

# 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.

By signing the contract which links to these Terms and Conditions, the contracting parties hereby confirm that they will meet these Terms and Conditions when performing any activities that form the subject-matter of the Contract and that these Terms and Conditions are binding for them.

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

## RWE Supply & Trading, a.s.

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

## RWE Gas Storage CZ, s.r.o.

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

"Supplier" shall mean a physical person or legal entity which supplies services to the Client and with whom at least one 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 the Subcontractor and a person staying with the knowledge of the Supplier or the 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 or 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.

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 (the "PPWE") against falling, use arresting systems with safety snap-hooks with double effect.
- o Shall be constantly protected against falling with appropriate PPWE (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 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.
- o 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, 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: [gscz.hsse@rwe.com](mailto:gscz.hsse@rwe.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 favour 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 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 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 regulations 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 information indicated in the safety data sheets.
- o Mark diligently the storage sites of chemical preparations.
- o Handle hazardous chemicals and preparations in a manner that prevents the undesirable release thereof into the environment (especially soil, groundwater or surface water).
- o Treat used packaging of hazardous chemicals and preparations as hazardous waste.

If volatile organic compounds (VOC) are emitted in connection with the performance of agreed activities, the Supplier shall be deemed to be the operator of the source of air pollution. The Supplier shall minimize the volume of VOC emission by way of arranging for appropriate technical conditions. The Supplier shall be obliged to arrange for transport of dangerous items, if it carries out such transport, in line with the European Agreement concerning the International Carriage of Dangerous Goods by Road (the "ADR"). Pursuant to Part 1.4 of the ADR, the Supplier is the loader and carrier of dangerous goods and it shall provide for compliance with the prescribed obligations associated with such a position. The Supplier shall ensure that the persons involved in loading, transportation and unloading of dangerous items have the necessary qualifications pursuant to the ADR requirements.

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 only to persons authorised in accordance with the Waste Act. Within five business days, the Supplier is obliged to present the Client upon the request of a representative of the Client with the agreement with the person authorised to accept waste, with the

documents proving the hand-over of waste, and ongoing records of waste.

- o If a construction log is kept, the Supplier is obliged to record waste removals.

If a person authorised to accept waste pursuant to Section 4 (y) of Act No. 185/2001 Coll., on wastes, as amended (the "Act on Waste") that arranges for the system of collection, transport, use or removal of waste for the Client is the supplier of the service, the following conditions shall apply:

- o The ownership right to the waste that is generated by activities of the Client shall be transferred to the Supplier upon physical acceptance of separated waste at the designated place.
- o If the Supplier does not have a valid licence in any of the regions or if the Supplier is unable to accept the waste pursuant to the contract and, hence, is unable to discharge the obligations under the contract, it shall notify the Client immediately to that effect.
- o The Supplier shall, if possible, give priority to using the waste before removing the same.
- o The contracting parties shall draft a report on hand-over of waste about each acceptance of waste with the exception of regularly recurring performance (for example, transport and removal of general communal waste, separated collection).
- o Upon each acceptance of hazardous waste from the Client, the Supplier shall discharge the obligations of consignor of hazardous waste associated with transport and notification thereof pursuant to the requirements of the Act on Waste, including the drafting of a notification notice for transport of hazardous waste in and around the Czech Republic. The Supplier shall also carry out the notification if it discharges these obligations on behalf of the Client as consignor pursuant to Section 40 of the Act on Waste.
- o On or before 15 January of the year that follows the year in which the waste was handed-over to the Supplier, the Supplier shall indicate the manner and the amount of handled waste.

If the Supplier performs work activities which may affect the interests protected by act No. 254/2001 Coll., on water and on amendments to certain acts, as amended (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.
- o Submit the Client for approval, within 10 days before commencing the supplies or services, the "Plan of measures in case of possible threat to surface water or groundwater" (Emergency Plan) if an obligation to draft such a plan is stipulated in Decree No. 450/2005 Coll., as amended.

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.

If consumption or release of water from/to surface water or groundwater is a part of the work, the Supplier shall ensure the obligations pursuant to the Water Act and shall obtain the necessary permits required of the Supplier (for example, permit to water consumption, permit to release waste water, payment of the fee for consumption/release of water, if limit amounts are reached).

