



# Carmon Creek Project

## EARNING THE 2015 SHELL CEO'S GLOBAL AWARD FOR EXEMPLARY SAFETY PERFORMANCE



**TWICE AS  
SAFE**

**TWICE AS  
PRODUCTIVE**

Paul Pickering – Shell CC Project Director

# THE POWER OF PERSEVERANCE



**Ben van Beurden**  
Chief Executive Officer  
Royal Dutch Shell plc

Shell Chemicals Americas Inc  
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January 11, 2016

*To the Carmon Creek Project Team,*

Congratulations for winning a 2015 Chief Executive Officer's HSSE & SP Award for "Improving performance in global HSSE & SP risk areas".

This is the ninth year we have held the Chief Executive Officer's HSSE & SP Awards programme to recognize and reward outstanding efforts, by individuals or teams, towards improving and sustaining Shell's performance in the areas of health, safety, security, the environment and social performance.

We received over 240 nominations for awards this year in five categories: HSSE & SP Leadership; Improving performance in global HSSE & SP risk areas; Strengthening compliance; Do the right thing and Excellence in Environment and Social Performance.

It was a privilege to congratulate you via video conference. The award recognizes the teams' remarkable achievement of many million hours without a lost time injury under very challenging circumstances. Strong performance in HSSE & SP goes hand in hand with strong operational performance; they cannot exist without each other. I am proud of the way we at Shell conduct our business, your work is an outstanding example.

I wish you continued success and look forward to hearing about your contributions throughout the upcoming year.

*Yours Sincerely,*

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## In October 2015, the Carmon Creek Project was Awarded the prestigious Shell CEO's Global Award for Exemplary Safety Performance competing against projects globally



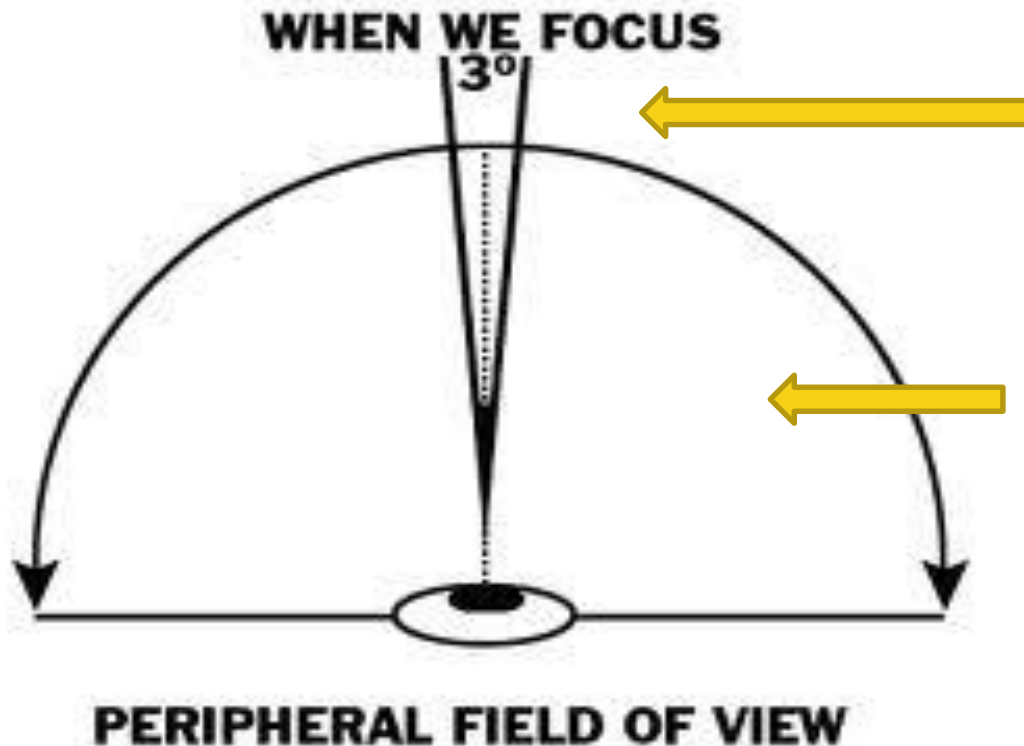
Cognitive  
DANGER SEE  
scan threats  
RISK SAFETY  
tension  
peripheral  
Hard EYES  
BREATH SOFT  
Awareness  
PROTECT

# SAFETY MOMENT

# How well can you see



*The things your not looking at?*



Hard eyes we use these to stare directly at an object focusing on nothing else.

