

## MUTUAL OBLIGATIONS OF THE PARTIES IN THE AREA OF H&S INCLUDING RELATED PROVISIONS

### MUTUAL OBLIGATIONS OF THE PARTIES IN THE AREA OF H&S, FIRE PROTECTION, SERIOUS ACCIDENTS PREVENTION, ENVIRONMENTAL PROTECTION, ENTRY PERMITS INCLUDING RELATED PROVISIONS

**Annex to the Commercial Contract made between the Contractor and the Ordering Party (the “Contract”)**  
(Version 2025/05)

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## **Introductory Provisions**

For the purposes of this document, the parties are specified as the “Contractor” and the “Ordering Party”. The Ordering Party will always be a member of the NOVÁ HUŤ, s.r.o., Vratimovská 689/117, 719 00 Ostrava-Kunčice, Czech Republic or a user of purchase or other related services defined as the Ordering Party in the respective Contract to which this Mutual obligation will be attached or referred to.

The mutual relations, commitments, obligations, and requirements for the provision of services (work) are agreed by the parties in the Contract. If two and more employers perform tasks in one workplace, the employers are obliged to inform each other in writing of the risks, and to cooperate with respect to health and safety at the workplace.

If this document stipulates the guidelines specified by the number of an internal document and if these guidelines are either amended or superseded during execution of the Contract, the Contractor will be duly trained in compliance with the latest wording of such guidelines.

The Contractor is obliged to transfer the Ordering Party’s requirements arising from the Contract to its employees and to the Contracts to be made with sub-contractors or to the contracts of the sub-contractors made with other sub-contractors. For the purposes of this document, the term “Contractor’s Employees” is also understood as the employees of the Contractor’s sub-contractors.

For the purposes of this document, the Premises consist of buildings and areas owned by NOVÁ HUŤ, s.r.o., (and/or by the Ordering Party) and the companies having their registered offices and immovables here; the buildings and areas are fenced in with watch-houses (the main Premises) or the buildings are located separately and properly designated.

When performing work, the Contractor is obliged to respect all aspects and obligations arising from the introduced IMS certified under Czech Technical Standard EN ISO 9001 (QMS), Czech Technical Standard EN ISO 14001 (EMS), Czech Technical Standard EN ISO 45001 (HSMS), Czech Technical Standard EN ISO 50001 (EnMS) and Act. No. 224/2015 Col. which it will be made acquainted with by the responsible employees of the Ordering Party stipulated in the Contract for Work; further, the Contractor is obliged to comply with the related internal regulations of the Ordering Party. If these provisions are breached, the Contractor will pay a contractual penalty of CZK 50,000 to the Ordering Party for each identified case of breach.

The contractual penalties stipulated in this document shall not affect the right of the Ordering Party to damages arising from a breach of the obligations set out in this document by the parties specified herein.

(Note: The above-stipulated obligations of the Ordering Party, including any necessary cooperation with the Contractor, are to be organized by the department of the Ordering Party requesting the service.)

### **1 Health and Safety at the Workplace (H&S)**

#### **A. Risk Analysis (OS N 0.121 chap. 2)**

**1** The Contractor is obliged to handover risks connected to their activities and activities of its sub-contractors.

**2** The Contractor is obliged to update such risk analysis if working conditions in the workplace have changed and to reflect these changes in the document decisive for H&S management (e.g., H&S Plan).

**3** The Contractor is obliged to include all assessed risks in such risk analysis, including those arising from the management of chemicals and compounds (information provided in the safety sheets for the respective chemical or compound).

**4** The Contractor is obliged to prepare a last-minute risk analysis (LMRA) prior to commencing work and in case of change of the employees. For the preparation of the analysis, a form is available at <https://www.novahut.cz/about/health-and-safety-policy/index9ed2.html?lang=en>

The Contractor will hand over the set of completed forms once a week to a person

designated by the Ordering Party and who is responsible for taking over the work.

**5** A Contractor who keeps performing the same work described in operating safety regulations (incorporated risk analysis) with the same employees and has been demonstrably acquainted with these regulations, is not obliged to perform the last-minute risk analysis (LMRA) daily.

#### **B. Management of Chemicals; REACH (OS N 3.200)**

**1** The Contractor is obliged to create the conditions for H&S when preparing the Contractor’s documentation, an integral part of which is **production processing or routing**. The Contractor is also obliged to report the import of chemical substances and mixtures (ChSaM) prior to commencing the work. All chemical substances and mixtures must have the necessary documents to ensure safety, including information about the stipulated quantities. These documents must be shared with the Ordering Party prior to introducing the substances to the premises, and the Ordering Party (specified in the contract for H&S) must verify this import of substances.

If the working conditions at the workplace are changed, the Contractor is obliged to amend such process and acquaint the affected employees and the Ordering Party’s employees with the amendments.

**2** The Ordering Party is obliged to prevent its employees from contact with the dangerous substances/mixtures that contractor will use or to organize training related to the SDS’s of these chemicals. Upon request, the Contractor is obliged to present all documentation related to the management of hazardous chemicals and biocides or herbicides to the authorized person from NOVÁ HUŤ s.r.o., and such documentation will be available for inspection at the workplace.

**3** It is prohibited to supply material, products, equipment, and technology with the use of PCBs or asbestos. Trichloroethene and tetrachloroethene may be supplied in the necessary quantity only as required by the Contract for the defined purpose of use. The supplies of consumer goods and materials must not be contaminated by any prohibited substance – biocide agent DMF = Dimethyl fumarate (Commission Regulation (EU) No 412/2012). Thus, the Contractor confirms

that the required supply is not contaminated by DMF. If such obligation is breached, the Contractor is liable in full for any damage caused, including any sanctions imposed by the competent inspection authorities.

**4** The Contractor undertakes to duly conform to the national, European, and international regulations related to environmental protection, particularly in relation to EC Directive no. 1907/2006 of the EP and the EC – REACH, and further that, in the area of the environmental protection of water and waste and herbicides management, it has been awarded the respective certificates by the authorities. Under these terms and conditions, under related provisions of REACH, under Act no. 350/2011 Sb, and under related executive decrees, the Contractor hereby undertakes to supply pre-registered or registered substances only to the users, with the exception of when registration under REACH is not required. Under those terms and conditions and under related provisions of REACH, the Contractor hereby undertakes to inform the users of the content of a substance which is on the candidate list of substances to be included in Annex XIV of REACH. Chemical substances and mixtures must be packaged and marked in Czech language under Act no. 350/2011 Coll. and under Regulation (EC) No. 1272/2008 on classification, labeling and packaging of substances and mixtures, and an updated Safety Data Sheet (SDS) in Czech language must be supplied to them, in accordance with the effective legislation (Commission regulation (EU) No. 2020/878, 2015/830 or No. 453/2010).

**5** Supplies of biocides and agents must be in compliance with Act no. 120/2002 Coll., as amended, on the terms and conditions of introducing biocide and active substances to the market. Supplies not meeting these rules or breaching them are prohibited. Prior to entering into the Contract, the Contractor will present the confirmation issued by the Czech Ministry of Health on working with biocides.

**6** Breach of any of the aforesaid obligations related to chemical management and REACH is deemed a substantial breach of the Contract and establishes the Ordering Party's right to withdraw from the Contract and to request compensation for damage and/or to impose a contractual penalty of 10% of the value of the supply.

**7** The Contractor is obliged to cooperate with the H&S coordinator appointed by the Ordering Party on the building site during preparation of the construction and the work. The Contractor is obliged to report work with possible exposure to asbestos to a person authorized by NOVÁ HUŤ, s.r.o. In the event of work that could expose the Contractor's or the Ordering Party's workers to asbestos, the Contractor is governed by Act no. 309/2006 Coll. (Section 7(3) – securing the **controlled**

**area**, and Section 8 (2,3)), Act no. 258/2000 Coll. (Section 39-41) as amended. In the event of the construction work with the presence of asbestos, the Contractor appoints a supervisor with authorization for such construction under a special legal regulation (Act no. 183/2006 Coll., Section 128). For demolition work with the presence of asbestos, waste removal is arranged by the Contractor under Act no. 541/2020 Coll. (Sections 85 and 106) as amended.

**8** Prior to each entry into the premises, the Contractor prepares a list of all transferred chemicals and compounds, including specification of their quantities and hazardous properties. Such list is presented to the representative of the Security Services at the entrance gates to the premises for confirmation, and subsequently, such list is handed over by the Ordering Party to a person responsible for taking over the work and guarantee the handling of this list to the authorized person.

### **C. Management of Radioactive Substances**

**1.** The contractor of the work – importer is obliged to notify this fact to a supervisor - responsible person for taking over the work prior to supply and to submit a copy of the documents relating to the Radioactive Substances meeting the requirements of Act No. 263/2016 Coll. Permission from the State Office for Nuclear Safety is required for the handling of radioactive substances.

