



HSE requirements for carriage of dangerous good by railway for sites and premises of MOL member companies

1. The Carrier assumes the obligation to fully comply with the HSE rules specified in the then effective laws, and the HSE regulations (safety, fire and environmental protection, traffic, etc. rules) defined in the appendices of valid contracts and individual orders (forming inseparable part thereof) that do not require contracts (hereinafter as: contract) in the premises of MOL Group's member companies in Hungary (hereinafter as: MOL).

If the Carrier intends to employ the services of a sub-contractor, then it shall assume the obligation that its sub-contractor shall fully comply with the relevant HSE regulations in effect at MOL sites, and this sub-contractor shall take over the relevant HSE. Services of such sub-contractor may be employed only, if it has become familiar with the relevant HSE regulations, and assumed them as obligatory rules.

The Carrier may involve a sub-contractor (contributor) for performing the order if it has reported such intention in advance in writing, using the relevant form with detailed justification, and subject to MOL's written approval. The Carrier shall ensure that the present system of HSE requirements is applied throughout the full sub-contractor chain. The Carrier will be responsible and liable for its sub-contractor involved into the performance as if for its own performance and services.

2. As a consequence of highly inflammable and explosive nature of MOL sites, and MOL's commitment towards safety, protection of health and the environment, the Railway Carrier Company shall do its best efforts to ensure that health and safety of people working or staying within the impact zone of its activity and the applied materials and processes, as well as the elements of natural and built environment cannot be endangered and no damage can be caused to MOL. As a consequence, the Carrier Company shall comply and make its employees and sub-contractors comply with the rules and procedures described in the present appendix, and the provisions specified in Carriage of Dangerous Goods by Rail (hereinafter as: RID).
3. In MOL sites (Tiszapalkonya Erőmű, Zalaegerszeg, Soroksári út; Barcs, Mecsekalja Cserkút, Tiszai Chemical Works) activity forming the subject of the contract can be performed only by employee of the Carrier Company who has the qualification required for the given activity, safety and fire protection experiences satisfying the relevant regulations, occupational health certificate valid for the given work or job. There is a further condition namely that prior to starting the work performance the employee shall receive a documented training for the area-specific safety, fire and environment protection procedures related to the relevant work process, and then a written test is held to ensure that he indeed knows and applies these rules. MOL employee authorised also for this function will hold the specific training (free-of-charge) and issue the document certifying the training.
4. In MOL sites equipped with electronic entry system employees of the Carrier Company shall have (permanent or temporary) entry pass valid for the given MOL site even if traffic in and out the site happens through a railway gate. Detailed rules for applying for entry passes to certain MOL sites (including also the exact cost) can be found at the following website: http://www.mol.hu/hu/belso_ebk/.
5. The Carrier Company shall provide to its employees with safety boots and protective equipment at least with the same protective capacity as those used by employees working at the given MOL site and demand the use of such equipments during the work processes, in conformity with the level of hazard of the given technology area. If a contract is performed in several sites or facilities with different hazard categories, then the regulations applicable onto the area or facility with the most hazardous category will prevail.

The following shall be specifically considered:



- Industrial head protective safety helmet (MSZ EN 397:2012, protection category 2.),
- Eye protection: safety glasses or plexi mask (optical and/or mechanical protection, and/or against splashing liquids) (EN 166). As long as staying for whatever reason within MOL site technology area and during work performance (area surrounded with fence) wearing safety glasses is obligatory (except: not required for engine drivers while on the engine)
- Anti-static well-visibility vest (clothes) (EN 471 and MESZ EN 1149 standards)
- Anti-static, flame-retardant or flame-proof protective clothes in conformity with the location of work performance (MSZ EN 340:2004, MSZ EN ISO 11612:2009, MSZ EN 1149-5:2008. protection category)
- Five-finger safety gloves against mechanical effects (EN 420, EN 388, EN 374-3),
- Safety boots (with oil-retardant sole, toecap, made of antistatic material, (MSZ EN ISO 20345:2012, S1 protection category a), /shoes are not permitted/

The Carrier is responsible for defining, providing and auditing the use of protective equipments required for its activity. The Ordering Party is entitled to define additional protective equipments, and audit the ordinary wear and use of protective equipments. Information regarding the entry into the area of work performance and types and protection capacity of the required personal protective equipment can be obtained from the contact officer specified in the contract.

The Carrier Company shall have fire protection equipments (e.g. fire extinguisher equipments) in type and number as required for the level of danger of the given activity. The following rules shall apply onto transportation units carrying dangerous goods:

The Ordering Party will not provide protective equipment for the Carrier Company.

The Carrier Company shall regularly inspect the status of the above protective equipment i.e. that they are fully serviceable and can secure full protective capacity, and shall replace them if they are damaged.

