

**AWAIR POLICY 1.1**

**A Workplace Accident and Injury Reduction (AWAIR) Program**

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## **Corporate Safety Policy Statement**

At Sleep Number, our vision is to become the world's most beloved brand by delivering an unparalleled sleep experience. To achieve our vision, we're creating a workplace culture of innovation and individualization – a culture where unique talents, perspectives and experiences are valued. One way we demonstrate our value for Sleep Number Brand Ambassadors is through our emphasis on maintaining a safe and healthy workplace.

The AWAIR policy creates clear expectations of how we each contribute to a safe and healthy workplace. We are Sleep Number...and we are all responsible for reading, understanding and acting in compliance with the company's AWAIR policy.

Safety is of vital importance for our customers and our team members. Our goal is the elimination of accidents and injuries from our operations. A good safety record reflects the quality of our work force. It also serves to promote business and thereby contributes to the continuing growth and success of the company.

Maintaining our workplace free from safety hazards requires effective team member communication, self-inspection, accident/incident investigation, team member training, and an established Safety Committee. With these and many other tools in place our company strives to reduce or even eliminate work place hazards.

A written safety program has been established and implemented for the protection of our team members. The success of our safety program depends on the sincere, constant, and cooperative effort of all team members and their active participation and support. Safety must be considered a vital part of every job at Sleep Number.

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## **1. Policy**

It is the policy of Sleep Number to provide a safe and healthy work environment for all team members. Sleep Number will provide appropriate equipment, safeguards, personal protection, training, and administrative support to protect team member safety and health. Sleep Number team members will be trained to work safely and will be required to comply with all safety rules and standards.

## **2. Background**

The purpose of “A Workplace Accident and Injury Reduction” (AWAIR) program is to reduce team member injuries and illnesses by identifying, analyzing, and controlling hazards. Under this program, all accidents and near misses will be investigated and measures will be taken to correct problems. Sleep Number will develop and enforce mandatory safe work practices, while providing the equipment and safeguards necessary for team members to work safely. The plan will be communicated to team members so they can participate and take an active role in health and safety. A Safety Committee exists to provide assistance in accident investigation, hazard analysis, and hazard communication. The Safety Committee meets on a monthly basis.

## **3. Summary**

Sleep Number has developed “A Workplace Accident and Injury Reduction” (AWAIR) program to establish and implement a written program, promoting safe and healthy working conditions based on clearly stated goals and objectives. This program includes

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requirements covered under Minnesota Statutes 182.653, “A Workplace Accident and Injury Reduction” Act.

#### **4. AWAIR Program Goals**

Sleep Number has established the following goals for the AWAIR program:

- A. Continuously reduce annual lost workday incident rate below level from previous year.
- B. Maintain compliance with applicable federal and state occupational safety and health regulations identified in health and safety audits.
- C. Implement continuing, effective health, and safety programs to provide Sleep Number team members with a safe and healthy workplace.
- D. Actively encourage Sleep Number team member involvement in health and safety programs.

#### **5. Program Objectives**

Sleep Number has identified the following steps for accomplishing these goals. (Copies of Sleep Number’s AWAIR program are available to team members on the company intranet site and upon request.)

- A. Assign responsibilities
- B. Establish systems for identifying, analyzing, and controlling hazards
- C. Communicate program effectively and encourage team member participation
- D. Investigate all accidents
- E. Enforce safe work practices and rules

## 6. Responsibilities

Safety is the responsibility of every team member. This requires that all levels work together to prevent accidents. The following duties have been established for each level to ensure compliance with all elements of the company's safety program.

Sleep Number's AWAIR program is managed jointly by the Associate General Counsel – Employee Relations and Corporate Safety and the Workers' Compensation Specialist (collectively the "Safety Management Team") with oversight by the Corporate Safety Committee. Responsibilities for implementation of Sleep Number health and safety programs are assigned as follows:

### A. Management

- Establish company safety policies and procedures.
- Actively promote and support safety policies and procedures.
- Direct and support the Safety Management Team and the Safety Committee in program execution.
- Review the safety program to ensure effectiveness.
- Allocate necessary funds, resources, and time to achieve program goals.
- Review progress in achieving safety program objectives.
- Support supervisors in enforcing safety policies and procedures.
- Hold supervisors accountable for maintaining a safe work environment.

### B. Supervisors

- Execute and maintain each element of the safety program including: training, safety inspections, accident investigations, and completing the first report of injury.
- Review progress in achieving program objectives with management. Consult with management to help establish company safety policies and procedures.
- Inform management and team members of any operational changes requiring modification of company policies and procedures.
- Evaluate and respond to reported hazards from team members.

