

# Company Regulations for External Service Providers

Working well together

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# 1. General information

- 1.1 Purpose
- These Company Regulations for External Service Providers are a constituent part of the contract between the service provider and Klöckner Pentaplast and are thus binding for all employees of external service providers. The customer is Klöckner Pentaplast, hereinafter referred to as kp.
- The contractor's point of contact for all questions arising during the execution of the work is the kp construction/project manager. This contact person will introduce the contractor to the person responsible for the respective area, so as to shorten communications channels.
- 1.2 Scope
- These Company Regulations apply to all external service providers and companies contracted by kp, who are present on kp's premises
- 1.3 Contractor's obligations before commencing work
- Before commencing the work, it is the responsibility of the contractor to acquaint itself with all laws, official permits, directives, etc. as well as all regulations pertaining to its work. This applies in particular to the observance of and compliance with kp's internal regulations in the following areas:
- Work safety  
(e.g. health and safety policy, alarm plan, escape and rescue plans, welding permit, vehicle operation permit for confined spaces, authorizing of lifting platforms, first-aid reporting, assembly point, forklift and crane license, working at heights)
  - Quality  
(e.g. quality policy, measuring equipment, negative effects on production)
  - Fire protection  
(e.g. fire protection ordinance A and B, site fire department, hand-held fire extinguishers, sprinklers, smoke detectors, fire alarm control units, fire detectors, non-smoking areas)
  - Environmental protection  
(e.g. environmental policy, hazardous-materials storage, waste disposal)
  - Hygiene  
(e.g. hygiene policy, product protection, work clothing)

The contractor must observe these regulations wherever relevant and must monitor and assure that the employees assigned to the work comply with these regulations. The contractor further undertakes to obtain comprehensive information regarding the situation at the work site before commencement of the work. Thus, prior to commencing work for the first time, the respective contractor must report in person to the customer's nominated point of contact in order to notify the customer of the commencement of the work. According to work safety legislation, the contractor must implement accident-prevention measures that comply with the Requirements of the Employers' Liability Insurance Association (*Berufsgenossenschaftliche Vorschriften; BVG*) and that also comply with all other generally recognized rules on safety and occupational health. Insofar as other legal provisions, in particular work safety regulations, impose other requirements, the foregoing shall have no effect on these.

## 1. General information

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| 1.4 | Contractor's supervisor and qualification of assigned employees | <p>In agreement with kp, the contractor will assign a qualified responsible supervisor. The contractor must select employees who possess the skills necessary for the requirements of the task at hand and so will not disturb the normal working process of kp.</p> <p>All employees of the contractor must understand and speak the local (national) language of the kp site at which the work is commissioned. Alternatively an interpreter must be permanently present as the point of contact for the service provider.</p>   |
| 1.5 | Work and residence permits                                      | <p>The contractor may only employ persons who hold a valid work and residence permit.</p>  |
| 1.6 | Daily construction report                                       | <p>Unless agreed to the contrary, the contractor's on-site supervisor must keep a daily construction log starting from the first day of work. The daily construction log must record the number of workers present on site each day, the tasks performed and any particular occurrences. Copies are to be submitted to kp on a weekly basis. The entries in the log are not accepted until they have been signed off by kp. All documents are to be prepared in the German language.</p>   |
| 1.7 | Provision of auxiliary personnel                                | <p>kp does not provide any auxiliary personnel. If this should prove necessary in exceptional cases, however, the auxiliary personnel will be subject to the authority of the contractor's on-site supervisor. This authority may be revoked by kp at any time. The on-site supervisor must comply with kp's instructions regarding the use of kp employees. The contractor thus bears exclusive responsibility for the execution of the work and for work safety as well as for accident prevention.</p>  |
| 1.8 | Changes in staff  | <p>To ensure proper and problem-free work performance, employees should not be swapped unnecessarily. Changes may only be made with the consent of kp. The contractor's on-site supervisor must instruct employees on safety regulations before they start work, and must document this instruction in writing. If the contractor assigns employees whom kp considers unsuitable for professional or disciplinary reasons, the contractor must, in consultation with kp, immediately arrange for that employee to leave the site at no expense to kp. In such cases the contractor must also bear the costs for the travel of replacement staff to site.</p> |

# 1. General information

- 1.9 Trainees and apprentices If the contractor deploys trainees or apprentices, their names must be reported to kp.
- 1.10 Legal requirements The contractor is responsible for executing all performance in accordance with the contract.  
  
