

# THE GAME-CHANGER

## STRIVING TOWARDS EXCELLENCE AND PROFESSIONALISM IN SAFETY

### WHO WE ARE

APi Group Inc. is a billion-dollar parent company to more than 36 independently managed subsidiaries reaching several thousand employees in more than 160 locations. APi Group is a fire protection, and industrial and specialty construction provider throughout North America and the United Kingdom.

Our enduring purpose is to build a safer environment. To do so, our people work with a commitment to safety and the environment.

### RESULTS

STEPS results have been phenomenal.

- Since its inception, our EMR decreased 20 percent from 0.75 to 0.60.
- Our OSHA Frequency Rate decreased 75 percent from 1.6 to 0.4.
- Our Total Recordable Incident Rate has seen a 47 percent reduction from 5.9 to 3.1.
- Our total number of losses decreased 34 percent from 602 losses in 2005 to 399 losses in 2009.

It is exceptional to note this improvement occurred as our risk base increased from 9,000,000 hours worked to just under 14,000,000 hours worked (a 56 percent exposure base increase).

### WHAT IS STEPS?

For years, APi Group set performance metric goals for safety and loss prevention in annual business plans across subsidiaries. However, what we needed was the roadmap to achieve results.

One year, the APi Group chief executive officer approached the safety and risk management professionals throughout the organization. He challenged us to build a roadmap for success in safety and loss prevention. The charge was to develop, implement, champion, and ultimately sustain a program that would help the entire corporation meet and surpass the annual performance metric goals.

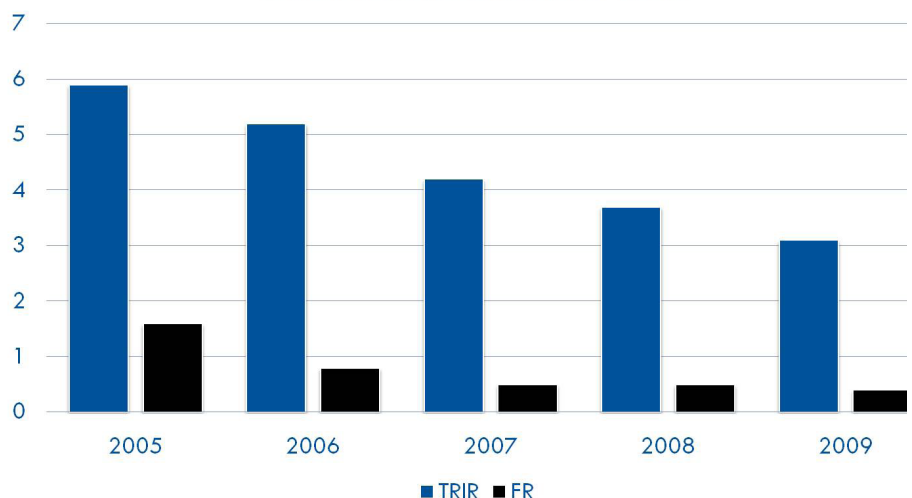
As dedicated safety and risk management professionals, we accepted this challenge. We had one goal in mind: to send each worker home in the same condition they arrived.

Our team met for three days to brainstorm, challenge ideas and develop a plan for long-term safety success. *Striving Towards Excellence and Professionalism in Safety (STEPS) was the result.* STEPS focuses on five major components:

1. Management commitment and involvement.
2. Train on all applicable subjects contained within our corporate safety and health program.
3. Develop and implement an accountability program to generate results.
4. Implement loss prevention best practices throughout the corporation.
5. Audit our 36 businesses for alignment with STEPS objectives and communicate results.

Since its inception, safety and risk management efforts have reached a level of attention like never before. STEPS was embraced by the companies and the results speak volumes. This program has been a game-changer for the organization.

### 5-YEAR HISTORICAL TREND DATA



## STEPS PROGRAM COMPONENTS



### MANAGEMENT COMMITMENT & INVOLVEMENT

In order for any initiative to be positioned for success, it needs the unwavering support from leadership. Our CEO is the greatest champion of STEPS. He provides the resources to sustain the program, including personnel and financial support. He holds safety and loss prevention as a core value for the organization, and holds his leadership team accountable for a safety-first culture.

It has been said that a team takes on the personality of the coach. Our coach has truly set the stage for STEPS through the communication of expectations and accountability for goals and objectives outlined in the program.

### TRAINING

Developed by our innovative professionals and tailored to APi Group, we believe continued education is vital to a world-class health and safety program. All employees receive an orientation upon hire that is customized to the STEPS program. Task-specific training is provided when employees perform additional tasks not covered in the initial orientation. Each subsidiary also developed a training matrix for employees that outline the minimum training necessary each year including specialized training.

### ACCOUNTABILITY

Our corporate office generates annual performance goals for safety, loss prevention and risk management. The goals are spread throughout the company, measured and communicated to executive leadership. To generate healthy competition, our companies are measured against each other.

Performance metrics includes: OSHA Total Recordable Incident and Frequency Rates, Experience Modification Rate, Loss Cost / Hour, and Average Claim Cost. These targets are reviewed throughout the year and at our annual Board of Directors meeting.

We track and monitor the number of site audits performed by leadership and display this information in offices. This is in addition to the audits conducted by our safety and risk management professionals and trailing indicator metrics. *APi Group recently brought accountability to a new level by incorporating safety, loss prevention and risk management goals into consideration for annual performance reviews.*

### INCORPORATING BEST PRACTICES

A stretching program was adopted for employees to perform before daily tasks. This occurs at the field level, but has also gained momentum in our offices. We believe this best practice had a favorable impact on overall injury reduction.

Another best practice we implemented was the involvement of the executive leadership in all aspects of safety, loss prevention and risk management functions. Leaders at APi Group and its subsidiaries are fully engaged and continuously involved with performance measurement with respect to our goals and objectives, project pre-planning, claim's management, site audits and driving accountability.

### STEPS AUDIT

Auditing is the key component to our program and is conducted at least once per year at each company. This process holds each company accountable to the objectives of the overall program. All safety professionals participate in this process. We have pre-established criteria to measure and generate an overall scorecard for each business.

The audit consists of measuring: management commitment, training and education, utilization of best practices, enforcement of company policies and procedures, evaluation of contractual risk and overall program visibility. All categories are totaled and a composite score is given as company performance feedback. *Every audit is personally reviewed by the CEO of APi Group.*