### **D. Recording Important Information for H&S (OS N 0.121)**

**1** The Contractor keeps records of the construction work and installation work, recording and filing all important information for H&S, including a breach of safety rules by employees, accidents and near-misses, hazardous situations, and hazardous conduct announced by the Contractor's employees. These records must be accessible to the Ordering Party's employees. For definitions of particular types of accidents and incidents, see <https://www.novahut.cz/about/health-and-safety-policy/index9ed2.html?lang=en>

### **E. Contractor's Obligations prior to Commencement of Work (OS N 0.121 chap. 6 and 7)**

**1** Prior to commencement of the work, the Contractor is obliged to:

a) organize the safety measures specified in the project, the Contract, the record of taking over the workplace, the construction records, the installation records, or in any other records.

b) provide the Ordering Party with information in writing about risks arising from

its work and jeopardizing the life and health of the Ordering Party's employees.

c) hand over to the Ordering Party the **technological or work procedure** or health and safety plan.

d) the Contractor carrying out any activity/work on the NOVÁ HUŤ premises, which will require any specific technical equipment (cranes, auto cranes, excavators, road rollers, working platforms, etc.) is obliged to complete the application form "Ohláška Vstupu hmotného majetku externí firmy" with information about these devices, including the registration number (serial number, etc.) and including current revisions, inspections, or checks (last date for technical inspections is sufficient, etc., and with copies of these documents). This application form with attachments must be submitted to the Ordering Party before introducing the devices into the premises, and the Ordering Party must verify this entry. The same procedure applies for any additional entry of the equipment. This form is available at <https://www.novahut.cz/about/health-and-safety-policy/index9ed2.html?lang=en>

e) The contractor is obliged to follow the rules for disconnecting and securing devices, primarily not to manipulate the controlling elements of power supplies and to follow the instructions of the person responsible for the device or workplace.

In premises with disconnected or secured equipment, the employees will be supplied with personal locks or seals for their own safety. For clear identification of persons, these locks/seals must be black. The following rule applies to the locks: one person, one lock, one key. Detailed instructions about isolation are at OS N-0.121 chap. 6 and other related documents at <https://www.novahut.cz/about/health-and-safety-policy/index9ed2.html?lang=en>

**2** The Contractor must verify that its employees and its sub-contractors have been acquainted with the requirements set out in the annexes to the Contract relating to H&S, the requirements for work safety specified in the documentation, and the routings or production processes to the extent related to them. In order to evidence such acquaintance, the Contractor files a completed and signed Data Capture Form (available at <https://www.novahut.cz/about/health-and-safety-policy/index9ed2.html?lang=en>

If the employees are acquainted with the revision of a document important for H&S management for a specific purpose (e.g., the H&S Plan, production processing or routing), the Contractor is obliged to file such fact in the Data Capture Form.

Such form is handed over by the Contractor upon completion of the last work at the construction site (i.e., completion filed in construction records). Further, the Contractor is obliged to train employees in compliance with the syllabi specified by the Ordering Party in the construction records, installation records, or in any other document filed in this respect.

The Contractor is obliged to verify that its employees and its sub-contractors' employees have been acquainted with H&S Policy and Work Safety Policy of NOVÁ HUŤ.

**3** Prior to commencement of the work, the Contractor is obliged to inform the Ordering Party in writing of the surname of the person (persons) responsible for the working group (working group manager). The Contractor is also obliged to do the same for each change.

**4** The Contractor is responsible for ensuring that its employees and the employees of the respective sub-contractors are healthy and skilled to perform the work. **Valid certificates demonstrating their health and qualifications** must be filed with the Contractor.

Upon the Ordering Party's request and under the generally binding legal regulations and terms, the Contractor provides the Ordering Party – prior to execution of the Contract and upon request of the Ordering Party or any authority and even during work performance – with a certificate of skills and competence to perform work, including authorization to manufacture specified technical equipment. In particularly specified events and in the cases stipulated in the Contract, work may only be performed under the supervision of the Ordering Party's skilled and authorized persons from specialized departments of the Ordering Party.

**5** The Contractor undertakes to respect the Employment Act and legal regulations relating to employment, particularly in relation to **illegal work, the employment of foreigners, including fulfillment of reporting duties** in respect thereof. The Contractors are directly liable for damage caused or fines imposed since they are obliged to meet these obligations; the Contractor is obliged to compensate the Ordering Party for any penalties imposed in this connection. Particularly, if a foreigner employee joins the Contractor or its sub-contractors and such foreigner is not required to hold a work permit, the Contractor undertakes to inform the Labor Office of Ostrava in writing of such fact (Dept. of Foreigner Employment, 30. dubna 2C, CZ-701 60 Ostrava, Phone: +420 595 1325 46, in accordance with provisions of the Employment Act, Act no. 435/2004 Coll. or any other competent labor office under the applicable legal regulations – as an employer sending its employees to perform work under the work performance contract at the Ordering Party. Such reporting

duty is met by the Contractor on the day these employees (persons) start to work at the latest. Further, the Contractor, including its sub-contractors, undertakes to provide the Ordering Party – HR Dept. – with data on foreign employees and foreigners sent by it for performing work in writing on the day these employees (persons) start to work at the latest, unless an earlier obligation is stipulated by law.

**6** In terms of the identified risks, the Contractor is obliged to prepare the respective **personal protective environment (PPE)** for its employees, including respiratory devices and safety equipment for work relating to heights or depths; the Contractor arranges for the use of the PPE and implements the mandatory controls according to the instructions and user manuals and test of their functionality. The Contractor is obliged to verify that its employees have been acquainted with the user manuals for the individual PPE.

**7** The Contractor's employees, including the employees of its respective sub-contractors, are required to use the specified PPE, including workwear with reflective stripes or reflective vests.

Where safety helmets are required, it is also required to use the chin straps for the safety helmets to ensure a higher level of safety and protection against falls.

Documented training must be carried out for using contained respiratory devices and authorization for the safe use of the devices is required, provided they are used during work.

**8** The Contractor is obliged to arrange for the identification of its employees (including the employees of its sub-contractors), their names on the safety helmets and those who are entitled to bind and suspend loads – safety label picturing shape of an orange hook must also be affixed to their safety helmets.

**9** Site facilities owned by the Contractor or used by the Contractor must be marked with the business name and address of the company disposing of them, including the first name, surname, and phone contact of the person responsible for their safe operation, including compliance with the safety regulations.

**10** The Ordering Party shall allow the Contractor to set up necessary workplace/site. Protection of the workplace/construction site during construction, installation, and maintenance work (N-0.121) is the Contractor's obligation (fencing, installation of safety signs relating to bans, warnings, commands and information, specification of the frequency of inspection walks, site supervision, restrictions relating to handling machinery and technology by unauthorized persons, specification of passages through the site, site lightning, etc.). The Contractor is obliged to mark site

entries with safety panels specifying the risks/hazards, including the elimination of a health risk by safety symbols (symbols with wording). The Contractor is not obliged to mark entries when dealing with line construction provided that the site location is duly closed and marked with the panel "NO ADMITTANCE". Any other persons are entitled to enter the site when the Contractor is present only.

**11** The Contractor allows the Ordering Party to carry out **safety audits** when deemed by the Ordering Party as necessary for H&S verification at the workplace. If such auditing reveals non-conformities and if those non-conformities are recorded, the Contractor is obliged to perform the tasks set for removal of those non-conformities. Upon the Ordering Party's request, the Contractor is obliged to prepare the Action Plan for removal of the detected non-conformities.

**12** Prior to commencement of the work by the employees of the Contractor's companies, the Ordering Party organizes **H&S training** according to the syllabus of ZBB 24.

**13** If the Contractor performs work on the site of the Ordering Party, using technology, tools, protective equipment and other means of the Ordering Party, the Ordering Party and the Contractor shall include and confirm these facts by their signatures in the printed form: Working and Construction Site Handover Report. The Contractor is obliged to use the provided technologies, tools, protective equipment, and other means in accordance with applicable safety regulations.

#### **F. H&S during the Performance of Work (OS N 0.121 chap. 7, 8)**

**1** When performing work, the Contractor is obliged to comply with Act no. 309/2006 Coll., regulating other requirements for H&S during employment activities and relating to H&S when activities are made or services are provided outside of employment (Act on Additional Terms for Health and Safety at the Workplace), Government Decree no. 591/2006 Coll., on the Minimum H&S Requirements for Work at Construction Sites, Government Decree no. 362/2005 Coll., on H&S Requirements for Work at Construction Sites with the Hazard of Falling from Heights or to Depths and other generally binding legal regulations.

**2** As a part of preparation and implementation of the work, the Ordering Party informs the Contractor of the requirements and the respective documents and deeds for the work to be performed:

- Excavation Permit
- Lock-out Command
- Inter-company Roads Lock-out Permit
- "B" Command (for electronic devices) still in effect at the Ordering Party

- "P" Command, "V" Command, and "S" Command for work with enhanced risk (welding, burning) or in zones with the risk of explosion and specified and marked confined spaces.

