

## BINDING TERMS AND CONDITIONS

### **of the occupational health and safety, fire prevention and environment protection, applicable to the contractors operating in the Zentiva, Inc. site.**

year.....

**Simultaneously, the Binding Terms and Conditions for the contractors shall be the agreement pursuant to sec. 101, para 3 of the Act No. 262/2006 Coll., Labour Code, while the activities are coordinated by the Zentiva, Inc. representative, authorized to act in the technical issues and in relation to the respective work/activity (the respective employee who has ordered the contractor and commissioned him to execute the work/activity), if not stated otherwise in the agreement/order.**

To ensure the applicable occupational health and safety conditions for the contractor's staff as well as the co-ordinated execution of the contractor's activities within the Zentiva, Inc. site, the contractor, executing the activities, shall acquaint all persons, entering the Zentiva, Inc. site via his authorization, with the full scope of instructions prior to their entry to the Zentiva, Inc. site. The detailed conditions are mentioned in the Binding Terms and Conditions below.

Prior to start of the activities, executed for Zentiva, Inc., the contractor shall pass the contractor prequalification proceedings and shall be approved by the HSE department.

The Binding Terms and Conditions shall be applicable to all persons, engaged in the capital projects, erection activities, repairs, maintenance, inspections, measurement, moving of equipment and objects, delivery of goods, etc., in the Zentiva, Inc. site.

All contractor's responsible persons as well as Zentiva, Inc.'s responsible persons shall acquaint all persons, executing the activities within the Zentiva, Inc. site, with the Binding Terms and Conditions and the trained persons shall strictly adhere to the Zentiva, Inc.'s regulations. Communication with the Zentiva, Inc. shall exclusively pass via the Zentiva, Inc. responsible person.

All staff as well as other persons of the contractor shall get acquainted with the Binding Terms and Conditions and their knowledge shall be verified in writing. The written records shall be ready for the review upon request.

*Should the term "Zentiva, Inc. site" be mentioned in the text below, it shall comprise all site premises (warehouses, production halls, administration facilities including the yards both inside and outside the site), owned by Zentiva, Inc. and Zentiva - Group, Inc.*

*Should the terms "contractor's staff" or "contractor" be mentioned in the text below, it shall comprise both contractor's own staff as well as the physical and legal entities of the contractor, outsourced as subcontractors, operating in the Zentiva, Inc. site.*

*The responsible person of the contractor shall mean the head person (manager, head, foreman) of the contractor, executing the relevant activity or service.*

*The responsible person of Zentiva, Inc. shall mean a person, who ordered the respective activity or service and authorized the contractor to execute the activity or service.*

## **1 Preamble**

1. In accordance with our implemented integral occupational health and safety and environmental management system (ISO 45001 and ISO 14001), we are obliged as well as interested to inform our contractors of risks and hazards, potentially endangering their staff, entering the Zentiva, Inc. site on behalf of the contractor.
2. The requirement for co-ordination of the occupational health and safety issues is also stipulated in the applicable legislation of the Czech Republic (Act No. 262/2006 Coll., Labour Code, and Act No. 309/2006 Coll. on the further requirements on occupational health and safety).
3. To meet the above mentioned requirements, we hereby issue the following Binding Terms and Conditions for the occupational health and safety, fire prevention and environment protection, applicable to contractors of the agreed works/activities for Zentiva, Inc., executed within the Zentiva, Inc. site.

## **2 General Risks of Zentiva, Inc. Site**

The general risks of the Zentiva, Inc. Site primarily comprise:

1. a collision with a motor truck or other vehicle
2. a collision with or snagging on movable parts of machinery or production equipment while being present outside the determined communication areas
3. a risk of excessive noise and related limited possibility of verbal communication at the particular workplaces
4. slipping on a wet floor or a floor contaminated with other substances
5. stumbling over the structures embedded in the floor or just above the floor outside the marked communication and passing areas, stumbling over the edges of the elevated platforms
6. a risk of fire of flammable liquids at the particular workplaces, handling the flammable liquids
7. a risk of fire of flammable gases in case of leakage from the pipeline or pressure bottles
8. a risk of contact with hot or pressurized substances (high-pressure water or steam)
9. a risk of electric shock when handling the switchgears, switchboards and other electrical equipment or being present in the restricted HV (EHV) switchgear protection zone
10. a contact with chemical substances or products of hazardous characteristics
11. an exposure to API in the development and production premises
12. a contact with hot surface of the production equipment or hot medium
13. a fall from the solid ladder either when ascending or descending
14. a fall from height or into depth
15. stumbling and fall into the depth when walking on platforms, stairs and passages
16. slipping on a ladder and consequent fall on smooth floors

