

## Safety by Choice: Safety Program

### GRANITE'S SAFETY COMMITMENT

Granite's choice to include *safety* as a core value reflects our belief that the safety and well-being of our people, our partners, and the public is our greatest responsibility. Every level of our organization is engaged in our safety culture. We approach every task with safety planned into the process, and we do not sacrifice anyone's safety to get the job done.

Granite's safety commitments are defined in our Safety and Health Management System (SHMS) policies. These commitments reflect the Granite Core Values and Code of Conduct while supporting our "zero incident" safety and health vision. Senior management proactively and visibly demonstrate their commitment to safety by integrating the specified planning and performance safety goals the organization has established as part of its strategic plan.

In summary, Granite is committed to the following.

- The prevention of injury and illness and the continuous improvement of safety and health performance by the adoption of our SHMS, which:
  - Provides incident prevention performance requirements for all operations, including construction projects, shops, mines, and plants
  - Assigns responsibilities and establishes minimum safety standards for managers, supervisory personnel, and employees
  - Establishes standard procedures that ensure consistent safe work practices
- Meeting or exceeding the requirements of applicable safety and health laws, regulations, and contractual obligations related to Granite's safety performance
- Maintaining internal capabilities and management systems to meet our safety and health commitments, including company objectives
- Continually reviewing, improving, and communicating the way in which we manage our safety and health responsibilities

### STRATEGIC MISSION

Granite's safety strategic plan centers around three pillars of safety success:

- Peer-to-peer accountability and ownership
- A consistent, integrated approach
- Value creation at the project level

Nothing is more important than the safety of our people. While risks are inherent on every construction project, leveraging the three pillars of safety success—holding one another accountable with a consistent, integrated approach and infusing value creation on the front line at the project level—ensures that safety is part of our everyday life. These behaviors have field-proven success in reducing incidents and providing a safe work environment for all.

Our core safety commitments center on three themes: people, planning, and performance.

People	Planning	Performance
<ul style="list-style-type: none"> <li>• Leadership</li> <li>• Commitment</li> <li>• Training</li> </ul>	<ul style="list-style-type: none"> <li>• Site-specific planning</li> <li>• “Take 5” daily safe work plans</li> <li>• Toolbox safety meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Daily inspections</li> <li>• Incident prevention</li> <li>• Analytics</li> </ul>

Our safety strategic plan sets goals in key results areas. Key performance indicators (KPIs) are identified to serve as metrics to measure performance, with Occupational Safety and Health Administration (OSHA) recordable incident rates being the KPI for overall safety program performance. Granite also tracks several other leading indicators for safety. Objectives are set for KPIs with specific, measurable, time-bound targets for certain key metrics.

### **SAFETY MANAGEMENT SYSTEMS AND GOVERNANCE**

The Safety Department develops and advances companywide safety strategies, initiatives, and programs to manage our overall safety performance. Our professional safety staff members, who are embedded directly into local operations, provide support and expertise associated with implementing Granite’s safety program.

Granite’s SHMS procedure provides a consistent framework that supports efficient and effective management across the company in a manner that is verifiable and supports continuous improvement. Our SHMS procedure incorporates our Safety and Health Management System, which is built on the foundation of OHSAS 18001:2007 Standard for Occupational Health and Safety Management Systems. Our SHMS procedure is structured to establish a consistent approach across the company and includes processes that address planning, implementation, checking, and corrective action (i.e., plan, do, check, act, and review).

#### ***Assigned Roles and Managerial Responsibilities***

All employees are responsible for following the policies, procedures, laws, rules, regulations, and other requirements applicable to their activities (according to Granite’s responsibility matrix). Senior management has accountability and responsibility for establishing, implementing, and maintaining the SHMS procedure.

#### ***Training and Awareness Programs***

Granite’s SHMS procedure requires that we communicate our safety policy to all employees and subcontractors using the following methods: posting the policy in

conspicuous office locations, making it available on our website, providing it during new-employee orientation, and embedding it in subcontract agreements.

Granite has established and implemented procedures to ensure that training needs are identified and that all persons working under the company's control are competent and aware of the following:

- The safety and health consequences, actual or potential, of their work activities, their behavior, and the benefits of improved personal performance
- The importance of conformity to the safety and health policies and procedures
- Their roles and responsibilities and the importance of achieving conformity to the policy and procedures and to the requirements of the management system, including emergency preparedness and response requirement
- The potential consequences of deviating from specified procedures

Granite uses multiple mechanisms through which competency and awareness of the SHMS procedure are communicated, which include but are not limited to description documents, e-learning modules, webinars, internal company publications, in-person toolbox safety meetings, and company meetings and conference presentations.

