

Standard HSE Terms and Conditions

HSE Definitions

“COMPANY HSE POLICY” shall mean the latest revision of the high level HSE policy statement, signed by the Board of Wintershall Holding AG, which sets out the general principles which govern HSE management in the COMPANY.

“WINS HSE MANAGEMENT SYSTEM (WINS HSE MS)” shall mean the documented management system operated by Wintershall Holding AG in order to achieve the principles defined in the HSE POLICY, through a set of management standards and expectations, supported by written procedures and guidance.

“HSE PLAN” or “HSE PROGRAMME”, these terms are interchangeable and shall mean a description of how the HSE OBJECTIVES and TARGETS will be achieved over time. The HSE Programme shall list objectives and targets, person(s) responsible for carrying out the actions and target dates for completing the actions.

“HSE OBJECTIVE” shall mean a statement describing the situation (with regard to HSE) which the COMPANY or CONTRACTOR wants to achieve at a time in the future (normally at the end of the Programme period). It has the same general meaning as a HSE “goal” or “what is wanted”.

“HSE TARGET” shall mean a description of the HSE OBJECTIVE (or part of the objective) expressed in a quantity that can be measured and monitored.

“INTERFACE DOCUMENT” or “BRIDGING DOCUMENT” shall mean a written document which defines how two or more safety management systems co-exist to allow co-operation and co-ordination on matters of health, safety and environmental protection between different parties (usually the COMPANY and the CONTRACTOR). Such a document cross-references the detailed procedures which will be used and defines the responsibilities, accountabilities and work activities of the various parties.

“SAFETY CASE” shall mean a document which demonstrates that for a particular installation or activity all significant HSE risks have been identified, assessed and controlled to a level as low as reasonably practicable.

“HAZARD” shall mean the potential for harm (hazards may arise from substances, machinery, methods of work and other aspects of work organisation, including lack of planning and inadequate safety management).

“HARMFUL ENERGY SOURCES” shall include, but not be limited to, harmful levels of noise, vibration, electro-magnetic and ionising radiation, extremes of temperature, moving objects and machinery.

“RISK” shall mean the probability (or likelihood) of harm actually occurring and the severity of its outcome.

1. General HSE Requirements

- 1.1 HSE Policy and standards: COMPANY's HSE policy and the standards and expectations of the WINS HSE Management System will be strictly enforced during all phases of the operation. COMPANY reserves the right to review and approve CONTRACTOR's HSE policies and procedures. CONTRACTOR's HSE standards must, as a minimum, comply with COMPANY policies, laws and regulations of the country of operation, and accepted good industry practice.
- 1.2 Unacceptable standards: If, in the opinion of the COMPANY, the CONTRACTOR's HSE policies and standards do not meet the required level, notice in writing will be given to the CONTRACTOR. A plan and time scale to correct any deficiencies will be agreed between COMPANY and CONTRACTOR.
- 1.3 HSE Plan: The CONTRACTOR will be required to develop and submit to the COMPANY for approval a HSE Programme which (i) identifies the hazards and risks associated with the CONTRACTOR's work at the work site, and (ii) defines the methods for controlling these hazards and risks. Should CONTRACTOR's HSE Programme not be approved, COMPANY shall state in writing the reasons for rejection and CONTRACTOR shall revise the HSE Programme and re-submit it for approval.
- 1.4 Safety Case: When requested by the COMPANY, the CONTRACTOR will be required to develop and submit to the COMPANY for approval a Safety Case which demonstrates that all significant HSE risks have been identified, assessed and will be controlled to a level as low as reasonably practicable. Should CONTRACTOR's Safety Case not be approved, COMPANY shall state in writing the reasons for rejection and CONTRACTOR shall revise the Safety Case and re-submit it for approval.
- 1.5 Responsibility for safe working: Notwithstanding any regulatory requirements in force at the work site, COMPANY has the responsibility for safe working at all COMPANY sites. CONTRACTOR has the responsibility for the health and safety of its own employees.
- 1.6 Interface with the WINS HSE Management System: Where HSE responsibilities and accountabilities are not clearly defined, or where there is a conflict between the HSE policies and standards of COMPANY and CONTRACTOR, the arrangements will be agreed and documented in an HSE Management System interface document. The interface document shall form part of the contract between COMPANY and CONTRACTOR.
- 1.7 Incident Reports: CONTRACTOR will immediately notify COMPANY of all accidents and serious near-miss incidents arising from their services and/or involving CONTRACTOR personnel, equipment and materials at, on in transit to/from, the work site. CONTRACTOR will provide COMPANY with copies of incident reports within 24 hours of the occurrence. All CONTRACTOR serious incidents shall be investigated by the CONTRACTOR, but COMPANY reserves the right to make its own investigation and recommendations for corrective action. CONTRACTOR will make any statutory reports of incidents involving CONTRACTOR personnel, such reports must be copied to the COMPANY. COMPANY will make any other statutory reports required following an incident.

