

# ANNUAL HSE PERFORMANCE REPORT



2009





An ISO 9001, 14001,  
18001 Certified Company

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# I Message from the CEO

In 2009 we set ourselves the task of completely reviewing our Health, Safety and Environmental Management systems in order to raise the company's standard to that which is recognised internationally. The management system became integrated to comply with OHSAS 18001:2007 and ISO 14001:2004. As the company's methodology and philosophy for operating in a responsible manner was already in place we achieved certification with recognised accreditation body BSI in a relatively short period of time. With the structure in place for managing HSE efficiently we set about the task of improving our HSE performance from the previous years.

The best indicator we have of that improvement is the overall reduction of our Lost Time Injury Frequency rate which in 2009 we reduced by a staggering 43 % with our offshore units operating for a full year without any Lost Time Injuries. With regard to the environment we managed to complete a full year without any spills both offshore and onshore and from a more proactive perspective have started a comprehensive waste management and recycling program with a UAE based recycling company.

Our HSE performance is improving even though we are substantially increasing the size of our workforce including a large number of contractors. We now utilise the services of over 1000 people both on and offshore. This is a good indication that we are managing our business effectively and responsibly, however, GMS aims to continually improve its systems thus safeguarding against complacency. We will continue to set ourselves ever more ambitious targets which will enable us to set standards worldwide for jack up barge operations offshore.

On behalf of the GMS management I would like to congratulate all the GMS team including contractors for showing their commitment towards Health, Safety and the Environment and I assure you that as CEO of GMS you have my continued support.



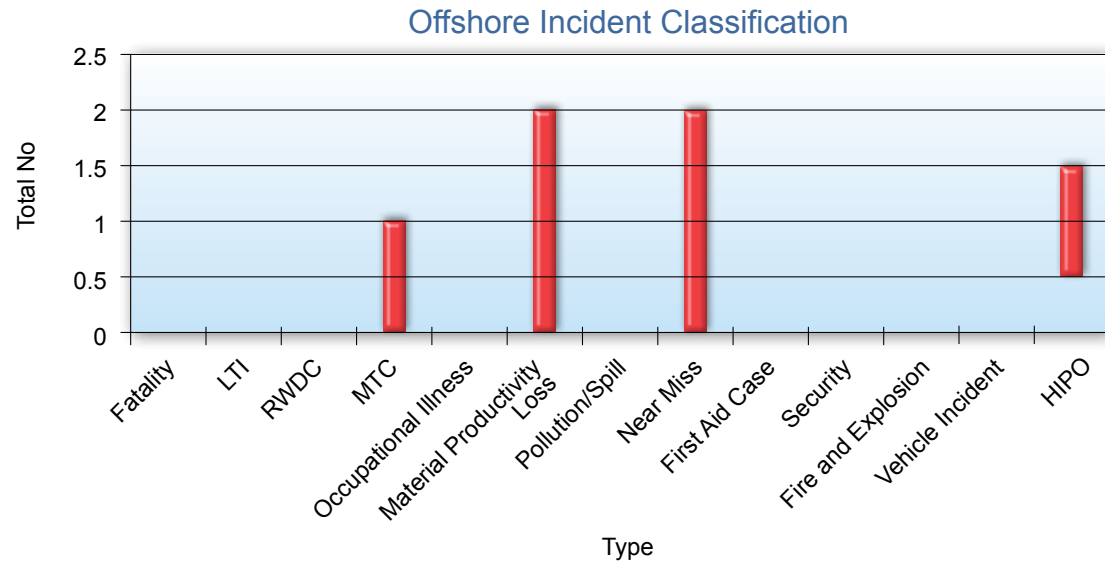
A handwritten signature in black ink, consisting of a stylized 'D' followed by a cursive 'H'.