### **Communication**

Through communication and consultation, Granite's policies require facilitation of participation in and support of the safety and health policy and the objectives of those affected by our activities. With respect to safety and health hazards, the communication process provides for the flow of information throughout our organization to ensure that information is received and understood by affected and interested parties.

To accomplish this objective, Granite and its business units implement and maintain procedures for the following:

- Internal communications on safety and health requirements that are communicated to employees through orientation
- Updates and changes related to safety that are communicated as needed through e-mails, meetings, memorandums, training events, and other communications that address the following subject matter:
  - Management's commitment to safety and health
  - Safety and health objectives and continuous improvement activities
  - Hazard identification and remediation
  - Incident investigation
  - Any other matters concerning safety and health
- Communication with contractors, vendors, and visitors occurs in several forms:
  - Contracts used to define roles and responsibilities and communicate performance requirements
  - Site-specific safety plan orientation
  - Emergency action and response procedures
  - Coordination and scheduling of meetings

- Compliance inspections and assessments
- Incident notification and investigations
- Written communication from external parties concerning Granite's SHMS procedure is forwarded to appropriate personnel for documentation and response

### ***Operational Control***

Granite has identified operations and activities where the implementation of established controls is required to manage safety and health risks and fulfill policy objectives.

As part of the SHMS, Granite maintains operational controls that:

- Are applicable to the company, its activities, and occupational safety and health legislation
- Address procurement and purchasing of goods, equipment, and services
- Establish control of contractors and other visitors to project sites
- Are specific to situations in which controls are required: to manage risks that are inherent to a specific task; to avoid exposure to hazardous chemicals, substances, or materials; or where unique processes or equipment could lead to deviations from the SHMS procedure

Individual business units and projects must develop site-specific operational controls in circumstances where, due to the nature of their unique operations, structures, or equipment, there may not be an established control or the established controls may be inadequate.

Operational controls are reviewed on a periodic basis by the responsible manager and safety professional to evaluate their ongoing effectiveness.

### ***Emergency Preparedness and Response***

In accordance with Granite's SHMS procedure, each business unit or project site must establish an emergency preparedness and response plan.

### ***Monitoring and Measurement***

Granite maintains procedures to monitor and measure safety and health performance on a regular basis. These procedures provide for the following:

- Both qualitative and quantitative measurement of progress toward meeting policy commitments, targets, and continuous improvement
- Monitoring exposures to determine whether the applicable legal and other requirements to which the organization subscribes have been met
- Monitoring the effectiveness of controls for safety and health
- Proactive measures of performance that monitor conformance with the safety and health programs, controls, and operational criteria

- Reactive measures of performance that monitor injury/illness and incident rates, near-misses, actions required following regulatory assessments, and inquiries of interested parties
- Recording data and results to facilitate subsequent corrective action and preventive action analysis

### ***Evaluation of Compliance***

Granite maintains procedures to periodically evaluate compliance with legal, regulatory, and other requirements. These evaluations include but are not limited to the following:

- Inspections by supervisory personnel
- Behavioral observations
- Results of inspections conducted by regulatory agencies
- Review of records associated with incident investigations
- Evaluation of the test results associated with monitoring and testing
- Interviews with employees, supervisors, and managers

### ***Nonconformity, Corrective Action, and Preventive Action***

Granite maintains procedures for remediating potential nonconformities. The procedures establish guidance for the following:

- Identifying and correcting nonconformities to mitigate the associated safety and health consequences
- Investigating nonconformities, determining their causes, and taking actions to avoid recurrence
- Recording and communicating the results of corrective and preventive actions taken
- Reviewing the effectiveness of corrective and preventive actions taken

### ***Internal Audits***

Granite maintains an internal audit procedure to assess whether the SHMS conforms to the requirements of the OHSAS Standard 18001-2007, has been properly implemented and maintained, is effective at meeting Granite's policies and objectives, and provides information to management about the results of audits. Granite conducts an annual management review to evaluate the overall performance of the SHMS.

