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## FORTUM'S GENERAL EHS REQUIREMENTS FOR CONTRACTORS

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## 1 GENERAL

Definitions:

“**Purchaser**” is the Fortum organisation (person) purchasing the service/delivery, or the appointed Main Contractor representing the Purchaser

“**Contractor**” is the organisation supplying the service or delivery

The Contractor and all its subcontractors must comply with all the applicable legal requirements and regulations set for Environment, Health and Safety and Labour when working at the Purchaser’s premises.

In addition, the Contractor and all its subcontractors must comply with the Purchaser’s environment and safety guiding rules and requirements specified in this and supplementary documents.

The Contractor shall provide all information required by the Purchaser regarding EHS management and performance, and the Contractor shall carry out audits to ensure fulfilment of the requirements. The Purchaser is also entitled to carry out similar audits.

The Contractor’s and its subcontractors’ efforts to adhere to the requirements is included in the purchase price.

## 2 CONTRACTUAL RELATIONSHIP

The Purchaser has a contract only with the Contractor and therefore personnel (hereafter the Employees) employed by the Contractor or its subcontractors have no employment relationship with the Purchaser. As regards the Employees, the Contractor is responsible for all the legal, regulatory and contractual obligations belonging to the employer.

The Contractor and the subcontractors shall commit themselves to apply the local collective labour agreement of their own trade with regards to the Employees and to ensure that the Employees follow their own agreement. In situations where the right to freedom of association and collective bargaining are restricted under law, it must be ensured that the terms and conditions of employment are otherwise agreed and duly applied.

The Contractor is responsible, if so required by the Purchaser, to provide a clarification of its own and its subcontractors’ Employees’ terms of employment. In case there is any doubt about the Contractor’s fulfilment of requirements set forth in the collective labour agreement or legal requirements, the Purchaser has the right to request clarification and evidence of fulfilment.

The requirements stated in the general collective labour agreement regarding working time, minimum payment, and health and safety are applicable to foreign Employees. The Contractor shall monitor that its subcontractors adhere to these requirements. If the Contractor or its subcontractor employs a foreign Employee at the Purchaser’s

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site, it is responsible for providing, if required by the Purchaser, clarification of the person's right to work/work permits.

If the Contractor or its subcontractors do not abide by the law or the applicable collective labour agreement, the Purchaser has the right to stop the work and to evaluate the continuation of the contract and the Contractor forfeits any right to compensation or demands on work performance.

The Contractor and the subcontractors are obliged to take care of their Employees' occupational health services with relevant medical checks and accident insurance. The companies shall also have guidelines preventing the abuse of alcohol and drug use.

### **3 SUBCONTRACTORS**

The Contractor must provide the necessary supervision and must take responsibility for the subcontractors' work, compliance with laws, regulations and the Purchaser's requirements.

The subcontractors used by the Contractor shall adhere to a safety culture and practices that enable them to meet the requirements set out in this or supplementary documents. To verify this, the subcontractors used by the Contractor shall be approved by the Purchaser. A plan on the use of subcontractors must be made in the contractual phase.

The Contractor must deliver applicable instructions and requirements to the subcontractors and shall oversee their performance.

### **4 EMPLOYEE COMPETENCE AND QUALIFICATIONS**

The Contractor must use only such Employees and subcontractors who have the competence, skills and experience required by legislation, the work task and the Purchaser.

The Contractor shall present for approval the organisation and the key personnel performing the work, including the skills and licences relevant to the work. All the Employees must have an employer's identification card that provides sufficient information required by local legislation and Fortum's local practices. At the very least, the name, photograph and company name must be visible.

Listed below are some common tasks with particular competence requirements that often require a license as well. The Contractor has to take this into consideration before subcontracting the work.

- tower crane/mobile crane/fork lift/human lifting
- electrical work
- hot work
- work nearby road areas
- blasting work
- diving work
- asbestos work

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The Contractor must ensure that the work personnel have sufficient language skills to be able to communicate within and between the Contractor and subcontractor organisations and with the Purchaser. If this is not the case, the Contractor has to provide an interpreter to be available at the work site at all times during the performance of the work.

The Contractor must have a sufficient number of first-aid-skilled persons.

The Contractor must ensure that the Employees do not have any physical or mental restrictions or diseases that endanger their working ability and their safety at work.

Employee medical checks must be made according to national requirements.

## **5 INSTRUCTIONS AND INTRODUCTORY TRAINING**

The Purchaser is responsible for delivering general safety and environmental instructions at the site to the Contractor. The Contractor is responsible for acting in accordance with the received instructions.

The Purchaser will provide introductory training on general procedures at the site for all Employees. The training must be renewed at the agreed intervals. The Purchaser does not compensate separately for the time the Employees spend in introductory training. The introductory training is a prerequisite to entering the site. The Employees must confirm by signature that they have received the introductory training.

The Contractor shall provide training of work and task-related procedures and all applicable environmental, health and safety regulations to its Employees. The Contractor shall ensure that subcontractors also follow this requirement.

## **6 SAFETY PROCEDURES ON SITE**

The Purchaser has the legal responsibility for co-ordination of safety at the site.

