



**Revitalising Health & Safety - The National Targets**

20% reduction in rate of work related ill health (10% by 2004)

10% reduction in rate of fatalities and major injuries (5% by 2004)

30% reduction in rate of working days lost (15% by 2004)

**Revitalising Health & Safety' (RHS)** - is a 10-year strategy to improve health and safety at work, launched jointly by the Government and Health and Safety Commission on 7 June 2000.

'The targets are for the health and safety system as a whole, not just for HSC or HSE. Everyone engaged in work, be they trade associations, employers, trades unions and workers need to think what they can do to deliver them.

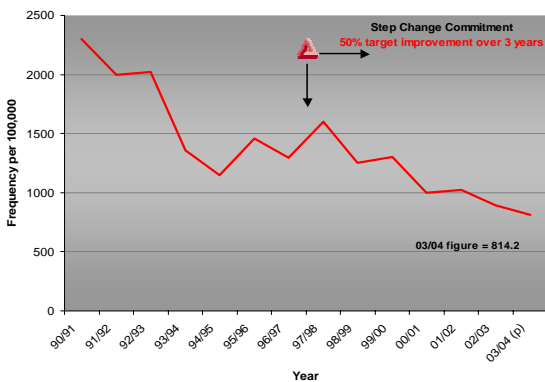


**Step Change Vision**

**"In 2010, the UK is the safest place to work in the worldwide oil & gas industry"**

**SUMMARY OF ALL REPORTED INJURIES (per 100,000 workers) 1992 - MARCH 2004 (p)**

Source: HSE Offshore Injury, Ill Health & Incident Statistics 2003/2004 (Provisional Data)



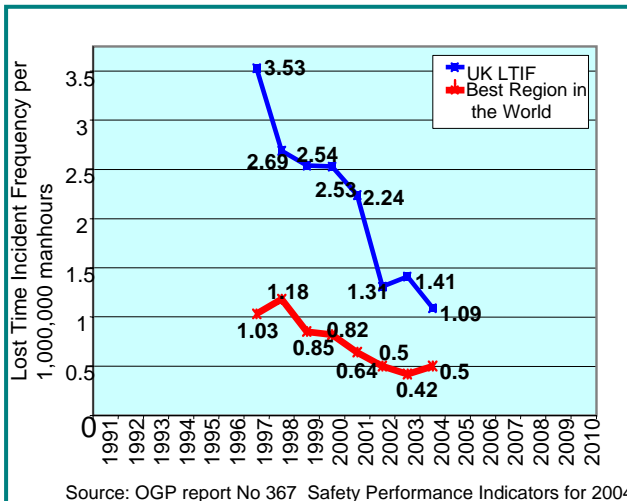
The government's revitalising health and safety targets set in 2000, aimed for a 10% reduction in fatal and major injuries across all industries by 2010 with a 5% reduction by 2004. The offshore industry has reduced fatal and major injuries by over 10% in 2004/2005, compared to the revitalising base year 1999/2000 (Source HSE Offshore Injury, Ill Health and Incident Statistics Report 2003/2004 and HSE Offshore Safety Statistics Bulletin 2004/2005).

The industry is meeting the HSE and industry agreed 10% year on year reduction target in combined major and significant hydrocarbon releases based on a 2002 benchmark.

The UK oil and gas industry is the safest major operating region in Europe. (Source OGP Annual Statistics Report May 2005) and has shown tremendous improvements in lost time injury frequency (LTIF), 69% since the launch of Step Change in 1997.

The Step Change initiative aims to achieve a further 50% improvement in lost time injury frequency to meet the current performance of the best region in the world.

