

1.1. PURPOSE

1.1.1. The purpose of this policy is to ensure that TERRY R PITT CONSTRUCTION continues to improve subcontractor health, safety, and environmental performance and to establish a standard for pre-qualification, evaluation, selection, and development of subcontractors.

1.2. RESPONSIBILITIES

1.2.1. The safety department is responsible for ensuring employees have completed the training required by this procedure. Additional responsibilities include:

- 1.2.1.1. The implementation of this policy
- 1.2.1.2. Documentation of this process
- 1.2.1.3. Ensure that authorized subcontractors are utilized to ensure operational compliance and success
- 1.2.1.4. Resolve safety deficiency with subcontractors and take corrective actions to properly implement the safety management plan
- 1.2.1.5. Ensure conduction of subcontractor program evaluations
- 1.2.1.6. Participate in subcontractor audits and reviews
- 1.2.1.7. Assist in providing remedial plans to subcontractors for identified program deficiencies

1.2.2. The supervisor is responsible for providing the safety department with assistance in the implementation of this policy. Additional responsibilities when hiring subcontractors include:

- 1.2.2.1. Participate in subcontractor audits and reviews.
- 1.2.2.2. Assist in conducting inspections.
- 1.2.2.3. Assist in providing details for remedial plans to subcontractors for program deficiencies.
- 1.2.2.4. Take steps to protect subcontract workers who perform work on or near a potentially hazardous process.
- 1.2.2.5. Obtain and evaluate information regarding the subcontract employer's safety performance and programs.
- 1.2.2.6. Inform the subcontractor of known potential fire, explosion, or toxic release hazards related to the subcontractor's work and the process.
- 1.2.2.7. Explain applicable provisions of the emergency action plan to the subcontractor and require the subcontractor to disperse information to all workers who will work at the site.
- 1.2.2.8. Develop and implement safe work practice procedures to control subcontract employee entry into hazardous work areas.

Subcontractor Management

- 1.2.2.8.1. Maintain a subcontract employee injury and illness log.
- 1.2.2.8.2. Periodically evaluate the subcontract employer's fulfillment of his or her responsibilities under this policy.

1.2.3. Subcontract employees must perform work safely. Considering that subcontractors often perform very specialized and potentially hazardous tasks, such as non-routine repair activities, their work must be controlled. Subcontractor responsibilities when accepting contracts with TERRY R PITT CONSTRUCTION include the following listed steps. The subcontracted employer will:

- 1.2.3.1. Ensure that the subcontract employees are trained in the work practices necessary to safely perform their job.
- 1.2.3.2. Instruct the subcontract employee in the potential fire, explosion, or toxic release hazards related to his or her job and the process.
- 1.2.3.3. Ensure subcontract employee knows applicable provisions of the emergency action plan.
- 1.2.3.4. Document subcontract employee training.
- 1.2.3.5. Support the company Safety Management System.
- 1.2.3.6. Inform subcontract employees of and then enforce safety rules of the facility, particularly those implemented to control the hazards of the contracted process during operations.
- 1.2.3.7. Attend all safety training sessions.
- 1.2.3.8. Actively participate in safety meetings.
- 1.2.3.9. Bring any unsafe actions or conditions to the attention of management through the safety meeting or direct contact with the supervisor and/or safety department.
- 1.2.3.10. Take an active part in the development of JSAs and incident reviews
- 1.2.3.11. Require all subcontractors abide by the same rules which binds the contractor.
- 1.2.3.12. Abide by all smoking rules. Smoking is prohibited in certain areas of many facilities.

1.3. GENERAL

1.3.1. A subcontractor audit is required to properly implement the safety management plan. The written subcontractor safety policy establishes guidelines to be followed for subcontractors working on TERRY R PITT CONSTRUCTION or client property. Rules established are intended to:

- 1.3.1.1. Provide a safe working environment for all.
- 1.3.1.2. Govern facility relationships with outside contractors and subcontractors.
- 1.3.1.3. Ensure that contractor and subcontractor employees and TERRY R PITT CONSTRUCTION employees are trained to protect themselves from all potential and existing hazards.

- 1.3.1.4. Ensure that all subcontractor work practices are carried out safely to minimize the possibility of injury or harm to the subcontractors' employees or TERRY R PITT CONSTRUCTION's employees.
- 1.3.1.5. Ensure all corporate safety plans, policies, and procedures are communicated to all participating subcontractors.
- 1.3.1.6. Provides an avenue for subcontractors to communicate their safety plans, policies, and procedures to TERRY R PITT CONSTRUCTION.

