



## Health and Safety Annual Report

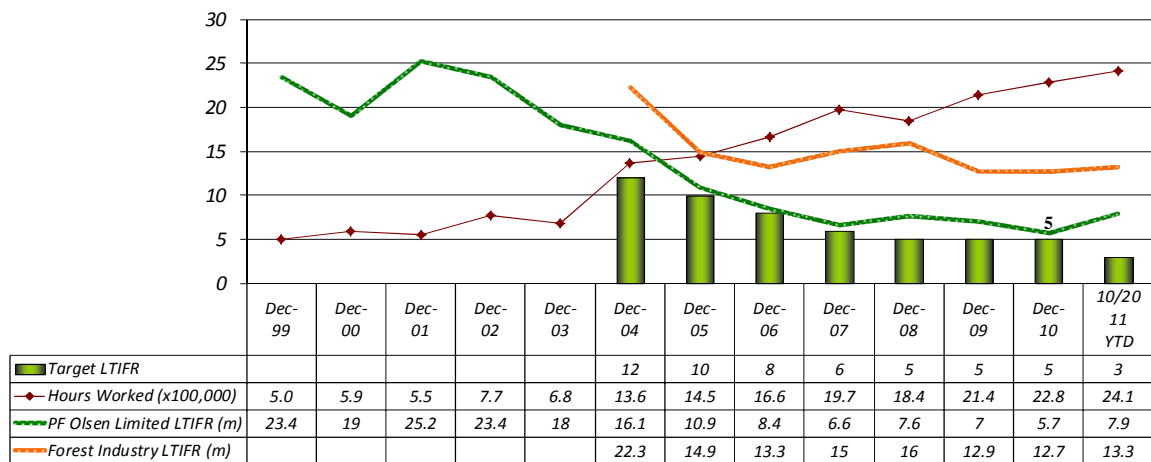
### PF Olsen Group Scheme FSC SW-FM/COC-000190 and FSC SGS-FM/COC-000763

**Safety Performance: PF Olsen Ltd** PF Olsen Limited – Consolidated (includes **FSC SW-FM/COC-000190** and non-FSC clients). West Coast forest operations commenced January 2009 (**FSC SGS-FM/COC-000763**).

Year	Hours Worked	Lost Time Injuries	Lost Time Days	Lost Time Frequency	Target Lost Time Frequency
2000	588,200	11	72	19	10
2001	546,365	14	105	25.2	10
2002	772,461	18	248	23.4	10
2003	679,523	12	72	18	10
2004	1,364,017	22	99	16.1	10
2005	1,447,244	17	106	10.9	10
2006	1,663,088	14	186	8.4	8
2007	1,967,856	13	75	6.6	6
2008	1,837,606	14	80	7.6	5
2009	2,139,254	13	98	7	5
2010	2,277,523	13	100	5.7	3
2011	2,142,556	17	123	7.9	3

