

HSE Appendix of Procurement Contracts of Retail and Marketing

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1. General requirements

The present HSE (Health protection, Safety technology and Environment protection) requirement system contains the appendices of all service procurement contracts (and procurement orders that do not require contracting). During the performance of such contracts, the contractor and/or its sub-contractors enter into the relevant MOL filling stations and perform various operations accompanied with HSE-related risks (e.g.: all types of project implementation, maintenance, reconstruction works, etc.).

The appendix of the present Contract prescribes the requirements standardised for every MOL filling station for the Contractor, while the more detailed HSE requirements applicable onto the respective businesses are available at the following link:

http://www.mol.hu/hu/belso_ebk/kiskereskedelem/.

During the performance of the service contract, the contractor shall comply with the following rules:

- all legal requirements applicable onto the contractor's activity and in effect in the territory of the country where the relevant works are performed (i.e. the Hungarian laws in Hungary), irrespective of the fact whether they are specifically and explicitly mentioned in the appendix of the present contract or on the website available at the following link: http://www.mol.hu/hu/belso_ebk/kiskereskedelem/, or not
- all requirements available in the appendix of the present contract or on the website at the following link: http://www.mol.hu/hu/belso_ebk/kiskereskedelem/.

The contractor shall implement every action required for ensuring that all materials and processes applied or used during its activity will impose no danger, hazard or risk onto the health and safety of persons performing such activity or operation and staying within the radius of effect of the given operation, and onto the elements of the natural and man-made environment, and cannot cause any damage or harm to MOL Group.

When the working area is designated and during ordinary operations at the filling station, special consideration shall be dedicated to MOL's customers! Works may impede the services to customers only as absolutely necessary. If the contractor assumes that works cannot safely be performed on the filling station while 'business is usual' (i.e. when it is working), it shall ask for shutting down the filling station for the required time period. The Head of MOL Retail Network Development and Asset Management (MOL Retail SD and HSE Director will decide on the required shut down, if required following consultations with MOL Retail Sales and Marketing Director).

MOL Group will conclude contracts for performing works with high-level HSE-related risks only with contractor, which has a valid so-called Complex pre-audit (i.e. HSE + quality management + professional) with "ACCEPTABLE" qualification, i.e. successfully met the requirements of the complex pre-audit performed by MOL Group or its representative at the contractor's own site.

The contractor will be entitled to involve sub-contractors (performance agents) into the performance of its contractual obligations, but the maximum number of such parties can be two (2). Sub-contractors may be involved into the process only reported in writing, with detailed explanation and reasons, and subject to the approval of the ordering unit.

The contractor is not entitled to transfer onto another sub-contractor those parts of its contractual obligations, which are the core activities of the technical content. In case of such intention, the sub-contractor shall inform MOL Group and obtain its approval thereto.

The contractor shall apply and enforce the requirements specified in the appendix of the present contract in the contracts concluded with the sub-contractors, and shall oblige the sub-contractor to incorporate the present HSE requirement system into the contracts concluded with its sub-contractors.

The (main) contractor will hold full responsibility and liability for all members of the sub-contractor chain it employs.

2. Pre-work HSE requirements

To ensure efficient delivery of the relevant HSE requirements to the contractor the following MOL contact officers may be contacted related to the performance of all service contracts, who will provide opportunities for the contractor and/or its sub-contractor in clarifying the emerging HSE-related issues (e.g.: site hazards, comments to the HSE plan, interpretation of MOL HSE regulations, etc.), or they will offer consultations if and when required.

- During the pre-contracting phase: MOL Procurement
- During the post-contracting phase: project manager of the Investment (in case of investment or project works), maintenance engineer (in case of maintenance works).

During the performance of the service contracts MOL Group's responsible representative shall prior to starting the work inform the contractor on **hazards** relevant to the given filling stations, in the following form:

- in case of HSE critical works: by filling in the HSE plan hazard list
- in case of other works (not subject to HSE Plan): by filling in the permit to work hazard list.

The contractor shall take the above mentioned criteria into consideration during the implementation of the technical content of the contract.

If the activity to be performed is subject to HSE Plan in accordance with MOL HSE regulations, then the contractor (and sub-contractors) shall participate in the preliminary site visit at the technology/area of work, and MOL Group will secure this area and provide the information required for preparing the relevant HSE Plan.

In case of construction and implementation activity, a **safety and health protective plan** shall be prepared if

- the direction of the construction implementation activity will be foreseeably longer than 30 working days and more than 20 employees are simultaneously working at the same time,
- the volume of the planned work will be higher than 500 mandays,
- more than three (3) or more contractors are working at the same place of work and at the same time on the implementation of a given project (main contractor and its sub-contractors),
- the operator so requires.

The plan shall be first prepared during the planning phase, and then it shall be updated during the implementation phase with the eventual changes. When the content is finalised, requirements specified in the relevant legal regulation (Joint Law Decree nr. 4/2002. (II.20.) SzCsM-EüM) and the following shall be taken into account:

- time schedule of work processes,
- harmonisation of simultaneous work performances, and their individual regulations,
- definition of activities that can be performed only consecutively,
- definition of protective equipments and protective actions,
- relevant regulations aiming at preventing entry of unauthorised persons.

The safety and health protection coordinator (expert authorised for performing specialised work safety activity) shall prepare the above referred plan, to incorporate the required modifications and also he will be responsible for checking compliance with the plan during its implementation. The main contractor will be responsible for appointing and employing the coordinator. The coordinator or in his absence his deputy appointed in writing shall be available at the site of implementation during performing parallel activities. The responsible technical manager shall record the coordinator person (i.e. key personal data) in the construction logbook. The coordinator's responsibilities will be qualified as special safety activity.

Coordination of performance of parallel works

- If in a given area sub-contractors under the control of one given main contractor perform parallel work, then the main contractor shall coordinate these works in conformity with the Safety Act and to appoint a person as the officer responsible for HSE coordination in order to ensure safety at work. The operator (as the employee responsible for the area) shall supply all required information for the main contractor in order that the given action can be responsibly implemented, and a permit to work for the given area can be issued only with his representative's preliminary consent. The sub-contractors shall act in conformity with his instructions.
- If the contractor companies working in the given area belong to several main contractors or there is no hierarchical relationship between them, then the filling station manager or the employee he appoints will perform the coordination of the parallel works. In case when filling stations are built, transformed and other similar works, the employee appointed by MOL Retail will select the contractor who is responsible for the coordination of the parallel works. In this case the contractors shall not prepare a separate plan for harmonising the activities of various companies, but shall act in conformity with the instruction issued by the appointed coordinator.

The contractor shall prepare a so-called **HSE plan** in accordance with MOL Group HSE regulations covering work processes that are regarded as exposed to key risks. These processes will always be assessed individually in respect of the given project, tender or order, etc., but a general aspect shall be applied namely that HSE plan shall be prepared for those work processes that include at least one among the following activities:

- fire hazard work (in case of performance of parallel works)
- confined space work
- work at height
- earthwork (1,2 m below surface level)
- critical lifting operations
- first opening of equipment containing dangerous material
- clean-up work using chemicals
- high-pressure clean-up work (higher than 300 bar pressure).

If during a construction or implementation activity a **safety and health protective plan and a HSE Plan** shall be also prepared in accordance with MOL Group Retail HSE regulation, then this **MAY BE PREPARED COMBINED IN ONE DOCUMENT**, ensuring compliance with the relevant requirements applicable on both.

The contractor's HSE plan will contain three main sections:

The contractor's data, which shall be filled in by the main contractor(s) and provide information related to the main contractor and his sub-contractors, where the exact activity he will perform from the given assignment will be defined.

A surface containing *hazards arising from the technology related to works*, and the contractor shall fill-in this surface, presenting in details the sources of physical hazards and dangerous materials arising from the technology. MOL Group will provide the relevant preliminary information during the preliminary site visit.

Detailed description of risks is the responsibility of the (main) contractor, where he will define the potential risks and the method of protection in accordance with various steps of performing the activity (also considering the sequence of such steps). Protective and safety methods and tools to be used during such activities and methods and tools for preparations for emergency shall be specified using this surface. Steps of the work process shall be defined at a level of details that enables identification of the complete work process, the applied tools and protective equipments.

The **HSE plan** shall be prepared in the format specified by MOL Group, which is available at the following link: http://www.mol.hu/hu/belso_ebk/kiskereskedelem/.

The contractor shall prepare and submit the HSE Plan to the network operation by the starting date of works as the latest, and this unit will send the approved HSE back having acquired the prescribed approvals to the contractor. Any work subject to HSE Plan may be performed only in possession of the approved HSE Plan!

3. Personal conditions

The employees of the contractor and/or its sub-contractors may enter for purposes of work performance into MOL filling stations only having successfully passed the valid MOL Group **HSE training and exam**.

Every contractor's employee (including also the supervisors) who intend to work at MOL filling stations should participate in basic HSE training and specific training for the given area and pass the relevant exam.

Every supervisor, who is recorded as supervisor on the permit to work shall participate in HSE supervisor training.

MOL Group, or its representative will organise and conduct the relevant HSE training courses and exams.

The successful HSE training will be registered in the so-called HSE booklet, and the employee shall always keep this document at hand during his work. The contractor will pay the costs of the basic HSE training and exam. The HSE training will be valid for one (1) year, and prior to its expiry date it shall be renewed.

Detailed regulations on the HSE training courses for various MOL Group sites (including also the exact cost) can be found at the following link:

http://www.mol.hu/hu/belso_ebk/kiskereskedelem/.

Employees of special service provider companies will be allowed to work at the filling stations without holding the „HSE Certificate”. The contractor will be obliged to ensure compliance with the requirements specified in the present Regulation, supervise the works performed by the service company and issue the permit to work for these companies!

Works performed by the special service company will include the following: operations to be conducted within the building by branded service companies (e.g.: repair of gas boilers, kitchen equipments and appliances), and activities to be performed by contractors that are statutorily hired by public services or utilities. Works by special service providers can be performed only under the site supervision of the relevant contractor’s employee.

Work can be performed at MOL filling stations only in possession of the relevant documents entitling the holder for the given work, as it follows:

- document verifying the education/training background, qualification, exams, etc.
- document verifying the valid occupational-health fitness for duty
- specific fire protective exam (in case of areas with „A” and „B” fire protection categories, and occupations specified in the relevant regulations)
- hand-over/take-over protocol of the area of work (if it was handed over),
- the approved HSE plan (in case of critical activities – in accordance with the internal regulations of MOL subsidiaries),
- HSE booklet
- list of working tools and instruments, periodical audit protocols
- safety data sheets of the applied chemical materials
- periodical audit protocols of load lifting equipments, binding elements and machines
- appointments of first aid providers, the document verifying their training
- work order
- “appointment” issued by the company in writing for the given work performance
- permit to work.

The contractor shall continuously check and ensure that his own and his sub-contractors’ employees show up and perform work in a status enabling them to work (i.e. not under the effect of medicines, drugs, alcohol, etc.).

Any construction or implementation activity can be performed under the supervision of a responsible technical manager registered in the list of experts prescribed by Governmental Law Decree nr. 191/2009. (IX. 15.) (skilled workers holding qualification for the given type of construction or implementation work is entitled to perform construction or implementation activity also without the supervision of the responsible technical manager, if no other sub-contractor is required for the work). The responsible technical manager shall continuously be available at the site and ensure his availability through a mobile telephone. If he is prevented in performing his duties, he shall appoint a person with the required competences and experiences, and this shall be confirmed by recording the appointment into the construction logbook, and MOL Group contact officer shall be also informed.

The contractor shall select and appoint a so-called **work supervisor** for each area and work group (responsible supervisor in accordance with Para (4) Article 51 of Act XCIII of 1993, the Safety Law).

The person so appointed for supervision of work at the site shall meet the following requirements, in addition to the general employment criteria:

- professionally capable of supervising and controlling several persons,
- is aware of hazards and sources of hazards typical in the given work environment,
- can fully meet all health protection, safety and environmental protection requirements prescribed for the given work.