1.4. PRE-QUALIFICATION REQUIREMENTS

- 1.4.1. The following listed steps are the standard procedures for evaluating and choosing subcontractors who will work onsite at TERRY R PITT CONSTRUCTION.
- 1.4.2. Obtain and evaluate information regarding a subcontractor's lagging safety metrics for past safety performance and programs when selecting a subcontractor to perform any type of contract work that might bring them into contact with hazards or processes at TERRY R PITT CONSTRUCTION or client facilities. The subcontractor's policies and procedures should also be reviewed to ensure that these policies and procedures conform to regulatory and contractual requirements, that the affected employees have been trained in the appropriate safety topics, and that the subcontractor has an acceptable safety program.
- 1.4.3. To determine/evaluate past safety performance, the group or individual selecting the subcontractor should consider the following indicators:
 - 1.4.3.1. Employee injury records such as Experience Modification Rate (EMR) for workers' compensation for the past three years and the subcontractor's past safety record in performing jobs of a similar nature.
 - 1.4.3.2. OSHA log, which includes the injury and illness rates (number of lost-time accident cases, number of recordable cases, number of restricted workday cases, number of fatalities) for the past 3 years.
 - 1.4.3.2.1. TERRY R PITT CONSTRUCTION will obtain a copy of the subcontractor's OSHA 300 logs to compare the subcontractor to other companies' performances within the same industry. TERRY R PITT CONSTRUCTION will utilize those subcontractors who outperform their industry counterparts in safety statistics whenever practicable.
 - 1.4.3.3. Total Recordable Injury Rate (TRIR), days away, restricted, or transferred rate (DART), or similar metrics that measure the past safety performance of the subcontractor prior to awarding work.
 - 1.4.3.4. Incidence rates for lost time accidents and recordables for the past 3 years.
 - 1.4.3.5. Written safety programs and training documentation applicable to the type of work the subcontractor will perform.

Subcontractor Management

- 1.4.4. Minimum performance metrics must be met prior to awarding work to subcontractors. For example, an EMR less than or equal to 1.0 or a TRIR less than 1.5 is suggested.
- 1.4.5. For subcontractors whose safety performance on the job is not known, obtain information on injury and illness rates and experience and obtain subcontractor references.
- 1.4.6. Subcontractor work methods and experience must be evaluated. Ensure that for the job in question the subcontractor and its employees have the appropriate:
 - 1.4.6.1. Job skills
 - 1.4.6.2. Equipment
 - 1.4.6.3. Knowledge, experience, and expertise
 - 1.4.6.4. Any permits, licenses, certifications, or skilled tradespeople necessary to be capable of performing the work in question
- 1.4.7. The subcontractor must be willing and able to provide a current certificate of insurance for workers' compensation and general liability coverage with TERRY R PITT CONSTRUCTION.
- 1.4.8. Subcontractors are responsible for ensuring employees comply with applicable local, state, and federal safety requirements, as well as safety rules and regulations set forth by TERRY R PITT CONSTRUCTION or its clients, for which it is performing the contracted work.
- 1.4.9. Possible ways to determine past subcontractor compliance with such safety regulations include:
 - 1.4.9.1. Require copies of any citations for violations occurring within the last 3 years to determine the frequency and type of safety laws violated.
 - 1.4.9.2. Require incidents, along with workers' compensation claims, within the last 3 years.
 - 1.4.9.3. Require copies of written safety programs in place.
 - 1.4.9.4. This information provides TERRY R PITT CONSTRUCTION with a solid background on the subcontractor's safety performance and regulatory compliance.
- 1.4.10. Before contract work begins, TERRY R PITT CONSTRUCTION must:
 - 1.4.10.1. Designate a representative to coordinate and communicate all safety and health issues with the subcontractor. The designated representative will have a copy of the work document, be thoroughly familiar with its contents and with the safety and health aspects of the work or know whom to call to obtain this information. The designated representative is responsible for ensuring that all TERRY R PITT CONSTRUCTION responsibilities listed below are carried out.
 - 1.4.10.2. Provide a copy of the facility's written safety policies and procedures to the subcontractor.
 - 1.4.10.3. Inform the subcontractor of any emergency signals and procedures that may be put into operation in areas where the subcontractor's employees are working. The subcontractor should be given the telephone numbers of the nearest hospital, ambulance service, and fire department.

