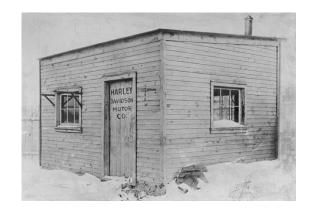




21 year old William S. Harley and 20 year old Arthur Davidson, with the help of Walter Davidson, built their first practical motorcycle in a wooden shed in the backyard of the Davidson home in Milwaukee, Wisconsin. The first machine, sold to Henry Meyer of Chicago, reportedly went 100,000 miles through a series of five successive owners without a major repair.





WHAT YEAR WAS IT?

1903

In 1957, Harley-Davidson created the bike that would boost the Company to stardom. This bike design is still in existence today.

What is the name of this bike?

The Sportster



WE FULFILL DREAMS OF PERSONAL FREEDOM

In 1973, Harley-Davidson motorcycle production is upgraded when all assembly operations are moved to a modern 400,000 square foot plant.

In which city and state is the plant located?

YORK, PENNSYLVANIA



WE FULFILL DREAMS OF PERSONAL FREEDOM

In 2008, the Harley-Davidson Museum was officially opened to the public.

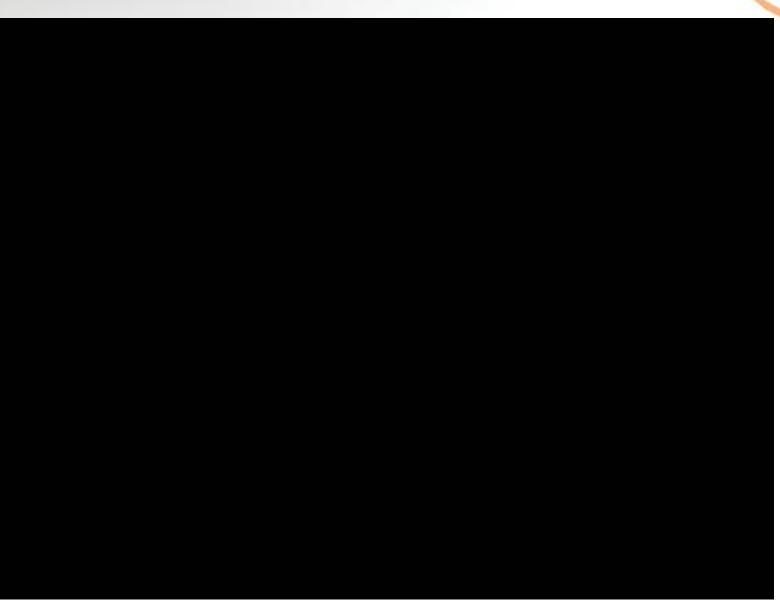
In which city and state is this Museum located?

MILWAUKEE, WISCONSIN



WE FULFILL DREAMS OF PERSONAL FREEDOM





HARLEY-DAVIDSON FULFILLS DREAMS OF PERSONAL FREEDOM



- 7 manufacturing operations
- 21 sales and marketing offices around the world
- 6,400 employees
- 89 countries through 1,458 independentlyowned dealers
- 118 new dealers opened over last 4 years





HARLEY-DAVIDSON HEALTH & SAFETY JOURNEY



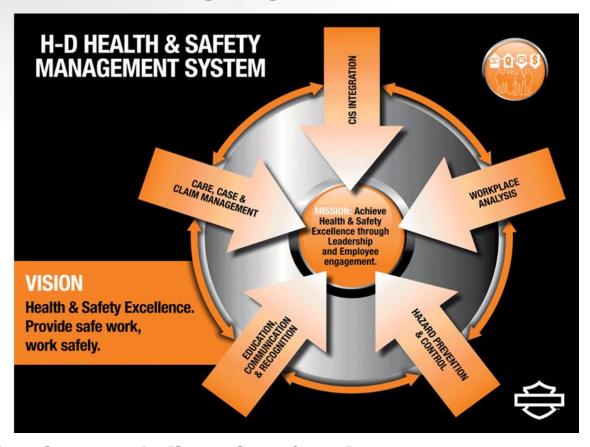
2009

- 1 in 12 employees were injured (recordable) on the job
- **\$6M of direct cost** was diverted from key investments related to Workers' Comp costs
- Employees were 4Xs more likely to get hurt at work than other industry employees
- Multiple violations cited by U.S., Brazil and Australian regulatory agencies
- Worst In Class Safety Performance



