

Performance review continued

Safety performance

We are committed to providing and maintaining a safe and healthy working environment for all our employees and contractors.

On this basis, the elimination of all safety-related incidents in Eskom operations remains a focal point of our safety improvement drive. Despite significant efforts, our occupational health and safety performance remains poor. Accidents still occur, affecting not only our employees and contractors, but also members of the public and their families. We deeply regret the tragic loss of life.

Safety performance

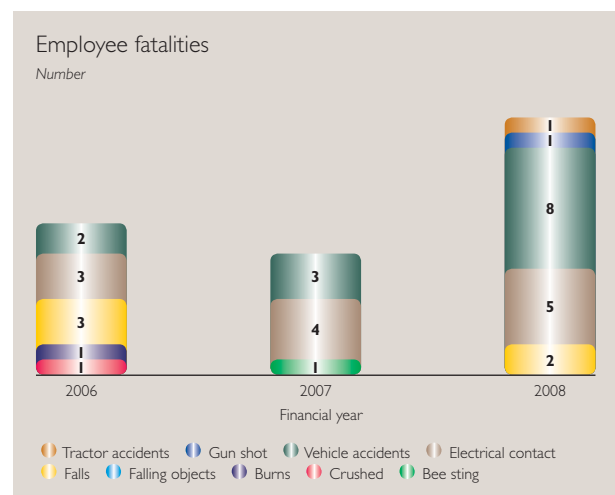
We did not meet our target of zero fatalities.

- we lost 17 employees this financial year – this was a major blow to the organisation. There were eight employee fatalities in 2007. Of the 17 fatalities, eight were attributed to motor vehicle accidents, five to electrical contacts, two to falls from heights, and one each to a gunshot and a tractor accident. Of the eight fatalities due to vehicle accidents, seven were caused by third parties
- the build programme and normal maintenance challenges are putting a lot of pressure on staff and contractors. We also lost 12 contractors this financial year compared to 18 in 2007. Four of the fatalities were attributed to vehicle accidents, four to falls, two from falling objects, one to an electrical contact incident and one crushed by a foreign object
- sadly, 42 members of the public died in 2008 (2007: 41) with vehicle accidents and electrical contacts remaining the major causes. A massive public safety campaign is addressing this

This performance is totally unacceptable, and continued focus is required in terms of enhancing safety training and awareness, skills and competency, supervision and operational discipline.

Safety performance

	Unit of measure	Actual 2008	Actual 2007
Employee safety			
Total fatalities	number	17	8
Electrical contact fatalities	number	5	4
Vehicle accident fatalities	number	8	3
Other fatalities	number	4	1
Lost-time incident rate, including occupational diseases	index	0,34	0,35
Electrical contact injuries	number	25	30
Contractor safety			
Total contractor fatalities	number	12	18
Electrical contact fatalities	number	1	1
Other fatalities	number	11	17
Public safety			
Total public fatalities	number	42	41
Electrical contact fatalities	number	32	27
Fatalities from other causes	number	10	14



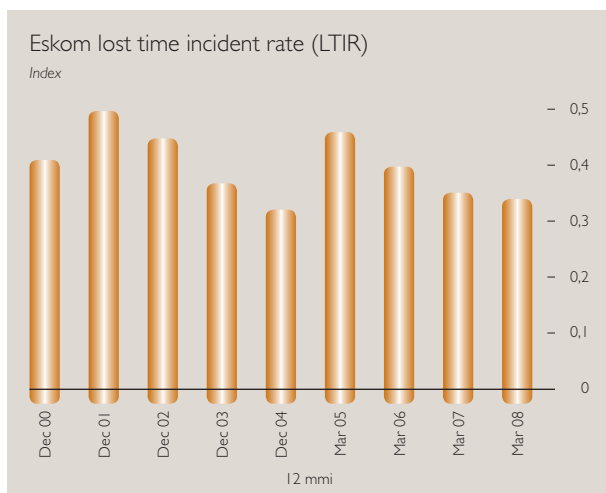
Eskom's safety performance was unacceptable and is being addressed as a key business focus area.

Eskom lost time incident rate (LTIR)

The progressive LTIR is a proportional representation of the occurrence of lost-time injuries over 12 months. During the external assurance over data integrity, issues regarding inconsistencies in the application of the corporate incident reporting and recording procedures, and inadequate processes and documentation for classification of lost-time injuries and identification of occupational diseases, were identified at a selection of sites.

In order to address this, we are ensuring that we follow reporting procedures and have adequate documentation in place. In addition, for clarification purposes and to address these findings, we have initiated a process of including the recent audit findings into the revised Eskom Corporate Procedure (document titled: "Safety Incident Management for the Effective Management of occupational diseases and injuries").

The provisional LTIR for the year is 0,34. A verification of the LTIR will be conducted by an external service provider to obtain a baseline as accurately as possible for 2007/08. The reported figure may be restated in the 2008/09 annual report pending the results of this external baseline assessment.



Safety is crucial in the period of our massive build programme.

