



**The Site Specific Safety, Health, Fire Prevention and Environment
ANNEX
for works performed on Buyers site.
(Annex „J.2“)**

**BUYER SAFETY, HEALTH, FIRE-PREVENTION AND ENVIRONMENTAL
REQUIREMENTS**

to

CONTRACT
[Date/Contract Number/Parties]
("Contract")

Terms and Abbreviations

SHE – Occupational Safety, health and environment

Buyer – Mondi SCP a. s.

Contract manager – Mondi SCP's person responsible for managing the contracted works (usually the project manager).

Second Chance Room – Buyer's facility where a person who breached requirements and terms of this annex studies provided material and conducts knowledge verification by means of test. This person can continue with work only if the test was passed successfully.

General provisions

Relevant parts (especially article 2 sections 2.1., 2.3., 2.4. and 2.5.), 4, 6, 7, 8 & 11 apply also to haulier of wood and other raw material (hereinafter referred to as the "haulier"). All requirements stated in these paragraphs must be followed by haulier and haulier is obliged to ensure following of the requirements by its drivers.

Article 2 section 2.8 applies only to selected contractors – Permanent contractors. Permanent contractor is contractor of which at least one employee or supplier worked in each month of previous year more than 120 hours. List of Permanent contractors is updated by the directive of Safety Manager. Safety Manager has the right to include in or exclude out of the list those companies which do not fulfill/do fulfill the parameters for inclusion in permanent contractors. Each contractor will be informed about inclusion in the list in written. After inclusion in the list of Permanent contractors, the Contractor is obliged to follow the requirements on Permanent contractors from this Annex especially to conduct monthly safety talks.

Article 1 - Requirements prior to the work commences

The Contractor is obliged to submit the Contractor SHE plan to the Mondi SCP's contract manager prior to commencement of work. Minimum content of the Contractor SHE plan is defined in Mondi SCP SHE specifications.

The Contractor is obliged to conduct only works stated in the Contractor SHE plan and fully in compliance with safety requirements stated in this plan and especially in safe work procedures and risk assessment. In case of any change against SHE plan the work must be interrupted, SHE plan must be updated and approved by project manager. The work can only continue after all relevant persons are acquainted with updated SHE plan.

The Contractor is obliged to take part in the induction training as a precondition for entry to Mondi SCP area. The contractor is obliged to ensure translator (interpreter) for persons with native language other than Slovak, Czech or English. Validity of the induction is 12 months. Assigned employee of the Contractor is obliged to submit completely filled in form "List of Contractor's employees and sub-contractors" to the trainer prior to induction commences. Persons who are required to be trained as a supervisor must have this requirement marked in relevant column of the form. The form must be authorized by stamp and signature of the Contractor (template of the form is at the end of this Annex) otherwise Contractor's employees will not get personal entry card and will not be allowed to enter the Mondi SCP area.

The Contractor is not allowed to execute any work unless the personal entry card was issued. This is valid also for drivers who delivered any material to the Contractor and who are not in possession of valid personal entry card. Such driver is only allowed to prepare a truck to be loaded/unloaded. That means to make the loading area of the truck accessible. The Contractor must ensure that in such case the driver does not take part in loading or unloading activities. The contractor cannot erect or dismantle scaffolds unless the ID card marked with „Lešenár“ was issued upon successfully passed scaffolders training in Mondi SCP.

The entry of ground work machine, shovel excavator, loader, universal finishing machine, mobile crane and vehicle equipped with lifting device for loading or unloading will only be allowed if the operator has valid personal entry card and regarding mobile cranes if the vehicle is not older than 15 years since the date of first registry of the vehicle. The entry of any vehicle which is not equipped with seatbelt/s is forbidden. The entry of a vehicle equipped with lifting device for loading or unloading may also be

allowed when driver does not have personal entry card if responsible person who ordered this vehicle will accompany the driver. This person must personally come to the entrance and sign accompanying in Permit for entry of accompanied vehicle in Mondi SCP area. This employee is then responsible for not using the lifting device by the driver.

The Contractor hands over the personal entry card at the gate of Mondi SCP to Security personnel after completion of contracted works latest on the day when the card expires.