When you use your SOFT EYES you were keeping the object in your general vision but also using your peripheral vision to see so much more around you.

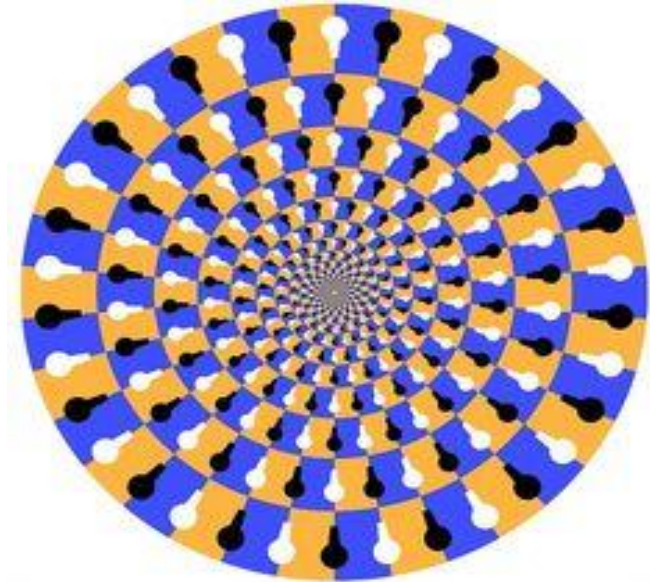
**Focus Hard eyes on the center of the circle**

**Hard Eyes on the Problem**

**Can you find the mistake?**

**1 2 3 4 5 6 7 8 9**

**Now try using your soft eyes**



**Now put the circle in your periphery**

**Where we focus our attention determines how much we see. Our Vision is a powerful thing, this vital tool impacts how we...**

*Think safe, work safe, Be safe*

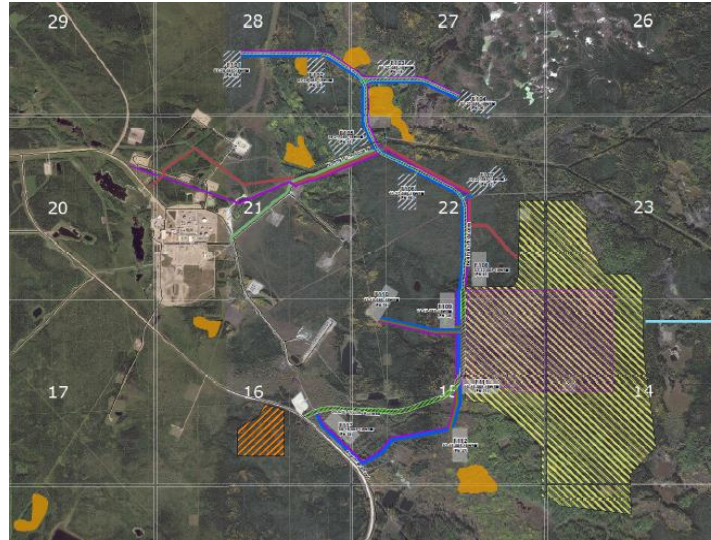
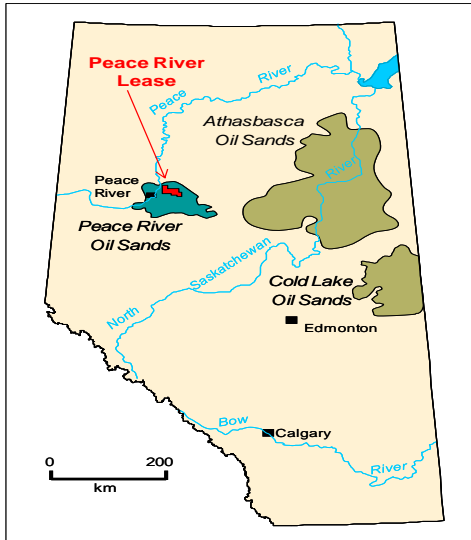




**Eliminate risk from your periphery focus on your work but be mindful and use your soft eyes to stay alert to changing conditions.**



