



JUST AND FAIR CULTURE PROCEDURE

Purpose - To establish a systematic approach to developing positive behaviours and ensure a consistent process for managing consequences when rules, procedures or laws have been breached.

Scope and application - This procedure is mandatory and applies to all Wood and contractor operations globally.

Introduction - The Just and Fair Culture (J&FC) procedure assists managers and supervisors to both provide support where behaviours fall below expectations and highlight when there is a need for recognition or reward.

The procedure provides direction to Wood businesses for the Just and Fair Culture process as part of our continued commitment to:

- Encouraging, recognising, and rewarding positive behaviours
- Promoting a learning culture
- Applying a Just and Fair Culture process to incidents
- Creating a zero-tolerance approach to unacceptable behaviours.
- Our culture of care, commitment, and courage by acting with openness and honesty.

Wood recognises that systems and processes may have led to an individual(s) making an error/mistake. Our Wood Code of Conduct is designed to ensure that everybody is supported to do the right thing in line with our values, policies, rules, and relevant laws. Our J&FC procedure is designed to ensure this happens and to address the following issues:

- Protect our people and stakeholders
- Promote an understanding of why people do the things they do
- Recognise people do make errors, mistakes, and violations
- Address behaviours that are reckless, lack integrity, or are unethical.

It is unacceptable for those who are risk takers to:

- Take chances with their safety or the safety of colleagues and others
- Fail to understand the impact an event involving them may have on their family, friends, work colleagues or the public.

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1. Procedure

The Shield and the Just and Fair process are aligned:

Prepare – an overview of Just and Fair and Wood behaviours is included in the HSSE&S induction so that all employees understand the expectations. Those more involved in the Just and Fair process should review the Just and Fair presentation in preparation for its application.

Engage – supervisors, managers and leaders are expected to engage with their team to identify positive and negative behavioural outcomes before they escalate. Open engagement can help to understand behaviours and actions.

Intervene – we all have a duty to intervene, whether we see positive or negative behaviours.

Step	Responsibility	Action
1.1 HSSE&S PST Leadership		
1.1.1	HSSE&S PST President	The President HSSE&S Professional Services for Wood plc shall develop, review, and maintain this document and ensure review, on an annual basis.
1.2 Business Unit Leadership and Functional Heads		
1.2.1	Business Unit Leadership Functional Heads	<p>The Business Unit (BU) leadership and functional heads shall:</p> <ul style="list-style-type: none"> • Implement this J&FC procedure. • Ensure sufficient resources are provided and considered competent to manage the J&FC process. • Promote, recognise, and reward personnel for the use of 'Intervene' in a positive manner. • Create and lead an environment that supports the J&FC process and holds people accountable for their actions (this includes those responsible for active errors and latent failures). • Ensure Wood employees, contractors, managed contractors, sub-contractors, and relevant third-party organisations comply with the Wood Code of Conduct and Life Saving Rules. • Ensure the J&FC process is applied when there is an identified breach of the Code of Conduct or Life Saving Rules. • Ensure all those involved in the event chain of command are shown the process, and their actions reviewed against the Just and Fair Culture model and their responsibilities.
1.3 Department managers, team leaders and site supervisors		
1.3.1	Department managers, team leaders, site supervisors	<p>Department managers, team leaders and site supervisors shall:</p> <ul style="list-style-type: none"> • Assess the need for training, particularly for those who change roles and have responsibilities for employees. • Ensure competence of those using this procedure. • Implement this procedure for their area of responsibility. • Provide support in the J&FC process and apply this procedure to team members. • Ensure a consistent approach in applying the J&FC model.

Step	Responsibility	Action
		<ul style="list-style-type: none"> Ensure all breaches of a Wood Code of Conduct or Life Saving Rule are subject to the J&FC process.
1.4 HSSE&S		
1.4.1	BU/project HSSE&S professionals	<p>The BU/project HSSE&S professionals are the first point of contact and shall:</p> <ul style="list-style-type: none"> Assist managers and supervisors to implement this procedure. Promote the J&FC process, highlighting the positive aspects. Monitor and review the application of this procedure. Assess when to contact P&O in line with local procedures. Interface with P&O for decisions around Performance Improvement Programmes/ Workplace Discipline.
1.5 People and Organisation (P&O)		
1.5.1	People and Organisation (P&O)	<p>The Wood P&O function shall:</p> <ul style="list-style-type: none"> Understand the intent of this process and its application. Assist teams to use the findings from the J&FC process and support with decision making where required (e.g., local disciplinary proceedings) to ensure supplementary processes are followed correctly.
1.6 Employees		
1.6.1	Wood employees	<p>All Wood employees shall:</p> <ul style="list-style-type: none"> Understand the contents, purpose, and use of this procedure along with any potential implications. Take personal responsibility for immediate corrective actions and report larger issues to supervision/management. Attend appropriate training and awareness sessions, if required by their supervisor/Management. For actions that are above and beyond, nominate colleagues for Shield Awards.