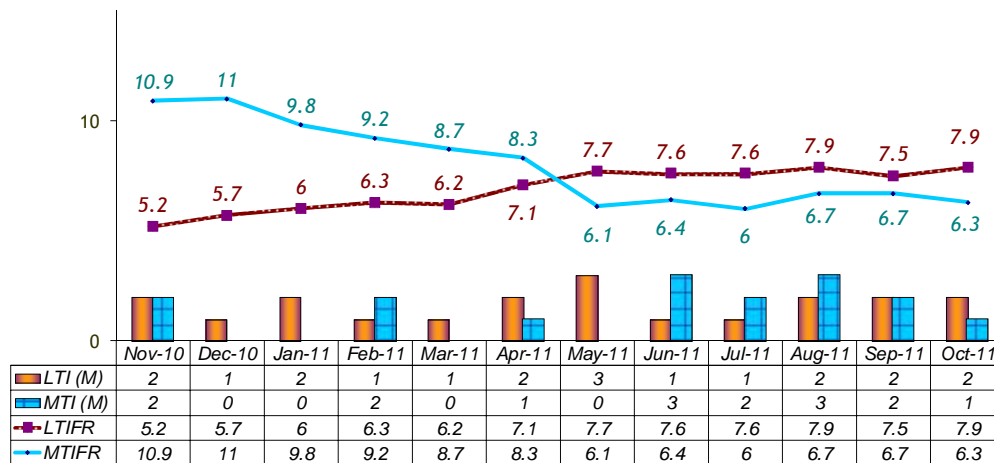
\* Rolling YTD as at October 31, 2011

**Graph – PF Olsen Limited Year on Year Safety Performance**





**Graph – PF Olsen 12 months rolling safety performance**



## Initiatives

Our initiatives for 2011 and 2012 seek to improve ownership of safety and demonstrate to staff and contractors alike the strong links between safety performance and overall business performance. Among our initiatives:

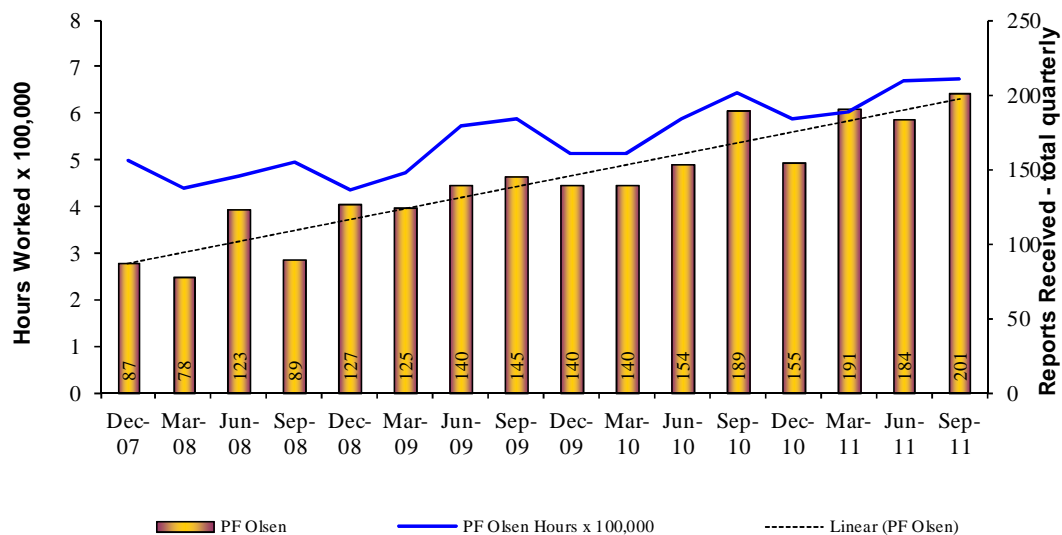
- Examine all incidents (safety and other), investigating them to uncover the ‘root causes’ that give rise to them, and addressing the ‘latent’ errors.
- Construct a PF Olsen Safety Excellence Strategy.
- Leadership in Management – Safety Initiatives. All of our managers (including operational staff) are encouraged to plan, action and complete one safety initiative. Starting from 01 April 2012 and concluding by 30 Sept. 2012, the initiative will be based on incident trend analysis (branch/company, the forestry sector action plan, or a specific ‘home grown’ improvement idea based on need.
- Where not in place already, implement bi-monthly staff, champions and contractor safety meeting.
- Increase the effectiveness of the PF Olsen drug testing initiative - progressively by December 2012 including;
  - Where 'behaviour' indicates – promote post accident testing and ensure testing takes place
  - Ensure 'follow-up testing' is completed i.e. before an employee returns to work following C+ results
  - Ensure rehabilitation contracts are put into place... including the 6 rehabilitation tests.
- Implementation of the new ACOP into all operations.
- Focusing on inductions and the ‘Principal – Operational Audits’.