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- Enforce safety policies and procedures using the established disciplinary system.
- Direct implementation of each element of the safety program, which may include:
  1. Compliance with safety rules and regulations.
  2. Safety training of company team members.
  3. Investigation of all workplace accidents.
  4. Completion of regular facility safety inspections.
  5. Maintain safety communication with all team members.
  6. Report all claims to the Safety Management Team, to any member of the Safety Committee, or to the Safety Committee mailbox at [safetycommittee@sleepnumber.com](mailto:safetycommittee@sleepnumber.com).
  7. Evaluation of program effectiveness.
  8. Identification, evaluation and control of workplace hazards through the Job Hazard Analysis (JHA) process as described in section 8 of this AWAIR policy and through the procedures described in section 12 regarding Accident, Hazardous Incident and Near Miss Investigations.

### **C. Safety Management Team**

- Request funding to maintain effective health and safety programs.
- Oversee and coordinate implementation of AWAIR program.
- Assist in the development of new team member orientation.
- Monitor program effectiveness, revising program as necessary.
- Evaluate and update AWAIR program annually.
- Conduct routine inspections.
- In conjunction with the Safety Committee, perform follow-up to verify problems are corrected promptly.
- In conjunction with the Safety Committee, oversee accident and incident investigations.
- In conjunction with the Safety Committee, oversee Job Hazard Analysis (JHA).

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- Oversee scheduling of health and safety meetings/training sessions.
- Encourage and reinforce team member participation in health and safety matters.

#### **D. Corporate and Local Safety Committee Members**

- Attend committee meetings on a monthly basis.
- Complete assigned tasks determined by committee (inspections, job hazard assessments, accident investigations, etc.).
- Post copies of minutes and solicit co-workers for suggestions and input.
- Communicate about safety issues and encourage safe behavior.
- On behalf of management, conduct annual survey of team member observations of hazards to ensure effectiveness.
- Recommend corrections and follow-up to be sure actions are taken.
- Respond to team member hazard reports within 48 hours.
- Adhere to the responsibilities set forth in the Safety Committee Charter.

#### **E. Sleep Number Team Members**

- Adhere to all company safety rules and policies.
- Actively participate in company safety activities and training classes as needed and provided by Sleep Number. Team members are paid when asked to perform safety activities and participate in safety training classes. Sleep Number maintains a zero tolerance policy against any form of retaliation for participating in good faith in safety related activities.
- Cooperate with all accident investigations and facility safety inspections.
- Maintain conduct in a reasonable and responsible manner to prevent injury to themselves and others.
- Assist in analysis of workplace hazards through Job Hazard Analysis.
- Participate as a member of the Safety Committee, when requested.
- Work according to good safe practices as posted, instructed and discussed.

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- Must use all safety devices provided for their protection, for example safety glasses and machine guarding.
- Report any unsafe situation or act to their supervisor or a Safety Committee member immediately and take immediate corrective measures if possible.
- In the event of any injury, report to the designated area for first-aid treatment. In all cases, the team member or supervisor shall report and/or record all accidents.
- Maintain a clean and safe work area.

## **7. Hazard Analysis**

The Safety Management Team and the Safety Committee oversee implementation and maintenance of health and safety management programs. The Safety Management Team and the Safety Committee will ensure that a Job Hazard Assessment will be completed for the most hazardous job functions throughout the operation. Routine facility audits and program reviews are conducted to verify compliance or identify hazardous conditions and work practices.

## **8. Job Hazard Analysis**

### **A. Policy**

Management and supervisors will be responsible for completion of the Job Hazard Analysis (JHA) on their job functions. Management, supervisors, and team members should actively assist in this process due to their familiarity with the job steps, hazards, and control measures needed. A JHA is an important accident prevention tool. It helps to identify hazards and eliminates or minimizes them, making a job task safer to perform. Our JHAs can also be used to develop specific safety rules, special training programs, and provide orientation for new team members. The JHA form appears at the end of the AWAIR Policy at Appendix A and on the company's Safety intranet site.

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## B. Procedures

When performing a JHA, the following elements should be considered:

1. A JHA should first be completed on all high hazard jobs.
2. Next, a JHA should be completed on jobs that have an actual or potential high frequency or severity of hazards.
3. After the jobs have been identified, look at the individual job steps/tasks, concentrating on the high hazard/key steps/tasks.
4. Attain team member, team leader, and lead person input.
5. Note the safety controls in place and determine if they are adequate.
6. Add controls that are needed to reduce/eliminate hazards.
7. Develop job guidelines, controls, and safety measures.
8. Include these preventative measures in rules/regulations and training programs.

## 9. Work Area Inspections

### A. Policy

It is Sleep Number's goal to have all team members involved in and responsible for the health and safety of their work area by actively engaging in the company's safety training programs, audits, inspections, and investigations. The primary purpose of the work area inspection is to detect potential hazards so they can be corrected before an accident occurs. The facility will be inspected by all team members during the course of their work using continuous, ongoing inspections, and interval inspections. This will help in achieving the goal of having each individual vigilant and alert to any condition with accident potential and willing to initiate corrective action, as well as, establishing accountability for the role of management, supervisors, and individual team members in the safety program. Team members have a right to observe any safety monitoring, access pertinent safety information, and receive results of their workplace audits and inspections.