2. General Requirements

Step	Responsibility	Action
2.1 A culture of fairness		
2.2.1	All employees	<p>Employees shall recognise that we are all capable of making mistakes:</p> <ul style="list-style-type: none"> We may not always understand what is being asked of us or we may get confused. We may behave in such a way that increases risk where the risk is not fully recognised, or where it is mistakenly believed to be justified. <p>In addition, the importance of recognising and rewarding good behaviour is essential to building a positive working culture and contributes to a culture of fairness.</p>
2.2 Implementing the Just and Fair Culture process		
2.3.1	All employees	<p>Positive behavioural outcomes</p> <p>The J&FC process shall:</p> <ul style="list-style-type: none"> Be applied following positive actions/behaviours. Identify the actions to be taken by those responsible for recognition and reward. <p>Reward and recognition can be arranged locally but positive behaviours should be considered for a Shield Awards nomination.</p> <p>Negative behavioural outcomes</p> <p>The J&FC process shall:</p> <ul style="list-style-type: none"> Be undertaken after an event or incident which involved negative behaviours (mistakes, errors, or violations) e.g., an observation, a near miss, an incident, findings from an audit, employee report. Take place after a full investigation has been undertaken, reviewed, and approved (if following an incident) when active errors and latent failures are fully understood Be conducted in the event of all LSR breaches (if following an incident). Be a transparent process, implemented uniformly and be used sensitively and in the full knowledge of those involved. Be inclusive of investigation/audit findings <i>but</i> applied by personnel independent of the audit/investigation. Consider Performance Influencing Factors (PIFs). Include application of the 'substitution test' – would someone else in the same situation have taken the same action and was the action was justifiable? Consider previous errors/violations. Identify the necessary improvements and actions to be taken by those responsible. <p>Figure 1: Behavioural Outcomes and Table 1: Failure Types & Example Responses shall be used to complete the Just and Fair Culture Summary Form (HSE-FOR-110337).</p>

