




EVRAZ Standard “Contractor HSE Management”

1. INTRODUCTION

1.1. Document purpose

- 1.1.1. This Standard establishes a unified procedure for interaction between EvrazHolding LLC (hereinafter referred to as the “Company”) and enterprises that the Company exercises the powers of the sole executive body thereto (hereinafter referred to as the “controlled enterprises”), as well as enterprises included in the group of companies of the Company (hereinafter referred to as the “Customer”) with Contractors (hereinafter referred to as the “Contractor”) in the field of HSE, which includes all aspects of interaction in this area, from selection of the Contractor to assessment of the results of interaction after contract termination/expiration. Principles of interaction with Contractors described in this Standard are also mandatory for use regarding the interaction between the Customer and the organizations performing work in the territory of the Customer’s enterprise given to these organizations under a lease agreement, the act-the admission for production of works in the territory of the organization, other reasons/documents, from which it follows that these organizations perform work in the territory of the Customer and for the benefit of the Customer.
- 1.1.2. This Standard and the related local regulatory acts of the Company and enterprises that Company exercises the powers of the sole executive body thereto (hereinafter referred to as the “controlled enterprises”) in the field of health, safety and environment (hereinafter referred to as “HSE”) establish the requirements for the conclusion of contracts for execution of contracted work, construction and installation work and services (provision of services in the territory of EvrazHolding LLC, controlled enterprises, and enterprises) performed by the Contractor for the benefit of the Company and/or for the benefit of the controlled enterprises/enterprises. This Standard contains a minimum set of requirements and conditions for interaction with Contractors, and cannot be modified or changed within this part. Other local regulatory acts of the Company and enterprises regarding HSE, contracts/agreements, may contain additional conditions and requirements regarding the procedure for interaction with Contractors.
- 1.1.3. This Standard is intended for managers and persons who are responsible in the field of health, safety and environment and/or the functions of contractual work in the Company and controlled enterprises.
- 1.1.4. Regarding the enterprises belonging to the group of companies of the Company, this Standard is applicable, if they act as the Customer of the contracted work, construction and installation work, as well as if they act as Contractors in the provision of services (when providing services in the territory of the Company or controlled enterprises).
- 1.1.5. In case of disagreement of the organization, which is a monopolist in the market of these services, with the requirements of this Standard, the Standard is applied with

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reservations agreed with the Chairperson of the Procurement Commission, followed by informing the Vice President, HSE, Group. The initiator of this agreement is the Initiator.

IMPORTANT: This Standard establishes requirements that supplement the applicable law. However, none of the requirements set forth in the document are intended to replace, amend, or cancel any applicable law. In case of discrepancies or contradictions between the provisions of this Standard and the current legislation regarding the use and interpretation of this Standard, the provisions of the regulations of the current legislation shall prevail.

1.2. Terms and abbreviations

The following terms and definitions are used in this Standard:

No.	Term	Term definition
1.	<i>HSE</i>	Health, safety and environment
2.	<i>Company</i>	EvrzHolding LLC
3.	<i>Controlled Enterprises</i>	Enterprises that EvrazHolding LLC exercises the powers of the sole executive body thereto.
4.	<i>Enterprise (Customer)</i>	EvrzHolding LLC, controlled enterprises, enterprises
5.	<i>Contract/Transaction/Contracted Work</i>	Determined in accordance with the current local regulatory act
6.	<i>Contractor (hereinafter referred to as the "Contractor")</i>	A legal entity or a physical person performing work under a work contract, as well as (for the purposes of this Standard) under a service contract/agreement (when providing services in the territory of EvrazHolding LLC or controlled enterprises, with the exception of work, services performed in the office premises of the Customer and/or exclusively consulting services). This Standard does not apply to the enterprises of the group of companies that provide support services (accounting, tax, personnel, information, etc.)
7.	<i>Subcontractor</i>	A legal entity or physical person performing work under the contract/agreement with the Contractor in fulfillment of the obligations of the latter to the Customer. <i>Notes: In this case, the Contractor acts as the General Contractor, who is liable to the Customer for the consequences of non-performance or improper performance of obligations by the Subcontractor under the Contract.</i>
8.	<i>Contract</i>	A contract according to which the Contractor undertakes to perform certain work upon the instructions of the Customer and hand over its deliverables/result to the Customer, and the Customer undertakes to accept the deliverables/result of the work and pay for it; and also (for the purposes of this Standard) a contract/agreement according to which the Contractor undertakes to provide services upon the instructions of the Customer, and the



No.	Term	Term definition
		Customer undertakes to accept the services rendered properly and pay for them.
9.	<i>Contracted Work</i>	Work or services performed or provided/rendered by the Contractor under a contract, construction and installation contract, service services (when providing services in the territory of EvrazHolding LLC or controlled enterprises) for the benefit of the Customer.
10.	<i>HSE Requirements</i>	Requirements in health, safety and environment that must be adhered to when performing the work. The requirements in health, safety and environment are both the requirements of the law, and the internal requirements of the Customer, for example, the HSE Policy, internal standards/codes and regulations.
11.	<i>Contractor Personnel (Staff)</i>	Permanent or temporary employees of the Contractor (subcontractor) involved in the performance of work, provision of services for the Enterprise, based on an agreement between employees and the employer (Contractor/Subcontractors) about performance of the employees' labor/workforce function.
12.	<i>Contractor's Production Activities (Operations)</i>	All types of work, services carried out by the personnel of the Contractor/Subcontractor in the work sites of controlled enterprises.
13.	<i>Initiator</i>	Head of the structural unit/service, for whose benefit and upon whose initiative (application) the work/services are performed/provided.
14.	<i>Person in Charge of the Contract (hereinafter referred to as the "Person in Charge")</i>	An employee who is entrusted with the duties of direct interaction with the Contractor in order to ensure the safety of the work performed and/or the services provided. As a rule, a person in charge is appointed from among the heads of the structural unit of the Enterprise where or for whose needs/benefit the Contractor will perform the work and/or provide the services. Person in Charge is functionally subordinate to the Initiator.
15.	<i>Procurement Procedure (hereinafter referred to as the "Procurement")</i>	A set of actions aimed at determining the Contractor for awarding it with a Contract.



No.	Term	Term definition
16.	<i>Procurement Commission (hereinafter referred to as the "Commission")</i>	A collegial body for making decisions, including summing up the results (of individual stages and procedures) of a procurement, created on a permanent basis or specially created for the purpose of a single procurement.
17.	<i>Procurement Organizer</i>	A structural unit of the Enterprise responsible for the procurement process.
18.	<i>PPE</i>	Personal protective equipment.
19.	<i>Work Site</i>	Territory or part of the territory of the Company and/or its subdivisions where Contracted Work is performed.
20.	<i>Work Suspension</i>	Temporary prohibition to perform any work, provide any services, in case of violations in the field of health, safety and environment, until such violations are eliminated. <i>Notes:</i> <i>Suspension of work, services implies a prohibition to continue performance of work performed, services provided regarding all employees of the Contractor performing work or providing services in the audited area.</i>
21.	<i>C&I</i>	1. Construction and installation work
22.	<i>LTIFR (Lost Time Incident Frequency Rate)</i>	<i>The rate of the incident frequency that leads to lost time.</i>
23.	<i>HPF</i>	<i>Hazardous production facility.</i>
24.	<i>SRO</i>	<i>Self-regulating organization</i>



2. GENERAL PROVISIONS

2.1. Process purpose, aim and objectives

The purposes of the contractor management process are:

- Involve Contractors in the work who are certainly able to fulfill all the HSE requirements when performing Contracted Work;
- Ensure safety of employees of the Customer and the Contractor during the Contracted Work at the Customer's Work Sites.
- Forming a unified approach to managing health, safety and environment issues when performing Contracted Work at the Customer's Work Sites.

2.2. Contractor Safety Management Fundamentals

- 2.2.1. The safety of the personnel of the Contractors is no less priority for the Customer than the safety of the Customer's personnel;
- 2.2.2. Requirements in the field of health, safety and environment when performing the Contracted Work are an integral part of the Contract concluded between the Customer and the Contractor;
- 2.2.3. Conformity of the activities of Contractors in the field of HSE with the requirements of the current legislation and the Customer enshrined in this Standard, corresponding local regulations, and the terms & conditions of the Contracts;
- 2.2.4. Provide supervision and control over the adherence of the Contractor's personnel to the requirements of the Customer in the field of health, safety and environment at each of the stages of the Contract Work execution;
- 2.2.5. Implementation of a clear distribution of duties and authority between the Customer and the Contractor at each of the stages of the Contract Work execution;
- 2.2.6. Application of the internal control processes to the operations of Contractors commensurate with the level of risk;
- 2.2.7. Assessment of the Contractors' operations.

2.3. Responsibility and authority


- 2.3.1. Responsibility for the implementation of the requirements set out in the Standard is distributed in accordance with Appendix 1.

3. CONTRACTOR SELECTION¹

3.1. Contractor HSE qualification

- 3.1.1. If a decision is made about the need to engage Contractors to perform Contracted Work, the Contractors should be validated according to the health, safety and environment criteria.