## **HAZARD IDENTIFICATION, RISK ASSESSMENT, AND DETERMINING CONTROLS**

Granite's processes for hazard identification, risk assessment, and determining controls are defined in our standard operating procedure for Hazard Identification, Risk Assessment, and Determining Controls ("HIRADC procedure"). The HIRADC procedure establishes a process to proactively identify occupational safety or health hazards that employees could be exposed to. It assesses and prioritizes the risks associated with those hazards and identifies the controls necessary to mitigate or eliminate them. Supervisors are responsible for using the information developed in this process to prepare their Take 5 daily safe work plan.

## ***Hazard Identification***

When developing a hazard identification work plan, supervisors use a common hazards matrix and consider the following:

- The anticipated routine and nonroutine activities
- The activities of all persons having access to the workplace (including contractors and visitors)
- Human behavior, capabilities, and other human factors
- Foreseeable hazards originating outside the workplace
- Hazards created in the vicinity of the workplace by work-related activities
- Infrastructure, equipment, and materials at the workplace
- Changes or proposed changes in the company, its activities, or materials
- Any applicable legal obligations relating to hazard identification, risk assessment, and implementation of necessary controls
- The design of work areas, processes, installations, machinery/equipment, operating procedures, and work organization, including their adaptation to human capabilities

## ***Risk Assessment***

After the hazards of each definable activity or feature of work have been identified, a risk assessment of each hazard must be performed. The risk assessment must involve a quantitative and/or qualitative evaluation of each identified hazard to determine the frequency and duration of exposure and the potential severity of any adverse consequences associated with a particular hazard.

A risk-rating matrix may be used to determine the estimated level of risk associated with each identified hazard. The level of risk for each hazard must be documented so that appropriate controls can be identified. Personnel preparing a risk assessment refer to the appropriate risk register (for either construction operations or materials, mining, and plant operations). The risk registries provide the framework and numbering convention for the company's standard job hazard analysis.

## ***Determining Controls***

After the risk assessment for each identified hazard has been completed and a level of risk has been determined, controls for each hazard must be established and implemented. When considering new controls or changes to existing controls, consideration must be given to reducing the risks according to the following hierarchy:

- Elimination of the hazards where feasible
- Substitution of a less hazardous material or process where feasible
- Engineering controls where feasible
- Signage/warnings, work practices, and/or administrative controls that effectively limit exposure
- Personal protective equipment

Controls selected for each hazard are documented.

### ***Implementation***

Take 5 daily safe work plan meetings cover the tasks, hazards, and precautions for the work to be performed in addition to any other relevant safety and health topics. The Take 5 serves as an addendum to the job hazard analysis for the scope of work being conducted. Comments and suggestions for improvement are collected at these meetings.

## **PARTICIPATION AND CONSULTATION**

Granite maintains procedures for employee participation and consultation with respect to safety and health. Employees are expected to actively participate in the company's safety and health management efforts through the following practices:

- Encouragement to bring concerns and questions to their manager, another manager, or a Human Resources representative or by using the Granite Ethics and Compliance Helpline without fear of retaliation
- Coaching managers to consult with contractors when changes will affect the safety and health of their operations or employees
- Ensuring that relevant external parties are consulted and informed about pertinent safety and health matters

### ***Communication***

Multiple forms of communication are used to ensure that safety and health information is effectively communicated to the various levels of the organization. These may include safety meetings, staff meetings, briefings, safety alerts, newsletters, bulletin boards, posters, e-mail, suggestion boxes, and establishing craft employee safety teams.

In addition to sharing information with employees, we request information and feedback from employees on matters of safety and health and we encourage them to share their opinions and concerns. Effective communication is encouraged during safety meetings. Appropriate and consistent communication about safety and health matters must be provided to contractors and other interested external parties. This communication includes information about the identified safety and health hazards associated with the operation, the systems and procedures that will be used to eliminate or mitigate those hazards, and the procedures established to respond to emergency situations.

### ***Participation***

We encourage employees to actively participate in our safety and health management efforts. Employee participation includes involvement with craft employee safety teams regarding the following:

- Hazard identification, risk assessments, and determination of controls

- Incident investigations
- The development and review of safety and health policies and objectives
- Consultation where there are any changes that affect their own safety and health
- Regulatory inspections
- Contributing ideas and recommendations during safety meetings and Take 5's

### ***Consultation***

We ensure that, when appropriate, contractors and interested external parties are consulted about pertinent safety and health matters. These matters may include the following:

- New or unfamiliar hazards (including those introduced by the contractors)
- New or modified controls
- Changes in materials, equipment, and exposures
- Changes in emergency response procedures
- Changes in legal or other regulatory requirements