
Application for an enforceable undertaking

Part 4, Health and Safety at Work Act 2015

The commitments in this application are offered to WorkSafe NZ

by

Linfox Logistics (N.Z.) Limited

Application for an enforceable undertaking

Part 4, Health and Safety at Work Act 2015

The commitments in this undertaking are offered to WorkSafe New Zealand (WorkSafe) by

James Watters – New Zealand Country Manager

On behalf of

Linfox Logistics (N.Z.) Limited

This enforceable undertaking is given on the day and date that it is accepted and signed by WorkSafe. The undertaking and its enforceable terms will operate as a legally binding commitment on the part of the person from the date it is given.

Do not refer to the victim by name in this document. Please refer to the victim / worker / employee / volunteer / or other term as appropriate.

WorkSafe respects your privacy and is committed to protecting personal information. The information provided in this document is for the purpose of an undertaking given to WorkSafe under Part 4 of the *Health and Safety at Work Act 2015*. This information will be managed within the requirements of both the *Privacy Act 1993* and the *Official Information Act 1982*. **Contravention** means an action which offends against the Health and Safety at Work Act 2015 and/or any Regulations made under it. It includes both health and safety contraventions. A contravention also includes an alleged contravention.

There is an expectation that WorkSafe will generally publish the undertaking in full on its website.

TERM	DEFINITION
Contravention	An action which offends against the Health and Safety at Work Act 2015 and/or any Regulations made under it. It includes both health and safety contraventions. A contravention also includes an alleged contravention.
HSMS	Health and Safety Management System
Person	An individual who or a legal entity which has a duty under the <i>Health and Safety at Work Act 2015</i> and can give a written undertaking. The term includes individuals, each partner in a partnership, corporations, trustees of trusts, and crown organisations.
Health and Safety Legislation	<i>Health and Safety at Work Act 2015</i> and associated regulations
Enforceable undertaking	An enforcement pathway that allows a duty holder to voluntarily enter into a binding agreement with WorkSafe. The agreement outlines actions the duty holder will undertake to address the contravention. It is expected to deliver activities which benefit workers, the wider industry or sector and/or the community as well as acceptable amends to any victim(s).

WORKSAFE NEW ZEALAND
PO Box 165, Wellington 6140
0800 030 040 www.worksafe.govt.nz

New Zealand Government

Section 1: General Information

1.1 Details of the person / persons / entity giving the undertaking

Name of person(s) making this undertaking:

James Watters, New Zealand Country Manager

Name of Entity:

Linfox Logistics (N.Z.) Limited ('Linfox')

Type of Legal entity:

Registered Company

Nominated contact person:

James Watters

Physical address:

1 Verissimo Drive
Mangere
Auckland 2020

Postal address (if different):

PO Box 201166
Auckland Airport
Auckland 2150

Work phone:

09 256 5434

Mobile phone:

Email:

jwatters@linfox.com

Industry:

Logistics

Workers (enter numbers):

Full-time

720

Part-time

21

Casual

43

Description of the products and services provided by the business or undertaking:

Linfox is a logistics company, specialising in warehousing and distribution. It provides supply chain solutions, IT systems integration and warehousing, transport management, and distribution operations.

Comments:

Linfox is contracted by Progressive Enterprises Limited ('**Progressive**') to transport goods from its distribution centres to its Countdown stores within the North Island. Part of this work involves engaging with other entities such as The Supply Chain Limited ('**Supplychain**'), a wholly owned subsidiary of Progressive, that operates the Auckland Regional Distribution Centre ('**ARDC**').

Separately, Linfox engages subcontractors to assist with performance of its contract with Progressive. One of those subcontractors is Bulldog Haulage Limited ('**Bulldog**'). Linfox has contracted with Bulldog to collect, transport, and unload goods on its behalf, including at the ARDC.

1.2 Detail of the contravention

Linfox has been charged with an offence under the Health and Safety at Work Act 2015 in relation to an incident on 13 July 2016.

WorkSafe New Zealand ('**WorkSafe**') alleges that Linfox, being a PCBU, failed to ensure so far as reasonably practicable, the health and safety of a worker who worked for Linfox (as an employee of a contractor) (the '**Worker**') while he was at work in the business, and that failure exposed the Worker to a risk of serious injury.

In particular, WorkSafe alleges that Linfox failed to:

- (a) Consult with Supplychain and Progressive to develop an adequate safe system of work for forklift operators and truck drivers to follow when loading curtainsider trucks and to incorporate this into its site induction provided to drivers; and
- (b) Consult with Supplychain and Progressive to develop and implement a system to ensure that the loading bay at the ARDC was adequately monitored and supervised during the night shift.

1.3 Detail the events surrounding the contravention

In the early hours of the morning on 13 July 2016, the Worker was at the ARDC with a Bulldog curtainsider truck to pick up a load of goods for transport to Countdown supermarkets.

The Worker arrived in the loading bay for curtainsider trucks at the ARDC and communicated with a Supplychain forklift operator about the loading, and was advised by that forklift operator that he would be loading the Workers truck. The Worker exited the cab of his vehicle and opened the curtains on both sides of the truck and then moved to open the curtains on the trailer unit.

While the Worker was in the process of opening the trailer curtains, a second Supplychain forklift operator had decided to assist the first operator with the loading of the truck. The second forklift operator picked up a pallet from the loading bay and reversed around the back of the truck, coming into contact with the Worker, and running over his ankle, at approximately 1:51 am.

