

A great deal of Imperial Logistics’ business operates on roads. Ensuring the safety of our passengers and drivers, and implementing the best road safety practices to protect other road users, are key priorities for our road transportation activities across all our operations.

Our road transportation-related business is the largest in South Africa where the frequency of accidents and fatalities is alarming and requires dedicated focus from all players in the road transport industry. A small percentage of this business operates in the African Region and Europe.

Our key objective is to achieve zero avoidable fatalities, defined as deaths in accidents where an Imperial Logistics driver is found to be at fault. During the reporting year, five accidents resulted in six avoidable fatalities. Of all accidents that resulted in fatalities, 14% were deemed to be avoidable. This is a key focus area for management and is continuously assessed.

We take strict measures to ensure our drivers understand their responsibilities on the road and the potential impact they may have on other road users. We adhere to best practice safety standards and training on road use to influence driver behaviour. We also invest in the latest technology to mitigate road safety risks and we ensure that our vehicles are properly serviced and maintained.

Despite our best efforts, we are sad to report two employee fatalities in South Africa during the year and we convey our sincere condolences to the families, friends and colleagues of Mr Sipho Hlatshwayo and Mr Amor Dimitre Nero.

Fatal accidents are investigated internally by an operational team led by the managing director of the company concerned. In addition, an external independent accident investigator is engaged to provide an unbiased view. No crash to date has been due to an Imperial Logistics vehicle being non-roadworthy.

In the event of an accident, we use approved and accredited service providers to recover the vehicle and client product, and ensure that the correct procedures are followed during the scene clean-up process, particularly when hazardous loads are involved. With up-to-date information we are able to make informed decisions relating to the scene, injuries to the driver and third parties, and products that are salvageable.

In South Africa, passenger safety is a priority for our bus company Itumele Bus Lines (IBL). IBL is Road Transport Management System (RTMS) certified, an industry-led, voluntary self-regulation scheme which promotes road safety initiatives. Buses undergo roadworthy testing every six months. Drivers are subject to annual driver training and medical fitness tests, and their hours and driving behaviour are monitored. Passenger loading is also monitored, and pre-trip inspections and onsite brake testing are standard procedures. A driver incentive scheme rewards drivers for good driving performance.

We cultivate strong, collaborative relationships with our transport service providers, who are critical business partners, particularly as we drive the ‘asset right’ approach. In Africa, we collaborate with around 550 transport partners who are held to the same safety standards as our own companies. Service provider compliance is ensured through regular audits undertaken by our risk teams.

Violent protests fuelled by poor service delivery continue to occur in South Africa, impacting our operations and placing our employees at risk. We leverage our relationships with non-governmental organisations and government institutions to receive real-time information on protest action along routes or at destinations. This helps us to plan alternative routes and warn drivers through our robust on-route communication processes. Emergency response planning is a feature of driver training, helping drivers to respond appropriately in these types of circumstances.

For information on occupational health and safety management and product safety, see [product responsibility and safety](#).

Link to material issues

› Combine people, partnerships and processes to ensure consistently excellent execution.

› Ensure legitimacy in demanding markets to underpin competitive advantage.

› Establish corporate citizenship credentials.

Opportunity

High driver safety standards contribute to attractive client and employee value propositions.

Risks and challenges

- › Road safety given that South Africa has one of the highest per capita road death rates globally.
- › Reputational risk from accidents caused by Imperial Logistics’ drivers and incidents involving sub-contractors.
- › Increasing incidents of social unrest, impacting operations and employee safety.

Boundary

All Imperial Logistics road transportation activities.

Defensible road safety practices – continued



Areas of focus

Ensure driver fitness

Group priorities

- › Ensure all drivers have valid professional driving permits and undergo regular health examinations.
- › Continuous driver training provided by accredited in-house trainers or external service providers that meet our training standards.

Priorities for South Africa

- › Policies and guidelines on substance and cellphone use, driving in emergency lanes (not allowed), and fatigue management, among others. Policies are regularly updated to include new risks identified by driver experiences.
- › All drivers are required to pledge their compliance to the Imperial Safety Rules for responsible driving.
- › Monthly or bi-monthly driver safety meetings as well as toolbox talks, which address non-compliance with safety procedures at the time of occurrence.
- › Assessments to ensure the driver has had adequate rest before embarking on a trip.
- › Breathalyser testing at most Imperial Logistics depots.
- › Wellness services available to truck drivers through the [trucking wellness programme](#).
- › Drivers who disregard safety procedures are appropriately disciplined and the necessary remedial action implemented.

