

The CORESafety® Interview with Matt Pedersen-Howard

CORESafety® is the National Mining Association's (NMA) common safety and health framework that relies on a management system approach to improve safety and health performance at mining operations. The goal of **CORESafety** is to achieve zero fatalities and a 50 percent reduction in the rate of injuries in U.S. mining within five years – 0:50:5.

CORESSAFETY

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Matt Pedersen-Howard is Vice President of Health & Safety for Peabody Energy. In this role, he is responsible for implementing and integrating the National Mining Association's **CORESafety** framework with Peabody's Safety, A Way of Life Management System to achieve our vision of operating safe workplaces that are incident free. Other responsibilities include auditing, standardizing and monitoring best practices, developing an occupational health management system, supporting health and safety risk management, reporting and root cause analysis. Matt has more than 15 years of experience developing safety strategies and implementing health and global mining safety programs for companies, including ArcelorMittal and Rio Tinto. Matt holds a Bachelor of Engineering degree in materials engineering from the University of Wales Swansea and a Master of Science in engineering design from Loughborough University. He is a Certified Safety Professional and an active member of the National Mining Association **CORESafety** team.

1.) CORESafety: How did you get started in the mining industry, Matt?

Matt Pedersen-Howard: I took a bit of a roundabout way. After graduating with my Master's in engineering design, I started working as a graduate engineer in an aluminum smelter operated by Rio Tinto in North Wales, United Kingdom. That's how I started my journey, but I didn't work in a mining environment until working at the Rio Tinto-owned U.S. Borax facility in California.

2.) CORESafety: Tell us about your current position at Peabody Energy. What are your areas of responsibility there?

Matt Pedersen-Howard: I'm the Vice President of Safety and Health for Peabody. This entails setting the global direction strategy and framework, particularly as it relates to work with **CORESafety** – creating the structure to implement **CORESafety** including oversight to audit the H&S function.

3.) CORESafety: What does that look like for you on a daily basis?

Matt Pedersen-Howard: We spent a lot of time over the last 12-18 months implementing the standard itself, and providing our first round of site-based audits against the standard. We have also been building our Peabody Safety and Health Standards. These are really specific safety and health related requirements, pertaining to the higher risk activities that we do within Peabody, and relate across the mining industry at large. Things like isolation, working at height, confined space, and some of the health side of things around fitness for duty, and occupational health exposure. A lot of that has been development and we are working with the sites to act as a sounding board to really get alignment, and a good understanding, but also so we have some buy-in for long term sustainability of those standards.

4.) CORESafety: Peabody Energy is the largest private sector coal company globally. You've got operating assets in the USA and Australia; you're serving metallurgical and thermal coal customers in more than 25 countries. So this is definitely an international operation that we're talking about here.

Matt Pedersen-Howard: Absolutely. Peabody has an extensive history and the breadth and global reach of our operations provides an interesting dynamic of multiple continent exposure, and trying to ensure that we have something that fits the cultures of all of our operating entities.



5.) CORESafety: Tell me a little bit about the safety and health management at Peabody. Was there an existing safety program there before you implemented CORESafety, and how well did it integrate with CORESafety?

Matt Pedersen-Howard: Yes, there was an existing safety and health approach, a system, if you will. We've actually taken a pretty long, hard look in light of **CORESafety**, and of course, Peabody was involved in developing **CORESafety**. So we've taken a look at our management system, "safety and way of life management system," is what it's called, which aligns very nicely to **CORESafety**. In fact, it has the same fundamental key areas that would be referenced in **CORESafety**, that being leadership and organization, risk management relating to safety and health, and assurance. It's essentially functionally equivalent to that of **CORESafety**, but it's tailored to Peabody operations.

It's more prescriptive in certain areas, relating to what we do and our approach, and in some areas it goes beyond the **CORESafety** framework itself, but they integrate.

What we've done is just taken the Peabody lens and said, "This is how we're going to approach this particular piece of it," so it is essentially the same structure as **CORESafety**.