## 2 HSE Performance

### 2.1 Lagging Indicators

#### 2.1.1 Offshore Lagging Indicator

Offshore	
Type	No
Fatality	0
LTI	0
RWDC	0
MTC	1
Occupational Illness	0
Material Productivity Loss	2
Pollution/Spill	0
Near Miss	2
First Aid Case	0
Security	0
Fire and Explosion	0
Vehicle Incident	0
HIPO	1
<b>Total</b>	<b>6</b>

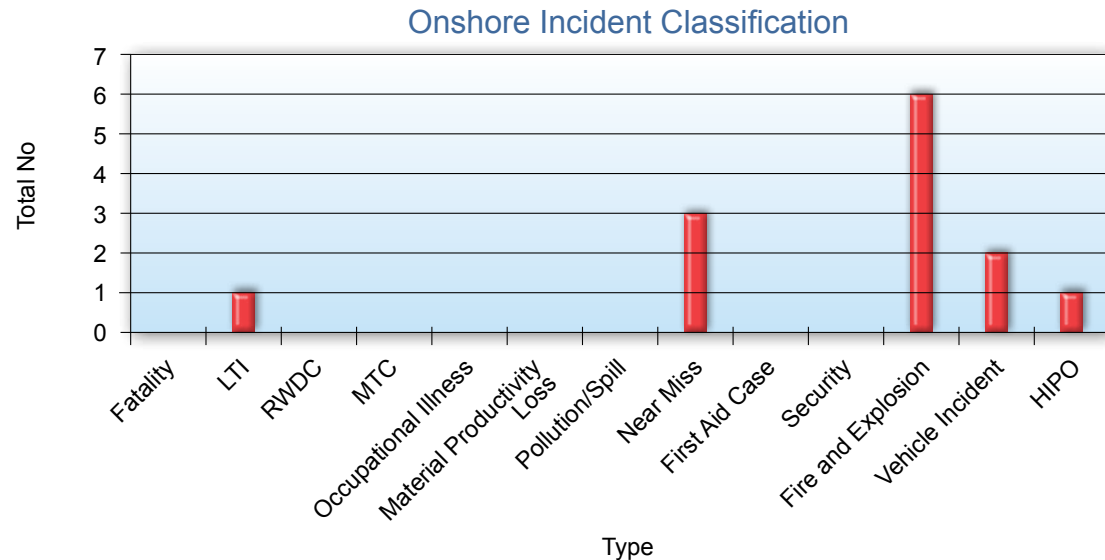


In 2008 there were 4 Lost Time Injuries offshore, this year we had Zero. The number of near miss also decreased from 12 in 2008 to 2 in 2009.



## 2.1.2 Onshore Lagging Indicators

Onshore	
Type	No
Fatality	0
LTI	1
RWDC	0
MTC	0
Occupational Illness	0
Material Productivity Loss	0
Pollution/Spill	0
Near Miss	3
First Aid Case	0
Security	0
Fire and Explosion	6
Vehicle Incident	2
HIPO	1
Total	13



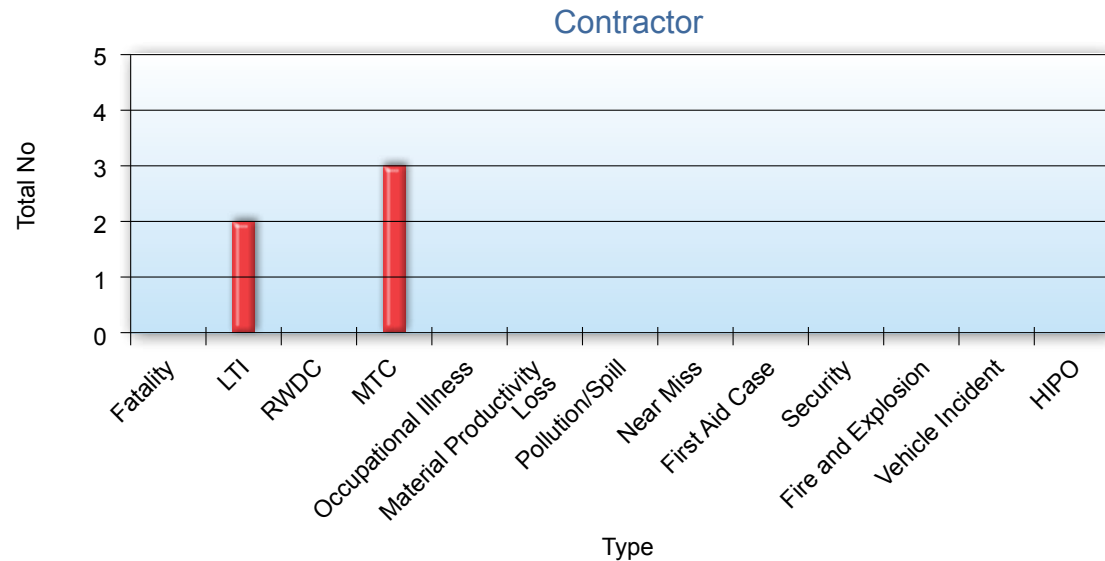
Onshore we have seen a large increase in manpower for projects and as such have seen an increase in the total number of recordable incidents.