Figure 1: Behavioural Outcomes

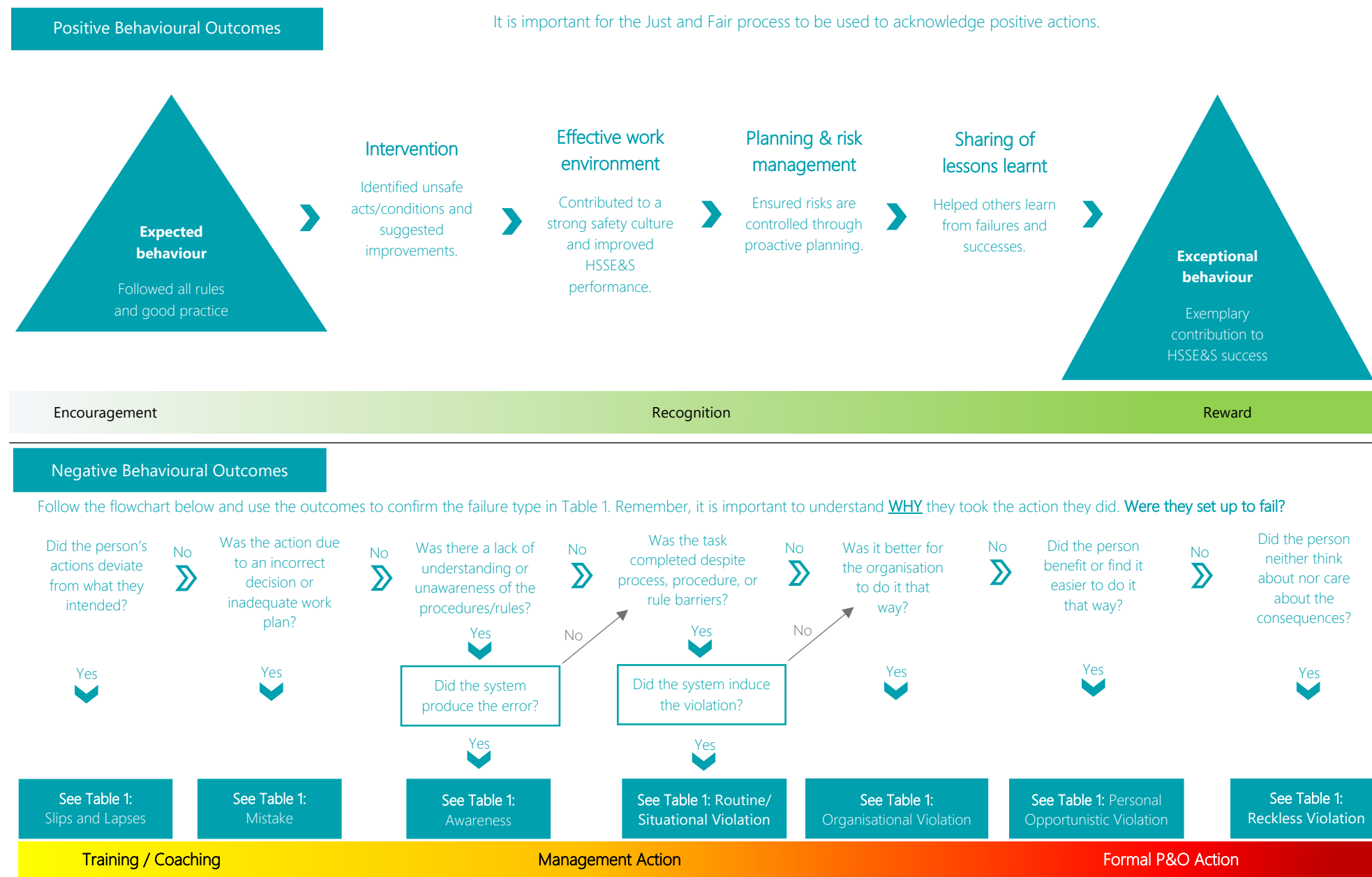


Table 1: Failure Type & Example Responses

	Failure Type	Individual/team behaviour	Example response	Supervisor/manager behaviour	Example response
Reward	Exceptional Behaviour	Did the team member go above and beyond the call of duty?	Appropriate recognition/reward in line with company practices and authorities at the discretion of the line manager.	Did the supervisor/manager also exhibit exceptional behaviour?	If the behaviour is displayed by the whole team appropriate recognition/reward is at the discretion of the line manager.
Encourage	Expected Behaviour	Were all procedures and instructions followed?	Encouragement and recognition from the line manager.	Does the supervisor/manager lead by example by complying with procedures and instructions?	Encouragement and recognition if the whole team is working this way.
Learn from Error	Slip/Lapse	Was a frequent action performed wrongly or was there an omission?	Design systems to detect incorrect actions and alert the user. Raise awareness of slips and lapses.	Did the supervisor/manager highlight the risks of incorrect actions or missing a step?	Counselling on supervisory accountability. Coaching in error prevention/error capture methods.
	Mistake	Did the team member think they were doing things the right way?	Skills development and coaching in the use of correct procedures/processes.	Did the supervisor/manager fail to supervise work to ensure the task is completed in the required manner?	Counselling on supervisory accountability. Coaching in error identification and management.
	Awareness System produced error?	Was there a lack of knowledge or understanding?	Coach team members on importance of understanding and following correct procedures/processes.	Did the supervisor/manager ensure understanding of the task and procedures associated?	Take management action to understand the root of the error then make updates to the process to reduce the likelihood of error.
Prevent Violation	Routine / Situational Violation <i>System induced violation?</i>	Was it common for the procedure/process to be ignored or is the procedure normally followed but circumstances on the day made it difficult?	Coach the team member on speaking up when procedures/processes cannot be followed and delaying the job until it can be completed properly.	Did the supervisor/manager allow non-compliant (poor) work practices or know that the procedure was a barrier to getting the job done and take no action?	Take management action to understand the root of the violation then make updates to the process to reduce the likelihood of violations. Consider formal P&O action in accordance with the relevant procedures and/or relevant workplace agreement.
	Organisational Violation	Did the team member think there was some benefit for the company by doing the job a different way?	Coach the team member on balancing work and time pressure with company values. Consider disciplinary measures where appropriate.	Did the supervisor/manager permit shortcuts, for the sake of getting an outcome?	Formal P&O action in accordance with the relevant procedures and/or relevant workplace agreement.
	Personal Opportunistic Violation	Did the team member vary from the procedure to make it easier for themselves?	Consider formal disciplinary action in accordance with the relevant procedures/processes.	Did the supervisor/manager overlook this behaviour on this or previous occasions?	Formal P&O action in accordance with the relevant procedures and/or relevant workplace agreement. Coaching on how to recognise and deal with such behaviour earlier.
	Reckless Violation	Did the team member intentionally not follow the procedure without thinking or caring about the consequences?	Formal disciplinary action to be taken in accordance with the relevant procedures and/or relevant workplace agreement.	Did the supervisor/manager condone the actions of the team member?	Formal P&O action in accordance with the relevant procedures and/or relevant workplace agreement. Coaching on how to recognise and deal with such behaviour earlier.