Incident investigation

The aim of incident investigations within Eskom is:

- to establish the basic cause of the incident
- to prevent recurrence by implementing corrective actions emanating from the investigation
- to share lessons learnt from the incident

Given the high number of fatalities in Eskom this financial year, it is prudent to outline the process followed from the moment a fatality is reported. Once a fatality has been reported, the following process kicks in:

- a fatality announcement is sent to all Eskom employees, contractors, Exco and the board within 48 hours
- senior leaders within the affected division visit the scene of the accident and the family of the deceased
- the business unit conducts the employer's investigation as per the objectives outlined above
- the corporate occupational health and safety investigation follows to further enhance the business unit's investigation
- once the investigations have been finalised, the lessons learnt are shared through case studies and intelligence briefings published on the intranet, and safety incident reports circulated within Eskom immediately after the fatality announcement

Performance review continued

“Switched on to safety excellence”

The “Switched on to safety excellence” (SSE) programme was launched in June 2007. The programme addresses the key findings of a safety management review by an internationally recognised safety consultancy. The objectives of this three-year programme are to:

- achieve a sustainable culture of excellence based on enhanced safety management by reinforcing teamwork and by increasing operational discipline and applying the skills learnt
- customise and adapt the existing safety management systems and protocols focusing on best practice
- equip leadership with the knowledge and tools to drive Eskom’s safety culture transformation

In an effort to speed up change throughout the organisation, we implemented a behaviour-based safety observation tool. Senior leadership training, aimed at strategic and operational aspects of effectively managing safety, was completed. The outcome of the training is evident in increased leadership visibility and commitment, comprehensive safety improvement planning and the inclusion of safety key priorities in day-to-day line management responsibilities. In addition, a culture of zero tolerance for non-compliance is steadily developing.

The increased leadership commitment was demonstrated via national and regional work stoppages to reinforce the importance of safety – in particular, high risk activities. Leadership visibility and commitment will remain a key priority. This is essential during times of extreme work pressures, as is currently the case. No operating condition or urgency of service can justify endangering the life of anyone.

Contractor and construction management

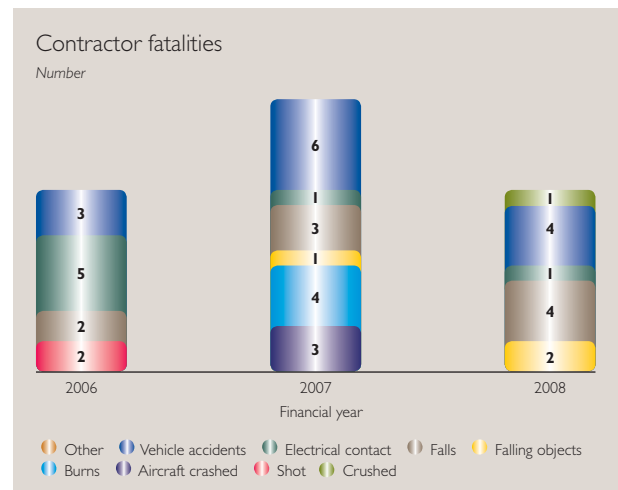
Eskom has established divisional contractor forums, partnering with contractors to address safety, health and environmental concerns. This has improved contractor health and safety and there appears to be a shift towards health and safety compliance. Strict controls are, nevertheless, required.

We are conducting research to determine the true causation of construction accidents to assist in pro-actively identifying mechanisms to curtail the number of contractor-related incidents.

Electrical and plant safety

The number of electrical contact fatalities increased from four to five, and electrical contact injuries decreased to 25 in comparison to the 30 reported in 2006/07. Electrical contact injuries involving contractor employees remain unchanged at one. Electrical related fatal incidents involving members of the public have sadly increased to 32 in comparison to the 27 reported last year.

In response to this poor performance, Eskom engaged the services of an international electrical specialist to evaluate electrical safety, as well as behavioural safety programmes. Changes were made to the Eskom electrical training material and standards to incorporate some of the recommendations made. Continued monitoring of the new training needs and compliance with the revised standards will be the focus for the next financial year.



Public safety remains a major focus area with widespread awareness campaigns.

Occupational hygiene

Approved inspection authority (AIA) verifications to evaluate occupational hygiene programmes were conducted at 11 power stations. An occupational hygiene laboratory was established at Eskom's research and innovation department (ERID) as part of the Eskom-approved inspection authority function. Plans to have comprehensive baseline and continual health risk assessments completed for the business remain a challenge, and will be the focus for the next financial year.

Refer to www.eskom.co.za/annreport08/045 for information about noise-induced hearing loss.

Vehicle safety

Vehicle safety remains an important focus area within Eskom due to the high number of fatalities. Two awareness campaigns and a work stoppage were initiated to reinforce adherence to road safety and change general driver behaviour. With this being one of our key risk areas, the focus for the coming year will be on enhancing general driver behaviour through our "fit for purpose" training interventions to equip our drivers with advanced and defensive driving skills. With the long distances travelled by Eskom employees, technologies available to assess driver fatigue are also being researched for implementation.

Public safety

Public safety remains a major focus area. Safety campaigns to increase public awareness were rolled out in various media (television, radio, advertisements and billboards) and included school visits and the handout of safety-related gifts. Promotional materials that carry an Eskom safety message were sent to our operations for distribution to members of the public.

In response to load shedding, Eskom has embarked on an awareness campaign aimed at the safe usage of alternative energy sources such as generators, natural gas and paraffin.

Refer to www.eskom.co.za/annreport08/046 for information about educational material created on the use of gas appliances and generators.



Promotional material on power alert and energy efficiency.

Nuclear safety performance

Eskom's nuclear safety performance as measured by an international safety index (INPO safety index) has shown improvement since mid-2006 and is currently below the median level.

The safety system performance has been maintained in the top quartile when measured against the latest information on pressurised water reactors of similar design.

Koeberg's performance is calculated monthly using the World Association of Nuclear Operators (WANO) performance indicator procedures. The results are benchmarked against the latest quarterly results from this body.

Eskom's Nuclear Safety Inspectorate group performs monthly and six-monthly nuclear safety reviews of the nuclear programme. These, coupled with the regular reviews performed by WANO, are part of our ongoing commitment to nuclear safety.