





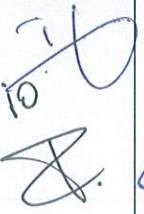

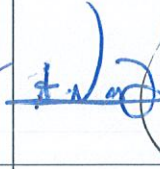
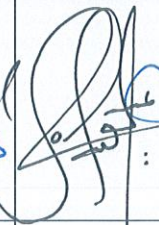
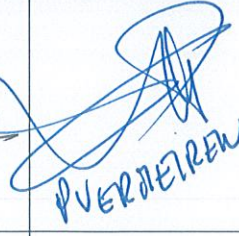
## PETROCHEMICAL SHARED SERVICES (PSS) PROCEDURE




### APPROPRIATED REACTION

Procedure Number: PR-PSS-111

Document Classification: Internal

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Rev.	Date	Prepared by	Reviewed by				
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**Revision / Modification History:**

Rev #	Date	Section No.	Reason for revision / modification
00	01/04/2017	All	New Procedure
01	27/6/2021	All	Update the template , add flow chart, update definitions, Reference documents, communication, Record
		8.00	Define process for analyze the inappropriate behavior ( intervention, interview & deciplinary action) & update accountability Scheme to clarify

Review Team: (*Optional*. May be used when a team is used for reviewing the document)




Rev #	Job Title	Department	Remarks
01	DUPONT Consultant	DSS	Reviewed
01	CHCISO	Human Capatial	Reviewed
01	OSTF	QAPCO	Presented



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## 1. OBJECTIVE

Safety and operating discipline is the highest level of importance for our QAPCO staff and our partners.

QAPCO aims to guarantee a level of excellence for the control of the technological risks, the personal safety and the environmental protection. This procedure aims to promote:

- Compliance with the rules in place at the QAPCO facilities,
- HSE management system compliance and operating procedures,
- Positive Actions and exemplary behavior focusing particularly on process safety, occupational safety and environmental protection.

The procedure is designed also to define how to deal with inappropriate safety behavior or non-compliance with the operational procedures.

## 2. SCOPE

The procedure applicable to QAPCO staff and Contractors' employees working in QAPCO facilities regardless of their status and their level of job with respect to inappropriate safety behavior or non-compliance with the operational procedures.