- Blasting
- Work at heights (requirements for scaffolding),
- Disconnection and protection of machinery and technology (N-0.121)
- Locations and methods of power usage under the Contract
- Permit for establishing temporary electrical equipment, etc.

Requirements for preparation of the above-specified activities must be stipulated in the Contract. If they occur during implementation of the work, they are recorded in the construction records and the installation records prior to their commencement.

When work is performed by the Contractor's employees in zones with the risk of explosion, a PPE must be used, including mobile devices under Government Decree no. 406/2004 Coll. Prior to commencement, the Ordering Party will acquaint the Contractor's employees with such zone as a part of the syllabus of ZBB 24, or it will be included in "V" Command (see above).

**3** The Contractor is obliged to agree with the Ordering Party on the installation, construction and other work interfering with the traveling track of cranes (e.g. work on crane tracks, pipeline distribution networks, roofs of the production shops, etc.) or work to be performed in the handling area of cranes (e.g. scaffolding construction, etc.). Such agreement must be recorded in the construction records, the installation records, or the records on handing over the workplace/construction site.

**4** If the Contractor performs the work on specified technical equipment (STE – see Article 11 – "Arranging legislative conditions for installation and maintenance work on specified technical equipment (STE) at the Ordering Party") and on steel structures, construction of scaffolding, etc., it must have a certificate for this work issued by the national technical supervision body.

**5** Prior to performance of the work on the specified electrical equipment of the Ordering Party or in the vicinity of such equipment that requires a "B" Command (under Czech Technical Standard 34 3100 – at the Ordering Party, this is continuously in effect), the Contractor submits to the Ordering Party a photocopy of the certificate stating that a person who will perform such work is qualified.

**6** At the Ordering Party, there is a single-phase sequence for the outlet distribution networks. Therefore, the Contractor's employees are obliged to verify the due operation of the electrical appliances, and, if

they are not functioning properly, the appliances must be switched over. Any unauthorized interference with the wiring is strictly prohibited.

**7** Machinery, electro-mechanical, pneumatic, hydraulic or any other tools may be lent to an authorized person of the Contractor only, who will also be provided with the respective user manuals. The Contractor's employees must not use the above-specified appliances/equipment in a negligent manner.

**8** The Ordering Party has the right to verify whether the employees performing special work or using or servicing the Ordering Party's equipment/devices are duly skilled and in good health.

**9** The contractor's working group manager is obliged to immediately cease any work if the work jeopardizes the Ordering Party's or any other contractor's activities. The Contractor must immediately inform the Ordering Party of any discontinued work, including justifications. Accordingly, the Contractor must cease work if it jeopardizes the employees of the Ordering Party or the employees of any other contractor, and the Contractor must agree with the Ordering Party on other procedures – which must be recorded in the construction records or the installation records.

**10** The Contractor is obliged to inform the Ordering Party of recommending the work – which must be recorded in the construction records or the installation records.

**11** Adherence to legislative terms and conditions when performing installation and maintenance work on the **specified technical equipment (STE)** at the Ordering Party:

#### **11.1 Gas equipment**

a) The Contractor must have a certificate issued by TIČR Prague with the respective scope relating to the equipment to be repaired or installed.

b) Installation records must be kept for repairs.

c) For work performed, the routing for the maintenance work must be prepared in writing.

d) When performing the work, the employees possessing the certificate with the respective scope included (when somebody shows the certificate for repairing the heating gas pipeline, it cannot repair any furnace or commercial gas pipeline) must be physically present. For performance of work requiring additional activities, one person with the certificate is sufficient – provided that such person is recorded in the construction records and will be physically present at the workplace during the whole time. Hence, specification of the person's responsibility in more than one workplace at the same time is not permitted.

e) Welders must demonstrate that they possess the respective qualifications for the

diameter and type of welded material in accordance with Czech Technical Standard EN 287.

f) After finishing the work, the equipment must be tested for pressure or function – this is prepared by the Contractor – for such testing, the Contractor arranges for an engineering inspector for the respective area and prepares the documents – Certificate of Inspection "3.1" under Czech Technical Standard EN 10204 and ES Compliance Certificate for the supplied serial parts; for gas conduits up to 0.5 bar, the Testing Report "2.2" is sufficient. The Contractor must prepare other documents for handing over to the Ordering Party: the records for pressure and functional tests, the welding records, the installation records, the TD for the actual types.

g) For high-pressure gas conduits (over 400 kPa – distribution networks for acetylene and natural gas) and equipment for consumption by combustion with a capacity of over 3.5 MW; for testing, the inspector from TIČR Prague must be invited in writing to attend the testing within 14 days of the date of testing.

h) Fulfillment of particular items may be governed by an agreement between the work coordinators of the Ordering Party and the Contractor recorded in the installation records.

i) Employees entering an area with a risk of gas – red zones marked with the safety panel "NO ADMITTANCE WITHOUT RESPIRATOR AND GAS DETECTOR! AREA WITH INCREASED RISK OF GAS!" must be equipped with a respirator and a gas detector for that particular type of gas. Employees entering an area with the risk of gas – yellow zones marked with the safety panel "NO ADMITTANCE WITHOUT GAS DETECTOR! AREA WITH INCREASED RISK OF GAS!" must be equipped with a gas detector for that particular type of gas.

The Employer/the Contractor will verify that its employees and/or the employees of its sub-contractor have been acquainted with H&S Methodological Instructions No. 6 – Use and Inspection of Gas Detectors and Procedures for Measuring Air Quality.

At NOVÁ HUŤ workplaces, gas detectors in the version for steel mills with suppressed hydrogen sensitivity are preferred.

For verification of the employees' acquaintance with those instructions, the Contractor is obliged to keep and submit – upon the Ordering Party's request – the completed and signed Data Capture Form to the authorized person responsible for handing over the work – see Article 2 "Obligations of the Contractor prior to Commencement of the Work".

The Ordering Party verifies the correctness of the necessary data and documents with the

Corporate Engineering Inspector at NOVÁ HUŤ s.r.o.

### 11.2 Pressure equipment

a) When repairing first and second category boilers, installation records must be kept. This is not necessary for pressure tanks.

b) For work performance, routing related to maintenance work must be prepared in writing.

c) For welding on the pressure unit, technological instructions must be prepared – welding based on the respective qualified (approved) WPS.

d) The welding of joints must be made only by a welder having the respective test under Czech Technical Standard EN ISO 9606-1.

e) After finishing the work, construction and pressure tests must be carried out and prepared by the Contractor, who arranges for an engineering inspector possessing a valid certificate with the respective scope; in the cases stipulated in point g, after successful testing, the Contractor must arrange for an inspector from TIČR Prague to be present during the testing.

f) For construction testing, the Contractor must prepare welding records, including technological instructions for welding and steam boilers, installation records, TD, non-destructive test records, inspection certificate “3.1” under Czech Technical Standard EN 10204 and ES – Compliance Certificate of Conformity with Supplied Pressure Serial Parts, and the TD of the actual type.

g) To inform in writing within 15 days in advance the inspection body – TIČR Prague – of the date of the boiler testing with overpressure exceeding 1.6 MPa and category A pressure tanks with the highest working overpressure exceeding 2.5 MPa.

h) Fulfillment of the particular items may be governed by an agreement between the work coordinators of the Ordering Party and the Contractor recorded in the installation records.

i) The Contractor performing the repair, reconstruction, or installation of pressure equipment must possess the authorization issued by TIČR Prague.

j) When installing a new pressure vessel, the supplying or installing organization is obliged to perform initial inspection in accordance with Czech Technical Standard 69 0010.

The Ordering Party verifies and checks the correctness of the necessary data and documents with the Corporate Engineering Inspector at NOVÁ HUŤ, s.r.o.

### 11.3 Hoisting equipment

a) When repairing the specified technical hoisting equipment, installation records must be kept, and routing must be documented.

b) When performing work, persons possessing the respective certificate must be present – hoisting equipment service person.

c) Welders must demonstrate that they possess the respective qualifications under Czech Technical Standard EN 9606-1 concerning the diameter and type of the welded material.

d) For work to be performed, routing must be prepared in writing.

e) After finishing the work, the Contractor organizes testing according to the character and scope of the repair (functional testing, inspection testing). The test repair contractor arranges an engineering inspector for the respective area.

f) For testing, the Contractor prepares documents in accordance with Czech Technical Standard EN 10204 related to bearing/supporting elements and/or a geometrical survey, welding records, installation records, and TD.

g) Fulfillment of the particular items may be governed by an agreement between the work coordinators of the Ordering Party and the Contractor recorded in the installation records.

h) Repairs to the lifts (elevators) are performed by skilled persons of the Contractor possessing a lift service repair certificate.

The Ordering Party verifies and checks the correctness of the data and documents with the Corporate Engineering Inspector for the hoisting equipment at NOVÁ HUŤ, s.r.o.

