

## Terms and Conditions for Ensuring Health and Safety at Work (H&S), Environmental Protection (EP), and Fire Protection (FP) - H&S, EP and FP Terms and Conditions (also "Terms and Conditions" hereinafter)

The purpose of the following provisions of these Terms and Conditions is to define the mutual rights and obligations of the contracting parties as the participants in contractual or other legal acts of which these Terms and Conditions are an annex and an integral part or the contents of which means that the participants in the given contractual or other legal acts have undertaken to observe these Terms and Conditions, while fulfilling the given contractual or other legal acts, in connection with the ensuring of the health and safety at work (H&S), fire protection (FP) and environmental protection (EP) during the performance of contractual or other activities at the worksites of the below mentioned Clients in accordance with the legislation of the Czech Republic.

Contracting parties by signing the contract which links to these Terms and Conditions hereby confirms that will meet these Terms and Conditions when performing any work and that these Terms and Conditions are binding for them.

"Client" shall mean, for the purposes of these Terms and Conditions, the following companies:

### **innogy Česká republika a.s.**

having its registered office at Prague 10-Strašnice, Limuzská 3135/12, Postcode 100 98, registered with the Municipal Court in Prague, file no. B 18556, ID No. 242 75 051

### **RWE Supply & Trading, a.s.**

having its registered office at Prague 10-Strašnice, Limuzská 12/3135, Postcode 100 98, registered with the Municipal Court in Prague, file no. B 7240, ID No. 264 60 815

### **innogy Gas Storage, s.r.o.**

having its registered office at Limuzská 3135/12, Strašnice, 108 00 Prague 10, registered with the Municipal Court in Prague, file no. C 124711, ID No. 278 92 077

### **innogy Grid Holding, a.s.**

having its registered office at Prague 10-Strašnice, Limuzská 12/3135, Postcode 100 98, registered with the Municipal Court in Prague, file no. B 118283, ID No. 243 10 573

### **GasNet, s.r.o.**

having its registered office at Ústí nad Labem, Klíšská 940, Postcode 401 17, registered with the Regional Court in Ústí nad Labem, file no. C 23083, ID No. 272 95 567

### **innogy Energie, s.r.o.**

having its registered office at Limuzská 12/3135, Strašnice, 108 00 Prague 10, registered with the Municipal Court in Prague, file no. C 220583, ID No. 499 03 209

### **GridServices, s.r.o.**

having its registered office at Plynárenská 499/1, Zábřovice, 602 00 Brno, registered with the Regional Court in Brno, file no. C 57165, ID No. 279 35 311

### **innogy Energo, s.r.o.**

having its registered office at Prosecká 855/68 Prosek, 190 00 Prague 9, registered with the Municipal Court in Prague, file no. C 50971, ID No. 251 15 171

### **innogy Zákaznické služby, s.r.o.**

having its registered office at Plynární 2748/6, Moravská Ostrava, 702 00 Ostrava, registered with the Regional Court in Ostrava, file no. C 30666, ID No. 279 35 221

### **innogy Business Services CZ, s.r.o.**

having its registered office at Prosecká Prosecká 855/68, Prosek, 190 00 Prague 9, with the Municipal Court in Prague, file no. C 108314, ID No. 272 60 291

### **innogy Teplárna Náchod, s.r.o.**

having its registered office at Plhovská 544, 547 01 Náchod, registered with the Regional Court in Hradec Králové, file no. C 34831, ID No. 038 45 443

"Supplier" shall mean a physical person or legal entity which supplies services to the Client and with whom any of the Clients has entered into a Contract.

"Contract" shall mean a bilateral or multilateral legal agreement between the Client and the Supplier consisting in mutual expression of will identical in terms of content of the contracting parties to create, change or terminate duties and obligations linked to such expressions of will by the legislation. The contract must be made in writing. In addition, written Orders received by the Supplier as a proposal of the Client shall be considered as a Contract.

An Employee of a Supplier shall mean any physical person working on behalf (in the name/for) the Supplier (it may be an employee of a Supplier based on employment contract or other contractual relationship), as well as an employee of an subcontractor and a person staying with the knowledge of the Supplier or Subcontractor in the worksites of the Client to carry out activities which are the subject matter of the Contract.

Subcontractor shall mean any person with whom any of the Contractors has concluded a relevant Contract and shall work on behalf of him for the Client.