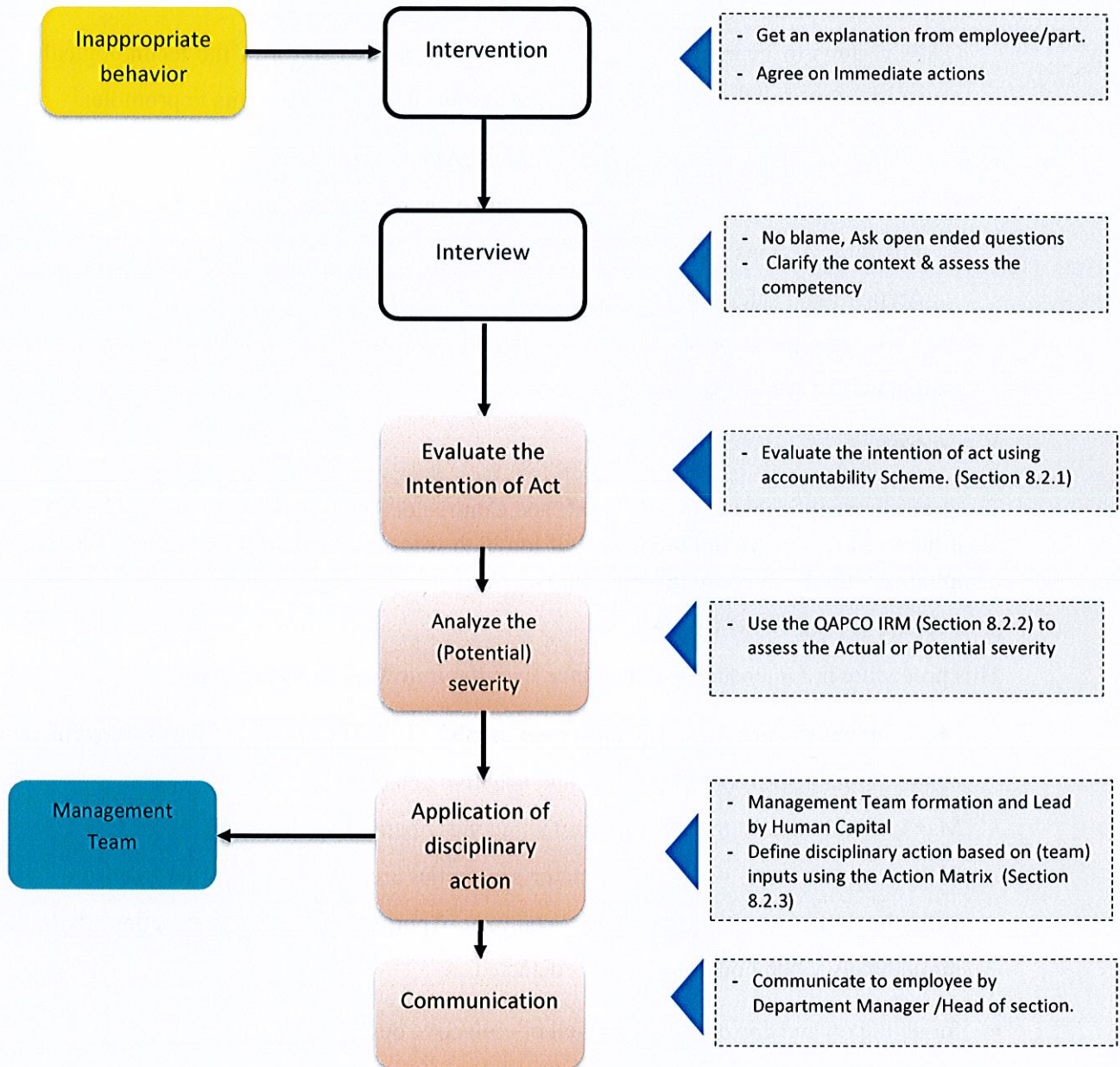
## 3. PROCEDURE SUMMARY




This procedure is for ensuring compliance with the following expectations:

- Management ensures that ALL personnel involved in QAPCO is regularly assessed on their HSE behavior and achievement (positive and negative behavior),
  - Management ensures that ALL personnel applies operating procedures,
  - Management ensures that the Contractor's activities are monitored in order to ensure compliance with the HSE requirements of the contract. Appropriated corrective actions will be taken immediately when noncompliance is detected.
- for acting on and correcting individual or collective deviations.

AA

Appropriated Reaction Application flow chart






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#### 4. ABBREVIATIONS / DEFINITIONS

#	Abbreviation / Key word	Definition summary
1	Inappropriate behaviors	<p>Alternatively termed deviations in this procedure, are errors and violations. The two are to be distinguished: an error is an unintentional deviation from a reference while a violation is a deliberate deviation from a reference</p> <p>An inappropriate behavior will be subject to a disciplinary action to the extent that the penalty imposed on the employee gives him or her the opportunity to correct its wrongful conduct and allows it to reflect on this behavior, recover, fix it and change it.</p>
2	The appropriated reaction	<p>is a predictable reaction after a violation of a rule or a standard. It is predictable so that the person or group of people can behave accordingly. It will be a function of the type of deviation and its potential consequence.</p> <ul style="list-style-type: none"> <li>• Appropriated reaction is: <ul style="list-style-type: none"> <li>– identified by a multidisciplinary committee following an act of violation / non-compliance of QAPCO's rules committed by an employee or a group of employees, QAPCO or Contractors,</li> <li>– intended to restore and maintain the respect of the rules,</li> <li>– intended to avoid the repetition of the violation/ non-compliance and to change the behavior of the actors,</li> <li>– to be fair and consistent with the rules that QAPCO as an employer is entitled to impose</li> </ul> </li> </ul>
4	HSEQ	Health, Safety, Environment & Quality
5	HR	Human Resources
6	N + 1	First level of hierarchy of the employee (ex: supervisor, Head of ...)
7	N + 2	Second level of hierarchy of the employee (Manager / Chief)
9	COO	Chief Operations Officer
10	MD & CEO	Managing Director & Chief Executive Officer
11	IRM	Integrated Risk Matrix
12	CHCISO	Chief Human Capital & Information System Officer



