

# PUBLIC COMPANY ORLEN LIETUVA

APPROVED BY  
20 January 2021  
Order No TV1(1.2-1)-26 of  
General Director

## REGULATIONS ON MOTIVATION SYSTEM FOR CONTRACTORS IN OCCUPATIONAL HEALTH AND SAFETY AREA

### I. GENERAL PROVISIONS

#### I. Purpose and Scope of Application

1. The purpose of Regulations on Motivation System for Contractors in Occupational Health and Safety Area is to motivate contracting organizations (hereinafter, Contractors) working in Public Company ORLEN Lietuva (hereinafter, the Company) and their employees to work safely for achieving the best possible occupational health and safety (OHS) performance results as well as to identify the

2. Motivation System for Contractors in Occupational Health and Safety Area shall apply to Contractors working in the Company under the contracts concluded for works or services.

### II. TERMS AND DEFINITIONS

3. The following terms and definitions are used for the purposes of these Regulations:

**Occupational health and safety (OHS) indicator (R)** – an indicator representing the effort made by Contractor to meet the basic OHS related requirements during the reference period. The indicator consists of accident rate, process safety incident rate, violation rate, and hazard reporting rate.

**Accident rate ( $R_{NA}$ )** – an indicator representing the number of accidents at work with involvement of Contractor' employees during the reference period.

**Violation** – a failure to comply with requirements of OHS document applicable to Contractor' employee through employee's fault, with such failure formalized in OHS Nonconformity Report.

**Violation rate ( $R_{Pz}$ )** – an indicator representing the number of violations recorded with respect to Contractor' employees during the reference period.

**Hazard area** – an area (place) located in the territory of the Company where employees of Contractor or other individuals may be injured or otherwise affected by hazards present in that particular area (place).

**Hazard report** – hazard notification filled in by Contractor employee in the form provided as Annex to these Regulations. Once formalized and signed, the form shall be delivered by Contractor to Occupational and Process Safety Control Department of the Company by presenting it to any OHS Specialist, or sent by e-mail to [darbu.sauga@orlenlietuva.lt](mailto:darbu.sauga@orlenlietuva.lt).

**Hazard reporting rate ( $R_{PV}$ )** – an indicator representing the number of hazard reports given by Contractor' employees during the reference period.

**Incident** – any occurrence related to fire, explosion, unintended or uncontrolled release of toxic, flammable and / or harmful substances or their vapors into the environment, as well as a traffic accident in the territory of the Company in which at least one vehicle, cargo, road or its structures, or any other property is damaged.

**Incident rate ( $R_i$ )** – an indicator representing the number of incidents that occurred during a reference period through misconduct on the part of Contractor' employees.

**Reference period** – a calendar year for which OHS indicator is measured. Motivation System for Contractors in Occupational Health and Safety Area may also apply for any other period to be defined (e.g. duration of turnaround or routine maintenance works, period of investment project execution) and/or for specific number of Contractors involved in works (e.g. Contractors engaged in turnaround works).

## II. RESULT CALCULATION

4. The following indicators shall apply to Contractor performance assessment:

4.1. **Accident rate  $R_{NA}$**  is calculated under the following formula:

$$R_{NA} = \frac{D_V}{NA_{SK} \times 1\,000\,000}$$

where:

$NA_{SK}$  – the number of accidents at work during the reference period through the fault of Contractor' employees;

$D_V$  – number of hours actually worked by Contractor.

If  $NA_{SK} = 0$  or  $R_{NA} \leq 1$ , then  $R_{NA} = 1$ .

4.2. **Incident rate ( $R_i$ )** is calculated under the following formula:

$$R_i = \frac{D_V}{I_{SK} \times 500\,000}$$

where:

$I_{SK}$  – the number of incidents during the reference period through the fault of Contractor' employees;

$D_V$  – number of hours actually worked by Contractor.

If  $I_{SK} = 0$  or  $R_i \leq 1$ , then  $R_i = 1$ .

4.3. **Violation rate  $R_{P\check{z}}$**  is calculated under the following formula:

$$R_{P\check{z}} = \frac{D_V}{P\check{z}_{SK} \times 10\,000}$$

where:

$P\check{z}_{SK}$  – number of OHS violations by Contractor formalized in OHS Nonconformity Report;

$D_V$  – number of hours actually worked by Contractor.

If  $P\check{z}_{SK} = 0$  or  $R_{P\check{z}} \leq 1$ , then  $R_{P\check{z}} = 1$ .

4.4. **Hazard reporting rate  $R_{PV}$**  is calculated under the following formula:

$$R_{PV} = \frac{PV_{SK} \times 1000}{D_V}$$

where:

$PV_{SK}$  – the number of hazard reports given by Contractor;

$D_V$  – number of hours actually worked by Contractor.

If  $R_{PV} \leq 1$ , then  $R_{PV} = 1$ .

### 5. Calculation of results

5.1. **OHS indicator ( $R$ )** for each Contractor that has worked 10'000 or more hours in the Company during the reference period is calculated by employees of Occupational and Process Safety Control Department under the following formula:

$$R = 40R_{NA} + 30R_i + 20R_{P\check{z}} + 10R_{PV}$$

5.2. The maximum OHS indicator ( $I$ ) is 100.

### III. ANNOUNCEMENT OF RESULTS AND ELECTION OF WINNERS

6. At the end of the current year' reference period, Occupational and Process Safety Control Manager shall calculate the results by 1 February, and submit such to Director of Quality, Labour Safety and Environment Control. The Contractor that has reached the highest OHS indicator (R) and has worked in the Company for at least 20'000 hours during the reference period is announced as the winner.

7. Where the Motivation System for Contractors in Occupational Health and Safety Area applies to another reference period (e.g. duration of turnaround or routine maintenance works, period of investment project execution), the results shall be calculated and the winner announced at the end of such period. The Contractor that has achieved the highest OHS indicator is announced as the winner. In such cases, the minimum number of hours required to work by the Contractor shall be determined by Occupational and Process Safety Control Manager in view of the established schedule and scope of process equipment maintenance works or investment project execution.

8. If a number of Contractors achieve the same OHS indicator, the Contractor that has worked more hours shall be announced as the winner.


9. The Contractor selected as the winner receives the **SAFEST CONTRACTOR** diploma, other awards, and is announced on the Company's website at: <https://www.orienlietuva.lt/LT/SR/Puslapiai/Sauga-darbe.aspx>

### IV. FINAL PROVISIONS

10. Responsibility for periodic review and updating of the Regulations, if needed, shall lie with Director of Quality, Labour Safety and Environmental Control of the Company.

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Prepared by  
Occupational and Process Safety Control Manager  
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	<b>Report on Dangerous Place</b>	Date:
Contractor:		
Full name, mobile phone number of the reporting person:		
Place of hazard:		
Description of hazard:		
Proposals to reduce hazard:		
Signature of the reporting person		