HEALTH & SAFETY MANAGEMENT SYSTEM





The organization and direction for the processes, procedures and standards for the management of Health and Safety at each Harley-Davidson facility



Proactively identify and assess all hazards so they can be appropriately managed. Includes changes to operations, processes, personnel, routine and non-routine activities.

JOB SAFETY RISK ASSESSMENT

(JSRA)



	RA Number:							I Safety Info				
	Date Prepared:						Require	d Training:			·	
	Prepared by:											
Risk Assessment (RA)	Process Area:						* Red	quired PPE:				
	Work Group:											
	Cell Number:											
	Job or Task Name:											
	Brass Tag Number(s):								Ļ		1	
								-				
		Pr	e-C	ontrol To	tal Score:	O			Post-Co	ntrol Tot	al Score:	0
				Hazard	Risk	Pre-control			. 00: 00:	Hazard	Risk	Post Control
Job Step	Potential Hazard	Hazard Cod	de**	Severity	Probability	Score	Actio	on to reduce	risk ¹		Probability	Score
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Low Risk	0-23											
Medium Risk	25-63											
High Risk	>64											
HAZARD SEVERITY	1 - Negligible - Near Miss, First Aid Only - not OS											
	2 - Marginal: Minor reversible injury / illness (lac									. loot do		
	3 - Major: May cause severe reversible injury / ill Correctible through long term care.	ness (iracture	85, St	iairis, spiaii	is, carpai turi	nei, etc) as	sociated w	work restric	tions and/o	r iost days		
	4 - Catastrophic: Death or extensive irreversible	niun//illness	(ami	outations th	nird dearee bu	rne bearin	a loss blin	dness)				
	4 - Catastrophic. Death of extensive ineversible	rijury / iiiriess	(aiii)	Julations, ti	ind degree bo	arris, ricarri	g 1033, Dill 1	uriess)				
RISK PROBABILITY	1 - Seldom / Unlikely - Low frequency of occurrer	ce (several ti	mes /	month or v	ear) or will no	ot occur						
	2 - Occasional - Medium frequency of occurrence (several times / week)											
		ikely - High frequency of occurrence (several times / day)										
	4 - Frequently - In contstant occurrenct throughout	ut the day or	during	operation	of equipment							
* PPE Assessment must be con												
** Ergonomic hazards are iden	tified by completing the EJMS.											

ERGONOMIC JOB MEASUREMENT SYSTEM (EJMS)



