

Safety and Loss Prevention Program

Policy Statement

It is our policy to ensure a safe and profitable workplace for all our personnel. Our active, progressive, and effective safety and loss prevention program is designed to protect all personnel from occupational injury and illness, and equipment from loss or damage. We realize that our most valued asset is our employees and their safety is of utmost importance to our business. In pursuit of this policy, the following safety and loss prevention program will guide all management and staff.

Goals

The overall goal of our safety and loss prevention program is to prevent on the job injuries and illnesses. Therefore, safety and health are an integral part of our business philosophy and daily work performance. To accomplish this, the following goals have been established:

- ◆ To have all management and staff involved in the development, implementation, and maintenance of our safety and loss prevention program.
- ◆ The determination for the need of a Health and Safety Committee consisting of both management and staff personnel.
- ◆ Development of systems and programs that are specifically designed to meet our safety and health needs.
- ◆ Implementation of an ongoing safety and health training program for management and staff personnel.
- ◆ To communicate to management and staff their safety and health responsibilities.
- ◆ To conduct a comprehensive baseline safety and health audit of our facility.

Objectives

The following are objectives that will be undertaken to achieve health and safety excellence:

- ◆ A comprehensive safety and health survey of the facility will be completed annually by our Safety and Loss Prevention Consultant to determine compliance with applicable federal and state safety and health regulations.

- ◆ The *Safety and Loss Prevention program* is communicated to all management and staff personnel during staff meetings.
- ◆ The *Safety and Loss Prevention program* is reviewed annually by the Health and Safety Committee. The program is reviewed to ensure its effectiveness and to determine if the desired goals and objectives have been achieved.
- ◆ To ensure that management and employee personnel know and accept their safety and health responsibilities.
- ◆ Supervisors are trained by the Safety and Loss Prevention Consultant so that they are able to conduct prompt accident/incident investigations.
- ◆ Emergency action procedures are developed and are in the safety manual.

Safety and Health Responsibilities

The importance of having all management and employees understand their safety and health responsibilities cannot be overstated. To ensure that all employees know and understand their role in our safety and loss prevention program, the following responsibilities have been developed for each job description at our company:

Controller

- ◆ Oversees the development, implementation, and maintenance of the safety and loss prevention program.
- ◆ Provides the active leadership and adequate resources necessary to maintain an effective safety and loss prevention program.
- ◆ Develops and assigns safety and health responsibilities to management personnel.
- ◆ Holds management personnel accountable for their safety and health responsibilities.
- ◆ Sets a good example by the following required safety and health rules and practices.
- ◆ Reviews accident reports.
- ◆ Ensures that a reliable system is in place for employees to report conditions or situations that they believe are potentially hazardous.

The Safety Manager

- ◆ Provides the leadership and positive direction necessary for maintaining the *Safety and Loss Prevention Program*.
- ◆ Holds all subordinate supervisors accountable for their assigned safety and health responsibilities.

- ◆ Actively participates in and supports employee participation in the safety and loss prevention program, and follows up on recommendations made by supervisors, employees, or safety committee.
- ◆ Ensures that Job Hazard Analyses are performed on all potentially hazardous operations.
- ◆ Ensures that employees know about and use the hazard reporting system.
- ◆ Ensures that prompt action is taken whenever hazards are identified, or unsafe acts are observed.
- ◆ Makes sure all potentially hazardous tasks are covered by specific rules or procedures to minimize risk.
- ◆ Provides and ensures that required personal protective equipment is properly used and maintained.
- ◆ Ensures that all accidents are promptly reported, thoroughly investigated and properly documented.
- ◆ Keeps abreast of accident and injury trends that occur.
- ◆ Keeps abreast of federal and state safety and health regulations applicable to the workplace that may affect accidents, illnesses and injuries in the workplace.
- ◆ Makes sure that all supervisors and employees receive safety and health training.
- ◆ Helps develop and implement emergency procedures.

Supervisors

- ◆ Set a good example for employees by following required safe work practices and by wearing appropriate personal protective equipment if it is necessary.
- ◆ Supervise and evaluate employees' safety and health performances.
- ◆ Keep knowledgeable and up-to-date on safety and health requirements.
- ◆ Be adequately trained to identify safety and health hazards.
- ◆ Conduct Job Hazard Analyses.
- ◆ Investigate accidents and near-miss incidents to determine their root-cause.
- ◆ Actively discourage all potentially hazardous "short cuts" undertaken by employees.
- ◆ Consistently and fairly enforce safe work procedures and rules.
- ◆ Provide continuing on-the-job training in safe work procedures and enforce personal protective equipment use.
- ◆ Make sure each employee knows what to do in the event of an emergency.
- ◆ Ensure that appropriate record-keeping is maintained.
- ◆ Involved in preliminary hazard analyses for new equipment, processes, and design changes.