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## B. Procedures

- The frequency of the inspections will be determined by:
  1. Loss severity of the problem
  2. Potential for injury to team members
  3. Injury history
  4. Monthly/Seasonal
- Each location's designated inspector will conduct inspections weekly to seasonally.
- Inspectors will use the designated checklist when conducting the inspection.
- When deficiencies are noted on the inspection checklist, corrective action must be taken.
- The safety work order should be used if repair work is required on equipment or a work area.
- Failure of anyone to obey safety rules should be reported to the appropriate manager or supervisor.
- The inspection reports will be reviewed by the Safety Management Team/Safety Committee to ensure corrective action is taken and any required changes to procedure, programs, policies, etc., are made and communicated.
- Proper documentation is a must! Work orders, repair bills, and invoices should be attached to the inspection forms as part of the documentation process.

## 10. Report of Unsafe Conditions

Any person including team members, supervisors, vendors, and outside contractors have the responsibility to immediately report any suspected or actual unsafe condition, safety hazard, unsafe work practices, or unsafe/hazardous equipment to their manager, to any member of management, or any member of the Safety Committee via verbal communication or by the use of the "Report of Unsafe Condition" form located at Appendix B at the end of the AWAIR Policy and on the company's Safety intranet site. If the report is made verbally, it must be documented by the team member's supervisor.

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All reported unsafe conditions, safety hazards, unsafe work practices, or unsafe equipment will be immediately investigated by the immediate supervisor/manager. The manager will oversee the investigation, ensure corrective action is taken, and will report the issue to the Safety Committee. Once corrective action has taken place, the team member who identified the unsafe condition will be notified of the action taken. All reports of unsafe conditions, safety hazards, unsafe work practices, and unsafe equipment will be reviewed by the Safety Committee at every meeting.

Team members have the right to refuse to do a job if you believe in good faith that you are exposed to an imminent danger. "Good faith" means that even if an imminent danger is not found to exist, you must have reasonable grounds to believe that it did exist.

The right to refuse to do a task is protected if **all** of the following conditions are met:

- Where possible, you have asked your manager to eliminate the danger, and he/she failed to do so; **and**
- You refuse to work in "good faith." This means that you must genuinely and reasonably believe that an imminent danger exists.; **and**
- A reasonable person would agree that there is a real danger of death or serious injury; **and**
- There isn't enough time, due to the urgency of the hazard, to get it corrected through regular enforcement channels, such as requesting an OSHA inspection.

When all of these conditions are met, you take the following steps:

- Ask your manager to correct the hazard;
- Ask your manager for other work;

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- Tell your manager that you won't perform the work unless and until the hazard is corrected; **and**
- Remain at the worksite until ordered to leave by your manager.

Sleep Number maintains a zero tolerance policy against any form of retaliation for making a good faith report of a potential workplace hazard.

## 11. Safety Rules

### A. Policy

These guidelines and safety rules have been developed to ensure a safe working environment for all team members. General safety guidelines apply to all personnel. Additional guidelines may be applicable for certain job functions. Knowledge of and adherence to these guidelines is the responsibility of each team member. All team members will be provided with a copy of the applicable safety guidelines during orientation. At that time, the team members should sign the New-Team member Orientation Form, stating they understand and agree to comply with safety guidelines. Failure to adhere to these rules and regulations may result in disciplinary action. Company Safety Rules are categorized as follows:

### B. General Safety Rules

- Housekeeping in work areas should be kept neat, orderly, and free of obvious physical hazards.
- All workplace injuries or accidents must be reported to your team leader immediately.
- Any unsafe act or condition should be reported to your team leader at once.
- Horseplay is strictly prohibited.
- If a load is too heavy or awkward, get assistance or use a mechanical lifting device.
- Obey all safety instructions and warning signs.
- Physical violence against another team member, visitors, equipment, building, and oneself is strictly prohibited.
- Proper personal protective equipment (PPE) must be worn in all designated areas.
- Smoking is allowed in designated areas only.
- Use or possession of controlled substances or alcohol on the job is prohibited.

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### **C. Cylinders**

- Gas cylinders shall have contents clearly identified.
- Leaking or defective cylinders must be promptly removed from the work area and repaired as soon as possible. The cylinders should be tagged and/or isolated for repair.
- Cylinder valves must be protected with caps or guards when not in use.
- Cylinders must be secured in an upright position at all times and chained or braced securely.
- When using air nozzles, only use an OSHA-approved type with an air pressure restrictive device to limit pressure to thirty (30) psi.
- When using compressed air for cleaning any job, be sure other team members are not exposed to flying particles or dangerous vapors. Proper personnel protective equipment (PPE) shall be worn.
- Using the compressed air to clean yourself off is strictly prohibited.

### **D. Electrical**

- All electrical wires must be considered as being "live" until it is positively known the wires are dead.
- The use of extension cords for permanent equipment is not allowed.
- All portable electrical tools must be grounded with a three (3)-wire circuit.
- Avoid contact with high voltage circuits.
- Be sure that electrical cords are not wrapped around any pipes.
- Do not depend on rubber gloves or insulated handles of tools to work on live wires.
- Only authorized team members are permitted to do electrical maintenance work.