Acronyms

BU	Business Unit
HSSE&S	Health, Safety, Security, Environment and Sustainability
J&FC	Just and Fair Culture
LSR	Life Saving Rules
P&O	People and Organisation
PIF	Performance Influencing Factor
PRO	Procedure
PST	Professional Services Team

Definitions

Awareness	Knowledge that something exists or the understanding of a situation/subject at the present time based on information or experience.
Encouragement	Giving someone support, confidence to stimulate the development of an activity, state, or belief.
Error	The state or condition of being incorrect in conduct or judgement (general definition). An active error is the: Intended or unintended acts or conditions precipitating the incident situation. They usually involve the front-line personnel, and the consequences are immediate.
Exceptional Behaviour	Demonstrating behaviour that goes above and beyond the call of duty, clear demonstration of our safety and assurance core value.
Expected Behaviour	Compliant with required processes and instructions as expected.
Formal P&O Action	A reprimand or corrective action in response to employee misconduct, rule violation, or poor performance.
Front-line	Directly involved at the project site.
Latent Failure	An incorrect action or decision that has arisen from people who are removed from front-line activities in both space and time. Latent failures may occur when several latent conditions combine in an unforeseen way. They tend to be hidden until triggered by an event.
Lapse	Short-term memory/attention lapse; omit to perform a required action.
Management Action	Updates to a system or process to reduce the likelihood of error or violation.
Mistake	There are two types of mistakes: Rule Based Mistake: Misapplication of a good rule or application of a bad rule e.g., ignoring an alarm in a real emergency. Knowledge Based Mistake: Action is carried out, as planned, using conscious thought processes, but wrong course of action is taken: 'do the wrong thing believing it to be right' e.g., mis-diagnosing a process upset and take wrong action.
Organisational Violation	There is a perceived benefit to the business that not following rules, procedure or process will deliver.

Performance Influencing Factors (PIFs)	Factors that combine with basic human error tendencies to create error-likely situations. Understanding and optimising PIFs will reduce the likelihood of all types of human failure.
Personal Opportunistic Violation	There is a perceived benefit to the individual that not following rules, procedure or process will deliver.
Reckless Violation	Deliberate and intentional choice to not follow rules, procedure or process.
Recognition	Appreciation or acclaim for support, an achievement or ability.
Reward	Acknowledgement of service, effort, or high performance.
Routine Violation	Failing to follow rules, procedures or process due to them being unclear or misunderstood.
Situational Violation	External influences or circumstances like time pressure, schedule, poor procedure or poor design of plant may create a situation where someone does not follow the rules, procedure or process.
Slip	A simple, frequently performed physical action goes wrong.
System induced violation	The system design/process (including procedures) makes it difficult to complete the task which influences the person to use their own method or create workarounds.
System produced error	The system design/process increased the likelihood of someone making an error. This can be due to unclear instruction, lack of training, no verification of understanding etc.
Training / Coaching	The process of bringing a person to an agreed standard of proficiency by practice, instruction or mentoring.
Violation	Non-adherence to rules, procedures, processes, or legislation.

References

Code of Conduct	COP-PLD-100008
Incident Reporting & Classification Procedure	HSE-PRO-110213
Incident Investigation and Learning Procedure	HSE-PRO-110212
Life Saving Rules Standard	HSE-STD-100022
Just and Fair Culture Summary Form	HSE-FOR-110337
Behavioural Standard	HSE-STD-110024
Performance Influencing Factors Checklist	HSE-FOR-110338

Revision History

Rev no.	Rev date	Summary of changes
R1	19 November 2018	Issued for Review and removal of HSSE&S wording

0	19 November 2018	Issued for Use, replaces HSE-STD-100021
1	26 November 2018	Minor changes throughout to make more generic for users
2	30 March 2020	Inclusion of section 4. Code of Conduct and Life Saving Rules breach
3	25 July 2022	Removed Safety Shield, replaced with the Shield. Updated sections 2 and 3 to provide additional detail regarding principles.
4	05 June 2023	Updated Figure 1, Table 1 and added to definitions.