17. a risk related with presence in closed or confined spaces (channels, pits, intermediate ceilings)
18. a risk of injury on the outdoor roads and yards due to the seasonal weather conditions
19. a risk of anoxia (exposure to nitrogen and consequent suffocation)
20. a fall or contact with a load at the particular workplaces (warehouses)
21. a risk of waste water contamination (handling of products hazardous to water)
22. handling of wastes containing hazardous substances
23. other risks resulting from the character of the executed activity

### **3 Inspections and Penalties**

1. The contractor shall respect the inspection activities of the HSE Zentiva, Inc. staff or Zentiva, Inc. staff, authorized to perform the inspections. The contractors shall, upon request and without objections, submit all documents related to management and the applicable principles for the particular areas to the person performing the inspection of the HSE and fire prevention issues. All contractors' staff shall provide true and exhaustive information.
2. The contractor shall acknowledge that breaching of the stipulations of the Binding Terms and Conditions and of other internal regulations by the contractor shall constitute a right to apply penalties by Zentiva, Inc. The **Scale of Penalties** SUPP-000411231 of the Binding Terms and Conditions. The penalty amounts, mentioned in the Scale of Penalties, shall be defined as maximum. The decision on imposing the penalty towards the contractor, including the justification, shall be submitted in writing. Importance of breaching of the Binding Terms and Conditions or other internal regulations shall be exclusively classified by the HSE department.
3. The contractor shall immediately stop, even without request, the activities in case human lives or health are endangered, or if the emergency or environmental incidents are imminent. Such a situation shall be immediately reported to the authorized representative of Zentiva, Inc.
4. The responsible person of Zentiva, Inc. shall be authorized to order any contractor's employee, who committed a crime, offence or morally outrageous act, out of the Zentiva, Inc. site.
5. Based on the written request, e. g. e-mail, the contractor shall allow the Zentiva, Inc. staff, qualified to perform audits, to carry out an audit of the OHS/EMS management system. The Zentiva, Inc. staff shall inform the contractor of the decision to perform the audit 15 working days prior to the audit at the latest. The results of the audit shall be recorded in the Audit Report - OHS/EMS system assessment, elaborated by the qualified person of Zentiva, Inc. The contents of the report shall be discussed with the contractor. Based on the reported nonconformities, the contractor shall take the adequate measures in cases when the nonconformities impact the contractor's activities, executed in the Zentiva, Inc. site.

### **4 The Contractor's Occupational Health and Safety Responsibilities**

#### **4.1 Responsibilities Applicable prior to Start of Activities in Zentiva, Inc. Site**

1. Prior to start of the activities, to be executed in the Zentiva, Inc. site:

The contractor's responsible person, authorized to execute the agreed activities for Zentiva, Inc., shall apply for the introductory training in the OHS, FP and ENV issues (acquaintance with the Binding Terms and Conditions).

The introductory training of the contractor's responsible person shall take place not later than on the last day prior to start of the agreed activities in the Zentiva, Inc. site (in justified cases, the training shall take place immediately prior to start of the agreed activities). The training shall be given by the HSE department member. Training shall be provided either in Czech or English. After the training, **the protocol shall be issued (see Appendix FORM-000411234)**. One copy of the protocol shall be handed over to the contractor's responsible person, the other copy shall be kept by the HSE department member (employee of Zentiva, Inc.).

The contractor's responsible person shall organize the HSE, FP and ENV training (acquaintance with the Binding Terms and Conditions) for all contractor's staff, or possibly of all subcontractor's staff), engaged in the activities within the Zentiva, Inc. site, prior to start of their activities. After the training, the contractor's responsible person shall issue a **protocol (see Appendix FORM-000411235)** and shall submit the protocol to the Zentiva, Inc.'s responsible person not later than on the day of start of the agreed activities; however, always prior the actual start of the activities. The protocol shall include the following items:

- name of contractor
  - date of training
  - list of trainees, including their signature, year of birth and professional qualifications (qualifications to execute the particular activities)
  - name and signature of the trainer
2. Pursuant to section 101, para 3 of the Act No. 262/2006 Coll., Labour Code, to submit to the Zentiva, Inc.'s responsible person **the written information of the risks and hazards and taken protective measures to mitigate the risks and hazards, associated with the activities in the Zentiva, Inc. site.**
  3. To get acquainted with the local risks of the workplace where the activities shall be executed. The acquaintance shall be confirmed in the protocol (see **Appendix FORM-000411531**).