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**E. Fire Safety**

- Do not use an open flame heat device in confined or enclosed structures. Vent heaters to the atmosphere and make sure they are located an adequate distance from any combustible walls, ceilings, and floors.
- Have fire extinguishers available at all times when utilizing heat-producing equipment such as welders, gas torches, or portable heaters.
- Familiarize yourself with the exit routes from your workstation so they can be used in an emergency.
- Become familiar with the location of firefighting equipment in the work area and have knowledge of its use and application.
- Never return a used fire extinguisher to its holder. Return the unit to the maintenance shop for recharging.
- Report all fire hazards to your supervisor as soon as possible.
- When utilizing heat-producing equipment, make sure that the area is clear of all combustible materials.
- In the event of a fire, immediately call 911, followed by plan and evacuation procedures.

**F. Flammables**

- Keep open flames or sources of ignition away from areas of use or storage of flammable or combustible liquids.
- Proper ventilation should always be provided where flammable or combustible liquids are used or stored.
- Storage of flammable or combustible liquids should be in Underwriters Laboratory (U.L.). listed safety cans, safety cabinets, or approved storage rooms, depending on liquid type and volume. (Refer to NFPA standards for specific information.)

## G. Ladders

- All team members are obligated to check to see that ladders are free from defects prior to use.
- Report any problem to your supervisor at once.
- All catwalks shall be provided with forty-two (42) inch handrails, mid-rails, and six (6) inch toe boards.
- Always face the ladder when ascending or descending.
- Do not slide down a ladder.
- Do not work or stand on the top of the ladder.
- Make sure a ladder is long enough for the job prior to the start of the project.
- Metal ladders should not be used for electrical work.
- The base of a ladder must be one-quarter (1/4) of its height out from the wall.
- When on a ladder, do not over reach, as the ladder may roll or slip from under you.

## H. Manual Material Handling

- Always obtain help for heavy or awkward lifting projects.
- Use mechanical assistance such as overhead hoists, pallet jacks, forklifts, or two wheel carts whenever appropriate.
- Warm up by stretching back and related muscles before any lifting activity, especially when first starting your shift or after an extended time away from normal job duties.
- When lifting heavy objects alone, remember to: Lift with your legs, **NOT YOUR BACK!**
  - Start by bending your knees, keep the load close, grasp firmly, and lift with your legs. Don't use jerky motions and avoid twisting your back.
- Do not overload two-wheel hand trucks.
- Do not pile a load so high that it blocks your view when transporting it on a cart or dolly.

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- Always use a cart or truck specifically designed to handle drums and barrels.
- Hand trucks should be pushed, not pulled!
- Make sure the load is stable by putting the weight on the axle, not on the handle.
- Put the handle up and lower the forks when you leave an empty hand truck so that it won't be a tripping hazard.

## **I. Machinery**

- All belts, couplings, gears, and flywheels must be properly guarded. Guards should never be removed while the machine is in operation. When taken off for maintenance, they should be immediately replaced after completion before taking off the lockout/tagout tags or locks.
- Before starting machinery, be sure proper warning signals have been given and acknowledged.
- When working on or repairing any machinery, the company-approved lockout/tagout procedure must be followed.
- Beware of pinch points. Keep fingers and hands out of pinch areas.
- Do not operate any equipment unless all protective guards are in place.
- Do not start any machine unless you know how to stop it.
- Only team members authorized to do so may operate machines.

## **J. Office**

- Never overload electrical sockets.
- Space heater must be turned off when leaving work area and they must have a safety trip switch.
- Approach closed doors with caution and open slowly - someone may be on the other side.
- File cabinet drawers must be opened and closed one at a time, using the drawer handles only.
- Floor spillage must be cleaned up promptly to prevent accidents.

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- In the event of an emergency evacuation, use the stairwells to exit the building – never use elevators.
- Never lean back on a chair or to any position that would compromise the stability of the chair.
- Walk, never run or slide, when crossing floors.
- When using stairways, always take one stair at a time, at a walking pace, and always use the handrail.
- Computer cables and cords must be confined
- Xerox-type duplicators must NOT be operated with the cover open, unless absolutely necessary. If the cover is open, do not look directly at the light source.

#### **K. Personal Protective Equipment**

- A full face shield shall be worn with operations such as heavy grinding, chiseling with an air tool or cold chisel, or cutting steel with an abrasive wheel cutoff saw.
- Eye protection shall be kept clean and free of dirt and damage, which could make visibility poor or lessen the strength of the protection.
- Gloves shall be worn when exposed to sharp materials and around chemicals, which could cause burns or irritation.
- Goggles or a full-face shield shall be worn when conducting operations exposing you to chemicals, which could burn or irritate eyes or skin.
- Hearing protection shall be worn when exposed to high levels of noise for extended periods of time.
- Personal protective equipment (PPE) is required when working in an area that exposes you to special hazards.

#### **L. Tools**

- Be sure that a power tool is off and motion stopped before setting tool down.