The supervisor's main responsibilities and obligations:

- to maintain contact with MOL Group contact officer during the implementation works
- to coordinate the performance of the daily implementation works
- to control and manage the activity of the working team
- to cooperate in the permit to work process, to propose for issuing and/or modifying the permit to work, to give back the permit to work when the employee leaves the area of work and he has finished the work at his earliest, and to lock up this document when the work is finished.
- to conduct a site audit prior to starting the work (together with the filling station manager and/or the person authorised by Retail for issuing permits), and then to give permit to start the relevant work that causes no danger to health and its performance is regarded as safe
- to audit the site and to take action (if required) in order to ensure compliance with the requirements specified in the HSE Plan
- to hold regular audits before and after starting the works to check and ensure that all personal and objective conditions and requirements specified in the permit to work are complied with
- to continuously check the proper housekeeping and physical order in the area of work, and to maintain this status during the entire work performance process, and to give back the area of work after the work has been finished in a perfect status regarding safety, fire and environmental protection
- if the supervisor temporarily leaves the area of work, to appoint a qualified and suitable person as his representative or substitute for supervising the work and to inform the relevant employees on this appointment
- the supervisor is allowed to perform actual work only if he is still able to monitor and watch the employees under his supervision and to safely follow any changes that might cause hazards and events, and to take actions in time for evacuating the area exposed to danger or for eliminating the relevant event of hazard
- to take actions in order that employees performing work at in the area can expose no danger or hazard through their works to each other
- when the validity of the permit to work is to be extended, to check any eventual change that might have occurred among the employees engaged in the relevant work and the conditions of such work
- in case of works involving entry into confined space, he may be assigned only with monitoring responsibilities, in addition to his supervisory duties
- if he identifies or detects any irregularity during the work performance, he shall immediately suspend the work and report the event to the operator's representative
- to report any and all HSE events to MOL Plc contact officer
- to represent the contractor during the HSE audits held by MOL Group.

The supervisor shall be always staying and make himself available at the site. In case he is prevented to perform his duties as the supervisor, he shall appoint, in writing or verbally, another person with the required qualification, competences and experiences, who is also identified in the relevant permit to work. Such appointment related to the site supervisor shall be communicated to every employee working at the site. This appointment shall be also recorded into the construction logbook, and MOL Group contact officer shall be also informed.

4. Objective conditions for work performance

4.1 Requirements to working and protective clothes and protective equipments

The contractor shall provide protective clothes, shoes/boots and other protective equipments for its employees working at MOL Group sites and for the given working area and work processes assigned to the contractor in conformity with the degree of dangers or hazards in place in relevant work processes and conditions of work, but at least with the same protective capacity as the equipments used by employees working at MOL Group site, and protective equipments for its employees with the protective capacity as required by the dangers and hazards arising from the contractor's own activity, as well as to ensure that such equipments are indeed used and applied. In case of contract that will be performed in several facilities of the site having different safety classifications or hazard categories, the clothes requirements in effect for the area or facility of the strictest classification or category shall prevail.

The following protective equipments shall be prescribed in the relevant permits to work but not releasing the employer from its obligations in this respect (the contractor will be responsible for selecting the type of the following protective equipments, in consideration with the risks present at the place of work):

- protective helmet (MSZ EN 397:2012, 2. protective category), supplemented with protective mask – if required (chemical and/or mechanical protection)
- eye protection: protective glasses minimum against flying particles (MSZ EN 166, 1. optical category, F. protective category),
- safety or protective shoes/boots, exclusively boots (with oil-resistant sole, toecap, anti-static, (MSZ EN ISO 20345:2012, S1 protective category). Wearing ordinary shoes is not allowed.
- Protective clothes, anti-static, flame-proof or flame retardant as required for the working area (MSZ EN 340:2004, MSZ EN ISO 11612:2009, MSZ EN 1149-5:2008. protective category). If the working area is beyond a Zone-2 area, then wear-proof protective clothes will be satisfactory.
- appropriate noise retardant equipments: ear plugs or ear muffs,
- safety gloves (in accordance with the hazard),
- inhalation protection equipment (in the required type, i.e. with filtering capacity or self-reliant air supply, pressurised air or over-pressure type),
- protective equipments against falling; safety harness and rope, or fall arrest system (working belt will NOT be acceptable!)

The contractor will be responsible for identifying and providing the supplementary protective equipments required for the given activity based on the relevant risk assessment, and also for ensuring that they are used.

The contractor shall continuously ensure compliance of the above described protective equipments with the laws and maintain their full-protection status, including repair or replacement in case of damage. These protective equipments shall be always available for checking their protective status at the working place.

4.2 Compliance of working equipments

The contractor may bring working equipments, tool and machines to the working area and technology area which are in perfect technical status and is accompanied with the prescribed operation manual, documentation, certificate, compliance document and commissioning document in accordance with its hazard category or control revision prepared in Hungarian language and specified in the relevant legal regulations, and all the required periodical revisions or inspections have been performed on these equipments.

In case of a non-dangerous working equipment the documents specified in Article 4 of Law Decree nr. **14/2004. (IV. 19.) FMM**, whereas in case of dangerous working equipment, the documents verifying the revision specified in Article 3 of Law Decree nr. **5/1993. (XII. 26.) MüM** shall be available for audits held by MOL Group.

In case of working equipments used for the works and subject to statutory periodical revision, the contractor shall verify the performance of the last periodical revision by displaying a signage or label (with good visibility) on the working equipment, or with other document (e.g.: lifting machine logbook, periodical revision protocols, etc.). Every working equipment and tool subject to statutory periodical revision shall have an individual identifier (ex-work number or inventory code).

4.3 Requirements for the applied chemical materials

When dangerous materials and preparations required for the contractor's activity are selected and applied, the hazards existing in these materials/preparations, and at the site of the activity, working area, technology area and their inter-actions shall be taken into consideration.

When activities are performed using dangerous materials and preparations, the contractor shall keep the safety data sheets of such dangerous materials and preparations at the site or in the vicinity of the work (e.g. within the site).

No materials/preparations with damaged or incomplete packaging and/or unidentifiable items will be allowed to bring into the site of the activity, working area, technology area.

If a dangerous material might expose any load onto the environment, surface or underground waters, drainage network or airspace of the Operator or any third party, then the contractor shall inform the local operator's representative prior to starting the relevant operation. The given activity may begin only pursuant to the preliminary permit of MOL Plc.'s representative.

4.4 Provision of protective equipments

The contractor shall have the required number of gas concentration measuring instruments for detecting gases specified in the given permit (leased, or self-owned) subject to the working area and the activity. Only a qualified operator can be selected for operating the instrument, to be appointed by the company. The document certifying the periodical revision and the so-called bump test of the instrument prescribed by the manufacturer shall be available at the site.

If the presence or appearance of any material that may cause fire or is regarded as dangerous (harmful, toxic, etc.) in the work area or space cannot be excluded for sure or the work area or space has limited ventilation, then continuous gas concentration measurements shall be maintained throughout the entire work period, irrespective of the preliminary gas concentration measurement prior to issuing the permit to work, and this will be the responsibility of the contractor who performs the work in the given area or site.

The following parameters shall be measured prior to issuing the permit to work, and also continuously during the work performance:

- Harmful and/or toxic vapours/gases;
- Combustible vapours/gases (ARH – Lower Explosion Limit);
- O₂ in case of works that require entry into confined space.

Continuous concentration measurements can be conducted using personal gas concentration measuring instruments or concentration measuring instruments suitable for area monitoring. It is essential that the equipments can issue sound and light alarm signals indicating the hazard, when concentration rates reach the pre-set values. The measuring instrument should be calibrated and made in an explosion-proof version, and its so-called “Ex protection category” should meet the minimum requirements for Zone-1, application category II., the relevant gas sub-group (A,B,C), and it should belong to the appropriate temperature category (T1-T6) (II 2 G E Ex d/i/o/p/q IIA/B/C T1-6). *The contractor or the contractor company(ies) will be responsible for ensuring continuous concentration measuring instruments.*

In case of individual gas concentration measurements, and if several employees work together directly close to each other, and safe monitoring of the work site can be secured using fewer equipments, then there is no need for providing separate equipment for every employee.

In case of work sites, where there is a hazard for employees to fall in or down, or persons staying in or near to the work site may be injured by falling objects, these employees should be protected by arranging collective protection, fencing off, barricading, covering the relevant area, or using other suitable method, or with individual protection.

The contractor shall provide the fire extinguishers and other fire fighting equipments specified in the hot work permit, and inspected in conformity with the effective legal regulations that are suitable for killing the fire eventually emerging in the working area.

4.5 Provision of social and first aid tools

During his work at MOL Plc. sites or facilities the contractor shall ensure compliance with the minimum safety and health protection requirements specified in Law Decree nr. **3/2002 (II. 8.) SzCsM-EüM**, securing the work environment and working conditions.

If a site is qualified as a construction working site, then the minimum safety requirements for construction sites specified in Law Decree nr. **4/2002. (II.20.) SzCsM-EüM** shall be also followed.

The contractor shall provide drinking water, protective drinks and other food or drink products in conformity with the type of work and the relevant weather, as well as cleaning and hygienic articles in conformity with the given activity and work.

The contractor will secure the objective, subjective (personal) and organisational conditions for first aid services at the work site in conformity with the type and location of work, sources of hazards, and the employee headcount.

When containers to be provided by the contractor are installed, the regulations specified in Point 6.3. of the appendix of the present contract shall be also taken into consideration.

Infrastructure of MOL filling stations cannot be used for ensuring compliance with the requirements specified above. If such need may emerge, MOL Group’s approval will be obtained.

5. Rules for area hand-over

In case of projects and complex maintenance works, the so-called **area hand-over/take-over** protocol shall be performed prior to the complete work process.

Participants in the process:

- MOL area / filling station manager (issuer of the permit)
- MOL project manager /technical supervisor
- MOL HSE
- Main contractor's representative
- Sub-contractors' representatives.

Hand-over of working areas for purposes of turnaround or maintenance works to the contractors or maintenance workers will be performed prior to starting the work and after the preparation of the HSE plan and recorded in writing in a **working area hand-over/take-over protocol**.

The area hand-over/take-over process shall be performed also between the Operator and the Main Contractor, and the Main Contractor and the sub-contractor(s) mobilised for work at the working site, if the Main Contractor has the view that such area hand-over to the sub-contractor is necessary.

The HSE regulations that might be different (in some cases with less rigorous requirements) versus MOL HSE regulations shall be recorded in the **working area hand-over protocol**, depending on how the sources of hazards could be mitigated during the area preparations or e.g. in case of so-called 'greenfield' or 'brownfield' projects, where hazards related to or arising from MOL-operated facilities were originally limited. Such individual HSE regulations might refer to the permit to work process, personal protective clothes requirements etc., but they will never be different to the legal regulatory requirements.

When certain points of the working area hand-over/take-over protocol are filled in it will be sufficient to note that the relevant action is implemented in conformity with the HSE plan, if this plan is available for every stakeholder party.

Every participant in the hand-over/take-over process shall sign the document and thus assume responsibility that its content is true and fair, and the participants accepted the content of the document.

If a working area is given back and taken back, this shall be recorded also in the same protocol.

The form for the area hand-over protocol is available at the following link:

http://www.mol.hu/hu/belso_ebk/kiskereskedelem/.

6. Rules for using MOL Group filling station infrastructure

6.1 Connection to energy networks

MOL Plc. will define the technical solutions for the energy supply required by the contractor/sub-contractor (electric, steam, inert gas, fire water, etc.) and it will inform the contractor's contact officer.

The energy consuming equipments applied by the contractor shall comply with the requirements specified in the relevant laws and regulations.

An inspection protocol shall verify that the temporary electric energy networks can comply with the electricity safety requirements.

6.2 Rules for release into the drainage system

If the contractor intends during its maintenance, reconstruction and project works to carry out an activity that may cause pollution to water and/or drainage system, it shall report it in writing to and obtain the permit from MOL Group contact officer.

In case of chemicals proposed for utilisation for the first time, the safety data sheet of such chemical, detailed description of the technology and the method of treatment of the produced waste material(s) shall be attached to the report.

If further investigation is required for releasing the given chemical material into the drainage system, then the contractor will pay all emerging cost.

