

SP #9.1
RHS CO. SAFETY PROCEDURE
CONTRACTOR SAFETY & ENVIRONMENTAL MANUAL

The R.H. Sheppard Co., Inc. makes an effort to provide a safe and healthy work environment for its employees. We rely on our employees to abide by the safety rules and regulations set forth by the company. As a contractor in our company, we need your cooperation to help maintain a safe work environment. Your safety is as important to us as the safety of our own employees. In addition to the safety of employees, we are also concerned about protecting our property and machinery. The rules and regulations that have been developed in this manual will help achieve this goal.

The R.H. Sheppard Co., Inc. is also committed to protecting and preserving the environment through the establishment of an Environmental Management System per the ISO 14001 Standard. As our contractor/vendor we expect you to adhere to the principles of good environmental stewardship as set forth in our Environmental Management System.

The following manual has been developed to brief you on the safety and environmental requirements that you and your employees will be expected to comply with when working at the R.H. Sheppard Co., Inc.

Contractor supervisors are responsible for ensuring that their employees observe all safety and environmental rules and regulations of the R.H. Sheppard Co. as set forth in this manual. Any employee not observing such rules will be reported to the contracting company immediately. Disregarding safety rules while performing contract work within the company will not be tolerated.

The contractor/vendor shall review, sign, and submit the Environmental, Health & Safety Acknowledgement Form to the project manager or the Safety/Environmental Department prior to beginning work.

The contracting supervisor is responsible for briefing his/her employees and subcontractors on the content of this manual. The contracting supervisor is responsible for documenting such review as per their company protocol.

When the contracted crew arrives at the facility, the lead person of that crew should meet the party who contracted them upon arrival. The R.H. Sheppard Co. project manager will be responsible for making sure the contractors sign the Contractors Sign-in Sheet located at either the plant 1 maintenance crib, plant 5 tool crib, or the foundry stockroom. The contractor must sign in and record the date, time work begins, description of work to be done, location of work, and time job is complete. This procedure will allow us to account for the crew and be aware of any hazards that might be created during their work. All contractors must be wearing proper identification (visitor or contractor badges) at all times.

As a general rule, please use common sense and pay close attention to what's going on around you. Machine shops and foundries have inherent hazards and inattention could cause accidents. Horseplay will not be tolerated at the R.H. Sheppard Co., Inc. Thank you for your cooperation in helping us to keep your employees safe.

SP #9.1
RHS CO. SAFETY PROCEDURE
CONTRACTOR SAFETY & ENVIRONMENTAL MANUAL

1.0 Safety and Health

1.1 General

The contractor/vendor shall comply with any and all federal/state OSHA Standards, ANSI standards, and R.H. Sheppard Co., Inc. mandated safety/Health policies and procedures.

1.2 Loss Prevention

When entering the work area, it is important that you take note of the exits and escape routes in case of an emergency. Please report any emergency situation immediately by activating our emergency paging system. Instructions are located by every phone in the facility. By reacting quickly to emergencies, we can avoid injury to employees and damage to property.

1.3 Personal Protective Equipment

ANSI approved safety glasses with sideshields and hearing protection must be worn at all times while in our production areas. Please adhere to the PPE signage for each facility. Welders should wear flame-resistant clothing, gloves, and appropriate eyewear (welders helmets, faceshields, or goggles) and respirators if necessary. Contracted employees are responsible for supplying and maintaining necessary PPE.

1.4 Equipment

Contracted employees should not operate or tamper with any equipment belonging to the R.H. Sheppard Co., Inc. Contracted maintenance to machines shall be performed only as authorized by the R.H. Sheppard Co. When performing work on any machinery, be sure to follow lockout/tagout procedures as set forth in this manual. After performing work to a machine, be sure to reattach machine guards.

Contractors needing the use of forklifts or aerial lifts are required to have a certificate of training or a license showing that the employee has been instructed in OSHA safety regulations regarding the use of such equipment. If the contracted employee does not possess such training, they may not use the equipment.

SP #9.1
RHS CO. SAFETY PROCEDURE
CONTRACTOR SAFETY & ENVIRONMENTAL MANUAL

1.5 Lockout/Tagout & Electrical Safety

Lockout/tagout must be used by contractors performing maintenance on any equipment where there is a hazard associated with an accidental release of energy. Contractors are responsible for supplying their own locks and tags which are clearly marked with the employees name and contractor name. All energy sources must be locked/tagged out before beginning maintenance. In addition, hazardous gases or chemicals shall be blocked/blinded. Handbooks describing machine-specific lockout/tagout procedures are located in the tool cribs at each plant and in the safety office.

Contracted employees whose work requires maintenance/trouble shooting of energized equipment must have NFPA 70 E certification and personal protective equipment and tools necessary for such work.

1.6 Fire Safety

Smoking is not permitted on any of our properties, including our parking lots. Fire extinguishers are provided throughout the facility. Exercise caution when using flammable liquids/gases. Do not weld in a non-designated welding area without following all rules of the hot-work permit program.