Incidents involving fires that were contained was the predominant issue we had this year and was tackled by increasing fire watch teams on the projects to not only contain fires immediately but more importantly prevent them occurring by identifying hazards during work activities.



### 2.1.3 Contractor Lagging Indicators

Contractor	
Type	No
Fatality	0
LTI	2
RWDC	0
MTC	3
Occupational Illness	0
Material Productivity Loss	0
Pollution/Spill	0
Near Miss	0
First Aid Case	0
Security	0
Fire and Explosion	0
Vehicle Incident	0
HIPO	0
Total	5



A large part of the increase in onshore work involved the use of contractors with around 200-300 onsite at any given time. Whilst the management of large numbers of contractors was relatively new to the company effective implementation of our HSEMS and adequate supervision has led to few reported incidents.

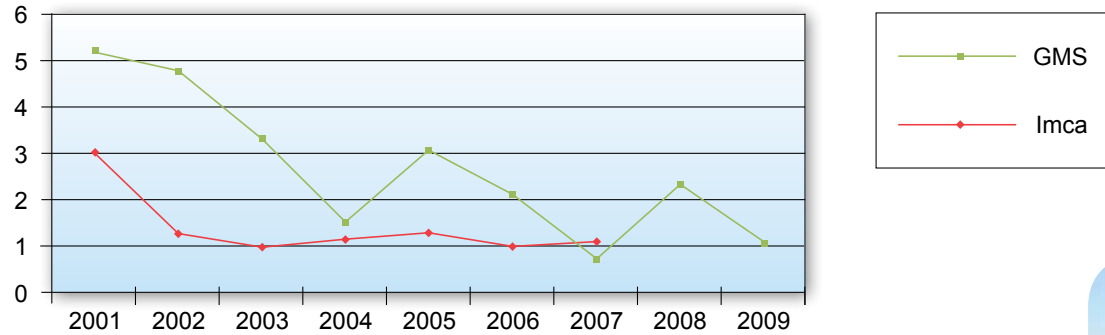
That being said most of our recordable injuries were related to contractors so the emphasis in the future will be on improving our management of contractors and ensuring that the same levels of protection we offer our own employees is extended to contractors.



## 2.1.5 HSE Performance History

Year	HSE Obsv	TRI	FTL	LTIF	LTI	IMCA LTIF	Lost Days
2005	97	22	0	3.01	4	1.18	43
2006	82	16	0	2.17	3	1.02	58
2007	130	2	0	0.74	1	1.09	5
2008	842	7	0	2.36	4		22
2009	804	24	0	1.02	3		14

## 2.1.6 LTIFR

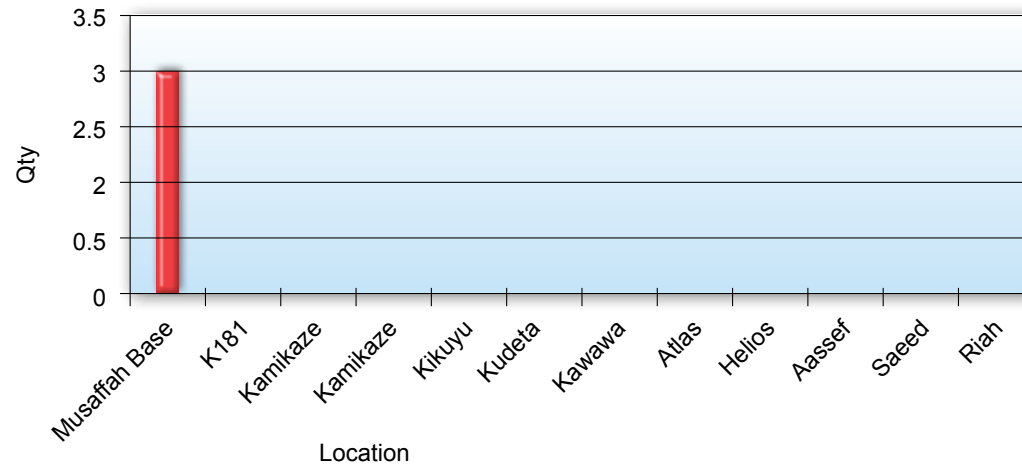


There is a clear trend in the decreasing frequency rate for Lost Time Injuries. Some years we have seen a substantial drop in the rate while others a sharp increase. Overall the rate has been decreasing and we will continue to strive to achieve zero cases.