¹ The flow chart of the procurement process to select a contractor is provided in Appendix 8

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- 3.1.2. Validation of the Contractor should be accomplished before the procurement procedure commences. The Procurement Organizer is responsible for organizing and conducting the evaluation and selection of the Contractor.
 - 3.1.3. To accomplish the validation of the Contractor according to the health, safety and environment criteria, it is necessary to use the Contractors HSE Qualification Criteria (Appendix 2) (hereinafter referred to as the “qualification criteria”). These criteria can be adjusted by the Initiator taking into account the specifics of the Contracted Work in accordance with clause 1.1.5.
 - 3.1.4. Section 1 of the Qualification Criteria is not applicable to the Contractors performing work in the Customer’s sites with non-process equipment, ongoing repair, and maintenance of buildings and structures, as well as the performance of work that has one-time, occasional nature. Work and services at non-production facilities (maintenance of the territory and motor roads, cleaning and maintenance of the buildings, territories, training, etc.). Contractors of Installation supervision.
 - 3.1.5. The Procurement Organizer shall send the qualification criteria to all candidate bidders (Contractors) participating in the procurement process. It is also responsible for collecting the completed qualification criteria from the Contractors.
 - 3.1.6. Completed qualification criteria (including confirming documents) must be sent by the Procurement Organizer to the Initiator for subsequent analysis within the timeframe according to the Procurement procedure. The initiator has the right to engage other structural units in this process.
 - 3.1.7. Qualification criteria are sent by the Procurement Organizer and filled out by the Contractor for each Contract, as well as in cases of considering the extension of the contract, unless otherwise provided by this Standard.

3.2. Analysis of Contractor’s compliance with HSE qualification criteria

- 3.2.1. The Initiator analyzes the qualification criteria obtained for their applicability and compliance with the requirements of the Standard and submits the data to the Organizer in accordance with the procurement terms and conditions. If necessary, the Initiator may contact experts in relevant disciplines to analyze the documents and information provided by the Contractor, and it is also provided with access to the registry of enterprise’s contractors¹.
- 3.2.2. The results of the analysis are formalized by filling out and signing by the Initiator of the corresponding section in Appendix 2. If experts in the relevant disciplines were involved in the analysis, they also sign a section with the attribution of the Contractor to the appropriate group.
- 3.2.3. Based on the results of analysis of the qualification criteria, the Contractor shall be attributed to one of 3 groups in accordance with Appendix 3:

¹ The register is maintained at each enterprise independently until the creation of the Procurement Operations Centers and the transfer to them of this information for the procurement procedures

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- Red group - Contractors attributed to the red group are not allowed to further participate in the Procurement;
 - Yellow group - Contractors are allowed to participate in the Procurement, but a Contract can be awarded to such Contractors only if/when the Contractor develops a plan to eliminate inconsistencies from Section 2 (Appendix 2);
 - Green Group - Contractors are allowed to further participate in the Procurement without additional conditions.

3.2.4. The Organizer ensures storage of completed and verified HSE qualification criteria for the Contractors together with the contract for 3 (three) years from the date of completion and uses them as additional information to evaluate the corresponding Contractor during subsequent procurements with his participation. Data about the Contractor are entered into the enterprise database (register).

3.2.5. Contractors who have won in the previous procurement and are applying for an extension of the contract or the conclusion of a new contract for the same types of the Contracted Work may be exempted from filling out the qualification criteria, provided that during the fulfillment of contractual obligations there were no violations of the requirements set out in the Contract, and no more than 1 (one) year has passed from the moment of filling out the qualification criteria for participation in the previous procurement.

3.2.6. The results of the HSE validation should be taken into account by the Commission when making final decision about the final selection of the Contractor. At the selection stage, several Contractors can be determined that meet the HSE criteria.

3.2.7. The final selection of the Contractor should be accomplished only from among the candidate bidders who have successfully passed the HSE qualification selection (yellow and green group). The qualification selection data and the mandatory appendix to the Protocol of the commission for the selection of the Contractor to perform the work/provide the services are presented at the meeting of the commission for the selection of the Contractor for work/services, and filed to the corresponding Protocol.


3.2.8. If there are differences in the safety requirements of the Contractor and the Customer, stricter requirements shall apply.

3.3. Conclusion of contract with contractor

3.3.1. The Contract between the Enterprise and the Contractor is concluded after the latter wins the competition procedure.

3.3.2. The conclusion of the Contract is not allowed without compliance with the requirements specified in clause 3.2.7 of this Standard.

3.3.3. The Contract must contain information about the persons responsible for compliance with the HSE requirements, both on the part of the Customer and on the part of the Contractor.

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- 3.3.4. If, at the time of signing the contract, it is not possible to specify the persons in charge, then, before the execution of the Contract work, an additional agreement must be concluded where these persons in charge should be specified.

In this case, the Contract must contain a requirement about the need and timeframes of signing this additional agreement.


- 3.3.5. If during the execution of the Contract there is a change of the person in charge of compliance with the health, safety and environment on the part of the Customer, the Initiator must notify the Contractor about this fact no later than 3 (three) calendar days before the expected date of the change of the person in charge in writing. If during the execution of the contract there is a change of the person in charge of compliance with HSE requirements on behalf of the Contractor, the Contractor shall notify the Customer about this fact no later than 3 (three) calendar days before the expected date of the change of the person in charge in writing. In these cases, and within the timeframes set forth above, the Parties to the contract should send an information letter signed by an authorized person and certified by the seal of the organization specifying the new persons in charge and their contact details.
- 3.3.6. The Standard HSE Conditions for Contracts (Appendix 10) must be included into the Contract concluded with the Contractor. The amount of penalties for violations set forth in Appendix 4 is the minimum limit. In case of repeated violation during the year or during the contract validity period (if the contract is concluded for a period of less than a year), the Customer can apply a double coefficient to the established amounts of penalties to the Contractor.
- 3.3.7. The contract must be approved by the Customer's HSE service according to the manner determined by the local regulatory documents about contractual work procedures.


4. INTERACTION WITH CONTRACTOR DURING THE WORK EXECUTION STAGE¹

- 4.1. Before starting the work execution pursuant to the contract with the involvement of the Contractor, a meeting about health, safety and environment will be held under the guidance of the Person in Charge with the mandatory participation of the person in charge of the HSE requirements and the direct work supervisor on the part of the Contractor.

Notes: The meeting should be held with a mandatory visit to the place of work to assess the willingness of the contractor to perform the work, the need to correct the previously agreed work order. The work lead on the part of the Contractor, for future introductory and other briefings for his employees, at the place of work should be provided with the risks related to HSE at the work place.

¹ The interaction flow chart for interaction with contractors is provided in Appendix 9

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- 4.2. Before the beginning of the Contracted Work, each shift, the Contractor shall draw up a shift appendix for the order-the admission (for example, the safety checklist, Appendix 5). This appendix should include a detailed description of the scope of work for the current shift for each unit/team, safety measures during the course of performance of this work, and other information sufficient for controlling, before and during the execution of the work, the safety measures of the Customer. It is allowed to use process charts in the format established by the local regulatory acts of the Customer as a shift appendix.
 - 4.3. All employees performing a certain type of Contractor Work must familiarize themselves with the shift appendix to the work permit and confirm that they have received and familiarized with the safety requirements, confirm this by signing in the section provided for doing so.
 - 4.4. Before the beginning of the Contractor Work in each shift, the Contractor must sign a shift appendix the order-the admission to performance of works of the increased danger (further reading - the order-the admission), with the person issuing the order-the admission or the manager in charge of the work, area lead, their representatives, as a permission to start the work. A copy of the completed and signed shift appendix to the order-the admission is stored in the Initiator's subdivision and at the place of the Contractor Work, together with the work-permit at the Contractor's, until the end of the shift.
 - 4.5. Copies of the "closed" shift appendix to the order-the admission are stored in the archives of the Initiator's subdivision for thirty days together with the order-the admissions.
 - 4.6. Contractors are required to ensure that their work is performed by their own employees in accordance with the applicable safety standards and specific safety measures set forth in the shift appendix to the order-the admission.
 - 4.7. During the course of the work execution (providing the services) by the Contractor, the Customer's specialists shall conduct periodic inspections of compliance with the HSE requirements:
 1. For Contractors performing the work related to the construction, reconstruction, industrial facilities, erection/dismantling, overhaul of equipment, buildings and structures - on a weekly basis;
 2. For other Contractors - the frequency of the inspections is determined by the Customer's HSE service.
 - 4.8. Results of the inspection must be formalized using an inspection report signed both by the Customer and by the Contractor (a third party engaged by the Contractor as a Subcontractor). Recommended form of the inspection report is provided in Appendix 7. The use of similar documents from the package already in use at the enterprise is allowed, provided that they contain all the information provided for in Appendix 7.
 - 4.9. Should the Contractor/third parties involved by the Contractor refuse to sign such inspection report, the inspection report shall be drawn up by the Customer



unilaterally with the indication that “the Contractor (specify the name) refused to sign”, and, if possible, including the reasons for such refusal.

- 4.10. HSE service ensures storage of the issued inspection reports for 3 (three) years from the date of signing and uses them as additional information to evaluate the performance of the relevant Contractor in accordance with Section 5 of this Standard.
- 4.11. Information about the results of the inspection is entered into the contractors register of the Enterprise by the unit in charge of evaluation sheets storage.


5. CONTRACTOR PERFORMANCE ASSESSMENT

- 5.1. After completion of the Contracted Work under the Contract, the Person in Charge fills out the Contractor’s HSE performance evaluation sheet (Appendix 6).

Note: In order to fill out the Contractor’s HSE performance evaluation sheet, the Person in Charge may involve representatives of the health, safety and environment service representatives to act as consultants.