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13	CHSEQO	Chief HSEQ Officer
14	CENGO	Chief Engineering Officer

## 5. DOCUMENT REFERENCES




#	Document ID	Document name	Summary of dependency or use
1	NA	QAPCO HSE Policies and Procedures .	QAPCO HSE Procedures.
2	IN-250- HSE-03	Guidelines for QAPCO 12 Golden Rules at work	Detail guide for golden rules and red lines
3	PR-310-HR-11	Disciplinary procedure	Human resource structure for disciplinary actions
4	PR-PSS-03	Procedure for contracting & contract Management	Guidelines for contractor and company agreements.
5	M-130-CP-03	Entriprise Risk Management Manual	Guidelines for QAPCO IRM

### 5.1 Risk Register Reference

#	Risk ID	Risk Description	Remarks
1	NA	NA	NA
2			

## 6. IT SYSTEM REQUIREMENTS

#	IT system module name	Summary of IT system module use
1	SAP-EHS	Reporting of unsafe behavior and actions

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## 7. RASCI SUMMARY

### FIELD OF APPLICATION

- The procedure applies to the QAPCO staff and Contractors' employees working on the QAPCO facilities regardless of their status and their level of job.
- Line Management is responsible for implementing HSE Rules, ensuring thorough training of supervisors, individuals & contractor companies for auditing of compliance and for taking any needed disciplinary actions. Individuals and Supervisors are responsible for working safely in alignment with HSE Rules. No one will require or condone any violation of QAPCO's HSE Rules.
- The Management of QAPCO has the responsibility to:
  - ensure that the rules included in this procedure are in place and known by the QAPCO staff and Contractors employees;
  - ensure that all employees have a common understanding of what is an inappropriate behavior.
  - explain the consequences of inappropriate behavior.





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#	Procedure chapter	All QAPCO Staff	All contractor staff	N+1 Employee	N+2 employee	N+1 Contractor	N+2 contractor	HSE Dept	HC Dept.	Management Team	Procurement Department
8.1.1	Intervention	R	R	R	A						
8.1.2	Interview			R	A	R	A				
8.1.3	Application of Disciplinary Action			C/R	C/R	C/R	C/R	C	A/R	A/R	
8.2.1	Evaluate the Intention of Act				S	I	S	S	S	A/R	
8.2.2	Analyze the potential severity:				S	I	S	S	S	A/R	
8.3	Management Team formation			I	S	I	S	S	A/R	C	S
8.4	Communication				A/R		A/R	I	I	A	I
9.0	Record of Disciplinary Action				R		R	I	A/R	I	A

**Legend:**

R = Responsible (the class of people who are ultimately responsible for getting the work done)

A = Accountable (the position that is accountable to oversee that the work gets done)

S = Support (the person who supports by providing information and suggest any deviations from the Procedure)

C = Consulted (the person who can advise when needed)

I = Informed (concerned persons who are required to be informed or communicate to)

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## 8. PROCESS:

### Principles for individual or collective appropriated reaction

- In all circumstances, the reaction of people should be immediate, significant and systematic. The appropriated reaction policy should be mainly driven by rewarding, recognizing and supporting rather than by sanctioning. Management must act decisively and immediately when a safety rule is broken, by stopping work, making sure the rule is complied with and explaining the reasons why.
- QAPCO's **Golden Rules at work** are systematically communicated and distributed. During the induction process, an HSE booklet will be handed out to each newcomer and new contractor supervisor/manager, who will sign his or her copy. The objective is a commitment to follow and to respect these golden rules and a **zero tolerance for crossing the "red lines"** mentioned in these golden rules. Any non-compliance should be recorded as soon as it is observed.
- When an employee (QAPCO/Contractor) fails to comply with HSE practices or breaks a basic rule, particularly a Golden Rule or an operational procedure, management must respond, either immediately or after an analysis of the violation by, at very least, discussing the violation with the employee(s)/contractor(s) concerned. This interview can be followed by a disciplinary action.


### 8.1 Dealing with inappropriate behaviors

Most of the errors and violations occur as the result of organizational causes upstream, fostering or forcing deviation by the employee: the behavior is induced by the general context. The process of correcting deviations therefore seeks, first and foremost, to understand how and why they occurred and to identify the organizational and technical, individual and collective factors that explain them.

It comprises three steps:

#### 8.1.1 INTERVENTION

The point of a verbal intervention is to inform the person or team implicated of the deviation from a HSE rule. It can be done by the line manager after an incident, based on the conclusions of the enquiry, or on the spot by any witness. A stop-work intervention should be initiated, to enable a short discussion to take place immediately, directed at:

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- Obtaining an explanation from the employee or team,
- Agreeing on immediate correction.

The attitude adopted should not be aggressive; what is important is to demonstrate genuine concern for safety and attempt to understand the circumstances and reasons that led to the inappropriate behavior observed, rather than try to find a culprit, assign blame or stigmatize people, which is not the point at this stage.

It is necessary for the line manager to meet and talk with the person or team concerned, preferably very shortly after the event. The process for conducting the interview is described below.

### **8.1.2 INTERVIEW**

The interview is conducted by the line manager or nominated person with the person or team implicated and is designed to achieve shared knowledge and understanding of the event. No decision for disciplinary action can be taken at the interview, the purpose of which is to establish the facts and the minutes of the event. The collected information will serve as the basis for determining what action should be taken.




### **8.1.3 DISCIPLINARY ACTION**

Before deciding to take a disciplinary action related to a behavior, it is crucial to have followed the different steps in the process above through to their conclusion.

A Disciplinary Action should remain exceptional and be used only as the ultimate resort in the process.

A Disciplinary Action should:

- Be transparent, formally defined, understood and accepted by everyone,
- Factor in cultural aspects, which may vary depending on the entities,
- Comply with applicable local labor law and regulations,
- Be fair,
- Be based on exemplarity of both line management and personnel, particularly with respect to Contractors,


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- Be devised in conjunction with the Contractors, preferably when the contract is drawn up.

#### **DEALING WITH INPPROPERATE BEHAVIOR**

ID	Activity	Document reference	Responsible org. position
8.1.1	Intervention	PR-PSS-111	All
8.1.2	Interview	PR-PSS-111/ PR-PSS-110	Line Manager OR Nominated person
8.1.3	Disciplinary action	PR-PSS-111	Management Team



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## 8.2 How to apply the appropriated reaction/ disciplinary action:

The disciplinary action / appropriated reaction is at the end the result of 2 inputs :