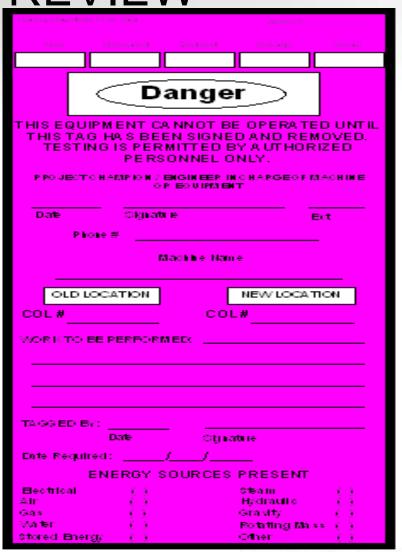
E	rgonomic 、	Job Measui	rement S	system	Date										
- Gray (shaded) boxes are the only inputs required for automatic calculation - Use Dropdown menus to insert proper score in (shaded) boxes - To start over or score a new job					II. Lifting Evaluation				10 pts. 20 pts.		Lifting Observations				
nstructions:	 Consider saving Return to this n 	this sheet as its ow naster sheet		e or copy sheet, click create a ters heet by hitting ctrl c to		▶ Weight of Load in Pounds (1)		6-15	16-25	26-35		Object Weight:			
Ergonomic E	xposure Level	Section I	Section I	I Eva	luator's Name	► Starting Load Position - SLP									
subtotal is ≥ <mark>50</mark> and/or r gh risk; •50 = Low risk	red elements, score =					inches from body center line (2)	1-9	10-11	12-13	14-16			\mathbb{R}	†	
-D Site			Process A	rea (assembly, paint)		Starting Load						<i>p</i>	رازاز) ع	ᄥ	
epartment				Rotation Group		Height-SLH inches above or below waist	<4	5-15	16-26	27-40		1/3		344	
ob				Hours Per Shift					1			SLP (17 (1).		
Posture/Force leck and Sho	e/Repetitive Mot ulder	ion Force	e Freq. Sco	Ле	ns and Job Factors	Lift/Lower Distance L/LD inches change in elevation	1-14	15-22	23-35	36-70			<u> </u>		
runk Twista	nd Bend		0	<u> </u>		Frequency lifts/minute	0.1-0.3 1 lift every 3.5-10 mins		1.1-3 - 1 lift every 20-55 secs.	3.1-10 (3) 1 lift every 6-19 secs.		K	ey Evaluation	Variable	s
图别			0			Body Twisting Angle in degrees	1-15	16-35	36-65	66-135		NOTE:	worst case" o		
rm and Elbow	/ Motion Primarilyus		0			Grip	Good	Fair	Poor			If Weight > 36 lbs			
/rist Bend	Primadiyuse	_				Distance Carried in feet	1-5	6-13	14-20	21+		If SLP Position \geq If duration \geq 4 ho			
lus C		Left Ben	C	<u>'</u>		II. Lifting Evalu	ation - T	otal			0	If the score is greater NIOSH Lifting Equation		d then eval	uate using th
inger/Hand N	Notion Primarilyused	d finger/hand													
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egs, Knees,															
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17 500						Front Side Score:			0	# of F	Red Elen	nents:			
ye Strain		score manually n E xamples below	0			Back Side Score:			0	# of F	Red Elen	nents:			
6	(Seer ye Suar	II L Adiripies Delow	"			If Applica	bleScore(s)	Strain Ind	lex Score	:		NIOSH Score:	Ц	RWL
Repetitive M	lotion/Awkward	l Posture -Tot	al 0		han <u>50</u> and/or red then evalua	Circle F	kisk Level			Nominal		Risk	Nominal		Risk
coring Matrix	F	requency		Eye Strain Examples	s Score	Evaluator Sign	nature:						Date	:	
		(FQ)		Lye Strain Examples	Score										
Force	Low 0	Mod High 5 10		ed vision with good illumination an intration requirements (e.g., compu		0 Bourstand On		**				mplete if Applicab			
(Fx)	Mod 5 High 10	10 15 15 20		ant focus on a fixed point (e.g., ins oor illumination and glare	spection). Intense focus required	5 Revaluated Or		d with permi	Previou ssion of David			he article "Ergonomic Job M	Back Page		rofessional Safe
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Apply effective control measures for the management of hazards and risks arising from designs, processes and activities.

EQUIPMENT INTRODUCTION REVIEW





	Danger	>						
THIS	THIS EQUIPMENT CANNOT BE OPERATED UNTIL THIS TAIG HAS BEEN SIGNED AND REMOVED. TESTING IS PERMITTED BY AUTHORIZED PERSONNEL ONLY.							
DISCON	NNECT SIGN-OFF	Date	Clock#					
Protection	hampion							
Beckicle	n							
Mechanic	<u> </u>							
Tool & Di	le							
Area Oup	ervisor							
CONNE	CTION SIGN-OFF	Date	Clock#					
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Mechanic	<u> </u>							
Tool & Di	le							
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Mainlena Mainlena Area Cup Cark ly Re Contracto	ър.		0 N/A					
Cafe ty Representative will inspect and remove lay after all required personnel have signed off. The signed off day goes with the EIR package and returned to the Maintenance Dept.								