1.7 Hot-Work Permit Program

For welding work outside of a designated welding area, the welder must obtain and complete a cutting-welding-hotwork checklist (located in the tool cribs or from your R.H.Sheppard contact point) before beginning the job. All precautions must be followed. In addition, a fire watcher must be assigned to the job. The fire watcher should know how to use a fire extinguisher. The fire watcher will remain at the site until throughout the job and shall remain at the site for 30 minutes after completion of the job to respond if a fire should develop.

After completing the job, the cutting-welding-hot work checklist should be returned to the maintenance tool cribs and forwarded to the Safety Department.

SP #9.1
RHS CO. SAFETY PROCEDURE
CONTRACTOR SAFETY & ENVIRONMENTAL MANUAL

1.8 Confined Spaces

Contracted work in confined spaces may not be permitted without approval by the Safety Department. In this case, proper training and precautionary measures will be taken to assure safety while working in a confined space.

The following confined spaces exist at the facility:

- | | |
|---|-----------------------------|
| 1. Plant 1 Heat treat furnaces | 2. Plant 1 Wastewater Tanks |
| 3. Plant 1 basement coolant and storage tanks | 4. Plant 5 Wastewater tanks |
| 5. Plant 5 coolant system | 6. Foundry Sand tanks |
| 7. Foundry baghouses | 8. Plant 2 storage tanks |
| 9. Shot blast machines | |

1.9 Hazard Communication/Pre-approval & Use of Hazardous Materials

R.H. Sheppard Co. uses a variety of chemicals in it's manufacturing process. To inform you of the hazards associated with these chemicals, all containers are labeled and Safety Data Sheets are provided for each chemical.

SDS' are kept in notebooks in the following areas:

- | | |
|--------------------------------------|---------------------------------|
| 1. Plant 1 tool crib | 2. Safety office |
| 3. Plant 2 | 4. Tech Center |
| 5. Plant 5 –Communication board area | 6. Plant 6 – Pump assembly room |
| 6. Pattern Shop | 7. Core Room |
| 8. Remanufacturing | 9. Foundry Lunchroom |
| 10. Wytheville Tool Crib | 10. Pump Tech Center |

Prior to beginning any work on-site, any chemicals or hazardous materials to be used **MUST** be pre-approved by the Environmental/Safety Dept. Approval forms can be obtained through your R.H. Sheppard point of contact. An SDS will be required for pre-approval for each chemical and must be maintained by you on-site while the chemical is being used.

Please be sure that any chemicals you are using in your job are properly labeled and secured to prevent unnecessary spills or exposures.

1.10 Construction Work

All work that involves additions or changes to buildings, roadways, roofs, etc shall be deemed construction work. Contractors must follow the regulations set forth in OSHA 29 CFR 1926. This includes but is not limited to Fall Protection, Scaffolding, Ladders and excavations. Contractors must provide all equipment necessary to comply with the standards set forth.

SP #9.1
RHS CO. SAFETY PROCEDURE
CONTRACTOR SAFETY & ENVIRONMENTAL MANUAL

2.0 Environmental Management System

2.1 General

The contractor/vendor shall comply with any and all applicable federal, state and local statutes, laws, regulations, and codes related to the environment and will exercise positive environmental stewardship while conducting work for the R.H. Sheppard Co., Inc.

As a contractor, you are expected to be aware how your work practices can affect the environment and whether those work practices adhere to the policies and procedures enacted under the R.H. Sheppard Co., Inc.'s Environmental Management System. Contractors should contact their project manager for specific requirements.

2.2 Environmental Policy Statement

The R.H. Sheppard Co., Inc. has developed an Environmental Policy Statement to guide the environmental efforts of the company. As a contractor/vendor for our company we request you to be familiar with our Environmental Policy Statement in order to assist us in such environmental efforts:

"It is the goal of the R.H. Sheppard co., Inc. to achieve environmental excellence. As such we will strive to maintain compliance with environmental regulations, eliminate and/or reduce waste streams, and promote awareness to environmental issues. We are committed to continuously improving our manufacturing processes to prevent/reduce their environmental impact for the benefit of our community. We will be committed to continuous evaluation and improvement of our environmental programs to ensure goals of environmental excellence are being maintained."

2.3 Environmental Permits

The contractor/vendor will be responsible for coordinating with the project manager and the Director of Safety and Environmental Health to obtain any necessary environmental permits for the work to be conducted.

SP #9.1
RHS CO. SAFETY PROCEDURE
CONTRACTOR SAFETY & ENVIRONMENTAL MANUAL

2.4 Spills and Releases

As a contractor/vendor it is your responsibility to take measures to prevent Pollution of the land, water, or air while performing work at the R.H. Sheppard Co., Inc. It is your responsibility to report a spill or release immediately to the appropriate regulatory agency if the spill or release affects waterways, air or land. You must also report the incident to the Director of Safety and Environmental Health.

2.5 Waste Disposal

It is the responsibility of the contractor/vendor to properly dispose of any unused chemicals and/or waste products in the proper manner. Waste Materials (other than municipal waste-i.e.-lunchroom trash, etc.) may not be left on-site or disposed of in any R.H. Sheppard Co. waste containers unless pre-approved by the Director of Safety and Environmental Health.

The R.H. Sheppard Co., Inc. strongly encourages contractors/vendors to use environmentally friendly chemicals and products and to recycle as much waste products during the project as possible.