

# Operational Procedure

## Promoting Fair Culture

Application within Energy Solutions (ES)  
and Renewable Energies Belux (RES)

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## 0 Referentie

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Documentnummer	Titel
GR02	Group Health And Safety Rule GR 02 Health and Safety with regard to subcontracting 15/01/2018
GR14	Group Health And Safety Rule GR 14 Promoting a fair culture 25/11/2022

## 1 Purpose

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Energy Solutions and Renewables Energies Belux has set the goal of eradicating work-related accidents, with a particular focus on the most serious ones. Promoting a fair culture is a contributive factor to achieve this goal.

The adoption of a fair culture requires the implementation of a system that recognizes virtuous behaviors and that proportionally sanctions deviations from the H&S rules, taking into account the circumstances in which these deviations occurred.

By establishing common principles that are clear and shared by all Group employees, managers and contractors, this policy is contributing to the continuous strengthening of ENGIE's safety culture, the target of zero fatal accidents, and of its "NO LIFE AT RISK" ambition.

The objectives of this policy "promoting a fair culture" are:

- to define the Group's **principles regarding fair culture and the minimum requirements** to be met within the Group regarding the **treatment of virtuous behavior or actual deviations to H&S rules** made by Group employees and contractors;
- to **ensure that this treatment follows the same rules from one entity to the other**;
- to **promote practices that prevent accidents**, particularly serious and fatal ones;
- to **promote the identification, reporting and appreciation of initiatives, good practices** and virtuous behaviors, contributing to the strengthening of H&S;
- to **drive the management's behavior, in the event of an intentional or unintentional deviation** leading to an event with a high potential severity (HiPo) or breach of a Group rule;
- to specify the **roles and responsibilities in terms of enforcement** of the current recognition and sanction process **within the governance framework (area performance review) of the group legal entities**.

This document describes how to go about rewarding and sanctioning (in)appropriate behaviour of employees. It is an adaptation of the GR14, taking into account the specifics of projects in and organisation of the Renewable Energies Belux (RES) and Energy Solutions (ES) department.

## 2 Scope and implementation

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This policy applies to all Group employees and contractors' staff in development, construction and operation/maintenance phase, regardless of the method of financial consolidation. References to contractors in this document include subcontractors too.

Each manager is responsible on his perimeter for disseminating and implementing this fair culture policy.

The managers are invited to illustrate and communicate on the system of recognition and fair sanctions in order to ensure everyone's awareness and understanding.

## 3 Reward system for promoting a fair culture

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A recognition system is put in place to promote and reward virtuous behaviors.

Such system has many interests, among which:

- to put the safety rules, especially the Life Saving Rules, at the top of the entity's value scale;
- to encourage individual and collective initiative to improve safety;
- to promote the systematic implementation of virtuous behavior

Promotion and celebration of good behaviors is implemented in order to encourage employees and contractors to be part of day to day overall system improvement.

Below recognition matrix will be applied for employees and contractors promoting virtuous behavior.

	<b>Informal/verbal recognition</b>	<b>Formalized recognition</b>	<b>Enhanced recognition</b>
<ul style="list-style-type: none"> <li>• <b>Compliance with safety rules</b></li> </ul>	<b>Encouragement</b> Name it at kick/off, site or teammeetings	<b>Appropriate assessment</b> supplier evaluation / end of year evaluation	
<ul style="list-style-type: none"> <li>• <b>Detection of unsafe situations.</b></li> <li>• <b>Communicate unsafe situation to Engie/hierarchy</b></li> <li>• <b>Take appropriate corrective actions</b></li> </ul>	<b>Congratulations</b> Positive feedback at kick-off, site or teammeetings	<b>Integrate in report</b> (team, site meeting, safety coordinator,...) Appropriate assessment supplier evaluation / end of year evaluation	
<ul style="list-style-type: none"> <li>• <b>Initiative to improve safety / structural proactive safety behaviour</b></li> </ul>	<b>Congratulations</b> Positive feedback at kick-off, site or teammeetings	<b>Integrate in report</b> (team, site meeting, safety coordinator,...) Appropriate assessment supplier evaluation / end of year evaluation	Green card  Positive OPN for internal communication within Group  Inform contractor/employee on publication in Prevention News
Sensitize own employees in giving positive feedback			

## 4 Identifying mistakes as a source of progress

The reporting and sharing of observations whether they be Near Misses/ Unsafe Acts or Conditions is the key to proactively identifying areas of improvements in work organization, operating procedures, equipment, training, competences, etc.

Our entities recognize the right to make mistakes. Identifying, reporting and analyzing mistakes is also part of continuous improvement.

It is essential that a positive culture is developed such that these observations are viewed as part of the common core objective of continuous improvement.

Recurrence of the same or similar observations will entail a further evaluation of the root cause(s) in order that appropriate actions can be taken.

## 5 A preliminary in-depth root cause analysis

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Any breach of H&S rules will systematically lead to an analysis of the causes and conditions in which it occurred, before any decision of a possible sanction, in order to be able to determine the individual, collective and organizational factors, and thus implement at the appropriate level the corrective actions to prevent the recurrence of the breach.