1.4 Detail any enforcement notices issued that relate to the contravention as detailed in term 1.2

DATE	NOTICE TYPE	NOTICE NUMBER	CONTRAVENTION OR PROHIBITED ACTIVITY	ACTION TAKEN IN RESPONSE TO NOTICE
NONE				

1.5 Detail the rectifications to the workplace or work practices made as a result of the contravention (1.2), events (1.3) and the enforcement notices issued (1.4)

As a result of the incident, and after considering how best to ensure similar events do not occur in the future, Linfox has taken the following remedial steps to address the work practices which WorkSafe has alleged were deficient:

Changes to work processes and practices

- Linfox and Supplychain undertook a risk assessment for the side-loading of Curtainsider trucks.
- Linfox and Supplychain reviewed the existing standard working procedures and, based on the results of the risk assessment, developed new standard operating procedures that included:
 - Safe work method plans for side loading Curtainsider trucks
 - Material Handling Equipment ('MHE') and pedestrian interaction
- Linfox updated its driver training and induction documentation to cover the new standard operating procedures.
- In conjunction with the development of the safe work method plans, Linfox engaged with Supplychain on the design and engineering of controls to be implemented at the ARDC site. These controls included:
 - Marking out loading zones
 - Creating driver wait zones.
 These zones were created to ensure truck drivers were physically isolated from all vehicles and machinery (particularly fork lift operators).
 - Designing painted walkways that clearly define the safest route to wait zones, bathroom facilities, and lunch rooms.

Communication to workers and others

- Linfox undertook sessions with all of its drivers at the time to discuss the findings from its investigation and to retrain drivers in the new procedures that were developed as a result of the incident.

- Linfox engaged with Supplychain to develop a system where all accidents, incidents, and near misses are directly inputted in to Supplychain's 'Pulse' system.
 - Pulse is an electronic safety management system that enables Supplychain to track the management and review of all incidents and provide feedback.
 - All Linfox site management and safety staff at the ARDC site have electronic access to Supplychain's Pulse System.
 - A hard copy of the Pulse System reporting form is available to all employees when reporting events.
 - There is a monthly joint safety meeting between Supplychain and Linfox to discuss the events recorded in the Pulse Reports.
 - There are no costs associated with this access.
- Running in parallel with Supplychain's Pulse Systems is the Linfox ProMapp reporting system, in which Linfox inputs the same data for its health and safety system.

Investment in additional health and safety resources

- Linfox worked in conjunction with Progressive and Supplychain to develop and implement a new loading area marking standard. The loading areas at the ARDC have now been marked and driver wait zones have been created for drivers who need to view the loading of their trucks. The wait zones are behind segregated barriers to provide physical protection from forklifts.
- Linfox co-ordinated with Progressive and Supplychain with regards to safe work procedures for the loading areas and incorporated these changes in Linfox's induction and training programs.
- Linfox co-ordinated with Progressive and Supplychain to implement joint monthly health and safety meetings to improve PCBU collaboration.
- Linfox created and implemented a safe working procedure 'MHE and Pedestrian Interaction' around Linfox's business and supported this with induction training.
- Linfox reviewed training requirements, as part of a national business program, at all company owned and operated sites to ensure consistency across New Zealand.
- Linfox has implemented the changes made at ARDC across all of its national sites, where appropriate. This included implementation of directional lines, creation of exclusion zones, painted walkways, delineated loading and signage.

1.6 Total amount of money spent on rectifications

The estimated total cost of rectifications undertaken by Linfox following the incident (i.e. those costs capable of quantification) is \$135,004 made up as follows:

Linfox (Auckland)	
<i>Rectification</i>	<i>Cost</i>
Additional Rear yard lighting	\$3,600
Additional lighting in Truck wash	\$2,800
Shed B lighting upgraded to Cat 5	\$7,900
MHE separation - concrete barriers	\$3,850
Pedestrian / MHE separation lines	\$7,595
Metal pedestrian barriers shed A & B	\$2,950
	\$28,695

Linfox (Hamilton)	
<i>Rectification</i>	<i>Cost</i>
Lighting Upgrade - front yard	\$26,258
Lighting Upgrade - rear yard	\$12,385
Lighting Upgrade - warehouse	\$13,743
Warehouse pedestrian MHE lines	\$2,153
Truck / MHE separation lines	\$3,353
Wooden pedestrian barriers canopy	\$4,500
	\$62,392

Linfox (Palmerston North)	
<i>Rectification</i>	<i>Cost</i>
Yard lighting upgrade	\$5,071
Truck / MHE separation lines	\$4,469
	\$9,540

Linfox (Wellington)	
<i>Rectification</i>	<i>Cost</i>
Yard lighting upgrade	\$3,350
Pedestrian / MHE separation lines	\$4,200
	\$7,550

Linfox (Paradyne Place, Christchurch)	
<i>Rectification</i>	<i>Cost</i>
Warehouse lighting upgrade	\$19,300
	\$19,300

Linfox (Anchorage Road, Christchurch)	
<i>Rectification</i>	<i>Cost</i>
Yard & Tunnel lighting upgrade	\$3,977
MHE / Truck separation lines	\$3,550
	\$7,527

1.7 Detail the injury sustained or illness suffered by victim(s) or other(s) as a consequence of the contravention or, (as applicable) the *potential* for fatal injury or future fatal illness

The Worker suffered fractures to his left lower leg, ankle, and foot and required several surgeries.