Article 2 - Ensuring of the legislation and Mondi SCP standards abiding

- 2.1. The Contractor especially undertakes to adhere to Cardinal Rule and its applications (No one can endanger their own life or the lives of the others; Person working at height over 1,5 meter must be protected against falling by collective or personal protection at all times; Nobody can enter the drop zone of suspended load) and resulting obligations.
- 2.2. The Contractor undertakes that agreed works and services are executed only by persons at the age of 18 or older. Working time within one day cannot exceed 12 hours and the rest between two shifts must be 8 hours minimum.
- 2.3. Material (load) being transported by vehicles must be properly secured against movement. When transporting logs they must be loaded according to valid legislation especially they have to be secured by two straps and must protrude upright stakes at least 5 cm horizontally in both directions. It is forbidden to climb up the loaded logs on the truck. It is prohibited to use roads and adjacent places for storage of materials if this was not agreed on with Buyer in advance.
- 2.4. The Contractor must ensure fulfillment of following measures by the truck driver during loading/unloading any material (excluding manual loading/unloading):
 - Prior loading/unloading commencement to switch off the motor, remove key from ignition box and apply parking break,
 - Lock the cabin and keep the key or place it into the assigned box in case that forklift is entering loading area of the truck,
 - Apply chock blocks (chock blocks must be placed from both sides of the wheel if the truck is not reversed with rear part at the loading ramp),
 - Stay on assigned marked safe area (unless loading/unloading is conducted by the driver),
 - Secure or mark loading/unloading danger zone (e.g. traffic cone, tape, supervision and similar),
 - Use helmet, safety shoes and reflective vest.If the driver conducts unloading with use of lifting equipment which is part of the truck work permit has to be issued for such work by Mondi SCP responsible person. Work permit must be issued whenever the load is being loaded/unloaded by lifting equipment.
- 2.5. Wood haulier and its drivers undertake to observe instructions of woodyard employees and foremen, release and remove the straps only at the defined place (just prior to unloading by Mondi SCP's unloading devices). If the strap cannot be released prior to unloading it will be released by loading machine operator upon request. They further undertake to keep the distance of at least 15 meters from the unloading device. In case of parallel unloading of wagons and trucks to keep the distance of at least 30 meters from the unloading device working at the wagons. Also they undertake to guide the unloading machine operator by agreed signals during unloading.
- 2.6. A written permit of the Central Maintenance Manager is needed upon crushing of roads and grass plots. Each excavation must be guarded by non-transparent 2 meters high fence. In case of crushing roads the fence must be equipped with warning light when reduced visibility.
- 2.7. The Contractor ensures that the adherence to SHE regulations is checked by Contractor's supervisors during execution of works at least once per shift. The Contractor is obliged to keep the records from these checks. The Contractor is obliged to eliminate the findings from these checks without undue delay. The Contractor submits the records from these checks as well as from the measures taken to the Buyer upon request.
- 2.8. Permanent contractor ensures conducting behavioral audits by assigned Contractor's supervisor during execution of works at least once in a month. The Contractor is obliged to

keep the records from these audits. The Contractor is obliged to eliminate the findings from these audits without undue delay. The Contractor submits the records from these audits as well as from the measures taken to the Buyer upon request. Furthermore the Contractor ensures the participation of Contractor's supervisors on the monthly safety talks and conducting the safety talks by these supervisors with the same topic for the persons working on Contractor's behalf in Mondi SCP with record on that.

Article 3 - Movement/stay of the Contractor in the area of Mondi SCP

The Contractor (including motor vehicle drivers who have personal entry card) is obliged to record arrival to work, work interruption and departure from work as well as any entry to or exit from Mondi SCP area on terminal and must undergo eventual check of properties they are carrying or transporting. Assigned employees and Security personnel of the Buyer is authorized to conduct such check. In case that a material which they are not authorized to transfer is found and the Contractor is not able to provide additionally (within 24 hours) a document authorizing them to transfer the material, this will be considered as an attempt at theft with consequences resulting from paragraph 11, section 11.3.

Article 4 - Personal protective equipment (PPE) requirements

Only safety harnesses may be used as the means of individual protection against falling. Use of safety belts as the individual protection means against falling is prohibited.