# CARMON CREEK PROJECT



# CEO SUMMITS : BRANDING AND BONDING



**THOMPSON BROS**  
(CONSTR.) LP.



**NORTHSITE CONTRACTORS LTD.**







- ❑ Annual HSSE Plan to manage resources and prevent initiative overload (define)
- ❑ CEO Summits site HSE steering committees (define)
- ❑ Visible, engaged and committed leadership (demonstrate)
- ❑ Resource the line and HSSE teams with the correct skill sets and materials (demonstrate)
- ❑ Learn from each other - drive to incident root causes with open participation by both Shell and Contractors - “Care of the workers” at the heart of all responses to Incidents (ie. No “witch hunts”) (demonstrate and demand)
- ❑ Accountability through weekly Contract progress meetings and regular Contractor Business Performance Reviews (demand)
- ❑ “Choices YOU make, YOU and I each make” for performance management (demand):
  - Structured Site Access Review Committee
  - Site recognition program provided positive balance thru points system

## - **BEHAVIOURS TO ENHANCE FIELD SAFE PRODUCTION**



- ❑ Foundation - sincere, transparent partnership between Shell and Contractor Leaders to create a respectful, caring workplace:
- ❑ Proactive behaviors focused on safe production to be the expected norm
- ❑ BE consistent in words and actions = Develop trust and compliance value system:
  - Provided high quality camp where everyone treated the same
  - Open communication by Project Director and leadership team on ALL matters
  - Workforce concerns listened to, actioned and followed up – “don’t ignore the small stuff”
  - Communicate, communicate, communicate
- ❑ Branding – “I have your back, You have mine”



- ❑ Aligned single site HSSE program **agreed with all Contractors** – but leverage contractor proven tools
- ❑ Simple rules (Life Saving Rules, Construction Site Standardization)
- ❑ Interactive Orientation & Shell HSE Leadership Training Program (soft skills for all site leaders) - opened & championed by Shell and Contractor Leaders.
- ❑ Diligent and structured contractor management: formal assessments, line management led contractor mobilization – monitored by HSSE formal field activities.
- ❑ Use of video media to deliver messages across site
- ❑ Camp Committee; and drug dogs used to deter illegal drug use and thus related social issues
- ❑ Having state of the art medical facility and pre access assessments – setting new boundaries but also explaining and introducing so it is welcomed not enforced
- ❑ **INJURY ALBERTA TESTING:** <https://mysafetysurvey.com/home/about>



# THE BENEFIT OF FOCUS - EXCITEMENT AND ENERGY



**CALGARY, Oct. 31, 2013 /CNW/** - Royal Dutch Shell plc (Shell) today announced its decision to proceed with its Carmon Creek project in Alberta, Canada, expected to produce up to 80,000 barrels of oil per day.



- When Carmon Creek was announced, the Alberta Construction industry was projected to be headed into another Boom period and estimated that the industry would be short over 21,000 workers.
- The Carmon Creek team pressed on focused on building a project that would be considered the Project of Choice in the province focusing on worker wellness, HSE excellence and creating a satisfying respectful workplace where people and careers could flourish

## CONSTRUCTION LOOKING FORWARD COAA 2013

*“The Alberta labour force will expand by 14,000 workers across the 2013–2021 scenario. Over the same period, replacement demand adds requirements estimated at just over 30,000 workers. With first-time new entrants estimated at 23,000, this leaves a gap of **21,000 workers that need to be found from outside the construction industry.**”*

# THE OIL CRASH HEADLINES



**CBC Broadcasting** - Alberta and the oil crash, - 12 months ago, oil was trading at \$106 US a barrel. How has Alberta survived the crash, so far?

**Macleans Magazine** - The death of the Alberta dream. Large-scale layoffs, empty office towers, falling house prices: Alberta has been gutted by the glut.