- 5.2. Completed evaluation sheet must be sent to the HSE service of the Enterprise for verification and approval within 3 days.
- 5.3. Approved evaluation sheet is sent to the Initiator for final approval.
- 5.4. Approved evaluation sheets are used in future Procurements for selection of the Contractor and/or extension of the current contract.
- 5.5. To evaluate the performance of the Contractor regarding HSE during the course of Contractor Work execution under the Contract, the results of the inspections of the Contractor’s performance carried out in accordance with clause 4.7 are used. Based on the data of the inspection for identification of violations in the field of health, safety and environment issues during course of the Contracted Work performance by the Contractor, the Customer is entitled to decide on the early termination of the current contract.
- 5.6. The subdivision in charge of storage of evaluation sheets is the Center for Competitive Procedures (CCP), which records information about the evaluation of the Contractor’s performance in the contractors register of the enterprise. Evaluation sheets are retained for 3 (three) years after the date of signing.
- 5.7. In case of law violations, the responsible HSE official creates a task in the EDMS Instruction system ¹, where he/she states the need to:
 - 1) provide a contract number by the supervisor of the execution of the Contract/Head of the structural unit where the work/contract is being executed;
 - 2) reflection by CSR (company providing accounting and tax accounting services) of the penalty amount as a receivable.
- 5.8. Supervisor/Person in Charge:

¹ Section of the electronic document management system (EDMS), where the orders and their execution are recorded

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- 1) if there are payables, draws up a technical application in SAP:
 - a) about set-off of mutual similar claims;
 - b) about payment for the work performed under the work contract less the amount of penalties for violation of the HSE requirements, and
 - 2) If there are no payables, draws up a claim to the contractor with a fixed deadline for payment of the penalty, and attaches the Contractor Performance Inspection Certificate to it.

Initiator makes notes in the EDMS Instructions system about the accomplished measures.




- 5.9. HSE person in charge controls by tracking in the EDMS Instruction system of the progress of the created instruction about CSR offsetting.

- Attachment:
1. Responsibility allocation chart, 2 sheets, 1 copy.
 2. Contractors HSE qualification criteria, 4 sheets, 1 copy.
 3. Contractors classification, 1 sheet, 1 copy.
 4. Standard HSE requirements for contractors, 12 sheets, 1 copy.
 5. Contractor's safety daily checklist, 2 sheets, 1 copy.
 6. Contractor's HSE performance evaluation sheet, 2 sheets, 1 copy.
 7. Contractor HSE performance inspection certificate, 1 sheet, 1 copy.
 8. Contractor selection procurement flow chart, 1 sheet, 1 copy.
 9. Contractors interaction flow chart, 1 sheet, 1 copy.
 10. Standard HSE conditions for contracts, 2 sheets, 1 copy.

RESPONSIBILITY ALLOCATION CHART¹

Stage	Head of Enterprise	Procurement Commission	Procurement Organizer	Initiator	Pers. in Charge	HSE Service
PLANNING	1. Initiation of procurement of work/services					
	2. Request data from the Contractor for prequalification					
	3. Qualification results analysis					
	4. Contractor selection and awarding a contract ²					
	5. Occupational health induction briefing					
INTERACTION DURING THE COURSE OF WORK	6. Contractor personnel admission to Enterprise ³					
	7. Contractor's HSE performance inspections ⁴					
	8. Additional training for the Contractor's personnel ⁵					
	9. Meetings with the Contractor regarding HSE					
	10. Evaluation of the Contractor work results					

Legend:

 Approver	 Performer	 Consultant
In charge of authorization and approval of the decisions made	Directly responsible for the arrangement and implementation of a separate stage within the framework of this standard	If necessary, provides assistance in the implementation of individual tasks

Notes:

1. When engaging contractors to carry out urgent work against the letters of guarantee (prior to establishment of contractual relationship), the Initiator/Manager who signed such a letter of guarantee undertakes responsibility for all stages.
2. If the Contractor is attributed to the red level, then such Contractor is excluded from further procurement of work/services. If the Contractor is attributed to the yellow level (Appendix 3), then the conclusion of the Contract is possible only after the elaboration of the plan to eliminate the inconsistencies (clause 3.2.3).
3. Within the framework of this admission, the availability of PPE, the necessary training, working documentation, and compliance with other conditions established by the Contract for the admission of the Contractor's personnel to the Enterprise are all checked.
4. Any employee of the enterprise (Customer) has the right to stop dangerous work (operations) of the contractor and immediately notify the Customer's HSE Directorate about such work.
5. As a part of the additional training, extraordinary and/or ad hoc briefings can be arranged, informing about accidents that have occurred, etc.

CONTRACTORS HSE QUALIFICATION CRITERIA

Name and address of the Contractor _____

Activity _____

Evaluated parameters
Section 1

No.	Criteria	YES	Not applicable	NO
1.1.	<p>Contractor has all the necessary permits granting it the right to perform the types of activities, if established by applicable law. Provide:</p> <ul style="list-style-type: none"> Copies of licenses, permits of SRO and other documents, including copies of licenses for hazardous waste management, permits for emissions, discharge of production wastes, copy of a liability insurance contract of a member of SRO for all types of work specified in the license, etc.; or certificate confirming the availability of licenses or permits of the SRO and the compliance of the business activities with licensed requirements and conditions, certified by supervisory authorities. 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.2.	<p>Contractor's personnel (including managers and specialists) have undergone the required training and certification in the field of health, safety and environment in accordance with the requirements of the current legislation. Availability of the certification area for industrial safety suitable for the work being performed, the facility where the work is planned to be executed Provide the documents confirming the qualification certified by the signature and seal of the Contractor's HR department.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.3.	<p>There is a system for production control, as well as other types of audits for compliance with health, safety and environment requirements. Provide a copy of the Regulation about Production Control and procedures describing the audit activities.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.4.	<p>Internal standards and procedures have been developed that establish and regulate the work process. Provide confirming documents in the form of a general list.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.5.	<p>Production equipment, machinery, mechanisms are in satisfactory condition and comply with the requirements of the current legislation Provide a list of machines, equipment, mechanisms (only those planned to be used in work under the contract) with an indication of the year of manufacture, the time of their technical examination, the conclusions of the technical examination, certificates and permits for operation.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.6.	<p>Diagnostics, tests, and surveys of equipment and technical devices are provided. Provide information about the Contractor's availability of dedicated laboratories and technical equipment. If these are not available, copies of contracts concluded with the dedicated organizations.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Section 1				
No.	Criteria	YES	Not applicable	NO
1.7.	The safety of the vehicles for transport of passengers and goods is ensured <i>Provide information about equipping vehicles with safety belts and data about passing the State technical inspection).</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.8.	Availability of full-time employees who perform compliance checks regarding health, safety and environment requirements. <i>Provide the documents confirming the qualification in the form of an excerpt certified by the signature and seal of the Contractor's HR department.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1.9.	Workers are fully equipped with work garments, safety shoes, and other personal protective equipment. <i>Provide approved standards for giving out PPE depending on the professions.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Section 2				
No.	Criteria	YES	Not applicable	NO
2.1.	Workers have with special-purpose shoes with a hard toe cap (200 J)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.2.	Existing requirement regarding constant wearing of safety goggles while being at the work place	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.3.	When performing work at height, only safety harnesses with two slings are used	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.4.	Availability of the system for recording non-disabling incidents (microtrauma, seeking medical assistance, near misses, etc.) <i>Provide statistics of incidents for the latest calendar year</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.5.	Availability of a work time tracking system <i>Provide statistics about hours worked for the latest year</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.6.	Does the organization have a system for recording and analyzing injuries, accidents, and incidents? <i>If yes, provide a copy of such an analysis for the latest 12 months.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.7.	Availability of the system for periodic control of employees for alcohol and/or drug intoxication <i>Provide an excerpt about the frequency and results of this control.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.8.	The name of the organization is marked on overalls (protective garments) and PPE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.9.	Contractor's employees are insured against a fatal accident at work with a limit of insurance indemnity of at least 2 million rubles for each occurrence (when performing work at the Customer's HPF)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Section 1 is not applicable to the Contractors performing work in the Customer's sites with non-process equipment, ongoing repair, and maintenance of buildings and structures, as well as the performance of work that has one-time, occasional nature. Work and services at non-production facilities (maintenance of the territory and motor roads, cleaning and maintenance of the buildings, territories, training, etc.). Installation supervision contractors

Section 3				
No.	Criteria	YES	Not applicable	NO
3.1.	Availability of the Health, Safety and Environment Policy <i>Provide a written copy thereof.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.2.	Availability of the Alcohol and Drugs Policy <i>Provide a written copy thereof.</i>	<input type="checkbox"/>	<input type="checkbox"/>	



Section 3				
No.	Criteria	YES	Not applicable	NO
3.3.	Availability of the system for acquisition and presentation of the HSE regular reporting. <i>Provide copies of the existing procedures, schemes, and forms.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.4.	Availability of a system for online reporting about incidents. <i>Provide copies of the existing procedures, schemes, and forms.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.5.	Availability of the internal procedure for arrangement and conducting internal investigation of incidents. <i>Provide copies of the existing procedures, schemes, and forms.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.6.	Arrangement and conduct of additional HSE training <i>Provide a description of the training and certification system. Provide examples of using the services of external consultants for additional education and training.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.7.	Is there an assessment of occupational health risks when performing work under the contract? <i>Provide a description of the most critical risks and the most efficient methods of managing these risks.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Industrial injuries rate, accidents rate (over the latest 12 months)	
Average headcount of the organization	
Number of man-hours actually worked	
Accidents/number of the injured, incl.	
▪ Fatal	
▪ Group	
▪ Number of the injured	
▪ Traffic accident	
▪ Fire	
▪ Emergency	
▪ Incident	

Contractor guarantee obligations		
	YES	NO
Do you guarantee the possibility of conducting an audit of your organization, as well as interviewing staff for competency, according to the data you stated in this questionnaire?	<input type="checkbox"/>	<input type="checkbox"/>
Do you guarantee the correction of deficiencies identified by the audit within the agreed timeframe, provided that you are qualified to participate in the upcoming tender?	<input type="checkbox"/>	<input type="checkbox"/>

Date of completion: _____

<p>Customer's representative</p> <p>Full name _____</p> <p>Signature: _____</p>	<p>Contractor's representative</p> <p>Full name _____</p> <p>Signature: _____</p>
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Qualification of the contractor according to the HSE requirements			
Description of the nature of the non-compliance in accordance with Appendix 3 of the Contractor HSE management Standard:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of completion: _____