The Contractor undertakes to use:

- helmet with chin strap fasten in at least 3 points when working at height;
- face shield, safety gloves with cut resistance level of five, long sleeves and pants (or overalls) safety shoes with minimum S1 protection level and hearing protection when using portable angle grinding machine
 - o in addition a person free zone must be kept in distance of five meters from the place of grinding. This safety distance can be reduced by use of shields (a guarding which will stop flying particles). If the person(s) must be closer than five meters to the grinder operator then the persons must have the same PPEs as written above;
- dust protection safety glasses when using each carpentry, wood cutting or handling machinery;
- safety glasses as minimum eye protection for use of compressed air, use of lathes, cutting of plastic tapes, drilling activities and use of pneumatic hammer;
- face shield and closed goggles for high-pressure water cleaning and in case of use of short gun barrel full body PPE against high pressure water stream.

Article 5 - The Contractor's working places and areas and means of work

The Contractor undertakes to:

- enable Buyer at any time to enter all areas (including site sheds) and work places to conduct immediate physical inspection and check;
- enable access to all information related to fulfillment of requirements of the contract;
- accept and take measures and applies recommendations for improvement from such inspection or check in due dates without undue delay.

The Buyer affirms that all information obtained from contractors is confidential and will be only used for internal purposes to control and improve managerial systems.

Should the Contractor lift any loose material which cannot be securely rigged a cage or a bag must be used which protects the material from slipping off and falling. The cage or bag must be provably of sufficient capacity to carry transported material.

The Contractor undertakes to use only scaffolding tubes and other scaffolding parts with surface treatment by zinc for erection of scaffoldings. Scaffolding parts without surface treatment by zinc cannot be brought on the Mondi SCP premises. Tube and clamps type of scaffolding will not be accepted in Mondi SCP since 1.1.2018.

The Contractor ensures that during work with technical equipment (especially with building machinery and lifting devices) a safe distance of persons is kept from moving parts of equipment and persons are not entering dangerous zones of equipment (e.g. load drop zone when using lifting devices, etc.). When

conducting lifting with overhead or mobile crane, the Contractor ensures at least one flagman who is responsible for warning the people entering dangerous zone or drop zone of the load. Operator of that particular crane cannot be a flagman. Flagman must be equipped with reflective vest or cap on helmet with title "Signalista" and a whistle. Furthermore the Contractor ensures that the connection points on hoses with operational pressure 200 bars and more (e.g. pneumatic tools, high pressure cleaners and similar) are secured by whip prevention device against unwanted sudden disconnecting and subsequent uncontrolled movement as well as equipped with anti kick-back device when cleaning exchangers.

It is forbidden to use wooden ladders. Only fiberglass ladders can be used in substations. Use of ladders made from conductive material in substations is forbidden.

Use of mobile phones is forbidden when:

- operating mobile plant (e.g. lift trucks, loaders etc.) including bicycles (use of mobile phones is possible only in cars or trucks exclusively with use of „hands free“),
- operating lifting equipment (except when the phone is a mean of communication between operator and a person controlling the lift),
- erecting and dismantling scaffolding,
- activities with risk of getting in contact with rotating parts and nip points.

In case of necessity to use transmitters the use of frequencies and calling signals must be consulted with contract manager.

The Contractor is responsible for ensuring the SHE at all workplaces at its own costs and ensures SHE coordinator and documentation coordinator as required by local legislation at its own costs if not defined otherwise in the contract.

Article 6 - Incidents, injuries, emergencies and other undesired events

The Contractor is obliged to immediately inform the Mondi SCP's contract manager and Fire-alarm office (+421 910 555 150, +421 44 436 2329) in case of any injury. For major close calls and environmental incident Mondi SCP's contract manager shall be informed as well.

In case of any damage to the Buyer's property the Contractor is obliged to report this damage immediately to work permit issuer, operation manager or to Mondi SCP's contract manager.

Article 7 - Prohibited substances, agents & activities

The Contractor undertakes without any reservations not to take any photographs and videos without permit nor even on mobile phones. The Contractor may be asked to undergo alcohol test or drug test or they may be examined whether they brought such substances into the area of Mondi SCP. Assigned employees and Security personnel of the Customer is authorized to conduct such check. If the result of alcohol test of the Contractor is positive or should the Contractor's employee refuse to undergo such a test this is considered as a breach of this article with the consequences resulting from the article 11. If the result of alcohol test of the Contractor is positive they may ask for repeated test which will be conducted after 15 minutes. If the result of repeated test will be negative the previous result is not considered as positive. If the result of repeated test will be positive the result of the first conducted tests is taken as effective. As irremissible is considered the result of alcohol breath test measured by breath analyzer which is regularly verified according to valid legislation. The Contractor has the right to ask for voluntary alcohol test before clocking in on terminal at the entrance to the mill. If the result of voluntary alcohol test of the Contractor is positive the Contractor will not be allowed to enter the mill without consequences resulting from the article 11.