#### **4.2 Responsibilities Applicable during Activities in Zentiva, Inc. Site**

The contractors shall:

1. Be equipped with and wear the completed identification card of the contractor's staff (either a printed or magnetic card) on a visible place of the working clothes. The identification card shall be issued only for a contractor's employee who passed the respective training and is listed in the training protocol in accordance with the Binding Terms and Conditions.
2. Respect the instructions given by the Zentiva, Inc.'s responsible person, HSE department members and respective managers.
3. Not enter the production, development, storage and operations buildings in the Zentiva, Inc. site; not enter the roofs, switchgear rooms, cable channels, underground channels, etc. without an approval by the Zentiva, Inc.'s responsible person, without being accompanied by a Zentiva, Inc. employee or without a valid work permit.
4. Not bring any alcohol, drugs or other addictive substances in any form to the Zentiva, Inc. site.

5. Not enter the Zentiva, Inc. site under the influence of alcohol or other addictive substances and, when suspicious, undergo a test upon request by the Zentiva, Inc.'s responsible person or by the manager of the respective workplace. Should the contractor's employees reject to undergo a test, they shall be ordered out of the Zentiva, Inc. site and the issue shall be immediately reported to the contractor's responsible person.
6. Have a valid document, demonstrating the acquaintance with the Binding Terms and Conditions (Protocol of Acquaintance with the OHS, FP and ENV Binding Terms and Conditions in Zentiva, Inc. Site).
7. Submit the documents on training in the OHS and FP issues or other required professional qualifications or medical fitness, prescribed by the legal and other regulations, for his staff (list of employees, copies of documents or statutory declarations) upon request.
8. Execute the activities only with staff, meeting the requirements for the professional qualifications, medical fitness or qualifications defined by the legal regulations and/or technical standards or by the manufacturer of the equipment where the activities shall be executed, as of the starting date of the activities.
9. Carry the licences applicable to the specific activities (e. g. welding licence, crane slinger/operator licence, driving licence, motor truck driving licence, etc.).
10. Use only the electrical appliances, indispensable for execution of the agreed activities; the used appliances, tools and other equipment shall have a valid inspection certificate or other document, demonstrating the execution of the periodic inspections.
11. Use the safety automatic knives in case the sliding knife must be used as a cutting tool during execution of the agreed activities.
12. Inform the Zentiva, Inc.'s responsible person prior to start of the particular activities that the activities can negatively impact the personal or environment safety in the Zentiva, Inc. site, or safety of the process equipment or fire safety.
13. Appoint a communication representative for each group of his employees in order to communicate with the Zentiva, Inc.'s responsible person or managers of the individual workplaces; the communication representative shall be capable of speaking either Czech, Slovak or English.
14. Should the contractor's activities interfere with the ground plan of the road, incl. pedestrian paths, the contractor shall visibly mark the place in all directions, e. g. with traffic cones, warning tape or barriers.
15. Keep the maximum permissible speed limit in the Zentiva, Inc. Site, which totals **20 km/h in accordance with the Trafficcode (SOP-000419521)** .
16. Use the pedestrian paths when walking around the Zentiva, Inc. site; pay special attention to the traffic of motor vehicles, process equipment operation and weather conditions.
17. Park the vehicles only in the designated places.
18. Not park the vehicles in front of the emergency exits, fire hydrants, etc.
19. Not remove, cover or damage the installed safety signs and symbols.
20. Keep the workplaces, roads and sanitary facilities clean and tidy; not damage buildings, sanitary facilities, or other property.
21. Take all possible measures to reduce and/or eliminate spreading of dust, odour or noise at the particular workplace in order to ensure the adequate working environment for the Zentiva,

Inc.'s staff. Mitigate spreading of dust by means of suitable covers, exhausts or other dedusting equipment.

22. Keep the daily logbook on the execution of the agreed activities (civil/erection logbook). The logbook shall be always available at the contractor's responsible person.