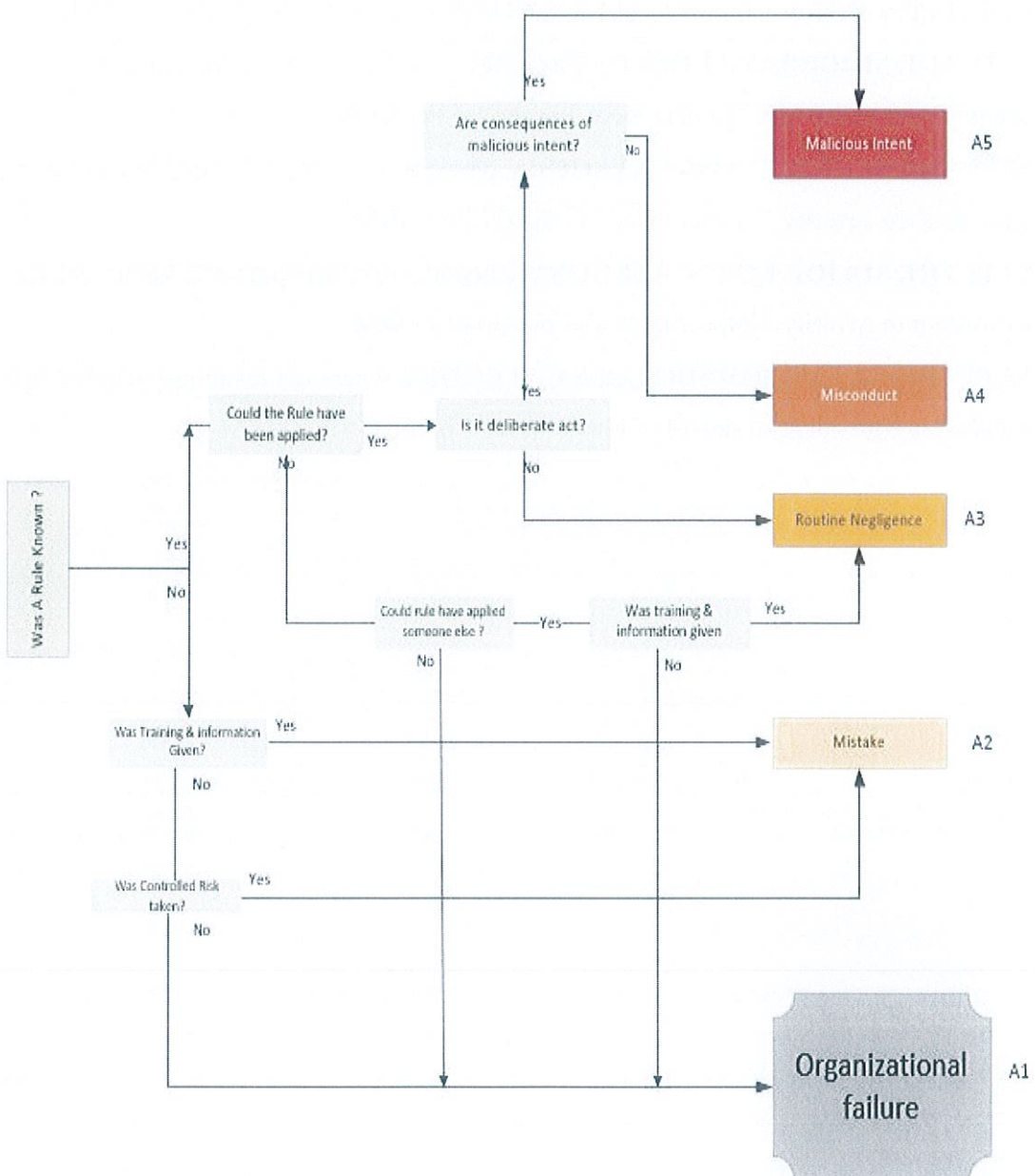
- the intention of act
- potential severity

### 8.2.1 Evaluate the intention of act

We can distinguish **5 types of intention of act** that is determined using the accountability Scheme (Figure 1):


- **A1** - IS THE ORGANIZATION FAILURE CATEGORY
- **A2** - IS THE MISTAKE CATEGORY (Rule or procedure not known)
- **A3** - IS THE ROUTINE/NEGLIGENCE CATEGORY (Transgression underestimating the risk)
- **A4** - IS THE MISCONDUCT / VIOLATION OF GOOD FAITH CATEGORY (Deliberate or unwarranted risk)
- **A5** - IS THE MALICIOUS INTENT / UNACCEPTABLE VIOLATIONS CATEGORY (Malice)