1.8 Detail any offer of amends or payments made to the victim(s) who sustained injury or suffered illness (the total monetary amount here is also to be included in the table at 3.12.3)

Describe the victim(s) relationship to you / the entity in question –

The Worker is an employee of Bulldog, a contractor to Linfox.

Detail offer of amends or payments:

Linfox engaged with the Worker to discuss how Linfox could support the Worker and make amends for what occurred. Further details of Linfox’s engagement with the Worker (both directly and through his employer) are set out in section 1.11.

Linfox, together with Supplychain and Bulldog, engaged with the Worker between February 2018 and April 2018, to apologise for the incident and to offer the Worker a compensatory payment in recognition of the physical and emotional difficulties experienced by the Worker as a result of the incident. A sum of \$40,000 was suggested, and the Worker agreed to accept this payment. The Worker was paid around 17 May 2018. Linfox contributed \$18,000 to this payment.

1.9 Detail any consultation with the victim(s) as to their views on whether an enforceable undertaking would be an acceptable alternative to prosecution

Linfox wrote to the Worker to advise of its intention to seek an enforceable undertaking as set out in this document. The worker did not respond to this correspondence.

1.10 Detail any consultation with unions / sector / industry as to their views on whether an enforceable undertaking would be an acceptable alternative to prosecution

Linfox has consulted with Progressive, Supplychain, and Bulldog as these parties were involved in and directly affected by the incident. They are supportive of Linfox giving an enforceable undertaking as an appropriate alternative to prosecution.

There was no relevant union for Linfox to consult with as the Worker is not a union member.

1.11 Detail the support provided or proposed by the person to the victim(s), other(s)

DATE	DESCRIPTION OF SUPPORT	COMMENTS
July 2016 to September 2016	<p>The Linfox Country Manager contacted Bulldog throughout July and August to check on the Worker’s condition and recovery.</p> <p>The Linfox Retail Operational Excellence Manager and Retail Operations Manager visited the Worker at Middlemore Hospital – approximately 2 days after the event to offer an apology, to express their concern and to give the worker a care package. At this stage the Worker had not had surgery.</p> <p>The Linfox Retail Operational Excellence Manager continued to keep in touch with the Worker via Bulldog every 1-2 weeks until the Worker left hospital, approximately 2 months later. The Retail Operational Excellence Manager then engaged with Bulldog around the Worker’s return to work post recovery. The Worker returned to work for approximately 1 week but decided to terminate his employment. It understands he relocated to Australia.</p>	
September 2016 to present	<p>Members of the Linfox team have continued to stay in touch with Bulldog to obtain updates on the Workers health and wellbeing, as it was aware that Bulldog management had a close relationship with the Worker and kept in close</p>	

	contact with him.	
February 2018 to April 2018	Linfox, together with Supplychain and Bulldog, engaged with the Worker to apologise for the incident and to offer the Worker a compensatory payment in recognition of the physical and emotional difficulties experienced.	
10/04/2018	A joint offer of reparations was made to the Worker.	
17/05/2018	The Worker was paid the joint offer of reparation on or around 17 May 2018. Linfox contributed \$18,000 to this payment.	

1.12 Detail any current HSMS implemented and maintained by the person

Linfox's Health and Safety Policy focuses on strong leadership, safe behaviour, and continuous improvement to achieve the Linfox Vision ZERO strategy. Linfox's Vision ZERO safety program includes a range of initiatives to drive continuous improvement in the safety performance across its business.

Linfox's safety management system is well established and is supported by a set of procedures relevant to the operational risks relevant to Linfox's business activities. These procedures are reinforced by site specific safe work instructions. Training programs are also in place to ensure all workers are competent in the tasks they undertake.

An IT safety management system is utilised to capture and analyse risks, hazards and incidents and also to identify trends for future planning. This enables Linfox to manage and reduce risk on its sites, thereby reducing the possibility of harm to workers. Linfox New Zealand utilises a system called Promapp to capture this data. When an event occurs it is reported and entered into the Promapp system. Information based on a short ICAM (Incident Cause Analysis Method), a widely used incident and investigation methodology. Reported data is collated by the H&S Team and reported back to sites, discussed at monthly National H&S Conference Call meetings and is also reported to Australia. The data enables trends to be identified, further investigation to be carried out where necessary and corrective actions to be completed. All Linfox sites have access to Promapp.

The Promapp system is to be replaced in late 2018 by a new reporting system 'My FoxSafe' which will enable sites to have more detailed information and a greater accessibility to reported data at the site level.

The Linfox safety management system is regularly reviewed and updated to meet legislative requirements and new technologies. The system is aligned to AS/NZ Standard 4801. The objective of this standard is to set auditable criteria for an occupational health and safety management system.

The Linfox safety management system is made up of several key areas:

Procedures:

There are approximately 40 procedures that support the Linfox SHSQ Policy and which are intended to address relevant risks arising in Linfox's business activities. The documents set out the purpose and scope of the procedure as well as verification and auditing guidelines along with actions and responsibilities. For example:

- **Induction, training, competency**

Purpose: *The purpose of this procedure is to outline the procedure required for safety induction, training and competency of Linfox employees*

a documented process for internal and external auditing within Linfox Logistics Asia Pacific. Linfox audits are tools, designed to provide feedback to management on the status of the Safety Systems, and provides a basis for change to meet the relevant standard required.