<p>Initiator</p> <p>Full name _____</p> <p>Signature: _____</p>	<p>Expert</p> <p>Full name _____</p> <p>Signature: _____</p>
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Contractors Classification

Contractors classification criteria	
	<p>The contractor is recommended for disqualification from the procurement process, as it does not comply with the Company's HSE requirements</p> <p>The red level is assigned to the Contractor in the following cases:</p> <ul style="list-style-type: none"> - At least 1 (one) negative answer in Section 1 or 2 (Appendix 2)
	<p>The contractor is conditionally qualified to participate in the procurement.</p> <p>The yellow level is assigned to the Contractor in the following cases:</p> <ul style="list-style-type: none"> - Full compliance with Section 1 (Appendix 2) - Over the latest calendar year, 1 or more fatal, serious, or group accidents have been recorded - Availability remarks regarding the health, safety and environment related to the suspension of the work at the Customer's (if there are previously concluded contracts)
	<p>The contractor is unconditionally qualified to participate in the procurement.</p> <p>The green level is assigned to the Contractor in the following cases:</p> <ul style="list-style-type: none"> - full compliance with Section 1-1 (Appendix 2) - No remarks regarding the health, safety and environment related to the suspension of the work at the Customer's (if there are previously concluded contracts) - No fatal, serious, or group accidents over the latest year

Standard HSE Requirements for Contractors

1. Introduction

The Customer dedicates special attention to health, safety, fire safety, and environment (hereinafter referred to as the “HSE”) and requires the Contractor and Subcontractor(s) to follow this policy and ensure the highest standards in the field of HSE. HSE requirements are set forth in this Appendix, as well as in the documents referred to in this Appendix.

In the event that the Customer reveals, as a result of inspection or otherwise, the facts of non-compliance by the Contractor with the HSE requirements, the Customer and the Contractor will agree on a plan and deadlines for eliminating such violations. Failure by the Contractor to take measures and/or follow the deadlines for eliminating violations of the HSE requirements is the reason for unilateral non-judicial termination of the Contract by the Customer.

Subcontractors shall be engaged by the Contractor on the basis of the written consent of the Customer with the inclusion in the subcontract of the subcontractor’s HSE obligations.

Contractor undertakes full responsibility in the field of HSE for the Subcontractors involved in the performance of work under the Contract.

Application by the Contractor of the organizational measures (disciplinary, material, and other liability) to its employees regarding the facts of the revealed violations does not cancel or replace the liability in the form of penalties established by this Standard.

In exceptional cases, based on the commission decision of the Customer (managing director/director of the enterprise, representative of the Directorate for Control over Internal Procedures Implementation, representative of the HSE Directorate) based on a justified request from the Contractor, a penalty may be not imposed.

2. Compliance with legal requirements

Contractor shall fulfill and comply with all applicable legal requirements, approved practical guidelines and the existing rules and regulations pertinent to HSE. Contractor shall take all reasonable precautions aimed at protecting the environment during the course of the Contracted Work.

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3. Personal protective equipment (PPE):

3.1. Personal protective equipment (PPE):

All personnel of the Contractor should have minimum the following personal protective equipment and use it while staying outside the residential quarters at the Work Site:

- Safety shoes with a hard toecap;
- Protective hard hat;
- Protective goggles;
- Overalls (according to season);
- Working gloves.

Personnel performing hazardous Contracted Work must be additionally provided with appropriate PPE to protect against risks associated with this hazardous work, for example, but not limited to the following:

- When working at heights, use only safety harnesses with two slings;
- Closed-type safety goggles, protective masks and heat-resistant gloves for welding operations (requirement for all participants engaged in this type of work).

All used personal protective equipment must have a certificate of conformity.

3.2. Contractor shall to equip the work site with the necessary posters and safety signs.

3.3. Premises for workers warming when the outdoor temperature is low.

4. Contractor's transport

4.1. All vehicles of the Contractor used during the course of the Contracted Work execution must be equipped with the following:

- Seat belts as provided by the manufacturer of the vehicle for the driver and all passengers. Belts should be fastened when driving;
- First aid kit;
- Fire extinguisher;
- Winter tires during the winter period (except for vehicles not designed for use with winter tires);
- Reverse movement light signaling;

Contractor must provide:

- Training and sufficient qualifications of the drivers;

- Regular maintenance of the vehicles.

And also provide other means and procedures stipulated by the Traffic Rules.

- 4.2. When performing the Contracted Work, the Contractor ensures that his employees comply with the Transport Safety requirements established by the Customer.

5. Work execution.

- 5.1. Before starting the Contracted Work in each shift, the Contractor shall to draw up a shift appendix to the order-the admission.

- 5.2. High-risk Contracted Work.


Contractor shall determine and develop a list of Contracted Work with high danger. At a minimum, this list should include:

- Repair, construction and installation work performed closer than 2 m from the boundary with height difference 1.8 m or more;
- Repair of steam pipelines and hot water pipelines;
- Work in confined spaces;
- Repair operations, maintenance of bridge cranes, work involving access to access to crane track;
- Electric and gas welding operations, gas cutting operations, operations with spark-generating tools;
- Work related to opening and testing of vessels and pipelines operating under pressure;
- Maintenance operations on electrical installations on cable or overhead power supply lines. Crane operations near overhead power supply lines;
- Hot work in fire and explosion hazardous premises.

- 5.3. Contractor shall use the system of the orders-the admission for executed of the high-risk Contracted Work.

- 5.4. Before the beginning of the Contracted Work execution, the Contractor shall provide the Customer with the following documentation:

- An executive document about creation of an occupational health service, appointment of an occupational health specialist and (or) the conclusion of an agreement with a specialist or organization providing occupational safety services;
- Order about the appointment of persons responsible for compliance with occupational health requirements at the work site;

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- Orders about the appointment of persons having the right to sign the act-of admission and the issuance of the order-the admissions;
 - The order about the appointment of persons responsible for safe execution of the work by cranes, towers, etc.;
 - Copies of protocols and certificates of managers and specialists about participation in training and knowledge testing related to health and safety within the scope of the position occupied;
 - Copies of protocols about certification in occupational health of the members of the organization’s knowledge testing commission;
 - Copies of protocols and certificates of employees, who have undergone professional training, retraining, advanced training (electric gas welders, slingers, compressor unit operators, etc.);
 - List of professions and work during which employees must undergo a medical examination, and documents confirming such medical examination;
 - Documents confirming pre-trip medical examinations of the drivers of motor vehicles (order about medical examinations, contract with medical institution, order about hiring a healthcare specialist with required qualification);
 - Copy of the industrial accidents log over the latest 5 years.

Notes: The Customer can make additions to this list, depending on the types of work performed by the Contractor, the equipment, and materials used.


6. Personnel training

6.1. Before starting the Contracted Work in the territory of the Customer, the Contractor’s personnel must accomplish the following measures:

- Pass health, safety and environment briefing conducted by the representatives of the Customer for employees of the Contractors in accordance with the rules established by the Customer.
- Pass health, safety and environment briefings conducted by the Contractor's representative envisaged by the law.

Personnel shall not be admitted to hazardous work and high-risk work before the appropriate training. According to the results of the training, appropriate records should be kept.

6.2. The Contractor shall make sure that the personnel performing the Contracted Work has the necessary qualifications and work permit to execute the work. Including through special training related to additional special occupational

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health requirements for certain categories of professions (slingers, welders, motor vehicle drivers, crane operators, etc.).

- 6.3. The Customer has the right to object to the use by the Contractor and require that it dismisses from the Contractor Work any of the employees of the Contractor who, in the opinion of the Customer, behaves inappropriately, and/or is incompetent or negligent to his/her duties. The Contractor shall dismiss such employee from executing the Contracted Work, and such worker may subsequently be allowed to perform the Contracted Work under the Contract or to perform other work, to render services to the Customer only with the written permission of the Customer.

7. Alcohol, drugs, toxic substances, withdrawal syndrome policy

Contractor shall:

- 7.1. If necessary, or at the request of the Customer, before and during the work shift, conduct an examination (medical examination) of employees to check the absence of alcohol, drug, or toxic intoxication, the state of withdrawal symptoms.
- 7.2. At the enterprises of the Customer, access to the territory is arranged after passing the test with a breathalyzer in the manner established by the Customer.
- 7.3. Do not allow the Contractor's employees to work (dismiss from work) (and if subcontractors are engaged - Subcontractor employees as well) who arrived to the workplace, the Work Site (Facility) (including checkpoints) when intoxicated by alcohol or toxic substances, in a state of withdrawal symptoms.
- 7.4. Do not allow bringing in and availability in the territory of the Facility of the substances that cause alcohol, drug, and/or toxic intoxication, with the exception of substances necessary for the production operations in the territory of the Facilities (hereinafter referred to as "Permitted Substances").
- 7.5. In order to ensure control over these restrictions, the Customer has the right to carry out inspections and inspect all the vehicles, things and materials delivered to the Facility. If, as a result of such an inspection, the indicated prohibited substances are discovered, then the vehicle is not allowed to drive in the Facility, the Contractor's employee(s) are not allowed to the workplace and/or the Work Site.
- 7.6. Establishment of the fact that an employee arrived to the Facility in a state of alcohol, drug, or toxic intoxication, or bringing in or availability in the territory of the Facility of the substances that cause alcohol, drug, and/or toxic intoxication, with the exception of Permitted Substances, for the purposes of the Contract and relations between the Customer and the Contractor, may be carried out by any means, including medical examination, witnessing; drawing up the certificates by employees of the Customer and/or Contractor (Subcontractor); written



explanations of the employees of the Customer and/or the Contractor (Subcontractor), or other ways.

