

### Foreword

Our primary concern is the protection of the health and well-being of our employees and also of the employees of our contractors at our locations. Our ideal goal is to fully prevent accidents and occupational diseases.

This guideline applies to the start of work and the performance of services by all contractors (hereinafter referred to as "Contractor") of SMS group GmbH (hereinafter also referred to as "Purchaser") on the premises of SMS group GmbH. The specifications contained in this guideline aim at achieving successful cooperation, which complies with the relevant regulations and is as smooth as possible and free of accidents or damage. In the interaction between the several parties involved, this is only possible if the requirements of this guideline are met by all parties.

Regardless of this guideline, the statutory responsibility for the occupational health and safety of the employees shall remain with the Contractor and shall not be transferred to the Purchaser.

If the Contractor requires the support of sub-contractors for the fulfillment of his contractual obligations, he shall be directly responsible for ensuring compliance with this guideline by said sub-contractors and their personnel.

## 1. General provisions

### 1.1 Statutory and official specifications

1.1.1. Prior to commencing work, the Contractor shall instruct all persons working for him (including his sub-contractors' personnel) with regard to the content and binding character of this guideline, the general hazards prevailing on the premises of SMS, and the special hazards prevailing in the work area, and shall be able to provide evidence thereof. The Contractor or the Contractor's responsible person must confirm by their signature on the last page of the guideline that they have read and taken note of the content of this guideline and of the instructions issued.

**The signed last page of this guideline must be presented to the Purchaser at SMS in good time before commencing work!**

1.1.2 All persons working for the Contractor who do not have German as their native language must be instructed and supervised with particular care. The Contractor shall ensure that communication with these persons is possible without any misunderstandings.

1.1.3 Before commencing work, the SMS department placing the order must appoint a coordinator. At the same time, the Contractor must designate a contact person (supervising person). The exchange of information specified hereinafter shall be effected by these persons. The supervising person shall ensure that the requirements agreed between the Contractor and the Purchaser with regard to work permits, proof of social security, etc. for the personnel assigned have been met.

1.1.4 Before starting work, the SMS coordinator shall instruct the Contractor (supervising person) with regard to the work area in which the Contractor's activities are to take place and to the special hazards and procedures applicable in this particular area. It is recommended that this information be obtained well before starting work. The Contractor (supervising person) must ensure that all employees of the Contractor are informed of the contents of all instruction training and that evidence thereof can be provided.

1.1.5 The Contractor must take any special hazards (see 1.1.4) into consideration in a specific hazard assessment. (A template for this, entitled "Specific hazard assessment", can be obtained from the SMS coordinator).

1.1.6 The Contractor (supervising person) must ensure that all employees of the Contractor are informed of the relevant contents of this safety guideline, of all instruction training, and of the hazard assessments, and that evidence thereof can be provided.

1.1.7 The main contents of this guideline are available in an instruction document (safety instructions) at "Werkschutz Süd" (Works Security South). The Contractor's employees shall be obliged to read these safety instructions before commencing their work and to confirm in writing that they have taken note of and will comply with these instructions. They will then receive a "safety identity card" which is valid for one calendar year.

1.1.8 The laws, provisions and technical rules and regulations of the Federal Republic of Germany shall apply. In addition to the regulations of their employers' liability insurance associations, the Contractors shall also comply with the following SMS group requirements:

- The regulations of the employers' liability insurance for wood and metal (BGHM);
- The statutory regulations applicable in the German federal state in which the SMS location is based; and
- The company regulations, instructions and directives of SMS group.

## **1.2 Registration or "check in"/access**

Before commencing work, the Purchaser must register the Contractor with the works security office/reception area for the duration of the activity.

The Contractor or his supervising person must register all persons working for him and for the Purchaser (including persons working for or on behalf of his sub-contractors) before they commence work with the works security office/reception area on the basis of a list of names. The Contractor's personnel who have not been registered shall not be able to access the company premises. On request, the photo identity card (personal identity card) must be shown to the reception or works security personnel for the sake of authentication.

The Contractor and the persons working for him shall be picked up by the in-charge coordinator after registration on the first day of work and accompanied to the assignment location (local procedures are regulated subsequently – see the location instructions below).

The company vehicles must be parked for the duration of the assignment in the visitors' car park (P1).

On the following days, the Contractor and the persons working for him must "check in" and "check out" at the reception area. If a company vehicle is required to travel on the company premises, the premises must be entered and exited via the "Einfahrt Süd" (south entry), and the persons must "check in" and "check out" every day with the works security personnel at this entrance.

As part of our works access security procedures, it must be possible to identify from the company-specific work clothing of the Contractor's personnel that these are external personnel.

## **2. Conditions for general work on the company premises**

### **2.1 Responsibilities when working on the company premises**

2.1.1 The Contractor shall be obliged to take all measures required for the safe execution of the work in accordance with the relevant regulations (see 1.1.7). Among other things, he must ensure that his personnel have suitable working and protective clothes (PPE) when commencing work.

