

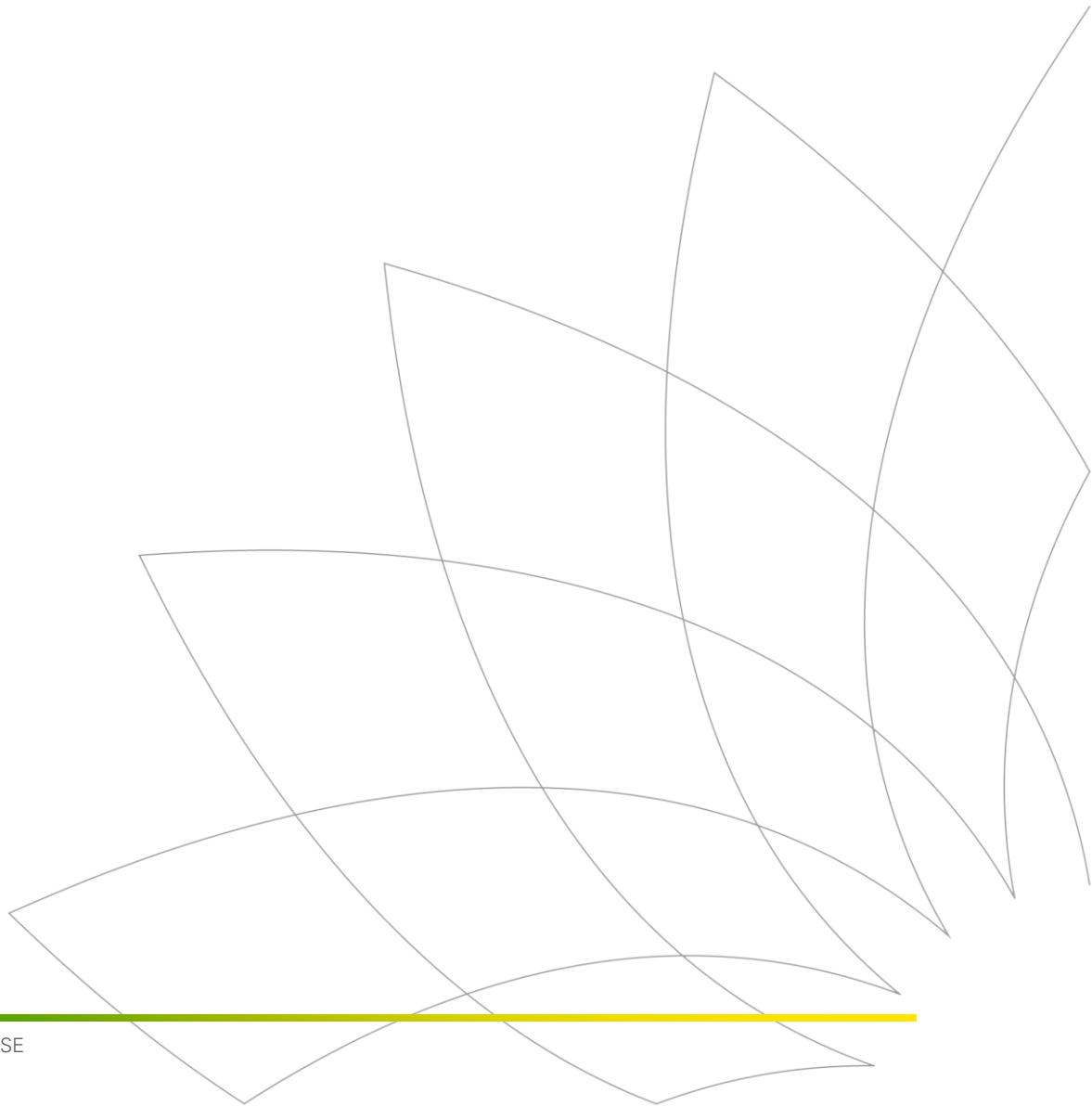


# Shaping the future of HSE

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**Fuzzy Bitar discussed the future of health, safety and environment (HSE) at Oil and Gas UK's HSE Conference. Bitar, who also chairs the International Association of Oil and Gas Producers, told delegates the industry has strong HSE foundations – but to shape the future, we need the right concept, the right tools, the right approach – as well as the right team.**

Hello and thank you for inviting me today.