Subcontractor Management

- 1.4.10.4. Conduct an inspection of the proposed worksite area before the pre-startup meeting so any known information about onsite hazards, particularly non-obvious hazards, are documented and thoroughly communicated to the subcontractor.
- 1.4.10.5. Work with the subcontractor's designated representative.
- 1.4.10.6. Conduct a pre-start up meeting with the subcontractor's designated representative and a supervisor from each of the areas of the jobsite involved in the subcontractor's work.
- 1.4.10.7. Review all contract requirements related to safety and health with the subcontractor's designated representative, including, but not limited to, rules and procedures, PPE, and special work permits or specialized work procedures. Advise the subcontractor that the facility safety and health policies must be followed. A copy of the facility's or jobsite's safety plans must be furnished to the subcontractor.
- 1.4.10.8. Inform subcontractor's designated representative of the required response to employee alarms and furnish the subcontractor with a demonstration or explanation of the alarms.
- 1.4.10.9. Communicate thoroughly with the subcontractor any safety and health hazards (particularly non-obvious hazards and HAZCOM issues) known to be associated with the work, including those in areas adjacent to the jobsite. It is the subcontractor's responsibility to convey this information to their employees.
- 1.4.10.10. Review preparation of jobsite before subcontractor begins initial work.
- 1.4.10.11. Identify connect points for all services, such as steam, gas, water, electricity, etc. Define any limitations of use of such services.
- 1.4.10.12. Ensure that affected employees at TERRY R PITT CONSTRUCTION receive training on hazards that will be introduced by a subcontractor.
- 1.4.11. Before the contract work begins, the subcontractor must:
 - 1.4.11.1. Designate a representative to coordinate all safety issues and communicate with TERRY R PITT CONSTRUCTION's designated representative.
 - 1.4.11.2. Provide documentation of safety training, as described in the training section of this policy, to TERRY R PITT CONSTRUCTION's safety department.
 - 1.4.11.3. Sign a confidentiality statement to protect TERRY R PITT CONSTRUCTION's proprietary data.
 - 1.4.11.4. Obtain any safety rules and regulations in effect at the site or potential hazards present that may affect the subcontractor's work from TERRY R PITT CONSTRUCTION.
 - 1.4.11.5. Provide information to the designated representative on the safety and health hazards that may arise during the course of the subcontractor's work at TERRY R PITT CONSTRUCTION and the means necessary to avoid danger from those hazards, including hazard communication and all other potential hazards.

- 1.4.11.6. Be informed of emergency signals and operational procedures in areas where the subcontractor's employees are working. The subcontractor should be certain to have the telephone numbers of the nearest hospital, ambulance service, and fire department.
- 1.4.11.7. Advise and train employees on hazards associated with the work to be performed, including hazard communication or other hazard information provided to the subcontractor by TERRY R PITT CONSTRUCTION's safety department.
- 1.4.11.8. Keep TERRY R PITT CONSTRUCTION informed of any work that may affect the safety of TERRY R PITT CONSTRUCTION employees or property. This includes complying with the state and federal right-to-know laws and providing the designated representative appropriate SDSs or other required information about chemicals the subcontractor will bring onto the site.
- 1.4.11.9. Know who to call and what to do in emergencies, including where first aid and medical services are located, and train employees on this.
- 1.4.11.10. Hired subcontractors will be required to attend all pre-job meetings, safety meetings, and safety orientations that pertain to the subcontractor's work scope.

1.5. GUIDELINES FOR SUBCONTRACTOR SAFETY

- 1.5.1. During the contract work, TERRY R PITT CONSTRUCTION must limit, as necessary, the entry of company employees into subcontractor work areas.
- 1.5.2. Monitor the subcontractor's compliance with the contract throughout the duration of the work. When checking subcontractor work during the project, note any negligent or unlawful act or condition in violation of safety standards or requirements. Any items noted should be brought immediately to the attention of the subcontractor's designated representative in writing, with a copy of the notice being sent to the subcontractor's home office concurrently. If an unsafe act or a condition is noted that creates an imminent danger of serious injury, immediate steps should be taken with the subcontractor's designated representative or in his or her absence, the subcontractor's employees, to stop the unsafe act or condition. Do not allow work that is in violation of a regulation to continue.
- 1.5.3. All subcontractors will report to the company all incidents and accidents in a prompt and timely manner. Subcontractors involved in any incident or accident shall perform an incident investigation, identify root causes and causal factors, develop corrective actions, and have a methodology for determining the effectiveness of the corrective actions.
- 1.5.4. TERRY R PITT CONSTRUCTION will include affected subcontractors in hazard and risk assessments, JSA developments, job site audits, pre-job meetings, and/or tailgate meetings.
- 1.5.5. Document all discussions, including place, time, and names of subcontractor employees in attendance.