Scope: *The requirements of this procedure apply to all Linfox operations.*

Procedures are developed in consultation with all business units and reviewed regularly to ensure compliance with legislative requirements and changes within the business. The procedures are readily available at Linfox's online Safety Portal – FoxSafe.

Safe Work Procedures:

Safe work procedures support the company procedures and are specific to business and site level risks. The safe work procedures are reviewed and updated with input from the relevant site safety experts and the workers doing the work. Updates to safe work procedures are communicated through inductions and refresher training programmes. For example, a Safe Work Procedure was developed and drivers were trained in 'Line Haul Operations Doors 39, 40, 41 Induction'.

Risk Management:

Linfox has in place a comprehensive risk register that identifies relevant workplace risks and details controls to mitigate those risks. The risk register takes account of risks identified across all business units. Linfox has also developed a critical risks register designed with one purpose in mind 'to prevent fatalities and life changing events'. This included:

- identifying our critical risks – these are the things that may not happen often but have the potential to kill.
- implementing controls – to reduce the risk.
- verifying the controls are in place and working.

Appropriate controls are developed by following the four risk management steps of identify, assess, control, and review, and are agreed in consultation with workers who are exposed to the identified risks on a regular basis. Supporting risk management documents include for example, Risk Management Procedure, Risk Framework, Risk Matrix and Training documents.

Incident Management:

Linfox has an incident management system where all workplace incidents are recorded. This system includes investigation and corrective action modules and produces statistical data that can be analysed to improve workplace safety practices that reduce risk of harm.

1.13 Detail the level of auditing undertaken on the HSMS, including compliance audits and audit frequency

Linfox uses a combination of internal and external verification activities to track the performance of its safety management system

Internal verification:

The Linfox audit process includes internal audits, called 'Pulse Checks', which are conducted annually on all Linfox sites. Linfox's Pulse Check Tool comprises of a Health, Safety and Compliance framework developed to ensure our site-specific systems and processes are implemented and maintained to achieve:

- The objectives established in Linfox's policies and procedures.
- Meet the requirements of the Client's Contract, and
- Compliance with statutory and legislative requirements.

In addition, the Pulse Check addresses elements of the following standards:

- AS/NZS 4801:2001 Occupational Health and Safety Management Systems
- AS/NZS ISO 9001:2008 Quality Management Systems
- AS/NZS ISO 14001:2004 Environmental Management Systems

Linfox participated in the ACC WSMP audits until those audits were discontinued by ACC in 2017. Linfox was tertiary certificated until 30 September 2018, when its final certification expired.

Linfox also holds ACC Fleet Saver Gold accreditation. Fleet Saver is offered to eligible businesses who demonstrate a strong safety culture and a commitment to the highest standards of safety among their employees. There are three levels of ACC Fleet Saver accreditation, Gold, Silver and Bronze.

In addition to the specific audit procedures referred to above, Linfox managers also undertake informal audits and verification through weekly Safety Walks and Talks (SWATs) as part of their role. To support this role, Linfox provides managers with a Senior Leadership Journal, which is a quick guide/prompt for managers when they are out and about at Linfox sites that enables them to ensure procedures/processes are being followed correctly. The managers also use the journal to record information from their SWATs, and report back the lead indication information as an indicator of what is occurring on the floor on a weekly basis. The journal is also used by managers to plan future safety activities and identify safety topics for weekly toolbox talks.

External verification:

Linfox undertakes an external independent audits of its business.

- Linfox completes the IMPAC PREQUAL, an independently managed service that assesses safety systems and other critical safety measures used by a contractor such as Linfox to demonstrate they have the ability to perform work safely and that they can be trusted to work safely. The prequalification status is issued for two years, and renewed thereafter. Linfox is prequalification certified until 11 October 2020.
- Compliance Certificate confirms that Linfox Logistics (NZ) compliance and site and/or equipment is compliant with the Health and Safety at Work (Hazardous Substances)

Regulations 2017 and that all relevant sites operate and maintain a safe working environment. The last annual certificate was issued on 9 March 2018. Audits are conducted by Castle Consultants Ltd.

External audits are also undertaken to meet customer requirements, including for example:

- ISN Net World conducts an annual audit on behalf of our customer, and their client, BP Oil New Zealand Ltd. ISN provide an Online Contractor Management Platform which is designed to meet internal and governmental record keeping and compliance requirements. ISN collects health and safety, procurement, quality and regulatory information across a broad spectrum of industries, in our case Fuel and Energy. ISN's subject matter experts review the information to help assess the accuracy, relevance and timeliness of the data. This allows our customer to be assured that they are engaged with a safe, compliant, reliable and sustainable contractor. As an organisation Linfox is asked to submit supporting evidence to confirm and support all of the above and once reviewed Linfox is then scored from A (highest) to F (lowest) – Linfox was reviewed in July 2018 and is currently at level B.
- Unilever Understanding Responsible Sourcing (URSA) Audit provides an independent assessment of Linfox's compliance against all applicable laws, regulations and the additional requirements of Unilever's Responsible Sourcing Policy.
- Most Linfox customers also require Linfox to present on and discuss Health and Safety at Quarterly Business Reviews. This includes safety statistics such as LTIFR and TRIFR and reporting trends, as well as the status of current investigations and associated risk assessments relevant to the customer's business. This is generally stipulated by companies when Linfox tenders for its business.

