



Great Lakes Dredge & Dock Company

The On-Going
Drive to World
Class Safety

SEPTEMBER 2018



WORLD CLASS SAFETY

- 1 Today's Safety Culture
- 2 Who We Are
- 3 GLDD's Journey to Safety Excellence
- 4 Key Characteristics of WORLD CLASS SAFETY
- 5 GLDD's On-Going Drive to WORLD CLASS SAFETY



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TODAY'S SAFETY CULTURE

MANY COMPANIES ARE LIMITING RESOURCES
NEEDED TO REACH SAFETY EXCELLENCE



95%

of companies have a *reactive* safety culture

- A reactive safety culture will never achieve “World Class”

98%

of all injuries are the result of unsafe human behaviors and actions:

- ✓ Most companies concentrate their efforts on *equipment*
- ✓ Only 1.5% of all injuries are related to machinery issues
- ✓ 70% of all injuries are the result of unsafe acts of persons other than the injured employee



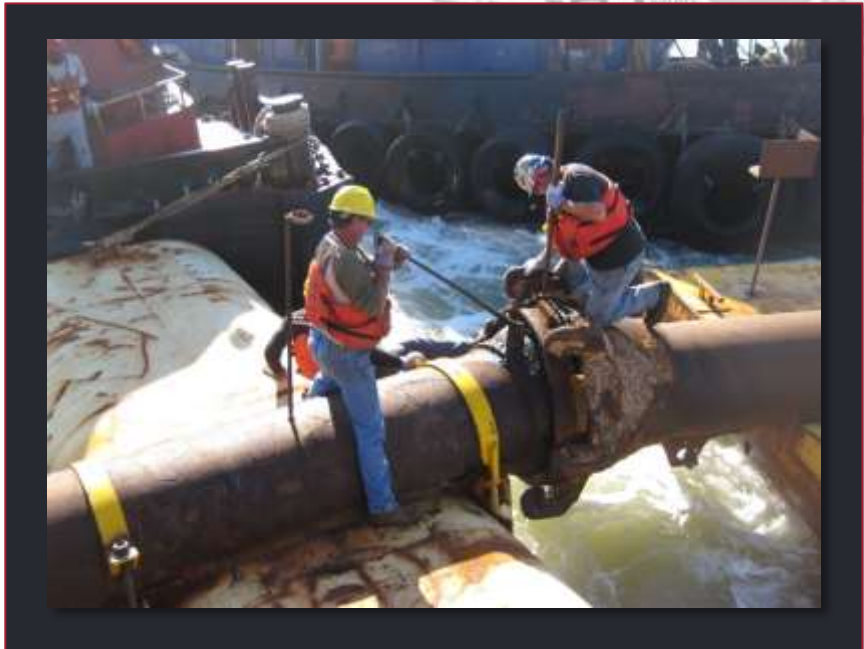


EACH DAY

- 16 people will die at work
- 15,479 people will be injured
- 38,689 children will experience a parent coming home injured from work

COST TO COMPANIES

- Direct cost are the tip of the iceberg
- Indirect costs can be “4 x” as much and can sink a company



“Hey, we work in rough offshore conditions with heavy floating equipment. People are going to get hurt.”
“What do you expect? This is dredging!”





WHO WE ARE



WHO WE ARE

GREAT LAKES DREDGE & DOCK COMPANY, LLC



- Providing Dredging Services since 1890
- Largest dredging contractor in the U.S.
- Annual sales \$700M+
- We have completed dredging projects on six (6) continents
- Largest volume dredging contract completed → 104,600,000 CY
- On average we dredge 51,000,000+ CY per year
- Operate CSD (hydraulic dredges), trailing suction hopper dredges (hoppers), and mechanical (clamshell & backhoe)

DREDGE FLEET

GREAT LAKES DREDGE & DOCK COMPANY, LLC

6 FIXED HULL CUTTER SUCTION DREDGES



4 PORTABLE CUTTER SUCTION DREDGES



6 HOPPER DREDGES



3 CLAMSHELL DREDGES



BACKHOE DREDGE *NEW YORK*



DRILL BOAT *APACHE*



PROJECT TYPES

GREAT LAKES DREDGE & DOCK COMPANY, LLC

CAPITAL



COASTAL PROTECTION



MAINTENANCE



INTERNATIONAL



RIVERS & LAKES










GLDD's
**ON-GOING
JOURNEY
TO SAFETY
EXCELLENCE**



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GLDD SAFETY UP TO 2004

Typical traditional safety structure—with a TRIR drop of 50% between 1996 and 2004...

<p>Started to develop a formalized SAFETY DEPARTMENT</p> 	<p>Implemented RESPONSIBLE CARRIER PROGRAM (Tugboats) Input EM 385</p> 	<p>Implemented INTERNATIONAL SAFETY MANAGEMENT CODE (Hopper Ships)</p> 	<p>Implemented DREDGING SAFETY MANAGEMENT PROGRAM (All Operations)</p> 	<p>SIGNIFICANT PROGRESS </p> <ul style="list-style-type: none">✓ Safety Staff of 9✓ Implemented standardized procedures & policies✓ Company-wide safety manual✓ Safety training
<p>1996</p>	<p>1999</p>	<p>2001</p>	<p>2002</p>	<p>2004</p>

...and we thought we really had dredging safety figured out!