2.1.2 Rescue and escape routes are marked and signposted in the Purchaser's buildings. Rescue and escape routes must be kept clear at all times; markings must not be damaged, dirty, obstructed or removed.

Fires and accidents must be reported immediately in accordance with local regulations. Events or incidents must also be reported immediately to the Purchaser's coordinator.

Accidents or fires must be reported to the SMS central office (works security office/works medical and first-aid center) using the **internal emergency number 112**.

2.1.4 The Purchaser or his appointed coordinators or occupational health and safety specialists shall conduct random checks to ensure compliance with the safety regulations applicable within the

relevant work area. The Contractor shall be obliged to prepare a hazard assessment and to plan and implement the required safety measures independently.

2.1.5 The Purchaser may appoint an external safety coordinator (*German: SiGeKo*) for the organization and coordination of cooperation between several construction companies in respect of safety and health protection during the course of construction work. Among other things, he shall be responsible for checking that the safety and health protection measures are observed and for coordinating cooperation among the companies executing the construction work.

2.1.6 Hazardous work (e.g. enclosed spaces, handling of hazardous materials, and work at height) shall be permitted only after the prior approval of the relevant coordinator or of the safety and health protection coordinator in compliance with the special regulations applicable to this work.

When working in areas where there is an accumulation of dust or smoke, fire detection and alarm systems may have to be shut down temporarily (see 2.4.2).

2.1.7 In the case of work involving fall hazards, the Contractor shall take the necessary safety precautions (e.g. railings, scaffolding, catch nets, escape plan (when using PSA) ...).

2.1.8 Any subcontracting of work to sub-contractors is permitted only after the prior approval of the Purchaser.

## **2.2 Electrical installations**

The following special regulations shall apply in addition to the regulations set forth in 1.1.7:

2.2.1 All work on electrical installations shall be agreed, approved, monitored and tested for acceptance exclusively by the Purchaser's in-charge electrical specialist.

2.2.2 The Contractor shall be responsible for the proper establishment of the electrical connections, the VDE-compliant condition of all electrical equipment, the proper utilization of other electrical facilities and for the correct selection of cables and lines and their professional installation downstream of the main connecting points.

2.2.3 Before starting work on electrical installations, the person who is appointed by the Contractor and is responsible for the work must be instructed by the Purchaser's in-charge electrical specialist.

2.2.4 Non-stationary connecting lines must be laid in such a way that they are protected against damage in accordance with the regulations and that hindrances of any kind are avoided.

2.2.5 Points of distribution, equipment and cables/lines must be protected against mechanical and thermal influences.

2.2.6 The creation of provisional electrical connections on existing electrical installations may only be performed or commissioned by the Purchaser's in-charge electrical specialist.

2.2.7 When electrical equipment or other equipment of the Contractor that is subject to compulsory inspection is used, the Contractor must guarantee that such equipment is in proper working order and has been checked in accordance with the relevant regulations (see terms of the regulation under 1.1.7).

## **2.3 Work on and with cranes, industrial trucks and lifting work platforms**

The following special regulations shall apply in addition to the regulations set forth in 1.1.7:

2.3.1 All work on or with crane systems and in the crane operating area as well as any work involving industrial trucks and lifting work platforms require the prior approval of the Purchaser. Before

commencing work the Contractor must coordinate and implement safety measures, such as barriers, markings, operation, etc., in conjunction with the SMS coordinator.

- 2.3.2 The installations/systems mentioned may be operated only by verifiably trained and instructed personnel. This must be documented in writing and presented on request.

## **2.4 Ensuring fire protection and explosion protection**

- 2.4.1 Bans on smoking and prohibitions imposed by the Purchaser with regard to the handling of open flames must be strictly observed. All employees of the Contractor are bound by the Purchaser's local fire protection regulations applicable in each case.

### **2.4.2 If fire protection equipment**

such as, e.g.

- fire detection and alarm systems
- fire extinguishing systems
- rising mains
- fire hydrants

needs to be modified and taken out of service, prior approval must be obtained from the in-charge coordinator in conjunction with the fire protection officers of the relevant location. These persons will take decisions regarding the shutdown and putting into operation of said equipment and, if necessary, determine any substitute measures to be taken. The taking out of service of fire protection equipment may be refused if safety cannot be ensured and no adequate substitute measures can be put in place.

- 2.4.3 The proper working order of existing fire barriers (fire doors, fireproof bulkheads, etc.) must be ensured throughout the entire duration of the work.
- 2.4.4 Unplanned openings in walls and ceilings of fire lobbies etc. caused by the Contractor must be reported immediately to the SMS coordinator and the relevant fire protection officer.
- 2.4.5 Before starting work involving fire hazards (e.g. welding, cutting, soldering, etc.), the approval of the SMS coordinator must be obtained.
- 2.4.6 The use of mobile telephones and other electrical devices with no explosion protection is only permitted in areas with fire and explosion hazards if special safety precautions are implemented and observed.

