis).
- Analysis should be methodical, thorough, open and transparent.

### *Identification of suitable risk control measures*

- Determine what risk control measures were missing or inadequate and are needed to prevent future actions.

### *Development and implementation of an action plan*

- Provide an action plan that deals with the immediate and root causes of the incident.

### *Reporting*

- The investigation report shall constitute an accurate and objective record of the incident.

### *Corrective Actions*

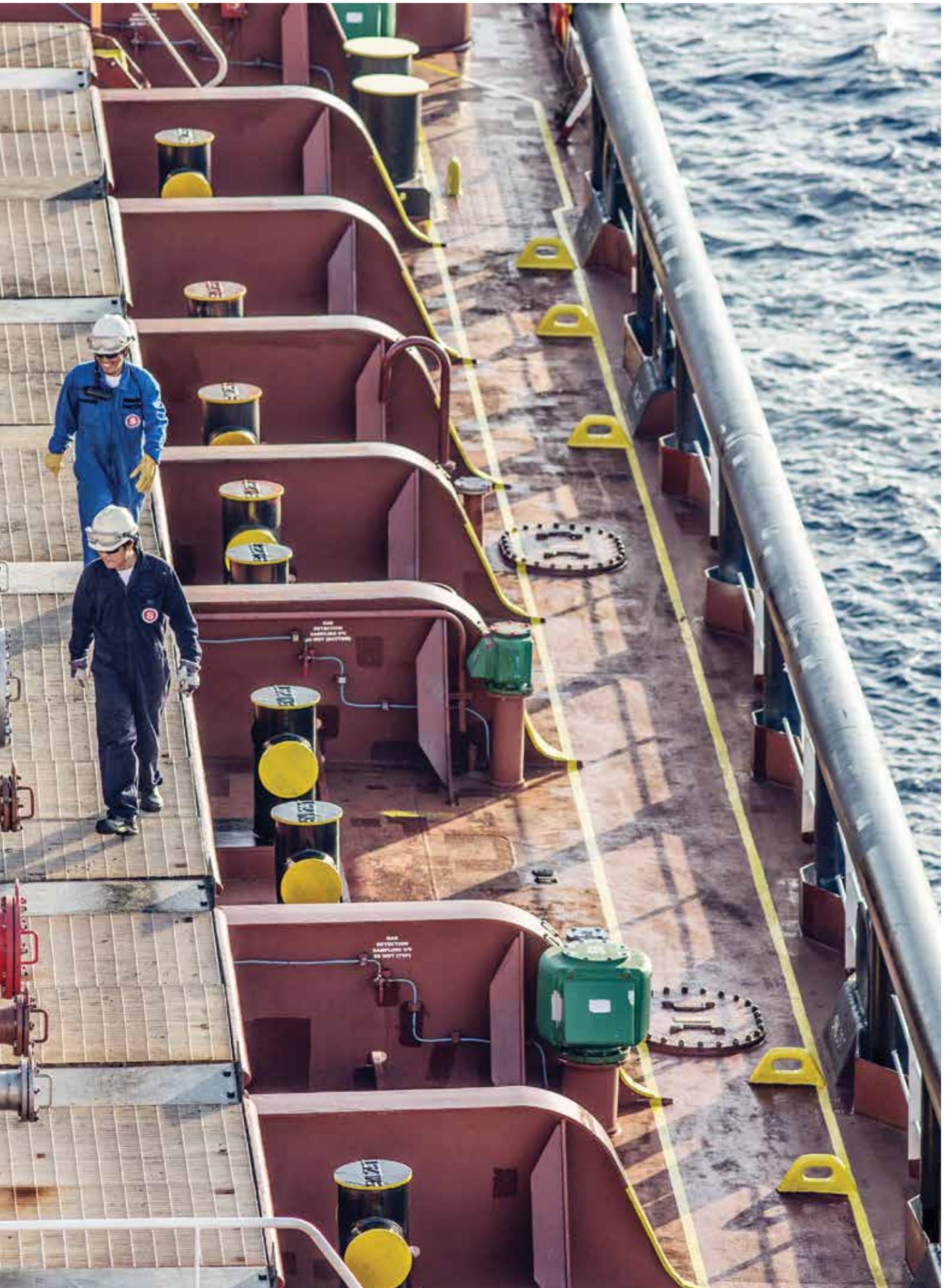
- As part of the incident investigation, corrective actions shall be identified and reported, appropriate to the nature and classification level of the incident. Corrective actions shall both address any need to remediate the impact of an incident and prevent reoccurrence, specifically through addressing root cause.



# APPENDIX 1: DEFINITIONS

- FATALITY:** A work-related injury resulting in the immediate or consequential death of a person (for example, an employee, contractors or member of the public).
- INCIDENT:** A single event or continuous/repetitive series of events that results in, or could have resulted in, one or more of the following impacts:
- Injury or illness;
  - Damage to the environment;
  - Damage to physical assets (e.g. product, buildings, plant and equipment);
  - Disruption to a community;
  - Exposure to legal liability;
  - Security threat.
- LOST TIME INCIDENT (LTI):** An incident that resulted in time lost from work amounting to at least one day (or shift) in duration. An LTI is only recorded when a work related injury or illness results in the individual being deemed fully unfit for work for a period of an entire work shift any time after the day or shift on which the injury or illness occurred – e.g. they are unable to attend work on the next scheduled working day after the injury.
- MEDICALLY TREATED INJURY:** A work related injury which results in the individual receiving treatment from a qualified medical practitioner which could not have been provided by a qualified first aider. This includes but is not limited to the provision of sutures and prescribed medication.
- NEAR-MISS:** An incident where no ill health, injury, damage or other loss occurs is referred to as a 'near-miss'. While not causing harm, a near-miss has the potential to cause injury or ill health, damage to the environment, damage to physical assets or disruption to a community. This includes unsafe acts and unsafe conditions.







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