## 2.2 LTI Analysis

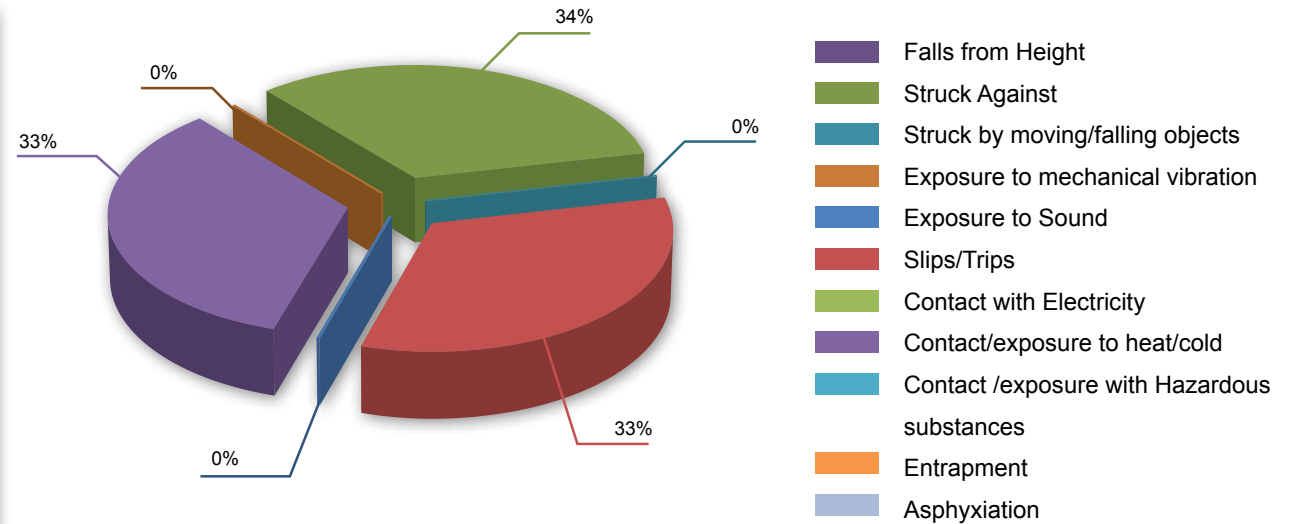
### 2.2.1 LTI by Business Unit



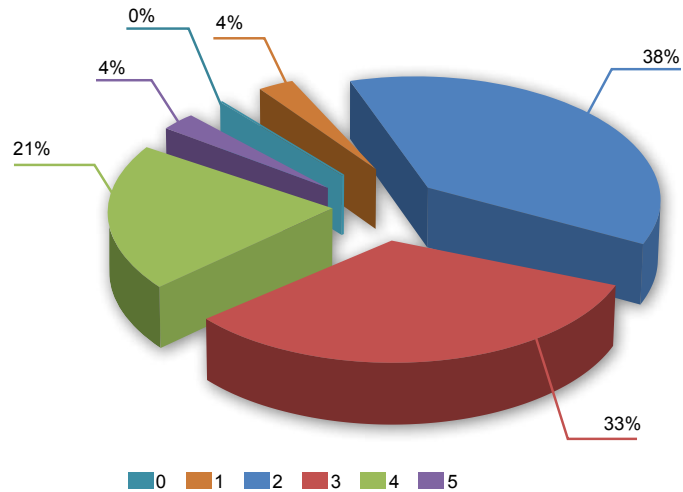
### 2.2.2 LTI Direct Cause

Overall we had a very good year offshore with no LTI's recorded for any of our offshore assets. Barge Kikuyu achieved 5 years without any LTI's working with Occidental Petroleum in Qatar and barge Kamikaze 10 years without LTI working with Adma-Opco in Abu Dhabi.

The direct causes of the LTI's are illustrated on the pie chart. As all three cases were different with respect to their direct cause we saw no clear trend this year. As a result of the LTI caused by slips, trips and falls we did run an extensive housekeeping campaign in the last quarter of the year.