6.3 Installation of containers and regulations on smoking

MOL Group's representative shall issue the permit for installing containers to be installed by the contractor at MOL Group filling stations. This permit can be issued only if the following mandatory pre-conditions are met: unambiguous identification, satisfactory status or stability, acceptable physical, aesthetic and hygienic status, suitability for the purpose, appropriate status of doors/windows, heating facility (if required) and documented compliance of the electricity systems of the given container.

The permit of the local supervisor shall be always obtained for the container installation.

Smoking will be allowed only in areas specifically designated and marked by MOL Group.

7. Appointment and permit to work

Pre-conditions for starting works at MOL Group filling stations:

- a written appointment issued for the employees of the contractor (as their employer) for performing the given work process
- HSE Plan (for HSE Critical activities)
- permit to work issued by the MOL Group representative.

The contractor shall prepare the **Appointment** prior to starting the work, and in case of HSE critical activities (or if MOL so requires) it shall have and hold the approved **HSE Plan**. In the possession of the said documents it may apply for the permit to work to the local representative of the given MOL Group site. Form of every document will be pre-defined, and they will be available, including the fill-in instructions, at the following link:

http://www.mol.hu/hu/belso_ebk/kiskereskedelem/.

The contractor's work supervisor may apply for the permit to work, and he will be responsible for understanding the conditions specified in the permit to work, passing the relevant requirements onto subordinate employees, as well as ensuring compliance with the prescribed conditions and checking the continuous compliance.

The standardised **permit to work** shall be applied onto:

- simple works (when there is no risk of potential fire or entry into confined space) („General work” cell),
- activities accompanied with sparking / risk to potential fire („Hot work” cell),
- works that require permit for entry into confined space („Confined space work” cell) and
- driving into the technology area by vehicles („drive-in with vehicles” cell).

The issuer of the permit (operator) will select the relevant permit type(s) among those shown on the permit to work that can best fit to the given work, based on the technical content of the work.

One single permit to work may contain only the same company’s employees, thus in case several companies are performing work at the same time, the permit to works shall be prepared and issued separately for every company. Except the permit to work issued for entry into confined space, where employees of two companies may be included into the same permit if the watchman activity is performed by a third company’s employee, i.e. not involved into the work performed in the confined space. The appointment document shall be required separately for every company.

Prior to issuing the permit to work the (main) contractor, the work supervisor and the issuer of the permit (Operator) will jointly inspect the site of the work performance, where the issuer of the permit shall identify and evaluate the dangers and hazards related to work, and shall issue the permit to work in conformity with the results and findings.

If conditions for safe work can be defined by simply filling-in the permit to work form, then only the permit form shall be filled-in.

However, in case of HSE-critical activities a **HSE plan** shall be prepared prior to the working area hand-over process, including the **operation instruction and hazard identification**, which shall be signed also by the Operator and the (Main) Contractor, and it shall be managed as the inseparable part of the permit to work, and it shall be written into the Comment cell of the basic permit that this permit is valid only with the attached instructions and hazard assessment.

Whenever the contractor leaves the working area for whatever purpose he shall report it to the issuer of the permit to work. When the work is completed, the contractor shall obtain a closure for the permit to work by the issuer of the permit, and will acknowledge that by virtue of this action the permit will become invalid.

If during the period of work performance one or more employees recorded on the permit is/are transferred onto any other working area, then there is no need for applying for another permit or its modification.

If during the work performance other employee(s) may join to those recorded on the permit, who are not shown on the original permit, then the supervisor shall apply for issuing a new permit.

The permit to work will become invalid in case of an *emergency alarm*. Then all activities under the permit shall be stopped and every person shall immediately leave the area in a safe manner following the rules for emergency evacuation, or lock up in the designated place until further instruction!

During downloading liquid motoric fuel and LPG, all works performed by a third party contractor within 10 m radius from the downloading shaft, LPG tank, and the tanker truck shall be suspended. Such works can start again only after the downloading operation has been completed and the tanker truck has left. If gas concentration test was a pre-condition for the operation/work, then such gas concentration test shall be repeated prior to starting the work.

The contractor shall accept and acknowledge that the filling station manager (or his deputy), representative of MOL Nyrt. Retail and the contractor himself will be entitled and obliged to stop all works/operations that are performed not in full compliance with these requirements, or if such works/operations may impose any risk or danger onto safety, health, equipments or the environment.

8. HSE regulations for various activities

8.1 Activities as hot works or performed in environments exposed to fire and/or explosion (Zone 1-2)

Hot work will mean an activity, where the local temperature may exceed the ignition temperature or flash point of combustible materials in place in the environment, or it is accompanied with open flame, and glow, sparks or cinders as a source of ignition.

We shall ensure the status for the working area and its environment where hot work can be safely performed.

The contractor (performing the work) will be responsible for the coordination of the clean-up works, moisturising, ensuring safe cover / barricade for trenches, removing all combustible materials (from the technology systems, trenches, etc.) in the area. The contractor will be responsible for implementing the Operator's instructions and to ensure the relevant conditions continuously during the works.

No hot work shall be performed alone!

Persons appointed for control / audit by both the contractor and the Operator (issuing the permit) *shall comply and ensure compliance with the rules specified in the issued permit, and regularly follow and monitor the work performance and working conditions.* In case the conditions specified in the permit to work may change, the work shall be stopped, and proposals shall be submitted for modifying the conditions laid down in the permit (if and as required), and a modified permit shall be issued.

Only intrinsically safe mobile telephone will be allowed to carry in and use in zone exposed to explosion!

In case of operations performed in places exposed to fire hazard, and in environment exposed to fire and explosion (not including the works in confined space) and if the presence or appearance of combustible or other dangerous materials (harmful, toxic, etc.) cannot be excluded for sure, then in addition to conducting the preliminary gas concentration test prior to issuing the permit, **the contractor shall also implement continuous gas concentration tests.**

The following parameters shall be measured **prior to issuing the permit (operator), and then continuously (contractor)** during the work:

- harmful/toxic vapours/ gases
- oxygen (O₂)
- Combustible vapours/gases (LEL);

If the hot work operation requires also entry into a confined space, then all the relevant safety requirements applicable onto this work shall be also fully complied with.

In the event harmful/toxic vapours/gases might be present or appear in the working area (space), then measuring their concentration and the method of protection shall be also defined in the permit to work.

If there are no harmful/toxic vapours/gases present in the working area (space) and their appearance can be excluded for sure, continuous measurement of the concentration of combustible vapours/gases only (LEL) will be acceptable.

If there are no harmful/toxic vapours/gases present in the working area (space) and their appearance can be excluded for sure, then the initial and continuous gas concentration measurement will not be a pre-condition for issuing the hot work permit.

If appearance of combustible vapours/gases or the enrichment of their concentration cannot be excluded for sure in the environment of a hot work performance, then their concentration (**LEL**) **shall be continuously measured throughout the work performance process**

If the contamination of the airspace remains lower than **LEL 5 %** and this rate can no way be enriched during the work performance process, the **hot work permit may be issued**.

If during the performance of hot work **the concentration of any combustible material exceeds LEL 5 % in the work area, then every work shall be immediately stopped, every potential ignition source shall be eliminated and every person shall evacuate the area of contamination as soon as possible!**

Hot work may be continued only if the concentration of the combustible material drops below the limit value (LEL 5 %), **and only in the possession of the prolonged or new hot work permit**.

If during the work performance any material susceptible for auto-ignition / pyrophoric compound may emerge or is present, then they shall be permanently kept in wet or humid status in order that they can be checked and the chance for eventual warm-up or dehydration (causing danger or hazard) can be prevented.

Every such material shall be stored separated or isolated from all other combustible materials and ensuring their wet status, in air-tight metallic drums or barrels, far away from environment exposed to fire and explosion.

If the presence or emergence of combustible and other dangerous, harmful, toxic materials can be excluded in the environment of hot work performance (e.g. no such material can get access into this area even from the adjacent facilities), and the work activity itself does not lead to the emergence of such combustible or hazardous materials, and further the ventilation of the area is efficient and not limited (e.g. greenfield project area), then the permanent gas concentration tests may be disregarded. The Operator issuing the permit to work shall decide in this issue, based on the relevant and actual circumstances prevailing in the area.

In such situations less exposed to fire hazard, the Operator (issuer of the permit to work) shall define the specific regular tests that are eventually required including their frequency on the hot work permit.

Only persons holding the prescribed specific qualification and the relevant fire protection exam, and who have participated in the proper fire protective training for the given hot work will be allowed to perform such hot work.

If a hot work permit is issued, **it will NOT mean that the general smoking prohibition in effect in the given area is no longer valid**, consequently smoking will be permitted only in the designated smoking areas.

During the performance of hot work, every electric equipment used for large metallic surfaces, where appearance of an alien potential might cause a danger of electric shock, can be supplied with power only through an isolation transformer.

In case of electric arc welding is performed simultaneously at several locations or work objects it should be ensured that no voltage difference specified in the relevant standard can emerge between surfaces that can be simultaneously touched, and the working places shall be arranged to have the same voltage potential.

8.2 Confined space works

Works that require entry into confined space can be performed only in possession of the relevant permit to work in confined space.

In accordance with MSZ-09-57.0033-1990 standard, every activity will qualify as work in **confined space**, which can be performed by leaning into or staying inside an equipment or machine, if this space was not designed for human stay, but it can meet each of the following conditions:

- The space is enough for minimum one employee entry and/or stay;
- The entry or exit opening (manhole) is narrow (limited entry/exit).

Confined spaces will be qualified as storage tank, trenches, drainage ducts, large diameter pipelines, smoke channels, technology equipments, devices (columns/towers, reactors, boilers, fire space of furnaces, etc.).

Works performed in places located deeper than 1,2 meters from ground level (dome trenches, downloading trenches, etc.) will qualify as works that require entry into confined space.

During the performance of work in confined space, every electric equipment used for large metallic surfaces where appearance of an alien potential might cause a danger of electric shock, can be supplied with power only through an isolation transformer. The end-point of such isolation transformer cannot be distributed among more power consumers.

If the presence or appearance of any fire hazard or other dangerous (harmful, toxic, etc.) material in the working area (space) cannot be excluded for sure, or the a workspace ventilation is limited, then continuous gas concentration measurement will be obligatory throughout the total period of work, irrespective of the preliminary gas concentration measurement performed prior to issuing the permit to work.

The following parameters shall be measured prior to issuing the permit, and then continuously during the work:

- harmful and/or toxic vapours/gases;
- Combustible vapours/gases (LEL, a Hungarian abbreviation for Lower Explosion Limit);
- Oxygen (O₂).

The instrument shall be able to deliver automatic alarm.

In case when several employees enter into the same confined space, not every such person shall have a personal gas detection device, and in this case the operator will define the number of such instruments in the permit to work. The contractor performing the work in confined space will be responsible for performing continuous atmosphere air test, and providing the personal air measuring instrument. If several employees work at the same time in the same place, the operator shall define the conditions for work, and the employer (company) shall provide the required equipments.

If harmful/toxic vapours/gases are or might be present in the working area (space), and their concentration might increase, the work irrespective of the oxygen concentration, **can be performed only in protective clothes ensuring full body protection** and a **self-contained closed circuit**. In this case continuous test of combustible vapours/gases (LEL) in the air will be sufficient, but it will be statutory under all circumstances.

Under the **full body protection clothes** (if the presence of dangerous material that can be absorbed through the skin can be disregarded) a closed anti-flame protective clothes shall be used providing protection against flame. A **self-contained closed circuit respiratory equipment** will mean a comprised air or fresh air supply equipment.

The use of full-body protective clothes and self-contained closed circuit respiratory equipment can be disregarded (but not the protective clothes) if the activity (e.g. audit) performed in a confined space can fully and completely establish the following:

- it was formerly fully cleaned out,
- presence of any dangerous material (combustible, harmful, toxic, etc.) can be excluded,
- neither can the activity itself lead to the appearance or generation of dangerous materials,
- the ventilation of the confined space is efficient and not limited, i.e. the oxygen concentration is continuously higher than minimum 19 v/v%.