Employees

- ◆ Are familiar with the safety and health accident prevention program, to abide by all safety and health rules, work practices, and regulations.
- ◆ Use all required safety devices and personal protective equipment.
- ◆ Perform their work tasks in a safe manner and do not take unsafe “short cuts”.
- ◆ Maintain their work area in a clean and neat condition.
- ◆ Conduct daily inspections of their immediate work area to look for unsafe conditions.
- ◆ Report any and all injuries to their supervisor.
- ◆ Know what to do in the event of an emergency.

Safety and Health Performance Accountability

As stated in our company policy, safety and health have been given top priority because it is good for business and for the well-being of our employees. We expect all employees to participate in our program. In fact, employee’s participation in this program is part of their annual performance evaluation. The success of our program is dependent on every individual knowing and practicing his/her safety and health responsibilities. Management and employees who disregard their safety and health responsibilities will be held accountable as stated as follows:

First Infraction:

- ◆ Verbal Warning
- ◆ Retraining by immediate supervisor on safety and health responsibilities and/or how to perform task safely

Second Infraction:

- ◆ First Written Warning
- ◆ Retraining by immediate supervisor on safety and health responsibilities and how to perform the task safely

Third Infraction:

- ◆ Second Written Warning

- ◆ Retraining by immediate supervisor on safety and health responsibilities and how to perform task safely
- ◆ Building Manager and Director of Human Resources will be notified

Fourth Infraction:

- ◆ Third Written Warning
- ◆ Retraining by immediate supervisor on safety and health responsibilities and how to perform task safely
- ◆ Counseling meeting with immediate Supervisor, Building Manager, and Director of Human Resources

Fifth Infraction:

- ◆ Termination

NOTE: A malicious or extreme safety infraction can result in more severe corrective action including immediate termination with no verbal or written warnings. Any written warning will remain in an individual's personnel file for one year from the date of occurrence.

Safety and Health Training Program

Training is an essential tool for our entire staff to reduce their risk of experiencing a workplace accident and injury. Managers, supervisors, and employees need to be able to recognize, understand, and avoid potential hazards to themselves and to their co-workers. The Building Manager is responsible for ensuring that all managers, supervisors, and employees receive the training necessary for them to perform their jobs in a safe and healthful manner.

Managers will receive the following safety and health training on:

- ◆ Their safety and health responsibilities.
- ◆ The goals and objectives of the safety and health program.
- ◆ Hazard awareness level training on safety and health issues pertinent to the facility.
- ◆ Accident prevention techniques.

Supervisors will receive the following safety and health training on:

- ◆ Their safety and health responsibilities.
- ◆ Detection of hazardous conditions and recognition of unsafe work practices.
- ◆ Accident investigation procedures.
- ◆ Conducting Job Hazard Analysis.
- ◆ Conduct on-the-job safety training.
- ◆ Emergency procedures.
- ◆ Proper use, limitations, and maintenance of Personal Protective Equipment.
- ◆ Safety and health regulations pertinent to the work operation(s) they supervise.
- ◆ Record-keeping requirements.

Employees will receive the following safety and health training prior to performing any work task:

- ◆ Orientation Training.
- ◆ Their safety and health responsibilities.
- ◆ Specific On-The-Job training for the job task(s) they perform.
- ◆ Training on the proper use, limitations, and maintenance of PERSONAL PROTECTIVE EQUIPMENT.

Safety and Health Committee

We have established a committee consisting of management, employees, and the safety coordinator. The committee will assist in the development, implementation, and periodic evaluation of our safety and health activities. Members are rotated periodically at staggering intervals to allow for maximum involvement and increase safety awareness. Meetings are held quarterly. All committee members are expected to attend. The committee is responsible for the following tasks:

- ◆ Review of existing safety and health rules and procedures to ensure that these rules are current, pertinent, and being followed.
- ◆ Providing suggestions for employee training.
- ◆ Review of all accident reports to determine their root causes.
- ◆ Audit of the results of all safety inspections conducted.