## **A. Health and Safety at Work**

### **SUPPLIER'S RIGHTS AND OBLIGATIONS:**

When providing the performance on the worksites of the Client, the Supplier undertakes to cooperate with the Client in ensuring health and safety of the Supplier's employees working at the Client's worksites with moving machinery or on the Client's premises within the meaning of Section 101 of Act No. 262/2006 Coll., the Labour Code, as amended. The Supplier shall be obliged, prior to the commencement of the work that are the subject-matter of the Contract concluded with the Client, ensure the following:

- o Notify the Client in writing whether the work or part of the activities under the Contract shall be completed under its supervision by one or more Subcontractors (in particular as concerns construction works).
- o Enable the Client to get the Supplier's employees acquainted, if necessary, with internal safety regulations and other specific H&S matters concerning the specific worksite.
- o Require written agreement of the Client for all modifications of safety, sanitary and fire protection equipment and its marking.
- o In the performance of activities related to the subject-matter of the Contract, maintain the worksites of the Client clean and orderly.

During the performance of activities which are the subject-matter of the Contract, the Supplier undertakes to:

- o Ensure that its employees comply with all applicable laws and regulations of H&S and behave in such a way that their actions do not jeopardize the safety or health of persons.
- o Allow the Client to acquaint the employees of the Supplier if necessary with safety regulations and other specifics related to health and safety in relation to the performance of activities under the Contract.

- o No later than on the day of takeover of the worksite, notify the Client in writing of the names of persons responsible for the management of the works and for the ensuring of safety in operations carried out by its own employees or by the Contractors including their contact details.
- o Entrust the managing of all activities only to the above responsible persons having at the same time sufficient powers and professional competences (including language knowledge) to manage such work.
- o If the Client is obliged to appoint a health and safety coordinator when working on the construction site, the Supplier shall notify the Client in writing of the facts necessary for appointing the respective number of H&S coordinators on the construction site, with regard to the number of its subcontractors, scope of construction complexity etc.
- o Oblige its subcontractors in writing to observe the principles arising from these Terms and Conditions and check and require the observance of these Terms and Conditions.
- o Assign work only to employees who are trained in H&S general principles, are holders of a valid certificate of professional competence for their activities in accordance with statutory requirements (e.g. a driving license, welding certificate, etc.) and are medically fit to carry out the work.
- o Unless expressly stated otherwise in the Contract, the Supplier is responsible for ensuring that each of its employees shall, when working on the construction site or other worksite of the Client, be equipped with Personal Safety Log. Supplier's Employees need not be equipped with Personal Safety Log if the contract relates exclusively to commercial and consulting services or works (such as IT services, consulting, delivering letters and parcels, etc.).
- o Ensure that the Personal Safety Log of each employee of the Supplier shall be properly and truthfully completed prior to the commencement of work and that it will contain all the particulars referred to and required

therein. Failure to comply with this provision shall be subject to penalization under the conditions and in the amount provided for by these Terms and Conditions.

- o Where it is the first performance of the Supplier for the Client from the effective date hereof, and where, at the same time, the period from ordering the works which are the subject-matter of the Contract to the start of the works does not exceed 14 days, the Personal Safety Log may be replaced by a statement of the representative body of the Supplier on the compliance with the qualification requirements processed according to the template of the Client (available on Client's website <http://www.innogy.cz/o-innogy/bozpz>).

Furthermore, the Supplier undertakes to ensure that its employees, when carrying out activities under the Contract and in relation to the subject-matter of the Contract:

- o Shall comply with safety and hygiene regulations as well as the Client's internal documentation handed over to them or made available to them in any other way and shall act so as to avoid damage to health and property of the Client or third persons.
- o Shall, when working, use prescribed protective equipment and personal protective equipment.
- o Use only such tools, machinery and equipment which meet safety regulations and technical standards and are duly checked and maintained and are safely operable; shall use only those tools, machinery and equipment owned by the Client or legitimately used by the Client which they have been granted a written consent to use.
- o Shall not, when working, consume alcoholic beverages or other narcotic drugs and psychotropic substances, nor shall they work under the influence thereof, and at the request of the Client's representative shall be subjected to a test of compliance with their obligations in the presence of the competent manager of the Supplier.
- o Shall comply with the prohibition on smoking.
- o Shall handle chemicals in such a manner so as to avoid endangering the health and lives of persons or the environment and comply with the requirements of applicable law – in particular they shall be familiar with rules and be trained as required by Section 44a of Act No. 258/2000 Coll., on Protection of Public Health, as amended, and the safety data sheets under the EC REACH Regulation, i.e. No. 1907/2006.
- o Shall, at the Client's request, undergo a check of items carried in and out and transferred to and from the Client's premises.
- o Shall, in the performance of work at heights requiring the use of personal protective work equipment against falling, use arresting systems with safety snap-hooks with triple effect; if one-hand handling is necessary, the safety snap-hooks with double effect may be used.
- o Shall be constantly protected against falling with appropriate personal protective work equipment (even when using collective protection) when working in the cages of mobile elevating platforms.

The Supplier is also required to:

- o Register all employees and persons present on the worksite (construction site), who perform the respective works. in the construction log.
- o Report and consult work in the protection zones of utility network lines or in the vicinity of other facilities (e.g. storage points and storage

facilities of tech. gas or fuel) in advance with the Client. Ensure the preparation of H&S plan and comply with it, and, during the works, respect the protection zones and protection measures set for work in their vicinity.

- o Investigate, record and report, in a manner complying with the relevant legislation, all work injuries of its employees (or employees of its Subcontractors) which occurred during the works which are the subject-matter of the Contract in favor of the Client, and invite the responsible representative of the Client (usually, the safety officer. All records of injuries which occur in the course of work for the Client shall be sent by the Supplier to the e-mail address: [urazy@innogy.com](mailto:urazy@innogy.com) within 7 working days after the injury occurs. The records shall always include information on the cause of the injury occurrence and measures adopted against its re-occurrence.
- o Upon request, orally explain without undue delay the circumstances of work injury occurrence and measures adopted against its re-occurrence, this shall be ensured by the responsible manager.
- o Notify the Client at its request without undue delay in a defined way through the web portal of the exact number of work injuries, the approximate number of hours worked during the performance of the activities under the Contract in favor of the Client for a given period, the total number of hours of absence due to the reported work injuries and the average number of employees of the Supplier for the purposes of monitoring the level of the Health & Safety at Work.

#### CLIENT'S RIGHTS AND OBLIGATIONS:

The Client undertakes, through a designated contact person, to inform all its employees using the worksites or other premises where they will perform the works under the Contract about the purpose of the work carried out by the Supplier on such worksite. Furthermore, the Client undertakes to inform these employees of all safety measures related to such worksites, no later than the day following the day after the Client receives the necessary information from the Supplier.

The Client hereby reserves the right to:

- o Check the conduction of the works which are the subject-matter of the Contract by the Supplier in order to verify the compliance with the principles of health and safety at work mentioned above. In the event of a serious breach of legislation or other regulations or any of the provisions of the Terms and Conditions which could result in danger to safety or health, require immediate suspension of the performance of the works, or order the person creating the risk out of the worksite or the premises of the Client. This is without prejudice to the contracted completion dates of works or services that are not affected.
- o Ban an employee of the Supplier from the worksite applies also to situations where an employee cannot present a valid and correctly completed Personal Safety Log.
- o Capture photos or film records of the activities of the Supplier or its Subcontractors in order to prove a violation of the principles of health and safety at work or of a provision of the Terms and Conditions.
- o Conduct a customer audit of the Supplier in order to assess the compliance with legal requirements and the obligations of the Supplier in terms of safety at work.

## B. Environmental Protection (EP)

#### SUPPLIER'S RIGHTS AND OBLIGATIONS:

The Supplier undertakes to perform all contractually agreed activities and activities related to the Contract so as to avoid any negative impacts on the environment. The Supplier shall be liable for environmental damage arising from its activities or inactivity. In this context, the Supplier is obliged to remove, without undue delay, the damages at its expense. When performing under the Contract at the worksite of the Client, the Supplier is obliged to observe the internal instructions and regulations of the Client concerning the environment.