Continuous gas concentration measurement will be obligatory also in the said cases. If conditions do not require a more rigorous solution, then every work team shall wear minimum one continuous gas concentration measuring instrument, or it shall be installed in the direct environment of work. This will in practice mean that minimum one-one continuous gas concentration measuring instrument shall be rendered to every confined space permit.

If during the work in a confined space the O₂ concentration might drop below 19 vol% (e.g.: using inert gases) or above 23 vol%, then the use the closed circuit respiratory apparatus will be obligatory, and using a filter-type gas mask will be PROHIBITED.

If works in confined space are performed in **inert gas atmosphere**, presence of inert gas shall be checked with continuous air test. If the prescribed inert gas atmosphere cannot be continuously ensured, no work can be permitted in such area (space).

Work in inert gas atmosphere will be allowed only if the employees concerned wear a dual safety respiratory system.

The cylinder-supplied equipment prescribed in MSZ EN 12021:2000, and helmet with Life Support System can meet the relevant requirements, as it is equipped with a safety lock preventing opening by the user and an installed on-line communication system.

If work in a confined space is performed in an atmosphere, where the **oxygen concentration may be higher than the ordinary level (21 v/v%)**, then the air shall be continuously tested and the concentration shall be secured below 23 v/v% in order to prevent the high-level fire hazard.

If the **oxygen concentration is between 21 and 23 v/v%**, no hot work can be permitted fire hazard activity, and only explosion-proof electric devices and intrinsically safe (spark-free) tools can be used.

If the **oxygen concentration is higher than 23 v/v%**, any work can be permitted and performed only in accordance with the written operation instruction prepared and approved by every party involved into the work!

If the work is performed in an area (space), where appearance or enrichment of fire hazard materials cannot be excluded, then the **continuous measurement (LEL)** of such materials will be obligatory through the period of work and the following procedures shall be followed:

Confined space (confined space) work	Combustible material concentration in LEL %			
	0-5	5-10	10-20	above 20
Permitted general work performance	yes	yes	only test and clean-up work	no
Permitted fire hazard activity	yes	no	no	no

If the concentration of combustible material is lower than LEL 5 %, and no further rise of this concentration during the work can be secured, then **fire hazard activity may be permitted** in the working area (space).

If the continuous measurement shows any increase in concentration, and the concentration of combustible material **reaches 5% of LEL**, then **every fire hazard activity shall be immediately stopped!**

If the concentration of the combustible material in the working area (space) is higher than 5% of the LEL, no work or using tools causing the hazard of sparks **CANNOT be permitted**.

If the LEL value is between 5 % and 10 %, only general work can be permitted, between **LEL 10 % and 20 % permit may be issued only for inspection/audit and clean-up works in confined space**, if these activities do not lead to or cause hot work, ignition or sparking.

If the LEL value is higher than 20 % NO work in confined space can be permitted in the confined space!

If during a confined space work the concentration of any combustible material is higher than LEL 20 % in the working area (space), then every work shall be immediately stopped, and every potential source of ignition shall be eliminated and the polluted atmosphere shall be evacuated as soon as possible!

Any further work may be performed only after the concentration of combustible material drops below the above mentioned limit and ensuring compliance with the prescribed conditions, and in possession of a new **permit**.

In case of work in confined space, the contractor shall appoint and delegate, in addition to the persons actually performing the work, in the confined space, also **watchman person(s)** in number defined in the permit to work, who will be primarily responsible for providing security for the persons working in the confined space, and, if so required, for immediately rescue them. Watchmen cannot be assigned with any other work. Every watchman shall have protective equipments and protective clothes with at least the same protection capacity as those used in the confined space. If appearance of gas with dangerous concentration might probably occur also outside the given device, equipment and storage tank, minimum one instrument for continuous gas concentration measurement shall be ensured. The watchman persons shall ensure and maintain continuous contacts with the persons entering into confined space, and they shall be trained, competent, suitable and equipped for performing rescue operations.

In case of work in confined space, the number of persons working in confined space and watchmen shall be specified in the relevant permit to work or in the HSE plan, in conformity with the following basic principles.

If an equipment (storage tank, trench, etc.) is polluted with HC material, the number of persons working in confined space cannot be higher than two (2) for each entry point (e.g.: manhole, trenches, ladder helping descend and ascend, etc.). The obligatory number of watchman staff (who cannot be assigned with any other duty or work other than watching and eventual rescue operation during the period of confined space work) will be minimum two (2) persons for one entry point (only points used for confined space entry shall be counted), and after every additional confined space point 1-1 head. Deviation from the above process might be permitted, subject to the hazards in the working area and activity, and being aware of the risk mitigating actions, but this shall be always recorded in the HSE plan that MOL will preliminarily accept.

If the equipment (storage tank, trench, etc.) is free of hydrocarbon (isolated, cleaned up, steamed out, ventilated, etc.), then the number of entrants can be more than two (2) by each entry point. In this case the relevant HSE Plan, and then the permit to work will define the number of entrants. The statutory number of watchman (who cannot be assigned with any other responsibility but the watching and eventual rescue while the work in confined space is going on) for one entry point will be minimum two (2) (only persons assigned for the confined space work shall be counted), and 1-1 person after each confined space entry point.

Work in confined space inside equipment can be performed only by contractor (main or sub-contractor), which has for the entry into and work performed in confined space

- has the required expert staff (over 18 years of age, physically fit, authorised in writing),
- has the required headcount (staff) available (for work and watchman)
- has properly trained employees (regarding technology, first aid, etc.)
- has employees in health fitness for working in confined space, and regarding the technology and other risks,
- has all machines and working equipments in the required safety status (periodically inspected, in the required safety classification),
- has all the prescribed protective and safety equipments (considering the potential risks) and trained the employees for safely using these equipments.

Only those persons can be assigned for watchman, who have been trained for providing eventual rescue, are physically fit and have acquired the relevant first aid skills.

In case of work performed in confined space reliable communication shall be secured between the employees working in confined space and the watchmen (e.g.: verbal, signal rope, radio), but when selecting the relevant solution every circumstance shall be considered (distance, explosion-proof zones).

8.3 Lifting operations

During lifting operations carried out in MOL filling stations using cranes, forklifts and other load hoisting equipments operated and installed by the contractors (tower, portal, mast, etc.), and similar but mobile (trucks, vehicles, caterpillar, etc.) units the relevant requirements specified in **47/1999. (VIII. 4) GM Lifting Machines Safety Regulation** as several times amended.

The operator of the lighting machine working in the area of MOL filling stations will be allowed to use for any and all operations only lifting machine and other load hoisting equipment which are equipped with the following:

- safety compliance certificate,
- safety-focused preliminary inspection and commissioning permit
- commissioning permit (the operator will issue),
- in case of mobile lifting machines: installation procedures (plan),
- operation instruction in Hungarian language,
- loading diagram,
- crane book (fork lift datasheet) (to be updated regularly),
- lifting machine logbook (to be updated regularly),
- periodical revisions:
 - pre-shift inspection (operator will document it in the lifting machine logbook)
 - structural inspection,
 - main inspection,
 - load test,
 - safety technology inspection and periodical safety inspection (if applicable)
- certificate and test protocols, and their validity date until the completion date of the contracted work,
- the protocol verifying the regular technical maintenance and its results or valid operation permit.

The operator shall be able to present the above mentioned documents at MOL Group's request. The operator may exclusively employ persons appointed in writing for handling and operating the above mentioned machines and equipments in conformity with the relevant laws and regulations, and the operator shall be able to present these documents.

Prior to starting the lifting work the lifting machine operator **shall prepare a lifting plan** in the following cases:

- if he works in an area, where safe operating conditions of lifting machines working within each other's radius shall be prepared,
- several cranes are working at the same time for the lifting operation,
- if the lifting operation is performed in a environment of a public area (public roads, railway tracks),
- if the lifting machine is installed and operated in the vicinity of populated areas (residential buildings) – in this case the procedures of the owners, operators or managers of the facilities shall be also followed),

- in case of lifting operations, where persons are lifted (requirements specified in MSZ–04-93-1990 /D 86/ construction standards and 47/1999. (VIII. 4.) Law Decree shall be strictly complied with), the plan shall cover the entire work process,
- if the load to be lifted exceeds 65% of the nominal load capacity of the lifting machine (load capacity range for the crane boom),
- if the load to be lifted exceeds 50% of the nominal load capacity of the lifting machine, (load capacity range for the crane boom) and an eventual breakdown may jeopardise the existing facilities,
- if a lifting beam or column is applied for the given lifting operation,
- if the load is more than 15 ton, and this load is lifted above existing operational facilities,
- if the load is more than 1 ton and this load is lifted above or near to existing operational facilities,
- if people are working in the direct vicinity of the suspended load which is more than 1000 kg or assembly operations shall be performed under such load (fixing/anchoring/binding, welding),
- if lifting operations are performed in the vicinity of high and low voltage subsurface electricity overhead line,
- if the plant manager who secured the working area so request due to the technology processes going on in the area,
- in case of regularly repeated lifting work a so-called type-plan can be submitted (e.g. lifting an electric motor from the ground level).

The lifting plan (lifting technology instruction) shall cover the prevention of hazards arising from the installation, operation, combined operation, environment, based on the potential risks.

The lifting plan (lifting technology instruction) shall include:

- identifier of the applied lifting machine(s), crane(s),
- load capacity of cranes in various working positions,
- installation position of the cranes, in accordance with the scaled location drawing,
- the application method of the cranes (e.g. boom was left without support or not),
- the applied other load hoisting equipments,
- chronological sequence of the operations, movements and speed,
- total mass of the load and mass parts per each crane,
- binding points and method of load fastening,
- presentation of the load path (in space),
- maximum permissible wind velocity,
- hazards (e.g. soil conditions, electricity overhead lines),
- dangerous areas and the required isolation and lock-out actions,
- supplementary safety actions,
- signals related to the operations and work (information), their methods and tools,
- requirements relevant to persons involved into lifting operation, their responsibilities and tasks, and their exact positions during the work, supervisor of combined lifting operation,
- identification of the operation area, barricade, signposts and orientation equipments.

In the event a lifting plan is required pursuant to the above rules, then a copy of the lifting plan prepared in accordance with the relevant regulations and approved by the lifting machine officer identified by the ordering party and a copy of the technology instruction shall be submitted to MOL Group contact officer.

The contractor shall inform the stakeholders on the content of the technology instruction and this shall be documented.

8.4 Work at height

Law Decree nr. 4/2002. (II. 20.) SZCSM-EüM prescribes the relevant minimum safety requirements applicable onto work performed at height on construction sites and in construction processes.

Law Decree nr. 14/2004. (IV. 19.) FMM t specifies the relevant requirements applicable onto equipments and machines used for temporary works at height.

Every activity, where the level of work is at least 2 m above the ground level and there is no anti-fall protection (e.g.: guard/railing – 1 m high 3-line protective guar/railing (upper and middle railing element and footway), platform for work or traffic) shall be qualified as work at height.

In this case approaching the working site and the work itself might be conditional and dangerous, thus the following requirements shall be complied with:

- as far as possible, work shall be performed standing on a firm position (installed platform), where the person is protected with a minimum 1 m high 3-line guard/railing against falling,
- if there is no installed platform, the following options will be available:
 - to construct a standardised scaffolding (standardised walkway, 3-line protective guard/railing), where the working area can be safely approached and the working site is also safe for movement and work performance,
 - using ladders secured against slipping or skidding for approaching the working level and performing short lead-time routine-type works (to apply simple and light tools – e.g.: screwdrivers) up to 2 m height.
 - use of anti-fall protection. When selecting the personal protection equipment, the full-body harness shall be always used. The use of simple waist belt is NOT permitted. The method for fixing the equipment to the point of fastening shall be selected in accordance with the work type. This can be secured by using a positioning „Y” rope or an anti-fall harness fixed to a higher point or ropeway. When selecting the personal protective equipment, conditions of the given work shall be always considered (e.g.: in case of work within explosion-proof zone, exclusively anti-static body harness and anti-fall harness shall be used).

Collective protection shall be preferred versus individual protection.

If the work in an area higher than 2 m can be performed only by removing or breaking up the safety elements (railing) or leaning through such railing, then anti-fall protective equipments shall be used.

Points of fixing/anchoring shall be selected so that they have the required load capacity and be preferably positioned above the person at work.