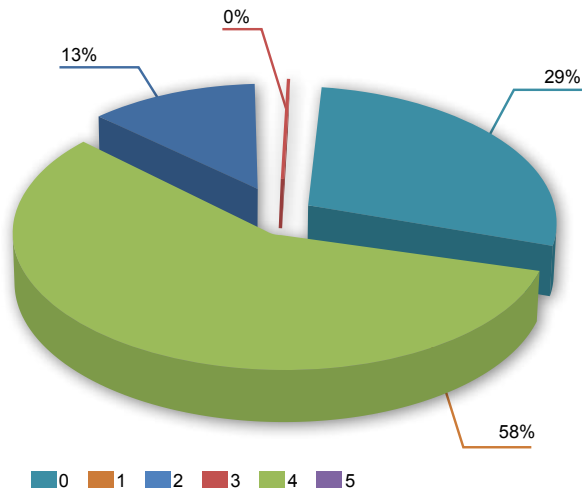
### 2.3 Incident Severity Analysis



33% of incidents had a potential outcome of multiple LTI's.

21% of Incidents and the potential to lead to a fatality or Multiple Permanent disabilities.

Incident Level	Severity / Classification Criteria	People
Level 0	None (0)	No injury
Level 1	Insignificant (1)	First aid, RWDC, MTC
Level 2	Minor (2)	LTI
Level 3	Moderate (3)	Multiple LTI's, one PD
Level 4	Major (4)	One fatality, multiple PD's
Level 5	Critical (5)	More than one fatality

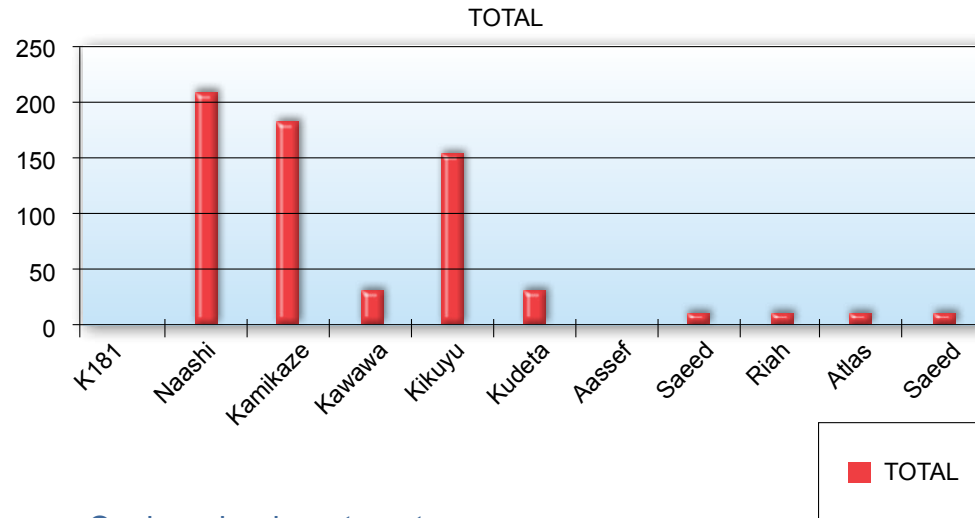


Whilst the severity of the majority of incidents was low as you can see from above the potential severity could have lead to much more serious consequences. Therefore it was very important for us to ensure that the incidents were investigated thoroughly and mitigation measures put in place to prevent recurrence.