### 11.4 Electrical equipment

a) When performing the work, skilled technicians must be present – certificate related to wiring – Section 5 to Section 8 of Decree no. 50/1978 Coll. (electro-professions) and Section 4 (without electro-technical skills, i.e. a technician using electric tools and servicing the electrical equipment);

b) After finalizing the work, the electrical equipment (EE) must be tested and measured according to the character and scope of the repair (function testing) and/or checked (if the protection has changed, if the equipment is replaced, if new EE is installed, etc.). After the work is performed, the Contractor arranges for an engineering inspector possessing the relevant certificate; as soon as new EE is installed, the Contractor provides to the operator during the handover a preliminary report and documentation of the actual type, including the service and maintenance manuals.

c) Further, the Contractor prepares the documents under Czech Technical Standard EN 10204, statement in accordance with Act no. 22/1997 (for the product), testing records, measurement records, installation records, etc.

d) The Contractor notifies the commencement of the installation of the category 1 equipment in accordance with Decree no. 73/2010, organization of state supervision (TIČR Prague). In addition, the Contractor arranges for the statement of TIČR

Prague in relation to the category 1 equipment prior to operation (e.g. installed in the environment with a risk of explosion, in particularly dangerous areas with respect to injuries from electrical currents, equipment in construction sites intended for more than 200 persons, equipment in areas for medical purposes and in healthcare facilities, etc.);

e) The Contractor must have the following documents – a trade license for installation work, EE repairs and inspection, including an electronics certificate and lists of persons with EE skills.

The Ordering Party verifies the correctness of the data and documents with the Corporate Engineering Inspector from NOVÁ HUŤ s.r.o.

### 11.5 Welding, including STE and steel structure inspections.

a) For welding work on steel structures and STE under preparation to be fully performed by the Contractor, welding procedures must be approved, including the scope and inspection plan and the assessment criteria by a competent welding technician who organizes the welding supervision.

b) Submitting documents required by the Contractor concerning the performed welding work on steel structures or high-pressure equipment to a responsible officer under the Contract and/or to the Corporate Welding Technician from NOVÁ HUŤ s.r.o. or to a welding technologist from the respective production plant for which the work is performed.

**12 All equipment and facilities in contact with oxygen** must be completely free of grease. If there is leakage of the oxygen conduit (conduit marked as OXYGEN CONDUIT), the operators of the oxygen conduit (OC) must be immediately informed of such fact.

Underground areas with expected higher concentrations of oxygen must be properly specified by the Ordering Party's department for mandatory inspections with an oxygen concentration detection device prior to each entry into these areas. If the oxygen concentration in the air is over 21%, no work is allowed to be performed in those areas, and the cause must be determined and subsequently removed.

It is prohibited to use oxygen for work not related to its technological application. When oxygen is used, the number of supply points cannot be extended to one lead-in (securing the permitted flow velocity).

Each discovered breach of these rules must be documented, and the responsible person of the Ordering Party must be informed.

### 13 Work performed at heights and depths and PPE against falling.

The Employer/the Contractor verifies that its employees and/or its sub-contractors have

been acquainted with the Methodological Instructions, Manual no. 1 – WORK AT HEIGHTS AND DEPTHS prior to commencement of the work.

Therefore, the Data Capture Form must be kept by the Contractor and submitted upon request of the Ordering Party's authorized officer responsible for taking over the work – such form must be completed and signed by the respective employees – see Article 2 “CONTRACTOR'S OBLIGATIONS PRIOR TO COMMENCEMENT OF THE WORK”.

The Employer/the Contractor ensures that the selected PPEs are in compliance with the character of the performed work, the expected risks, and the weather. The PPEs will ensure safe movement and will be regularly checked and tested according to the requirements of the accompanying documentation and that employees are demonstrably acquainted with the instructions for their use. The PPEs are used either separately or in combination with components and system parts and according to the manufacturer's instruction manuals as stipulated below:

- a) The employee cannot enter an area where there is a danger of falling (1.5 m from a free edge),
- b) The employee is secured in a working position, i.e., prevented from falling, or
- c) The fall is safely made, and the employee can be immediately and safely set free and/or transferred to a safe place; a fall must be arrested at a sufficient height above a barrier (terrain, floor, structure, etc.) in order to prevent injury to the employee.

If moving out of reach of a guard-locking system is required or if such system is interrupted, the employee must be secured by means of a safety rope or a double rope, and one of the ropes must be constantly gripped.

If work is performed on a roof, the employee must be protected (secured) against falling from a height by a specially installed horizontal rope system, unless another method of protection is specified. It always applies that fall protection is acceptable only if at least two of the three specified conditions are met:

- a) installation of a safety net for catching people (the use of safety nets must be analyzed on a case-by-case basis, depending on the difficulty of installation, the protection offered, the condition of the roof, etc.),
- b) installation of auxiliary structures,
- c) installation of a permanent or temporary catch system. **Roofs are not walkable!!!**

A proper PPE against a fall and/or a work positioning system, including anchorage points must be specified in the routing. As for work that does not require any routing, a proper method of protection against falling

and/or work positioning, including anchorage points, must be verified by the authorized officer of the employer/the Contractor. The anchorage point of the PPE against a fall must be resistant enough in the direction of the fall.

In the event of performing work in a protective work-platform cage, employees must be secured by PPE against falls from heights.

Employees must be constantly protected against falls from heights, i.e., during transport as well (using a double-core fall arrester).

When working at heights, the employees must wear safety helmets with a chinstrap, i.e., from 1.5 m unless specified otherwise. The employees of the Contractor/supplier intended to work at heights or depths must be in good health and professionally trained for this type of work. A representative of the Contractor/supplier demonstrates the professional expertise and good health of its employees prior to commencing the work for the Ordering Party.

### 13.1 Step Ladders

A step ladder may be used for work at heights only when the use of any other safer means is deemed ineffective with regard to risk assessment and/or when local conditions relating to the work at heights do not enable the use of these means. Short-term, physically non-demanding work may be performed on a step ladder when using hand tools. When using dangerous tools (e.g., portable chain saws, hand pneumatic tools, welding sets, etc.), work must not be performed on step ladders.

When climbing up or down a step ladder and when working on it, a person must face the step ladder and must always have grip points and the possibility of being safely supported; only one step may be used at a time.

Step ladders must be placed in a stable position for the entire period of use.

Portable step ladders must be situated on a stable, solid, and sufficiently large base, i.e., the steps must be horizontal. The step ladder must be protected against moving, for example, secured by binding. The step ladder must be prevented from slipping by securing the sides on the upper or lower ends by using anti-slip elements or other measures with a similar effect.

Collapsible and extension step ladders must be used so that the parts are properly secured against movement.

Prior to commencing the work and during work, mobile step ladders must be secured against movement.

When working on a step ladder at heights of more than 1.8 meters, a person must be protected against falls by PPE, with the exception of short-term work of a smaller scope, i.e., simple and short-term work on a step ladder where the person has three grip

points for the entire period. When working on a step ladder at a height of more than five meters, PPE against falls must always be used. For work performed at a height of up to 1.8 meters, a light step ladder with a platform and a grip may be used.

When moving and working on a step ladder, persons must wear a safety helmet with a chinstrap.

Inspections of step ladders must be made once every 12 months, if not otherwise stipulated in the manufacturer's manual. The employees must always make visual inspections of the ladders before commencing the work. Damaged ladders must not be used and must be clearly marked.

**14 Construction, Installation, and Maintenance Work** is work performed on erected or operated edifices, buildings, structures, machines, equipment or their parts that puts or maintains them in a state of use (repairs, maintenance, adjustments, removal of defects, remedying accidents, etc.).

### G. Scaffolding Construction and Scaffolding Use (OS N 0.121 chap. 9)

**1** The Contractor constructs scaffolding upon the Ordering Party's request as specified in the “Records of Scaffolding Construction” (the Ordering Party's form).

**2** All scaffolding must be technically documented.

**3** Prior to installing the scaffolding, the Contractor discusses the placement of the scaffolding with the Ordering Party.

**4** The constructed scaffolding must be handed over by the Contractor to the Ordering Party in the form of “Records of the Handover and Takeover of the Scaffolding” (form to be provided by the Ordering Party).

**5** Upon agreement with the Ordering Party, the Contractor designates the scaffolding with a registration number that will be the same in all related documents.

**6** When handing over the scaffolding, the Contractor installs a plate specifying the following data: -

- a) Load-bearing capacity of working floors in kg per one square meter,
- b) Permitted number of co-loaded floors,
- c) Name and address of the Ordering Party that has ordered the scaffolding,
- d) Use of the scaffolding,
- e) Period of use for the scaffolding.