- 7.7. The Customer has the right at any time to check the performance by the Contractor of the undertaken obligations stipulated by the Contract. In the event that the Customer suspects that the Contractor (Subcontractor) has employees at the Facility in a state of alcohol, drug, and/or toxic intoxication, the state of withdrawal symptoms, the Contractor is obliged to immediately dismiss such Workers from the work of the Customer upon the request of the Customer.

8. Insurance

The Contractor guarantees that it and all the subcontractors that it engages throughout the entire period of the Contract Work:


- have valid policies of all types of compulsory insurance required in accordance with the current legislation of the Russian Federation;
- mandatory medical insurance for employees;
- voluntary insurance of employees against accidents in the performance of their official duties in case of death and injuries with an insurance amount of at least 2 million rubles. for each insured person (when performing work at the Customer's hazardous production facilities (HPF));
- other voluntary insurance of property interests the Customer may require when concluding a contract in connection with the particularity of Contract Work and related risks (the choice of the insurer, the conditions and cost of such insurance, the interaction procedure and liability of the parties in the event of an occurrence is agreed with the Customer before concluding such insurance contract. The cost of such insurance may be partially or fully paid by the Customer in excess of the contract price).

Contractors and subcontractors are required to take, within the limits of their capabilities, all measures to prevent the occurrence of the insured events and mitigate their consequences, fulfill their obligations and exercise all their rights under concluded insurance contracts.

9. Ongoing inspections

- 9.1. During the course of the Contract Work execution, the Contractors should arrange and conduct periodic inspections of compliance of the activities of the Contractor, subcontractors with the HSE requirements established by this Standard, the Contract, HSE Activities Plan, applicable local regulatory acts of the Customer, and legislation. Two types of inspections are required, internal and external.

- 9.1.1. Internal inspections are arranged and carried out within the contractor, subcontractor with the participation of HSE specialists of the contractor,

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subcontractor. The frequency of inspections can be determined by the Contractor independently. According to the results of the inspection, a report (certificate) is drawn up.

9.1.2. External inspections are organized and conducted by the Customer's representatives. The frequency of the inspections is determined by the Customer. The Customer has the right to inspect the Contractor or subcontractor at any time. During the course of inspection, the following can be checked: Implementation of the requirements of the Contract, HSE Activities Plan, compliance with the requirements of the legislation, this Standard and Appendices thereto, requirements of other local regulatory acts of the Customer, elimination of the remarks from the previous inspection. Based on the results of the inspection, an Inspection Report is drawn up about the activities of the contractor (subcontractor) regarding HSE performance (Appendix 7). The Inspection Report is drawn up in two copies: One copy is transferred to the representative of the Contractor or subcontractor for elimination of the identified remarks, and other is retained by the Customer. In case of Contractor's/subcontractor's refusal to sign the Inspection Report, the Inspection Report is drawn up by the Customer unilaterally with the remark "Contractor/subcontractor (specify name) refused to sign", and including the reasons for such refusal. The Inspection Report about the inspection of the contractor' performance reflects the law violations, imposition and amount of the penalty, as well as the Contractor's consent to withhold the penalty amount when paying for the work accomplished.


9.2. During the course of the Contractor Work, joint meetings should be organized and held to analyze the Contractor's compliance with the HSE requirements. Meetings should be held on a regular basis during the Contracted Work execution. Customer's and Contractor's managers presence in such meetings is mandatory. The frequency of meetings should be at least once a month. Minutes of meetings dedicated to health, safety and environment are drawn up in two copies, one copy for each representative of the Contractor and the Customer.

9.3. Contractor's performance Inspection Report is the reason for imposition of liability measures established by the Contract, this Standard, and legislation, as well as the reason for early unilateral and extrajudicial termination of the Contract by the Customer.

10. Reporting requirements

10.1. The Contractor shall keep records and reports about the results in the field of HSE in the manner established by the Contractor. Upon the Customer's request, the Contractor provides the necessary information (report).

Such a report shall include the following:

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- all accidents;
 - all traffic accidents related to the time period when the Contractor performed the work for the Customer;
 - all other accidents and incidents, spills, releases, and other unplanned impacts that have led or may lead to significant bodily harm/damage/loss or which should be reported to the competent State authorities;
 - data for calculating the LTIFR indicator for the reporting period: Number of man-hours for the period, number of accidents for the period, the amount of lost time due to injuries;
 - number of fatal/severe/group accidents per the period;
 - any other events that need to be reported to the competent State authorities;
 - quantity and period of work suspension;
 - estimated total number of working hours worked by the Contractor's personnel at the work site, total number of Contractor workers at the work site, etc.

10.2. In addition to the submission of the report, the Contractor is obliged to comply with the requirements of the Customer regarding reporting about incidents, emergencies, and accidents and accident investigation procedures agreed by the Parties.


10.3. Based on the results of the Contractor's performance under the Contract, the Contractor is evaluated in the field of HSE.

Evaluation is accomplished by the Contract Initiator with the participation of the Customer's HSE Service. The procedure and evaluation criteria are given in Appendix 6.

11. Requirements for professional suitability of staff in terms of health status:

- All employees proposed by the Contractor to perform the Contracted Work must be fit for the performance of their duties in terms of health status in accordance with the requirements of the law.
- All employees proposed by the Contractor to perform the Contracted Work must undergo a periodic medical examination. The Contractor shall submit relevant confirmation documents about medical examinations of the employees to the Customer no later than 10 (ten) calendar days before the personnel is admitted to work, or upon request, within 10 (ten) calendar days after receiving of the request.

12. Contracted Work execution venue

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12.1. At the venue where the Contractor executes the Contracted Work at the border of the working area, the Contractor shall place the information banners indicating:

- names of the Contractor, including the name of the general contractor
- persons in charge:
 - Head of the organization - full name, position, phone;
 - Foreman - full name, position, phone;
 - HSE issues - full name, position, phone.

12.2. Contractor shall ensure that all employees provided by the Contractor for the execution of the Contracted Work keep their workplaces clean and tidy, as far as practicable in the specific conditions, in order to reduce the risk of bodily harm to employees, damage to property, as well as delays in Contracted Work execution.

12.3. Upon completion of the Contracted Work, the Contractor immediately removes from the place of work all unnecessary materials and equipment, and leaves the territory clean and tidy as recognized as satisfactory by the Customer's Representative. In this case, a certificate drawn up in arbitrary form shall be signed.

13. Equipment requirements:


13.1. In order to ensure efficient and safe execution of the Contracted Work, as well as to avoid downtime during the course of work, the Contractor should use equipment in technically sound condition and meets the requirements of relevant State standards, technical specifications, and other regulatory documents, with data sheets, certificates, manuals, and permits envisaged by applicable law.

13.2. The use of equipment by the Contractor shall be in accordance with its intended purpose, in compliance with the established rules of operation, requirements of occupational health rules, and applicable legislation requirements.

13.3. All equipment used by the Contractor must be maintained in a safe, functional condition. Persons in charge of safe operation must be appointed by the Contractor.

13.4. Operation of equipment, mechanisms, tools not in a good state or with defective safety devices (interlocking, fixing and signaling devices), as well as with performance parameters exceeding the limits stated in the data sheets is prohibited.

13.5. When using innovative equipment (newly developed and having fundamentally new consumer properties and/or technical characteristics), the Contractor must make sure that the instructions for safe operation are complete, there are permits for the use of such equipment (where applicable), and notify the Customer and

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the manufacturer in a timely manner about any deficiencies or about design shortfalls in the equipment.

- 13.6. If during the course of installation, technical examination, or operation it is discovered that the equipment does not meet the requirements of the technical operation and safety rules, such equipment should not be accepted for operation, or must be immediately removed from service. Should this be the case, notify the Customer about such incident in mandatory manner.

Further operation is allowed after the elimination of the identified deficiencies and drawing up of the corresponding certificate.

- 13.7. Repair and any other operations on the equipment not related to the use of this equipment for its intended purpose, should not begin until such operations are authorized by the Customer, and until the requirements of HSE corporate standards are fulfilled.
- 13.8. Placement of equipment at the place of work is agreed in advance with the Customer's representative.
- 13.9. Contractor's employees who are allowed to work with the equipment must have the necessary skills, qualifications, undergo appropriate training and have certificates granting them the right to work (where applicable).
- 13.10. The Contractor (Subcontractor) undertakes responsibility for the operation of all equipment belonging to it on the basis of property rights or other legal reasons in accordance with applicable law and the Contract.

14. Environment

- 14.1. Contractor shall take all required precautions aimed at protecting the environment during the course of the Contracted Work. The obligations of the Contractor include, inter alia, the prevention of inconvenience to third parties and environmental pollution by equipment and materials of the Contractor, as well as the protection of wildlife, water bodies (including groundwater), roads, bridges and nearby real estate.
- 14.2. In case of violation by the Contractor of the provisions set out in clause 14.1, the Customer has the right to notify the Contractor about such violation of the Contractor, and the Contractor upon receiving of such notice shall immediately eliminate this violation to the satisfaction of the Customer. Otherwise, the Customer may suspend the execution of the Contracted Work until such violation is rectified to the satisfaction of the Customer, or terminate the Contract unilaterally and extrajudicially with no obligation to compensate for losses caused by such termination in favor of the Contractor.
- 14.3. Contractor is responsible for handling, processing, transportation, and disposal of its own production wastes, including:

- empty containers;
- solid and liquid waste.

with the exception of cases where responsibility for their transportation and disposal lies with the Customer, in accordance with the Contract.


Any work related to high risk or potentially hazardous production processes is performed only if work permit is available.

14.4. When performing Contracted Work, the Contractor under any circumstances:

- fulfills and complies with the requirements of all legislative and regulatory acts in the field of environment, including production, transportation, processing, and (or) waste disposal;
- takes measures to reduce the amount of waste.