#### 4.3 Working Activities with Work Permit

1. The work permit shall be issued for all activities, executed by the contractor in the Zentiva, Inc. site, exclusive of the administration activities with the reduced risks.
2. The written work permit shall always issue the Zentiva, Inc.'s responsible person, authorized to act in the technical issues related to the respective work/activity (the respective employee who ordered the contractor and authorized him to execute the work/activity, manager of the workplace).
3. The written work permit shall be issued on the defined form (see **Appendix FORM-000414197**). The permit shall be issued or prolonged strictly **prior to start of the activity**; the permit shall take into account the local specific hazards, related to the executed activity, and the risks brought in by the contractor's activities.
4. The written work permit shall not be issued in case the **site** has been demonstrably handed over to the contractor. The demonstrable handover/takeover of the site shall be carried out via filling in the form titled "Protocol on Site Handover and Takeover" (see **Appendix 11**). The form shall be issued in two original copies. One copy shall keep the handing over party, the latter the taking over party.
5. Prior to execution of the **activities with increased risks**, a specific one-off work permit shall be issued. Primarily, the following activities are meant:
  - works in the explosive atmosphere
  - hot works (welding, flame cutting, grinding, drilling)
  - works in the confined spaces (tanks, sewerage, small unventilated spaces)
  - works at height and above free depth
  - others (e. g. works on safety equipment - electrical devices (EHV), fire safety system, gas detection system, handling of hazardous chemical substances and products, work at detached workplaces - in case the activity directly impacts the personal safety).
6. The **specific one-off work permit shall be valid for five working days only**; afterwards, it shall be renewed.
7. The specific one-off work permit shall always issue the Zentiva, Inc.'s responsible person, authorized to act in the technical issues related to the respective work/activity (the respective employee who ordered the contractor and authorized him to execute the work/activity).
8. The specific one-off work permit shall be issued on the defined form. The permit shall be issued or prolonged strictly **prior to start of the activity**; the permit shall take into account the local specific hazards, related to the executed activity, and the risks brought in by the contractor's activities.

#### 4.4 LOTO Procedure (Lock-Out/Tag-Out)

1. The contractor shall follow the requirements of the SOP-000423895 - SOP for Disconnecting the energy supply from equipment (Lock-Out/Tag-Out).



2. The LOTO procedure shall be applied when the **electricity, hydraulic power, kinetic power and potential power** (accumulated, pneumatic, thermal) is disconnected, see the requirements in SOP - 000423895
3. The contractor shall not remove and eliminate the LOTO procedure out of operation without prior agreement with the Zentiva, Inc.'s responsible person or manager of the relevant workplace.

#### **4.5 Minimum Personal Protective Equipment (PPE)**

The following rules shall be applicable to circulation and presence of the contractor's staff within the Zentiva, Inc. site, if not stated otherwise in the written work permit, issued for the particular work. Each contractor's employee, entering the site, shall wear:

1. Working trousers with long legs
2. Closed working shoes (sandals, slippers, etc. shall not be acceptable) or safety shoes of S1P category as minimum, in case the loads shall be manually handled
3. Suitable safety gloves in case they are needed to be protected against physical, chemical or biological factors
4. Safety helmet with the valid usable life for circulation and presence in the specified premises of the Zentiva, Inc. site or during the specified activities
5. Personal safety harness against a fall when working at heights outside the safety platforms, scaffolding or areas not equipped with a collective anti-fall protection
6. Reflective safety vest for staff, circulating or working outside the buildings

#### **4.6 General Equipment**

1. To meet the objective of the agreement, the contractor shall utilize the own general equipment, primarily:
  - a) equipment, tools, instruments
  - b) ladders, double-layers (wooden ladders shall not be used, exclusive of working in the switchgear rooms, on the electrical equipment and using the approved scaffold wooden ladders)
  - c) handling trucks, lift platforms
  - d) working instruments (gauges, jigs)
  - e) technical gases
  - f) items to mark (restrict) the working area
  - g) The above mentioned general equipment shall meet the requirements of the environment where it shall be used.
2. In case the Zentiva, Inc.'s equipment is needed to execute the agreed work (e. g. handling truck), the issue shall be discussed with and approved by the Zentiva, Inc.'s responsible person in advance, including agreement on an operator, signals and liability for potential damage.
3. The contractor shall provide all conditions and equipment for his employees/subcontractors to be able to give and get the first aid. The contractor shall also train these persons in compliance with the applicable legislation.