**ACCOUNTABILITY SCHEME**



**Figure 1**

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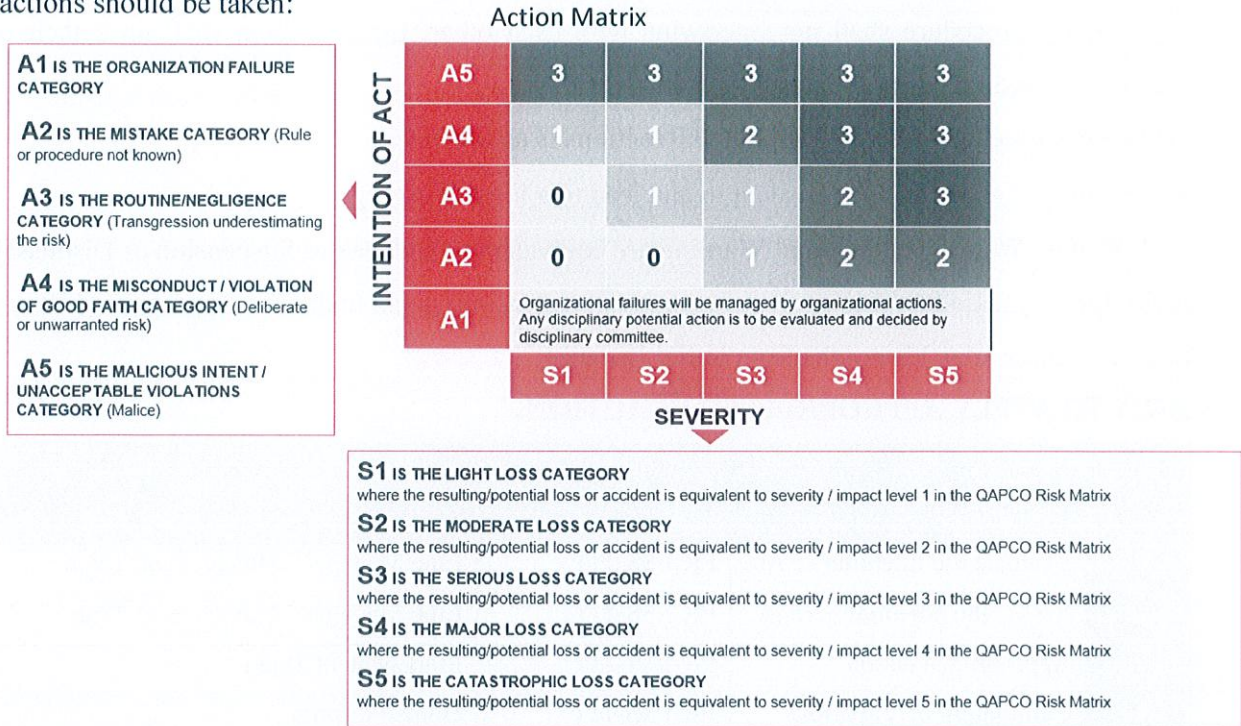
### 8.2.2 Analyze the potential severity:

We can distinguish **5 severity** types that is determined by using the QAPCO IRM reference:

- **S1 IS THE LIGHT LOSS CATEGORY** where the resulting/potential loss or accident is equivalent to severity / impact level 1 in the QAPCO integrated Risk Matrix (IRM)
- **S2 IS THE MODERATE LOSS CATEGORY** where the resulting/potential loss or accident is equivalent to severity / impact level 2 in the QAPCO IRM.
- **S3 IS THE SERIOUS LOSS CATEGORY** where the resulting/potential loss or accident is equivalent to severity / impact level 3 in the QAPCO IRM
- **S4 IS THE MAJOR LOSS CATEGORY** where the resulting/potential loss or accident is equivalent to severity / impact level 4 in the QAPCO IRM
- **S5 IS THE CATASTROPHIC LOSS CATEGORY** where the resulting/potential loss or accident is equivalent to severity / impact level 5 in the QAPCO IRM.

