

Instruction on SSAB's health and safety principles and management

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1. Background and purpose

The purpose of this Instruction is to determine the principles and requirements that employees at SSAB will apply to achieve our objective of zero accidents, injuries and work-related illnesses.

Safety and well-being of our employees, sub-contractors and partners is considered a fundamental part of all management in SSAB worldwide. Working safely is a fundamental prerequisite for being employed at SSAB.

We aim to change people's attitudes and motivate them to continuously improve safety and actively contribute to everyone's wellbeing at work.

2. Applicability

This Instruction is mandatory and shall apply to all divisions and companies in the SSAB Group

3. Instruction statement - Health and safety principles

Everyone has the right to a healthy, accident free work environment in SSAB. Our goal is to prevent all injuries and work-related illnesses. We will minimize, as far as possible, health and safety risks everywhere we operate.

To strengthen everyone's commitment to safety, a safety pledge has been introduced in which all employees commit to work safely, look out for the safety of others, take action if one recognizes a hazard or a risky behavior, and to always put safety ahead of production.

In order to achieve our objective of zero accidents, injuries and work-related illnesses, we shall apply the following health and safety principles:

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I. Health and safety governance and compliance

- Comply with or exceed all applicable laws, regulations and SSAB requirements;
- Ensure consistent and effective implementation of SSAB's health and safety directive and instructions through cooperation between divisions and subsidiaries;
- Information related to health and safety is shared and communicated openly;
- Ensure best practice and continuous improvement in health and safety matters;
- All accidents and incidents are reported and investigated. The supervisor must be notified of a lost time or a medical treatment injury within 24 hours of the occurrence;
- Establish clear objectives and carry out regular monitoring to ensure that these objectives are fulfilled;

II. Preventive health and safety work

As an employee at SSAB, we shall ensure to

- Have safety as an integral part of all activities and decisions throughout the company;
- Co-operate to prevent accidents and work-related illness by identifying, evaluating and removing risks throughout the company;
- Systematically identify and eliminate the root causes of accidents and near misses which have occurred, with the aim of preventing them from happening;
- Work on process safety – defined as a blend of engineering, operations and causes of fatalities management skills focused on preventing catastrophic accidents and near misses, particularly structural collapse, explosions, fires and toxic releases associated with loss of containment of energy or dangerous substances such as chemicals and petroleum products; Every manager should ask:
 - o Do we know what can go wrong?
 - o Do we know what barriers we have to ensure that it doesn't go wrong?
 - o Do we know that our barriers are effective and working properly?

III. Behavioral safety, responsibility and accountability

- All employees are responsible for their own safety and for that of others in their own working environment;
- We interrupt and instruct colleagues and contractors when they take a risk or fail to comply with established safety rules;
- All work which is not performed safely must be discontinued;
- Workplaces are well organised and standardised working methods are implemented;

IV. Health and safety leadership

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- Safety gets first priority on the agenda of meetings at all organizational levels;
- All managers lead by example. They are responsible for the work environment and must serve as good role models;
- Management and the line organizations are responsible for occupational safety as well as process safety. They are assisted by occupational safety specialists;

V. Employee engagement and training on health and safety

- Everyone is involved in the safety improvement work;
- Ensure that all employees are provided with all necessary instructions, as well as the training and equipment necessary to facilitate healthy and safe work methods;

4 Roles and responsibilities

SSAB Group Executive Committee and **Division Management Teams** shall integrate health and safety into strategy and actions. They shall ensure sufficient resources for health and safety management in their respective organization with a focus on continuous improvement of health and safety performance at SSAB.

Co-operation in health and safety on a Group level is ensured by two cross-divisional safety groups, the **Health and Safety Council** which shall coordinate, cooperate and propose policy and strategy initiatives and changes to the Group Executive Committee (GEC). It is the decision-making body on safety issues relevant for SSAB. The council is also responsible for promoting a positive safety culture within the company.

The Health and Safety Council consists, amongst others, of senior representatives from all SSAB divisions, as well as subsidiaries Tibnor, Ruukki Construction and Merox.

The **Safety Expert Group** shall share information on divisional safety programs, achieved results, best practices, information on serious incidents, and recommendations on preventive actions. The group also proposes company-wide safety initiatives to be decided by the Health and Safety Council.

All SSAB employees are responsible for ensuring their own safety and for that of others in their own working environment. SSAB is responsible for the safety of our subcontractors and visitors.

The line organisation has the overall responsibility for managing and developing health and safety work and ensuring compliance with all applicable legal and other safety requirements. The line organization is also responsible for carrying out risk assessments, supported by safety organisation and the employees of the evaluated areas.

All SSAB units and sites shall create and maintain processes, procedures and necessary tools to

- identify systematically the safety hazards arising from the work, working environment, machines and tools and working conditions,

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- assess regularly the risks arising from the identified hazards,
- plan and carry out corrective and preventive actions to eliminate or minimize those risks,
- maintain and update the risk assessment data at all times.

Risk assessments cover all existing, new and modified systems, processes and operations. Results of risk assessments must be widely communicated to all internal and external employees who may need the information.

All risk assessments shall be documented. This documentation and all related data shall be maintained according to division/unit level procedures. Risk assessment documentation and data shall be available for review purposes at all times.

Risk assessments shall be reviewed and updated when necessary. Recommendation is to check risk assessments at least every 3 years.

The employer must provide necessary protective equipment and work procedures. **Employees at all organizational levels** must comply with company safety procedures and report identified risks.

5 Failure to comply with the safety rules and consequence management

The purpose of the consequence management procedure is to describe how to act in the event of violation of safety procedures and instructions. Procedures apply to all employees regardless of work position.