Other external verification tools include government department audits such as:

- The Food Act National Programme 1 (NP1) that verifies how Linfox manages the risks of biological, chemical and physical contamination including cross contamination, in the storage and distribution environment, in accordance with the Food Act 2014. The auditing of food product management systems across the business is conducted to ensure safe food management practices are in place to protect the end user.
- The Ministry for Primary Industries (MPI) RMP Audit. MPI conducts a Verification Audit at Linfox sites, usually on an annual basis or when required where it reviews Linfox's 18 Risk Management Programme Support Documents (RMP). The purpose of the risk management programme is to identify potential problems when handling imported containers from overseas before they occur so that risk-handling activities may be planned and invoked as needed to mitigate adverse impacts.

1.14 Detail the consultation undertaken or proposed to be undertaken, in relation to this undertaking

As discussed in sections 1.9 and 1.10 above, Linfox has consulted with the Worker and relevant industry members in relation to this enforceable undertaking and the various actions proposed to be undertaken by Linfox.

In addition, Linfox has consulted with:

- Key staff involved in the incident investigation. Where key staff have departed or changed roles, their replacements have been updated and consulted about the proposed Enforceable Undertaking.
- Linfox's Retail Health and Safety Representatives and members of Linfox's Health and Safety Committee.
- All Retail operational staff by way of a Toolbox Talk that outlined the incident, progress to date and the proposed Enforceable Undertaking.
- Representatives from all business units within Linfox who will be directly affected by the proposed undertaking including, Retail North Island Manager, Retail Operation Manager, Retail H&S Advisor and Retail Driver Coach.
- Members of Linfox's internal management, including Linfox's Chief Executive Officer, General Counsel, NZ Country Manager, NZ Commercial Manager, and NZ Transport Manager.
- Members of Linfox's Vision ZERO safety programme team, including the Group Manager Safety and Sustainability, NZ Health, Safety & Environment Manager, Health & Safety Representatives, and Health & Safety Committee members.

Section 2: General Terms

The person acknowledges and commits to the general terms set forth in the sub-terms below.

2.1 Acknowledgement that WorkSafe alleges a contravention occurred as detailed in term

Linfox acknowledges that WorkSafe alleges it has contravened the Health and Safety at Work Act 2015. Linfox has taken this incident and WorkSafe's allegations seriously. This is reflected in the investigation undertaken by Linfox into the circumstances of the incident and the implementation of the remedial steps outlined in section 1.5 above to prevent reoccurrence of the incident.

2.2 Statement of regret that the contravention occurred

Linfox deeply regrets that this incident occurred and acknowledges the pain and suffering (both physical and emotional) suffered by the Worker involved.

Linfox is committed to undertaking the activities described in this undertaking. In doing so, it will ensure the business learns from this incident and that appropriate improvements are implemented to help prevent an incident like this occurring again in the future.

2.3 Statement of the reasons why, on balance, the person considers this undertaking is the most appropriate response to the contravention

The enforceable undertaking given by Linfox will have meaningful and widespread implications both for Linfox and for others. In particular, the enforceable undertaking will facilitate improvement in operational implementation of health and safety standards and will provide tangible and measurable benefits to workers, the industry, and the wider community through:

- investment in operational health and safety system improvements within Linfox that will directly benefit workers
- increasing knowledge and awareness within the transport and logistics industry about the health and safety risks associated with transport, mobile handling equipment and pedestrian interactions, and of the ways to manage risks arising from those interactions
- encouraging collaboration between clients, contractors, and subcontractors to improve standards of health and safety awareness and training
- the provision of support to education and emergency service providers to facilitate their ongoing contributions to improved health and safety outcomes in the community.

Linfox considers it is better to direct its energy and resources towards prevention of future incidents for itself and other businesses involved in the logistics industry, rather than for WorkSafe and Linfox to expend more time and effort on a Court process that effectively looks backwards, not forwards.

2.4 Statement of commitment that the behaviour, activities and other factors which caused or led to the contravention has ceased and will not reoccur

Linfox commits that the behaviour, activities, and other factors which caused the alleged contravention have ceased. Linfox commits to undertaking the activities described in this undertaking so that, so far as reasonable practicable, those circumstances will not reoccur.

The health and safety of all workers undertaking work for Linfox, including subcontractors, is the number one consideration in our business. Linfox addressed the issues which arose in the incident and has taken (and will continue to take) steps to ensure, so far as reasonably practicable, such circumstances do not arise again.

2.5 Acknowledgment of the policy published by WorkSafe for the acceptance of an undertaking

Linfox Logistics (N.Z.) Limited

has read and understood the Enforceable Undertakings Policy.

2.6 Acknowledgement that this undertaking will be published and publicised in full

Linfox Logistics (N.Z.) Limited

acknowledges that the undertaking will, if accepted, be published on WorkSafe's website in full and referenced in WorkSafe material.

2.7 Statement of the person's ability to comply with the terms of this undertaking and meet the projected costs of the activities

Linfox Logistics (N.Z.) Limited

2.7.1 has the financial ability to comply with the terms of this undertaking and have provided evidence by way of

Linfox is a wholly owned subsidiary of Linfox Holdings (N.Z.) Limited, whose financial statements are publicly available.

with this undertaking to support this declaration.