GLDD's IIF JOURNEY BEGAN IN 2005



- ✓ Gains became more difficult to achieve
- ✓ Great systems, procedures, and training were in place, but there were still injuries
- ✓ Frustration was setting in
- ✓ Began a process of realignment of GLDD's safety culture developed by JMJ Associates
- ✓ Change in safety attitudes from simple compliance with rules and regulations, to a mindset that intends to eliminate work-related incidents and injuries all together
- ✓ Chevron, Skanska, Bovis, and other larger international companies had successfully embraced IIF

The IIF Journey - Manson 2004
- **Great Lakes 2005**
- Weeks 2008



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INCIDENT- and INJURY-FREE is ABOUT...



TAKING RESPONSIBILITY for your own safety and the safety of those you work with.

PLANNING activities and asking questions.

SPEAKING UP when you see something unsafe.

CARING for your coworkers.

ACKNOWLEDGING your importance to the company and that of your colleagues.

CHANGING from complying with safety practices to adopting them as the standard.

CHOOSING to follow safety rules because you want to, not have to.

AND IT'S ABOUT **GOING HOME SAFELY**
TO FAMILY AND FRIENDS AT THE
END OF EVERY DAY!



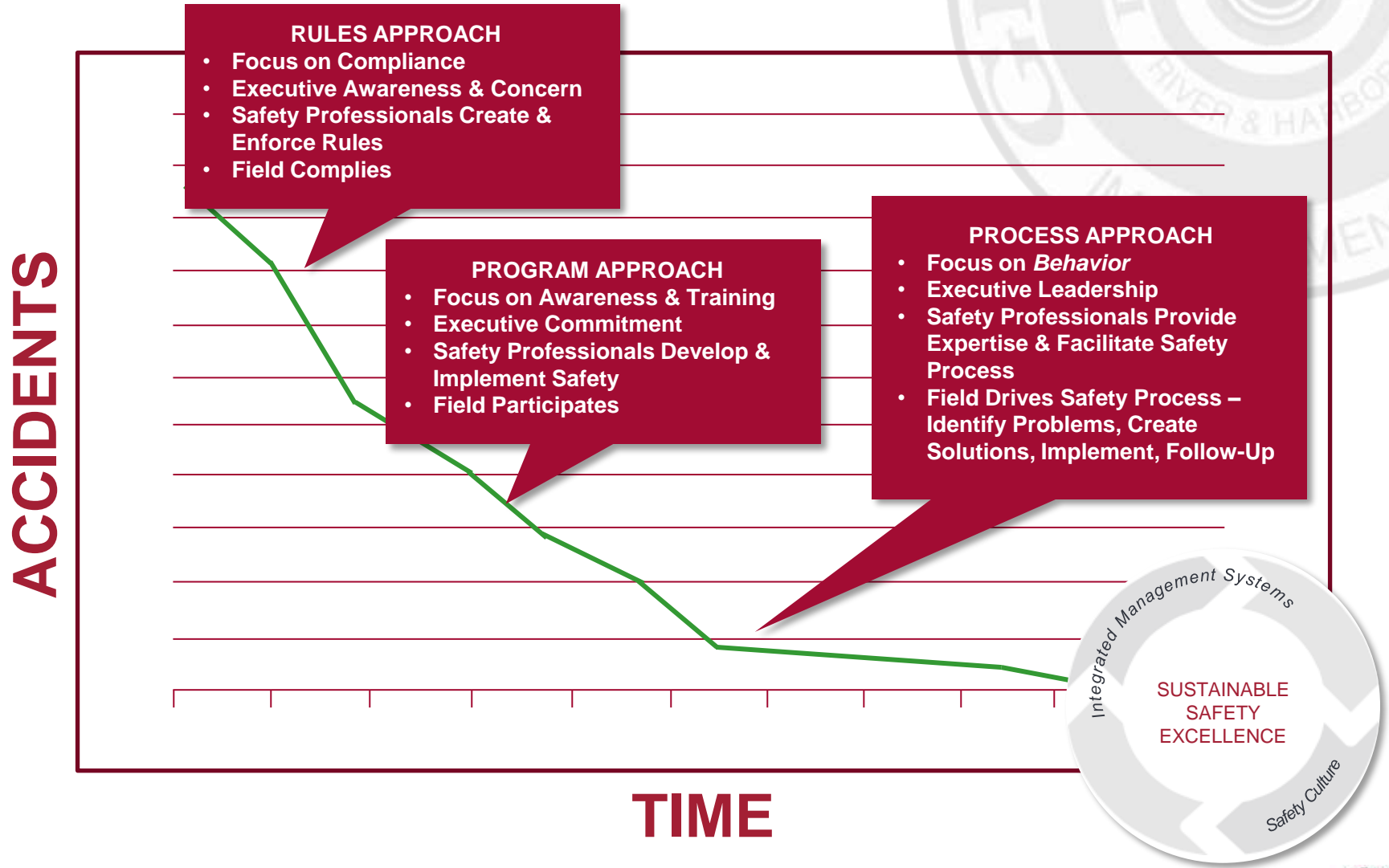
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SAFETY SUCCESSES

