

## **Division**

# **Contractor EHS Management Program**

## **How to Deal with High Risk Contractors**

### **Determination of High Risk Contractors**

The Company Contract Administrator, in consultation with Line Management, is responsible for making the determination that a contractor is a high EH&S risk, which would normally mean that the contractor's safety incident record on the Company system does not meet Division expectations. In making such determination, the Contract Administrator shall consider such issues as whether the contractor has incurred injuries that are serious in nature and/or audit results show that the Contractor is not adhering to the Company Safe Work Practice Manual. At a minimum, the Contract Administrator should review the following issues in making a determination:

- Safety Incident Report
- Listing of Injuries with Description
- Contractor EHS Management Audit Results
- Incident Investigations

### **EHS Audit/Screening for High Risk Contractors**

The Company Contract Administrator, in consultation with Line Management, shall from time to time audit the contractor's EHS program to ensure the contractor meets Company safety expectations. The Contract Administrator may include EHS Professionals, Legal, and Purchasing in this audit. The audit shall include a review of the following:

- Documents describing the contractor's EHS policy and procedures
- Contractor's safety department and structure
- Employee Training records
- Employee orientation records
- Safety meeting records/minutes
- Safety accident/incident/near miss reports
- Contractor performance monitoring records
- Safety Oversight Provided by Field Management
- Assessment of the overall execution of the safety program

### **Safety Improvement Plan**

Upon completion of the EHS audit by the Contract Administrator, Company Line Management may elect to recommend a Safety Improvement Plan to the contractor. The intent such program is to bring about sustained EHS performance improvement for the contractor by leveraging the expertise and focus of Company personnel. Company's role will be to provide "best practices" and other assistance, and notwithstanding the implementation of such a safety improvement program, the contractor will at all times remain fully responsible for the actions and performance of its employees. A Safety Improvement Plan or Mentoring Program may include the following:

- Recommended changes in policies and procedures. Emphasis should be placed on screening, orientation, and training of new employees
- Recommendations for providing safety oversight

- Recommendations for employee safety programs
- Recommendations for incident tracking and investigation processes
- Recommendations of the contractor's safety manual for employees
- Routine update meetings with Duke and Contract Management
- Define objectives, milestones and measures to improve performance