The Contractor shall take part in the Purchaser's safety procedures, like safety meetings, weekly safety inspections, safety walks, risk assessments, and injury investigations, at its own expense.

The Contractor shall deliver to the Purchaser, as agreed in the Contract or order, the work-related documentation for the work planning, including, among others:

- Method statement
- Risk analysis and risk management plan
- Information on the chemicals used in the work
- Information on changes to plans, design etc.

The Contractor is responsible for its work planning, risk management and other arrangements. Fortum shall assess that the planning allows for an acceptable EHS performance.

The Contractor shall

- Have nominated an EHS responsible person at the site
- Ensure that the work personnel is familiar with the work and has the relevant working ability

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- Ensure that the risks and precautions are communicated thoroughly to the employees before the start of work
- Take care of the condition, inspections and approvals of the Contractor's machines, equipment and tools
- Have available to the Employees the required and proper personal protective equipment and safety devices
- Give relevant safety instructions and guidance to its own and subcontractors' Employees
- Ensure during the work process that the work is performed according to the Contract/order, workplace rules and instructions

Warning signs, fences and covers shall be used to protect ongoing work, personnel and the public. Holes, pits and excavations shall be covered or protected against falling.

Scaffolding shall be properly designed, constructed and maintained. All scaffolding must be inspected prior to use. A renewal of the inspection is required regularly and after every modification. The inspection shall be done by a qualified person. Scaffolding shall be equipped with a scaffolding card.

The Employees have the right to access only those areas and work sites that are connected to their work. Emergency situations shall be managed according to site practices or as separately agreed with the Purchaser.

The Employees shall not be under the influence of alcohol, drugs or narcotic substances. The Contractor shall inform the Employees of the zero-tolerance policy. The Contractor must also inform the Employees that the Purchaser may conduct breathalyser tests at the site.

## **6.1 Personal protective equipment**

The following personal protection equipment is mandatory for own employees and Contractors at all sites in the operational areas including construction sites.

- Helmet with chin strap. Use of chin strap is mandatory at construction sites and during work with the risk of falling. Helmets used in operational areas and construction sites must comply with European Standard EN 397 (or analogous) for industrial safety helmets
- Safety glasses must comply with European Standard EN 166 (or analogous)
- Safety shoes with penetration-resistant soles and protective toecap. Safety shoes must comply with European Standard EN ISO 20345, class S1P or S3 (or analogous)
- Fire-retardant work clothing with long trousers and long sleeves must meet at least the EN ISO 11612 (A1, B1, C1) standard (or analogous)
- Hi-visibility work clothing is mandatory at construction sites and also for other work in which workers are nearby moving vehicles or working in dark areas. Must meet EN ISO 20471 class 2 requirements (or analogous)

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- Ear protection must comply with European Standard EN 352 (or analogous) according to national requirements or when the noise level is over 85 dB
- Safety gloves must comply with the EN 420 standard (or analogous). The type of gloves and their use during specific work should be decided based on a risk assessment
- Other protection, like a safety harness, ear defenders, respiration protection, protective equipment for electrical workers (EN-50110-1) etc. must be used in accordance with the requirements and work risks

The construction site's and production area's safety regulations on the use of personal protective equipment also apply to the drivers. The drivers of work machinery must use the previously mentioned equipment when outside their vehicles. Work machinery includes, e.g., fuel delivery trucks, tractors, cranes.

Mobile phones may be used while driving vehicles and machinery only if a hands-free device is used. The use of mobile phones for anything other than telephone calls is prohibited.

The Contractor shall always follow the Fortum minimum EHS requirements for PPE's; if there is any reason to not use the PPE' according to the given rules, a documented risk assessment of it shall be presented for approval by the Purchaser.”

In EU countries the PPE shall comply with the actual EU standards. This is recommended also outside EU.

## **6.2 Work permit, high risk works**

All work will be covered by work permit system. The Purchaser will instruct requirements to the Contractor.

If the Contractor is contracted to give work permit for his own work, or his subcontractor's work, the requirements, training and support will be organised by the Purchaser. Local arrangements will be made according to Fortum's instructions.

Some of the work has been classified as high-risk work. This work always requires a written work permit and risk assessment and shall be performed only by persons who have received specific training:

- Work with high-voltage equipment (> 1 kV)
- Work in a confined space
- Excavation work with the danger of cave-in
- Work with the danger of falling
- Work with the danger of drowning or suffocating
- Hot work
- EX -work (work in areas with an explosive atmosphere and/or marked “Ex”)
- Heavy lifting work and the lifting of people

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- Work with exposure to radiation
- Handling of hazardous chemicals
- Work with asbestos

For dangerous lifts, a separate written safety plan must be made and approved as agreed with the Purchaser.

Persons involved in working at heights shall be informed about the risks and complete the dedicated “Working at heights” safety training, which covers the formal requirements, information on how to organise and use PPE, and practical workshops on these issues.

Before starting the work, the work permit and possibility to carry out work safely shall be verified (isolations, electrical clearance etc.)