Implement best road safety practices

Group priorities

- › Safety measures fitted to vehicles transporting hazardous goods (see [product responsibility and safety](#)). In South Africa, certain vehicles in the new Euro 5 fleet are fitted with safety packages, including lane assist and stability and proximity controls.

Priorities for South Africa

- › 90% of Imperial Logistics companies are RTMS accredited.
- › Drivers are briefed on load, client, route and potential safety hazards and provided with journey management plans, including information on resting points, before a trip.
- › Monitoring of scheduled and unscheduled stops by the control tower.
- › Planned and unplanned job observations to ensure standard operating procedures are adhered to at loading and offloading points.
- › Advanced vehicle tracking systems monitor driver behaviour and technique.
- › Speed governors on vehicles limit speed to 85 kilometres per hour.
- › Daily vehicle inspections conducted by drivers.
- › Rigorous maintenance programmes for vehicles, as well as truck tractors and trailers.
- › On-board cameras assist with accident analysis and help drivers understand near misses and identify prevention measures.
- › Auditing transport service providers to ensure they meet safety standards.

Performance measure

Africa

Road injuries per million kilometres

0,080

(2017: 0,102)

Performance measure

Africa

Road fatalities per million kilometres

0,005

(2017: 0,009)

Performance measure

Europe

Road injuries per million kilometres

0

(2017: 0,106)

Performance measure

Europe

Road fatalities per million kilometres

0

(2017: 0)

Delivering high quality driver training

In South Africa, our well-resourced in-house driver training facilities are accredited through the Transport Education Training Authority (TETA). In addition to standard training on compliance issues, we have introduced minimum training standards (training toolkit) for all heavy-duty truck drivers. The toolkit ensures that trainers cover aspects including eco-driving, health and wellness, fatigue management, client care and driving an articulated vehicle. The training standards are being rolled out to all companies, and our aim is to have most of our heavy-duty truck drivers trained in line with this new method by 2019. Driver feedback on the new training method has been positive. Coaching sessions for the trainers will start towards the end of 2018 to ensure the programme's success.

In partnership with Scania, our truck drivers in Poland receive theoretical and practical eco-driver training. Driving style is analysed using telematics devices that monitor braking, speed, idling and fuel consumption. Based on this information, practical instructions are prepared on how the participant can improve their driving style. Trainers are available should drivers need further support.

In addition to promoting safe driving behaviour, our programmes also reduce wear and tear on parts and contribute to emissions reduction.

Engaging with our employees on safety

Freightmax (South Africa)

Shell South Africa's Annual Professional Driver of the Year Competition tests a participant's knowledge on the policies, standards and procedures relating to the transportation of dangerous goods. In total, 30 professional drivers and nine driver trainers participated in the two-day competition which comprised a written assessment and a driving skills test. Lindani Ngwenya from Freightmax was awarded first place in the professional driver category and Selby Siyaya, also from Freightmax, was awarded second place in the driver trainer category.

Freightmax

Lindani Ngwenya
from Freightmax
awarded first place

in Shell South Africa's Annual Professional Driver of the Year Competition.

Imperial Chemical Transport Employees rewarded for outstanding safety behaviour

Employees are rewarded for outstanding safety behaviour, with two drivers from Imperial Chemical Transport being acknowledged in 2018 for detecting a pump leakage that required the emergency shutdown and evacuation of the site concerned.

Imperial Chemical Transport (Germany)

Working with one of its clients, Imperial Chemical Transport is delivering training and awareness activities to enhance the safety culture at both companies. Drivers are encouraged to identify dangerous situations, particularly during the loading and offloading of dangerous goods, and to report each incident, deviation or near miss. The lessons learned are shared with all drivers. For example, an extraordinary meeting was held in December 2017 to engage with drivers on the dangers posed by narrow muddy roads and to convey the learnings from previous accidents under these conditions. The campaign is achieving the desired results with 26 and eight near misses reported in 2017 and 2018 respectively.

Using technology to ensure driver fitness

Tanker Services has launched an automated briefing system for drivers, a transport industry first in Africa. The system stores the personal and professional information of every driver – from driving certificates, licences and training updates, to driver ratings, incident reports, medical details and chronic medication. It also facilitates pre- and post-trip briefing. Drivers access portals at site kiosks, much like the self-service check-in counters at airports, to clock in and obtain their load briefs without having to interface with a controller. The biometric system is operated with a driver's fingerprints and will not allow a driver to clock in unless they have had the required 12 hours rest. It also uses a series of questions to check that drivers have taken their chronic medication. An added benefit is that drivers who are not exposed to personal computers have the opportunity to learn new skills. In addition, drivers are more willing to make declarations on the portal than they might be when sitting face-to-face with a supervisor, enabling us to deal with potential issues more quickly and efficiently.