When the anti-fall harness is selected, the height of the working level and the point of fixing/anchoring above the ground level (or versus the structure below) should be considered in order that the employees' fall can be stopped below before hitting to the ground without the person's injury.

A work at height is qualified as dangerous activity, thus minimum 2 persons will be required. These persons shall have a perfect health status (for work at height), and they shall be trained for using the relevant protective equipments.

In case of work height all tools, spare parts and machines shall be positioned (machines shall be fixed) so that they can cause no additional risk if they may accidentally fall. During the period of work performance traffic under the working area shall be secured or restricted through organisation of work.

If machines or equipments are installed under the working level, then they shall also be protected against eventually falling objects.

The company performing the work will be responsible for and obliged select the personal protective equipments used for the work at height, providing them for the employees, regular inspection and documented training regarding the use of such equipments. Qualification of the equipments and documents of their periodical inspection shall be made available on the spot of the work or at other available location in order that these documents can be presented for any eventual audit.

Damaged protective equipments or if they were not periodically inspected shall NOT be used.

If ladders are used the 3-point contact shall be always permanently secured. When a worker moves using the ladder he shall NOT carry any working equipment in hands, and perform any work from the ladder, and for this purpose a tool carried or tailor-made holder shall be used.

Scaffolding and ladders shall be installed on solid foundation or base, and, if required, they shall be fixed against falling.

8.5 Earthworks

Earthwork is qualified as an activity, when manual or machine intervention is performed at least in **30 cm depth** versus the original ground level (earth removal, drilling, pile driving, terrain arrangement).

Law Decree nr. **4/2002. (II. 20.) SZCSM-EüM** contains the general rules for soil/earthworks.

Among earthworks every activity, which requires the break-up of earth/soil at **1,2 meters deeper** than the original ground level in the environment of the technology area or technology will be qualified as high HSE risk operation and a **confined space permit shall be obtained** if any human activity is performed in the area.

In case of earthwork involving machines the operator shall provide the detailed map for the given area, as the appendix of the order.

If the earthwork may cross the line of a sub-surface facility or it is closer than 1 m, an exploratory trench shall be prepared at a depth of the planned earthwork plus 20 cm. This exploratory trench shall be prepared manually maintaining a gradual progress. Once the signalling band or cover soil is reached, pickaxe shall NOT be used, and intensified attention and carefulness shall be secured for the subsequent excavation works!

Earthwork using machines shall be performed only with appropriate consideration and care. In areas, where manual excavation is prescribed no work using machines is allowed. In case when machine is used for the work one (1) head watchman shall be secured, who will supervise the work performed by the machine beyond the effect radius of the machine in order to prevent and avoid any eventual damage to the pipeline or cable that are not shown on the maps.

If the contractor identifies any unidentified pipeline, cable or bullet/grenade in the construction area, then it shall immediately stop the work and inform the technical supervisor, the area manager, and **the competent manager who ordered the work**. The contractor shall record this situation into the construction logbook.

Every cable and pipeline found underground shall be regarded as energised, or under pressure, respectively as long as it has been identified and not energised and de-pressurised.

Cable with damaged insulation or cut cables shall NOT be touched due to risk of electric shock. In case a cable and pipeline is cut or damages, it shall be immediately reported to the operator's contact officer.

The event shall be recorded into the construction logbook.

The location of default/deficiency shall be marked / barricaded with good visibility method, and shall not be covered with earth/soil.

Interrupted earthwork can continue only if it exposes no hazard and this is confirmed by a specialist expert, and the area manager approves such continuation, also modifying the conditions of work, if so required.

Re-filling work can start only holding a new permit (to start work, to lit fire, confined space entry). Prior to starting re-filling work the Corporate Security's representative shall be informed.

In case of earthwork the working trench shall be prepared in accordance with the requirements specified in Law Decree nr. **4/2002. (II. 20.) SZCSM-EüM** in order that

- the lifted earth cannot fall back into the working trench (through installing a 0,5 m rupture plane),
- work trenches walls can be secured against falling or collapsing (with timbering or appropriate sloping),
- the chance for safe escape from the working trench can be always secured for the employees in case of danger under all conditions (this shall be typically secured with a ladder, which shall remain in its place throughout the operation.).

In case of performing earthworks, the contractor working in the given area shall secure and maintain the following minimum headcount:

Activity	Minimum headcount need
Manual earthwork to 1,2 m depth	2 head
Manual earthwork deeper than 1,2 m	3 head
Earthwork by machine at any depth	2 head

Conditions for permitting earthwork:

- HSE plan was prepared (for manual earthworks deeper than 1,2 m), and also approved,

- The working area was handed-over (except excavating active operating pipelines) (in case of trenches deeper than 1,2 m),
- the headcount required for the given earthwork is available,
- dangerous energies (underground pipelines, electricity wires, control technology cables) located in the technology area affected by the earthwork were mapped, including isolation, lock-out and marking, if and as required,
- conditions of confined space work are fulfilled (exclusively for manual earthwork at 1,2 depth or deeper, or, irrespectively of depth, when the work can be performed by leaning below the ground level),
- the calibrated equipments required for the statutory continuous air test are available (continuous air test is not statutory only presence of combustibile and toxic gases can be for sure excluded – e.g.: in greenfield project).

During earthworks:

- in case of works in depth between 0,25 m and 1,2 m **warning bands** (red-white or yellow-black band, warning people approaching the work trenched) shall be used at 1 m height),
- in case of works deeper than 1,2 m **protective railing** (with minimum 1 m high stabile installation – e.g.: railing made of wooden board – structure made of wooden planks, which can physically prevent falling) shall be installed around the working trench at 1 m from the edge.

In case of earthwork the construction logbook shall be kept (obligatory), and the contractor performing the earthwork will be responsible for doing so.

8.6 Dangerous equipments primary opening of vessels (equipments)

Every opening of vessels or equipments which during ordinary operation may produce dangerous material/sediment and when opening this in itself exposes hazard (e.g.: toxic catalyst), or if contacting air it may lead to a risk (e.g. contact of pyrophoric material with air).

These activities will always qualify as activities subject to HSE Plan, and during such work the following rules shall be complied with:

- probability of leakage or release of materials and energy etc. into the open air during the activity shall be assessed, including its potential consequences,
- capture, storage and treatment of the leaking materials shall be secured,
- appropriate protective equipments shall be secured for persons performing the work based on the eventually leaking materials; if required by providing a full-body protection clothes, and a self-contained closed circuit respiratory equipment,
- persons at work shall be informed on potential hazards,
- if presence of pyrophoric material can be assumed, then continuous watering shall be secured,
- gas concentration test shall be secured for the leaking components,
- the working area shall be delineated in accordance with the conditions and entry of unauthorised persons shall be prevented,
- minimum two persons with the required competencies shall perform the work and who have been trained regarding the risks related to the work process, and have the required protective equipments,
- if the work includes the opening of several equipments, then the contractor shall apply for the relevant permit for each such equipment.

8.7 Chemical clean-up works

Using dangerous chemical materials (toxic, harmful, irritating, explosive, inflammable, oxidising, corrosive, dangerous to the environment) for clean-up work/washing/rinsing of technology equipments in which not only clean water was/could be under ordinary circumstances.

The chemical clean-up works require permit to work even in case of area hand-over.

Cleaning the technology equipments with chemical treatment is qualified as activity involving dangerous materials and preparations, thus during the work process the contractor shall comply with the requirements specified in Act XXV of 2000, the Chemical Safety Act (Kbvt).

Work involving dangerous material/preparation (chemical treatment) can be performed only, if:

- the dangerous material/preparation has the required safety data sheet, and both the material and the activity have been reported to the competent authorities,
- the risk assessment for the parameters/qualities of the dangerous material/preparation and the nature of the relevant activity has been prepared, and the actions pursuant to its findings and required for risk management (to avoid, prevent or mitigate to tolerable levels) have been implemented,
- employees performing the work are competent and qualified for the activity, and are aware of the risks, just like other stakeholders,
- no carcinogenic compound will be applied during the activity.

This activity may be performed in MOL Group area in consideration with the following:

The system shall be closed regarding the circulating liquid, whereas the ordering party will decide on the need for a closed system regarding the leaking or emerging gas, based on the conditions! If release of directly toxic (e.g.: hydrogen sulphide) is possible, the system shall be closed also for gas so that the released gas can be neutralised in the technology, or the released gas can be safely captured and removed. However, if the emergence of a non-directly toxic gas is possible (e.g.: carbon-dioxide in an open space!), then there is no obligation for installing a closed technology, and the operator's approval shall be always obtained.

Throughout the operation minimum two (2) self-contained closed circuit respiratory equipments shall be secured on the spot, if dangerous gases may be released. Protective equipments shall be used (as obligation) during critical operations (e.g. clean-up works involving the appearance of dangerous or major volume of gas), and during rescue operations.

During the activity a continuous personal air analyser unit shall be used including an instrument calibrated for the eventually emerging gases, and this instrument shall be located in the vicinity of the breathing zone of the person at work (e.g. fixed onto his clothes).

Dangerous area/space shall be indicated with a physical delineation/barricade in order to prevent entry of unauthorised persons. Parallel works affecting dangerous (three dimension!) space shall be restricted.

Storage vessels used for circulating chemicals shall be installed at an area with good ventilation and quick and safe accessibility. The connecting hoses shall be equipped with fix connections to prevent eventual dislocation. Wind bag, etc. shall be installed in the direct vicinity of the activity.

The manager issuing the permit will provide information to the applicant of the permit on the dangerous materials in the technology system by filling-in the „Operator’s data” section of the **chemicals clean-up data sheet**.

The manager issuing the permit will prepare and submit a proposal (by filling-in the „Contractor data” section of the data sheet) on the applied technology process (the data sheet will not substitute the elaboration of the detailed technology and the related risk assessment). Persons identified in the “Approval” section of the data sheet will verify the approval of the proposal.

Hazards and risks caused during the chemicals clean-up work caused by the used dangerous materials shall be considered (based on the safety data sheets) and protection shall be secured against the harmful effects through organisational actions, collective or individual protection (face and eye protection, hand protection, breathing protection, etc.), and these actions shall be also described in the HSE plan and the permit to work. Presence of harmful and toxic materials that may be released during the clean-up work shall be also considered, in addition to the used dangerous materials.

The chemicals clean-up data sheet is available at the following link:

http://www.mol.hu/hu/belso_ebk/kiskereskedelem/ .

In case of working environment, where vapours of toxic and harmful materials might be present, respiratory equipment shall be used. In case of work in confined space and environment short of O₂ exclusively closed circuit respiratory apparatus can be used. Respiratory equipment based on other filtering method can be also used, if the nominal protective factor of the breathing protection can secure the required level of protection against the emerging dangerous vapours.

In an atmosphere full of inert gas only closed circuit respiratory apparatus equipped with dual safety respiratory system can be used.

Chemicals clean-up work shall not be performed alone even if the process is closed and fully automated.

During the activity permanent gas concentration test shall be required in the breathing zone for the eventually emerging gases and vapours and O₂.

Dangerous area/space shall be indicated with a physical delineation/barricade in order to prevent entry of unauthorised persons. Parallel works affecting dangerous (three dimension!) space shall be restricted.

8.8 High-pressure clean-up works, bead (abrasive) blasting

In case of high-pressure clean-up systems transformation of energy may expose certain hazards and individual protection shall be always used as protection against such hazards.

In case of high-pressure waters clean-up work or bead (abrasive) blasting the following supplementary personal protection shall be used:

- full-face protection
- respiratory equipment (in case of bead (abrasive)blasting)
- hand protection (against chemical and mechanical effects)
- protective clothes.

The cause of this hazard might be the direct water or bead jet and particles flying back from the surface.

In case of bead (abrasive) blasting with ordinary quartz might cause silicosis, thus it is extremely important to select the appropriate respiratory equipment. In case of bead (abrasive) blasting in confined space exclusively closed circuit respiratory apparatus shall be applied.

8.9 Scaffolding works

Scaffoldings shall be designed, prepared and maintained so that they cannot collapse or be dislocated. They shall be constructed exclusively using standardised elements.