Subcontractor Management

- 1.5.6. Approve the subcontractor beginning work each day unless it is routine service/maintenance work or periodic outdoors service/maintenance work.
- 1.5.7. For work which TERRY R PITT CONSTRUCTION has developed specific and generally applicable procedures, subcontractors must follow the same procedures.
- 1.5.8. Do not allow loaning of tools and equipment to outside contractors and their subcontractors. The subcontractor is required to provide the necessary tools and equipment.
- 1.5.9. Contact the nearest medical facilities, when available, in emergency situations where severity of the injury dictates immediate attention.
- 1.5.10. Obtain a copy of each OSHA recordable injury report. Investigate and report to the general manager all personal injuries to subcontractor employees.
- 1.5.11. Investigate and report any property losses. Maintain a subcontractor accident report file.
- 1.5.12. After conclusion of the contract work, the safety manager or designee completes a post-project assessment of the subcontractor's safety performance for management to be used for future reference, with a recommendation on whether or not to re-hire the subcontractor.
- 1.5.13. During the contract work, the subcontractor will have a designated site safety manager to respond to the work being carried out by subcontractors working at the jobsite.
- 1.5.14. Ensure that all subcontractors are abiding by the terms of this policy.
- 1.5.15. Perform work while the facility or jobsite is operating, if necessary, and establish safe practices to permit work under operating conditions without endangering TERRY R PITT CONSTRUCTION employees and property. This includes but is not limited to barricading and sign posting.
- 1.5.16. Make sure that any equipment, chemicals, or procedures used by the subcontractor to perform contracted work meet all OSHA requirements.
- 1.5.17. Be held responsible and accountable for losses or damages suffered by TERRY R PITT CONSTRUCTION and/or its employees as a result of subcontractor negligence.
- 1.5.18. Provide employees with medical care and first aid treatment.
- 1.5.19. Follow the facility access control practice. The subcontractor will also ensure that each subcontractor employee is issued and wears some form of easily seen identification.
- 1.5.20. Provide supervisors and employees who are competent and adequately trained, including training in all health and safety aspects of the work involved in the contract.
- 1.5.21. Provide all tools and equipment for the work, including PPE, and ensure the equipment is in proper working order and employees are instructed in its proper use.
- 1.5.22. Maintain good housekeeping on the jobsite.

- 1.5.23. Follow specific instructions supplied by TERRY R PITT CONSTRUCTION should emergency alarms be activated.
- 1.5.24. Notify the safety department immediately of any OSHA recordable injury or illness to contractor or subcontractor employees occurring while on a TERRY R PITT CONSTRUCTION site. Provide a copy of each accident report to the safety department.
- 1.5.25. Receive and use a copy of the TERRY R PITT CONSTRUCTION and hiring client's written safety policies and procedures.
- 1.5.26. After conclusion of the contract work, the subcontractor is responsible for cleaning all work areas and disposing of any discarded materials in a proper and legal manner.

1.6. RECORDKEEPING

1.6.1. TERRY R PITT CONSTRUCTION will:

- 1.6.1.1. Have a copy of the contract on file and be thoroughly familiar with its contents and with the safety and health aspects of the work.
- 1.6.1.2. Keep records of all training done regarding hazards to be caused by the subcontractor.
- 1.6.1.3. Keep copies of forms related to the contract required by TERRY R PITT CONSTRUCTION to be filled out before or during contract work.
- 1.6.1.4. Keep an OSHA recordable injury and illness log for the project, as well as copies of accident reports on all accidents that occur in the course of the project.
- 1.6.1.5. Keep a daily log regarding pre-work startup inspection findings.
- 1.6.1.6. Keep records of all documentation of any sort you give to the subcontractor, including lists of hazards to train their employees on, SDSs, safety training, incident reports, etc.
- 1.6.1.7. Document all discussions, letters, or other communications made to the subcontractor regarding safety issues, including place, time, and names of people involved.
- 1.6.1.8. Conduct post-job performance reviews for all subcontractors. The review will include a combination of factors to be considered including, but not restricted to, housekeeping, costs, safety, and quality of work.

1.6.2. The subcontractor will:

- 1.6.2.1. Keep records of all training done with subcontract workers and all documentation will be provided to TERRY R PITT CONSTRUCTION regarding such training.
- 1.6.2.2. Keep copies of forms related to the contract required by TERRY R PITT CONSTRUCTION to be filled out before or during contract work.
- 1.6.2.3. Have copies onsite of all safety data sheets (SDSs) or other required information about chemicals relevant to the work onsite.

Subcontractor Management

- 1.6.2.4. Keep an OSHA recordable injury and illness log for the project, as well as copies of accident reports on all accidents that occur in the course of the project.

1.7. TRAINING

1.7.1. TERRY R PITT CONSTRUCTION makes sure that affected employees receive training on all hazards introduced by a subcontractor. TERRY R PITT CONSTRUCTION emphasizes to the subcontractor that it is the subcontractor’s responsibility to convey to subcontractor employees any safety information provided to the subcontractor.

1.7.2. The subcontractor must train all affected subcontractor employees on all safety and health hazards and provisions applicable to the type of work being done and also on where to obtain first aid and medical services. The subcontractor must provide documentation of such training to TERRY R PITT CONSTRUCTION’s safety department.

- 1.7.2.1. Subcontractors will be provided a site orientation that addresses health, safety, security, and/or environmental concerns.