#### 4.7 Circulation and Presence Instructions

1. The contractors shall not enter the workplaces or areas where his presence is not needed in relation to the executed activities.
2. To reach the particular workplace, the contractors shall utilize only the defined external or internal roads, or routes defined by the Zentiva, Inc.'s responsible person.
3. The contractors shall not take shortcuts to their workplace via the operations, in which they do not execute the activities, or via the handling areas along the production equipment, machinery, through warehouses, etc.
4. While ascending or descending the stairs, the contractors shall hold onto the handrail. In case the situation does not allow to hold onto the handrail, the contractors shall pay special attention.
5. In the Zentiva, Inc.'s site, smoking is strictly banned, except the designated, arranged and marked points.
6. Food consumption is strictly banned, except the designated and arranged facilities. At the workplaces, the staff shall drink only from the original bottles. Keeping and storing of working media and substances in the food and drink packages is strictly forbidden.
7. The Zentiva, Inc. administration premises shall be entered only in clean working clothes and shoes (not applicable to the designated workplaces, or communication areas leading to the workplace).

#### 4.8 Injuries, Accidents

1. Should an injury or accident occur within the Zentiva, Inc. site, the contractor shall report the issue to the Zentiva, Inc.'s responsible person, to the manager of the workplace or to the HSE department member.
2. In case the situation claims the medial or fire brigade intervention, the issue shall be reported to the phone line 2121 (267 24 2121).
3. To investigate the injury or accident causes, the **place of the even shall remain untouched**, provided it does not prevent the adjacent operation, until the HSE department member makes the decision. In case the place cannot remain in the current state, it shall be documented right after the event (sketch, photos).
4. To investigate the injury or accident causes, the witnesses shall prove their identity and shall stay in the place to be available for the investigation team.

#### 4.9 Safety Labels and Signs

Should it be required by the characteristics of the agreed work, the contractor shall strictly adhere to and himself apply the safety signs and labels as well as other forms of safety communication:

1. Safety signs, information tapes (red-white, yellow-black)

<b>Warning</b>	<b>Ban</b>	<b>Order</b>	<b>Safety instruction (e. g. first aid kit), escape routes</b>
----------------	------------	--------------	--

2. Hazard symbols on hazardous chemical substance packages
3. Light signals - on production machinery, handling vehicles



#### 4. Sirens and other acoustic signals

### 5 Contractor's Fire Prevention Responsibilities

The contractors shall act in the Zentiva, Inc. site so that their behaviour does not give a cause for initiation of fire, explosion, human health or property damage. The contractor's responsibilities related to the fire prevention issues within the Zentiva, Inc. site are stipulated by the general fire prevention legislation, primarily by the Act No. 133/1985 Coll. on fire prevention and by Decrees by the Ministry of Interior No. 246/2001 Coll. and 87/2000 Coll.

The contractors shall:

1. Report any found and detected deficiencies, which could endanger the human safety or health, to the Zentiva, Inc.'s responsible person.
2. Not block the escape and evacuation routes, emergency exits and access routes to fire extinguishing equipment, electrical switchboards and main shut-off valves (gas, water, steam, etc.) with any objects or materials. The areas shall be kept free and accessible.
3. Respect and follow the Fire Protection and Prevention Code and Fire Emergency Guidelines, ask the Zentiva, Inc.'s responsible person for submission of these documents and get acquainted with them prior to start of activities.
4. Not start hot works or works in the explosive atmosphere without a valid work permit (or a specific one-off work permit for the works with increased risks).
5. Report a fire to the fire call centre (personal reception) or on the phone line **2121** (267 24 2121).
6. Properly mark and label the provided areas, buildings, workplaces, warehouses and rooms, etc. where the works with increased or high fire risk are executed.
7. Report the type, quantity, place and storing methods of flammable and explosive substances and materials, pressure bottles, etc. to the Zentiva, Inc.'s responsible person; information of the type and quantity of the pressure bottles shall be suitably placed also in front of the entrance to the workplace.
8. Inform the Zentiva, Inc.'s responsible person without undue delay in case the fire extinguishing equipment is lost, applied or partly or totally damaged.

### 6 Contractor's Environmental Responsibilities

When working and circulating in the Zentiva, Inc. site, the contractors shall prevent pollution or damage of all segments of the environment (air, water, soil, organisms) and minimize negative impacts of their activities on environment, basically by keeping the below mentioned stipulations.