- 1.8 Communication with third parties: With regard to incidents or HSE performance, CONTRACTOR will not make any report, verbal or written, to non-statutory bodies, organisations or third-parties without the prior written permission of the COMPANY.
- 1.9 Use of subcontractors: Should CONTRACTOR engage any subcontractor to perform work at the work site, CONTRACTOR represents and warrants that the subcontractor has complied or shall comply with all the HSE requirements.
The use of subcontractors has to be agreed with the company in writing. An indented use of subcontractors is to be part of the proposal documents.
It is contractors responsibility to ensure that subcontractors meet all HSE requirements.
- 1.10 HSE performance criteria: COMPANY shall, where appropriate, define HSE performance criteria which may be used to calculate fees, bonus payments or fines. Such performance criteria will be detailed in the contract.
- 1.11 Access and information: COMPANY shall have the right, given reasonable notice and at reasonable times, to conduct HSE audits and inspections of the CONTRACTOR's work site, premises, personnel and HSE documentation.

2. HSE Requirements relating to Personnel

- 2.1 HSE training: CONTRACTOR will be responsible for ensuring its employees are suitably trained. CONTRACTOR must ensure that all its employees are sufficiently competent to undertake their specific job function with due regard to HSE and are aware of the hazards, risks and risk control measures related to the different phases of the operations. CONTRACTOR warrants that trainee personnel will not work unsupervised at COMPANY work sites.
- 2.2 Unauthorised access: CONTRACTOR shall take all reasonable precautions to prevent unauthorised access of persons to the work site. CONTRACTOR personnel will be subject to any security arrangements put in place by COMPANY.
- 2.3 Drug and alcohol policy: CONTRACTOR will comply with COMPANY drug and alcohol policy put in place at the work site.
- 2.4 Personal safety equipment: CONTRACTOR is to insure all its employees have and use safety equipment which is appropriate to the hazards and risks at the work site and as defined in COMPANY procedures and standards. Safety equipment must be of a standard approved by the COMPANY, generally in compliance with ANSI, OSHA and CE standards.
- 2.5 Emergency procedures: CONTRACTOR will comply with all emergency procedures relating to the work site. CONTRACTOR will be responsible for ensuring all its employees are informed of the relevant emergency procedures and participate in exercises and training, as required.
- 2.6 Work permits: CONTRACTOR will comply with COMPANY's Work Permit System, unless it is agreed in writing that the CONTRACTOR's (or third party's) Work Permit System is in force. Where applicable, the HSE Interface Document will define the Work Permit System which will apply at the work site.

3. HSE Requirements relating to materials, equipment and the work site

- 3.1 Hazardous Chemicals and Materials: CONTRACTOR shall be responsible for making all reports, notifications and gaining the relevant approvals required by law to appropriate government agencies regarding the identity, composition, and amount of hazardous chemicals, substances, and/or materials, if any, used or brought by CONTRACTOR to the work site. CONTRACTOR shall supply to the COMPANY a copy of the relevant Material Safety Data Sheet (MSDS) for all hazardous chemicals before transportation to the work site. CONTRACTOR shall comply with all COMPANY procedures and standards with regard to chemical use, storage, transportation and disposal.
- 3.2 Equipment and Supplies: CONTRACTOR shall be responsible for ensuring that any equipment or supplies brought to the work site by it have been inspected, tested and properly maintained and that such equipment or supplies are free from defects and are fit for their intended use.
- 3.3 Housekeeping: CONTRACTOR's work site and activities must be planned and maintained in a way to afford safe working with due regard to good industry standards. Work sites shall be clean and tidy with appropriate safe storage of material and equipment and the collection and disposal of waste materials by methods approved by the COMPANY.
- 3.4 Work site access and egress: CONTRACTOR shall ensure that its work sites are provided with safe means of personnel access and egress at all times and are kept free of obstructions.
- 3.5 Work site environment: CONTRACTOR shall ensure that personnel at its work sites are provided with adequate protection from falling from height, being struck by falling objects, coming into contact with harmful energy sources and that work sites have suitable illumination, warning and protection systems.