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- Disconnect tool from power source before changing drills, blades, bits, or attempting repair or adjustment.
- Do not use tools until you have been properly instructed and authorized to do so.
- Inspect electrical extension cords and other wiring to be certain they are properly insulated.
- Do not use frayed or damaged cords.
- It is imperative that the right tool is utilized for the job and that it is used in a correct manner.
- Keep tools in good working condition. Damaged, worn, or defective tools can cause injuries and shall not be used.
- Loose tools should not be carried in pockets, but in tool pouches.
- Never remove machinery or equipment guards without authorization.
- Never make repairs to tools or equipment unless authorized by your supervisor.
- Take special precautions when using power tools on catwalks. Maintain a good footing, use both hands, keep cords clear of obstructions, and do not over reach.
- Tools and/or equipment should never be thrown or dropped when being transferred from one working level to another.
- Tools should not be improvised or constructed except on specific authorization from a supervisor.

## **12. Accident, Hazardous Incident and Near Miss Investigations**

All hazardous incidents, near misses and accidents will be investigated and necessary corrective actions will be taken. The Safety Management Team, in conjunction with the Safety Committee, oversees health and safety investigations, including:

- Maintaining a log of all Incident Report Forms to report, document, and analyze all incidents.

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- Promptly reviewing hazardous incident and accident investigations that have been completed by the supervisor.
- Overseeing the implementation of corrective actions to prevent a repeat incident.
- Training supervisors on how to conduct investigations.

### **Definitions**

**Accident** - The National Safety Council defines an accident as an undesired event that results in personal injury or property damage.

**Incident** - An incident is an unplanned, undesired event that adversely affects completion of a task.

**Near Miss** - Near misses describe incidents where no property was damaged and no personal injury sustained, but where, given a slight shift in time or position, damage and/or injury easily could have occurred.

### **A. Policy**

The team member(s) involved and the supervisor must investigate the incident and determine the cause(s) and what actions (if any) are necessary to prevent recurrence. To accomplish this, the Team Member Incident Report Form and the Supervisor Incident Report Form must be filled out in detail. The Safety Management Team, management, and the Safety Committee will review each incident report form to determine cause and make sure corrective action has been implemented.

## B. Procedures

- The Team Member Incident Report Form and the Supervisor Incident Report Form are available at Appendix C at the end of the AWAIR Policy as well as on the company's Safety intranet site.
- Immediately after the accident, incident or near miss, or as soon as is medically possible, the team member/supervisor should write down, in detail, the events, conditions, and circumstances surrounding the accident. Include part of body affected and the type of accident (slip/fall, struck by, etc.).
- Fill in the injured team member's name, date, and time of the occurrence, and location where it occurred. Indicate any witnesses and attach their statement.
- Provide a detailed description of the occurrence, as well as any identifiable cause(s), in the explanation section.
- Based on any causes listed above, indicate what actions can be taken to prevent a recurrence of this type of incident.
- If faulty equipment or materials caused the accident, note if a work order (see Facility Inspection section) was submitted. Indicate who is responsible for completing the work and when the work is to be completed.
- If the incident was caused by a personnel deficiency, any disciplinary actions determined will be completed as soon as possible, and verified by a follow-up procedure.
- The team member involved and the immediate supervisor must sign their respective completed form.
- All Incident Report Forms will be reviewed by the Corporate Safety Committee to determine if corrective action is necessary and has been implemented.

## 13. AWAIR Communications

### A. Policy

An essential element of our safety program is good communication. This will be accomplished in a variety of ways. Our goal is to keep team members informed and to

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encourage their participation and cooperation with company safety policies and procedures. Sleep Number feels it is the responsibility of all team members to report safety concerns they may have and are encouraged to speak up about their health and safety on the job. All team member safety concerns will be given the highest priority by management, the Safety Management Team, and the Safety Committee.

## **B. Methods of Communication**

The following methods will be used to keep team members informed of issues affecting their safety and health. All are described in more detail in the specific sections:

1. Safety Committee (safetycommittee@sleepnumber.com)
2. Safety Suggestion System
3. Team Member Handouts
4. Departmental/Company Training Sessions
5. Postings on Company Intranet, including Safety Committee Minutes
6. Interaction with Supervisors, Management and Safety Committee Members
7. Posters and Signs

## **14. Corporate and Local Safety Committees**

### **A. Policy**

An important element of our workplace safety program is having an effective Corporate Safety Committee as well as local Safety Committees for each business unit and/or location where logistically practical and possible.

Our Corporate Safety Committee shall be comprised of representatives from every business unit as well as other key personnel who have responsibility for safety company-wide. At least one member of each local Safety Committee shall be represented on the Corporate Safety Committee.