Raising public awareness around road safety

More broadly, our road safety programme aims to enhance public awareness around safe behaviour on South Africa's roads. Targeted interventions focus on Grade 0 to 3 pupils, adult road users and families during peak holiday periods, and pedestrians along main roads where the risk of pedestrian fatalities is high.

Safe scholars campaign

Endorsed by the Department of Basic Education, the safe scholars campaign teaches pupils about basic road rules using interactive song and dance. In addition, our specifically designed mascots – Bongie, Buckle Up Buddy and Ed the Red – create a fun and memorable experience that resonates with the children. Pupils are taught to observe traffic before crossing a road, be mindful of the speed limits on roads and remind parents to buckle up before driving.

In addition, scholar patrols are trained and equipped with the right gear to ensure children at school entrances are able to cross roads safely.

Safe scholars campaign

Since 2015, over **1,3 million learners** reached in 1 457 schools.

Pupils receive a reflective sash worn across the body to increase visibility when walking at night or during times of poor visibility.

Heavy vehicle awareness tip

When loaded, a heavy goods vehicle may travel up to 100 metres before coming to a complete stop.

Heavy vehicle awareness programme

During the year, we held heavy vehicle awareness events around South Africa. The programme helps people better understand the limitations experienced by drivers of heavy goods vehicles. Members of the public were also given the opportunity to sit in the cab of a heavy goods vehicle to better understand a truck driver's blind spots. The aim of this lesson is to make people more cognisant when driving, overtaking or changing lanes within the vicinity of a heavily loaded truck.

Peak season awareness programme

Two of South Africa's busiest routes during holiday periods are the N3 from Gauteng to Durban and the N1 from Gauteng to Polokwane. We engage with motorists, including truck drivers, at popular service stations along these routes to convey road safety tips through a number of activities.

Peak season awareness programme

Motorists are asked to commit to adhering to road rules through the I-Pledge initiative.

Pedestrian awareness

Reflective hats were given to shebeen patrons to aid visibility at night.

Pedestrian awareness

In Swaziland, the patrons of 12 'shebeens' (taverns) along key routes travelled by our extra heavy goods vehicles were engaged on safe pedestrian behaviour when walking home at night.

Defensible road safety practices – continued

Key data

	2018		% change	2017	2016
Africa					
Road kilometres travelled (million)	387	*	(8,3)	422	443
Road accidents (company)	101	*	(3,8)	105	181
Road accidents per million kilometres	0,261°	*	4,8	0,249	0,409
Road injuries (company)	31		(27,9)	43	70
Road injuries per million kilometres	0,080✓		(21,6)	0,102	0,158
Road fatalities (company)	2	*	(50,0)	4	1
Road fatalities per million kilometres	0,005°	*	(44,4)	0,009	0,002
Europe					
Road kilometres travelled (million)	79	*	(7,1)	85	79
Road accidents (company)	20	*	(90,4)	209	133
Road accidents per million kilometres	0,253	*	(89,7)	2,459	1,684
Road injuries (company)	0✓		(100)	9	8
Road injuries per million kilometres	0		(100)	0,106	0,101
Road fatalities (company)	0✓	*		0	0
Road fatalities per million kilometres	0	*		0	0

The Imperial Logistics sustainability management system collates, processes, tracks and communicates road safety data from all company sites. Data is collected monthly and local administrators and internal audit perform regular data integrity checks. The system also collates lessons learnt, which are used to inform development plans.

✓ Satisfied with performance.

° Area for improvement.

* Assured (see the independent limited assurance report in the 2018 integrated annual report).

The reduction in road injuries per million kilometres and road fatalities per million kilometres in the African operation is an indication that our road safety procedures, initiatives and training programmes are starting to have an impact. The slight increase in road accidents per million kilometres is more a reflection of the improved accuracy of incident reporting on the Imperial Logistics sustainability management system than an increase in accident frequency.

The vast decrease in road accidents for Imperial Logistics International is a result of the operation aligning its measurements to the Imperial Holdings group standard as approved by the executive committee in the group safety, environmental and incident reporting policy.