**7** The Contractor of the scaffolding warrants to the Ordering Party the safe construction of the scaffolding under the TD and applicable regulations and professional inspections every 14 days, including the removal of defects, which are to be recorded in the “Records of Professional Scaffolding Inspections” (form to be provided by the Ordering Party). If the Contractor is not able to immediately remove the defects during

such professional inspection, it informs the Ordering Party of the scaffolding without undue delay of the necessity to interrupt work on the scaffolding until the defects are removed. Such information is to be recorded in the "Records of Detected Defects on the Scaffolding and the Removal of Defects" (form to be provided by the Ordering Party).

**8** After removal of the defects, the Contractor verifies that the Ordering Party has been informed of the removal of the defects (on the same document under 1.3.7).

**9** Handing over the scaffolding to another Contractor is organized by the original Ordering Party. Such handover of the scaffolding is recorded in the "Records of the Handover and Takeover of the Scaffolding" (form to be provided by the Ordering Party).

**10** After using the scaffolding, the Ordering Party requests that the scaffolding be dismantled. The Contractor will dismantle the scaffolding without undue delay.

**11** The "Records of Scaffolding Construction" and the "Records of the Handover and Takeover of the Scaffolding" are drawn up in two originals, and the "Records of Revealed Scaffolding Defects and Their Removal" are drawn up in one original and filed by the scaffolding provider. The "Records of Professional Inspections of the Scaffolding" are drawn up in one original and is filed by the scaffolding provider. These documents are filed for 12 months upon dismantling of the scaffolding.

**12** Inspections of temporary structures must be made prior to each use, i.e. even after postponement of work due to unfavorable weather conditions.

Scaffold installers must use only two-strand personal fall protection devices when installing them.

#### **H. Occupational Accidents (OS N 0.121 chap. 10)**

**1.** The Contractor keeps records of the accidents, including small injuries, in the accident ledger. Small injuries are understood as accidents requiring no medical treatment by a physician.

**2.** The Contractor is obliged to inform the Ordering Party's corporate dispatching of each accident without undue delay.

**3.** The Contractor is obliged to inform the Ordering Party of each near miss, including dangerous situations and hazardous conduct without undue delay.

**4.** The Contractor determines the causes of the accident, draws up an Accident Report, and sets up measures against reoccurrence of the accident in cooperation with a representative of the Ordering Party. One copy of the Accident Report is forwarded to the responsible person of the Ordering Party. The Contractor is obliged to cooperate with the Ordering Party in completing the Accident

Record or B Record in relation to reported near-misses, hazardous situations, dangerous conduct, small injuries, medical treatment, and substitute work.

**5** If an accident leading to absence occurs, the Contractor is obliged to verify that the employees are trained without undue delay according to the syllabi recorded by the Ordering Party in the construction records and installation records.

#### **I. Smoking Ban**

Smoking is prohibited in the entire premises, buildings, vehicles and machinery, in all workplaces of the employer and its subsidiaries, as well as in the workplaces of detached people. This ban also applies to products imitating the function of tobacco products or devices used for inhaling nicotine fumes, including tobacco product accessories, such as electronic cigarettes, under Act no 379/2005 Coll., on measures to protect against harm caused by tobacco products, alcohol, and other addictive substances, as amended.

#### **2 Fire Protection (FP) and Prevention of Serious Accidents (PSA)**

**1** Prior to commencement of the work, the Ordering Party shall organize FP and PSA training for the Contractor's senior managers. Contractor's senior managers shall verify that their employees have been trained, provided that these persons perform work with a higher risk of fire or work with a high risk of fire (under Section 4(2) and (3) of Act no. 133/1985 Coll., as amended FP and PSA training shall be organized under FP and PSA syllabus (see Annex 6 - syllabus H&S 0400 to internal guideline N-5.103).

Further, the Ordering Party is obliged to provide the Contractor's senior managers with the documents listed below:

- Fire Alarm Guidelines
- Fire Procedures at the Workplace
- Fire Evacuation Plan
- Fire extinguisher types and placement
- Placement of first aid kits
- Training syllabi under N-5.103
- Information on the categorization of work at the workplace and at adjacent workplaces, in particular, work with hazardous chemicals and agents and exceeding other limits.
- at least 10 days prior to commencement of the work, risks arising from work to be performed at the workplace and at adjacent workplaces.

**2** When performing the work and storing the material, the Contractor is obliged to adhere to Act no. 133/1985 Coll., the Fire Protection Act, as amended, Decree of the Ministry of the Interior no. 246/2001 Coll., on establishing the conditions for fire safety and

national fire supervision (the Fire Prevention Decree), as amended, Decree no. 23/2008 Coll., on the technical conditions for fire protection related to FP of the buildings, as amended, OS N-3.192 Fire Safety and Prevention of Serious Accidents and Decree of the Ministry of the Interior no. 87/2000 Coll., under which fire safety conditions are specified during welding and bitumen heating in furnaces and related technical regulations on FP and OS N-3.198 Fire Safety during welding, heating bitumen in melting pots, and other work with higher risks. The Contractor must not endanger with its work performance the buildings and facilities of the Ordering Party, including the premises.

Further, when storing pressure tanks for gas transport on the Company's premises, the Contractor must respect Czech Technical Standard 07 8304. The Contractor must also designate all buildings and areas (storage areas, service rooms, etc.) in which pressure tanks are stored in accordance with Czech Technical Standard 01 8014 and Czech Technical Standard ISO 3864-1. If a fire occurs, if an explosion occurs or, if pressure tanks are heated, any manipulation with them is strictly prohibited. The employees must immediately leave the endangered area to a safe distance, and the Fire Rescue Brigade is immediately called – phone number: 150, mobile phone number 727 561 500. The Contractor undertakes to adhere to the "Operating Instructions" and "Information on the Safe Operation of Acetylene Ties" specified by their manufacturer.

**3** Fire Rescue Brigade employees and FP professionals are entitled to enter the Contractor's workplace and check whether provisions of Act no. 133/1985 Coll., as amended, related provisions of Guidelines (N.-3.192, N-3.198) and Czech Technical Standards are kept.

**4** As for a long-term contract executed for more than one year, the Contractor is obliged to organize inspections of the buildings and facilities in accordance with FO regulations, and records of the inspections are to be kept.

**5** The Contractor is obliged to mark its buildings, construction site facilities with the name of the Company and the name of its responsible representative, and as a part of the construction, the buildings must be equipped with extinguishers and FP documentation (Fire Alarm Guidelines, FP Rules, FP tables, etc.) unless stipulated otherwise for the respective case.

**6** The warehouse facilities for pressure tanks and flammable liquids (durable or transient, operated during a temporary period of time, e.g., during construction or repairing) must be designed, implemented, and operated in accordance with the Building Act, Czech Technical Standard 07 8304, Czech Technical Standard 65 0201 and other legally



binding Czech Technical Standard and legal regulations. Construction site facilities must be in compliance with the requirements of Decree no. 23/2008 Coll., on the Technical Conditions for Fire Protection with respect to Construction.

7 The Contractor must inform the NOVÁ HUŤ s.r.o. Fire Rescue Team of each fire – telephone number: 150, mobile phone number 727 561 500.

### **3 Environmental Protection**

If the below-stipulated provisions are not adhered to, the Contractor pays to the Ordering Party a contractual penalty of CZK 50,000 for each detected case with the exception of point 7, where the penalty is at CZK 10,000.

#### **A. Training, Environmental Accidents**

1 All of the Contractor's employees (or its sub-contractors) must comply with the respective legal regulations and the Company's internal regulations relating to environmental protection.

2 The Contractor is obliged to train its employees (and the employees of its sub-contractors) on procedures and the respective steps for environmental accidents occurring at the Ordering Party and at the premises.

3 If an environmental accident is suspected or detected, each employee of the Contractor (or its sub-contractor) is obliged to inform its superior of such fact without undue delay.

4 The authorized officer of the Contractor (or its sub-contractor) who detects the environmental accident or who has been provided with the information on the environmental accident must immediately inform company dispatching in compliance with the instructions given by the Ordering Party. If company dispatching is not in operation (e.g., afternoon or night shifts, holiday, time-off, etc.), corporate dispatching (phone: 7333) is to be informed of the accident. Accordingly, the health and safety of persons in danger is arranged.

#### **B. Waste Management**

1 When performing work, the Contractor is obliged to comply with Act no. 541/2020 Coll. on waste and on changes to certain acts, as amended, and to comply with the relevant provisions of the internal regulations of the Ordering Party. The Contractor's acquaintance with these provisions during the initial training sessions must be verified.

2 Business activities relating to waste management must be documented by the Contractor with the documents listed below:  
a) Trade License, including valid and accurate data for the scope of business

"Business Activities relating to Waste Management", i.e., for O category waste only; O = other waste; or

b) Trade Certificate, including valid and accurate data for the scope of business: "Business Activities relating to Hazardous Waste Management", i.e., for N category waste; N = hazardous waste.

c) Trading permit issued by the Real Estate Office for the Region of Moravia-Silesia, in accordance with Section 26, and a permit to operate the facility in accordance with Section 21 and 22 or a declaration of use of waste in a facility mentioned in Attachment No.4 of Act no. 541/2020 Coll., on waste.

d) The intermediary of waste management is obliged to report his activity to the Regional Office for the Region of Moravia-Silesia in accordance with Section 45. In case the Intermediary's registered office is outside the Czech Republic, then the activity shall be reported to the Prague City Hall. This report shall be affirmed by an affidavit.