## 2.4 Leading Indicators

### 2.4.1 HSE Observation Reporting

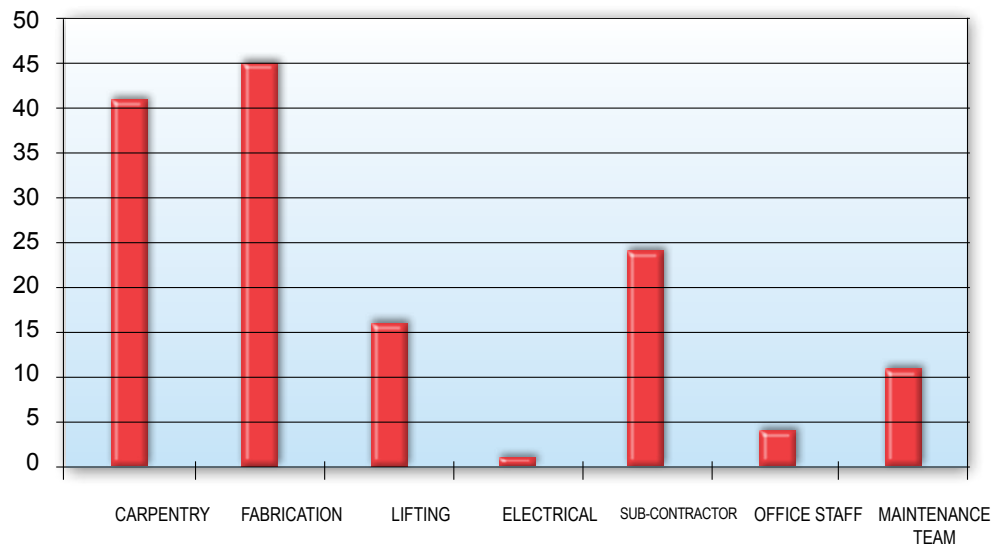
#### Offshore by Location



While we reached our target in 2009 for HSE Observation reporting some areas of our business showed clear signs of a lack of participation in the program. In some cases this was due to vessels being out of operation, however, in 2010 we are aiming to have strong participation from all vessels.

Senior staff and line management are expected to participate on a daily basis while junior staff can receive awards for good participation.

#### Onshore by department



## 2.4.2 KPI Achievements

KPI	Target date	Responsibility	Percentage Complete
Reduce LTI frequency rate by 20%.	31.12.09	HSE	100%
Conduct two HSE campaign.	31.12.09	HSE	100%
Conduct 30 Vessel HSE inspections.	31.12.09	HSE	100%
Conduct 12 yard HSE inspection.	31.12.09	HSE	100%
Reach 600 unsafe occurrence reports for the year 2009.	31.12.09	HSE	100%
Conduct two ISM internal audit per ISM vessel.	31.12.09	HSE	100%
Instigate 6 management visit on GMS vessel.	31.12.2009	HSE	100%
Review and Update safety inductions for each GMS Vessel and for the Yard.	31.12.2009	HSE	100%

In 2009 we successfully achieved all the Key Performance Indicators we set ourselves. The LTI frequency rate was reduced by 43% over a targeted 30 %, and we completed our audit and inspection program. We also carried out three campaigns throughout the year over the projected two.

For 2010 we have set ourselves more ambitious targets with the aim of improving the company's performance further. We also recognized the lack of environmental and occupational health targets and have provided for them in a number of different ways.



### 3 GMS for the Environment

In 2009 we started a recycling program in GMS with the aim of recycling as much paper, aluminum cans, glass and steel as possible. As it was the first year of the program actual targets for the quantities were not set but would enable us to gauge our target for the forthcoming year.

We also completed a detailed Environmental Impact Assessment for our operations onshore in Musaffah. This will extend to all our offshore assets in 2010 and was key for us to identify weak areas in our Environmental management. The EIA was carried out internally with cooperation for our construction and operations departments.

Waste management is key to our operations onshore due to the construction activities so we maintain strict controls and reporting requirements with local authorities on the types of waste we generate and the disposal methods. We only use an Abu Dhabi Environment Agency approved contractor for our waste disposal.

As part of our management system we also identify all applicable legislation applicable to our business and ensure that we as a responsible company are in compliance. Additionally every year the Abu Dhabi Environment Agency will conduct a site audit of our premises to ensure the same.



## 4 Occupational Health

As we value the health of all our employees we are continuously monitoring conditions at the work sites to ensure that employees and contractors are not subjected to conditions that could lead to adverse health effects.

We conducted noise mapping for all our offshore units and at Musaffah base. This allowed us to identify the areas of high noise and put mitigation measures in place to ensure protection of personnel working in these areas.

We also conduct regular water sampling at all our sites to ensure that potable water is fit for human consumption according to WHO guidelines.