Article 8 - Smoking ban

The Contractor undertakes to observe smoking ban in the whole Mondi SCP area and the area of its subsidiaries as well as on Mondi premises outside the mill especially in front of entrances to the mill and admin building, parking lots etc.

Article 9 - Environmental requirements

In case it results from the assessment of the possibility of waste generation (according to valid legislation) that during conducting of the activities in connection with this contract on the premises of

Mondi SCP waste is generated, the Contractor undertakes to dispose it and to ensure its handling or disposal by its own means and this activity is to be documented by means of the copies of weight note of the waste driven away or covering letters of hazardous waste. These will serve as evidence of ensuring the generated waste disposal outside the premises of Mondi SCP.

Article 10 - Health risks

The Contractor is obliged to make the acquaintance of the health risks at the Mondi SCP working place where the work is to be conducted together with the measures for their minimizing. The Contractor undertakes to ensure protection of health of its employees according to valid legislation and that the health risks connected with execution of the work for the Buyer are assessed.

Article 11 - Penalties

11.1. Prohibited substances, agents, activities and smoking

The Contracting Parties agreed on that should the Contractor breach the article 7 of this Annex the Buyer may apply sanctions from table 1.

Table 1: Sanctions upon positive alcohol breath test.

Positive result of alcohol breath test with value	Sanction
Up to 0,05 mg/l including	Person must leave Mondi SCP area immediately and cannot enter Mondi premises on the same day.
From 0,06 to 0,15 mg/l including	Person must leave Mondi SCP area immediately and cannot enter Mondi premises on the same day. The Buyer charge the Contractor with contractual penalty 250 EUR for each particular case.
From 0,06 to 0,15 mg/l including if more than second time within 6 months	Person must leave Mondi SCP area immediately and cannot enter Mondi premises for 6 months. The Buyer charge the Contractor with contractual penalty 250 EUR for each particular case.
From 0,16 mg/l including	Person must leave Mondi SCP area immediately and cannot enter Mondi premises for 6 months. The Buyer charge the Contractor with contractual penalty 250 EUR for each particular case.

Should the Contractor breach the article 8 of this Annex it is considered to be a breach of the requirements and terms of ensuring SHE and fire prevention with sanctions as per Table 2.

11.2. Personal Entry Cards

The Contracting Parties agreed on that should the Contractor fail to return the issued personal entry cards till 7 months since the date of last safety induction training or should the Contractor damage the ID card this is to be regarded as a breach of this Annex and the Contractor is to pay the compensation of 10 EUR in each particular case. The Contractor is responsible also for returning of the personal entry cards of its sub-contractors and undertakes to bear all the compensation expenses connected with the failure to return the personal entry cards of its sub-contractors. In case a card was not returned within the specified period then during, the check of prohibited substances, agents and activities the Contractor's employee is considered to be still in the labour relation with the Contractor and thus article 7 applies.

11.3. Environmental requirements

The Contracting Parties agreed on that if the Contractor breaches the provisions of the article 9 hereof the Contractor is to pay compensation for all damages caused by non-environmental behavior according to the professional estimate in compliance with valid legislation regarding treatment of environmental damages and a single penalty of 1.000 EUR.

11.4. Theft, property damage

The Contracting Parties agreed on if the Contractor causes a damage to the property or commits a theft or an attempt on theft in the area of Mondi SCP according to the legal proceeding in respective criminal case, the Buyer may charge the Contractor with a contractual penalty up to 2.000 EUR for each particular case according to investigation of Mondi SCP Loss committee. The Buyer is also to prohibit the entry to the Mondi SCP premises to those persons who committed the theft or the attempt on theft. The Buyer reserves the right to execute this prohibition with 6 months effect.

11.5. Unauthorized movement/stay on the premises of Mondi SCP

The Contracting Parties agreed on that should the Contractor bring a person onto site who has not attended the Mondi SCP safety induction training and is not provided with access authorization issued by Mondi SCP the Buyer may charge the Contractor with contractual penalty of 1.000 EUR in each particular case.