## B. Objectives

- **Set a Good Example** - Members must maintain safe work practices and a positive attitude towards safety.
- **Review Safety Inspections.** All workplace hazard inspections will be reviewed by the local Safety Committees for input and recommendations. The unsafe acts and conditions identified should be discussed and assignments made to correct the problem. It is important to verify that corrective action has been taken promptly, so that these problems do not contribute to future accidents and injuries.
- **Report Unsafe Acts/Conditions** - Members must lead the way in informing management/supervisors of workplace hazards at all times. This should be done formally in writing as well as immediate on-site discussions.
- **Review Incident/Accident Reports-** Once a Team member and Supervisor Incident Report is completed; the local Safety Committee will review the report for completeness and clarity. The main goal is to ensure that proper corrective steps are taken to prevent recurrence of a similar accident. If preventive actions are not adequate, the committee should recommend additional or alternate control measures.
- **Hold Monthly Meetings** – Corporate Safety Committee meetings should be conducted on a monthly basis. The Chair of the Corporate Safety Committee will have the following duties:
  - i. Set the date for the meeting.
  - ii. Document the meeting activities.
  - iii. Review safety inspections.
  - iv. Gather/review accident reports prior to the meeting.
  - v. Inform management of the Corporate Safety Committee activities.
  - vi. Develop method of selecting the committee members.
  - vii. Make assignments to the members.
  - viii. Keep the meeting on track to ensure problems are solved.

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- **Act on Team Member Safety Suggestions** - Make a concerted effort to resolve/correct safety concerns raised by fellow team members and give feedback to the person(s) concerned.

### **C. Corporate Safety Committee Member's Responsibilities**

- Attend all scheduled Corporate Safety Committee meetings.
- Facilitate the communication of workplace safety and health policies and procedures to Sleep Number Brand Ambassadors.
- Review selected workers' compensation and business insurance claims on a concurrent and retrospective basis to ensure that claims are managed in a manner that is aligned with Sleep Number corporate goals.
- Serve as an advisory body to management on workplace health and safety issues.
- Develop, document and communicate injury prevention goals and objectives.
- Encourage feedback from all individuals with regard to workplace health and safety ideas, problems and solutions.
- Contribute to creating and maintaining a culture of workplace health and safety.
- Ensure compliance with all applicable state and federal laws relating to workplace health and safety.
- Make recommendations in regard to accident/injury investigations discussed in the Corporate Safety Committee Meeting.
- Make recommendations in regard to unsafe conditions discussed in the Corporate Safety Committee Meeting.
- Lead by example, by following all safety rules including the use of personal protective equipment (PPE).
- Be aware of safety issues in their work area.
- Report safety hazards found in their work area.
- Take reports from other team members in regard to safety hazards/concerns on the production floor.

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- Observe daily operations while being aware of safety issues, notifying team members in their work area of safety hazards, unsafe actions, and safety rule violations.
- Complete reports on near miss incidents occurring in their work area.

#### **D. Safety Committee Member Guidelines for Notifying Team Members of Safety Hazards, Unsafe Actions, and Safety Rule Violations**

If any Safety Committee member observes a safety hazard, unsafe action, or a safety rule violation, they will, at their discretion, talk with the person or persons involved with the safety hazard, unsafe action, or safety rule violation. If the Safety Committee member is not comfortable with talking directly to the persons involved, they will immediately report to that person's supervisor in regard to the safety hazard, unsafe action, or safety rule violation. The supervisor will then have the responsibility to address the safety concern for that person or persons. If further action is required, the Safety Management Team will be notified of the safety issue. The Safety Management Team will then follow up with all team members involved in the safety hazard, unsafe action, or safety rule violation.

At the discretion of a Safety Committee member or supervisor, immediate action may be taken to prevent serious injury in any of our facilities.

All accident/injury reports, near miss reports, unsafe condition reports, and any safety concerns will be discussed at the monthly safety meetings.

### **15. Team Member Training**

Ongoing safety and health training will be provided for all team members in an effort to maintain the lowest accident/injury rate possible and to maintain compliance with applicable state and federal safety regulations. Accident prevention will be the number one priority and will be presented as a positive, desirable, and integral part of the everyday activity of every team member while on the job.

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Sleep Number will provide a systematic training program. The program will provide new team member orientation prior to any new team member starting a new job, ongoing on-the-job training, safety, and health training focusing on safety rules and requirements. Applicable state and federal regulations dictate training for several topics. All applicable required state or federal training will be completed as prescribed in the regulations.

## **16. New Team Member Orientation**

### **A. Policy**

It is essential that all new team members receive a thorough orientation of the facility, their job duties, potential hazards on the job, and their responsibilities related to our safety program.

### **B. Procedure**

Managers are responsible for the safety orientation of the team members in their department. This orientation must be completed on the first day of employment and must be documented using the New Team Member Safety Orientation Checklist. No team member may start on the job without first going through New Team Member Orientation. The New Team Member Safety Orientation Checklist appears at Appendix D at the end of the AWAIR Policy and on the company's Safety intranet site.

## 17. Enforcing Safe Work Practices and Rules

### A. Policy

To ensure safe work practices and that rules are consistently enforced, supervisors are trained in the progressive discipline procedure and oversee:

- Enforcing safe work practices and rules consistently among Sleep Number team members.
- Retraining team members if initial training appears to be ineffective.
- Enforcing and documenting progressive discipline program.