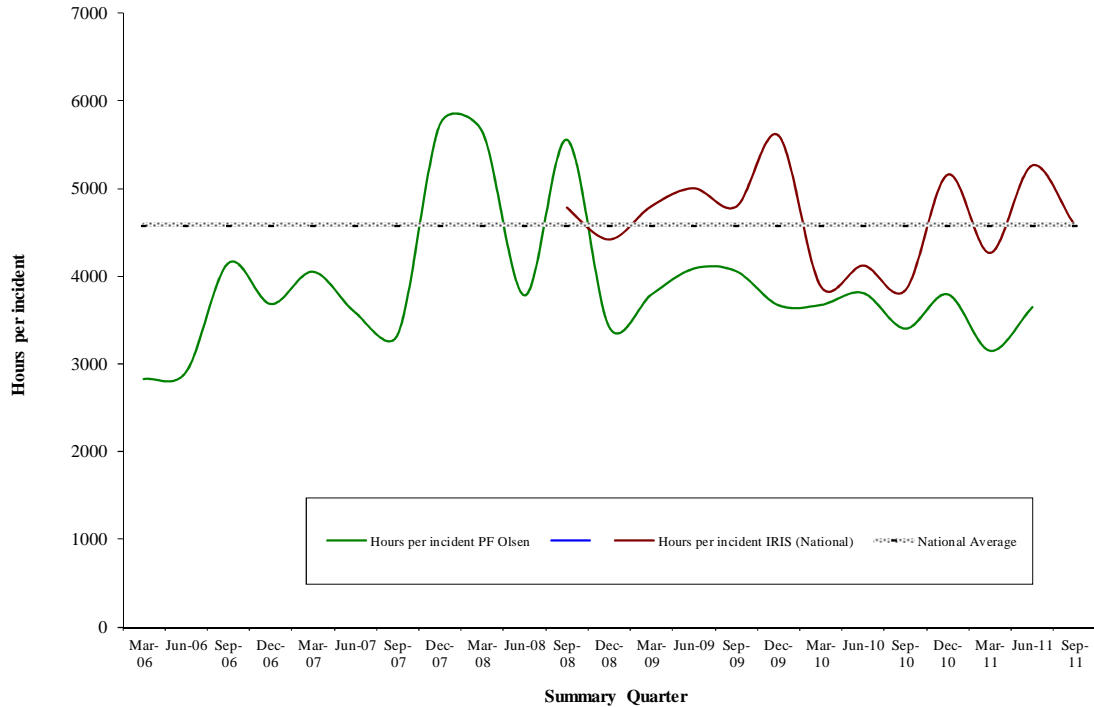


**Incident reporting** The table below compares incident reporting frequency on an ‘hours worked per incident report received’ basis. The final line of the table and the final bar in the graph both represent Q3 of 2011; they show record hours worked and strong reporting including a record reporting month with 88 reports in September 2011.

Year End (Dec)	Hours Worked	# Incident reports received (PFO total)	Hours worked per incident report received
Dec-99	498,122		
Dec-00	588,200		
Dec-01	546,365		
Dec-02	772,461		
Dec-03	679,523		
Dec-04	1,364,017	214	6374
Dec-05	1,447,244	348	4159
Dec-06	1,663,088	521	3192
Dec-07	1,967,856	503	3912
Dec-08	1,837,606	417	4407
Dec-09	2,139,254	550	3890
Dec-10	2,277,523	657	3467
<b>10/2011 YTD</b>	<b>2,142,556</b>	<b>631</b>	<b>3395</b>

	PF Olsen	IRIS (National)
Average by latest quarter 'hours per report'	1 per 3350	1 per 4582
Strongest reporting quarter 'hours per report'	1 per 2826	1 per 3840
LTIFR (average Mar 2004 - Jun 2011)	8.7	15
LTIFR (current)	7.9	13.3
TIFR (current)	16.1	25.2





**Random testing for drugs and alcohol**

Results to the 30<sup>th</sup> September 2011 (10.3% C+) are slightly improved on June 2011 (10.5% C+) – maintaining the significant reduction on the 2010 consolidated results.

Gisborne/East Coast (21.7%) and the West Coast (20.7%) operations play a major role in elevating the consolidated results – excluded from the data; the overall Company result is 8.8%, a figure more in keeping with the better performing NZ forest companies and the leading PF Olsen operations.