Industry leaders currently recognise the need to increase the rate of improvement and this has led to current changes in how Step Change works and the strategic direction of the programme



Source: OGP report No 367 Safety Performance Indicators for 2004

The Step Change in Safety initiative was launched in September 1997 in recognition that the rate of progress in reducing accidents and injuries had begun to plateau. Industry leaders and representatives from trade associations, trade unions and HSE agreed that enhanced co-operation between the companies operating in the UKCS (United Kingdom Continental Shelf) was the way forward. A commitment was made to work in partnership to share safety information and good practice and to secure a step change in the UK's offshore safety performance.

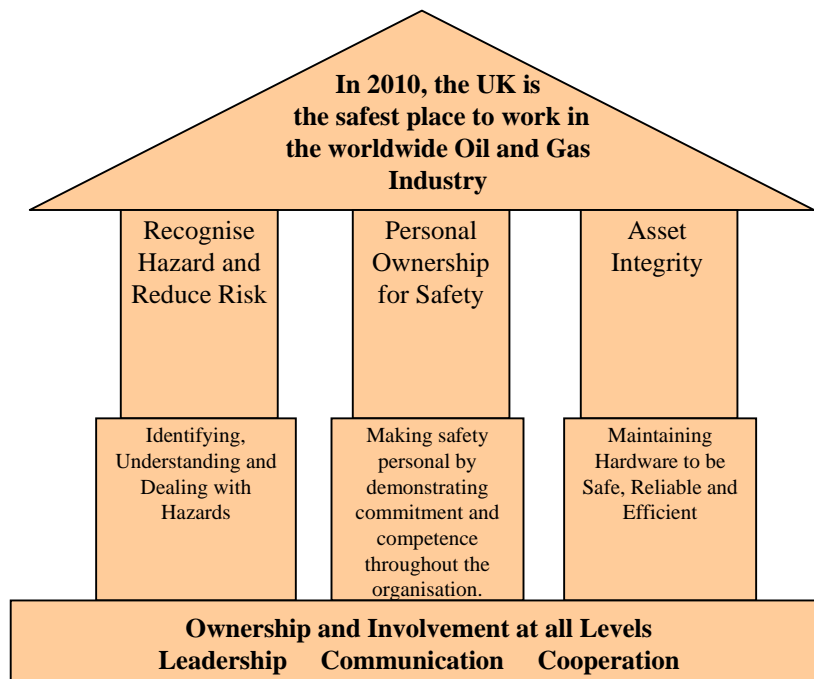


In 2004, a new strategy was agreed by the Step Change Leadership team to achieve the vision. Development of the new strategy involved rationalising Step Change activities to focus on key areas to deliver the vision. All stakeholders in the industry are aligned with 3 strategic areas for 2005 and beyond:

- Recognising hazards and reducing risks
- Personal ownership for safety
- Asset integrity

Successful delivery of the strategy is based on ownership and involvement at all levels and relies on leadership, communication and cooperation.

The key elements of the strategy are illustrated in the temple model.



#### Personal Responsibility for Safety

Personal Responsibility for Safety was launched in May 2005. This initiative is about getting everyone, regardless of position, to work safely, look after themselves, their colleagues and others, and always intervene when unsafe behaviours or conditions are observed. It aims to harmonise the key processes that support and sustain safe behaviours and make personal responsibility a shared value across the industry.

#### Governance

The Step Change Leadership Team agreed a governance model to ensure effective implementation of Step Change initiatives.

This has resulted in increased involvement of Leadership Team members with managing directors of key member companies.

#### Global Recognition

There is global interest in the Step Change in Safety initiative. The Step Change support team have been contacted by interested parties looking to set up similar initiatives in various countries including Norway, Australia, Mexico, Cuba, Malaysia. There is global interest in Step Change publications with the website registering 3251 users outside the UK.

Step Change has made an impact in the UK in raising awareness of safety as a key driver for best sustainable business performance and in securing reductions in injury rates and near miss incidents. The Step Change guidance booklets and web site have gained world-wide interest and influence. Step Change in Safety was awarded the Carolita U. Kallaur Award for Outstanding International Safety Leadership at the International Regulators Forum in March 2005 in recognition of these achievements