#### 6.1 Hazardous Chemical Substances Handling

1. The contractor shall not bring in, store and utilize the hazardous chemical substances and products classified as "high toxic", "toxic", "caustic", "carcinogenic", "mutagenic", "toxic for reproduction", or the objects which contain the above mentioned substances and products, in the Zentiva, Inc. site. Should these substances and products be indispensable for execution of the agreed activities, application of such substances and products shall be discussed with a HSE department member prior to start of application; the work with these substances and products is subject to the work permit for the works with increased risks.

2. The contractor shall keep all material safety data sheets of the hazardous chemical substances and products (as per Act No. 350/2011 Coll. on chemical substances and preparations) at the workplace, where these substances and products are applied.
3. Should the contractor bring in the Zentiva, Inc. site the hazardous chemical substances and products that have not been fully spent, he shall take these substances and products away from the Zentiva, Inc. site after the end of the working day, or store them in the designated place up to the full spending. The storing place of the hazardous chemical substances and products shall comply with the requirements placed on storing of the hazardous chemical substances and products. The quantity of the substances and products shall not increase the fire risk of the particular room above the defined limit; the storing place of the hazardous chemical substances and products shall be discussed with and approved by a HSE department member.
4. The contractor shall ensure that the hazardous chemical substances and products which can mutually react shall not be stored in one place.
5. Empty, contaminated packages of the hazardous chemical substances and products shall not be stored within the Zentiva, Inc. site; the contractor shall take these packages away from the site on the day of spending, if not stated otherwise in the agreement.
6. All vessels or containers with the hazardous chemical substances and products, brought in the Zentiva, Inc. site by the contractor, shall have the required technical parameters corresponding to the contained chemical substance and shall be labelled in accordance with the applicable legislation on packaging and storing of the hazardous chemical substances and products. Containers or vessels shall be stored so that the labels and symbols are easily accessible and visible without necessity to touch the vessels or containers.
7. During application, the hazardous chemical substances and products shall not be kept in other than original packages, containers or vessels.
8. The contractor shall not clean the packages from the hazardous chemical substances and products within the Zentiva, Inc. site, or flush them or pour the residual content to the sewage system.
9. Should a hazardous chemical substance or product leak, the contractor shall immediately report the leakage via the phone line **2121** (267 24 2121) and shall proceed according to the Emergency Plan of the particular workplace; the contractor shall get acquainted with the Emergency Plan prior to start of the activities at the particular workplace.

## **6.2 Waste Handling**

1. The contractor, producing the waste within execution of the agreed activities in the Zentiva, Inc. site, shall be considered a producer and an owner of all wastes (if not stated otherwise in the agreement), produced during execution of the agreed activities pursuant to the Act No. 541/2020 Coll. The contractor shall dispose the produced wastes at his own expense in compliance with the applicable environmental legislation.
2. If not stated otherwise in the agreement, the contractor shall store the produced waste in his own, properly labelled containers or bins.
3. The contractor shall submit the approval for handling of hazardous waste (pursuant to Act No. 541/2020 Coll.), produced during execution of the agreed activities, or the decision of the service company, ordered to handle the hazardous wastes.



4. The contractor's staff, handling the particular type of waste, shall be equipped with and shall wear the adequate personal protective equipment.
5. The contractor shall not place the waste loosely on the yards within the Zentiva, Inc. site and found loose waste dumps and unlabelled collection points.
6. The contractor shall take away the wastes from the Zentiva, Inc. site immediately after the bins and containers are full so that the Zentiva, Inc. site is kept clean and tidy.

### **6.3 Water Protection, Handling of Substances Harmful to Water**

1. The contractor shall be allowed to enter the Zentiva, Inc. site with vehicles, machinery and equipment in good technical conditions only; the working liquids shall not leak from any equipment (oils, fuel, etc.).
2. The contractor shall not clean and wash the vehicles and machinery within the Zentiva, Inc. site.
3. If possible, the contractor shall add the working liquids to the vehicles and machinery outside the Zentiva, Inc. site; should adding of the liquids be unavoidable, the contractor shall protect the place of adding the liquids against a leak to soil and subsoil (with a retention pan, for instance).
4. The contractor shall not pour residues of chemical substances and products and other substances, harmful to environment (residual amounts of degreasers, paints, etc.), to wash basins, sinks, sewage wells, or sanitary facilities.
5. Should a working liquid leak, the contractor shall immediately report the leakage via the phone line **2121** (267 24 2121) and shall proceed according to the Emergency Plan of the particular workplace; the contractor shall get acquainted with the Emergency Plan prior to start of the activities at the particular workplace.