	Tests YTD	No. C+ YTD	% C+ YTD	THC	MET	OPI	AMP	BZO	COC	ALC
PF Olsen Ltd (CNI) 31/10	410	36	8.8%	14	4	3	1	0	0	0
PF Olsen (Company) 30/09	634	65	10.3%	54	6	4	1	0	0	0
NZDDA NZ Industry 30/06	1271	99	7.8%	83	9	11	5	0	0	0
ECWC (Random) 30/09	616	77	12.5%							
Other NI Forest Co. 30/04	581	35	6.0%							
Northland FG 31/07	413	30	7.3%							



**Drugs tested**

Tests are completed for the following drugs;

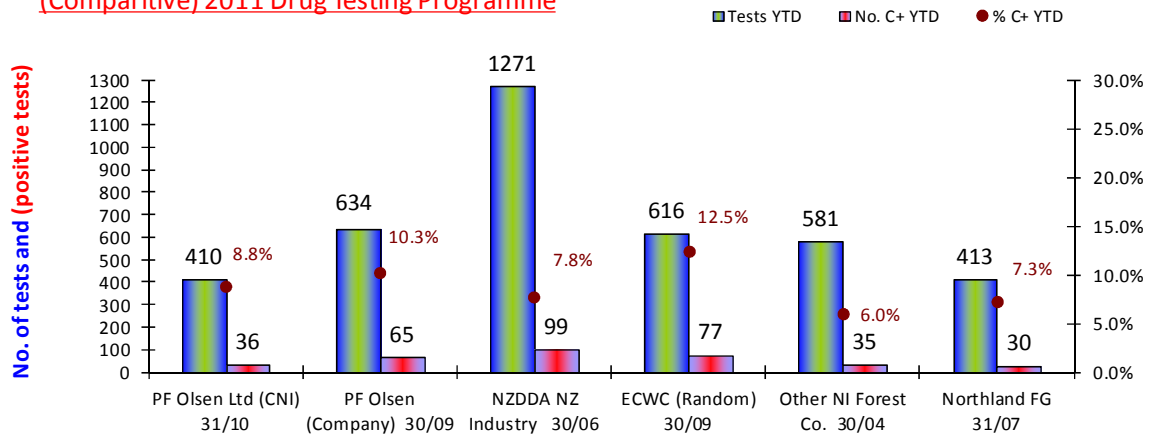
**THC** – Cannabis, **MET** – Methamphetamine, **OPI** – Opiates  
**AMP** – Amphetamines, **BZO** – Benzodiazepines, **COC** – Cocaine,  
**ALC** – Alcohol

**YTD 2011 (end of Sept 30)**

**PF Olsen Ltd  
Region/Collective**

	Tests YTD	No. C+ YTD	% C+ YTD	THC	MET	OPI	AMP
Northland	63	6	9.5%	5	1		
CNI	390	34	8.7%	24	5	4	1
Gisborne	46	10	21.7%	10			
Napier	4	0	0.0%				
Masterton	0	0	#DIV/0!				
Marlborough	49	6	12.2%	6			
Nelson	18	2	11.1%	2			
Canterbury	30	1	3.3%				
West Coast	29	6	20.7%	6			
Otago	5	0	0.0%				
<b>Total</b>	<b>634</b>	<b>65</b>	<b>10.3%</b>	<b>53</b>	<b>6</b>	<b>4</b>	<b>1</b>