3 When the work is handed over, the Contractor is required to submit to the Ordering Party confirmation of disposal of all waste produced (continuous registration of waste and documents on handing over all waste to the authorized person).

4 If the Contractor arranges **hazardous waste transport**, it is obliged to proceed in accordance with Act no. 64/1987 Coll. (ADR) as amended.

#### **5 Waste Concentration**

5.1 The waste produced on the premises by the Contractor's work and activities on plots of land, in the facilities, and in the buildings of the Ordering Party, e.g. demolition work, excavation work, dismantling, reconstruction work, etc., will remain the property of the Contractor (except steel scrap, cast-iron waste, non-ferrous metal waste, including cables and used construction material intended for re-use), who is the generator of the waste produced by its work and activities under Section 5 of the Waste Management Act, thus, the obligations of waste generators under Section 15 of the same act apply to it.

5.2 At its own expense, the Contractor concentrates all waste produced by its work and activities. Waste produced by material supplies, e.g., construction material, paints and diluters, insulation material, electro-material etc., further, waste of an overhead character produced by contractual work performed by the Contractor, e.g., cleaning agents, fats and lubricants, packaging, communal waste, etc. remain the property of the Contractor. The Contractor is obliged to arrange their disposal at its own expense.

5.3 When waste is concentrated on the Company's premises, the Contractor is obliged to adhere to the provisions of Section 5 of Decree no. 273/2021 Coll. of the Czech

Ministry of the Environment, on the specifics of waste management.

5.4 Steel scrap, cast-iron scrap, non-ferrous metal scrap and usable construction material intended for re-use produced by the implementation of capital projects, reconstruction work, modernization work, etc., remain the property of the Ordering Party. At its own expense and under the Ordering Party's instructions, the Contractor separates construction material intended for re-use, steel scrap, cast-iron scrap, and non-ferrous metal scrap. Further, at its own expense, the Contractor prepares containers for such waste separation and material and waste transportation, including loading, weighing, and transport under the contractually specified terms and conditions to the places defined by the authorized employee of the Ordering Party.

5.5 External companies (contractors) acting on the Company's premises as waste generators are obliged to collect communal waste in their concentrating places/containers under the Waste Management Act, as amended, and they are the owners of such communal waste until it is transferred by an authorized external company, with which a contract has been made for those purposes.

5.6 The Ordering Party does not take over communal waste from any other waste generator. The Contractor is not entitled to use any means of waste collection (bins and containers) of the Ordering Party intended for communal waste or other wastes disposal for its own needs. Communal waste may be removed from the NOVÁ HUŤ premises without a weighing ticket for the authorized person only based on the entry document confirmed by a responsible person of the ordering party of the service.

6 The Contractor, as the generator of all waste containing **asbestos**, is obliged to prevent the release of asbestos fibers or asbestos dust into the air when loading such waste and the spilling of liquids containing asbestos fibers. When services are provided and new machinery and technology is installed, no materials, products, machinery, and technology containing **asbestos, or PCBs** may be used. **Trichloroethene or tetrachlorethene** may be used on the Ordering Party's premises in the necessary quantity only and for the established use (see N-3.200 internal guideline of NOVÁ HUŤ s.r.o.) while observing the principles relating to safety and environmental protection.

7 In the whole area and on the external lands of NOVÁ HUŤ, s.r.o. it is forbidden to incinerate any waste, including wood, paper, plastics and biological waste. In the event of a breach of point 7, the Contractor will pay the Ordering Party a contractual penalty in

the amount of CZK 10,000 for each detected case.

### **C Packaging**

**1** The Contractor specifies in the accompanying documents, the Contract, and the invoice whether **returnable packaging** is an integral part of delivery. If hazardous items are supplied, the Contractor is liable for using the certified packaging and the prescribed designation of this returnable packaging in compliance with the ADR and/or the RID. The price of such returnable packaging is invoiced to the Ordering Party. The Contractor undertakes to buy back the packaging from the Ordering Party for the invoiced price or a price reduced by normal wear and tear as agreed in the Contract provided that the Ordering Party sends them back no later than 18 months after the date of delivery of the merchandise. Return transportation costs for packaging returned by the Ordering Party is paid by the Contractor.

**2** When merchandise/material is supplied directly from abroad, the Contractor is obliged to submit to the Ordering Party a statement on the **Terms and Conditions for Introducing Packaging on the Market** under Act no. 477/2001 Coll., the Packaging Act. If merchandise/material is supplied directly from abroad, the Contractor is obliged to specify the packaging used in the accompanying documents (categories: PET, PVC, PE, PP, PS, other plastics, paper and cardboard, Fe, Al, wood, composite material), including their quantities in kilograms. Noncompliance is deemed a material breach of the Contract.

### **4 Work Performance**

**1** If the Contractor performs contractual work when the Ordering Party's technology and machinery is operated, the Contractor is obliged to create conditions so that the Ordering Party's operation is neither restricted nor jeopardized. The workflow must be promptly agreed with the responsible employee of the Ordering Party as stipulated in the Contract.

**2** Performance of work by any third party (sub-contractor), even a part of the completed work, is subject to the consent of the Ordering Party's responsible employee. The Contractor's liability for work performance is not affected thereby.

**3** When work is performed on the Company's premises, the Contractor is obliged, each day by phone, to inform the company dispatching of the plant where the Contractor's workplace is located of the numbers of employees, including the numbers of employees of its sub-contractors and the location of the workplace in order to inform them of any gas leakage. The

Contractor is obliged to maintain order and cleanliness in the workplaces and distribution networks and to dispose of waste produced by its work. If the Ordering Party is disturbed by disorder of which the Contractor was notified in the construction and installation records and the Contractor has not remedied this within five days, the Contractor pays a contractual penalty of CZK 1,000 per day until the disorder is remedied, or the Ordering Party is entitled to remedy the disorder itself at the Contractor's expense.

**4** Excavation work can be launched after the Excavation Work Permit has been taken over. The place of the excavation work is indicated by a plate "Excavation work performed by...". The Contractor is obliged to comply with the Ordering Party's document "Obligations of the Companies Performing Excavation Work on the Company's Plots of Land and Areas" provided that the work is performed.

### **5 Inspection of covered work or other workflow arrangements**

The Contractor is obliged to invite the Ordering Party to inspect the work that will subsequently be covered or made inaccessible. Such invitation to inspect covered work must be entered in the construction and installation records at least three days in advance, and the authorized technical supervision of the Ordering Party must be informed in advance by phone. Inspection of covered work or inaccessible work is recorded, including the conclusion that covered work is performed in compliance with the Contract for Work, under a designed project and under a binding, applicable, and effective Czech technical standard. These records are submitted during the acceptance procedure. If the Contractor does not invite the Ordering Party to inspect the covered work, it is obliged to organize such inspection at its own expense.

**6** Temporary electrical equipment may only be set up with the written consent of the Ordering Party, and such consent is requested by the Contractor from the Ordering Party prior to commencement of the work. For invoicing power consumption, the Contractor undertakes to conclude a power supply contract with the Ordering Party.

**7** The Contractor is obliged to comply with the types and series of electrical equipment and devices selected by the Ordering Party and approved for use by the Company. (At NOVÁ HUŤ s.r.o., under the PoŘB 08-B4 Directive specifying the procedure for unifying electrical equipment and devices, electrical distribution and switching devices – applies to all voltages.)

**8** With coating/painting, heat-insulating, excavation work, scaffolding constructing, and carpentry work for the handed-over facilities/buildings of the Ordering Party, the

Contractor is liable for damage caused by performing the work on these facilities/buildings for the entire time of the work.

**9** When applying more layers of paint, the layers must be distinguished by colors (or shades), and this must be made by the technology and paints specified in a project or a separate annex to the Contract.

**10** When welding and testing pipes, the Contractor must adhere to the Company Standard KN 05 6911. When welding and testing pipes/tubes of steam boilers and hot-water boilers, the Contractor must adhere to the Company Standard KN 05 6910. The Contractor (or its sub-contractor) must document and present related Certificates/Permits/Authorization of skills for the respective work, issued by the national technical supervision authorities.

### **5 Entering the Premises and Moving in the Premises**

**1** The Contractor must prepare entry permits for its employees who are employed in the Premises, and the vehicles, (including toll payments for inter-company roads). Accordingly, the Contractor must prepare entry permits for the employees and permits for the vehicles of its sub-contractors' companies.

**2** The application for an entry permit/vehicle permit must always be filed by the Contractor (for its sub-contractor companies as well). Applications must be submitted to the department dealing with entry permits sufficiently in advance, i.e. at least one week prior to the requested entry, and the request for entry during the following year must be submitted by the end of November of the current year (provided that the contractual relations have already been established).