- ▼ Decrease in incident claims and medical costs
- ▼ Significant reduction in insurance premiums
- ▼ Decrease in time spent by managers responding to incidents
- ▼ Reduction in equipment incidents & damage
- ▼ Decrease in employee recruitment/replacement costs
- ▲ Increase in historic gains in project size and complexity
- ▲ Improved communications throughout divisions
- ▲ Access to bidding opportunities
- ▲ Improved employee morale and productivity
- ▲ Increase in bench of “Great Lakes-grown” managers and leaders

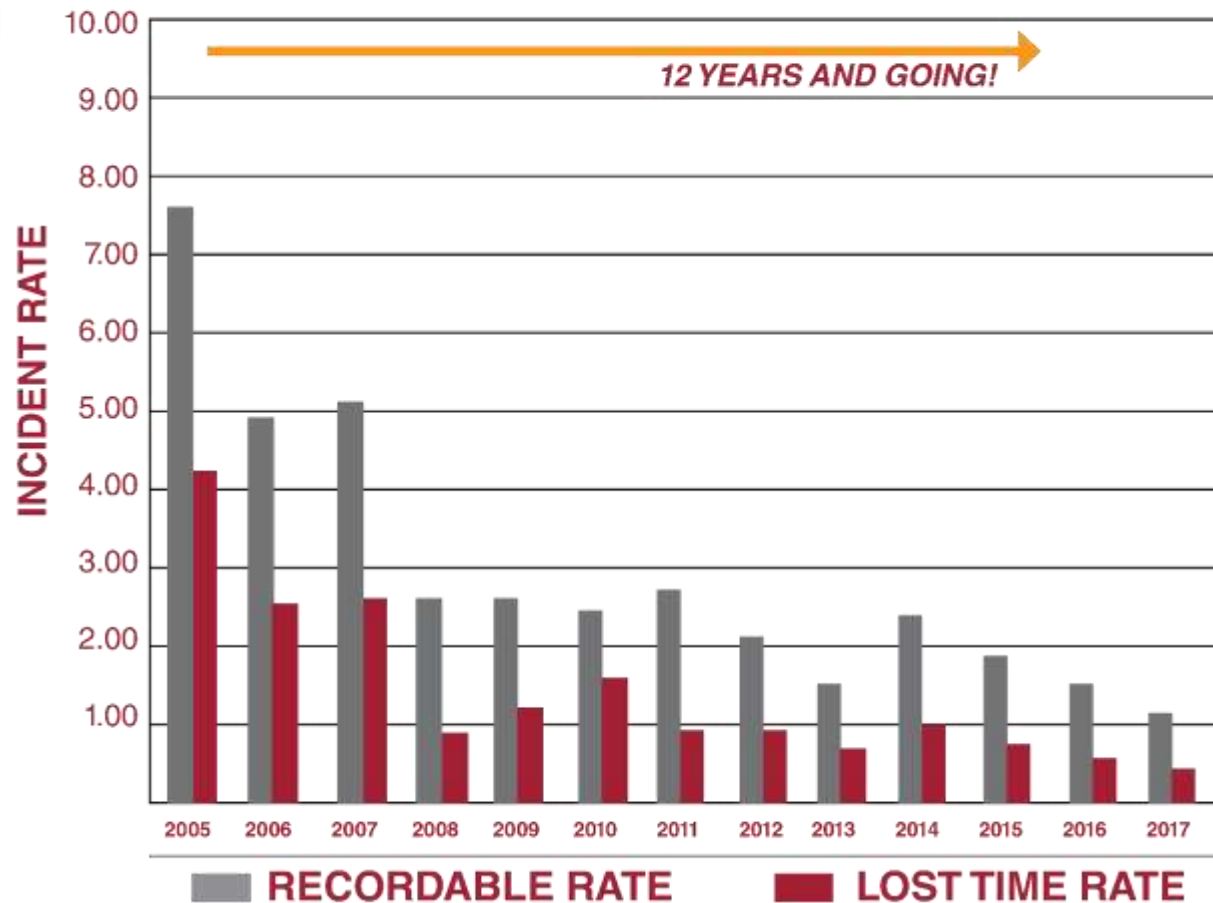


SAFETY from RULES APPROACH to SUSTAINABLE SAFETY EXCELLENCE



Our commitment to IIF® culture has resulted so far in at least 1,260 fewer incidents at Great Lakes, and has positively impacted our business partners, families & friends.