2.7.2 In the event of impending receivership, liquidation or sale of the entity,

Linfox Logistics (N.Z.) Limited

will advise WorkSafe of the relevant circumstances and its capacity to comply with the outstanding terms of this undertaking.

2.8 Statement outlining any relationship between the person and any corporations, officers, employees, contractors, proposed beneficiaries of donations or scholarship or other recipient of financial benefit contained in this undertaking

Linfox acknowledges that it has current relationships with the following entities or people who are beneficiaries of this undertaking:

- current workers of Linfox
- its subcontractors and their workers
- Progressive and Supplychain

Aside from those relationships, Linfox is not aware of any other current relationships with any of the beneficiaries outlined in this undertaking. However, the logistics industry touches a number of other sectors, and it is possible that Linfox may have contractual or commercial relationships with industry stakeholders who may benefit from the activities contained in this undertaking.

2.9 Statement regarding Intellectual Property

Linfox Logistics (N.Z.) Limited

grants WorkSafe a perpetual, non-exclusive, worldwide and royalty-free licence to use, for any purpose, all Intellectual Property Rights in relation to any material developed as a result of this undertaking. This licence includes the right to use, copy, modify and distribute the materials.

2.10 Acknowledgement that the person may be required to provide a statutory declaration

Linfox Logistics (N.Z.) Limited

acknowledges that it may be necessary for WorkSafe to obtain a statutory declaration outlining details of any prior convictions (safety related) outside of New Zealand and that it will provide such declaration if required by WorkSafe

2.11 Statement of commitment from the person to participate constructively in all compliance monitoring activities for this undertaking

1. It is acknowledged that responsibility for demonstrating compliance with this undertaking rests with the person.
2. Evidence to demonstrate compliance with the terms will be provided to WorkSafe by the due date for each term.
3. The evidence provided to demonstrate compliance with this undertaking will be retained by the person until advised by WorkSafe, that this undertaking has been completely discharged.
4. It is acknowledged that any failure to meet the due date for an enforceable term will result in the matter being escalated and may lead to enforcement action.

5. It is acknowledged that WorkSafe may undertake other compliance monitoring activities to verify the evidence and compliance with an enforceable term, and cooperation will be provided to WorkSafe.
6. It is acknowledged that WorkSafe may initiate additional compliance monitoring activities, such as inspections, as considered necessary at WorkSafe's expense.
7. It is acknowledged that details of all seminars, workshops and training conducted by a non-registered training provider must be notified to WorkSafe, by email, at least one week prior. Notification should include time, date, location and the trainer/facilitator.

Linfox Logistics (N.Z.) Limited

Section 3: Enforceable Terms

The person acknowledges all activities set forth in the enforceable terms below must be auditable and include a date for completion and an estimated cost for each activity.

The person commits to performing the activities below diligently, competently and by the respective completion date.

3.1 A commitment by the person to perform activities that will ensure the ongoing effective management of risks to health and safety in the future conduct of its business or undertaking

At Linfox, the safety and health of our people, customers, contractors and the communities in which we operate is one of our highest priorities. Through strong leadership, safe behaviour and continuous improvement of our safety systems, we commit to the effective management of risks to health and safety in our work and workplaces. Linfox programmes such as our annual Stop for Safety Programme and shared Lessons Learned along with tools such as the Senior Leadership Journal, Red Book Inductions for all staff and our FoxSafe online safety portal, coupled with risk assessments, training, on-going reporting and briefings, assist with the engagement of workers with our safety messages and our drive toward Vision ZERO.

3.2 A commitment by the person to disseminate information about this undertaking to workers, and other relevant parties

Dissemination will be achieved by doing the following:

Linfox intends to take the following steps to share information about this undertaking:

- Prepare a health and safety alert that will be emailed to Linfox employees and contractors.
- Brief Health and Safety Representatives and Health and Safety Committee members on the content of the undertaking so they can be a point of contact for any workers who have questions about it.
- Linfox has an Intranet site that is accessible to all workers who have access to a computer or smart device where a copy of this undertaking could be posted together with an overview of the incident and the circumstances giving rise to it.
- Linfox will prepare and deliver a Toolbox Talk to all Linfox sites explaining the circumstances of the incident and the terms of the undertaking as part of its weekly Toolbox Talks with workers.
- Briefing all management at Linfox as part of Linfox's monthly National Safety Conference Calls. The briefing will ensure that managers have an understanding of the Enforceable Undertaking so that they can have appropriate discussions with Linfox's contractors and customers about the undertaking.

Dissemination will occur by

Within 120 days of the date of this undertaking.

3.3 Activities to be undertaken to promote the objectives of the health and safety legislation that will deliver benefits for workers and/or work and/or the workplace

ACTIVITIES (outline the activity and the expected outcomes)	COSTS(\$)	TIMEFRAMES
<p>1. Introduce Retail Kiosks and Video Mud Maps for use by Drivers on Sites</p> <p>Scope: Linfox will develop short video Mud Maps that will be accessible to drivers at sites it regularly attends. Video Mud Maps are videos of delivery sites that drivers view before departing</p>	<p>Cost:</p> <ul style="list-style-type: none"> • Tablets x 2 \$2,500 each • Installation \$2,000 • Filming, Production & 	<p>Within 12 months of this undertaking.</p>