11.6. Requirements for ensuring occupational safety and health

The Contracting Parties agreed on that should the Contractor breach the requirements and terms of ensuring SHE as well as other requirements given herein the Buyer is to apply corrective measures (sanctions) according to the kind and seriousness of breach as given below.

Should the Buyer observe breaching of the requirements and terms of ensuring SHE and fire prevention it is entitled to execute sanctions according to tables 2 and 3.

Table 2: Sanctions upon breaching of the requirements and terms of ensuring SHE and fire prevention (other than those in table 3)

Violation	Sanction
First and second violation within 6 months	Record on breach in personal file and optional retraining of a person.
More than second violation within 6 months	Record on breach in personal file and retraining of a person. Sending a person off-site immediately, ID deactivation, Mondi SCP entry ban for the person for next day. Optional is entry ban for the person for 6 months and Contractual penalty 250 EUR (buyer is to decide).

Table 3: Sanctions upon violation of cardinal rule

Violation	Sanction	Sanction against supervisor	Sanction against contractor (company)
First and second violation within 6 months (accepting warning and stopping unsafe behavior)	Record on breach in personal file and retraining of a person. Sending a person off-site immediately, ID deactivation, Mondi SCP entry ban for the person for next day.	Interview of department manager, Mondi SCP responsible person for work and safety consultant with supervisor and working group.	Contractual penalty 250 EUR for each violation.
More than second violation within 6 months or not accepting warning and not	Record on breach in personal file and retraining of a person. Sending a person off-site immediately, ID deactivation, Mondi	Interview of department manager, Mondi SCP responsible person for work and safety consultant	Contractual penalty 250 EUR for each violation.

stopping unsafe behavior	SCP entry ban for the person for 6 months and retraining.	with supervisor and working group.	
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Breaching of the provision of the law of the road is considered to be a breach of the requirements and terms of ensuring SHE and fire prevention with sanctions as per Table 2. Upon such breach the Buyer has the right to revoke a vehicle entry permit for entering premises of Mondi SCP for duration up to 30 days.

The Buyer, according to own consideration, can substitute the sanction of optional retraining according to Table 2 by participation on the training in Second Chance Room.

The Contracting Parties agreed on that should the Contractor sustain work related recordable incident and it will be determined through the Buyers investigation that it happened due to violation of safety requirements the Buyer may charge the Contractor with a contractual penalty of 500 EUR for each particular case.

The Buyer, in particular cases, may order the Contractor to leave Mondi SCP premises immediately and may prohibit the entry of the Contractor to the Mondi SCP premises. The Buyer reserves the right to execute this prohibition with the permanent effect. If contractor refuses to leave Mondi SCP s/he will be escorted by Security personnel.

The Buyer executes these sanctions according to the seriousness of breach of requirements and terms of ensuring SHE and/or fire prevention with consideration of the response on the warning on breaching. As violation of cardinal rules is considered following:

- endangering of own life or the lives of the others
- failure to use collective or individual means of protection against falling from the height of 1,5 m and higher or above 5 m when using a ladder to climb/descent
- a person present in a drop zone of suspended load (it is in the zone, where health of a person can be endangered if load falls).

Closing provisions

Trader (Slowwood Ružomberok, Inc.) has the right to off-set the listed contractual penalty against any receivable of the haulier vehicle of which the driver has driven at the time of breaching of the requirement of this Annex.

It is valid for all the cases of financial sanction - contractual penalty that this financial sanction - contractual penalty is due to be paid within 15 days after the written appeal for payment has been delivered to the contractor.

The above-given sanctions do not affect the rights of the Buyer with respect to the Contractor as well as other third persons for any loss or damages compensation.

In case the Contractor is not to pay contractual penalty the Buyer has the right to include this into Contractor's accounts receivable.

Employees of organizational unit Safety, Security personnel, Mondi SCP managers, Mondi SCP employee responsible for this contract and persons entrusted by Safety manager are authorized to conduct checking of adherence to the safety, health and fire prevention requirements, law of the road and environmental regulations as well as provisions of this Annex.

The actual version of this Annex J.2 is published on the internet page - <http://www.safescp.sk/sk/dokumentacia>.