15. Guarantees and liability of the Contractor for failure to comply with HSE requirements

- 15.1. The Contractor undertakes to ensure the implementation of the necessary measures for safety, fire safety, health, environment and ensure the sanitary and epidemiological well-being of the people, at the Work Site where Contracted Work is executed.
- 15.2. If during the performance of the Contracted Work under the Contract there is a change of those responsible for complying with the HSE requirements, the Contractor shall notify the Customer in writing about the same no later than 3 (three) calendar days before the expected date of the change of the responsible person in writing, as well as within the timeframe set forth, send the information letter signed by the authorized person and with authorized seal of the organization specifying the new responsible persons and their contact details.
- 15.3. The Contractor shall immediately provide the Customer with information about industrial accidents (fatal, with temporary or permanent disability, with the need to transfer to another job, with first aid and/or medical assistance), emergencies, employees being in a state of alcohol, drugs, toxic substances intoxication, and other failures to comply with the HSE Requirements.
- 15.4. If the Contractor fails to provide information according to clause 15.3, the Customer has the right to terminate this Contract unilaterally and extrajudicially without any obligation to indemnify the Contractor for losses caused by such termination.
- 15.5. The Contractor undertakes to arrange an investigation of emergencies, incidents, and accidents in accordance with the requirements of State regulatory, technical, and legal acts. The Customer conducts an internal investigation of the incident by his commission, with participation of the

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Contractor, subcontractor (if any), as well as representatives of authorized State authorities, in cases established by applicable law. Refusal of the Contractor, subcontractors to participate in the commission is not allowed. The Customer's internal investigation does not replace the procedure established by law for the investigation of incidents (accidents, emergencies).

- 15.6. The Contractor undertakes sole responsibility for the violations of the requirements of the environmental legislation committed by it or the Subcontractor, should it act as the customer in relation to the same, during the course of Contracted Works, including atmospheric air, water, land, forestry legislation, legislation in the field of fire safety, health, safety, etc., including payment of fines, penalties, as well as compensation for damage caused regarding thereto. If the Customer was held liable for the above violations, through the fault of the Contractor, the latter shall compensate the Customer for all losses caused by doing so (including, but not limited to, fines, penalties, legal costs, etc.).
- 15.7. If the Contractor is guilty of fires, accidents, incidents, and emergencies that occurred during the Contracted Work, the Contractor shall indemnify the Customer for the losses incurred.
- 15.8. The Customer is not liable for injuries or death of any employee of the Contractor or a third party involved by the Contractor that occurred through no fault of the Customer, as well as in case of violation by them of the requirements for health, safety, fire safety, industrial sanitation during the Contracted Work in the territory of the Customer.
- 15.9. The Contract may be early terminated by the Customer in a unilateral and extrajudicial manner without compensation for any losses to the Contractor, subcontractor (if any) caused by this termination, including in the following cases, which are recognized as a material breach of the Contract:
 - fatal, severe, and group accident, as well as accidents, fires, environmental pollution that occurred through the fault of the Contractor or subcontractor.
 - repeated violations by the employees of the Contractor, subcontractor of the HSE requirements, non-elimination by the Contractor, subcontractor of the deficiencies identified during the course of monitoring the HSE requirements at the work sites. In these cases, the Contract is considered to be terminated from the time when the Contractor receives the corresponding notice from the Customer.
- 15.10. The list of penalty sanctions imposed on the Contractor/subcontractors for failure to comply with the HSE requirements recoverable in excess of losses:
 - Identification of employees of the Contractor (Subcontractor) in the territory of the Customer in a state alcoholic, drug, or toxic substances intoxication, bringing in or availability in the territory of the Site of the substances causing alcohol,

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drug, or toxic substances intoxication (with the exception of cases when these facts were revealed directly by the Contractor's employees with written notification about this to the Customer within 24 hours from the date of identification) - penalty amounting to 100 thousand rubles;


- Failure to inform by the Contractor (Subcontractor) or distortion of the circumstances of the HSE accident within one day (concealment of information) of the Customer about accidents, fires, incidents, industrial injuries, violations of the process mode, environmental pollution that occurred during the execution of the Contracted Work, or notification delayed more than 24 hours from the time the incident was discovered - penalty amounting to 100 thousand rubles;
- Use of explosive materials (EM) for other purposes than specified in the order-the admission or not returning the EM residues to the warehouse after blasting operations, as well as a change in the design of the blast initiating gear - 100 thousand rubles;
- When working at height, non-use of safety systems for working at height set out by the order-the admission, and personal protective equipment to protect from falling from height - 100 thousand rubles;
- Smoking and (or) use of open fire in a coal mine (if applicable) and other explosive and fire hazardous locations - 100 thousand rubles;
- Unauthorized shutdown of protective interlocks of the equipment and safety systems - 100 thousand rubles;
- Non-use of the seat belt in personal vehicles in the territory of the Customer's enterprise and in the Contractor's vehicles (except for bus passengers within the community and if the buses are not equipped with such safety belts) - 100 thousand rubles;
- Use for transporting people of a vehicle and equipment not intended for these purposes - 100 thousand rubles;
- Fatal industrial accident with a contractor employee - 500 thousand rubles;
- Failure to protect the restricted, dangerous zones during the course of blasting operations - 100 thousand rubles;
- Use of faulty safety systems when working at height - 100 thousand rubles;
- Damage to utility lines, structures, or other equipment leading to the gas contamination of the facility - mine (if applicable) - 100 thousand rubles;
- Moving cargo above the people or lifting/lowering the cargo into a gondola or car body when there are people in them - 100 thousand rubles;

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- Damage to equipment of switchgears and substations, overhead and cable power lines, current conductors - 100 thousand rubles;
 - Smoking beyond designated locations - 50 thousand rubles;
 - Crossing railroad tracks beyond the designated railroad crossings, crossing the railroad when the prohibition signal of traffic lights is on, or crossing the railroad without stopping according to the “STOP” sign - 100 thousand rubles;
 - Failure to comply with the requirements for disposal, removal, and handing of the waste - 150 thousand rubles;
 - Unavailability the appropriate work permit when working with electrical installations - 50 thousand rubles;
 - Traffic accident at the Customer’s facility through the fault of the contractor - 50 thousand rubles;
 - Pollution of the Customer’s territory with fuel and lubricants - 150 thousand rubles;
 - Lack of appropriate training (certificate) for an employee of the Contractor during work at height; gas-hazardous in the mine (if applicable); cargo-lifting; related to electrical safety - 50 thousand rubles;
 - Personnel admission to hot work without essential fire safety technical qualification - 50 thousand rubles;
 - Lack of training in occupational health and/or certification in the field of industrial safety or the necessary briefing - 50 thousand rubles;
 - Lack of tachographs and DVRs when transporting passengers (except for cars and trucks) - 50 thousand rubles;
 - Unauthorized landfill in the territory of the Customer - 150 thousand rubles;
 - Use of faulty scaffolding when working at height - 50 thousand rubles;
 - Lack of gas-protective equipment during the work of groups 1-2 in the mines (if applicable) - 50 thousand rubles;
 - Use of a faulty hoisting device (LLM) or the hoisting device that has not passed the technical examination - 50 thousand rubles;
 - Working on live electrical equipment (unless other specified)
- 50 thousand rubles;
 - Closing the emergency exit or source of fire water supply - 50 thousand rubles;
 - Engagement of third parties (subcontractor) without Customer’ authorization



- 50 thousand rubles;

- Passengers transportation without fastened seat belt - 50 thousand rubles;
- Lack of environmental permits - 150 thousand rubles;
- Lag (or absence) of the ventilation pipeline in a dead-end mine working in a coal or ore mine (if applicable) in excess of the established requirements - 50 thousand rubles;
- Lifting and relocation of the cargo with weight exceeding the load-lifting capacity of the hoisting device - 50 thousand rubles;
- Unauthorized access to the electrical room - 50 thousand rubles;
- Use of open fire outside designated locations - 50 thousand rubles;
- Reverse movement of cargo vehicles without signaling - 50 thousand rubles;
- Failure to take measures to minimize/eliminate damage to environment - 150 thousand rubles;
- Absence of an personal gas analyzer for each employee of the contractor while staying in the facilities (territories) with any gas hazard group - 20 thousand rubles;
- Installation and operation of hoisting devices under power lines without a corresponding work permit stating the safety measures - 50 thousand rubles;
- Lack of PPE to protect from electric arcs during the course of corresponding work - 50 thousand rubles;
- Lack of fire extinguishing means during hot work - 20 thousand rubles;
- Excavation works without authorization with the Customer (concealed utility lines) - 50 thousand rubles;
- Driving in ignoring the “No Entry” sign - 50 thousand rubles;
- Use of faulty or unlabeled slings during the course of hoisting operations - 50 thousand rubles;
- Lack (non-use) of the main and additional personal protective equipment when performing work related to making sure that the equipment is deenergized - 50 thousand rubles;
- Failure to comply with gas welding requirements - 20 thousand rubles;
- Detachment during the course of mining or lagging of the permanent lining from the face in excess of the data sheet values in a coal or ore mine (if applicable) - 50 thousand rubles;

- 
- A vertical decorative bar on the left side of the page, composed of horizontal lines in shades of orange and yellow.
- Exceeding speed limit by more than 20 km/h - 20 thousand rubles;
 - View window (triplex) of the crane cabin is not transparent, or the standard aperture for the window is covered with other materials - 50 thousand rubles;
 - Violation of explosion safety of the electrical equipment used in a coal mine (if applicable) - 50 thousand rubles;
 - Movement along unauthorized routes or ignoring the prohibition signs or signals - 20 thousand rubles;
 - Leaving a vehicle with a key in the ignition switch - 20 thousand rubles;
 - Lack of medical conclusions about the state of health of the Contractor's employee - 20 thousand rubles;
 - Lack of pre-trip medical examination of the Contractor's employee - 20 thousand rubles;
 - Contractor's driver talking over the phone while driving (except for vehicles equipped with the Hands Free system) - 20 thousand rubles;

15.11. In the event that violations of the health, safety and environment requirements are discovered during the inspections referred to in clause 9.1 of this Appendix to the Standard in subcontractors involved by the Contractor, and if the subcontractors evade the elimination of violations, pay penalties, the Customer has the right to impose these penalties directly to the Contractor.