It's always a pleasure to join so many friends from across the industry.

And a big thank you to Deirdre and the team at OGUK for putting together another great event and allowing us to come together in this way.

I hope that soon we'll be able to gather in person once again – and I'm heartened that with better understanding, vaccines, and treatments, that will become a reality sooner.

The past year has been tough. Really tough.

The COVID-19 pandemic has created tremendous uncertainties for all of us.

There are economic uncertainties – with demand for energy nose-diving for much of last year, as societies around the world grappled with unprecedented challenges.

Meanwhile, the energy industry has had to evolve our working practices, at speed, so we could get energy where it's needed – and keep the lights on, while keeping our people safe.

My heartfelt thanks to everyone for their sterling efforts and commitment, as the world was thrust into a new and uncomfortable place.

And, of course, there are personal uncertainties. All of us felt the impacts of the virus – whether directly or not – the health, mental health and economic concerns. This has been nothing short of a crisis for society - and the reverberations will continue for years to come.

Many have argued that the pandemic has changed society permanently. We won't know for some time whether that's true. And we certainly don't know what those lasting impacts will be.

But my strong suspicion is that our societies – our industry – cannot go through upheavals of this nature, and simply return to life as it was before.

So that begs the question: what next?

It's a question that we can ask about almost anything in our lives...

How will our working patterns evolve?

How much oil and gas will the world need?

What can we do to ensure our grandkids inherit a sustainable planet?

And, of course, today we're here to discuss HSE– a topic so dear to many of us.

## The importance of HSE

All of us know the risks that come from working in our industry. And we all fully understand the need to care for our people's health... to keep them safe... and to do everything we can to protect the environment.

We all know the importance of strengthening HSE.

But if we think about what the future of HSE looks like, the truth is that none of us know for sure.

There is simply too much uncertainty to say with confidence how our industry – and HSE – will evolve.

What we do know is that we're not starting from scratch.

Our foundations are solid – with good practices and deep expertise, all built upon many years of learning.

We value the importance of HSE – and we're always looking to improve.

It's a good start.

But there's more to do.

We have the foundations but how do we design the rest? What will it look like? What design principles will we adopt?

Well, I think it was Abraham Lincoln who once said: *the best way to predict the future – is to create it.*

It's certainly an idea that has helped me in the past.

So, I wondered if we could try an exercise ...

My ask is that we set aside our day jobs – and we all become architects for the day.

Let's start designing the future for HSE – building on those solid foundations.

This might be a tall order for a weekday morning. But we've all spent long enough in the industry not to be daunted by big challenges.

And our experience has also taught us that one of the best ways to start big projects is to set the right parameters.

So here we go.

I'll lay out the three areas for us to consider: -

- First, we need the right design concept – this will help us set off in the right direction.
- Second, we need the right tools – allowing us to make that design a reality.
- And third, we need the right approach – enabling us to bring to life our ideas in a way that resonates with wider society.

And I hope that then sets us up for a fruitful conversation.

## The right concept

So, as we think about designing our future – the rest of the structure - what's the big picture... our guiding concept... our artistic inspiration, if you will?

Well, I'm told that architects must think hard about where their building is located and what's happening around it. Context is crucial.

The same is true for our industry. We do not operate in a vacuum. We are part of society – an integral part, in fact.

...Society gives us a licence to operate and, in return, we provide the energy society needs.

For me, the best way to maintain that licence is by having a meaningful purpose.

Purpose helps pull teams together, with everyone focussing on the same thing.