### **6.2.1 Hot work**

- When working with an angle grinder, the angle grinder must have the following safety features: auxiliary handle, safety guard, anti-kickback safety system, protection switch and restart protection (the requirement is valid for all new tools purchased after 01.01.2017)
- Safety goggles – the minimum eye protection requirement when working with an angle grinder or with any other tool that generates sparks in grinding, cutting, chipping or drilling
- Face shield/mask –should be used only in conjunction with safety glasses with side protection or goggles!
- Cut-resistant gloves (according to European Standard EN 388, cut-resistance level 3 or analogous outside the EU) must always be used when using angle grinders, knives, or other sharp tools.

### **6.3 Site-specific requirements**

Further site-specific requirements are described in the supplementary attachment(s) and site instructions.

## **7 CONTRACTOR’S TOOLS, MACHINERY AND EQUIPMENT**

Tools, machinery and equipment that the Contractor uses at the site shall fulfil regulations and requirements, shall be undamaged and suitable for the intended use, and shall be inspected and calibrated as required. The Contractor’s machinery, equipment and materials must be marked so that their respective owner and inspection status can be easily and unambiguously recognised. The Contractor must keep an inventory of its equipment and tools. The Purchaser has the right to check tools, machinery and equipment.

All lifting equipment or equipment for transporting a horizontally hanging load used by the Contractor shall be inspected and approved before first use at the site by a person or party authorised to carry out such inspections and approvals.

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## **8 ENVIRONMENT AND HOUSEKEEPING**

The Contractor is responsible for collecting and sorting its own waste. The Contractor is required to clean and clear the working area daily and remove all debris. Unnecessary combustible materials posing a fire hazard shall be removed immediately.

If necessary, in order to maintain an adequate housekeeping level, the Purchaser has the right to demand further activities, such as special housekeeping days. The Contractor shall participate in these at its own expense.

The Contractor shall report the chemicals to be used at the site, and the Purchaser shall approve the chemicals:

- Material Safety Data Sheets (MSDS) must be delivered to the Purchaser, which has the right to reject the use of chemicals that are dangerous to environment or health or pose a fire hazard
- MSDS must be available in locations where chemicals are stored or used and trained to the Employees
- Instructions given in the MSDS must be followed
- Chemical risks shall be included in the work risk assessment
- All chemicals shall have identification labels on the containers

The Contractor shall take measures to prevent accidents and spills involving oils, fuels and chemicals that are being stored and used at the site.

The Contractor shall have all the needed permits for the use of chemicals, like transport, handling of explosives etc.

## **9 CONTRACTOR'S REPORTING, INCIDENT HANDLING**

The Contractor must report to the Purchaser's representative

- A list of workers and their qualifications
- The daily workforce (number of staff), if demanded by the Purchaser
- Monthly working hours
- All incidents, immediately, like injuries, fires, sudden leaks, and near misses that occur at the Purchaser's premises as soon as possible, but within 24 hours
- Risks and improvement proposals observed during the work.

The data shall include the Contractor's subcontractors.

All accidents and near misses shall be investigated. The results of accident and near-miss investigations shall be reported to the Purchaser's representative. The investigation can also be made in co-operation with the Purchaser. The Contractor is obligated to carry out the agreed corrective actions and to report the completion of the actions to the Purchaser.



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**10 CONTRACTOR'S CONTROL RESPONSIBILITY**

The Contractor shall control that the Contractor and its subcontractors (including rented workforce) follow the legal, official and Purchaser's requirements as well as the directions given in the employment contracts and the terms of employment in the collective labour agreements.

**11 REQUIREMENT FOR CONTRACTOR TO OFFER MODIFIED DUTIES**

The Contractor shall have a system in place to offer its Employees modified duties subsequent to an accident. The Employer, the Employee and medical personnel must agree to the modified duties.

**12 CONTRACTOR PERFORMANCE FOLLOW-UP, DISCIPLINARY ACTIONS**

The Contractor's performance will be followed up during and after the work. The performance will be evaluated, and the evaluation will have an impact on later agreements. If the performance is below the required level, actions shall be agreed upon before the next order.

Everyone has the duty to stop dangerous or hazardous work at the site.

In addition to consequences set out in the main agreement regarding the Contractor's non-fulfilment of requirements relating to environment, health and safety, the Purchaser is entitled to give a warning or to stop the work, contact the supervisor and remove from the site any person violating the safety instructions or directions or in any other way endangering his/her own or another person's safety. If a violation of the safety procedures is repeated or is serious, the person's access to the site will be restricted permanently.

If there is any doubt that a person is under the influence of alcohol, the Purchaser always has the right to conduct a breathalyser test. If the test gives a result of  $> 0.1$  ‰, the person's employer is informed and the person's working period is restricted or terminated. Refusal of a breathalyser test is interpreted as exceeding the limit. If the person is suspected of using drugs or other narcotic substances, the issue will be turned to the Contractor, and the working period will be restricted until the case has been resolved.

**13 RELATED DOCUMENTS:**

Supplier Code of Conduct

Supplier questionnaire

Site-specific EHS material