

Occupational Health and Safety in Red Eléctrica

Summary 2012



Our Goal - ZERO Accidents



RED ELÉCTRICA
DE ESPAÑA

Occupational Health and Safety

Red Eléctrica pursues two general objectives in the area of occupational health and safety. On the one hand, to consistently reduce work-related accidents until a ZERO level of accidents is reached, and on the other, to continually and progressively improve the level of health and safety of its employees and the people who collaborate or work in its facilities.

In order to reach these objectives, Red Eléctrica relies on a risk prevention strategy based on: leadership from the management team, assignment of prevention roles to all organisational units in the Company, participation of all persons involved, and training, communication and an improved assessment process of achievements.



Main Achievements in 2012



Effective integration of occupational health and safety management processes, as well as other processes that might have a direct or indirect impact on people's health. A transversal management model geared towards **facilitating our goal to make Red Eléctrica a point of reference as a company focused on occupational health and safety matters.**



Improvement of the occupational health and safety management system through the progressive implementation of the "PRER" application, a IT management tool that will allow us to advance in the detection of risk situations and incidents in our efforts towards reaching **our goal of zero accidents.**

Improvement and revision of the applicable regulations in the areas of occupational health and safety, improved management of the delivery process of occupational health and safety documentation and the strengthening of awareness and training in this area.

Audit of the risk prevention system in accordance with OHSAS 18001 specifications. OHSAS certification was originally obtained in September 2002, and to date has successfully undergone six monitoring reviews and has obtained two renewals of the certification. This endorses the work of Red Eléctrica regarding occupational risk prevention and periodically ensures that the Company is consistently applying new and more stringent prevention and occupational safety criteria, exceeding the standards required by current legislation.

Main axes of action in risk prevention



Improving health and safety at work requires the involvement and participation of all of us.



Risk Assessment and Control

- On-going monitoring and evaluation of the risks associated with the activities of all work positions.
- Incorporating the risk assessments into the "PRER" IT application which has contributed to an increase in the number of planned corrective actions, as well as greater control in their resolution?

In 2012, 459 risk assessments were conducted which have generated information that is more precise and focused on the risk factors requiring action, resulting in a total of 990 corrective actions of which 56.77% have already been resolved.

In 2012, Red Eléctrica's Occupational Health and Safety Service provided safety training to 2 coordinators and 75 supervisors. Additionally, it certified 475 work supervisors, representing an increase over prior years due to changes in internal regulations that incorporate more stringent criteria regarding the presence of certified work supervisors.

Occupational Health and Safety regarding Suppliers

- Evaluation of the occupational health and safety elements in the selection of suppliers.
- Occupational health and safety training for contractors (health and safety coordinators and works supervisors) in order to guarantee effective prevention in line with the principles applied by Red Eléctrica.
- Certification of work supervisors of the companies contracted for activities classified as high risk.

Coordination of Preventive Actions

- Performance of occupational health and safety studies for those works where legislation demands an official project that details the work to be carried out, the associated risks, and the preventive measures to be implemented.
- Preparation of occupational health and safety plans and procedures by the contractors awarded the works and that address the preventive measures to be adopted in the execution of the works.
- Coordination of preventive actions with suppliers, collaborators and contractors as a key element for the efficient monitoring of occupational health and safety measures.

In 2012, 147 occupational health and safety studies were performed for the tender of works and more than 2,498 occupational health and safety procedures and plans were approved, 24% more than in 2011.

Performance Assessment

- Verification of the occupational health and safety conditions via three different and complementary figures that guarantee the correct inspection of preventive measures: occupational health and safety service technicians, occupational health and safety coordinators and work supervisors.
- Use of inspection models to guarantee the uniformity of information, independent of work location and/or company or person who carries out the inspection.
- Identification of risk situations or deviations from the preventive measures, and definition of the corresponding improvements.

In 2012, the noteworthy active participation of all the organisational units, along with the implementation of "PRER", allowed a significant increase in the number of inspections performed. A total of 12,419 inspections were carried out (245% more than the previous year) which led to 222 risk notifications and 217 corrective actions, of which 92.26% have already been resolved.

In 2012, 6,509 hours of training were given to 706 participants. Of the hours devoted, 30% were specifically focused on training regarding electrical risks.