Scaffolding for work, planks and scaffolding ladders shall be prepared so that they can prevent employees and other persons staying in the vicinity of the work fall and that they can secure protection against falling objects.

Law Decree nr. **4/2002. (II. 20.) SZCSM-EüM** specifies the general safety rules for scaffolding.

Every working level, ramp, passageway higher than 2 m shall be equipped with protective railing (minimum 1 m high 3-line protective railing (with upper and middle railing element and footpath)).

Size, dimension, shape and structure of scaffolding:

- it shall meet the type of work,
- it shall have the planned load capacity (the maximum load capacity shall be displayed),
- it shall allow safety work performance and movement.

The person authorised for inspection (employee of the company that constructed the scaffolding) shall inspect the scaffolding and it shall be documented:

- prior to commissioning,
- in case of structural modification or de-commissioning,
- after unfavourable weather (storm, earthquake, etc.),
- after every accident or safety event that could have had effects onto its structural elements or stability,
- in case of a longer interruption in use (after 1 week the inspection shall be repeated and documented).

The exact time and results of the inspection shall be recorded in writing. The scaffolding can be commissioned only if its results are satisfactory and in accordance with the relevant permit.

During the periodical inspection the status of the eventually damaged scaffolding shall be secured with supplementary bracing, binding and fixing, and fastening the screws.

The scaffolding can be used again only after completing the said actions.

The inspection shall cover the following:

- compliance with the scaffolding plans,
- durability and stability of the structural elements (e.g.: foundation, splicing, bracing, binding and fixing),
- safety equipments (e.g.: ramp, railing, footboard, load capacity, other signage, fire protection, lighting protection, lights).

In addition to the documented inspections, daily audits shall be held prior to starting the work, and this will be the responsibility and obligation of the employees and the supervisor who directly controls the work.

A scaffolding plan shall be prepared for erecting the scaffolding, except buck scaffolding made of elements defined in the product standards, ladder scaffolding not higher than 20,0 m and made of metal designed and erected for a load capacity not higher the 2000 N/m².

Scaffolding made of elements defined in the product standards can be erected based on a structural layout plan, ladder scaffolding not higher than 6,0 m and made of metal designed and erected for a load capacity not higher the 2000 N/m².

If a plan is required for erecting the scaffolding, the party ordering the work shall supply the required data and prepare or order the plan.

Issuer of the permit (operator) required for works on installed scaffolding shall be always enabled to get access and look into the layout plan of or the structural layout plan the scaffolding and the written documentation of the preliminary inspection. Permit to work can be issued only the above are secured.

Mobile (rolling) scaffoldings shall be fastened prior to use against dislocation.

When mobile scaffolding is moved, the following shall be taken care of:

- during its moving, no person is allowed to stay on the scaffolding,
- its height shall be reduced to maximum 4 m,
- all electricity cables or lines or technology elements shall be checked along the planned routing and the need for a smooth surface shall be also considered.

The width of the floor of the scaffolding cannot be less than 0,6 m. The width of the floor shall be adjusted to the width of the scaffolding frame. The scaffolding shall be fastened using perpendicular stiffeners (cross braces).

Special ladders or stairs shall be used for approaching the scaffolding, and these shall be fixed against falling. No braces or stiffeners shall be used for approaching the working level on the scaffolding.

Minimum two (2) persons shall be secured for erecting the scaffolding.

Scaffolding construction or demolishing works can be performed only under the supervision of person who has the prescribed professional qualification (as specified by laws) and authority for action, and who is also responsible for ensuring compliance with the safety procedures. Every employee involved into the scaffolding work shall use the prescribed personal protective equipments and safety protection equipments, and the contractor shall provide these equipments and ensure that they are used and worn.

Every organisation and person performing scaffolding work shall strive for high-quality and coordinated work through enhanced care and disciplined work organisation, irrespective whether the scaffolding is used for itself or others.

Every scaffolding construction work can begin only in possession of the valid "Permit to Work " issued by the area manager, and ensuring full and strict compliance with the relevant provisions.

Prior to constructing scaffoldings (pipe scaffolding, frame scaffolding) erected with elements specified by Hungarian product standards and elements of scaffoldings mentioned in the following sections, the contractor shall regularly inspect: compliance with standards; visual inspection and load capacity test of scaffolding planks, ladders, pipe clamps, other scaffolding elements and accessories, hanging or suspended scaffolding, rope ladders; periodical test and marking prescribed by standards, and only scaffolding erected from inspected elements (including their documentation in writing) can be constructed. (to be specified in the contract).

In case the scaffolding is erected using modern pre-fabricated elements that are not included in the product standard (e.g. Layher, Krause, Plettac, Hünnebeck, etc.) it shall have an application document issued by the official certification organisation, and an operation instruction and construction technology description prepared by the manufacturer or distributor, (and translated onto Hungarian language). The contract shall oblige the relevant party to present this document.

The scaffolding, irrespective of size and dimension, can be used only after the reception of the ***Scaffolding hand-over/take-over protocol*** specifically prepared and introduced for this purpose.

The party constructing the scaffolding will be the delivering party, and party ordering the work will be the accepting party. The completion report of the scaffolding can be submitted only after the protocol is drawn up. If this protocol is missing, or the scaffolding is not in full compliance with the requirements, no work is permitted on this scaffolding!

If the contractor erects the scaffolding for its own purposes, the protocol shall be still drawn up. Performance can be verified only by attaching the duly signed protocol.

Employees using the scaffolding shall not change the scaffolding structure on their own initiative, and only the builder of the scaffolding will be entitled to do so!

If any of the employees finds that the scaffolding may expose a source of hazard, this shall be immediately reported to the work supervisor, and he shall propose an action.

8.10 Rules for working alone

The following persons cannot be assigned working alone: who are participating in full-time school-type education, students during professional practice period, and employees during training time with work exposed to enhanced danger or hazard.

Working alone is forbidden in the following activities:

- work in confined space (in shaft/cellar, storage tank, high-pressure vessel, trench with 1,2 m depth or deeper), and in vertical cylinder storage tank equipped with floating roof, if the employer shall go out to the storage tank roof,
- primary opening of dangerous equipments,
- chemicals clean-up work
- work in explosive air, e.g. work that requires opening of the pressurised parts of the technology system, emergency trans-loading operations,
- cutting the technology and its accessories, drilling under pressure, welding, and strength test and tightness pressure test,
- hot work,

- work at height – higher than 2 m (on poles, columns, , scaffolding),
- work in energised places (in electricity operator room, switching rooms in electricity plant),
- operation with aggregator during the work,
- material movement using machine, lifting loads,
- revision and maintenance of installed signal and alarm systems aiming at protection of life, and pressure isolation equipments / valves,
- in case of other works so defined by the issuer of the permit to work,
- scaffolding construction works,
- other works that require energy isolation.

The permit issuer shall always make sure that headcount required for the given work is available (e.g.: prior to issuing the permit to work).

9. Documents to be kept on the working site

The contractor shall keep and present at audits the following documents at the working site:

- permit to work,
- HSE booklet,
- document(s) in accordance with the type and conditions of the performed work activity, verifying the qualification and competences required for the relevant works, and the relevant valid written permit(s),
- valid document verifying valid the occupational-health fitness,
- working area hand-over/take-over protocol (if there was any such hand-over),
- the approved HSE plan (in case of critical activity),
- safety data sheets of dangerous materials and dangerous preparations used during the works,
- permit, license and certificate depending on the type or nature of the given activity, and arising from or related to the legal regulation or other external or MOL internal regulations,
- the protocol drawn up for the last gas concentration calibration test, if there is no identifiable signal or mark fixed onto the instrument related to the test,
- the updated list of working equipments used for the work and obliged for periodical inspection, and documents verifying the last inspection ok (e.g.: lifting machine logbook, periodical inspection protocols, etc.),
- in case of construction or demolishing work: construction logbook.

10. MOL Group HSE audits and potential consequences

The contractor accepts that during the work, MOL Group’s representatives will perform on-the-site audits in order to audit the compliance of the work with the relevant regulations, and it will cooperate in such audits. These audits are focusing onto ensuring compliance with the requirements specified in the effective and relevant laws and in MOL Group HSE regulations.

The contractor accepts that MOL Group will be entitled to impose the following sanctions for events of non-compliance identified and documented during the on-the-site audits, subject to the weight of the given event of non-compliance:

- to call upon for supplementing the missing document, etc. (immediately, or by a deadline)
- to order to repeat the HSE training

- to cancel / withdraw the permit to work
- to impose a HSE penalty
- to ban the contractor's employee(s) from entry into MOL Group site for a definite period
- to terminate the contract with immediate effect.

The contractor accepts that MOL Group may impose HSE penalties described in Attachment 1. onto the contractor for event of non-compliance identified during the on-the-site audits.

11. Causing and reporting HSE events and eventual consequences

The contractor shall report every fire, accident, near miss, environmental pollution, extraordinary event, technical accident and traffic accident to the manager of the working area or technology area (Operator) and to the ordering party (the person, who was defined in the contract as the ordering party's representative) that happen in the working area, and during the work performed by itself or its sub-contractor, and such report shall be later repeated also in writing.

The contractor shall supply any and all data and details required by the representative of ordering party and the Operator in order that it can enable the preparation of all reports and documents for the ordering party.

The contractor shall involve the HSE the representative of ordering party into the accident investigation process through consultations, and deliver a copy of the investigation protocol to this person.

The contractor shall recover the cost arising from the damage caused by the contractor or its sub-contractor into assets in MOL Group area (buildings, technology equipments, vehicles, roads, barriers of the entry system, other engineering objects, etc.) and such cost shall be directly paid through immediate invoicing based on the protocol drawn up when such damages incur. The contractor shall report all events of damage and crime against property to the local security service.

If any employee of the contractor or its sub-contractor causes technical accident, fire or explosion in MOL Group area, the contractor shall recover, in addition to the direct damage or loss, also the cost related to the technical intervention and fire fighting on behalf of MOL Group or its fire brigade (fire fighting materials, used technical and human resources, etc.).

12. Waste treatment, materials storage and housekeeping

The contractor shall deposit all dangerous and non-dangerous wastes owned by the Operator and generated or produced during work performed at MOL Group filling stations, plants and units at the collection site designated by the Operator in an environmentally-friendly manner. No waste owned by the Operator may be transported from MOL Group site.

The contractor shall collect all wastes generated or produced during its activity and in its ownership (e.g. paint boxes, aerosol cylinder, other packaging materials, communal wastes) at the working site, in an environmentally-friendly manner and having the relevant label or signage, and transport such waste from the site at the conclusion of the daily work.

The contractor shall continuously ensure the proper housekeeping in the working area during the work performance, and to maintain perfect status of the working area throughout the weekly and the entire work process in respect of safety and fire protection, with consideration to the regulations applicable onto treatment and storage of wastes. The hand-over and take-over of work can be performed only in case of fully acceptable housekeeping in the area.

13. ADR requirements related to the transportation of dangerous goods and dangerous wastes

The contractor shall ensure that all documents (ADR training certificate, driving license in the required category) permits and licenses (approval documents for the relevant transported goods) required for the performance of the present agreement and prescribed by laws and regulations are available, throughout the term of the agreement.

Transportation operations can be performed only staff having the relevant and valid qualification required by the effective laws and regulations. The contractor will be responsible for ensuring the transport operations are performed by employees, who are aware of and comply with the traffic code, i.e. the Law Decree nr. *1/1975. (II.5.) KPM - BM* (hereinafter referred to as: KRESZ), and – if required – *Act CXXVII. Of 2003* provisions of the Law on Excise Duty and distribution of excise duty products (hereinafter referred to as: Jöt.), and of the The European Agreement concerning the International Carriage of Dangerous Goods by Road, including its amendments in effect (hereinafter referred to as: ADR) promulgated by the **Law Decree nr. 19 of 1979.** on the transportation of Dangerous Goods (mineral oil products), and transportation by tanker truck, and have acquired the treatment and handling of loading equipments at the supplies' and clients' site and the downloading equipments operating on the destination. The contractor will have exclusive and full liability for the legal consequences of violating this obligation and the damage caused to the ordering party by such violation.

