



Red-D-Arc takes great pride in the fact that our safety program is unmatched in the welder, weld automation and generator rental and leasing industry. Our program is designed to provide a safe workplace with on-going safety training, state-of-the-art equipment and knowledgeable personnel in the area of safety. The following is an overview of our safety performance and comprehensive safety programs which should satisfy any questions regarding our commitment to safety.

We are outperforming our competition in our industry!

The Total Recordable Injury Rate (TRIR) is a measure of safety performance. It is the total number of injuries a company has for every 100 employees working per year. The formula used to calculate a TRIR permits a company, regardless of its size, to compare its safety performance with that of the industry as a whole. The TRIR for Red-D-Arc is 0.8 for 2016. The TRIR for the Commercial and Industrial Machinery and Equipment Rental and Leasing (NAICS 532490) is 2.5.

Written Safety Programs

Our safety manual contains all necessary written safety policies and procedures and is continually updated. Topics include:

- Leadership
- Safety Meetings
- Work Safety Rules
- Housekeeping
- Slips, Trips & Falls
- Hearing Protection
- Claims Management
- Confined Space
- Forklifts
- Contractor Safety
- Safety Improvement Plans
- Standard Operating Procedures
- Safety Contact Program
- Physical Conditions
- Industrial Hygiene
- Respiratory Protection
- Good Catch/Near Miss
- Electrical Safety
- Driver Files & Training
- First Aid
- New Hire Orientation
- Critical Tasks
- Discipline
- Fire Protection and Life Safety
- Personal Protective Equipment
- Investigation and Reporting
- Lockout/Tagout
- Emergency Preparedness
- Hoists, Cranes and Rigging
- Blood-borne Pathogens

Training

We have an Orientation Training program for all new hires. All newly-hired employees are required to attend a mandatory training program which includes the following topics:

- Employee Introductions
- Work Safety Rules
- Eye Wash/Shower/Fire Blanket
- Personal Protective Equipment
- Mentoring Assignments
- Facility Tour
- Evacuation
- Incident Reporting
- Fire Suppression Equipment
- Critical Tasks Demonstration
- Safety Policy
- First Aid Kits
- Hazard Communication
- Housekeeping Standards

Weekly Safety Meetings are conducted by operations managers to review both general and job specific safety topics and issues.

Subcontractor Training: Occasionally, subcontractors will perform construction projects at our facilities. These subcontractors are required to review Red-D-Arc's Safety Program with their employees as it pertains to the work they are doing.

Inspections

Annual Audits are completed for all aspects of our Safety Program at each facility. These are completed by the Regional Operation Managers, Branch Managers or the Safety Director. Monthly and Quarterly Inspections are conducted for housekeeping, electrical safety, fire protection, hoists, cranes & rigging and for walking surfaces at each facility. Unannounced Inspections are conducted by the Safety Director.

Experience Modification Rates

An Experience Modification Rate (EMR) is a factor applied to the policy premium that reflects variation from the experience of the average business of a similar type. From Red-D-Arc's own past experience, the experience modification rate is determined by comparing actual losses to expected losses. This comparison of future losses has resulted in a premium reduction (credit). For example, an EMR of .83 resulted in a 16% credit or savings to insurance. Red-D-Arc is below the industry average EMR for 2011 through 2016:

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|------|-----|
| 2011 | .94 |
| 2012 | .93 |
| 2013 | .96 |
| 2014 | .96 |
| 2015 | .84 |
| 2016 | .83 |

Third Party Compliance

We are currently working with and are fully compliant with ISNetwork, PICS and BROWZ. The criteria for being fully compliant with these third party compliance companies include the following:

- Accepted Certificate of Insurance
- Satisfactory Incident Rate
- Acknowledgement of Owner Client Specific Documents
- RAVS Verified Written Safety Programs
- Successful completion of Manual/Implementation Audits
- OSHA/EMR (three years of data)

Online Operator and Safety Manuals

View our equipment operator and safety manuals online at reddarc.com/qr