If work is conducted in floodplains, river and stream beds and in protected areas of water sources, the Supplier must obtain the approval from the

Water Management Authority. The approval or opinion must be secured by the Supplier also in other cases in line with the Water Act.

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 for aquatic organisms). The Supplier is obliged to take extra care to prevent the condensate leakage into the environment. The condensate needs to be handled further as hazardous waste.

The Supplier is responsible for discharging the obligations of Act No. 458/2000 Coll., on conditions for business and exercise of state administration in energy industries and on amendments to certain acts, as amended, to remove and trim trees and other brushwood only upon demonstrable warning from owners or users of the affected plots of land. When carrying out all its activities, the Supplier shall refrain from damaging trees and bushes at the place of the work and in places associated with the work. The Supplier shall provide for protection of trees and bushes against damage in line with Czech Technical Standard 83 9061.

If the Supplier cuts full-grown trees and bushes with perimeter of the trunk exceeding 80 cm, at the height of 130 cm above the ground, or if it removes the integrated green on a total area larger than 40 sq. m, it shall be responsible for discharging the obligations pursuant to Act No. 114/1992 Coll., on protection of nature and landscape, as amended (the "Nature Protection Act"), i.e. it shall inform the competent Nature Protection Authority in writing at least 15 days in advance about cutting-down in the gas pipeline system protection area. The notice of cutting of trees and bushes must contain the particulars pursuant to Section 4 (2) of Decree No. 189/2013 Coll., on protection of trees and bushes and permitting their cutting, as amended, including the approval of the owner of the plot of land. The details stated must be true and professional. If the competent Nature Protection Authority does not provide its opinion within the above period of time when it is authorised to suspend, restrict or prohibit the cutting, only then is it possible to commence the cutting.

If trees and bushes are cut down outside the gas pipeline protection area, the Supplier shall obtain the permit to cut-down trees with the exception of cases in which no permit is required pursuant to Section 8 of the Nature Protection Act. Only if a final and unappealable permit is issued by the competent Nature Protection Authority, the cutting can commence.

The cutting can be carried out during the dormancy period, typically from 1 November until 15 March. The provision applies to all trees and bushes marked in the design documentation.

If the supply includes application of herbicides, the service provider must be a holder of a valid Level I and II certificate proving its professional qualification pursuant to Section 86 of Act No. 326/2004 Coll., on phytosanitary care, as amended (the "Act on Phytosanitary Care"). The Supplier is a professional user pursuant to the Act on Phytosanitary Care

who shall arrange for discharging all requirements, in particular, the following:

- o The preparation shall be applied in line with instructions; no leakage to adjacent cultural plants is permitted during application.
- o The Supplier shall inform the owner or user of the plot of land without undue delay and in a demonstrable manner about the preparation that was used and about any safety and protective measures (Section 49 (7) of the Act on Phytosanitary Care).

The Supplier shall email the records of application of herbicides immediately to [gscz.hsse@rwe.com](mailto:gscz.hsse@rwe.com).

After cessation of the activities under the Contract, the Supplier shall arrange for cleaning and tidying up of the worksites, incl. construction sites, 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. Unless the Supplier discharges the cleanliness or waste handling obligations in an additional period of time stipulated by the Client, the Client may discharge these obligations on its own or using a third party at the expense of the Supplier.

#### CLIENT'S RIGHTS AND OBLIGATIONS:

When the Supplier performs 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 inform the Supplier about the environmental policy of the Client and the Supplier agrees to act in line with the principles of environmental protection that ensue from that policy.

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 regulations and the obligations of the Client in terms of environmental protection.

## 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:

- o 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.
- o 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.
- o Strictly observe all instructions indicated by safety signs and signals.
- o 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.

- o 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.
- o Shall sound the fire alarm at the concerned worksite in compliance with the Client's local fire documentation if they detect fire.
- o 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 its 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 regulations and the obligations of the Client in terms of fire protection.

## 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 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.

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 of CZK 50,000 for each ascertained case of the infringement of 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 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, even future, 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. 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.

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

**These Terms and Conditions are effective from 1 February 2020.**