If the Supplier handles hazardous chemical substances or preparations at the Client's worksite, the Supplier shall be obliged to:

- o Provide the Client, upon request, with a list of all the hazardous chemical substances and preparations handled by the Supplier, including safety data sheets, and to do so immediately.
- o Store hazardous chemicals and preparations in accordance with the instructions set out in the safety data sheets and ensure that all the employees who handle them have been demonstrably acquainted with such instructions.
- o Handle hazardous chemicals in a manner that prevents the undesirable release thereof into the environment (especially soil, groundwater or surface water).
- o Treat used packaging of hazardous substances as hazardous waste.
- o If volatile organic compounds (VOC) are created in connection with the performance of agreed activities, the Supplier shall be deemed to be the producer of such compounds. The Supplier shall minimize the

volume of VOC emission by way of arranging for appropriate technical conditions.

The Supplier shall be regarded as the producer of waste generated in the performance of the Supplier's activities under the Contract. As such, the Supplier shall be obliged to:

- o Submit a list of all waste, whose occurrence can be assumed, with the following information, at the request of the Client's representative prior to commencing supplies or services under the Contract: the type and class of the waste, the estimated quantity, including a specification of the collection method, transport and disposal arrangements, including the applicable permits to manage the relevant waste.
- o Properly manage the waste, in particular it shall collect waste sorted by type and classes at places designated for this purpose and register the quantity thereof.
- o Secure the collection point or collection facilities with technical parameters to prevent the contamination of water and rock environment with waste, or leakage of waste or any composition thereof into the environment, and ensure the due identification thereof.
- o Deliver any waste to authorized persons only in accordance with the Waste Act.

If the Supplier performs work activities which may affect the interests protected by the Water Act, it shall:

- o Make reasonable measures in order that the harmful substances could not get into the surface water or groundwater and thus endanger the environment.

- Submit a Client for approval, within 10 days before commencing the supplies or services "Plan of measures in case of possible threat to surface water or groundwater"(Emergency Plan).

In case of an accident, the Supplier is obliged to ensure that the person who discovers the accident shall immediately take action to prevent the spread of hazards and inform of the accident the Client and the Czech Environmental Inspection, where the scope of the accident requires so. The Supplier is also required to remove the accident without undue delay at its expense.

In pursuing activities relating to gas pipeline of the gas pipeline system, the Supplier understands that the gas pipeline system may contain natural gas condensate, which is dangerous to water (toxic to aquatic organisms) and humans (carcinogenic). The Supplier is obliged to take extra care to prevent the condensate leakage into the environment.

After cessation of the activities under the Contract, the Supplier shall arrange for cleaning and tidying up of the worksites and premises affected with the activities. All items that meet the definition of waste must be removed as waste by the Supplier, in accordance with generally binding legislation.

#### **CLIENT'S RIGHTS AND OBLIGATIONS:**

When performing under the Contract at the worksite of the Client, the Client shall acquaint prior to the works commencement the Suppliers with the internal instructions and regulations on environmental protection to be observed by the Supplier. The Client shall also inform the Supplier of the measures the Supplier must take in the event of an emergency threatening the environment.

The Client shall be entitled to check the Supplier's works which are the subject-matter of the Contract to ensure observance of the principles of environmental protection. In case of a serious breach of any provision or of these Terms and Conditions which could result in damage to the environment, the Client shall be entitled to stop the works or order the originator of the threat (the employee of the Supplier) out of the Client's workplace and premises. This is without prejudice to the contracted completion dates of works or services that are not affected.

In order to prove a breach of the provisions of the Terms and Conditions of H&S, EP or FP the Client may take photos or film records of the activities of the Suppliers and their Subcontractors.

Further, the Client reserves the right to conduct a customer audit of the Supplier to assess compliance with legal requirements and the obligations of the Client in terms of environmental protection.

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## **C. Ensuring Fire Protection (FP) at the Client's Worksites**

#### **SUPPLIER'S RIGHTS AND OBLIGATIONS:**

Unless otherwise agreed, the Supplier shall ensure fire protection of the worksite to the extent of the work carried out at such worksite by the Supplier.

The Supplier shall act, in the performance of supplies or services under the Contract, so as not to give a cause to a fire or cause a fire and endanger by its activity life, health and property. For this purpose, the Supplier undertakes to, if necessary, acquaint itself with the method for ensuring fire protection at the Client's workplace and inform its employees as well as the employees of its subcontractors working at the Client's workplace.