## 6 A sanction system for breach of H&S rules

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The following principles are taken into account when establishing the fair sanction system of the entity applicable to Group employees and contractors:

- the sanction scale must be **transparent, formalized and shared** within the entity;
- the level of responsibility of the different persons, including the **management line**, involved in the breach of the H&S rule has to be determined;
- each sanction must be **proportionate to the severity of the deviation** and must be notified and explained;
- the level of sanction is based on **local legal and regulatory provisions** on safety, the type of rule concerned (Life Saving Rule, instructions from the employer, LOTO procedure deviation, etc.), the nature of the deviation from the rule (misunderstanding of the rule, non-compliance with the rule, refusal to comply with management instructions, errors, carelessness or negligence, risky behavior...), the possible recurrence of the deviation, etc.
- a sanction can be issued as well for an Engie employee, any employee working for the contractors company, as for the contractors company.

ENGIE ES/RES managers can issue verbal notifications, yellow and red cards to contractors' employee. They may do so on the basis of the list of violations provided in sections .... Any manager who issues a verbal notification, yellow or red card must report this to the project leader/operations manager. The project leader/operations manager decides the actual measures to be taken and applies them. An employee/contractor may only be banned from the site by the project leader/operations manager, who is ultimately responsible for applying the penalties.

For actions not included in the list of violations, the project leader/operations manager may nonetheless decide to issue a verbal notification, a yellow or red card, and apply penalties. This would be the case with situations in which an employee's actions have posed a serious threat to safety, in connection with reckless, negligent behaviour.

The project leader/operations manager also has the option of issuing a verbal notification, a yellow or red card to the supervisor of a contractor or the company who commits a violation.

The sanction matrix giving the main principles is given below.

Reason for non-compliance with a rule	First occurrence	Second occurrence	Third occurrence	Fourth occurrence
<ul style="list-style-type: none"> <li>• Foul play or Sabotage</li> <li>• Intentional breach of safety rules or a Life Saving Rule <u>causing a serious and immediate safety threat</u></li> </ul>	Red card*			
<ul style="list-style-type: none"> <li>• Intentional breach of safety rules or a Life Saving Rule causing a safety threat</li> </ul>	Yellow card*	Red card*		
<ul style="list-style-type: none"> <li>• Breach of safety rules or a Life Saving Rule by carelessness or negligence</li> </ul>	Verbal notification*	Yellow card*	Red card*	
<ul style="list-style-type: none"> <li>• Failure to understand the rule or lack of knowledge</li> </ul>	Reminder / Training / Refresher course*	Verbal notification*	Yellow card*	Red card*

For Engie Employee:

\*moderate/severe disciplinary measure as determined by hierarchy/HR taking into account The Labour Regulations (Chapter 14)

## 7 Communicating locally on sanctions linked to Life Saving Rules breaches and recognitions linked to health & safety good practices

Investigation outcomes of Life Saving Rules and Health & Safety breaches are communicated internally within the Group by the H&S manager to internal and external workforces to raise awareness on possible consequences of breaches of this kind of rule.

The H&S manager also communicates on positive recognitions awarded to staff members and contractors for their commitment to H&S and safe behaviors in general.

## 8 Detailed information on penalties

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- **Verbal notification**
  - Discussion of the violation there and then;
  - Meeting with the project leader/maintenance manager regarding the consequences of unsafe behaviour and the penalties of the sanction system;
  - Registration of the verbal notification in the RES/ES incident register.
- **1st yellow card**
  - Discussion of the violation there and then;
  - Meeting with the project leader/maintenance manager regarding the consequences of receiving another yellow card;
  - Formal mail to the contractor;
  - Registration of the yellow card in the RES/ES incident register.
  - Once issued, a yellow card expires if the employee/company does not receive a yellow card or warning in the three months after being given the yellow card.
- **2nd yellow card**
  - Conversion to a red card;
  - Ensuing procedure as in the case of a red card.
- **1st red card**
  - Discussion of the violation there and then;
  - The employee/company is banned from the site in question;
  - A meeting is held between construction manager/operations manager/operations & maintenance manager and the contractor's company management to make commitments for improvement;
  - Registered letter to the contractor;
  - Registration of the red card in the RES/ES incident register.
- **2nd red card for the employee**
  - The employee/company is permanently banned from the Industrial Project Sites of Renewables Energies Belux.

The decision on whether to re-admit offenders and allow them to perform work on the site is in the hands of the management of RES and ES. The following steps must be taken, and the commitments made are recorded:

- The management of the employee/company that has been banned requests a meeting with the management of RES/ES and the HSE representative of RES/ES;
- An action plan detailing how the safety-related provisions will be observed and how the listed violations that were committed will be avoided is presented. The offender remains banned from the site up to the moment when this is in place;
- In case of violation of this action plan by a contractor's staff, additional agreements are made regarding the level of supervision required from the contractor's managers.