6.) CORESafety: At Peabody is there an active culture of safety? Is that a term that you guys use at all?

Matt Pedersen-Howard: There's absolutely an active safety culture – I realized that the first day I joined. Again, the question really came from how do you get that, in terms of the results you want, and I think that's the challenge.

How do we channel that energy into the right areas, and make sure that we're aligned correctly. The value of the **CORESafety** framework is it does generate that alignment structure that helps channel some of that energy.

7.) CORESafety: When you were at Rio Tinto, you played an integral role in spearheading the development of CORESafety, along with other leaders that were there.

Matt Pedersen-Howard: That's correct. Gary Goldberg, who was the head of the Rio Tinto minerals division at the time was an active member of the NMA and part of that CEO group that challenged us to develop a new model to drive continuous safety performance improvement. Peabody was chairing NMA at the time and was highly influential in getting the concept of a responsible care framework into the NMA. All of this allowed me to play a fairly expansive role related to the design of **CORESafety**. And we benefited by having experts from numerous companies like Barrick, Freeport, Consol, Peabody and of course, Rio, engaged in the effort.

8.) CORESafety: At that time, in companies like Rio and Peabody and others you might have had experience with, was there a general feeling within leadership that safety was an important path ahead that we had to pay a lot of attention to, or was that kind of just on the forefront of that?

Matt Pedersen-Howard: I think safety has been built into the key fabric and pillars of many organizations. Peabody and Rio are certainly two that I can speak to more intelligently than others, but I believe it would be the same in many, many organizations. I think there's been a long understanding that really to drive excellent results, you need to be excellent in all facets. You have to be excellent at safety, health, environmental stewardship, in terms of having not only the ability to operate, but also being able to do that in a way which is competitive.

Safety speaks for itself. You can't have a productive work environment where people are getting hurt. It costs money for people to get hurt, so I don't think there's ever been a question around the importance and fundamental need for a high performing safety and health performance. I think probably the bigger challenge has always been how do you make that happen, and how do you make it happen over the long term. That's really where you get into the discussion about the value of **CORESafety** – what are some of the benefits associated with **CORESafety** or a **CORESafety** style approach.

9.) CORESafety: Are there facets of CORESafety that you would point out and say, "This is definitely something that's worth paying attention to," and that if an organization or a company is NOT using a safety and health management system (SHMS) right now, that they should be?

Matt Pedersen-Howard: Absolutely. One of the things that really differentiates **CORESafety** from other traditional safety and health management systems, is its focus on culture and mechanisms to understand perceptions of employees, and things that may be causing the organization to not be able to achieve its potential. This is not necessarily typical with a safety and health management system.

So I think that's one of the things that does set **CORESafety** apart. I would strongly urge anyone who hasn't seen the framework to spend the time to do so. **CORESafety** can drive safety improvement – we're already seeing the results.

10.) CORESafety: Mining companies seem to be putting more and more emphasis on strong leadership, in terms of improving safety cultures. You mentioned that earlier. Is that, from your standpoint, something you see as a necessary requirement to drive toward this goal that we have of 0-50-5, in terms of zero fatalities, and a 50% reduction in the next five years of significant injuries. Does that have to start from the top down? Is that the integral piece of all this?

Matt Pedersen-Howard: Leadership is fundamental. Leaders define, drive and shape culture. Culture is integral in determining whether we have safe, healthy, productive operations or not. But to have this type of culture you have to have strong, committed leaders.

Leadership is the glue that holds the pieces together. It's a challenge, because truly great leadership requires a lot of things, hard things, people willing to look at themselves, be self-reflective, be able to accept feedback, which is not necessarily easy or natural for some to do. Also, I think one thing that leaders need to be able to do throughout all of this is to look at what people do and not just the results they get, and that's particularly the case with safety leaders. Fundamentally, we've got to have that care for our people, all our people.

I feel privileged. I've worked alongside some excellent leaders, not just in safety and health, but across the whole organization. These leaders are the ones who are driving and influencing our performance and building our culture as a top performer.