### **6.4 Air and Ozone Layer Protection**

1. The contractor shall not burn any objects or stuff within the Zentiva, Inc. site (e. g. wastes, packages, tree branches, grass, etc.).
2. The vehicles, machinery and equipment, equipped with the IC engine and utilized by the contractor during execution of the agreed activities, shall meet the requirements of the applicable legislation on the air pollution mobile sources (see Act No. 201/2012 Coll.).
3. The contractor shall execute the service activities and repairs of the cooling devices only by means of the authorized person, defined by the legislation (see Act No. 73/2012 Coll).

### **6.5 Greenery Protection**

1. The contractor shall avoid damage of any and all green plants during execution of the agreed activities.
2. The contractor shall keep the materials and objects and park the vehicles only at the compacted yards and/or on the areas defined by the Zentiva, Inc.'s responsible person.
3. The contractor shall report any unintentional and unexpected greenery damage during execution of the agreed activities to the Zentiva, Inc.'s responsible person without undue delay.

## 7 Transfer of Responsibilities to Other Parties

1. Should the contractor hire a subcontractor to execute the agreed activities, he shall transfer all stipulations of the Binding Terms and Conditions to the subcontractor, including training of the engaged physical entities on the Binding Terms and Conditions.
2. The contractor shall transfer the responsibilities to a subcontractor in writing.
3. The primary contractor shall submit the particular documents upon request.
4. The liability for damages towards the Zentiva, Inc. shall always remain with the primary contractor; settlement of the liabilities for damage between the contractor and his subcontractors shall be the contractor's responsibility.

## 8 Other Information

The contractor shall be responsible, to the full extent, for damage, caused by himself or his employees/subcontractors, on the Zentiva, Inc.'s property or on the third parties' property, damage on human lives and health, and damage on environment during execution of the activities as stipulated in the agreement or in relation to the activities, as well as damage caused by circulation of the contractor (and his employees and subcontractors) within the Zentiva, Inc. site. The contractor shall pay for all costs arisen from the above mentioned damage, including potential sanctions applied by the governmental authorities in relation to the damage.

Validity of the Binding Terms and Conditions commences for the contractor as at the moment of signing the agreement with Zentiva, Inc. or as at the date of issue of the order by Zentiva, Inc. for execution of the activities in the Zentiva, Inc. site.

Having signed the Binding Terms and Conditions, the contractor shall get the file titled "**Binding Terms and Conditions of Occupational Health and Safety, Fire Prevention and Environment Protection, applicable to the contractors operating in the Zentiva, Inc. site**". The contractor's responsible person shall keep the file on himself, including all required documents and information. As minimum, the contractor's responsible person shall keep the file titled "Binding Terms and Conditions of Occupational Health and Safety, Fire Prevention and Environment Protection, applicable to the contractors operating in the Zentiva, Inc. site" in the Zentiva, Inc. site.

After the agreed activities are completed, the contractor's responsible person shall hand over the complete file titled "Binding Terms and Conditions of Occupational Health and Safety, Fire Prevention and Environment Protection, applicable to the contractors operating in the Zentiva, Inc. site" to the Zentiva, Inc.'s responsible person.

## 9 Contact Data

Emergency of Zentiva, Inc. (fire call centre, first aid centre)	2121
Occupational Health and Safety	2429, 3280, 3281
Hygiene	2429, 3281
Environment	2429
Security - Personal Reception	2222

The above mentioned phone numbers can be used also with a dialling code of 267 24 + four end digits

Fire Brigade of Czech Republic	150
Rescue Medial Service	155
Police of Czech Republic	158