<p>to make a delivery. The videos are filmed from a driver's perspective so that there is a visual of how a driver approached as site and includes commentary from an experienced driver coaching the driver through the approach and safety risks associated with the site including site location, approach to the site, access paths, and amenities. The videos provide a visual depiction of the safety issues and challenges they may face at the site and how to respond to them.</p> <p>When producing the Mud Maps, Linfox will:</p> <ol style="list-style-type: none"> 1. Identify key team members to develop the Mud Maps. 2. Identify and consider blind spots, sharp inclinations, pedestrians, limited turning bays and specific safety risk associated with the site. 3. Identify the sites deemed to be particularly challenging or difficult to access/egress. 4. Obtain permission from client to film onsite. 5. Implement and review. <p>Outcome: The Mud Maps will provide drivers with a visual resource that ensures they are familiar with a site and they have advance warning of issues that they may encounter at the site. For example some delivery sites have:</p> <ul style="list-style-type: none"> • members of the public in close proximity to, or walking on or around, driver access routes • MHE operator in close proximity • difficult access / egress • blind spots • tight tuning circles with Store people and other parties in close proximity • site restrictions. <p>The video will also highlight and reinforce Linfox Redbook guidelines and SWPs including for example:</p> <ul style="list-style-type: none"> • Stop, Think and Plan • If in doubt get out and look • Reversing with the assistance of a spotter • MHE and pedestrian interaction • Traffic management <p>The Mud Maps will help ensure the safety of drivers attending sites and those already present at the sites.</p>	<p>Editing (including filming using camera's/drone, voice over and editing) it has requested at \$25,000 to \$30,000 for the 15 Sites</p> <p><u>Total Cost: \$35,000</u></p>	
<p>2. Install Blue Light Technology on all Linfox MHE</p> <p>Scope: Blue Spot Warning Lights alert pedestrians and other vehicles of forklifts approaching blind corners, crossing aisles and generally moving around a site. The Blue Spot Light projects an intense blue spotlight 3 meters in advance of the forklift to alert others of the oncoming traffic. Linfox will install Blue Spot Warning Lights on all Linfox operated MHE machinery across New Zealand.</p> <p>Outcome: Pedestrians will be better alerted to the approach of MHE in advance and will have a secondary sensory (visual) alert to keep clear. This coupled with MHE horns, site signage and</p>	<p>Cost: 80 MHE Machines at \$250 per machine.</p> <p><u>Total Cost: \$20,000</u></p>	<p>Within 12 months of this undertaking.</p>

SWP training will reinforce the safety message and provide a practical on site control to keep pedestrians safe.		
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Total estimated cost of benefits for workers / others -

\$55,000

3.4 Activities to be undertaken to promote the objectives of the health and safety legislation that will deliver benefits for the wider industry or sector

ACTIVITIES (outline the activity and the expected outcomes)	COSTS(\$)	TIMEFRAMES
<p>1. Linfox Senior Manager will present to National Road Carriers on the changes to practices at logistics centres</p> <p>Scope: Linfox will prepare and provide two 2-hour workshops to National Road Carriers to share the changes that have followed the incident and to assist distribution centres to improve their practices in respect of transport, and MHE and pedestrian interactions. Sessions will be held in Auckland and Wellington.</p> <p>National Road Carriers is New Zealand's leading Transport Association, providing advocacy, representation and business support for those who choose to make a living in the road transport industry. They are affiliated to the National Road Transport Forum (RTF).</p> <p>Outcome: The workshops are intended to highlight issues that exist across all distribution centres in respect of transport and MHE and pedestrian interactions, and provide information about how these issues have been dealt with and the operations improved at the sites Linfox operates in. Providing these workshops through industry association is the best way to capture the attention of those operating in the industry.</p>	<p>Costs to cover:</p> <p>Venue Hire</p> <ul style="list-style-type: none"> • Light refreshment • Presenters Travel • AV Equipment • 80-100 attendees at each event <p>The cost of staff time preparing and developing materials and handouts, and preparing for the sessions is not quantifiable.</p> <p><u>Total cost: \$4,500</u></p>	<p>To be completed within 12 months of this undertaking.</p>

Total estimated cost of benefits for industry -

\$4,500

3.5 Activities to be undertaken to promote the objectives of the health and safety legislation that will deliver benefits for community

ACTIVITIES (outline the activity and the expected outcomes)	COSTS(\$)	TIMEFRAMES
<p>1. Provide real life experience as part of a 'Day in the life of a frontline logistics operation' programme, in conjunction with Manukau Institute of Technology.</p> <p>Scope: As part of their course in Logistics, Linfox will provide the opportunity for a class group (up to 20 students) to spend 3 full days in each of the two semesters gaining practical work exposure/experience in the Linfox business. Students will be exposed to:</p> <ul style="list-style-type: none"> • Overview of the Linfox business • Induction and training using actual Linfox Induction Tools • Different business units' activities • Health and Safety team, working as part of the VisionZERO programme, and to gain experience completing health and safety reporting, risk assessment and management • Operational activities including MHE and Pedestrian interaction <p>Outcome: Students will have the benefit of engagement and interaction with a logistics business to assist them to see the real life value of and engage in aspects of their learning.</p>	<p>Costs covers time for preparation for and manager's time supervising students attending site</p> <p><u>Total Cost: \$6,750</u></p>	<p>To begin within 12 months of the date of this undertaking.</p>
<p>2. Sponsorship of a Mechanical Engineering student/s to carry out a design project in conjunction with University of Canterbury Final Year Project initiative – "MHE Safety in the Workplace"</p> <p>Scope: Linfox will become a sponsor of the University of Canterbury Final Year Project initiative in 2019/2020. As a sponsor, Linfox will sponsor a student project for final year Mechanical Engineering students on health and safety around MHEs, to allow students to engage with industrial health and safety issues. The project will be known as "P28 Linfox Health and Safety around forklifts". This project would require students to:</p> <ul style="list-style-type: none"> • assess Linfox MHE interaction on site • develop a project scope • engage with MHE manufacturers • develop MHE safety solutions • report back to Linfox/Industry <p>Outcome: The project would allow for innovation 'Blue Sky' thinking around MHE Interaction with Pedestrians which has the potential to benefit the industry. Students would be given the opportunity to engage in the industry in a positive way to develop safety solutions and provides students with capstone engineering experience and an introduction to professional engineering practice.</p>	<p>Costs: Grant \$9,750 Travel \$1,500 Additional costs of specialist equipment or materials are unable to be quantified until students provide finalised project briefs.</p> <p><u>Total Cost: \$11,250</u></p>	<p>To be completed by October 2020.</p>