### B. Safety Policy Enforcement

- All Sleep Numbers team members are obligated to observe the safety rules. The following guidelines have been developed to ensure any corrective discipline that may be required is administered in a fair and consistent manner.
- Safety is everyone's responsibility. Failure to enforce the safety rules is in itself an infraction and will be treated as such utilizing corrective discipline to encourage behavioral change.
- All team members, including management and supervisors, participating in or condoning an unsafe act shall receive equal corrective discipline.
- The unsafe act performed and previous events shall determine the level of corrective discipline received, not the extent of injury or damage incurred.
- Documentation of corrective disciplinary actions and case interviews may become part of the team member's personnel records.

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- All documented corrective disciplinary action will be approved by the department manager to ensure consistent application of this policy.

## 18. Disciplinary Procedures

### A. Policy

The following procedures have been established to ensure that corrective action resulting from violation of company safety standards is administered in a consistent and systematic manner. Team members who fail to comply with company safety standards will be subject to disciplinary action up to and including termination. Sleep Number is not required to apply the steps below sequentially and reserves the right to apply the appropriate level of discipline that the circumstances warrant, including immediate termination. Supervisors will be trained on this procedure.

Disciplinary procedures must include the team member's immediate supervisor and manager approval, in consultation with Human Resources, and will be placed in the team member's file. The disciplinary steps are outlined below:

- **Step One:**

*Verbal Counseling* - Following the violation of established safety procedures, a discussion must be held with the team member in question, citing the inappropriate behavior and explaining any corrective action required. This must be documented in the team member's personnel file.

- **Step Two:**

*Written Warning* - Safety violations which are repeated require that a Written Warning Notice be given to the team member, clearly outlining the problem, and specifying corrective action. This warning shall be signed and dated by the team member and the immediate supervisor, with a copy placed in the team member's personnel file.

- **Step Three:**

*Suspension Without Pay* - Continued violation of established safety procedures, following a Written Warning Notice or serious violations, which demonstrate reckless behavior, may

subject the team member to a suspension of employment without pay. The reason for the suspension must be discussed with the team member.

▪ **Step Four:**

*Termination* - Repeated violations of company safety procedures or extreme violations may result in termination of employment.

Progressive discipline may, but does not necessarily have to follow the above steps. There can be circumstances causing the company to waive the above steps because of the severity of the act or actions. Termination requires the approval of management and must include the reason for the termination and is so documented in the team member's personnel file.

## **B. Injury Reduction Program**

On an annual basis, the Safety Committee will develop and propose injury reduction goals for the following business units:

- Headquarters
- Irmo and Salt Lake City Facilities
- Retail Stores
- Home Delivery
- Bedding Collection Fulfillment Center

The injury reduction goals are supported by senior management and will be documented, communicated to all team members and will be aimed at reducing or maintaining losses below industry averages. Results will be compared to criteria other than frequency and severity, such as production goals where applicable and team member populations. Loss results will be monitored by the Corporate Safety Committee and senior management.

Incentives. As a sign of support for the injury reduction goals, an award will be given by management to the business units above who meet or exceed their annual injury reduction goal.

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# **APPENDIX A**

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# Job Hazard Analysis (JHA)

<b>Department:</b>	<b>Job Title/Function:</b>
--------------------	----------------------------

**Equipment Used:**

**Chemicals Used:**

Description of Job Task	Potential Safety Hazards	Preventive Controls

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**Notes:**

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**PPE Requirements for Department:**

**Date Assessed:**

**Assessor:**

# **APPENDIX B**

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# Report of Unsafe Condition

Date: \_\_\_\_\_

Dept.: \_\_\_\_\_

Location: \_\_\_\_\_

**Safety Concerns**

Unsafe Condition:

Recommendations:

Action Taken:

**Follow-up**

Date: \_\_\_\_\_

Supervisor/Manager: \_\_\_\_\_

Follow-Up Action: \_\_\_\_\_

\_\_\_\_\_  
Team Member Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Supervisor/Manager Signature

\_\_\_\_\_  
Date

# **APPENDIX C**

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# Team Member Incident Report Form

**Instructions:** Team members are to complete the entire Team Member Incident Report Form and submit it to his/her Supervisor as soon as possible following the incident.

**Check the boxes that apply:**

- On the job injury/illness
- Motor vehicle accident
- Near miss incident (an unplanned event that did not result in injury, illness, or damage-but had the potential to do so.)