Training and Awareness

- On-going development of occupational health and safety training and awareness programmes as key tools for prevention, especially in works exposed to electrical risk and works at height.
- Definition of specific programmes for each job position based on the risks associated to the different activities.
- Inclusion of compulsory accreditation of staff regarding mandatory occupational health and safety measures.

Consultation, Participation and Communication

- Collaboration of persons employed in the identification of improvement actions or situations of non-conformance with established processes.
- Periodic meetings of the Occupational Health and Safety Committee
- Publication and updating of the most noteworthy legislation regarding Occupational health and safety on the corporate portal 'miRED'.
- Publication of the Occupational health and safety report in an interactive format.
- Dissemination campaigns aimed at raising awareness regarding the most significant aspects in prevention matters.

In 2012, the Occupational Health and Safety Committee held three meetings and carried out a variety of campaigns aimed at raising awareness and the dissemination of the most significant aspects regarding prevention, of which noteworthy was the design and creation of specific signage regarding electricity risks at facilities, and the publishing of brochures with emergency protocols for visits to the central services buildings.

Health Monitoring

- Own in-house basic medical service at the Head Office and agreement with the prevention society FREMAP for the outlying work centres.
- Prevention, promotion and monitoring of health, not only work related, but also in general. Development of health-oriented campaigns for the prevention of the most common diseases.
- Initial and periodic medical examinations, based on specific protocols according to the existing risks associated to each job position.

In 2012, 1,157 medical examinations were conducted and numerous actions of health prevention, most noteworthy were those aimed at preventing the most common oncological diseases and at monitoring psychosocial risks.

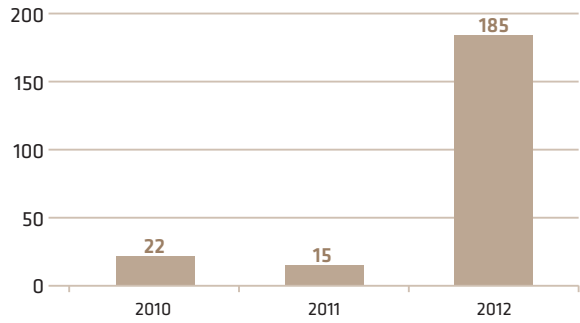


Control of Accidents

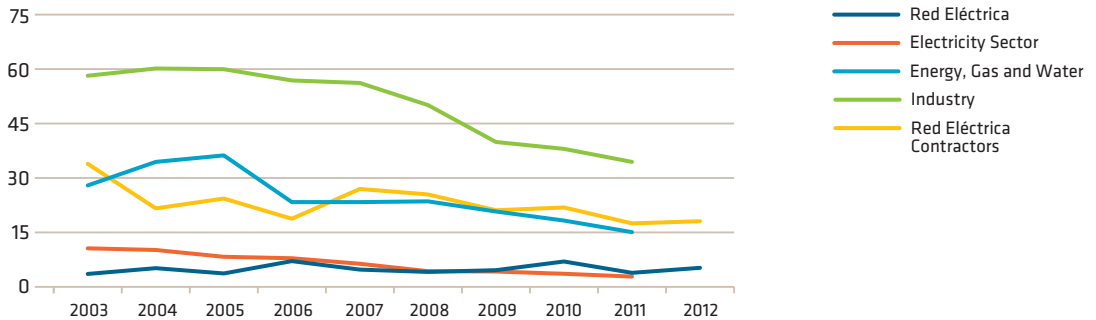
One of the most relevant aspects regarding occupational health and safety is the control of the accidents. In order to monitor this, Red Eléctrica counts on strict risk identification, control and management systems as well as other tools geared towards reducing incidents and accidents in the performance of the Company's activities.

The implementation in 2012 of the "PRER" IT application in Red Eléctrica has allowed a greater number of incidents to be identified, not only of its own staff but also those of contractors, that occur during the execution of works. This control measure has made it possible to record a greater number of incidents, increasing from 15 in 2011 to 185 in 2012.