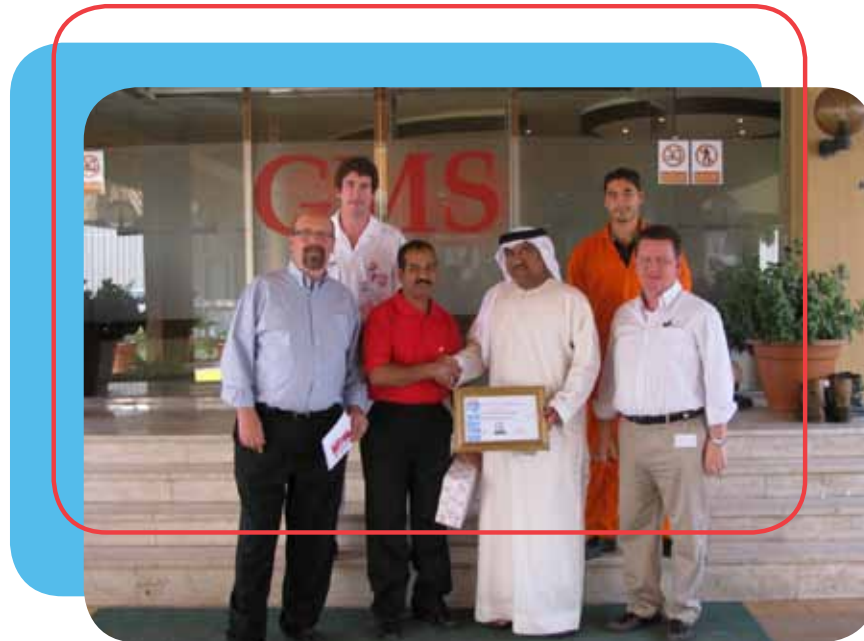
# 5 HSE Achievements

## 5.1 Awards

Barge kamikaze achieved a 10 years without Lost Time Accident working with ADMA-OPCO in the Arabian Gulf as a well services and accommodation barge.

Barge Kikuyu also completed 5 years without a Lost Time Accident working with occidental petroleum in Qatar as a well services and accommodation barge.

Ceremonies are planned to be held for both vessels to celebrate the occasion and congratulate all the offshore personnel who worked so hard to maintain a safe working environment.



## 5.2 HSE Campaigns

Throughout the year we conducted a number of campaigns to improve awareness throughout the organization.

To kick off the year we carried out a lifting campaign and brought in trainers from a reputable lifting organization to conduct training sessions both onshore and offshore. Promotional items, awareness posters and leaflets were also distributed throughout.

As summer approached we started a heat stress campaign to address the issues of working in such a hot and humid climate. In alignment with UAE law break times between the hours of 11:30 to 15:30 are enforced but even outside of these break times working conditions are harsh. Workers onshore are more susceptible to Heat Stress as they are spending longer hours outside and are often working inside hot steel structures, whereas offshore crews have more regular rest breaks and in air conditioning.

Onshore we implemented hourly breaks and workers were encouraged to take re-hydration salts and plenty of water during these breaks. Supervisors were given training on how to recognize the symptoms of heat stress and daily toolbox talks included instructions to the workforce on prevention and self recognition.

During the latter part of the year we organized a housekeeping campaign and competition. The competition involved a draft of the expectations being sent to all our sites followed by an unscheduled inspection utilizing a scoring system. The site scores were tallied and a winner announced. The winners received various gifts while the runners up received t-shirts and other promotional items.





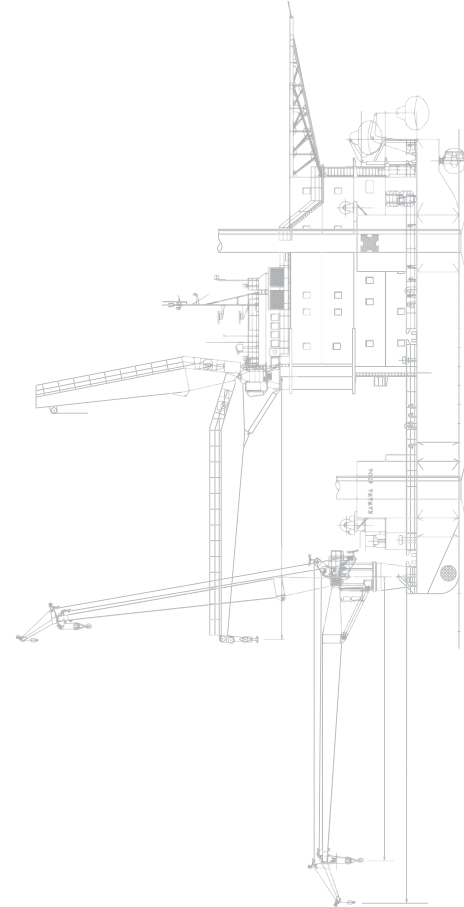
The logo consists of the letters 'GMS' in a bold, white, sans-serif font, centered within a red rounded square.

OFFSHORE CONTRACTOR





# GMS



# GMS

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