**3** The entry permit issue is conditioned by passing the basic OHS test in the extent of the Safety Booklet available at <https://www.novahut.cz/about/health-and-safety-policy/index9ed2.html?lang=en>

**4** The tests are taken in the Entry Permits Department building, following the instructions of the Department employees.

**5** The Contractor and its employees are obliged to comply with the "**Overview of Decisive Intercompany Regulations Relating to Outside Persons Staying on & Entering the Premises and Outside Vehicles of Legal and Physical Entities Driving-in to the Premises**"

The version valid as of the date of entering into this Contract is deemed to be an integral part of the Contract. By signing the Contract, the Contractor expressly states that it has been acquainted with and understands the document. This document also contains

information regarding the protection of personal data.

**6** In order to ensure the safe movement of persons at workplaces, the Contractor is obliged to ensure the issuance of entry cards for each employee, employee of the subcontractor or collaborator of the Contractor. These entrance cards are used for electronic registration of entrances to the company's premises. The Contractor is obliged to record all entrances, passages and departures of all employees, employees of the subcontractor, or collaborators to the individual workplaces of the Ordering party.

**7** Due to safety in the Premises, which with regard to the specific environment involves enhanced safety requirements, the Contractor and its employees must strictly comply with the provisions of Act no. 361/2000 Coll., the Road Traffic Act, as amended, including speed limits (maximum speed limit at the premise is 50 Km/h), traffic signs, and parking in designated areas in the Premises. In order to check all of the above facts, the Premises are monitored.

**8** An employee communicating by mobile phone significantly reduces its ability to concentrate, and hence must comply with the following rules:

- a) Never walk and use a mobile phone at the same time (do not write SMS messages).
- b) Never use a mobile phone when working with equipment or vehicles.
- c) Never use a mobile phone while walking up and down stairs.
- d) Never use a mobile phone while driving a vehicle.
- e) Never use a mobile phone if you are in a location with a high risk to your health

**9** In winter, namely from 1 December to 1 March, there is a ban on bicycles or other one-track vehicles in the Premises in order to protect the safe movement of people. If winter weather conditions persist beyond this period, the ban may be prolonged.

#### **6 Compliance with Obligations and Contractual Penalties for Breach of the Obligations**

**1** The Contractor is obliged to allow the competent employees of the Ordering Party and/or the authorized persons of the Ordering Party to enter the Premises (or the workplaces of its sub-contractors) in order to inspect health and safety, fire protection, environmental protection, the protection of property, etc. The Contractor is obliged to take the actions listed in the records of those inspections.

**2** The competent employees of the Ordering Party in the Premises are entitled to notify the Contractor's employees (or its subcontractor's employees) when safety regulations are breached, to request on site the immediate remedy of the breach and the option to record this as soon as possible in the

construction and installation records and inform EPO bodies immediately.

The Contractor's employees included in the working groups of the Ordering Party must also follow the instructions of the authorized employees of the Ordering Party.

**3** Upon breach of any provision in this document, the Ordering Party may prohibit entry in the Premises. In the event of more serious and repeated breach of the applicable provisions, it will be recommended that no other Contract will be concluded with the Contractor.

**4** The entry permit will be withdrawn particularly when:

- a) An H&S regulation breach is detected, including a breach of fire protection regulations and environmental protection regulations.
- b) The consumption of alcohol or use of any addictive substance is revealed when entering the Premises, residing in the Premises, or leaving the Premises.
- c) a test for determining the level of alcohol or addictive substances is refused or when the test results are not signed by the person in the records.
- d) Property is stolen.

**5** If the following is revealed:

- a) Breach of the Ordering Party's applicable regulations on the Premises relating to H&S, FP, EP and security, and particularly when detecting the influence of alcohol or other addictive substances,
- b) Repeated breach of the obligations stipulated in Article 8 by the Contractor's employees and its sub-contractors,
- c) Not designating the Contractor's employees and its vehicles and its own and other leased property of the Contractor and/or its sub-contractors,
- d) Employment of foreigners by the Contractor and by its sub-contractors without the required permits,
- e) Non-registration of the sub-contractors,
- f) Theft or damage of the Ordering Party's property or the property of entities having their registered office in the Premises – either an actual occurrence or an attempt,
- g) Not securing the buildings of the Contractor (dressing rooms, vehicles, mounting boxes, portable housing units, etc.) against the illegal entry of non-authorized persons,

the Contractor pays a contractual penalty to the Ordering Party for each offence, as specified in Article 8. Each particular breach by the Contractor's employee/sub-contractor's employee is deemed to be one breach, and a separate penalty will be imposed for each breach.

**6** If the Contractor does not deliver the entry permit after termination of its validity or if the reason for issuing such permit is no longer valid, the Contractor is obliged to pay

a contractual penalty of CZK 200 for each unreturned permit.

**7** Repeated breach of the obligations related to H&S, FP, and EP by the Contractor is deemed a substantial breach of the Contract, and the Ordering Party is entitled to withdraw from the Contract.

**8** Any other sanctions will be imposed on the Contractor when the H&S regulations, FP and EP regulations are breached in the extent of the generally binding regulations and the provisions of the respective business contract. The specified sanctions are not included in compensation for damage.

#### **7 Ordering Party's Control Systems, Politics and Principles of Negotiations**

**1** The Contractor undertakes to strictly adhere to all legislation concerning the protection of economic competition in the countries where it does business and to treat all business partners in a fair, open, and honest manner.

**2** The Ordering Party has a certified integrated management system (IMS - QMS, EMS, HSMS, EnMS and PZH) and has set objectives to achieve. The Contractor is aware that it is part of the processes leading to the achievement of these objectives and the satisfaction of customers and other stakeholders.

**3** The Contractor undertakes to fully comply with all effective anti-corruption legislation, including those in effect in the place of the Contractor's incorporation and in the place of execution of the Contract.

**4** The Contractor hereby declares that by signing of this Contract with the Ordering Party and/or by the commencement of performance in fact: (i) it has been acquainted with anti-corruption legislation (e.g. all anti-corruption legislation, including but not limited to the United States and the United Kingdom anti-corruption legislation, as amended) applicable to the Contract and shall comply with all such laws and act ethically in such a way that (ii) neither he nor any related Contractual Party will pay, offer or allow the payment, promise of gift or other benefit or incentive to any official or private person.

**5** The Contractor has been acquainted with and undertakes by signing of this Contract and/or by the commencement of the service performance/delivery/works and/or other performance in fact to act in line with the following Policies of NOVÁ HUŤ s.r.o. (hereinafter referred as "Policies"): (i) NOVÁ HUŤ s.r.o. Code (hereinafter referred as "Code"), (ii) Anti-Corruption Procedure; (iii) Ethical Standards for Suppliers, (iv) Guidelines for economic sanctions ("Policies").

**6** The Contractor undertakes to maintain and secure all records, invoices and information relating to the Contract for the shredding/archiving period in accordance

with applicable legal regulations and, if necessary, enable the Ordering Party to provide such records or to inspect, in particular, complaints from third parties on request. The Contractor undertakes to provide the Ordering Party with the necessary cooperation in the investigation and to remove the defective conduct, if possible.

**7** The Provider of Goods, Works or Services confirms that he or any of his subsidiary, including all members of its Board of Directors, other statutory bodies or employees, is not subject to any economic sanctions imposed by an international or national organization or by the state. The service provider shall not use any product, component or raw material of any kind originating in the countries on which such economic sanctions have been imposed.

**8** The Company has adopted the Principles of Personal Data Processing and Protection arising in particular from the Regulation (EU) No. 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), hereinafter referred to as the "GDPR". The Contractor also undertakes, within the framework of the Contract, to comply with the legal obligations imposed on him in the field of Personal Data Protection and GDPR and to acquire, collect and process only such personal data of the Ordering Party and its employees which are necessary to fulfil the purpose of the contract. The Contractor also undertakes to provide with all technical and organizational measures to ensure that the data processing meets the legal requirements and protection of the data subjects' rights.

The Ordering Party notifies the Contractor, that if within the framework of providing the services/ works/ performance pursuant to this Contract, the suppliers' persons, forwarders' drivers, drivers of company and other cars, entering the area of the Ordering Party or the companies located in this its area, they can be identified when entering and leaving the area for the purpose to ensure safety, mainly when the drivers are entering for the loading and unloading. This data processing is thus based on the data controller (the Ordering Party) legitimate interests. Details regarding the necessary data processing are provided and highlighted within the entering permission or on Providing Party websites – the freely available contractual annex Overview of Decisive Intercompany Regulations Relating to Entering (or hereinafter "Overview of Decisive Intercompany Regulations Relating to Outside Persons Staying on & Entering the Premises and Outside Vehicles of Legal and

Physical Entities Driving-in to the NOVÁ HUŤ s.r.o. Premises").

