

## SAFE OPERATIONS

## Working to eliminate workplace incidents worldwide

ABB's license to operate depends on its ability to meet the highest safety standards

The safety of our people and assets is ABB's first priority, embedded in our core values. We remained focused on this priority even while undertaking the transformation of the ABB business model in 2019, using it as an opportunity to enhance the principles of our safety programs.

In 2019, ABB's safety performance showed clear, sustained improvements, fully supporting and mandating the HSE/SA global management system entitled "The ABB Way". Our HSE/SA global management system is a key element of our sustainability governance framework, as it enabled us in 2018 to reduce our more than 300 independently certified HSE/SA management systems down to one standard system for everyone.

Implementing "The ABB Way" clarified and simplified our expectations for performance, while enhancing awareness and knowledge of performance requirements across the organization. Once this single management system was firmly established, we were able to increasingly define and consolidate health, safety, environment, security, sustainability and corporate responsibility performance standards. In 2019, "The ABB Way" received third-party certification (two certificates, for ISO 14001:2015 and ISO 45001:2018), demonstrating we are well on our way to obtaining a single global multisite certification for our management system.

In parallel with this project, we continued to successfully implement further global applications from our new single Management Information System (MIS) for HSE/SA. In 2019, we formed a team of specialists to work with our businesses to enhance the MIS. Together, they further developed ABB's modules for crisis and incident management, trained more than 1,500 people in incident management alone and introduced a governance model for MIS that reinforces the principle of business-led responsibility.

The MIS now reflects ABB's business structure and is fully integrated with ABB systems, providing strong support for our continued drive towards zero safety incidents. This includes a new Report Portal, which all ABB employees can use to analyze trends and indicators to inform decisions on safety. Data reported in the system is used in measuring HSE performance; more than 300,000 hazards were reported via the system, with 97 percent of them resolved.

A further safety highlight in 2019 was the formal launch of ABB's Group Life Saving Rules, which are eight simple actions for everyone across ABB to consistently and fairly apply.

Our target for safety was to reduce the employee total recordable injury frequency rate (TRIFR) to less than 0.7 by the end of 2020. We performed

well in 2019, with our employee TRIFR in the workplace ending the year at 0.47, down from 0.58 in 2018. This continued progressive improvement to industry standards represents 134 fewer recordable injuries than the previous year. While we are currently ahead of our 2020 target, we are fully aware that past performance is no guarantee of future results. That is why we are committed to maintaining our strong positive momentum and to working toward achieving a TRIFR of zero.

Regrettably, ABB recorded one employee fatality and one contractor fatality in 2019. Both incidents were comprehensively investigated to understand their root causes and take action to mitigate risks of similar incidents in the future.

ABB's global independent HSE/SA audit and assurance program continued to be a valuable means of enhancing the company's knowledge and skills. In 2019, the second full year of the program, we reviewed more than 180 separate sites within our organization, using the process to assist ABB's businesses in identifying over 1,500 opportunities for improvement. Through our audits, we identified ABB's main challenges – the consistent application of risk assessment and electrical safety principles – and we reinforced our improvement programs in both of those areas.