The contractor will assume the obligation for ensuring the transportation of products/goods in accordance with the provisions of the valid ADR and Jöt. The contractor shall always obtain waybills (and the attached documents), and ADR accompanying documents (ADR transport document and Emergency Information Sheet, hereinafter referred to as: VIL) prescribed and required by the relevant and effective laws and regulations for the transportation of goods and with the relevant adapt content. Accompanying documents arising from the sender's obligation shall be required from the ordering party in due time, but the contractor shall receive them at the point of delivery when the goods are delivered, as the latest. The contractor shall keep these documents at hand when the goods are transported. Actions will be required to ensure that the contractor's vehicles can be equipped with good visibility signage and markings in conformity with the transported goods, i.e. signage and labels indicating the danger – if required.

The contractor can use for transporting dangerous goods only tanker trucks suitable for loading. The equipments installed onto the tanker trucks shall comply with the effective laws and regulations and ADR procedures.

The contractor shall employ the services of and assign a dangerous goods transportation advisor in accordance with the *Government Law Decree nr. 22002. (I.11.)* and send the agreement concluded with this advisor or his appointment within 15 days following the conclusion of

agreement or appointment in writing to the ordering party's dangerous goods transportation advisor. However, the ordering party will retain the right for ensuring that its own safety advisor(s) can evaluate the transportation activities of the contractor regarding transporting the dangerous goods. The contractor will be exposed to the legal consequences arising from the fact that such advisor is not employed, and this will be qualified as a breach of contract.

The contractor will acknowledge that it is responsible for ensuring that employees and sub-contractors will comply with the laws and regulations relevant on the employment of expatriates. The ordering party will be entitled but not obliged to check compliance with the requirements. The contractor will be responsible for ensuring that its employees holding foreign citizenship can always be in possession with the required documents. The contractor cannot use employees for performing the agreement who do not have valid work permit. The contractor will have exclusive and full responsibility for the legal consequences of violating this obligation and for damages caused by this to the ordering party.

The contractor shall regularly control and audit, involving the dangerous goods transportation advisor if and when required, that the tanker trucks and their drivers, and equipments and machines prescribed in the ADR and the Traffic Code can fully comply with all relevant regulations. The contractor shall draw up a protocol on this audit and inform the ordering party on the results and findings.

The ordering party and its safety advisor will be entitled to control at any time whether drivers of trucks transporting dangerous goods perform their work in compliance with the relevant regulations, the vehicles have the status prescribed in the relevant legal regulations, and ask for the relevant documents.

As per the obligations prescribed in the ADR, the contractor shall ascertain that the transported products/goods can be indeed transported in accordance with the ADR standards. He shall also ascertain that all the prescribed documents are available on the vehicles. He shall make sure by visual inspection that the vehicles have no deficiency or default, the tank is not leaking, there is no rupture or crack on its wall and none of the required equipments is missing. He shall inspect the expiry date of the periodical inspection document of the tanker truck, and ensure that the vehicles are not over-loaded, the prescribed marks, signs, labels and boards are displayed on the vehicles.

The contractor shall ensure that the ordering party, and, if required, the competent authorities and the insurance company of the ordering party, can immediately receive a report on all extraordinary events. Such events will primarily include objections raised by the competent authorities, accidents, environmental damages, etc.

The ordering party will demand the contractor to contact the ordering party's dangerous goods transportation advisor in every issue in connection with the transportation of Dangerous Goods and affecting the ordering party if these issues may lead to a dispute. The contractor shall immediately report all the detected actual or assumed deficiencies affecting the ordering party to the ordering party.

If the contractor receives an instruction that may jeopardise the safe performance of the transportation operation, it shall reject this transportation, and report the case to the ordering party's dangerous goods transportation advisor.

The contractor shall comply with the ordering party's local regulations applicable onto the given site. The contract shall send in advance the updated list of the vehicles transporting the Dangerous Goods (plate numbers) and the names of the truck drivers the ordering party's dangerous goods transportation advisor. In case of any change in these data, the contractor shall report it to the ordering party's dangerous goods transportation advisor.

Dangerous waste may be transported only with the operation permit issued by the competent Authority of Environmental Protection, Nature Conservation and Water Management (KTVF). During the transformation operations requirements specified in the **Governmental Law Decree nr. 98/2001. (VI.15.) decree** shall be followed. The contractor may transport only dangerous waste covered by the relevant permit, further it shall agree not to exceed the limit volumes specified in the permit. The contractor shall report in writing to the ordering party any and all changes occurred versus those shown in the permit issued by KTF prior to the conclusion of the present agreement.

When dangerous wastes are transported, the contractor may start the transportation only, if it has checked the so-called „SZ” document issued by the ordering party, and found that these data are correct and relevant to the given goods. This „SZ” document will escort the transport all the way. The 4th copy of the „SZ” document will remain at the ordering party. The contractor will collect and keep the 1st, 2nd and 3rd copies together with the other required documents throughout the transportation process. The addressee (the receiving party) will verify the delivery by signing the said document and keep the 2nd copy for documentation, whereas the 1st and 3rd copies will be left at the addressee (the receiving party). The receiving party will return 3rd copy after accepting the dangerous waste to the ordering party, thus confirming the acceptance of the dangerous waste to the ordering party. The contractor can deliver the dangerous waste only to parties that have valid permits form the competent authority.

The provisions of the effective ADR and the **Governmental Law Decree nr. 1/2002. (I.11.)** will apply on every other issue related to the transportation of Dangerous Goods and not addressed here in detail (Governmental Law Decree nr. 1/2002. (I. 11.)on the standardised process applicable on the transformation of dangerous goods on road).

Every provision defined above and relevant to the transformation of dangerous goods on road by the parties will apply onto every third party and sub-contractor involved into the operation by the contractor. The contractor will be held liable and responsible for the performance delivered by the sub-contractor as if it were performed by the contractor itself.

Done at Budapest, on April 17, 2013

Attila Csala
MOL SD&HSE manager

Sanctions imposed by the ordering party due to deficiencies and violation of rules identified during on-the-site HSE audits and provisions for their application

- 1.) The ordering party's representative(s) will be entitled to hold at any time an audit in accordance with the provisions of the relevant contract the compliance with the HSE regulations.
- 2.) The ordering party will record the findings and conclusions made by its representative(s) during such audit(s) into a protocol, and the contractor's on-the-site work supervisor and other representative/agent as authorised representative will sign this document..
- 3.) If the ordering party's representative finds or concludes during the audit that the contractor violated the HSE regulations during its performance or work, then this party may impose a penalty based on the records in the protocol(s) or apply the relevant sanctions.

The contractor further agrees to perform and follow the actions identified in the state of affairs enlisted under the following Point 11., in conformity with the ordering party's instructions.

Payment of penalty described under Point 11. will not release the contractor from other consequences specified for the breach of contract, and/or from more serious legal consequences specified in the relevant laws and regulations.

- 4.) If the ordering party can identify or detect several times during the performance or work the state of affairs as the basis for imposing the penalty in the on-the-site audit, the penalty may be imposed also several times under the said state of affairs.
- 5.) In case several deficiencies (state of affairs for penalty) emerge simultaneously, separate penalty may be imposed after each state of affairs.
- 6.) The contractor will mean a partner contracted with the ordering party, and this partner will be liable and responsible for its involved sub-contractor, thus the referred definition of "contractor" will also mean the sub-contractor. The contractor will be liable and responsible for violation of rule committed by the sub-contractor and its consequence towards the ordering party.
- 7.) The ordering party will summarise the content of the on-the-site audit protocols establishing the state of affairs, as the basis for imposing the penalty within 45 days following the occurrence of the condition (successful technical hand-over/take-over, or other condition specified in the contract) defined for the performance of the contract as the latest, and at the same time will take action for imposing the penalty. The notice of such penalty will be attached as appendix to the on-the-site audit protocol(s), and protocol drawn up by the ordering party showing the amount of the penalty and other relevant data (violation of rule, etc.).
- 8.) Employees will mean the employee of the contractor and also the sub-contractor, in harmony with Point 6. above.
- 9.) Definitions related to the following state of affairs shall be always interpreted in accordance with the relevant provisions of the then effective HSE laws and regulations and the contract (health protection, safety technology, safety, environmental protection).
- 10.) Expulsion will mean the immediate cancellation (withdrawal) of permits to work by the ordering party, and the suspension of the given work process/operation. In case of imposing a ban from entry into a MOL Group site, the given employees cannot be given a valid entry pass into the relevant MOL Group area during the term of such ban.
- 11.) Penalty-bound shall state of affairs, sanctions and actions if such a state of affairs is detected or identified:

Serial number	Scope of the audit, conclusions/findings	Deficiency	In order	Not applicable	Penalty amount (net HUF)	Other action/consequence
1.	Smoking, using ignition source in prohibited area					
1.1	Smoking in area exposed to fire or explosion („A”, „B” and „C” fire hazard category)				50 000/head	<u>to ban the person's entry into MOL Group site for one (1) year</u>
1.2	Smoking in not designated area (D and E fire hazard category)				50 000/head	=

2.	Working without permit to work					
2.1	Missing and/or invalid „ <i>general work permit</i> ” for the given work or activity				200 000	Immediate expulsion
2.2	Missing and/or invalid „ <i>hot work permit</i> ” for the given work or activity				200 000	Immediate expulsion and <u>to ban the supervisor's entry into MOL Group site for one (1) year</u>
2.3	Missing and/or invalid „ <i>confined space work permit</i> ” for the given work or activity				200 000	Immediate expulsion and <u>to ban the supervisor's entry into MOL Group site for one (1) year</u>
2.4	Missing and/or invalid „ <i>vehicle entry permit</i> ” for the given work or activity				50 000/vehicles	To remove the vehicle from the area or site
3.	Violation of rules relevant to isolation of dangerous materials/energy					
3.1	Failure in isolation of dangerous material and energy specified in the permit to work (if it is the contractor's responsibility)				200 000	To suspend work, immediate expulsion
4.	Not using/wearing the prescribed life-saving protective equipments					
4.1	The respiratory equipment (except face mask) prescribed in the permit to work or laws or regulations are not used and/or its protection capacity cannot be identified and/or it is inadequate.				50 000/head	If it was available but the employee did not use it, then <u>to ban the employee's entry into MOL Group site for one (1) year</u> . If it was not available, then <u>to ban the supervisor's entry into MOL Group site for one (1) year</u>
4.2	The anti-fall body harness prescribed in the permit to work or laws or regulations is not used, and/or the equipment is not properly fixed to the fastening point (simple waist belt, or rescue belt will not be acceptable), and/or the body harness is in unacceptable status and/or its inspection was not performed.				50 000/head	If it was available but the employee did not use it, then <u>to ban the employee's entry into MOL Group site for one (1) year</u> . If it was not available, then <u>to ban the supervisor's entry into MOL Group site for one (1) year</u>
5.	Failure in performing the prescribed gas concentration test(s)					
5.1	The personal gas concentration measuring equipment prescribed in the permit to work is not used (including also the use of technically default or deficient or switched-off equipment)				50 000	If it was available but the employee did not use it, then <u>to ban the employee's entry into MOL Group site for one (1) year</u> . If it was not available, then <u>to ban the supervisor's entry into MOL Group site for one (1) year</u>
6.	Protection against collapse is missing					
6.1	Protection of the working trench against collapse with slope or ramp or timbering, sheeting is missing or inadequate, material is stored on the rupture plane, ascending and escape is not secured (the HSE plan shall prescribe the method of protection against collapse).				50 000 / entry	Expulsion until correction / make-up work
7.	Safety equipments are removed or missing					
7.1	Equipments and signals that have material impact onto safety are removed or they are off-compliance.				200 000	To stop/suspend work until restoring the original status
8.	Violation of regulations relevant to lifting operations					
8.1	There is a person under the load in the air.				50 000	To immediately stop/suspend work
8.2	The lifting area is not fenced-off.				10 000	Correction, and expulsion in case of repeated