<p>3. Installation of defibrillator machines at all Linfox sites.</p> <p>Scope: Linfox understands that access to automatic external defibrillators ('AEDs') can have a real impact on the survivability of a cardiac arrest. As AEDs are not publicly funded it is up to businesses and the community to provide access to these lifesaving pieces of equipment.</p> <p>Linfox will install AEDs at each of its sites and make their location known by uploading location information to an established mobile phone app. The mobile phone app involves AED owners registering their locations to a New Zealand wide database with the hope of saving lives in their communities. This application allows anyone to have the locations of these lifesaving devices available on their mobile phone wherever they go. The mobile phone app will be accessible to both iPhone and Android phone users.</p> <p>By registering the Linfox AEDs on the AED mobile phone application, the medics will be able to:</p> <ul style="list-style-type: none"> • See the AEDs nearest to the user's current location using their mobile phone GPS or a manual search for AEDs near to an address the user enters. • Browse the AED locations by swiping the map. • Click an AED icon to get location details and contact information. • Use the list view to quickly find a specific location. <p>This information will aid in getting treatment to people quickly and hopefully save lives.</p>	<p>Cost: 6 x defibrillators at \$2,600 each (based on St John pricing of defibrillators)</p> <p>There are no costs associated with registration of the AEDs on the mobile application.</p> <p><u>Total cost: \$15,600</u></p>	<p>Within 6 months of the date of this undertaking</p>
<p>4. Donation to St John</p> <p>Linfox recognises that many businesses in New Zealand operate on New Zealand's roads. When an emergency occurs on the roads, it is often the emergency responders that ensure that those involved get the right treatment as soon as possible. Linfox will donate \$5,000 to St John response services to assist St John with their continued efforts to meet the emergency health and safety of New Zealand communities.</p>	<p><u>Donation: \$5,000</u></p>	<p>Within 1 month of the date of this undertaking</p>

Total estimated cost of benefits for the community -

\$38,600

3.6 Where WorkSafe considers appropriate in the circumstances, undertaking a SafePlus Onsite Assessment

Further information about SafePlus can be found here: worksafe.govt.nz/about-us/who-we-are/our-priorities/safeplus/about-safeplus

3.6.1 The suitability of a SafePlus assessment will be determined by the Enforceable Undertakings Panel when your application is considered.

3.6.2 In addition to the total cost below (3.7) all costs of a SafePlus Online Assessment will be met by

the person making this undertaking. The fee charged for an Onsite Assessment is a commercial matter between your business and the SafePlus Accredited Assessors that you commission.

3.7 Minimum spend

3.7.1

Linfox Logistics (N.Z.) Limited

commits to a minimum spend of

\$261,404

for this undertaking.

3.7.2

Linfox Logistics (N.Z.) Limited

agrees to spend any residual amount arising from an original term not being completed or being less costly than estimated in this undertaking. Agreement on how to spend this residual amount will be sought from WorkSafe.

3.7.3

Linfox Logistics (N.Z.) Limited

Acknowledges the minimum spend comprises of the:

TOTAL COST	MINIMUM SPEND (\$)*
Financial amends paid to victims (if applicable)	\$18,000
Rectification	\$135,004
Benefits to workers / others	\$55,000
Benefits to industry	\$4,500
Benefits to community	\$38,600
WorkSafe's recoverable costs (fixed)	\$10,300
Estimated cost of the undertaking	\$261,404.00
	* plus GST (if any)

Section 4: Execution

This undertaking is given by the person on the date it is accepted by WorkSafe as set forth in section 5 below.

DIRECTOR OR AUTHORISED REPRESENTATIVE OF A COMPANY

Undertaking given by-

James Watters

In my own right and in my capacity as -

New Zealand Country Manager

Of -

Linfox Logistics (N.Z.) Limited

On the -

21

day of

January

, 2019

Signature of person:

[Redacted Signature]

Witness given before me -

Witness Name

Witness Signature

Witness Address

ANTHONY ROBERT
MCKENNA

[Redacted Signature]

[Redacted Address]

Section 5: Acceptance

This undertaking is accepted by WorkSafe

On the *17th* day of *February*, 2019

Signature of person accepting the undertaking:

Name of WorkSafe representative:

General Manager, WorkSafe (or delegate)

Witness

04/02/19

*Cordell Weir
86 Customhouse Quay
WGTN.*