Furthermore, the Supplier undertakes that its employees:

- Shall, at the Client's request and prior to the commencement of work, receive instructions and attend professional trainings concerning fire protection of the Client's workplace at which they are to perform work.
- in the performance of work near emergency exits and fire evacuation routes, electricity distribution equipment, gas, water and heating shut-off valves, fire safety equipment and material fire protection resources, shall not obstruct free access to such spaces, unless it is absolutely necessary in the performance of work under the Contract; should there be any restrictions in the use of the above spaces, alternative measures must be taken by agreement with the Client before the work is commenced.
- Strictly observe all instructions indicated by safety signs and signals.

- Shall carry out work with an increased fire risk (e.g. welding, grinding, cutting, working with a flame, etc.) after reporting such work to and receiving permission from the Client's employee responsible for fire protection at a given worksite.
- Before commencing fire-risk activities, shall check the place of work and its surroundings, remove flammable substances and take other necessary fire-safety measures to prevent a cause for fire as a result of their activities.
- Shall sound the fire alarm at the concerned worksite in compliance with the Client's local fire documentation if they detect fire.
- Shall provide personal and material fire-fighting assistance within their compass.

#### **CLIENT'S RIGHTS AND OBLIGATIONS:**

The Client shall ensure the fire protection of the workplace to the extent of the Client's operations.

The Client shall be entitled to check the Supplier's work to ensure observance of the principles of fire safety mentioned above. In case of a serious breach of legislation or any provision which could result in a fire or danger to life, health or property, the Client shall stop the work or order the originator of the threat out of the Client's workplace and premises. This is without prejudice to the contracted completion dates of works or services that are not affected.

Furthermore, the Client reserves the right to conduct a customer audit of the Supplier to assess the compliance with legal requirements and the obligations of the Client in terms of fire protection.

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## **D. Contractual Penalties**

A breach of these Terms and Conditions (even one-time) is considered a serious breach of the Contract. In the event of a breach of any provision of these Terms and Conditions that could lead to a threat to life and health or damage to the environment, the Client may withdraw from the Contract with immediate effect. Withdrawal from the Contract shall not affect the right of the Client to the removal of any damage caused by the Supplier, to damages, arising in the given context to the Client and to the payment of contractual penalties, if the entitlement to such payment arose before the effects of the withdrawal occurred.

In the event of an infringement of the Supplier's obligation to furnish its employees with a duly completed Personal Safety Log and if the employee of the Supplier who should be assigned a Personal Safety Log is unable to produce a safety log following the Client's request or does not have the log duly completed, the Supplier shall be obliged to pay a contractual penalty of CZK 1,000 for each individual case to the Client.

If the Supplier fails to inform the Client that the work or a part of the work comprising construction work will be performed by multiple subcontractors on the site under its management, and, the Client thus fails to appoint the necessary number of on-site safety coordinators in accordance with the relevant legal regulations, the Supplier shall be obliged to pay the Client a contractual penalty of CZK 20,000 for each individual case if the Client requests so.

In the event of an infringement of any obligation arising from these Terms and Conditions, the Supplier shall pay the Client a one-time contractual penalty in the amount specified by the Client, however, not more than CZK 50,000 for each ascertained case of the infringement of the duties under these Terms and Conditions.

In the event that the Contract or the Terms and Conditions for the performance of a particular work or service specify the sanctions for breach of obligations in the field of safety at work, fire protection and environmental protection differently from these general Terms and Conditions, the imposing of the particular sanctions shall be governed by the Contract or the Terms and Conditions for the performance of the particular work or service.

The Supplier shall be obliged to pay the contractual penalty to the Client within 30 days of the date the Client requests the payment of such penalty. The Client shall have the right to offset the contractual penalty, to which the Client became entitled under these Terms and Conditions, also against any Supplier's pecuniary claim which may arise to the Supplier towards the Client or to whose payment from the Client the Supplier may be entitled under the Contract within the performance of which the Supplier has breached the provision of these Terms and Conditions. The claims shall be offset as at the date determined by the Client.

The provisions on the contractual penalty shall not prejudice the Client's right to damages.

## **E. Transitory and closing provisions**

The duty to furnish employees with Personal Safety Logs in cases specified in these Terms and Conditions shall arise within 6 months of the date of effect of this document. Until that time, the duty to furnish employees with Personal Safety Logs applies in cases specified in the previous version of the Terms and Conditions effective from 1 January 2015.

**These Terms and Conditions are effective from 3 October 2016.**