PERSONAL INJURY INCIDENT RATES SUCCESS 2005 through 2017






KEY
CHARACTERISTICS
OF
WORLD CLASS
SAFETY






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FUNDAMENTAL BELIEFS of WORLD CLASS SAFETY




#1 Business objective is the health and safety of **PEOPLE.**



All injuries & occupational illnesses **CAN BE PREVENTED.**



EXCELLENCE in safety is compatible with excellence in other business parameters.



Safety must be made an **INTEGRAL PART** of every job.



Good safety is mainly **IN THE HEAD.**



KEY CHARACTERISTICS of WORLD CLASS SAFETY

🔑 Vision / Drive to be World Class

🔑 Management Leadership

🔑 Aligned to Broad Business Goals

🔑 Establishment of Targets & Accountability

🔑 Achievement of Goals / Objectives

🔑 Consistent Processes / Process-driven

🔑 Adoption of Best Practices

🔑 Ability to Adapt to Change



KEY CHARACTERISTICS of WORLD CLASS SAFETY

🔑 Management Commitment / Involvement

🔑 Responsibility & Accountability

🔑 Communication & Engagement

🔑 Behavior Analysis / Management

🔑 Recognition & Rewards

🔑 Continuous Improvement



SAFETY MANAGEMENT FUNDAMENTAL BELIEFS

- ✓ Top management must be committed to excellence
- ✓ Safety is a front line responsibility
- ✓ Requires involvement from everyone
- ✓ Safety training is an essential element

If committed to safety excellence, an organization will have a broad array of safety systems and practices which are thoroughly implemented and supported by broad workforce participation.




COMMUNICATION / ENGAGEMENT

 Universal systems in place to communicate on all safety issues

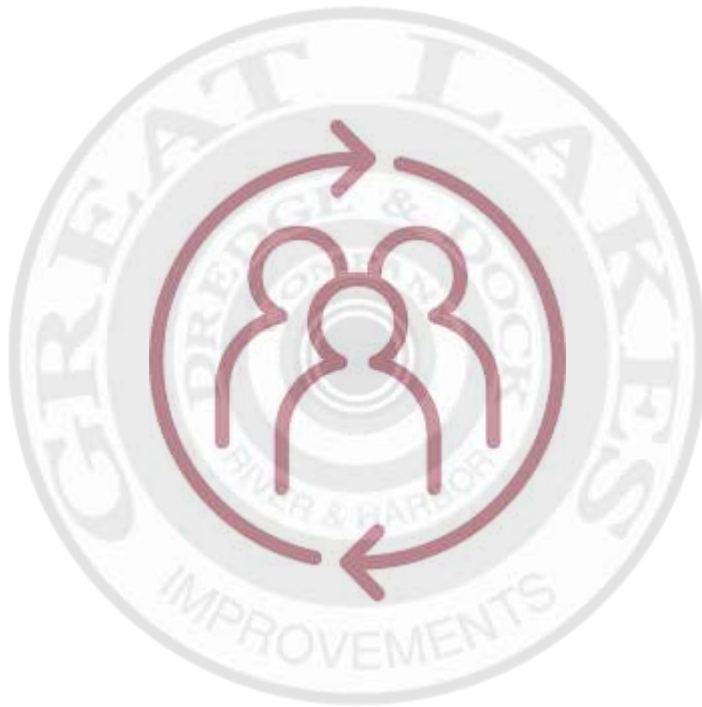
 All employees participate and take ownership

 Safety issues are at the forefront of company decisions

 Safety performance is well communicated throughout the company

 Policy & procedure communication is a three-way process

 Regular communication and one-on-one employee engagement meetings



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EFFECTIVE ACCOUNTABILITIES ARE...



FOCUSED



SMART

- ✓ **S**pecific
- ✓ **M**easurable
- ✓ **A**chievable
- ✓ **R**esults-based
- ✓ **T**ime-bound



DO THEY
CREATE
PARTNERSHIPS?



4

SPECIFIC PRACTICES FOR SAFETY EXCELLENCE



-  Safety of Jobsite & Equipment
-  Safety Discipline/Performance Management
-  Measurements & Benchmarking
-  Safety Organization/Specialists
-  Safety of Contractors & Subsidiaries
-  Hiring for Safety Attitude
-  Off-the-Job Safety