At bp our purpose is reimagining energy for people and our planet – it works because it's big picture, it's inspiring and it's something we can all get behind.

Other organizations will settle on something that's right for them. But I'd like to think that we're all operating with similar goals in mind – providing the world with the energy it requires, in ways that society desires.

So, as we gaze at this white space titled 'the future of HSE', let's ask: What is our purpose? What is it we're trying to do?

## Our core value of safety

Of course, as we're specifically thinking about HSE - there's an important dimension that we cannot lose sight of. That is safety - a core value, not a competing priority.

We all understand the need for living and breathing safety in our daily lives – looking after our people – doing everything we can to get them home safely to their families.

As an industry over the past decade we have seen a step change improvement in our personal and process safety performance.

And yet IOGP members suffered 25 fatalities in 2019. And our industry still reports an average of five fatal process safety events per year.

We all aim for 'zero'. But sadly, people are still getting hurt. It can no longer be acceptable for zero to be a vision, it must become an expectation. I truly believe we can and must eliminate fatalities and serious process safety events from our industry.

Of course, safety goes beyond looking after our people's physical health.

Mental health and well-being are perhaps, becoming the number one threat to companies enjoying the benefits of a thriving workforce.

This may not have been an industry priority in the past but has now been brought to the fore during the pandemic. Leaders have cited numerous examples: employee burn-out, relentless organizational change and a culture to be constantly 'switched-on' are just some of the problems noticed around the industry.

So, one of the lessons of the COVID-19 pandemic is that we need to support our people by equipping our leaders with the correct tools and accelerating the delivery of effective health and well-being programs.

## The right tools

That leads to my next point. Once we have the right guiding concept, we need to think how we go about delivering it. And for that we need to ensure we have the right tools.

As you know, effective HSE relies on doing a whole range of things – perhaps too many to summarise in one speech.

But let me touch on three key tools we need:

The first is **human performance**, and the necessity to improve our understanding of it.

Now this is an important subject – and one that is close to my heart, having spent many years – and too many late nights – studying the subject.

At the end of the day, we're all people –we're fallible and we make mistakes. What we have learnt is these mistakes are usually due to underlying conditions. Remember that human decisions can only be understood in the context in which they are taken. So human error is not a cause but a symptom.

But also remember that we are the people that can fix those mistakes or, better still, prevent them.

In short, people create safety.

Let's see people not as the problem but as problem-solvers - with safety leaders there to predict evolving risks.

Our work is complex – which inevitably means the way it is done will vary. We should strive to create a system which can anticipate, monitor, respond and learn in real-time - both from adverse events and everyday success.

In doing so, we must build a culture based on trust that supports questioning and that challenges complacency and the reliance on past success as a perceived guarantor of future safety.

We can no longer measure safety by simply counting incidents. These lagging indicators can't really help us predict future incidents. And we need to include more proactive indicators that can anticipate risk and reveal the quality of our operations.

What we choose to incentivise also needs to change so that the metrics drive the right behaviours, system outcomes and performance.

Second is **digital**: we need to embrace everything digital has to offer to keep our people safe. You'll have plenty of ideas and experience but, in general, we're talking...

...New technologies helping get risk information everywhere it's needed – from the boardroom to the control room...

...Remote observation tools, robotics, wearable devices and other solutions, all aimed at reducing risks...

...virtual and augmented reality technologies, as well as learning management systems to improve health and safety training...

And advanced data analytics to identify trends, helping us course-correct faster.

So I've spoken about the power of digital and the need to understand human performance. Now I'll move to the third tool we need: **prioritization**. That means doing fewer things – but doing them all exceptionally well.

The organizations that succeed in safety aren't the ones who have the most programmes or the most prolific management systems.

It is the organizations that get the basics right that will perform best...

...organizations whose Safety Management System allow for flexible and proportionate approaches, that are rigorous, thorough and provide the necessary safety assurance. Our processes must enable our people – not stifle them.