						deficiency
8.3	Persons are lifted using a lifting machine/equipment (except lifting machine, elevator, lifting platform with cage specifically designed and tested for this operation).				200 000	To immediately stop/suspend work
8.4	The permitted load capacity is not shown on the lifting machine.				10 000	Correction, and expulsion in case of repeated deficiency
8.5	Limits specified in the loading curve for the given machine are exceeded				200 000	To immediately stop lifting operations
8.6	No action was taken to prevent accidental start of working machine or vehicle (e.g. ignition key remained in place while its operator is not in the direct vicinity of the machine).				20 000	To immediately remove the key from the machine and give back only after recording into protocol To eliminate deficiency
8.7	Driver left the vehicle with running motor.				50 000	
8.8	Manual control and positioning of the load is not performed in compliance with the effective regulations during a lifting operation with machine.				100 000	To eliminate deficiency, expulsion in case of repeated deficiency
8.9	The logbook of the lifting machine is not on site and/or it is not continuously kept				20 000	Correction, and expulsion in case of repeated deficiency
9.	Proven consumption of alcohol or drug					
9.1	Consumption of alcohol or drug proven by an audit or investigation performed by MOL Plc. Corporate Security				50 000 / head	To ban the relevant employees for 1 year from MOL Group sites
10.	The required documents are missing					
10.1	The construction logbook was not opened and/or it is no up-to-date and/or not at site.				20 000	Correction
10.2	There is a sub-contractor's employee at the working area which is not reported in the contract.				200 000	Immediate expulsion from the working area
10.3	Older than 1-year basic and site-specific HSE training and/or missing or invalid HSE booklet (where this booklet is an obligatory item)				10 000 / head	Expulsion until make-up work
10.4	The HSE plan approved by the business HSE unit is missing (if subject to HSE Plan in accordance with the appendix of the contract with the ordering party)				50 000	Correction, and expulsion in case of repeated deficiency
10.5	The written appointment (or its copy) approved by the employer (company) for the permitted work is not available at the site or it is not valid				50 000	Correction, and expulsion in case of repeated deficiency
10.6	The valid medical document (fit for duty certificate) for the given work is missing				10 000 / head	Correction, and expulsion in case of repeated deficiency
10.7	Personal qualifications required for the work are missing (certificates, special exams, e.g. fire protection, mining safety)				50 000 / head	To suspend/stop the work of the given person until make-up work, expulsion if repeated
10.8	Updated list of equipments and machines on-site is missing				30 000	Correction
10.9	Equipments and machines on-site cannot be identified with those recorded in the equipment list (no marking, or it is worn-out, etc).				15 000/ equipment	Correction

11.	Conditions specified in the relevant permit to work are not fulfilled				
11.1	Conditions specified in the relevant permit to work (other not shown in the present list) are not fulfilled.			10 000/ condition not fulfilled	Until make-up to suspend work performance
12.	Escape routes are not secured				
	Traffic roads, passageways, escape routes, emergency exits are blocked due to reasons attributable to the contractor.			50 000	Correction, and expulsion in case of repeated deficiency
13.	Unacceptable housekeeping and behaviour				
13.1	Materials delivered by the contractor to the working area or produced during the work or de-commissioned materials are not stored in the designated area. Dangerous and not dangerous wastes are not collected and transported as prescribed in laws and regulations, if the contractor is responsible for the transportation.			50 000	Correction, and expulsion in case of repeated deficiency
13.2	There are unsafe protruding nails and sharp objects in the working area due to reasons attributable to the contractor.			50 000	Correction, and expulsion in case of repeated deficiency
13.3	There are pipelines and hoses across on passageways, traffic roads without mechanical protection and/or the mechanical protection may cause slipping. Electric cables as overhead wires are not fastened at multiple points as required.			20 000	Correction, and expulsion in case of repeated deficiency
13.4	Negligent or careless behaviour that may expose hazard onto the worker and others in the vicinity of work.			50 000	
14.	Conditions for providing first aid are not secured				
14.1	There are no trained first aid providers in the working area.			20 000	Correction
14.2	The first aid place is not designated or marked, the first aid box is incomplete, the bandage validity expired, the name of the first aid provider person is not displayed.			20 000	Correction
15.	Social infrastructure is not secured				
15.1	Cleaning articles (soap, etc.), resting and eating room and protective drink for the given season is not secured for the employees.			50 000	Correction
16.	Work supervisor is not properly appointed and cannot be appropriately identified				
16.1	The on-the-site work supervisor was not appointed on the „Appointment” or the permit to work or he is not present in the site or he did not appoint a substitute.			30 000	Correction, and expulsion in case of repeated deficiency
16.2	The work supervisor does not wear the red armband			20 000	
17.	Storage of gas cylinders is not acceptable				
17.1	Gas cylinders are not stored as prescribed (in fixed status, or not using the cylinder holder).			20 000	Correction
17.2	There is no valve safety cap on the idle cylinders.			10 000	Correction
17.3	Combustible materials are stored in the direct environment of gas cylinders.			30 000	Correction
17.4	Hoses of gas cylinders are not protected against physical hazards of the environment, or they are not properly			20 000	Immediate correction, if repeated deficiency - expulsion

	fixed as aerial line					
18.	Safety Data Sheet is not available					
18.1	The safety data sheet of dangerous materials stored or used on the site is not available on the site.				5 000 / db	Supplement
19.	Storage of dangerous materials is not acceptable					
19.1	Dangerous materials are not in the original manufacturer's packaging and/or they cannot be identified and/or their storage is unacceptable.				20 000 / material	Correction
20.	Watchman persons are not properly appointed and are not be appropriately identified					
20.1	Watchmen were not appointed or not in the prescribed number or they do not stay in the designated points and do not perform their duties.				100 000 / head	Until make-up work, to suspend / stop the work
20.2	The watchmen do not wear the prescribed yellow armband				20 000 / head	Correction
21	Fire fighting equipments are not properly secured					
21.1	The fire fighting equipments are not secured on the working site in the number and type as prescribed in the permit to work				50 000	Expulsion until make-up work
21.2	The safe and ready-to-use status of the prescribed fire fighting equipments cannot be verified (sub-titles, scripts, seals are missing)				50 000	Expulsion until make-up work
22.	Inadequate scaffolding					
22.1	The three-line railing is missing on the working levels (railing, knee plank, foot plank).				50 000	Expulsion until make-up work
22.2	Terminal railing is not fixed.				20 000	Expulsion until make-up work
22.3	Appropriate ramp for safe approach to the working level is not secured.				20 000	Expulsion until make-up work
22.4	The scaffolding has no stabile structure, the proper documentation is missing or incomplete: (Structure layout sketch, scaffolding plan, general structural documentation, commissioning (load capacity and the name of the builder of the scaffolding is not displayed), periodical inspection.)				20 000	Correction
22.5	No lightning arrester was implemented and the compliance certificate is missing.				10 000	Correction
22.6	Mobile scaffolding is not secured against accidental movement.				20 000	Expulsion until make-up work
22.7	A person is staying on the mobile scaffolding when it is moving.				50 000 / head	To immediately stop the work
22.8	Scaffolding erected from inadequate materials is used in an area exposed to physical and/or chemical effects (e.g.: aluminium scaffolding and ladder cannot be used in calcareous and alkaline medium).				10 000	Make-up Until make up the scaffolding cannot be used!
23.	Work on ladder is not tolerable					
23.1	The ladder is damaged, broken or injured in any other way, or has slippery steps, the anti-skidding is out of operation, two-legged ladder is not secured against				30 000	To immediately make up the deficiency

	slipping.					
23.2	Legs of the ladder are not in stable position.				10 000	To immediately make up the deficiency
23.3	The supporting ladder does not protrude at least 1m versus the level of arrival or there is no handrail or grip at this level.				10 000	To immediately make up the deficiency
23.4	The work going on at the supporting ladder prevents safe hold or grip for the employees.				10 000	Until safe conditions are secured - expulsion
23.5	Wheel-type ladders are not fixed against rolling or moving.				20 000	Immediate correction. Expulsion until correction
24	Violation of regulations for not „life-saving” protective equipments					
24.1	Protective glasses are not used when prescribed and/or the protective capacity cannot be identified and/or is inadequate.				10 000/head	Correction, and expulsion in case of repeated deficiency
24.2	The employees do not wear the safety helmet (except office work and other work not exposed to the risk of falling objects), or its status is poor, validity date expired and/or its protective capacity cannot be identified.				10 000/head	Correction, and expulsion in case of repeated deficiency
24.3	No ear protection equipment is used though required and/or its protective capacity cannot be identified, and/or inadequate.				10 000/head	To suspend work until correction
24.4	Protective shoes/boots are inadequate to the hazard, and/or the protective capacity cannot be identified and/or inadequate, they lost the protective capacity.				10 000/head	To suspend work until correction
24.5	The used protective clothes are not appropriate to the hazard or danger (i.e. to the requirements in effect on the site!)				10 000/head	To suspend work until correction
24.6	The used safety gloves are not appropriate to the hazard or danger at the site (physical, chemical hazard) and/or the protective capacity cannot be identified.				10 000/head	To suspend work until correction
24.7	Respiratory protective equipments are stored not in clean status and/or they were not inspected in a documented manner (if this is required).				10 000	Correction, and expulsion in case of repeated deficiency
24.8	The other respiratory equipments not referred in Point 4.1 are missing				10 000	To suspend work until correction
25.	Marking/signage of work trenches and ditches is inadequate					
25.1	There are uncovered or not fenced-off holes, trenches, ditches, pits, etc. in the working area due to reasons attributable to the contractor.				50 000	Correction, and expulsion in case of repeated deficiency
25.2	The site for earthworks is not appropriately separated and/or marked or fenced-off from the pedestrian and road traffic (the elements of barricade or fence cannot cause injuries).				30 000	Expulsion until correction
26	Load binding elements are unacceptable					
26.1	The status of the binding elements is inadequate or their documented inspection is not available on the site.				100 000	To immediately stop work or operation until correction
27	Load lifting equipments are unacceptable					
27.1	The status of the lifting machine is inadequate or their documented inspection				100 000	To immediately stop work or operation until correction

	is not available on the site.					
28.	Status and/or use of electric equipments, electric small machines and manual tools is unacceptable					
28.1	The status of equipments and small machines is inadequate. The status or technical parameters of electric wires, cables, extensions, connectors and distributors are inadequate.				30 000	Correction, to remove the inadequate equipment from the site. Expulsion in case of repeated deficiency
28.2	Switchboards are not grounded.				20 000	Correction, to remove the inadequate equipment from the site. Expulsion in case of repeated deficiency
28.3	Status of manual tools is inadequate (e.g. cracked or broken handle, worn-out cogs or tothing, elongated wrench).				10 000	Correction, to remove the inadequate equipment from the site. Expulsion in case of repeated deficiency
29.	Violation of regulations for electric safety					
29.1	No isolation transformer or not with the required capacity is used on large metal surface working area or more than permitted consumers are connected to this unit.				20 000	Correction, to remove the inadequate equipment from the site. Expulsion in case of repeated deficiency
29.2	No connection was secured with the EPH for welding work of several and large metal structures.				20 000	Expulsion until correction
29.3	Electric cables are not protected against physical hazards of the environment, or they are not properly secured or fixed as aerial lines.				20 000	Immediate correction, in case of repeated deficiency - expulsion
30	Inadequate shock protection/documentation of inspection					
30.1	The shock protection of electric equipments was not inspected / audited and/or the relevant documentation is not available at the site.				10 000	To ban the use of inadequate equipment, including its removal from the site
30.2	Periodical inspection of welding apparatus was not performed or this inspection cannot be identified				10 000	Correction or to remove the inadequate equipment from the working area
31.	Inadequate waste storage					
31.1	The emerged or produced waste is not collected at the location and with the method specified by the operator.				50 000	Immediate correction, in case of repeated deficiency - expulsion
31.2	There is no collecting vessel in the sufficient number or in quality secured for collecting the waste generated or produced by the work or operation.				20 000	Immediate correction
32.	Releasing dangerous material into the drainage system					
32.1	Dangerous material in not permitted quality and/or quantity is released into the drainage system				100 000 (if there is no further claim for compensation)	Work suspension, reclamation actions
33.	Pollution of soil, soil water and surface waters					
33.1	During work with dangerous materials the soil, soil water or surface deposit is polluted.				100 000 (if there is no further claim for compensation)	Work suspension, reclamation actions