### 8.2.3 Appropriated Reaction

Based on intention of act evaluation and potential severity analysis, the following disciplinary actions should be taken:




Consequences Level	Action
0	Verbal Feedback or Caution Letter*
1	Written warning
2	Final warning
3	Suspension/ dismissal **

(\* ) or equivalent system in the contractor's HR policy

(\*\*) For QAPCO employees: With or Without End of Service Benefit, to be decided by Disciplinary Team. For Contractors: Temporarily or permanently rejected from QAPCO premises





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### 8.2.4 Cumulating of Violations

Violations of HSE rules are cumulative. Punishments between Appropriated Reaction process and Disciplinary Procedure shall not intertwine with each other. Both of them shall have their own cumulating method.

the process for cumulating Appropriated Reactions is as follows:

- 2 Written Warnings are equivalent to and lead to a Final Warning
  - A Written Warning and a Final Warning are equivalent to and lead to Suspension or Dismissal
- A disciplinary action (warning, final warning or suspension) given under the Appropriated Reaction process expires after 12 months from initial issuance.

### HOW TO APPLY APPROPRIATED REACTION

ID	Activity	Document reference	Responsible org. position
8.2.1	Evaluate the Intention of Act	PR-PSS-111	Line Manager / Management Team
8.2.2	Assess the potential severity	PR-PSS-111	Line Manager / Management Team
8.2.3	Appropriated action	PR-PSS-111	Management Team
8.2.4	Cumulating of Violations	PR-PSS-111	Human Capital

### OUTPUTS SUMMARY

#### 8.3 MANAGEMENT TEAM DECIDING FOR APPLICATION OF DISCIPLINARY ACTION:




Disciplinary Actions cannot be decided by the direct supervisor alone, who may be torn between conflicting interests or may have played a part in the situation that led to the deviation observed, but by a specific Team at a higher-ranking level comprising:

- COO / Equivalent in the contractor organization (if the Contractor is concerned),
- CHCISO,
- CHSEQO,

A number of other competent or concerned persons as the case may require, such as:

- the responsible of the investigation who analyzed the incident,
- the manager of the relevant activity (e.g.: production or maintenance manager), etc.

Care must be taken to limit the number of Team members.

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The Human Capital division shall form the Committee and chair it. The Committee meets and reviews violation(s) in question as required and in a timely manner.

The Human Capital division is always involved in defining and enforcing the Appropriated Reaction policy and will discuss and decide with the COO, the CHSEQO and the investigation team. All exchanges are to be kept completely confidential.

The Team informs the persons implicated when the process is set in motion and later of its results.

#### 8.4 Communication

Regarding an appropriated reaction, communication to the organization is key:

- An important step in building up QAPCO's safety and compliance culture,
- Form of employee protection that contributes to eliminating arbitrary decisions,
- Identical treatment for everyone, QAPCO and Contractors, employees and management,
- Possibility to discuss or calling management for answering questions.


In order to increase safety awareness of the organization, and based on the disciplinary team's input, the relevant department's Manager or Section Head is responsible to give verbal feedback to the disciplined employee to explain the consequence or potential impact of his or her violation, as well as the justification behind the disciplinary action. All disciplinary measures should involve feedback as the intent is always to correct, not punish behavior.

The procedure is communicated to the staff via the QAPCO portal and to the Contractors employees via the Materials Department, whenever required.

#### 9. RECORDS

The owner / executor of change shall maintain the following, but not limited to, records / documents for reference:

#	Document / Record ID	Document / Record name	Responsible department or section
1	NA	Awareness Training	Learning & Development
2	NA	Disciplinary Actions Register	Human Capital

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## 10. APPENDIX

### 10.1 SERVICE LEVEL DEFINITION

The key services and service levels listed below are required to complete the activities contained within this procedure

#	Service	Service level	Service provider	Service customer
1	NA	NA	NA	NA