In doing so, the contractor must comply with not only the legal requirements, but official regulations, social protection laws and the terms of the contract.
- 1.11 Consultation/coordination The work must be performed in consultation with kp and all companies involved in such a way that production and work processes are not delayed and/or obstructed. The various contractors must reach agreement among themselves regarding matters of safety. If a project manager has been nominated, this person assumes responsibility for coordinating work. If the contractors are incapable of coordinating completely among themselves, kp must be informed immediately. kp may then appoint a coordinator from among the contractors or assume the coordination itself, at its own discretion.
- 1.12 Cleaning the workplaces and waste disposal The contractor undertakes to keep the workplaces clean and neat at all times. Waste, packing material etc. must be continuously separated and collected, and be brought to a central pickup point and disposed of properly at least once a week. Documentation in evidence of this must be submitted to kp. Should the contractor fail to meet this obligation, kp has the right to dispose of the waste at the contractor's expense.  
  
On conclusion of the work the contractor must clear the workplaces immediately. Should the contractor fail to comply with a corresponding demand within an appropriate period, kp may clear the workplaces at the contractor's expense.

## 1. General information

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| 1.13 | Parking, placement of containers, storing materials | <p>The contractor may drive vehicles on to the site premises for the purpose of loading and unloading materials or tools only. The vehicles must be parked in the kp company parking spaces after delivery. Personal vehicles may be parked on the site premises only after obtaining express permission from the site management. Long-term parking on the site premises is only permitted following consultation with kp. Such permission authorizes the holder to park in the assigned parking space only.</p> <p>Site trailers, crew, tool or social containers may only be set up with the approval of kp. The same applies for the use of specific plots e.g. for storing materials.</p> |
| 1.14 | Site traffic routes                                 | <p>All traffic lanes and all escape and rescue routes must remain unobstructed during the entire work including setting up of workplaces. This applies in particular to access routes for fire and rescue vehicles as well as to emergency exits, fire-extinguishing equipment and fire ladders. All persons are required to use designated traffic routes, in particular pedestrian routes and crossings. Speed limits must be strictly observed. The site premises may be entered and exited only by the main entrance (reception). Each person must notify the kp reception staff on entering and leaving.</p>  |
| 1.15 | Tools   | <p>The contractor must provide all tools needed for the work; kp assumes no liability for damage or theft.</p>   |
| 1.16 | Use of kp workshops                                 | <p>The contractor may use kp workshops only in exceptional cases and only after prior consultation with kp or with the shop supervisors.</p>   |
| 1.17 | Transport and lifting equipment                     | <p>Unless otherwise agreed in writing, kp will not perform any transport or lifting work or provide any transport or lifting equipment. In exceptional cases and in accordance with the existing options available, equipment may be provided at cost. Persons operating industrial trucks, cranes and lifting platforms on the kp premises must show kp that they possess the necessary certification without being asked. kp-specific instruction is required; the contractor must request this before commencement of the work.</p>   |

## 1. General information

- 1.18 Use of kp tools and materials
- Where kp provides tools, electrical equipment, etc. by way of exception, these are issued subject to a request form signed by the contractor's on-site manager. The tools or equipment must be returned immediately after use, undamaged and in a clean state. It is the responsibility of the borrower to obtain written confirmation of return.
- If the tool is not returned, return cannot be proved or the tool/equipment is damaged, the costs incurred will be charged to the contractor. The withdrawal of materials from kp stocks is possible only in urgent exceptions. The withdrawn material will be charged to the contractor with a 15 percent surcharge over kp's purchase price.
- 1.19 Pilfering
- The pilfering of any property from kp or its employees will always result in a criminal complaint and will have corresponding legal consequences for the contractor.
- 1.20 Permission for hot work
- Before commencing any hot work, the contractor must obtain the "Permission form for welding, soldering, thawing and abrasive cutting work in Klöckner Pentaplast sites with the exception of workshops" without being asked.
- The employee performing the hot work must have this form in his possession at all times. The contractor must always be instructed by the coordinator on site in conjunction with the responsible department head from kp. kp will provide the required extinguishing equipment.
- On conclusion of the work, the permission form must be returned to kp and the extinguishing equipment cleaned and returned to its original place without request. The contractor is responsible for detailing a fire monitor. This must be done in consultation with the kp site fire department or the kp fire protection officer or the responsible departmental person.

## 1. General information

- 1.21 Environmental handling of hazardous materials
- The handling of hazardous materials is governed by the hazardous materials regulations. Particularly when storing, filling, processing and disposing of hazardous materials, the respective warnings and safety recommendations must be observed. If the responsible operational department of kp requires specific materials, only these are to be used. Preparations containing heavy metals that must be declared according to hazardous materials regulations may not be used.
- If there is a risk that substances can be released contrary to these regulations into the water, soil or air, or if materials must be used that are prohibited under these regulations, kp's approval must be obtained before these materials are brought onto the site premises. The contractor must submit a safety data sheet for each material to the project manager/kp coordinator.
- 1.22 Testing of installations
- If test operation of an installation is required in which the regulations for normal operation cannot be applied, the contractor must proceed in consultation with kp as specified in the Employers' Liability Insurance Association rules (BGV) A1 section 42, and any further regulations where applicable.
- 1.23 End of work
- A final inspection must be performed on conclusion of all work on buildings, installations or machines. In particular, this inspection must verify that all affected safety equipment is functioning properly.