## SCALE OF PENALTIES

Number	Penalty Specification	Amount
(1)	Breach of the duty to organize or ensure the demonstrable and adequate OHS, FP and ENV training of the staff working for the contractor	CZK 10000, temporary termination of co-operation
(2)	Loss of the “Binding Terms and Conditions of Occupational Health and Safety, Fire Prevention and Environment Protection, applicable to the contractors operating in the Zentiva, Inc. site”	CZK 10000, temporary termination of co-operation
(3)	Breach of the duty to wear the identification card of the contractor’s staff on the visible part of the working clothes within the Zentiva, Inc. site	CZK 500/one case
(4)	Loss of the identification card of the contractor’s staff and re-issue	CZK 500/one case
(5)	Breach of the ban on food consumption at the workplace	CZK 500/one case
(6)	Presence of contaminated staff (contaminated working clothes, shoes) in the internal areas of the buildings (exclusive of the designated workplaces and communication areas leading to workplaces)	CZK 500/one case
<b>A</b>	<b>Occupational Health and Safety</b>	
(7)	Breach of the duty to ensure demonstrable and adequate medical fitness of the contractor’s staff	CZK 5000 per person
(8)	Breach of the duty to ensure demonstrable and adequate professional or technical qualifications of the contractor’s staff (welder, slinger, crane operator, etc.).	CZK 10000, temporary termination of co-operation
(9)	Breach of the duty to remove the deficiency preventing the OHS measures	CZK 10000/one case
(10)	Breach of the duty to report an injury of the contractor’s employee, fire, leak of a hazardous chemical substance, damage of the Zentiva, Inc.’s property or other emergency event	CZK 10000/one case
(11)	Breach of the ban on consumption of alcohol or other addictive substances or refusal to undergo a breath test by the	CZK 5000/one case, banishment of

	contractor's employee	the respective person from the Zentiva, Inc. site
(12)	Breach of the duty to wear the required personal protective equipment	CZK 2000/one case
(13)	Breach of the principles applicable to building of scaffolds and suspended platforms, scaffold ascent, uncovered or negligibly marked ditches, unstiffened walls of the excavated ditch according to the applicable legal and other safety regulations or manufacturer's instructions	CZK 10000/one case
(14)	Breach of the requirements placed by the Governmental Decree No. 362/2005 Coll. on working at heights or above free depths	CZK 10000/one case
(15)	Breach of the applicable legal and other OHS regulations or manufacturer's instructions related to operation of the equipment; primarily breach of the duty to execute the periodic inspections of the equipment or to use the equipment only for intended purposes	CZK 5000/one case
(16)	Breach of the applicable regulations related to the designated technical equipment	CZK 10000/one case
(17)	Breach of the duty to respect the safety signs and symbols within the Zentiva, Inc. site	CZK 5000/one case
(18)	Breach of the duty to follow the maximum permissible speed limit within the Zentiva, Inc. site	CZK 1000/one case
(19)	Execution of activities without the valid work permit, Prevention Plan or site handover/takeover	CZK 10000/one case
(20)	Execution of activities with increased risks without the valid work permit	CZK 10000/one case
(21)	Employment of an unacceptable type of a knife	CZK 1000/one case
(22)	Omission of the LOTO procedure	CZK 10000/one case
(23)	Unauthorized removal of a LOTO element	CZK 20000/one case
(24)	Circulation outside the designated pedestrian communication areas	CZK 1000/one case
(25)	Walking on the stairs without holding onto the handrail	CZK 1000/one case

<b>B</b>	<b>Fire Prevention</b>	
(26)	Breach of the Act No. 133/1985 Coll., Decree of the Ministry of Interior No. 246/2001 Coll or Decree of the Ministry of Interior No. 87/2000 Coll., defining the fire prevention measures when welding	CZK 10000/one case
(27)	Breach of the ban on smoking within the Zentiva, Inc. site	CZK 10000/one case
(28)	Breach of the ban on lighting an open fire in the fire risk areas, workplaces and buildings and during activities with the increased fire risks	CZK 10000/one case
(29)	Blocking of access to the emergency exits, escape routes or switchboards, media shut-off valves and fire extinguishing equipment	CZK 10000/one case
<b>C</b>	<b>Environment</b>	
(30)	Breach of the applicable legal and other environmental regulations when handling the common waste (C) or hazardous waste (H)	CZK 5000/one case (C) CZK 10000/one case (H)
(31)	Leak of oil or other harmful substances	CZK 50000/one case
(32)	Breach of the applicable legal environmental regulations when handling the chemical substances and products	CZK 10000/one case
(33)	Breach of the applicable legal environmental regulations related to water handling	CZK 20000/one case
(34)	Breach of the applicable legal environmental regulations related to air protection	CZK 20000/one case
(35)	Bringing the wastes or used chemical substances and products in the Zentiva, Inc. site for disposal	CZK 20000/one case
(36)	Inappropriate disposal of wastes to bins and containers for recycled waste or solid municipal waste, designated for Zentiva, Inc.	CZK 10000/one case
(37)	Unauthorized storing of materials within the Zentiva, Inc. site.	CZK 5000/one case