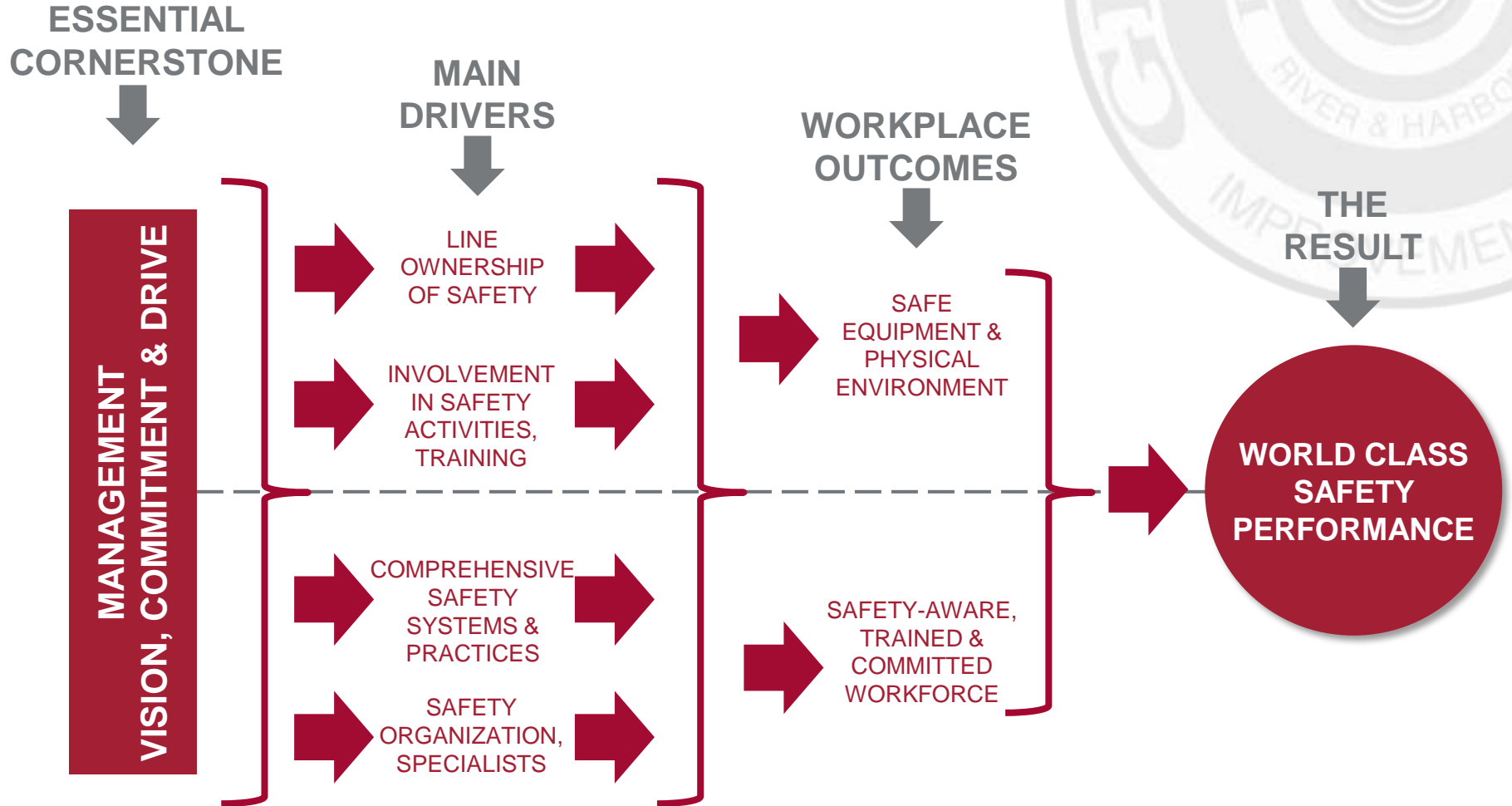
SPECIFIC PRACTICES FOR SAFETY EXCELLENCE



- ✍ Safety Rules
- ✍ Safety Training
- ✍ Safety Meetings
- ✍ Risk Assessments
- ✍ Audits & Inspections
- ✍ Injury / Incident Investigation
- ✍ Modified Duty & Return-to-Work Systems
- ✍ Involvement in Community & Customer Safety

