Safe and secure operations Working to improve outcomes

The health and safety of our employees, contractors, customers and others affected by our activities is a top priority for ABB. We are committed to achieving excellence in Occupational Health and Safety (OHS) and are working to achieve this through both strategic, Group-led programs and businessspecific initiatives.

The engagement and participation of people at all levels of our organization is critical to achieving our OHS goal of zero incidents. However, the diversity of our operations in many different locations also presents significant challenges.

Although many processes and best practices have been put in place in recent years to improve OHS performance, and progress has been made, our performance in 2013 was not acceptable. Seven people – all of them contractors – died during the year and 69 people were seriously injured while working for ABB.

The contractor fatalities were a tragic reminder that our safety work is never done. We are reinforcing our efforts to strengthen training in particular business areas, improve monitoring of working conditions at customer sites and ensure appropriate levels of responsibility and accountability within the company. At the same time, we continue with the long-term development and continuous improvement of our existing programs.

Competence development and OHS behaviors

Requirements for health and safety competence are embedded in ABB's OHS policy and procedures. The ABB OHS functional competency program underpins the policy, providing detailed definitions of the competency levels for all such jobs in ABB.

In 2013, we began an update of the OHS functional competency program – in line with a revised Group approach to competency development – to ensure the program continues to support ABB's business needs and requirements. The site management functional competency model was also updated during the year, strengthening health and safety requirements.

To ensure consistency of approach to health and safety and to reinforce accountability within the company, we have developed an OHS behavior standard. These behaviors represent universal, not job-specific requirements. We started to roll out the standard in 2013, holding workshops in South Africa and the United Arab Emirates to train assessors on how to evaluate baseline behaviors. Beginning in 2014, all ABB employees will be required to include a health and safety behavioral goal in their annual objectives. The aim is to further embed positive OHS behaviors at all levels and to ensure that formal discussions of these behaviors occur across the company.

Programs and tools to support our strategy

During 2013, we introduced hazard reporting as a leading indicator throughout the Group to supplement the existing near miss reporting. By reporting and investigating near misses and hazards we are better able to address the risks in our business, understand the related root causes and reduce the chances of more serious incidents.

Business-led OHS programs continued to focus on the particular needs and activities of the different business units (BUs). For example, the Medium Voltage Products BU undertook OHS-specific risks training, running workshops for a total of 90 employees in Russia, China and Thailand. Thomas & Betts continued their integration activities, starting a program to implement OHSAS 18001 management systems at all facilities and training OHS advisors on global incident reporting procedures.

Development of the OHS strategy, standards and competency program for ABB's global Service organization progressed significantly during 2013, driven by a dedicated Group Service OHS Advisor. The Advisor is responsible for aligning Service OHS with ABB Group standards and coordinating activities throughout regional, country and BU service organizations.

In recognition of the value ABB's service customers place on strong OHS performance, we again acknowledged OHS leadership with our internal Global Service Award for Safety. The award-winning team created a learning zone on operational and service safety for service engineers in the United Arab Emirates. The learning zone is based on the findings of Service audits and accident investigations in various ABB business units, and consists of a practical training for service engineers and a standardized service safety kit.

At country level, OHS improvement programs are organized according to formal country OHS strategic plans prepared within our global priorities and framework. The country plans are tailored according to local conditions and business needs. Progress towards performance targets and implementation of training and development programs is monitored quarterly at Group level.

Occupational hygiene

Launched in 2012, the Group occupational hygiene program continued to develop during 2013. Regional training workshops for North America, South America and Asia-Pacific helped to build competency in our network of OHS Advisors. The Occupational Doctors Team, comprising eight doctors from all regions, continued to support the network by identifying and communicating good practices and developing a process for managing occupational diseases.

Injuries, lost days, diseases and fatalities

	2013ª	2012 [⊳]	2011	2010
Employee work-related fatalities	0	1	0	1
Incident rate	0	0.01	0	0.01
Employee work-related serious				
injuries	40	22	22	15
Incident rate	0.27	0.16	0.18	0.13
Employee business travel fatalities	0	1	0	2
Incident rate	0	0.01	0	0.02
Employee business travel serious				
injuries	4	0	3	5
Incident rate	0	0	0.02	0.04
Contractor work-related fatalities	7	2	0	2
Contractor work-related serious				
injuries	29	20	16	16
Contractor business travel fatalities	0	0	0	0
Members of the public fatalities	1	0	0	0
Employee lost days due				
to industrial incidents ^c	10,591	10,345	9,478	8,362
Employee occupational health				
diseases	10	10	7	13
Employee total recordable incident				
rate ^c	10.94	13.04	13.17	13.48
Employee lost time incident rate ^c	4.70	4.80	5.70	6.80

^a The indicators Employee work-related fatalities, Employee work-related serious injuries and incident rate, Employee lost days due to industrial incidents, Employee total recordable incident rate and Employee lost time incident rate include data from Thomas & Betts, a company acquired by ABB during 2012.

^b These data do not include incidents from Thomas & Betts, a company acquired by ABB during 2012.

^o Data includes incidents that happened at workplace (ABB facility, customer site, project site).

In these statistics, figures for fatalities also include deaths occurring within one year as a result of injuries sustained. Incident rates are according to the ILO rate per 1,000 employees. The total recordable incident rate includes the following incidents: serious injuries, lost time incidents, medical treatment injuries, occupational health diseases and restricted work day cases. "Lost days" are calendar days, and are counted from the day after the incident. Business travel incidents include injuries related to road travel. Incidents during air travel, on business trips, are excluded.

Secure operations

Our concern for the health and safety of our employees and contractors includes their security, particularly in highrisk countries or during crises.

In recent years, ABB has built up a security capability around the world designed to safeguard our people, protect our assets and meet our customers' needs - even in some of the most hostile environments.

Training people to know how to act and react under exceptional circumstances is key. Regular and mandatory security training sessions are held to ensure that teams of people at Group, regional and national level know how to behave in the event of a natural or man-made crisis.

Management teams in countries where ABB has operations and major projects receive crisis training every three years. Complementing these sessions is ongoing training on a wide range of other security tools and processes.

The nature of a crisis varies considerably and includes political unrest, terrorism, crime and natural catastrophes.

WEEB

ABB experienced a number of crises in 2013. For example, as the political unrest unfolded in Egypt in mid-year, local managers and security specialists implemented established processes to assess rapidly-changing risks and developments, plan for the potential movement or evacuation of people, and review existing security requirements around ABB offices and production sites.

The ability to analyze fast-moving scenarios and, where possible, predict likely events is part of the capability of our corporate security staff. In an increasingly volatile world, such skills are essential to help protect our people and strengthen our business resilience.