Contractor's daily safety checklist to order-the admission No. [...] dated [...]

1. Check and analyze the condition of the work site.
2. **Identify the risks associated with each step of the task.**
3. **List the steps to eliminate and/or control the risks**
4. The Contractor's representative reviews and signs the checklist.
5. The Contractor authorizes the checklist with the EVRAZ representative to start the work.
6. **In case of changing the conditions of the assignment** or the work site, **stop the work**, identify additional measures to eliminate/control new risks, and review the checklist again.
7. Upon completion of the work, the Contractor authorizes the checklist with the EVRAZ representative and closes the permit

Location: _____
(entry the same as in the work permit, axes, elevations, span)

Date: _____ Time _____

Task description: _____
(for the shift)

Contractor: _____

Contact person: _____

Phone: _____

Information in the Safe Work Plan

Location of the fire fighting equipment: _____

First aid place: _____

Emergency phone: _____

Life threatening risks checklist (what can go wrong)

NA - Not applicable

Work with personnel

No briefing held dedicated to work safety with the personnel before starting the work	Yes	No
non-certified personnel	_____	_____

Electrical safety

Electric shock caused by temporary power supply units	Yes	No
Electric shock when working with electric tools	_____	_____
Proximity of live overhead power supply lines (cable lines)	_____	_____

Combined work _____

Confined space

Presence of dangerous gas-air mixtures or working in gas-hazardous locations	Yes	No
	_____	_____

Combined work _____
No supervisor and rescue kit _____

Work at height

barriers, hand rails	Yes	No
PPE do not comply	_____	_____
defective (not checked)	_____	_____
Scaffolding, stairs or temporary platforms are faulty	_____	_____
Availability of open apertures	_____	_____
Combined work	_____	_____

Working with hoisting devices

No	Yes	No
Work plate has not been allocated	_____	_____
Non-certified personnel	_____	_____
Blind zone for the operator	_____	_____
Communication method is determined	_____	_____
No inspection of technical condition before starting the work	_____	_____
Operations near power supply lines or near excavation work locations	_____	_____

Hot work

Work place is not equipped with fire safety means	Yes	No
PPE do not comply or faulty	_____	_____
No work permit issued	_____	_____
Non-certified personnel	_____	_____
Safe work area established	_____	_____

Work safety checklist

	Yes	No
PPE		
Breathing protection is required	_____	_____
Protection from fall from height	_____	_____
Goggles/mask	_____	_____
Protection during hot work	_____	_____
Hearing protection	_____	_____
Overalls and footwear	_____	_____
HOT WORK	Yes	No
Primary fire extinguishing means are available and functional	_____	_____
hot work is performed according to safety requirements	_____	_____
Welding equipment inspection is available and documented	_____	_____
Welding equipment in good condition, storage locations are equipped	_____	_____
For temporary hot work locations, work permit is issued	_____	_____
Fire supervision required	_____	_____
Personnel is certified	_____	_____
Air monitoring required	_____	_____
WORK PLACE	Yes	No
Work area properly arranged	_____	_____
Work/pedestrian areas are free	_____	_____
Materials are stored properly	_____	_____
Lighting is sufficient	_____	_____
Weather conditions do not encumber the work	_____	_____
ELECTRICAL SAFETY	Yes	No
Electrical cabinets and switchgears are closed, access to them is limited	_____	_____
Personnel is certified and has corresponding admission groups	_____	_____
Equipment is grounded, there are no visible insulation damages	_____	_____
During the course of work, safety requirements are observed	_____	_____
Electrical tools are in good order	_____	_____
FALL PROTECTION	Yes	No
There are good barriers around pits, trenches, foundation pits, and work areas (closer than 2 m from the height differential 1.8 m or more)	_____	_____
Scaffolding is inspected and documented	_____	_____
PPE for work at height are inspected and documented	_____	_____
Stairs (portable and stationary) are in good condition and comply with safety requirements	_____	_____
For work at height, work permit is issued	_____	_____
EXCAVATION WORKS	Yes	No
Underground utility lines position is identified	_____	_____
Work permit for excavation work is issued	_____	_____
Slopes are formed and reinforced according to safety requirements	_____	_____
Protective (signal) barriers are installed	_____	_____
WORK WITH HOISTING DEVICES	Yes	No
Personnel is certified and has a certificate	_____	_____
Load-gripping devices are checked and documented	_____	_____
Load-gripping devices are in good condition	_____	_____
Hoisting devices are periodically inspected	_____	_____
During the course of work, safety requirements are followed	_____	_____

Work safety checklist

TRANSPORT	Yes	No
Personnel operating the transport has a certificate	_____	_____
Every shift vehicle operators are examined	_____	_____
Drivers follow the speed limit	_____	_____
Low beam is turned on	_____	_____
When driving, safety belts are used	_____	_____
Pre-trip medical examination	_____	_____
Visual and audible alarm is in good condition	_____	_____
Waybill		
BRIEFING/TRAINING	Yes	No
Occupational health briefing	_____	_____
Availability of contractor's approved methods of work	_____	_____
Manually operated tools are in good condition	_____	_____

Risk control and remarks
(according to the specified risks)

**Implementation of the safety plan
by contractor's management**

Foreman reviews and signs the checklist before starting the work)

Full name _____

Signature: _____

Date: _____ Time _____

Signatures of the team members

(All members of the work team familiarize with and sign the checklist before starting the task), specify, if the work experience is less than one year

I understand the task and I am physically and psychologically ready to continue working. I have all the necessary tools, knowledge, and equipment for the task. I understand all the risks and plans for their elimination as set out in the Safe Work Plan.

Full name signature

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Authorization of EVRAZ representative to start the work
(Authorizing person must read the content before signing)

Printed name _____

Signature: _____

Date: _____ Time _____

Inspection after work completion

Inspection of the supervisor task completion

Printed name _____

Signature: _____

Date: _____ Time _____

Inspection after task completion	Yes	No	NA
Task completed	_____	_____	_____
Workplace care control	_____	_____	_____
Permits are signed and closed/extended	_____	_____	_____
Mechanisms interlock is removed	_____	_____	_____
Barrier is removed	_____	_____	_____
Tools are returned	_____	_____	_____

EVRAZ representative's permission to complete the work
(Check the completeness of the inspection after completing the work before signing)

Printed name _____

Signature: _____

Date: _____ Time _____

CONTRACTOR'S HSE PERFORMANCE EVALUATION SHEET

- 1. Name and address of the contractor _____

- 2. Activity _____

- 3. Site _____

- 4. Actual time of work according to the contract _____

5. Incidents statistics

Accidents (number of the injured), incl.	
Russian classification	
Microtrauma	
Minor production accident	
Severe production accident	
Group production accident	
Fatal production accident	
Number of man-hours worked	
LTIFR	
Traffic accident	
Fire	
Emergency	
Other emergency environmental impacts committed during operation:	

6. Preventive measures/Audits

Number of HSE inspections/audits	
Number of violations discovered	
Number of work suspensions	
Reasons for work suspension	



7. Comments

8. Score in points calculated using the methodology:

No.	Parameter	Value	Score
1	LTIFR		
2	Number of fatal/severe/group accidents		
3	Number of work suspensions		
4	Total score for work (maximum 50)		

Parameter	Number of points, depending on the value of the parameter					
LTIFR	10, if 0	5 if from 0 to 1.5	0 if more than 1.5			
Number of fatal/severe/group accidents	30, if 0	15 if 1	0 if more than 1			
Number of work suspensions	10, if 0	8 if 1	6 if from 2 to 3	4 if from 4 to 6	2 if from 6 to 8	0 if more than 8

Date of completion:

_____ “___”, 20__

Customer’s representative

Contractor’s representative

(Full name)

(Signature)

(Full name)

(Signature)

AUTHORIZED BY:

Customer’s HSE Service representative

(Full name)

(Signature)

CONTRACTOR (SUBCONTRACTOR) HSE INSPECTION REPORT

Contractor name		
Place of work	<i>Subdivision/area, etc.</i>	
Contract details	<i>Contract number, date of signing</i>	
Initiator/Person in Charge	<i>Full name, position/full name, position</i>	
Inspection date	DD.MM.YY	
Commission members	On behalf of the Customer	On behalf of the Contractor
	<i>Full name, position</i>	Full name, position

1. In fulfilling the obligations stipulated by the contract, the parties have discovered a violation by the Contractor of the following terms of the contract that entail imposition of penalties to the Contractor:

o.	Identified violations/remarks	Repeated identification		Elimination deadline	Person in charge	Elimination mark		Penalty amount (rub.)
		YES	NO			On time	Delayed	
		<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	
		<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	
Total:								

 Decision to suspend the work: YES NO

 Prescription issued: YES NO

- This certificate is the reason for deduction by the Customer of penalties when paying for the work performed by the Contractor.
- The parties confirm that they agree to set off mutual similar claims regarding payment of penalties and work performed.
- This Certificate is drawn up in two copies with identical legal force and effect, one for the Customer, and one for the Contractor.