- ◆ Review of training programs with particular attention being given to training involved in the following areas:
 - new or transferred employees

- new safety and health regulations
- new or modified procedures or processes
- new equipment or chemicals
- employees who perform Job Hazard Analysis
- employees who conduct accident investigations
- involved in preliminary hazard analysis for new equipment, processes, and designs
- conducting periodic in-house safety inspections
- providing recommendations to management on safety and health issues
- involved in evaluation of the safety and loss prevention program.

In-House Safety Inspections Program

Safety inspections are an integral part of our accident prevention program. Inspections are conducted regarding the following:

- ◆ Maintaining a safe and healthful workplace.
- ◆ Recognizing unsafe work practices.
- ◆ Identifying unsafe working conditions.
- ◆ Increasing safety awareness.
- ◆ Preventing injuries and illnesses.

When necessary, the committee will use the services of in-house personnel who have special knowledge of the manufacturing process, maintenance operations, electrical equipment, etc.

Incident reporting

It is the policy that employees must promptly and accurately report inefficiencies, hazards, unsafe work practices, occupational injuries and illnesses, health and safety problems and suggestions. In addition, they must be able to do so without fear or reprisal. This is expected procedure. Supervisors and management staff are trained to: handle; properly complete and submit; encourage and promote, such reports. This information will be reviewed by the H&S Committee to better understand the nature of hazards and problem procedures, correct them, and plan to prevent injuries.

Postings requirements

OSHA, DOL and other workplace posters are displayed on Employee Bulletin Board. Emergency phone numbers are posted, and they can be readily found in the Building Manager's Office in the event of an emergency.

Appropriate information concerning employee access to medical and exposure records and Material Safety Data Sheets (MSDS's), etc. are posted and/or otherwise made readily available to affected employees.

Signs concerning "exiting from buildings are posted where applicable.

The Summary of the previous year's OSHA 300 Log is posted for the month of February.

Recordkeeping

H&S Committee Minutes

The minutes of the H&S Committee are kept. They are posted and circulated throughout the property in order that employees have the opportunity to be informed about its activities.

OSHA Log

All occupational illnesses and injuries, except minor injuries requiring only First Aid (as defined by OSHA) are recorded as required on the OSHA 300 Log. The Log is kept by the Building Manager.

Incident Report Forms

There are separate and distinct reporting forms for employees and guests/ visitors because they may develop into worker's compensation, or liability claims. Thus, they are distinctly different in nature and require different approaches and documentation.

The accident and incident records are kept in a well-organized fashion to facilitate information and status updates, and future investigations or data collection. The employee incident report forms contain appropriate questions to comply with the OSHA 301 report form, gain important accident investigation insight, and collect necessary workers' compensation information. The resident/visitor report forms should be adequate to meet the needs and requirements for forwarding and managing liability claims.

Accident/incident records are complete with meaningful information to convey important details of what actually happened or alleged to have happened. Supervisors and managers are trained on the importance of, and the proper completion of such reports.

Accident reports include a section wherein the employee signs an acknowledgment clause that any intent to falsify any information on this report is against the law is punishable by law.

The completed form is routed to Building Manager who compiles a monthly/quarterly report for the H&S Committee's review. These results are to be viewed as indicators of trends. They shall not be used as the sole measure of a department or the Property's safety performance. Incident records are only reflective of indirect downstream factors. Incidents may continue to exist, and reporting may even be increased during positive changes in a safety culture. Meanwhile, incidents may be absent due to probability and/or under reporting when little to no attention has been given to the effort, and safety performance and the culture may be deteriorating. Thus, incident records should be carefully interpreted and used only as one of several tools to benchmark safety performance.

Accident Investigation Program

The vast majority of accidents that occur in the workplace are preventable. Unfortunately, even with the best program accidents may still occur. The steps outlined here are means to ensure that the same type of accident does not recur. Accident investigations are to determine the facts and not to place blame on an individual.

All accidents must be reported to an employee's immediate supervisor promptly. All accidents are to be investigated, even non-injury accidents are to be investigated by the immediate supervisor of the employee involved in the incident. An accident investigation team has been organized and will be activated in the following situation:

- ◆ If the outcome of the accident resulted in a serious injury or the outcome could have resulted in a serious injury.
- ◆ If the accident has occurred previously.
- ◆ If numerous personnel perform the task involved in the accident.