Managers and supervisors make sure, through induction, training and supervision, that health and safety procedures and rules are known and followed at all times. Disciplinary action procedure applies to SSAB employees, supervised external labour, and contractors.

The procedure has a safety-enhancing impact when it meets the following criteria:

- It is communicated to and known by everyone.
- It contains more than one step, so that no one is subject to disciplinary actions accidentally or due to a memory lapse.
- A gross breach of work safety (e.g. removing a protective device without supervisor's consent) leads directly to a more severe disciplinary actions.
- Actions taken are unbiased and identical irrespective of personnel group or unit.

6 Contractor and sub-contractor safety

All SSAB units shall create and maintain procedures to ensure the safety of contractors and sub-contractors working in areas controlled by SSAB.

These procedures shall cover

- Safety issues during supplier selection
- Safety requirements in contracts

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- Work supervision and responsibilities
- Minimum requirements for knowledge regarding safety
- Co-operation, safety level follow up and ways of communication during the course of the contract work
- Measures and reporting after completion of work
- Continuous improvement of client and supplier co-operation

Contractors are responsible for informing SSAB about all injuries and accidents that take place at SSAB premises and/or during work assigned by SSAB.

Contractors are classified in main groups, which determinates their safety assurance level as following:

Included in safety reporting

- Production, maintenance, safety and security suppliers. Typically these have long term agreement with SSAB e g external maintenance.
- 'Erection (service) suppliers' for investment projects, project business and maintenance actions.

Excluded in safety reporting

- Raw materials or products transportation companies (outside our premises)
- Occasional contractors, which typically spend short time on site. E g maintenance of office equipment, work wear operators and suppliers of first aid equipment.

Rental workers are reported as SSAB own employees.

7. Safety terms and definitions

SSAB employee

SSAB employees and temporary and agency employees hired by the company and are supervised by SSAB.

Contractor employee

Contractor employees (contractor, sub-contractor, consultant or vendor) who are hired to provide a service to SSAB. The employees are supervised by the contractor and paid by the Contracting Company.

Visitor

Anyone on the company premises other than a employee or contractor. The company has the duty of care and direct safety supervision.

Hours worked

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Includes all regular and overtime hours paid. Hours worked by hired workers should also be included. When theoretical worked hours are used, the formula is [The number of employees x 133,33 hours/month (1600 hours/year)].

Fatality

A fatal incident resulting from a work-related activity as determined by local legislation and guidelines.

Lost Time Injury (LTI)

Any work-related injury, resulting in the employee not being able to return to work for the next calendar day. The incident causing the lost time must be sudden with external influence. If the injured person is treated by a paramedic or a physician after some time of the incident and receives documented work restrictions and is not able to return to work, that constitutes a lost time injury status. Returning to work with work restrictions does not constitute a lost time injury status. Lost Time Injury Frequency Rate (LTIFR) is calculated as number of Lost Time Injuries per million man-hours. All LTI's must be communicated to the supervisor within 24 hours of the incident

Work related injury

A workplace injury that is the direct result of "work-related" activities an employee is engaged in at the time of the injury.

Medical treatment injury (MTI)

Any work-related injury other than a fatality, a Lost Time Injury, or a restricted work case, which is treated by a paramedic or a physician without loss of work time other than time of the shift on which it occurred, and the injured person continues with his normal scheduled work. All MTI's must be communicated to the supervisor within 24 hours of the incident

Alternate / restricted duty

The employee received documented work restrictions from a professional licensed healthcare provider which will not allow the employee to perform all routine job functions. This is based on the next calendar day, not on the employee's next scheduled shift.

Minor injury (MI)

Any work-related injury that does not require any treatment beyond first aid. No restrictions or lost time. The treatment is not required by a professional licensed healthcare provider

Commuting accident

An accident which results in death or personal injury and occurs on habitual route, in either direction, between workplace, other working place appointed by the employer or work-related training and the worker's principal residence (home) or secondary residence (e.g. a hotel during a business trip)

Safety observation

Safety deviation / unsafe act

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- Any work related activity in which an employee deviates (unsafe act) from a standard practice which endangers him/herself and others. The act could also include potential damage to equipment and property.
- A positive, documented observation of a good practice or behaviour which promotes safety

Near miss

A Near Miss describes an incident where no personal injury was sustained and there may or may not have been damage to property, but where, given a slight shift in time or position, injury and/or damage easily could have occurred.

Lost time injury frequency (LTIF)

$$LTIF = \frac{\text{Number of reported lost time injuries (pcs)}}{\text{Theoretical or actual work hours (h)}} \times 1\,000\,000$$

In SSAB LTIF is monitored as rolling 12 month cumulative figure and year to date (YTD) LTIF. KPI targets are set for a calendar year.

Total recordable injury frequency (TRIF)

$$TRIF = \frac{\text{Number of reported lost time injuries+ MTI's + alternate duty cases (pcs)}}{\text{Theoretical or actual work hours (h)}} \times 1\,000\,000$$

In SSAB TRIF is monitored as rolling 12 month cumulative figure. KPI targets are set for rolling 12 month TRIF (calendar year).

All injury frequency (AIF)

$$AIF = \frac{\text{Number of reported lost time injuries+ MTI's + MI's + alternate duty cases (pcs)}}{\text{Theoretical or actual work hours (h)}} \times 1\,000\,000$$

In SSAB AIF may be monitored as rolling 12 month cumulative figure. KPI targets may be set for rolling 12 month AIF (calendar year).

8. Associated documents

Group Directive on SSAB's health and safety management

9. Changes compared to last revision

This Instruction has been adjusted to SSAB's new structure for health and safety governance.