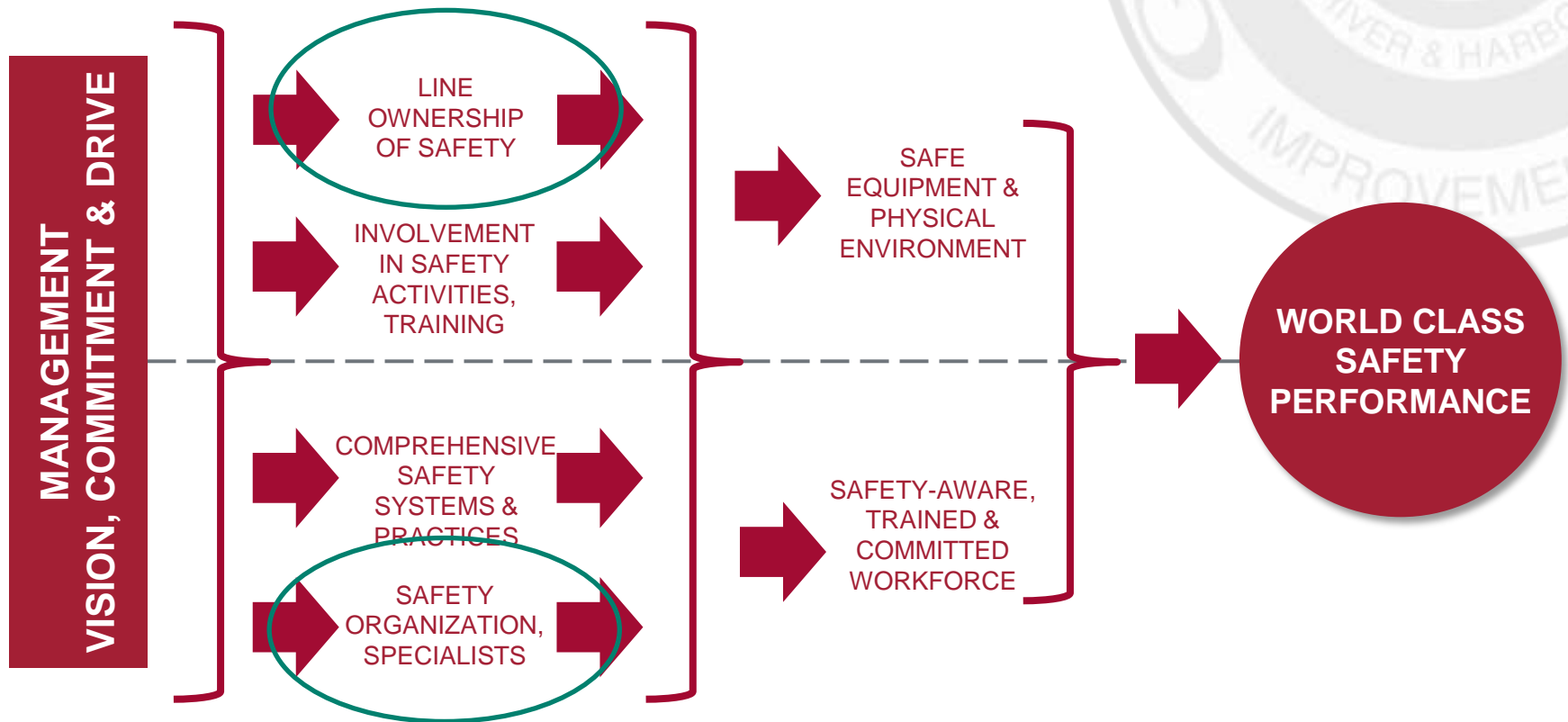


MANAGING for WORLD CLASS SAFETY - MODEL



SOURCE: Managing for World Class Safety, James M. Stewart





SOURCE: Managing for World Class Safety, James M. Stewart



OUR ON-GOING
DRIVE TO WORLD
CLASS SAFETY



- ✓ Leading success indicators
- ✓ Reliability Assured
Maintenance – builds on IIF
- ✓ MCIA Remedial Measures
improvements
- ✓ SALT reinforcement
- ✓ Significant Incidents and
Fatalities (SIFs) Filter
- ✓ New subsidiaries into Great
Lakes IIF brand



SAFETY TOOLS

REINFORCING GLDD PROJECT SITES TODAY

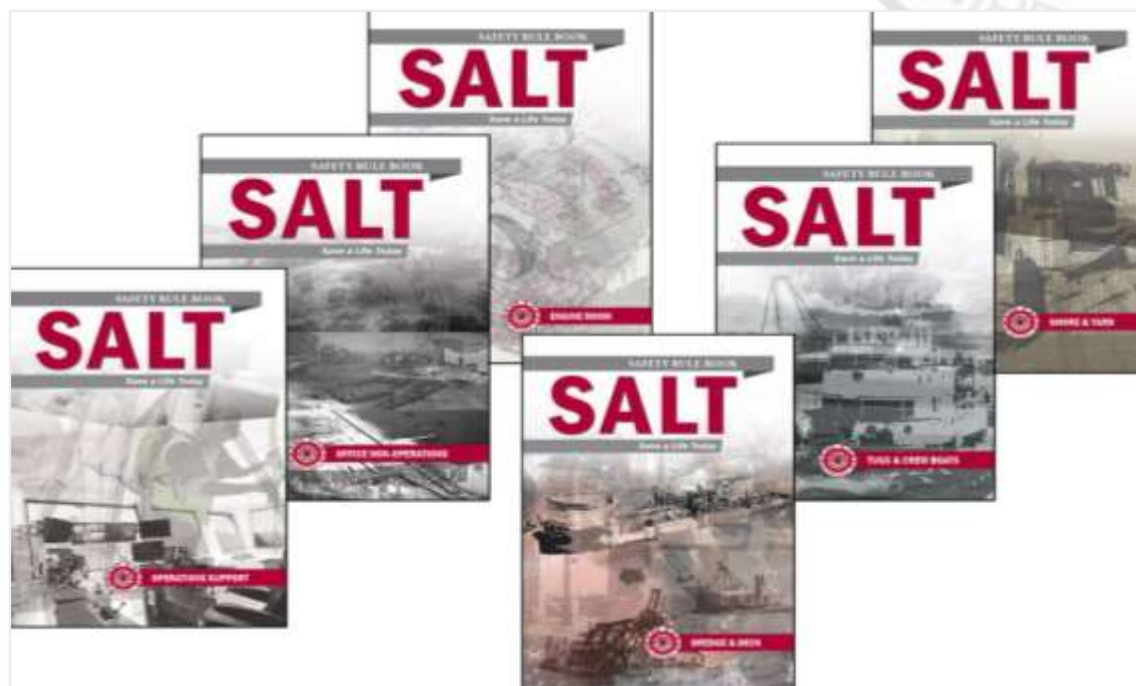
- ✓ IIF® Kickoff Meeting
- ✓ IIF® Operations Orientation
- ✓ Stop-Work Authority
- ✓ JSA
- ✓ Company-wide Good Catch, Near Miss, and Incident Broadcasts
- ✓ Support from Site Health & Safety Officers (SHSO's)
- ✓ Systems-Focused Incident Response
- ✓ Save A Life Today (The S.A.L.T. book)