Proactively educate, coach and communicate policies, roles and responsibilities and expectations for safe work. Recognize successes and safe behaviors.

EDUCATION



- New Employee Orientation
- Monthly Safety Meetings
- On-The-Job Training



WE FULFILL DREAMS OF PERSONAL FREEDOM

COMMUNICATION



Forecast

0.00%

13.10

145 (Regular)

216(Surge)

- Daily Start of Shift Huddles
- Weekly Rundowns
- After Action Reviews
- Safety Alerts
- Town Hall Meetings (Quarterly)
- Grass Roots Team Presentations

YORK WEEKLY RUNDOWN

or All York Huddle Leaders

Please convey the following in this week's huddles:

Safety Tip: Machine Guarding (Amy Stout)

Machine guards come in different forms. Review equipment and machines used to perform your job and check for five things before operating: 1) moving parts 2) broken guards 3) disconnected interlocks 4) proper adjustment of guards 5) proper operation of light curtain or area scanner. If any item(s)

is operating incorrectly, utilize your help chain immediately.

Dates to Know For This Week & Upcoming

Apr. 25: First quarter earnings released

Apr. 26: Direct hire Casual applications due

Apr. 28: March of Dimes/March for Babies event

May 1 & 2: Town Hall meetings

May 3: Pre-Prod (Second shift)

May 4: First shift OT production

New Model Launch Calendar Countdown: (Pat Gwinn)

As of 4/25, there are 67 days remaining until Model Year 2014 Launch (July 1)

MY14 Pre-Prod Update (Pat Gwinn)

- . Pre-Prod GIS cut over work to occur April 26 28
 - No second shift assembly April 26 & 27; resume normal operating schedule April 29
 - Area work schedules determined on case-by-case basis and will be communicated by supervisors and stewards
- · Pre-Prod scheduled for May 3 on second shift
- Last build before we launch MY14; 96 Touring, Softail, Trikes and CVOs will be built
 Confidentiality is crucial; any breach poses a serious risk to the Company and could impact MY13
- Confidentiality is crucial; any breach poses a serious risk to the Company and could impact MY1, sales and ultimately our jobs

Stretching Program (Amy Stout)

- Select rotation groups to participate in stretch pilot program beginning May 1; stretches specific to department and conducted during start-of-shift huddle
- Employees to attend training session prior to program; 60 day pilot during paid-work time

CI Card Reminders (Dave Muth and Greg Lincoln)

- Use CI cards located on CI Boards to address concerns (share immediate safety concerns with supervisor)
- . They provide the ability to visibly track progress and allow us to continue on CI journey

CI Fair (Dave Muth)

. Scheduled for May 8 in the cafe with information on CI projects; chances to win prizes

HR Update (Theresa Kwayi)

- Unauthorized access to Company property and/or allowing an unauthorized person to access Company property violates Plant Rule # 23
- Cigarette butts are being placed in trash receptacles and in other non-smoking areas; this poses fire hazard and violates Plant Rule #27 – smoking in non-designated areas

Bright Spot

- Successful CI Phase 1 Assessment; one criteria to pass the assessment was for 50% of the shop to be 5S'd, and 100% of our shop floor has already implemented 5S!
- · Cupcakes served in café during lunches on Thursday, April 25 to celebrate this achievement

Company Confidential

Harley-Davidson Proprietary Information.

Unexcused

Apr. MSDs YTD

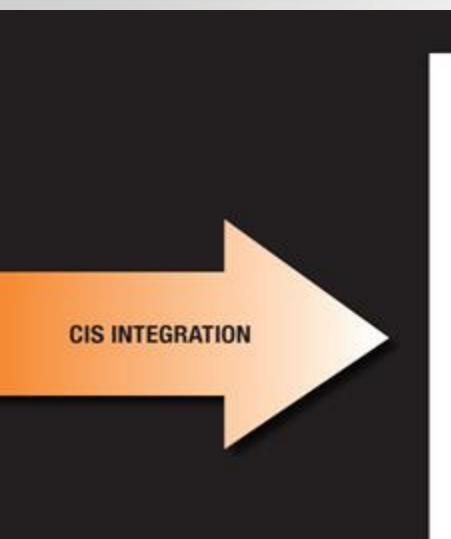
Apr. HPU YTD

Apr. Vehicle

Flex Employees Used

York 0-3% Adder Performance

12.99



Seamlessly integrate
Health & Safety
Management into
business planning/
processes. Set objectives
and monitor performance.
Audit process capabilities
and continuously improve.