**Financial Post** - Oil industry to lose 100,000 jobs by the end of 2015 as policy uncertainties, low prices decimate sector

**Headlines as the Carmon Creek teams  
prepare for a day on site**



# J V DRIVER KEY PROJECT DIFFERENTIATORS



- **Early Contractor Engagement** and meaningful involvement in development of HSE system – bring the best programs and build a program that is fit for purpose.
- **Think Different, Build Better** - Promote collaboration among all team members - project leaders, field leaders and craft. Meaningful involvement promotes ownership from conception through to execution.
- Daily examination and actioning of **field observations** reinforced that the craft teams had a prominent voice in Safety.
- **Craft engagement** that is focused on bring out the best our people have. The Vigilance program was designed and implemented for the end user. Designed to bring the best qualities and instincts out to improve HSE performance



Think Different  
Build Better

CONFIDENTIAL





- The people at Carmon Creek continued to pursue Safety Excellence by refusing to become victims to the global factors that were beyond their circle of influence.
- The leaders chose to continue to focus on building the Culture of Safety Excellence and;
- The field crews held on to the principles of safe work in the face of significant personal distractions and massive uncertainty.
- **As a team and as a family, chose to “Stay Above the Line”**
- This team of extraordinary people demonstrated to the world that when we cannot change external factors, we can still choose our response.

# THE RESULTS

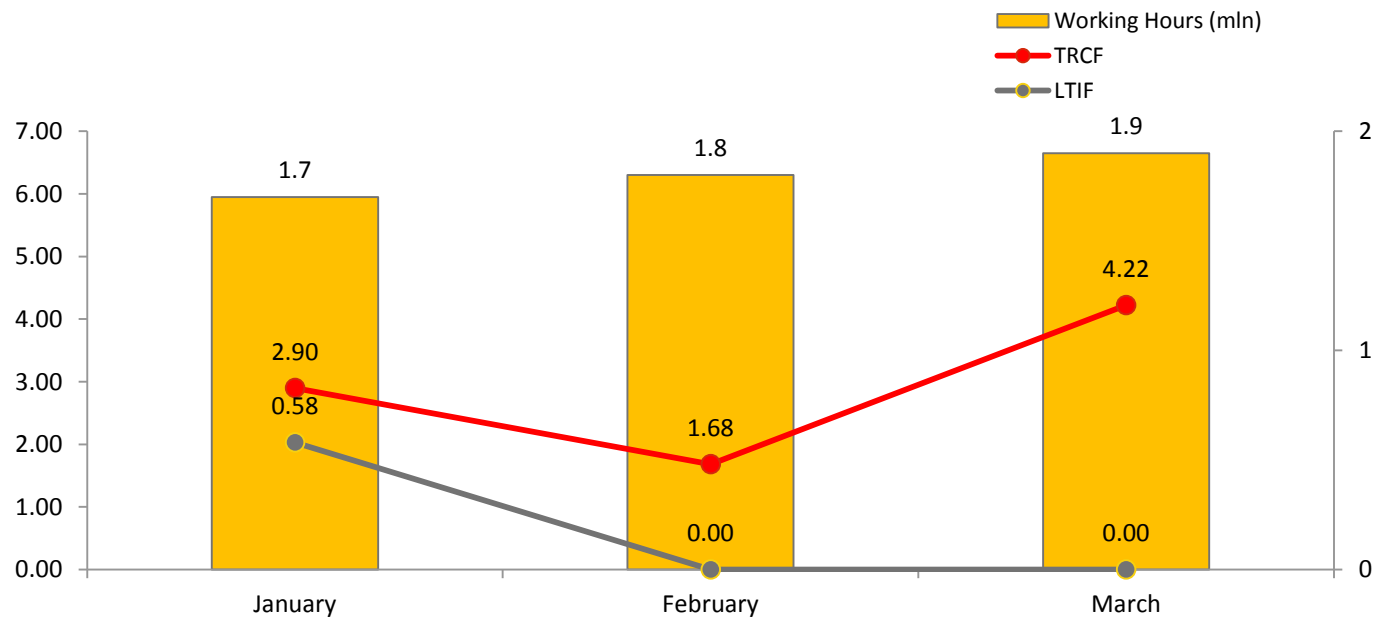


- ❑ Significant Milestones Achieved:
  - ❑ Over 1 year without sustaining a recordable injury August 8 2014 – Oct 2 2014, 421 days
  - ❑ Over 2 million work hours recordable injury free, 2,435,466 work hours.
  - ❑ Over 2 years Lost Time Injury free on the Construction Project - No LTI for the Project
  - ❑ Over 6,092,264 million work hours Lost Time Injury free for the Carmon Creek Project worldwide
  - ❑ 2015 TRCF of 0.54 to end of November (1,805,798 1,860,016 exposure hours)
  - ❑ PTD TRCF of 1.12 (4,026, 063 work hours
- ❑ The project won the Shell CEO global ward “2015 CEO HSSE & SP Award in the category of Improving Performance in a Global Risk Area”.
- ❑ ..... and productivity beating targets at the same time!!!!