The Contractor is authorized to become familiar in detail with the Privacy Policy of NOVÁ HUŤ s.r.o. on the Company's website: <https://novahut.cz/?lang=en> where his rights and contacts for possible announcement of incidents regarding data protection are available.

**9** Failure to comply with any of points 1 to 8 of this Article or breach of the Policies by the Contractor or its affiliated persons shall constitute a material breach of the contractual terms entitling the Ordering Party to withdraw from Contract with immediate effect. The Ordering Party is also entitled to postpone the maturity or to withhold payment related to the Contract if he reasonably presumes that the Contractor or related parties have breached or intend to breach this Article or the Ordering Party Policies.

In the event of withdrawal from the Contract, the Ordering Party may demand a refund of the payment made, as opposed to the return of the corresponding performance provided by the Contractor on the date of withdrawal. The Contractor is obliged to compensate the Ordering Party for any damage resulting from such breach. If the Contractor fails to comply with the Ethical Standards for Suppliers, he may be excluded from further cooperation with the Ordering Party.

#### **8 Amount and Assessment of Contractual Penalties**

**1** The Contractor is obliged to ensure that any private individual or legal entity performing activities for the Contractor as an employee or in another legal relationship and located in the Premises (or otherwise active in relation to the supplies of the Contractor for the Ordering Party), the "Person", refrains from performing any activity under the influence of alcohol, drugs, or other addictive substances for the entire period of residence in the Premises. In the event of detecting an alcohol level above 0.2‰, drugs, or other addictive substances, including refusing to undergo tests for detecting the level of alcohol, drugs, or other addictive substances in a Person, the Contractor is obliged to pay a contractual penalty according to the table in Article 8 point 1.

**2** The Contractor is obliged to ensure for all Persons the due use of the PPE or safety equipment in accordance with Article 1 E points 6 and 7 for the entire period of performing activities as protection for those parts of the body that the activities put at risk. In the event of a gross breach of these obligations (in particular the failure to use safety devices at heights or the failure to use LOTO insulating elements when carrying out work on equipment), the Contractor is

obliged to pay a contractual penalty according to the table in Article 8 point 2.

In the event of a less severe breach of this obligation (e.g., not wearing long sleeves or a work blouse, or not using a gas detector or eye protection during welding and burning), the Contractor is obliged to pay a contractual penalty according to the table in Article 8 point 3. In the event of a minor breach of this obligation (e.g., failure to use safety glasses, hearing protection, protective helmet, helmet chin strap, work boots with toe reinforcement, gloves, binder marking or safety belt on the forklift), the Contractor is obliged to pay a contractual penalty in the amount according to the table in Article 8 point 4. Even generally less severe or minor deficiencies may be assessed by the Ordering Party as serious (i.e., as a gross breach) in a particular case (or as less severe in the case of otherwise minor deficiencies), in particular if several employees of the Contractor are in breach at the same time or if there is a higher or more serious risk in a particular case due to the deficiency in question.

**3** The Contractor is obliged to ensure that all Persons using motorized vehicles in the Premises obey the speed limit as well as the other traffic rules, even if it is not a public road. If the speed limit is exceeded or if another traffic law has been violated in the Premises, explicitly as a violation set out in Act no. 200/1990 Coll., on violations ("traffic violation"), the Contractor is obliged to pay a contractual penalty according to the table in Article 8 point 5. In the event of a gross violation of the speed limit (by 40 km/hr or more) or another especially dangerous traffic violation, the Contractor is obliged to pay a contractual penalty according to the table in Article 8 point 6.

**4** The Contractor is obliged to ensure that the Persons will always respect the instructions of the Contractor's security guards in the Premises. In the event of non-consent to an instruction, the Contractor or the Person is entitled to inform the Ordering Party of this non-consent in writing, however, not until complying with the instruction. In the event of a breach of this obligation, the Contractor is obliged to pay a contractual penalty according to the table in Article 8 point 7.

**5** The Contractor is obliged to ensure that the Persons do not bring property into or take property out of the Premises without the authorization of the Ordering Party. If property is taken out of or brought into the Premises without the relevant documents, the Contractor is obliged to pay a contractual penalty according to the table in Article 8 point 8. In the event of an attempt to remove property from the Premises, the Contractor is obliged to pay a contractual penalty according to Article 8 point 9.

**6** The Contractor is obliged to ensure that the Persons, the equipment on the construction

site in the Premises, as well as the traffic devices belonging to the Contractor or the Persons are duly marked with the name of the company. In the event of breaching this obligation, the Contractor is obliged to pay a contractual penalty according to the table in Article 8 point 10.

**7** The Contractor is obliged to ensure that the Persons regularly undergo H&S training so that they receive the needed qualifications, in order to be the holders of the licenses, certificates, and other similar documents relating to the training of the Persons in accordance with Article 1 F. In the event of breaching this obligation, the Contractor is obliged to pay a contractual penalty according to the table in Article 8 point 11.

**8** The Contractor is always obliged without undue delay to notify the Ordering Party of the identification data of its sub-contractors, information on employing foreigners, and upholding the reporting duties even in similar cases, in accordance with Article 1 E) point 5. In the event of breaching this obligation or in the event of employing a foreigner without

the relevant permits, the Contractor is obliged to pay a contractual penalty according to the table in Article 8 point 12.

**9** The Contractor is obliged to ensure that the Persons respect the smoking ban in accordance with Article 1 I. In the event of a breach of this obligation, the Contractor is obliged to pay a contractual penalty according to the table in Article 8 point 13.

**10** The Contractor is obliged to ensure that the Persons do not damage the property of the Ordering Party or persons having their registered offices or property in the Premises. In the event of damage to the property of the Ordering Party or persons having their registered offices or property in the Premises or an attempt to cause damage, the Contractor is obliged to pay a contractual penalty according to the table in Article 8 point 14.

**11** The Contractor is obliged to ensure the security of the buildings used by the Contractor (dressing rooms, vehicles, mounting boxes, portable housing units, etc.) against unauthorized entry. In the event of

breaching this obligation, the Contractor is obliged to pay a contractual penalty according to the table in Article 8 point 15.

**12** The Contractor is obliged to ensure compliance with occupational safety and health regulations. In the event of breaching this obligation, the Contractor is obliged to pay a contractual penalty according to the table in Article 8 point 16.

**13** The Contractor is obliged to ensure compliance with occupational safety and keep used machines, equipment and tools in perfect conditions. In the event of breaching this obligation, the Contractor is obliged to pay a contractual penalty according to the table in Article 8 point 17.

**14** In the event of a breach of duty in connection with the recording of entry, transit and departure to the workplace, the Contractor is obliged to pay a contractual penalty in accordance with the table in Article 8 point 18.

Events of Breach	Penalty imposed for first offence (CZK)	Penalty imposed for repeated offence (CZK)	Surrender of entry permit
1. Alcohol over 0.2 ‰ (or any other addictive substance and/or test refusal)	25,000	25,000	YES
2. Gross deficiency in the use of a PPE and/or safety devices (in particular the failure to use safety devices at heights or the failure to use LOTO insulating elements when carrying out work on equipment)	25,000	50,000	YES
3. Less severe deficiency in the use of PPE or safety devices (e.g., not wearing long sleeves or a work blouse, or not using a gas detector or eye protection during welding and burning)	10,000	20,000	
4. Minor deficiency in the use of PPE or safety devices (e.g., failure to use safety glasses, hearing protection, protective helmet, helmet chin strap, work boots with toe reinforcement, gloves, binder marking or safety belt on the forklift)	2,000	4,000	
5. Violation of speed limit (other traffic violation))	2,000	4,000	
6. Significantly exceeding speed limit (by 40 km/hr or more), especially hazardous traffic violation	10,000	20,000	YES
7. Conflict with a security guard	2,000	4,000	
8. Non-authorized removal/transport of property (missing documents)	2,000	4,000	
9. Non-authorized removal/transport of property (attempted theft)	25,000	50,000	YES
10. Not identifying outside employees or construction site equipment and vehicles of an external contractor	2,000	4,000	
11. Not undergoing mandatory H&S training, not complying with qualifications, not renewing mandatory licenses, certificates, etc.	25,000	50,000	
12. Not announcing sub-contractors or hiring foreigners, hiring foreigners without the required permits	25,000	50,000	
13. Violation of the smoking ban in the Premises	5,000	10,000	

14. Damage to property of the Ordering Party or persons having their registered offices or property in the Premises (or attempted damage)	2,000	4,000	
15. Not securing the buildings of the Contractor (dressing rooms, vehicles, mounting boxes, portable housing units, etc.) against unauthorized entry.	1,000	2,000	
16. Breaching of occupational safety and health regulations.	5,000	10,000	
17. Safety deficiencies and defects in used machines, equipment, and tools.	5,000	10,000	
18. Breach of duty in connection with electronic registration of entry, transit, and departure to the workplace	100	500	