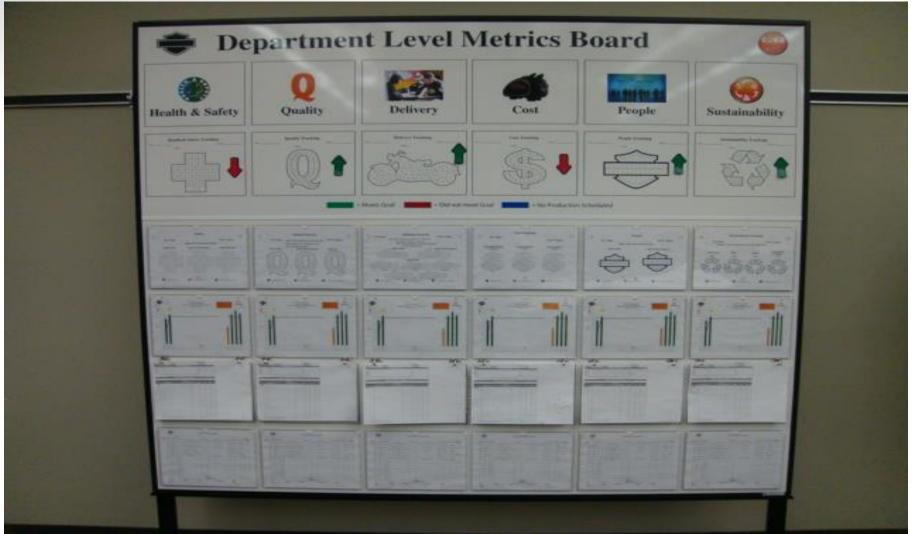
CONTINUOUS IMPROVEMENT BOARD





AREA METRIC BOARDS







Ensure all reported injuries receive the proper care and are aggressively managed to support value added work.



Ensure all
reported injuries
receive the proper care
and are aggressively managed
to support
value added work.

- Wellness Checks
- Root Cause Incident Investigations
- Health Care Clinics
- On-Site Therapy
- Fitness Centers
- Work Conditioning
- Return-to-Work
- Drug & Alcohol Policy







Health Center

- > Staffing Model:
 - Part time Physician
 - Full time Nurse Practitioner
 - Full time Case Manager
 - Full time Health Center Manager
 - Full time staff RNs & Medical assistant

> Services:

- Occupational medical care
- Periodic acute and episodic care
- Drug Testing
- Audiograms
- Biometrics
- Travel medicine







Physical Therapy Center

- > Staff:
 - Full to Part time Physical Therapist / Occupational Therapist
 - Full time staff Certified Athletic Trainers

> Services:

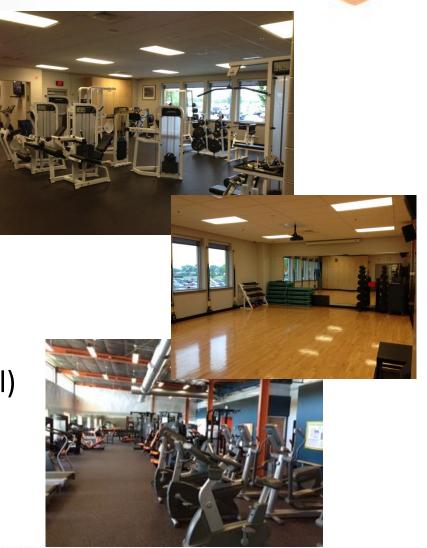
- Job coaching
- Stretching
- Ergonomic analysis
- Ice/Heat
- Massage therapy
- Taping
- o FFD, FCE, POETS
- Accommodation analysis for RTW