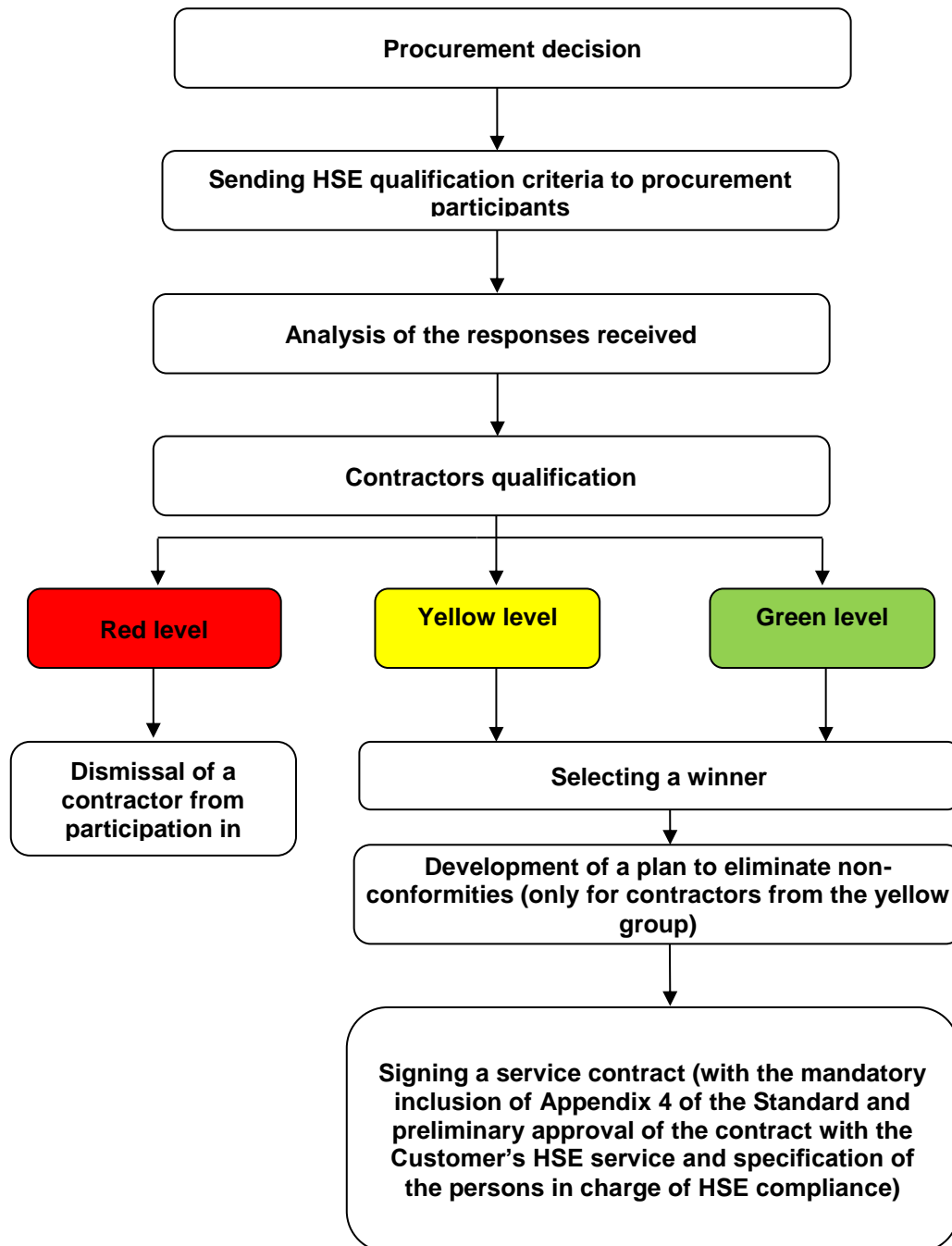
Customer's representative

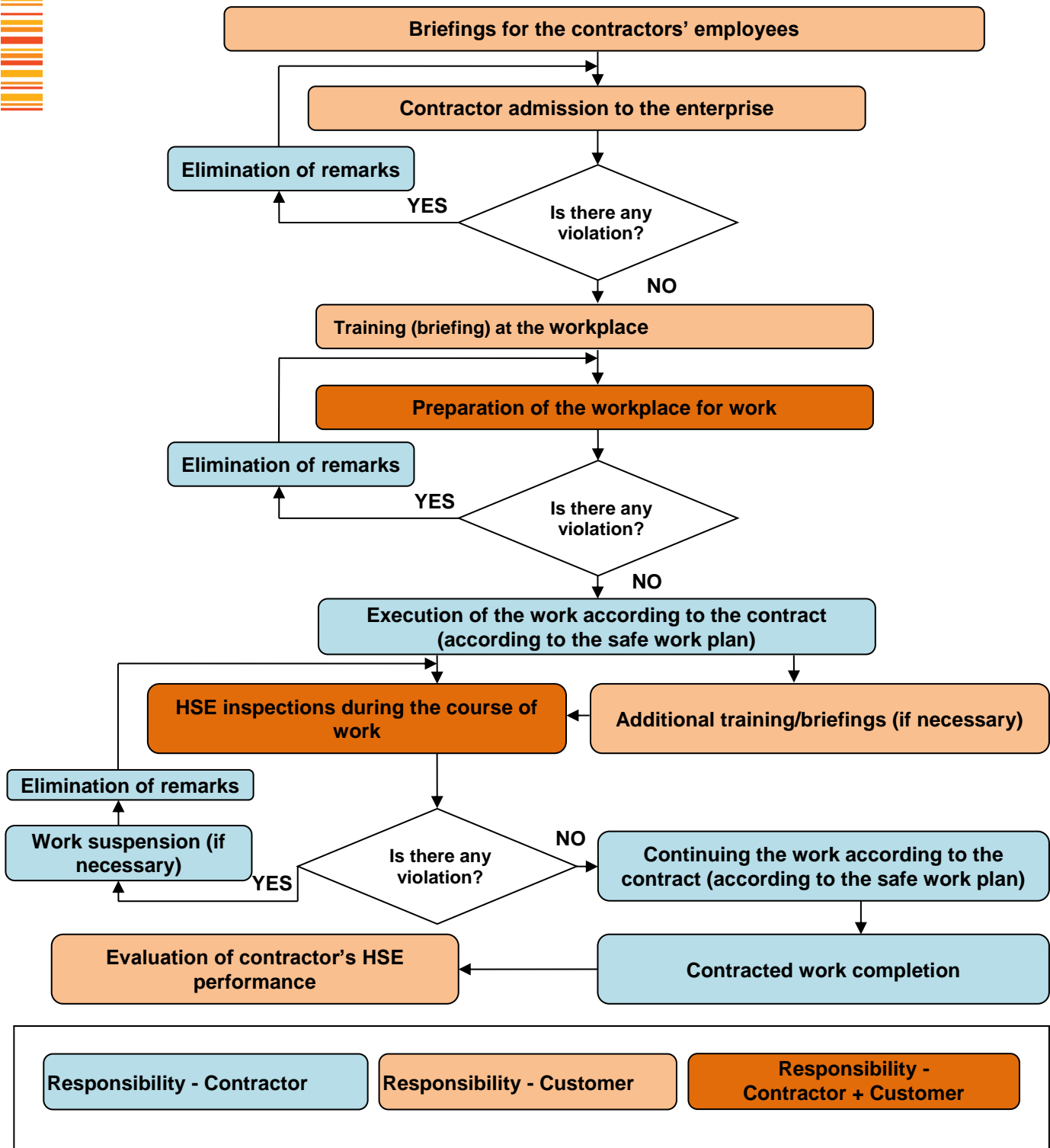
Contractor's representative

Contractor _____ (name) _____ refused to sign because _____

Appendix No. 8 to the Standard


CONTRACTOR SELECTION PROCUREMENT FLOW CHART





Appendix No. 10 to the Standard

Standard HSE conditions for contracts

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1.1. Contractor undertakes, during the course of the execution of the contract, to comply with the applicable law, including State regulatory requirements for health, safety, fire safety, environment, and sanitary and epidemiological welfare of the people, as well as other laws and regulations in force and effect in the territory of work/services.

Before signing the Contract, the Contractor shall familiarize, agrees, undertake to comply with the conditions and requirements of this Standard “Contractors organizations HSE management” (hereinafter referred to as the “Standard” publicly available on the website www.evraz.com, Corporate section Governance/Codes and Policies section <https://www.evraz.com/en/company/governance/policies/#codes>

1.2. Contractor acknowledges direct use of the terms and conditions, requirements, and measures of responsibility of the specified Standard and Appendices thereto as an integral part of the Contract regarding the relations between the Parties. The meaning of notions and terms not explicitly defined in the Contract is used in the meaning provided for in the Standard.

1.3. The Contractor independently tracks the changes in the Standard, the Customer informs the Contractor according to the generally accepted procedure: By contact persons of the Customer and the Contractor.

1.4. Violations committed by the Contractor/subcontractor engaged by the Contractor of the EvrazHolding LLC Cardinal Safety Requirements established by the Standard “Contractor HSE Management” are recognized as a material breach of the contract and may be the reasons unilateral and extrajudicial termination of the Contract by the Customer.

1.5. The Contractor is allowed to engage third parties in performance of obligations under this contract only upon a written consent of the Customer. In the event that the Contractor engages third parties upon the written consent of the Customer, in the manner established by this Standard, the Contractor is obliged to include in the contracts concluded with these entities the conditions regarding compliance with the requirements and the imposition of liability regarding health, safety and environment, as set out in this Contract. The Contractor is unconditionally responsible for control, familiarization, and adherence to the requirements and conditions regarding health, safety and environment established by this Standard by third parties involved. In the event that HSE violations committed by third parties engaged by the Contractor are identified, Contractor shall be liable for these violations. Upon request of the Customer, the Contractor shall provide copies of the Contracts concluded by it with the third parties and, if the Customer has remarks regarding the text, make sure that the relevant changes are made to the Contract.