If we include these three tools in our toolkit, I think we'll be in a better position to shape a future for HSE... one that works for our people, our businesses and our stakeholders.

## The right approach

That leads me to my next theme – and that's how we approach this task. How we go about it.

Because while the concept sets us off on the right track, and the tools will help us deliver – it is how we approach our work that will ensure it really resonates with our broad and varied range of stakeholders.

The key for me in this... is sustainability – I am a big believer that our industry can have a strong and positive future. But only if we can find a way of operating sustainably.

The natural world is fading fast – we need to cherish it.

We need to do what we can to protect the environment and ecosystems in which we operate.

And we all know that the challenge is acute.

Since the first half of 20th century, the global population has risen from just over 2 billion – to almost 8.

And the consequences for the natural world of this growth cannot be underestimated.



The amount of carbon in the atmosphere has increased by almost half. <sup>1</sup>

Half the world's rainforests have disappeared...

...and half the world's coral reefs have been destroyed.

So, becoming increasingly sustainable is something we have no option but to embrace.

This will mean changing many things about how we operate.

And many companies joining today are already in action.

But we can all do more.

And we must sustainably and holistically. That means considering the impacts to carbon emissions, biodiversity, natural resources, people and communities together - not in isolation.

So, I would argue that our industry needs to ensure that decision-making is increasingly framed around making our businesses more sustainable.

We all need to think hard – and act decisively if we are going to make a difference.

Making a difference by positively contributing to society by improving ecosystems and improving people's lives.

I'm also confident that if we get this right, we will see how strong sustainability performance can create value – winning over investors, customers, talent, and markets.

## The right team

So we have the brief, the tools, and the approach to shape the future of HSE – but there's one more element we're going to need.

And that's having the right team.

It all starts with leadership.

One of the lessons of the pandemic is that the most effective way to improve health & safety quickly – is by having an engaged leadership.

The good news is that is already a reality for many companies represented here today.

Leaders are engaging on health and safety more than ever – a trend likely to continue as new waves of leaders comes through.

I'm heartened that industry studies – and my own experience – suggest leaders increasingly see the importance – the need - to create a culture of care. They are focusing more on looking after their people and their businesses.

That is welcome.

But we also need to retain, attract and recruit diverse talent to truly advance the future of HSE.

And once we have them, we must train and help them develop the right skills – by which I mean both technical – and human.

We need both if we are to build leadership that inspires and drives change.

The practice of rotating high calibre individuals from operations into health and safety roles and vice versa has many merits. It provides the opportunity to see each other's perspectives, share ideas and find pragmatic solutions.

Our people are central to everything we do – from planning projects, to drilling wells, to extracting energy from the ground, to transporting it around the world, to selling it to customers.

We must value our people...

...help them develop the skills they need...

...empower them.

...and then let them unleash their potential.

## Delivering our future

So, as we look to shape our future, let's think of HSE not as something we just bolt on at the end - but something that is deeply embedded in what we do. Firmly integrated into our everyday.

If I go back to where I started...

We all know the importance of HSE – and that like everything else in our industry, it is evolving.

I said that because of the huge uncertainties we face, the best way to predict the future is to create it.

And to go about that...

I've offered a design concept – helping us to set off the right direction.

I have spoken about some of the tools we will need along the journey.

And I've spoken of the need for us to approach our work in the right way - that keeps us in step with society.

There are still many unknowns, of course.

And I'm only an honorary architect – just for one day.

But I took inspiration from a real architect – Eileen Gray – who once said: *“To create, one must first question everything.”*

I'm sure that's an idea us engineers could get on board with.

So, let's do that.

Let's embrace the uncertainty.

Question everything.

And I'm confident that – together – we can shape the future of HSE.

We can create something truly remarkable.

Thank you.

<sup>1</sup> Carbon in atmosphere rose from 280ppm in 1937 to 415ppm in the present day.