- Fitness Center
 - > Staff:
 - Full time Certified FitnessTrainers
 - > Services:
 - Work Conditioning
 - Personal training
 - Classes (group and individual)

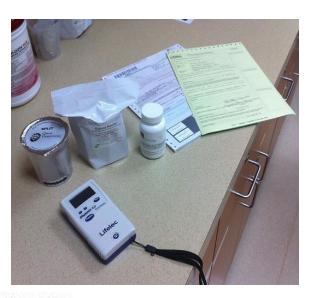




- Integrated programs
 - New Employee Process
 - Drug testing and medical assessment
 - Audio and visual testing
 - Post Offer Employment Testing (POET)
 - Work Conditioning

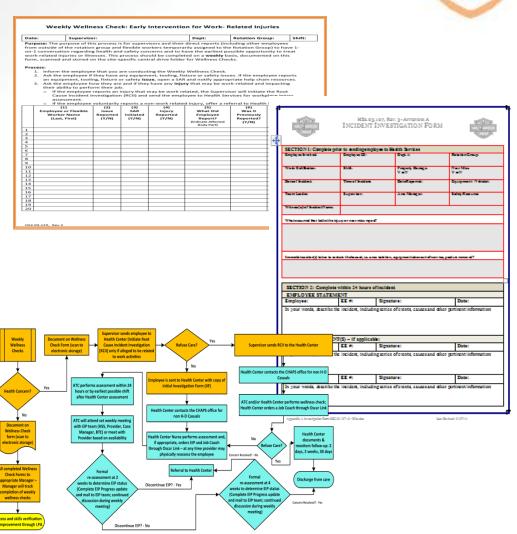






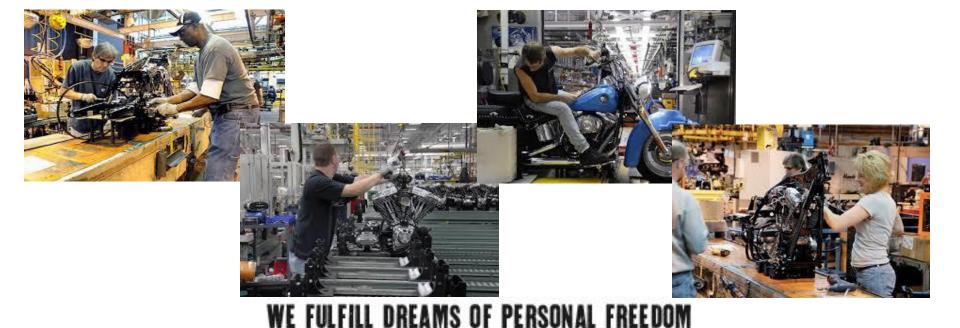


- Integrated programs
 - EarlyInterventionProgram (EIP)
 - Wellness Checks
 - Root Cause Incident Investigation (RCII)
 - Conservative care





- Integrated programs
 - Return to Work / Stay at Work Program
 - Program assessed by a third party and determined to be "Best in Class", however......
 - Our goal is to become more sophisticated and be "World Class"
 there is always room for improvement!





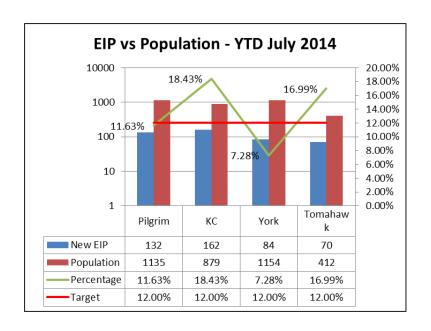
- Integrated programs
 - ➤ Partner Summit consistent with a long-term vision of moving toward an integrated Employee Wellness, Health, Safety & Productivity strategy:
 - Develop a culture of prevention and lifestyle competency
 - Reduce direct healthcare and Workers' Compensation costs
 - Increase the rate of employee compliance and engagement for improving their health status specifically as it relates to lifestyle related to diseases such as Diabetes, Hypertension, Obesity and Stress.