**(Comparitive) 2011 Drug Testing Programme**





# Health and Safety Annual Report

## PF Olsen West Coast Forests FSC SGS-FM/COC-000763

**Safety Performance:**  
**West Coast forests**

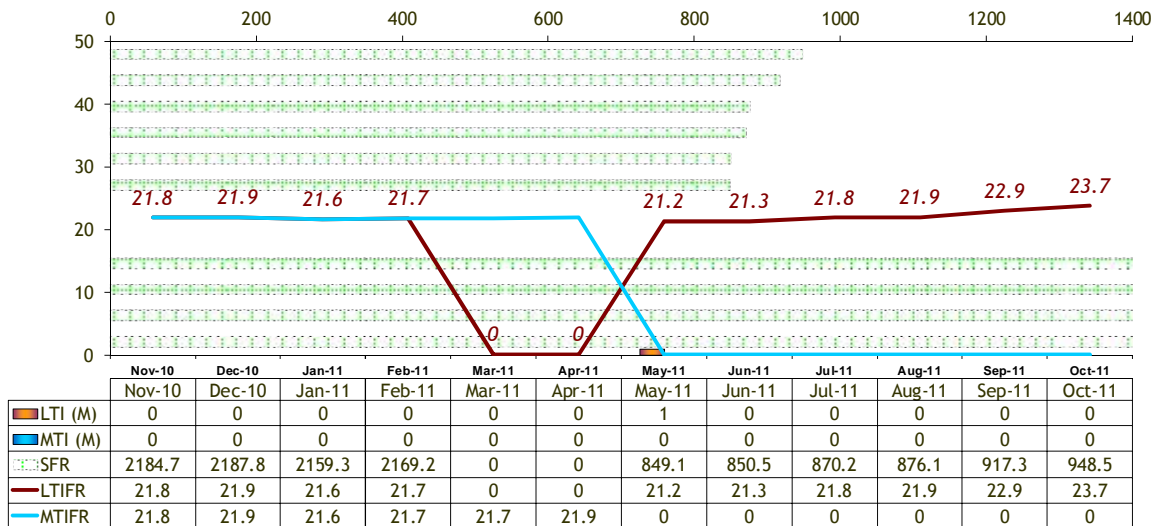
West Coast forests have had three injuries year to date and two of these have incurred lost time (serious). Both incidents involved sprains.

We continue to focus on workplace and safety culture and accident investigation and have run programmes to improve crew culture through-out the year and will continue with these into 2012.

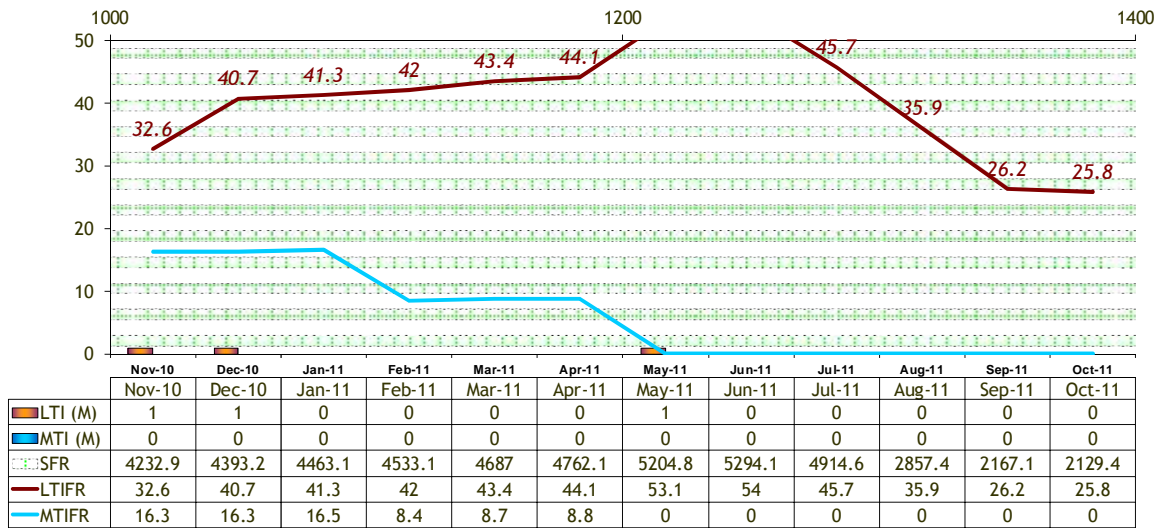
The key focus in 2012 will be breaking-out certification and implementing behavioural standards in cable harvesting crews.

Year	Hours Worked	Serious Injuries	Lost Time Days	Frequency	Target Lost Time Frequency
2009	170,197	6	38	35.3	5
2010	168,625	7	54	40.7	5
2011*	158,635	2	28	25.8	3

\* Rolling YTD as at October 31 2011



Forest Management



Harvest Management