Save A Life Today or the “S.A.L.T. Book,” is a collection of safety rules and recommended practices. It was written by representatives of our entire fleet - top to bottom, international to domestic, experienced employee to new hire - and our people follow its precepts proudly. We expect subcontractors and site visitors to comply with the S.A.L.T. book as well.



Safe a Life Today (SALT) Safety Rule Book

- ✓ 6 Rule books developed by crew in 2013
- ✓ Crews updated rule books in 2016



SAFETY WITHOUT COMPROMISE (SWOC) TRAINING

- ✓ Two (2) Day Course – both salary/hourly for all Operation Personnel
- ✓ Conveys GLDD Safety Culture
- ✓ Strengthen Hazard Awareness
- ✓ Focus on Mutual Accountability



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OUR ON-GOING DRIVE TO WORLD CLASS SAFETY



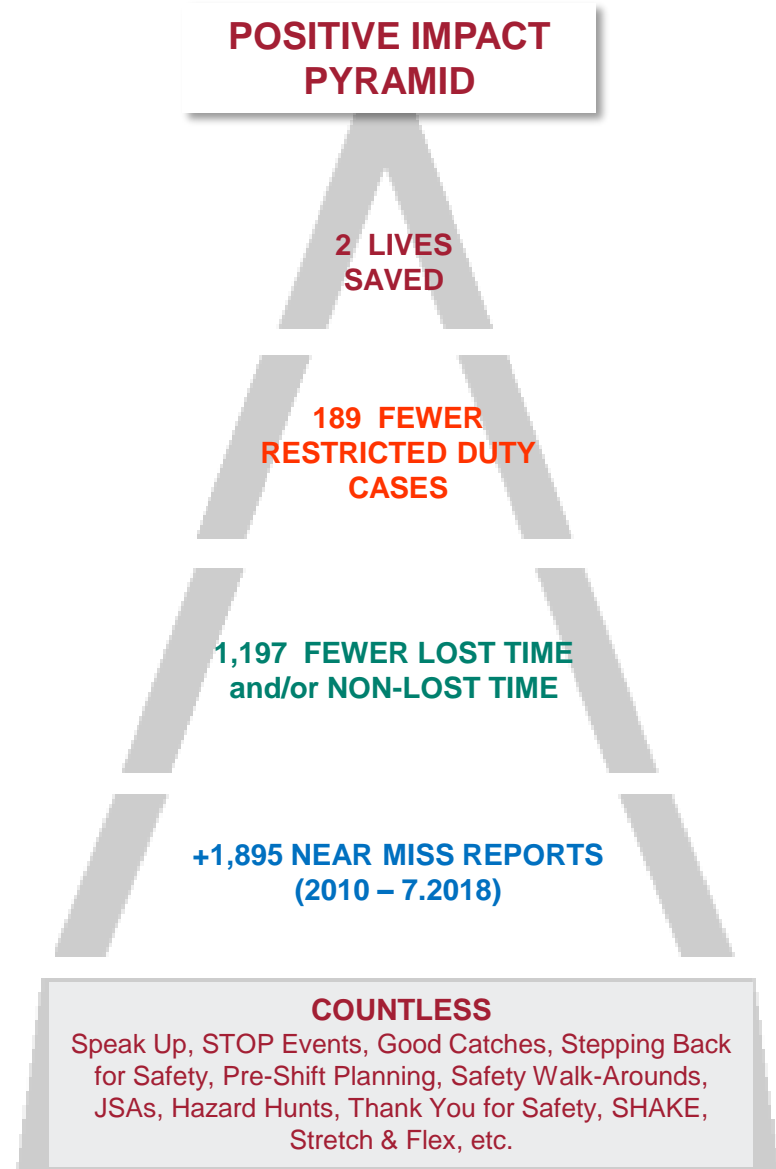
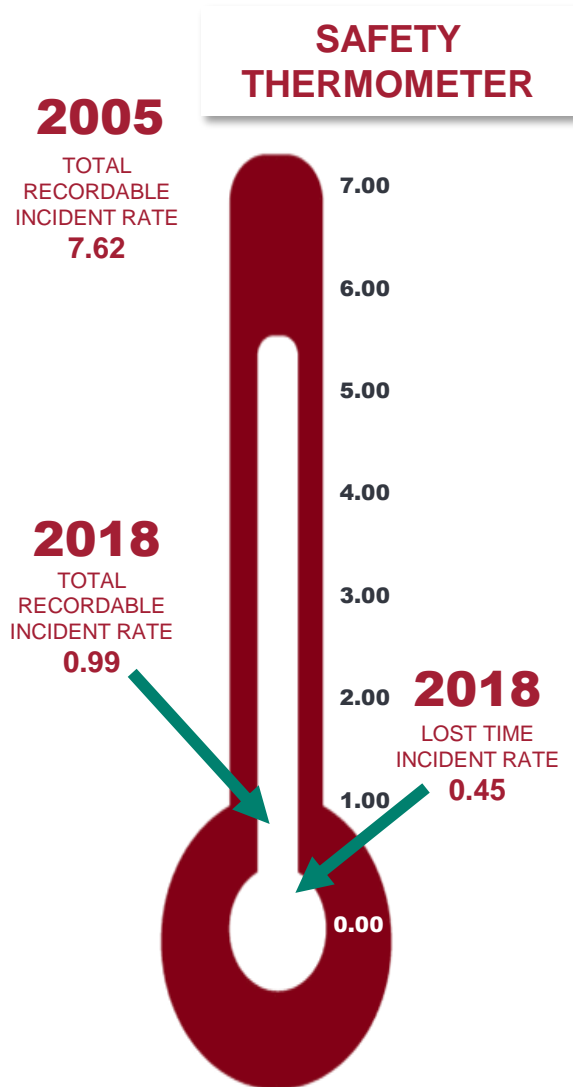
LIFE SAVING ABSOLUTES