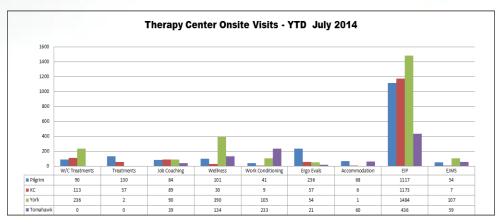


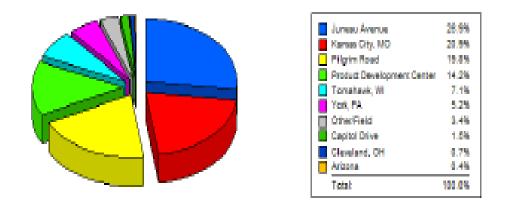
- Decrease the number and severity of Musculoskeletal Disorders (MSDs)
- Develop programs and services that allow employees to be well, present and productive
- Provide employees and their dependents with access to quality healthcare for necessary, preventative, acute and chronic care and/or provide coaching and support for those who need to navigate the complex healthcare system to achieve quality outcomes while minimizing time away from work



- Integrated programs
 - Metrics

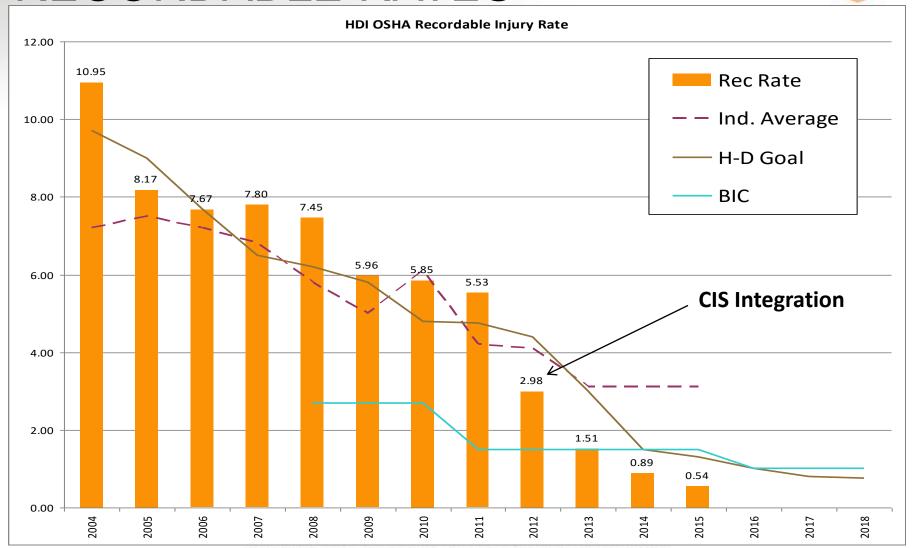






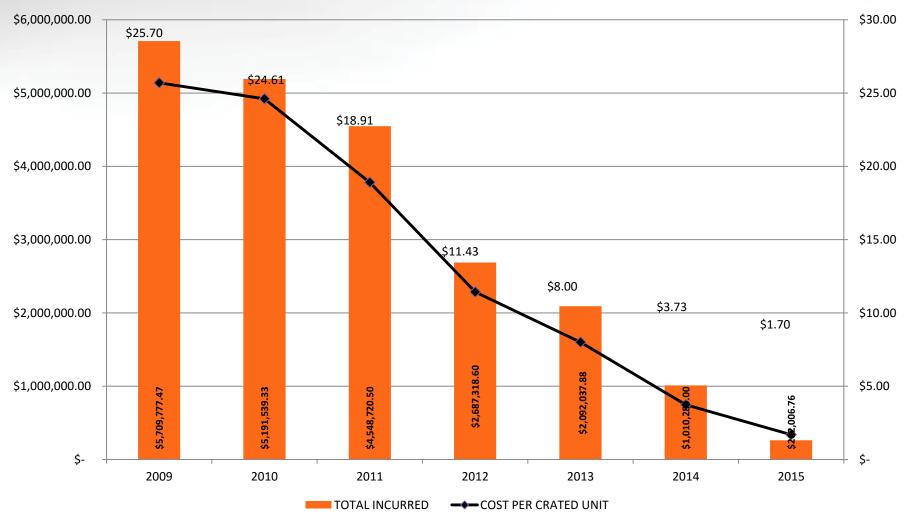
OUR PROGRESS: RECORDABLE RATES





OUR PROGRESS: WORKERS' COMP COSTS





HARLEY-DAVIDSON HEALTH & SAFETY JOURNEY

_eadership Commitment & CL



2009

- 1 in 12 employees were injured (recordable) on the job
- \$6M of direct cost was diverted from key investments related to Workers' Comp costs
- Employees were 4Xs
 <u>more</u> likely to get hurt at
 work than other industry
 employees
- Multiple violations cited by U.S., Brazil and Australian regulatory agencies
- Worst In Class Safety Performance

2014

- 1 in 100 employees were injured (recordable) on the job
- \$1M of direct cost related
 Workers Comp costs (\$4.2M of
 direct cost saved over last 5
 years)
- Employees were 2Xs <u>less</u> likely to get hurt at work than other industry employees
 - No Willful/Serious violations cited
- Best in Class Safety
 Performance



OUR COMMITMENT

100% Leadership Commitment

- Vision that all workplace injuries and illnesses are preventable
- Developed a center-led Health and Safety Team
- Implemented a strong global Health and Safety Policy
- Allocated additional expert resources for each manufacturing location such as Safety Specialist, Athletic Trainers, Fitness Trainers and Ergonomists
- Funded the build-out of onsite clinics staffed with Case managers, Nurses and Physical Therapists





BEST IN GALAXY!

HARLEY-DAVIDSON HEALTH & SAFETY JOURNEY



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2009

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 employees
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- Worst In Class Safety Performance

2014

1 in 100 employees were injured (recordable) on the job

