



# EMPLOYEE SAFETY

We are reshaping our safety culture to focus on mitigating the most serious risks and encouraging open communication.

Safety is at the heart of everything we do at Xcel Energy. In fact, it is one of our company's values. We have made great strides in reducing injuries in the past decade, but new research and updated industry best practices tell us that the absence of injury does not necessarily mean the presence of safety. This became abundantly clear in 2019 when our injury rates were the best ever, yet two employees and two contractors tragically lost their lives on the job. To protect our employees and contract partners from these types of incidents and take our safety program from good to great, we kicked off an effort in 2019 to reshape our safety culture.

Going forward, we will increase efforts to prevent the most life-altering injuries and fatalities from happening by identifying the most serious risks inherent in our work and making sure that all the possible controls are in place to mitigate them before we start work.

We are also encouraging more open communication and information sharing. We will attempt to learn from injuries and near misses by treating our response to them as an opportunity to improve our practices.

Ultimately, we want our employees and contract partners to feel comfortable reporting injuries, so that they can get the immediate and proper care they need, and we can benefit from in-depth learning opportunities to help keep everyone safer in the future.



# HIGHLIGHTS

- To protect our employees and reduce the spread of COVID-19, we immediately implemented numerous new guidelines. Every employee who could work from home was asked to do so, and for others, we staggered work schedules and limited visitors to our facilities. We also put in place extra protocols for entering customer homes during emergencies and requiring additional personal protective equipment.
- We began reshaping our safety culture in 2019 by increasing efforts to prevent the most life-altering injuries and fatalities from happening and creating a more open and transparent environment.
- The highest-rated attribute on our employee engagement survey is on safety, with 89% of employees agreeing that their safety is a priority for Xcel Energy.
- We matched our best safety year for injuries classified as Days Away, Restricted and Transferred, reducing these injuries 61% in the past 10 years. Our OSHA recordable injuries also declined 50% in past 10 years.
- We launched an enterprise-wide initiative to ensure consistent, corporate-wide adoption of federal and state mandated arc flash regulations.
- We continued to encourage employees to share their safety experiences and to learn from one another. As such, we saw an increase in our near-miss sharing by more than 40% compared to 2018, which had already jumped 150% from 2017.
- The American Gas Association recognized our annual safety performance with a 2019 AGA Accident Prevention Certificate for achieving a DART rate lower than the industry average.
- In August 2019, a law that two of our line workers pushed the state of Minnesota to amend went into effect. The law expands the Ted Foss Move Over Law, which previously required drivers to slow down or move over when approaching utility, construction and emergency vehicles stopped along four-lane roads, to also include two-lane roads.

## **EMPLOYEE SAFETY MANAGEMENT PROGRAM**

Xcel Energy has 21 corporate safety policies in place to address occupational safety and health issues. These policies apply to all company bargaining and non-bargaining unit employees, as well as contractors. Our policies cover a wide range of topics — from working in confined and enclosed spaces to preparing for and responding to emergency situations.

As part of our corporate values, and to protect our employees and the public, working safely is the first consideration while planning or performing work. It is the role of Xcel Energy management to foster, develop, implement and provide training and communication about safety programs that will help reduce occupational injuries and illnesses at work. We expect employees to report unsafe acts, behaviors or conditions to management in a timely manner so that we may address these safety concerns. Any retaliation against an employee who, in good faith, reports a safety violation or suspected violation is strictly prohibited. All employees are empowered to stop work if they see unsafe practices.

Our corporate safety organization manages implementation of regulatory compliance, provides technical consultation to business areas, tracks and communicates the company's safety performance, and fosters our safety philosophy and core value. The vice president of Safety and Workforce Relations leads this organization and reports to the chief human resources officer, who reports directly to the chairman and CEO. Xcel Energy's Operations, Nuclear, Environmental and Safety committee for the board of directors oversees the company's safety strategy and performance.

We provide effective safety and health communications in various formats, including verbal instructions, written documents and posters, safety committee meetings, quarterly SafetyConnect calls and multimedia presentations, such as video and computer-based training. Through these various media, all employees have access to required safety and health training, policies, programs and safety manuals, as well as federal or state required communications. All Xcel Energy employees are expected to actively participate in the company's safety and health training and communications program.

## **RESHAPING OUR SAFETY CULTURE**

For years, conventional wisdom held that focusing on preventing minor injuries would prevent the escalation of the more serious ones. However, newer research and best practices suggest we focus much more on the identification of the most serious risks inherent in our work and do everything possible to mitigate them. It is more about prevention, controls and culture than it is about achieving zero injuries.

To implement this approach, we will continue building our safety culture to become more open, transparent, trusting and caring. Here's how we plan to do that:

- **Enhance Our Culture:** We will create a more transparent, trusting and learning environment, helping to mitigate the risks around our most life-altering or life-threatening injuries.
- **Leverage Data Analytics:** Shift from using lagging injury data to analyze our safety program to using quality leading safety indicators that are predictive, proactive and supported by a centralized safety platform.
- **Visible Safety Leadership:** Our efforts have focused on the outdated belief that reducing smaller injuries prevents more serious ones. Increasing safety leadership development, removing safety performance metrics and changing our response to incident reporting will increase transparency and trust with employees and contractors, helping ensure they get the care they need, and we can learn from every event.
- **Human and Organizational Principles:** We are developing effective safety leadership training, aimed at improving management response to failure and increasing understanding and awareness surrounding precursor to injury.
- **Critical Risk Management:** To prevent the most life-altering injuries and fatalities from happening we will focus attention on the importance of identifying the most serious risks in the work we do, developing effective controls for mitigating them before we start work and sharing that knowledge to keep workers safe.

## **SAFETY INITIATIVES**

We continued important safety initiatives in 2019, while also launching new initiatives to help keep employees safe.

### **Arc Flash Safety**

An enterprise-wide initiative was launched to ensure consistent, corporate-wide adoption of federal and state mandated arc flash regulations. This initiative will enable business areas to collaborate and share arc flash information; develop support materials, work practices and training; and to provide guidance on arc flash mitigation and controls.

### **Core 4 Rules to Live By**

To help employees focus on protecting themselves from the hazards most common to the work they do, we expanded on our Rules to Live By program, which identifies a set of rules that shall not — under any circumstances — be violated because of the high risk of injury or death. The expansion was to identify the Core 4 Rules to Live By for each business area and provide direction on what critical controls and tasks are necessary to implement before starting work.

### **Ergonomics**

Musculoskeletal Disorders (MSDs or strains and sprains and cumulative trauma disorders) are the leading type of injury at Xcel Energy. Several ergonomics training modules were initiated in 2019 to help improve this, including Safe Wrenching for Journeymen and Daily Stretching and Countermoves videos, as well as a new monthly ergonomics tip in our Safety News publication.

### **Near Miss Sharing**

Sharing near misses with coworkers provides a learning opportunity that can prevent similar situations in the future. To encourage employees to share their stories, we do not pursue discipline for employees who report near misses and continually share video testimonials, posters and articles on the topic.

### **Safety Blitzes**

Building on the commitment made by leaders in 2018 to spend more time visiting with employees, company leaders connected with employees during quarterly safety blitzes in 2019 to hear employees' views and suggestions about safety.

### **Safety Promise**

Our Safety department hosted a series of events in 2019 offering employees' families an opportunity to ask their loved ones to work safely on camera. The employees were then given the opportunity to make a safety promise on camera. These requests and promises were shared in various formats, encouraging everyone to make a personal commitment to safety and the safety of those around them.