- ✓ Safety Accountability

LIFE SAVING ABSOLUTES



GETTING TO IIF – 2005 to the PRESENT



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OUR ON-GOING DRIVE TO WORLD CLASS SAFETY



INCIDENT &
INJURY-FREE

**UNINJURED
CO-WORKER**

IMPACTED FAMILY &
FRIENDS

Children
Husband / Wife / Partner
Mom / Dad
Aunt / Uncle
Brothers
Sisters
Nephews
Nieces
Grandparents
School Friends

IIF IMPACT ON FAMILY & FRIENDS

1,389 Fewer co-workers injured with 5 close family or friends = **6,943 positively impacted** family members and friends.

1,389 Uninjured co-workers injured with 10 close family or friends = **13,885 positively impacted** family members and friends.

And if we say half of our NEAR MISS reports resulted in a safer, uninjured co-worker, then our IIF EFFORT has made a positive impact on **11,680 – 23,360** family members and friends! Many have no idea what we do, but they know their loved one made it home: **SUCCESS!**

YOUR EFFORTS TO REACH THE GOAL and MAINTAIN THE GOAL SHOULD NEVER STOP.

FROM DAVE SIMONELLI & KYLE JOHNSON TO ALL GLDD EMPLOYEES – FALL 2018

“As you can see from the August safety statistics our year-to-date TRIR (total recordable incident rate) is down to **0.94. We have reached our Sub-1 goal of attaining a TRIR below 1.0!** Further, our severe storm response to Hurricane Florence was executed Incident & Injury Free, with no injuries or any damage to our equipment in Florence’s path. **These successes are thanks to the efforts of every Great Lakes employee.** Let’s continue this momentum to ensure that we **maintain Sub-1 through the year and forward**, and as we continue our *Pre-empt the Fall Spike* during September. **We ask that you please go home safe at the end of the day!”**

FROM JASON CAMPBELL – AUGUST 2018 vs. AUGUST 2017

Excellent work on reporting leading indicators and correcting deficiencies

- ✓ 1370 Good Catches through August 2018 vs 1108 Good Catches through August 2017

Improvement in our frequency of OSHA Recordable Incidents

- ✓ 12 reported through August 2018 vs 17 reported through August 2017

Overall Total Recordable Incident Rate (TRIR)

- ✓ 0.94 through August 2018 vs. 1.16 through August 2017

Man Overboard Stats

- ✓ 4 through August 2018 vs. 8 through August 2017

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SAFETY WITHOUT COMPROMISE



INCIDENT &
INJURY-FREE

AT GREAT LAKES DREDGE & DOCK

SAFETY

is about making sure we all go home
safe and sound EVERY DAY to our
families and friends.



THIS IS GLDD TODAY

THIS IS WHEN I STARTED DREDGING (1982)

“Hey, we work in rough offshore conditions with heavy floating equipment. People are going to get hurt.”

“What do you expect? This is dredging!”



**CSD "OHIO" - 3,000 DAYS
WITHOUT A LOST TIME ACCIDENT
& COUNTING**

POP QUIZ**IS SAFETY A PRIORITY OR A VALUE?****QUESTIONS / DISCUSSION**