\$1M of direct cost related Workers Comp costs (\$4.2M of direct cost saved over last 5 years)

Commitment

Everyone's

Employees were **2Xs**<u>less</u> likely to get hurt at work than other industry employees

No Willful/Serious violations cited

 Best in Class Safety Performance

2018

- **No** employees are injured (recordable) on the job
- Minimal Workers' Comp costs; reinvest savings into key business initiatives
- Employees are more likely to win the lottery than get injured at work
- Employees are safer, healthier, productive and more engaged
- **Best in Galaxy** Safety Performance; we are the industry leader in safety

HARLEY-DAVIDSON STRATEGIC FIVE YEAR PLAN



2014	2015	2016	2017	2018						
Continue to evolve & expand leadership commitment, individual capability and safety culture and apply appropriate resources as needed										
Expand ergonomic hypercare/hyperfocus program (Product Design for Manufacturing; Ergonomic Specialists)										
Further integrate health, wellness and productivity to effectively and proactively manage aging workforce and reduce overall healthcare costs (Industrial Athlete Program)										
Design and implement integrated global H&S technology platform (Project SHIELD) Develop predictive modeling/warning capability										
Develop industry fi	rst job rotation tool									
•	nent comprehensive ay-at-Work Program									
Implement internal a	udit program of HSMS									
CI the RCII process										

TAKE AWAYS



- Focus on our business strength of making the world's most sought after motorcycles – NOT running on-site clinics
- Outsourcing is not 100% "hands off", we still have ownership and accountability in the process – it is still OUR business to run
- Success is dependent upon being philosophically aligned with our strategic partners
- Innovative solutions and retrospection needed to manage the "opportunities" presented by a seasonal and maturing workforce

TAKE AWAYS



- Fail fast and be willing to change but not at the expense of changing too much too soon
- Metrics are key to "talk" to senior leadership help them understand; basically, what gets measured gets changed
- Talk the business language how does this help us/hurt us make bikes (at the end of the day we need to make bikes....)

QUESTIONS?