## 2. Work times

- 2.1 Recording of working times
- The contractor's daily working time will normally fall within the day shift of kp. Exceptions are possible in consultation with kp. Work times of all external employees will be recorded at the kp reception.
- The following data are recorded: name of contractor, number and names of the persons deployed, time of start of work, time of end of work and any times off the premises.

## 2. Work times

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| 2.2 | Working at weekends and on public holidays, overtime | <p>Work must in all cases be performed without payment of chargeable overtime.</p> <p>If work during chargeable overtime, on Sundays or on public holidays should prove unavoidable, the express written consent of kp must be obtained. kp must be informed in writing of work that must be performed on weekends and holidays along with the number of employees required. In such a case the shift supervisor is usually the contact person. It is the responsibility of the contractor to obtain any official permits for work on public holidays.</p> |
| 2.3 | Night work   | <p>In exceptional cases night work may be permitted for reasons relating to production. This must be approved in writing by kp. In such a case the shift manager is usually the contact person for the duration of the work.</p>   |

## 3. Safety and fire protection

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| 3.1 | No alcohol or intoxicants          | <p>Alcohol is absolutely prohibited on the site premises, i.e. no alcohol may be consumed anywhere on the site premises. The same applies to intoxicants of any kind. In the event of violations kp can expel perpetrators from the site premises immediately.</p> |
| 3.2 | No open fire/no smoking            | <p>The use of open fire and light, welding work and smoking are prohibited throughout the entire site.</p> <p>Exceptions: work with written approval (permission form) and smoking in especially designated smoking zones.</p>                                     |
| 3.3 | Sprinkler system and fire alarm    | <p>Sprinkler systems and/or fire detectors are installed in the buildings. The alarm is issued by the central fire control panel.</p>  |
| 3.4 | Presence on site after ending work | <p>Following end of work personnel may only remain on site with the permission of the site management.</p>   |
| 3.5 | False alarms and emergency stop    | <p>The contractor will reimburse all costs for false alarms and for outages caused by an emergency stop initiated by the contractor.</p>   |

## 4. Hygiene protection

- 4.1 Compliance with kp hygiene policy
- The contractor must instruct all of its employees, agents, subcontractors and other vicarious agents in kp's hygiene policy before commencement of the work. The "Visitor infection screening questionnaire" must be completed before entering the hygiene zone.
- The external service provider is required to notify kp in the event that an employee falls ill due to an infectious illness. Work and personal conduct may never under any circumstances negatively affect kp's raw and auxiliary materials, kp's production machines or kp's finished products.
- Violation of hygiene regulations can result in banning from the site.
- 4.2 Work clothes (product protection)
- The contractor must ensure that every person is wearing clean working clothes at all times while performing the work (trousers with reflective strips, long-sleeved T-shirt or sweatshirt, or smock with reflective strips, with no outside breast pocket and with snaps). The company name must be printed on the working clothes.
- Workers may not leave the kp site premises while wearing work clothes. Disposable overalls are required for soiling-intensive activities; kp will provide these free of charge.

## 5. Liability and insurance

- 5.1 Regulations
- The contractor assumes responsibility for ensuring that its personnel observe kp's safety regulations, operating, process and work instructions and the applicable regulations of the Employers' Liability Insurance Association (BVG) as well as other legal provisions and official regulations.
- kp's regulations/instructions will be provided by the project manager/kp coordinator on request. The contractor must instruct its personnel accordingly before commencement of the work.
- 5.2 Contractor's liability
- The contractor is liable for the behavior of its employees, agents, subcontractors and other vicarious agents as well as for its own behavior. In the event that any damage is caused by or in conjunction with a construction site created or maintained by the contractor on kp's premises, the contractor will only cease to be liable if it demonstrates that the damage was caused due to circumstances which it and the persons falling under its responsibility according to these Company Regulations could not avoid and whose consequences could not be prevented through the exercise of ordinary care.
- The contractor will indemnify kp against the claims of third parties resulting from circumstances for which the contractor is liable according to the provisions of these Company Regulations.
- 5.3 Insurance
- The contractor must hold liability insurance and/or erection all risks insurance according to the kp Terms of Purchase for the period from the commencement of work until fulfillment of all obligations under the accepted order, and must demonstrate this to kp at any time on request.