Rogers Group History

- Founded 1908, Bloomington, Indiana by Ralph Rogers
- Grew with nation’s interstate system, infrastructure growth
- Privately held by Ralph Rogers’ descendants
Rogers Group Facts

- Sixth largest crushed stone producer in the US
- Operations in five states: IN, KY, TN, AL, AR
- 1600 employees
- Core businesses - crushed stone, asphalt & asphalt construction
- Other businesses - block & masonry
- Annual sales - $350,000,000
Safety 1900
Rating organizational Safety Culture.

WORLD CLASS

Progressive

Traditional

Quiet  Equal

Transparent

Integrated

Line/Staff
Quick Fix

Symptoms
Blood
Behavior/
Committees

Conflict
Cycles
Conditions
Programs

High
Insurance
Much
Statutory
Costs
Adversarial
Excessive
Employee

Losses
Relations
Litigation
Ignorance

Safety Without Any Management Process
SWAMP
(Safety Without Any Management Process)

SAFETY RESPONSIBILITY: Not Recognized/Rejected
PERCEIVED: As a “Burden”

MANAGEMENT CHARACTERISTICS:

- Accidents are Accepted - C.O.D.B.
- Production Compromised by Safety
- Planning - Minimal; Reactive; Short Term
- Adversarial Relationship - Ops vs Safety
- Lacking HR Policies/Procedures
- One Way Communication - Fear Based
- My Way or The Highway
- “Make Do/Make Fit” Approaches
- Minimal Employee Involvement/Interaction

ORGANIZATIONAL IMPACTS:

<table>
<thead>
<tr>
<th>Negative Business Impact</th>
<th>Excessive Losses</th>
<th>Poor Employee Relations</th>
<th>Statutory Ignorance</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Insurance Cost</td>
<td>Poor Injury Rates</td>
<td>Blame Others</td>
<td>Citations</td>
</tr>
<tr>
<td>Less Competitive On Bids</td>
<td>High Frequency</td>
<td>Them vs Us</td>
<td>Repeat Violations</td>
</tr>
<tr>
<td></td>
<td>High Severity</td>
<td>Labor vs Management</td>
<td>Complaints</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No Company Loyalty</td>
<td>Litigation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Morale Very Low</td>
<td></td>
</tr>
</tbody>
</table>
TRADITIONAL

SAFETY RESPONSIBILITY: Not Understood (Staff Function)
PERCEIVED: As a “Cost”

MANAGEMENT CHARACTERISTICS:

• Accidents are “Excused” Away
• Recognized Problems - Unwilling/Unable to Solve
• Programs/Campaigns - Short Lived
• Fix the Symptoms, Not the Cause
• Results (Only) Measured – Results Driven
• Not Quite Sold - Willing To Go Halfway (Easy Road)
• Likes “Off the Shelf” Canned Programs
• High Visibility - Many Labels - Little Results
• Authority Conflicts - Passive Resistant
• Line “Accountability” Lacking/Inconsistent
• Expect Safety Department to Run Safety
• Go Through Motions

ORGANIZATIONAL IMPACTS:

Blood Cycles Set up for Failure Quick Fix Programs
Inspection Heavy Committees = Gripe Sessions Reactive Management
Supervisors Ignore Safety Directives Employees Reject Changes
Repetitive Conditions
WORLD CLASS

SAFETY RESPONSIBILITY: Line Management Owned/Driven
PERCEIVED: As a Good Business “Investment”

MANAGEMENT CHARACTERISTICS:

• Accidents Are Intolerable - There Are No Excuses
• Safety Isn’t Safety - Its Management Effectiveness
• Decisions - Time Consuming and Difficult
• Planning - Long Term - 3 to 5 Years
• Responsibilities & Expectations - Clearly Defined And Accepted
• Management Personnel are Personally Involved
• Line Accountability is Standard Practice
• Safety Has a Sense of Urgency

• No “Glitz” or Hype
• Employee Centered – Win/Win
• Communication - Informal, Open, Encouraged
• Efforts “Closely Measured” and Responded To

ORGANIZATIONAL IMPACTS:

<table>
<thead>
<tr>
<th>Positive</th>
<th>Good</th>
<th>Integrated</th>
<th>Equal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Impact</td>
<td>Employee Relations</td>
<td>Quiet</td>
<td>To Cost</td>
</tr>
<tr>
<td>More Business</td>
<td>Employee Morale High</td>
<td>“Safety” Loses Identity</td>
<td>To Quality</td>
</tr>
<tr>
<td>Employees Promote New Business</td>
<td>Safety Management</td>
<td>There is No “Program”</td>
<td>To Production</td>
</tr>
<tr>
<td>There Aren’t (m)any Accidents</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Results of Change
Injuries

<table>
<thead>
<tr>
<th>Year</th>
<th>Injuries</th>
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</thead>
<tbody>
<tr>
<td>FY'00</td>
<td>66</td>
</tr>
<tr>
<td>FY'01</td>
<td>56</td>
</tr>
<tr>
<td>FY'02</td>
<td>33</td>
</tr>
<tr>
<td>FY'03</td>
<td>22</td>
</tr>
<tr>
<td>FY'04</td>
<td>23</td>
</tr>
</tbody>
</table>
INJURY RATES & FY04 MILESTONE OBJECTIVE

Fiscal Year

Rate

'00 3.57
'01 3.07
'02 1.82
'03 1.37
'04 OBJ 0.99
'04 1.49
Injury Free Locations

2004 Fiscal Year

- Injury Free: 79
- Total Locations: 98
Injury Free Locations

- 79 of our 98 locations had no reportable/recordable injuries for Fiscal Year 2004 (April 03-March 04).
- These locations include Quarries, Asphalt Plants, Construction Crews, Sand & Gravel Operations, Shops, and a Block Plant.
Safety Policy Statement

We are committed to achieving a zero injury safety culture by implementing all Rogers’ safety principles without compromise.
SAFETY CULTURE

A “Culture” is defined as the shared values within an organization.
Safety Culture Principles:
- Management commitment
- Line responsibility for Safety
- Safety training
- Incident investigation and Countermeasure
- Audit Process
- Safety Committees
- JSA implementation
- Employee Involvement
Management Commitment
Line Responsibility
Safety Training
Reporting & Investigations
Safety Audits
Safety Committees
JSA Process
Employee Involvement
THANK YOU!
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