<b>First and Last Name:</b>		<b>Today's Date:</b>	
<b>Job Title:</b>		<b>Date of Incident:</b>	
<b>Hire Date:</b>		<b>Time of Incident:</b>	
<b>Contact Phone Number:</b>		<b>Time Shift Started:</b>	
<b>Location of Incident:</b>			

<b>Injured Body Part(s):</b>			
<b>If Vehicle Incident, Describe Vehicle Damage:</b> <i>(attach photos if applicable)</i>			
<b>Witness Names:</b> <i>(for HD Techs-include name of partner-check box if partner is a temporary team member:</i>			
<input type="checkbox"/>			
<b>Will you seek/have you sought Medical Attention?</b>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Unsure
<b>If Yes, provide Phone, Name, Address of Medical Provider:</b>			

<b>Describe in detail the events leading up to the incident and what happened, and any identifiable cause(s):</b> <i>(attach photos if applicable)</i>			
<b>What can be done to prevent this incident from reoccurring?</b>			
<b>The above statements are true to the best of my knowledge.</b>	<b>Team Member Signature:</b>	<b>Date:</b>	

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# Supervisor Incident Report Form

**Instructions:** Supervisors are to review and discuss the incident with his/her Team member, complete the entire Supervisor Incident Report Form and submit it to the Workers' Compensation Specialist immediately upon receipt. Even if the supervisor is not yet in receipt of the Team member Portion of the report, the Supervisor should still complete his/her portion and submit it to the Workers' Compensation Specialist upon being notified of the incident. The Workers' Compensation Specialist will file the claim with the Third Party Administrator. Keep a copy for your records.

**Check the boxes that apply:**

- On the job injury/illness
- Motor vehicle accident
- Near miss incident (an unplanned event that did not result in injury, illness, or damage-but had the potential to do so.)

<b>Your Name:</b>		<b>Date of Incident:</b>	
<b>Name of Team Member involved in Incident:</b>		<b>Your Phone:</b>	

<b>Describe the incident as reported to you:</b>	
<b>Witness Names:</b> <i>(for HD Techs-include name of partner-check box if partner is a temporary team member)</i>	<input type="checkbox"/>
<b>Provide any additional information for which you are aware:</b> <i>(attach photos if applicable)</i>	
<b>Are you questioning the validity of the incident from your Team member's statement?</b> <b>Please explain:</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>What corrective action will/have you performed to prevent this incident from reoccurring?</b>	
<b>Date of corrective action:</b>	
<b>The above statements are true to the best of my knowledge.</b>	<b>Supervisor Signature:</b> _____ <b>Date:</b> _____

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# **APPENDIX D**

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# New Team Member Safety Orientation Checklist

Team Member's Name: \_\_\_\_\_

Department: \_\_\_\_\_

Job Function: \_\_\_\_\_

Date Hired: \_\_\_\_\_

This checklist is a guideline for conducting team member safety orientation for new team members. Once completed with the orientation the team member and supervisor or trainer must sign the orientation sheet. The signed orientation checklist will serve as documentation that INITIAL SAFETY TRAINING has taken place.

- |  |  |
|--|--|
| <p><input type="checkbox"/> 1. General overview of company operations, procedures, and methods as they relate to the specific jobs and duties of team members.</p> <p><input type="checkbox"/> 2. Company Safety Program (AWAIR)</p> <p>A. Initial orientation</p> <p>B. Team member responsibility for safety</p> <p>C. Right to access safety information</p> <p>D. Location of safety manual, policies and information</p> <p>E. Right to refuse or stop work in good faith with no reprisal</p> <p>F. On-the-job training</p> <p>G. Accident reporting and investigation</p> <p>H. Function of Safety Committee</p> <p><input type="checkbox"/> 3. Lines of communication and responsibility of immediately reporting unsafe work conditions/acts, accidents and hazards.</p> <p>A. Sleep Number Accident/Injury reporting policy</p> <p>B. Sleep Number Auto accident reporting policy</p> <p>C. Report of Unsafe Conditions form</p> <p>D. Accident/Incident form</p> <p><input type="checkbox"/> 4. Company Safety Rules</p> <p>A. General Company safety rules</p> <p>B. Department safety rules</p> <p>C. Driving safety rules</p> <p><input type="checkbox"/> 5. Emergency Action Plan</p> <p>A. Emergency evacuation</p> <p>B. Use of emergency equipment</p> | <p><input type="checkbox"/> 6. First Aid Supplies</p> <p>A. Call 911 for emergencies</p> <p>B. Location of first aid kits and other items</p> <p>C. First responders</p> <p><input type="checkbox"/> 7. Job Hazard Analysis</p> <p>A. Potential hazards</p> <p>B. Required personal protective equipment (PPE)</p> <p>C. Optional PPE</p> <p><input type="checkbox"/> 8. Hazard Communication</p> <p>A. Chemicals used</p> <p>B. MSDS</p> <p>C. Labeling</p> <p>D. Chemical Safety</p> <p>E. Chemical storage</p> <p><input type="checkbox"/> 9. Back Injury Prevention: Proper lifting techniques</p> <p><input type="checkbox"/> 10. Lockout/Tagout</p> <p>A. Purpose</p> <p>B. Requirements</p> <p>C. Equipment available</p> |
|--|--|

NOTE: DO NOT CHECK OFF AREAS THAT WERE NOT COVERED. The signature below documents that the team member safety orientation has been completed, and the above topics have been discussed to the satisfaction of both parties, and that both the supervisor/trainer and the team member accept responsibility for maintaining a safe and healthful work environment.

Team Member Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Supervisor Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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