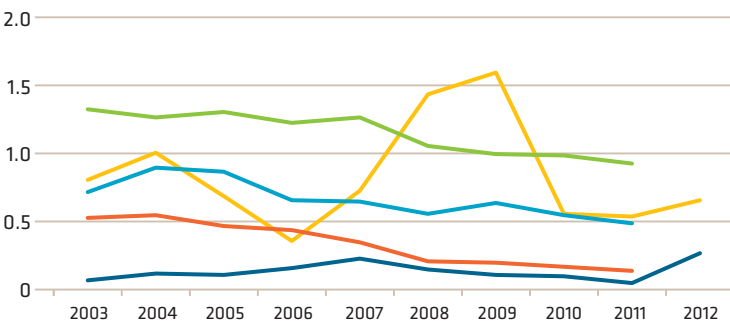
Risk incidents and situations reported



Accident frequency index



Accident severity index by activity sector (*)



(*) For comparison purposes with other sectors, the data regarding REE does not include the incapacity scale.

Key Indicators

| Occupational Health and Safety (REE) | 2008 | 2009 | 2010 | 2011 | 2012 |
|--|-------------|-------------|-------------|-------------|-------------|
| Average workforce | 1,379 | 1,493 | 1,584 | 1,666 | 1,652 |
| Hours worked | 2,373,524 | 2,565,436 | 2,678,350 | 2,777,528 | 2,810,229 |
| Work-related accidents with sick leave (serious/minor) | 0/10 | 0/12 | 1/19 | 1/10 | 3/12 |
| Fatal work-related accidents | 0 | 0 | 1 | 2 | 0 |
| Days lost due to accidents ⁽¹⁾ | 352 | 156 | 6,268 | 6,247 | 770 |
| Work-related accident frequency index | 4.21 | 4.69 | 7.09 | 3.96 | 5.34 |
| Work-related accident severity index | 0.15 | 0.11 | 2.34 | 2.21 | 0.27 |
| Work-related accident incidence index | 7.25 | 8.05 | 11.99 | 6.60 | 9.07 |
| Absenteeism rate | 2.28 | 2.51 | 2.27 | 2.30 | 2.17 |

| Occupational Health and Safety (Contractors REE) | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|-------------|-------------|-------------|-------------|-------------|
| Average workforce ⁽²⁾ | 3,139 | 3,183 | 3,447 | 3,372 | 3,519 |
| Hours worked | 5,336,236 | 5,410,526 | 5,860,778 | 5,733,042 | 5,983,539 |
| Work-related accidents with sick leave (serious/minor) | 2/124 | 15/100 | 11/117 | 10/101 | 7/102 |
| Fatal work-related accidents | 0 | 0 | 1 | 1 | 0 |
| Days lost due to accidents ⁽¹⁾ | 7,705 | 8,066 | 9,282 | 9,106 | 3,945 |
| Work-related accident frequency index | 23.61 | 21.25 | 22.01 | 17.62 | 18.22 |
| Work-related accident severity index | 1.44 | 1.61 | 1.58 | 1.59 | 0.66 |
| Work-related accident incidence index | 40.14 | 36.12 | 37.13 | 29.95 | 30.97 |

| Medical Service (REE) | 2008 | 2009 | 2010 | 2011 | 2012 |
|------------------------------|-------------|-------------|-------------|-------------|-------------|
| Medical examinations | 1,011 | 1,097 | 1,010 | 1,143 | 1,157 |
| Doctors' consultations | 1,443 | 1,167 | 1,170 | 1,156 | 1,012 |
| Vaccinations | 269 | 352 | 312 | 203 | 210 |

Frequency index = number of work-related accidents with days lost per million hours worked.

Severity index = number of days lost due to work-related accidents + incapacity scale, per thousand hours worked.

Absenteeism index = hours of absence due to common TI > 3 days, TI hours < 3 days and non-regulated leave/average collective agreement workforce/theoretical collective agreement hours x 100.

Incidence index = number of accidents with days lost with doctor's note x 1,000/ average workforce.

Serious accident (standard) = those qualified as serious by each doctor that provided a doctor's note for sick leave.

Serious accident (REE) = those qualified as serious by each doctor that provided a doctor's note for sick leave + those with period of days lost greater than 90 days + those that require action of the labour authority.

(1) 6,000 days are recorded for each fatal work-related accident and 4,500 work days for each permanent total incapacity.

(2) Based on hours worked.