## **2.5 First aid / reporting of accidents**

- 2.5.1 In the event of an injury, the Contractor's personnel and those of his sub-contractors may seek help at the medical and first-aid center (SMS internal telephone number: 2268) or at the SMS rescue stations. The safety identity card contains a location map.
- 2.5.2 In the case of work accidents with or without staff downtimes and in the case of near accidents, the Contractor's in-charge person must prepare an event report in consultation with the SMS coordinator.

## **3. Special conditions for construction work on the premises**

### **3.1 Setting up, running and clearing construction sites**

- 3.1.1 Obstructions to the operations of SMS and of third parties when setting up, running and clearing the site must be kept to an absolute minimum.
- 3.1.2 Dirt, waste, or damage caused by the Contractor on the company's premises shall be properly removed by the Contractor without delay.

- 3.1.3 Where necessary, the Contractor himself must arrange for refuse containers to be set up in the agreed areas. The placement, maintenance and disposal of the containers must be carried out in accordance with statutory regulations. This is also stipulated in 3.4.3.
- 3.1.4 The relevant fire-protection regulations must be complied with. It must be ensured that there is always unrestricted access to fire extinguishing equipment such as fire hydrants and rescue equipment.
- 3.1.5 The Contractor shall be obliged to take adequate precautionary measures to avoid the theft or loss both of his own items and of items made available to him (assembly equipment, tools etc.) by SMS. The SMS coordinator must be immediately notified of any cases of theft.
- 3.1.6 During all construction and assembly work, the contractor must use a portable residual current protective device with a switched protective conductor (PRCD-S) as additional protection.
- 3.1.7 The Contractor shall undertake to act responsibly with the energy (sources) made available to him.

### **3.2 Commencement and performance of work**

- 3.2.1 The commencement of work must always be agreed with the responsible SMS coordinator in advance.
- 3.2.2 The work may be carried out only by expert personnel and under the expert supervision of the Contractor.
- 3.2.3 If hazardous substances within the meaning of the Ordinance on Hazardous Substances are used during the work, the instructions for use and the manufacturer's instructions relating to these substances must be complied with. The use of carcinogenic or mutagenic substances or of substances toxic for reproduction is prohibited.
- In areas where emissions are produced, the applicable workplace exposure limits must be complied with, or alternative measures must be agreed with the SMS coordinator.
- 3.2.4 The Contractor shall be responsible for ensuring that the storage and transportation of hazardous and/or environmentally relevant auxiliary and operating substances/materials on the Purchaser's premises are carried out in accordance with the relevant regulations. If necessary, the Contractor himself must keep suitable and tested storage and transport equipment available. The procedure must be agreed with the SMS coordinator.
- 3.2.5 It must be ensured that none of the functions of any of the machine tools or other mechanical equipment on the company premises is operated or triggered. Furthermore, movable machine parts and machine accessories must not be set in motion without prior consultation and agreement. Goods, workpieces, tools etc. in the work area must likewise not be moved without prior consultation and agreement.

### **3.3 Foundations, supply and disposal lines**

- 3.3.1 The Contractor shall be obliged to ascertain, in good time before commencing work, the locations of existing or presumed underground foundations, supply and disposal lines of any kind, such as cables, gas pipes, and channels (hereinafter referred to as lines), by means of expert exploratory measures. The exploratory measures shall be coordinated with the Purchaser.
- 3.3.2 Valves, fittings, surface valve boxes, manhole covers and other equipment pertaining to lines must remain fully accessible. Information signs or other markings must not be covered, relocated or removed without the prior consent of the Purchaser.

- 3.3.3 The safety of lines and foundations and the stability of buildings must not be jeopardized. If such risks cannot be ruled out, the Contractor must take special safety measures, which must be coordinated with the Purchaser.
- 3.3.4 Lines and foundations buried in the ground must be properly uncovered, following consultation with the Purchaser, in such a way that they are protected against damage (including freezing) and secured against changes in position.
- 3.3.5 Any damage to a line or foundation must be reported immediately to the Purchaser. Filling shall take place only after repairing/eliminating the damage and consulting the Purchaser.