# PTP – Projects & UA (Alberta) HSSE PERFORMANCE Q1 2016

Incident Month	Workhours	Total Recordable Count (TRC)	Total Reportable Case Frequency (TRCF)	Lost Time Injury Frequency (LTIF)	Lost Time Injury Count (LTI)
Total 2016	5,404,972	16	2.96	0.19	1
2016-01	1,723,344	5	2.90	0.58	1
2016-02	1,783,842	3	1.68	0.00	0
2016-03	1,897,786	8	4.22	0.00	0



## BUT IS IT SUSTAINED EVERYWHERE?



In first 4 months of 2016, one area of our **Alberta Construction** business has had a **Cumulative TRCF of 2.96 for Q1 2016 based on a million hours...4.22 in March**

- ❑ The downturn brings uncertainty and distraction and....
  - ❑ An upturn brings inexperience, rush to market, revolving doors of craft
  - ❑ .... So how do we make this our Canadian norm..
  
- ❑ Its morally and imperative... and it is a foundation for efficient business which = survival .

# Q & A

## THINK SAFE, WORK SAFE, BE SAFE

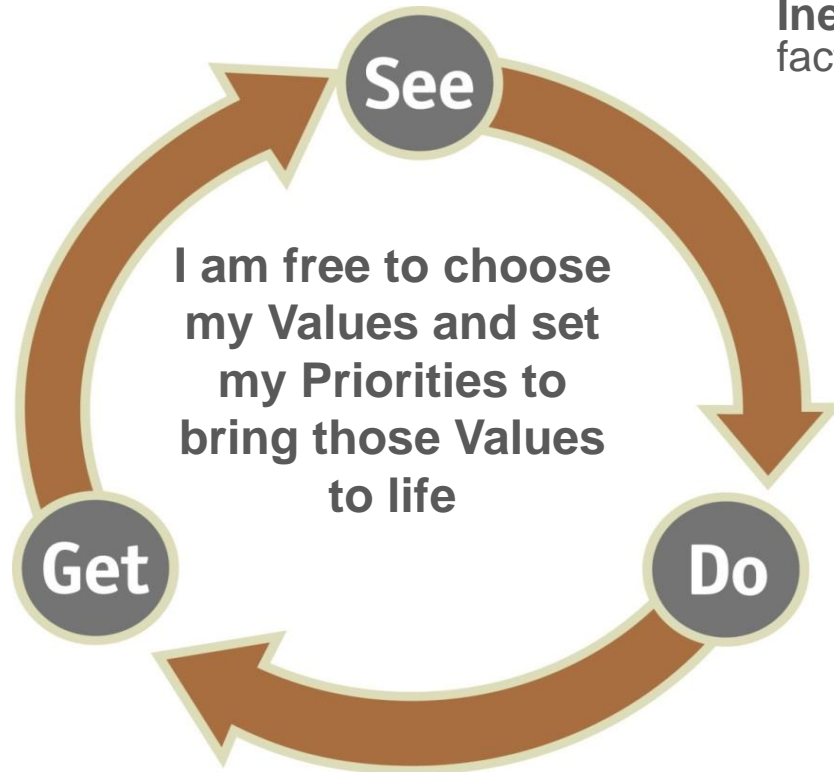
### Paradigm

**Effective** – All Injuries are preventable

**Ineffective** – We cannot control all factors to prevent all injuries

### Result

- Crew engagement
- Improved Perception
- Great Culture
- Great Performance



### Behavior

- Engage workers
- Take every opportunity to act on your priorities
- Demonstrate your unwavering commitment

## WORKING SESSION – LET'S LEARN FROM ONE ANOTHER



- ❑ Quick look and say where are you on this journey in your org
- ❑ Give top 1 or 2 points you would prioritize to move your company onward
- ❑ List 1 or 2 top practices you could make more efficient or eliminate to make safe delivery more efficient and effective