## 9 List of violations of safety rules causing a (serious and immediate) safety threat

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The severity of the penalty (reminder training, verbal notification, yellow or red card) will depend on the severity of the violation, the intention, the carelessness well as on the imminence of the safety threat. This will be judged by the project leader/operations manager.

### a) Violation of a Life Saving Rule

Unacceptable:

- Violating one of ENGIE's Life Saving Rules (see §1);

Reason:

- These rules have been put in place to prevent fatal accidents.

### b) Smoking where smoking is not allowed on industrial sites

Unacceptable:

- Smoking in areas other than designated smoking areas;

Reason:

- Smoking in the units may cause a fire or an explosion;
- Smoke-free workplaces are a legal requirement;
- Risk of explosion of chemicals on industrial sites;
- Need to provide a safe workplace.

### c) Deviating from the work order and/or work permit

Un acceptable:

- Performing other activities than the assigned task;
- Unauthorised and/or undesignated persons operating and switching process facilities;
- Operating or switching a process facility without the consent of the Operations team leader or the installation manager;
- Operating or switching a high-voltage facility without the consent of the installation manager.

Reason:

- Operating or switching facilities without permission from Operations can result in unsafe situations and heighten the risk of process deviations and accidents.

### d) Removing protective equipment, screens, enclosures, floor covers or unauthorised alteration of scaffolding

Unacceptable:



- Removing protective equipment and screens from machines or mechanical tools, then using them – for example, this could include removing the guards from angle grinders or rotating machinery or fixing a dead man’s switch or similar device in position so as to work on it;
- Bypassing process protection without authorisation and without recording it in the log;
- Removing an enclosure or floor covering without the express permission of the project leader;
- Unauthorised alteration of scaffolding (removing guard rails, floor covers, etc.);
- Unauthorised removing of collective protection around roofedges and skylights;
- Working in or entering closed-off areas without authorisation;
- Entering lifting areas without authorisation and ignoring the equipment in place to close off lifting areas.

Reason:

- Deliberately removing safety equipment generates a direct risk of crushing and cutting and can result in serious injury;
- Removing an enclosure or floor covering while the hazard is still there increases the risk of a work-related accident.

**e) Using work equipment without the valid diploma or certificate required for its operation**

Unacceptable:

- Using work equipment without the valid diploma or certificate required for its operation.

Reason:

- Employees who have not received sufficient training or does not have an appropriate certificate may jeopardise their own safety and that of others, as well as the facilities’ safety.

**f) Being under the influence of alcohol or drugs**

Unacceptable:

- Consuming alcohol and/or drugs at work;
- Being in possession of alcohol and/or drugs on-site;
- Being under the influence of alcohol and/or drugs;
- See also Our Life Saving Rule: “Do not drive under the influence of alcohol or drugs”.

Reason:

- Working under the influence of alcohol and drugs increases a person’s chance of committing an error, and so raises the risk of work-related accidents involving that person or his/her colleagues.

**Other violations of safety rules causing a (serious and immediate) safety threat will be evaluated by the project leader/operations manager.**

## 10 List of violations of safety rules causing a minor safety threat

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Violation to minor safety threats can also lead to applying of the sanction policy, especially if the unsafe behaviour is repeated.

### a) A work area is so untidy and/or dirty that it has become a hazard

Unacceptable:

- Blocking emergency exits and escape routes;
- Possibility that objects may fall from height;
- Risk of tripping over.

Reason:

- If emergency exits and escape routes are blocked, the employee cannot leave the workplace quickly and safely in the event of an emergency;
- Objects falling from height can cause life-threatening injury;
- Tripping over can cause injury.

### b) Not wearing the required personal protective equipment (unless this is a violation of a Life Saving Rule)

Unacceptable:

- The employee is not wearing the required personal protective equipment;
- And, in exceptional circumstances, did not talk to the intervention manager about an exemption from the requirement to wear the PPE (personal protective equipment).

Reason:

- Not wearing PPE increases the chance of injury.

**Other violations of safety rules causing a minor safety threat will be evaluated by the project leader/operations manager.**

## 11 Tasks

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### Project leader/operations manager

- Applying the rewarding system and penalty system for promoting a fare culture.
- Applying the penalties associated with the verbal notifications, yellow and red cards and issuing the penalties;
- Submitting the data pertaining to a contractor who received a green, yellow or red card to the HSE manager within 24 hours;

- Officially notify the Contractor when a green/yellow/red card is given (email/registered letter);
- Holding a meeting with the contractor's management if a red card is given;
- In case of major violations (to be determined in cooperation with HSE and the RES/ES management): performing an RCA (Root Cause Analysis);

#### Hierarchical line

- Applying the rewarding system and penalty system for promoting a fair culture for Engie employee.
- Determine together with the HR department the disciplinary measure in case of violations of an Engie employee on H&S rules.

#### HR department

- Determine together with the hierarchical line the disciplinary measure in case of violations of an Engie employee on H&S rules.

#### HSE Department

- Taking part in meetings with contractors who have received red cards;
- Maintaining the register of incidents containing the given penalties.

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