11.) CORESafety: Do you have any advice on how to get leadership buy-in through the ranks to something like CORESafety? How do you go about getting everybody on board with the same message?

Matt Pedersen-Howard: I've been fortunate in the sense that in Rio Tinto and Peabody, the executive team and the senior managers are very engaged and passionate about safety.

At a lower level the challenge for some companies is getting people involved. Within Peabody we've focused on involvement – get input from people before something becomes an approved standard. It's more about getting a review at the earliest phase. This takes longer to do but in the long term the benefit outweighs the short term pain. By doing so people own it, it becomes their standard – it becomes part of their culture.

12.) CORESafety: What barriers are there, if any, that still need to be overcome throughout the industry, in order to reach zero fatalities? Is that even doable, do you think?

Matt Pedersen-Howard: Yes it's doable. We need to do more at challenging the existing norms. People can have a tendency to default to some of our automatic modes, and sometimes, to be honest, that's not always aligned to how people operate.

If you look at the global data on mining, at the end of the day, we're not finding any new ways to injure people. It's broadly the same mechanisms of damage that have been occurring for the last 100 years. We may have increased the size of the equipment and increased the energies involved but we've also gotten a lot better at managing some of these hazards, so we have reduced injuries and fatalities over that period of time. But fundamentally we need to understand what puts people in a position of risk, not necessarily what the results are. This is the core of **CORESafety**, assessing and managing risk.

13.) CORESafety: If I was with a company and I had my own version of a safety and health management system right now, and somebody came along and said, "You should check out CORESafety and consider integrating that, as well," and if their response was, "Why? Why do I need to do that? Is that not overkill if I have both of these programs?" What would your response be?

Matt Pedersen-Howard: If they're a mining company I think they would be wise to look at the **CORESafety** framework and conduct a self-assessment.

Is what we're requiring of our management system functionally the same as their **CORESafety**, and if it's not, what are the gap areas? Like I said before, a lot of the areas that I've seen typically relate to some of those cultural pieces, where they're not included in traditional management systems.

The work involved in reviewing the **CORE**Safety framework against an existing management system is not difficult but the benefits are limitless. It's up to them if they want to adopt it or not, but it's available as, at least, a benchmark. A free benchmark, so why would you not like to do that?

Part of safety and health is about exploring what other people have that works, and I think we're quite good in the safety and health community about openly sharing best practice, sharing things that work well between companies, and I think that would be the same in this case.

14.) CORESafety: Matt, is there anything else about CORESafety in particular that you'd like for our readers or listeners to be aware from your standpoint?

Matt Pedersen-Howard: Well, I would say this. **CORE**Safety is a framework, it's a structure, which is fundamental, and I think you need that. But I don't think it can succeed without the energy and the passion of the leadership, of the people, of the employees, to really generate that environment where we can consistently go incident-free. I think that's the piece that I would like to highlight, in the sense that we can't just wave a magic wand and say, "Well, I've implemented a system here," and we've gone through the more mechanical piece of putting in standards and expectations.

Without that energy, and without that commitment at all levels of the organization to really make that happen, and having the courage to interject when things aren't working as they should, and having the desire to coach and help, I don't think we'll ever achieve the incident-free operations that we aspire to have.

And that's really the challenge with all of this – getting it all working together well, in a structure that works well, build a culture that cares for people, and is prepared to go above and beyond the call of duty. And then, wrap in an effective assurance process to make sure that we're doing what we say we wanted to do, and make sure it's working for us.

I think if we can get all the elements working well together, I think that's when we see great things happen.

15.) CORESafety: Thank you so much for taking the time today to share your insights about mining safety, Matt. We really appreciate it.

Matt Pedersen-Howard: Thank you. It's been an absolute pleasure.

To contact Matt Pedersen-Howard, email him at mpedersen-howard@peabodyenergy.com or find out more about Peabody Energy at www.peabodyenergy.com