### 3.4 Cleaning and disposal

- 3.4.1 The Contractor must clean his areas/places of work every day. The Contractor shall himself and without awaiting special request ensure that the work area is kept tidy and clean.
- 3.4.2 SMS reserves the right to request that the cleaning of the site be performed by the Contractor at regular intervals or, should the Contractor fail to do so, arrange for the cleaning of the site as a substitute performance. The cost incurred for such substitute cleaning shall be charged to the Contractor.
- 3.4.3 The Contractor shall, unless stipulated otherwise in the contract, dispose of the waste arising during his work under his own responsibility, at his own expense and in conformity with the statutory regulations. If necessary, a disposal plan shall be prepared by the Contractor and agreed with the waste management officer of SMS. As a rule, waste must be disposed of at least once a week and only by authorized specialist disposal companies.
- 3.4.4 The discharge of water-polluting or toxic substances into the soil and ground and/or into the in-plant drainage network is strictly prohibited.

### 3.5 Examination of safety measures

- 3.5.1 The SMS coordinator and the occupational health and safety specialists of SMS shall be authorized to inspect the construction sites at any time and to conduct audits with prior notice. The results of these inspections are included in the supplier evaluation. Furthermore, site checks may be performed by supervising persons of the employers' liability insurance association and by the supervising officers of the district government of Arnsberg.
- 3.5.2 The site inspections, audits and checks stated in 3.5.1 shall not release the Contractor from his supervisory obligations. Any defects found must be eliminated by the Contractor without delay and reported to the Purchaser in writing.

### 3.6 Anti-fall guards and scaffolds on construction sites

The following special regulations shall apply in addition to the regulations set forth in 1.1.7:

- 3.6.1 The Contractor's in-charge supervising person on the site shall at all times be fully responsible for the safe condition of the scaffolds, ladders and working platforms used by the Contractor's personnel for their work. The supervising person shall check, prior to their use, the proper condition and stability of all scaffolds, ladders, working platforms, covers, barriers etc. and the required scaffold markings (manufacturer, load capacity, approval).
- 3.6.2 If the scaffold construction is likely to impact operational matters of SMS, e.g. by obstructing the traffic routes or crane tracks, the Contractor must consult the SMS coordinator regarding this issue.

#### **4. Conditions of stay**

##### **4.1 Stay on the company premises**

4.1.1 The entire premises of SMS Hilchenbach are a production site. This imposes particular behavioral requirements on all persons present on the premises.  
General rules of behavior in case of fire, damage, malfunctions etc.:

- Keep calm, leave the danger zone and, if possible, help other persons to leave the danger zone.
- Heed the warning signals and instructions given by the fire brigade, works security personnel, etc.

Protective and rescue measures are organized as part of the SMS emergency management system.

4.1.2 The speed limit on SMS premises is max. 15 km/h.

In the area of rail tracks, rail-bound vehicles shall have priority.

4.1.3 Vehicles must be parked in the marked and assigned parking areas and secured against unauthorized use. Vehicles parked outside the designated zones may be towed away. The towing costs shall be borne by the Contractor.

4.1.4 The filming or taking of photographs is strictly forbidden on SMS premises. Exceptional permissions may be obtained exclusively from the Head of Production.

4.1.5 There is a ban on smoking in buildings, halls, production and logistics areas.

4.1.6 Animals and overnight stays on the work sites and on the entire premises of SMS are prohibited.

4.1.7 The Contractor must stay only in those areas of the SMS premises which he requires for the performance of his work and in the assigned social rooms. Access to other areas is not allowed.

4.1.8 The use of alcohol or drugs by the Contractor's employees on the premises is strictly prohibited.

4.1.9 Persons are not permitted to stay on the company premises overnight under any circumstances. Exceptions shall be agreed with the Purchaser.

##### **4.2. Working hours**

4.2.1 For his work on the premises, the Contractor shall keep to the regular working hours from Monday to Friday. Apart from this, a maximum of 10 working hours per day shall apply in accordance with the German law on working hours.

4.2.2 If work has to be performed on Saturdays, this must be approved by the disciplinary supervisor of the ordering department, and the works security management must be informed thereof by midday (12 noon) on Friday at the latest. Adequate supervision by an appointed employee of SMS shall be ensured.

4.2.3 Work on Sundays and public holidays is, with the exception of maintenance work, generally prohibited. Application for such exceptions must be submitted in good time by the Contractor to the responsible authority. Exceptional permissions must be presented to the Purchaser before commencing the activity.

4.2.4 Adherence to the legal provisions on emission protection (Technical Instructions on Noise Abatement among others) is mandatory, in particular at night and on weekends and public holidays. If the Contractor cannot reliably rule out the possibility of the limit values being exceeded, an application for a permit for the relevant activities must be submitted to the responsible authority after consulting the Purchaser.

**Confirmation (according to 1.1.1)**

Purchase order number or framework agreement: .....

Company: .....

Address: .....

.....

**Contractor or Contractor's responsible person:**

Mr./Ms. ....

Position in the company .....

The Contractor confirms that he has taken note of the content of this guideline and the adherence hereto and undertakes to instruct his employees accordingly prior to the commencement of work, and to provide evidence thereof:

.....  
Place, date

.....  
Legally binding signature of the Contractor