In case of activity performed using damaged or incomplete protective equipments, or repeated or major violation of rules, MOL's representative (who is authorised also for audit) will immediately suspend the activity, and the Carrier Company will be responsible for every subsequent consequence

6. The Carrier Company's employee, who accepts the dangerous goods at MOL sites will have the obligations specified in RID Point 1.4.2.2.
7. If the Carrier Company identifies during the transportation process any irregularity which may impose danger to the safety of the transportation, the shipping process shall be stopped as soon as possible taking the safety of the traffic and the cargo and the public into consideration, and shall immediately inform the stakeholder parties.

Transportation may be resumed only if the cargo can fully meet the requirements. Authorities that are competent for the remaining portion of the route (may) however issue permit to continue the transportation.

If during the transportation of dangerous goods (outside of any MOL site) an accident and extraordinary event (de-railing / jumping-off the railway track, collision, tipping over, fire, explosion, leakage, technical break down of the tanker truck) and if the cargo is detained for a period longer than 6 hours due to a technical break-down of the railway tanker, then the Carrier Company shall immediately inform the dispatcher service of the relevant MOL business about the situation and shall send data with the following content in writing within 24 hours following the event to the e-mail address of MOL's contact officer specified in the Delivery Frame Contract, as the officer responsible for HSE events and claims.



The Carrier Company agrees and accepts that as a consequence of irregularities identified during the site audits held by MOL's employee who is authorised for audit MOL may introduce sanctions specified in Schedule and ban the Carrier Company from MOL sites!

9. Smoking at MOL sites is permitted only at areas designated for smoking, where there is no danger of fire onto the environment. The site specific training will always provide the relevant information for the Carrier Company's employees.

Photographs can be taken on MOL sites only if holding a specific permit (issued by the business manager and the head of the local safety and protection).

Using mobile telephone in an explosive zone or brining it in switched-on status is strictly prohibited!

On-site security services and persons with proper authorisation are entitled to conduct regular alcohol test in the given technology area at MOL sites.

As a consequence of high level of fire and explosion risk at MOL sites all radios used for shunting operations and communication shall be EX-proof.

The local security services, and persons authorised for holding regular alcohol test in the given technology area may regularly perform such alcohol tests in MOL sites.

If any among the Carrier Company's employees can be suspected with a criminal act against property or he is at any MOL site or facility under the effect of alcohol (positive result of alcohol test), this person can no longer be work at the area and shall be immediately banned! If banned, the contact officer specified in the Frame Carriage Contract shall immediately inform the employer of the banned person by telephone and e-mail, and send a copy of the protocol drawn up on the positive alcohol test for information.

The Contractor has to do the self-audits based according by the HSE rules on a documented way. The minimum frequency of the self-audits depends on the risk categories of works, contains in the table below.

Risk categories of works	Frequency of self-audit by Contractor
Works with high HSE risk and complex works	every 3 rd day
Works with medium HSE risk	every 5 th day
Works with low HSE risk	weekly

10. The Carrier Company shall pay compensation for damages caused to equipments (buildings, technology equipments, vehicles, roads, entry system railings, other engineering objects, etc.) at MOL sites directly and upon the protocol taken on the event either pursuant to the invoice or as in-kind repair. The Carrier Company shall report every event of damage and criminal act against property to the relevant MOL facility crew.
11. If any among the Carrier Company's employees causes fire or explosion at MOL sites, all costs that emerged during remediation from MOL or facility fire brigade shall be also reimbursed (firefighting material, used technical assets and workforce, etc.).
12. In case of violation of rules described in Schedule 1 which implies penalty, sanctions and measures specified in the said document will be imposed against the violating persons.

The present HSE appendix will form inseparable part of the contract signed with the Carrier Company.



Schedule 1.**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. MOL representative(s) will be entitled to hold at any time during performance an audit checking compliance with the relevant HSE regulations in accordance with the provisions of the contract.
2. MOL representative(s) will record the findings and conclusions made by during such audit(s) into a protocol, and a member of the shunting crew will sign this document.
3. If MOL representative finds or concludes during the audit that the carrier company violated the HSE regulations during its performance or work, then MOL will impose a penalty based on the records in the protocol(s) or apply "Other actions/consequences" as specified under Point 11.
The carrier company further agrees to perform and follow the actions identified in the state of affairs enlisted under the following Point 11., in conformity with MOL instructions.
Payment of penalty(ies) described under Point 11. will not release the carrier company 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 MOL can during the performance of the contract or individual work order identify several times 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, the penalty may be imposed individually or in combination after each state of affairs.
6. Carrier company will mean the partner contracted with and by MOL, and this party will be responsible also for the involved sub-contractor (just like for itself).
7. MOL 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 audit and simultaneously take action for imposing the penalty. On-the-site audit protocol(s) and protocol drawn up and showing the amount of the penalty and other relevant data (violation of rule, etc.) shall form appendices of the notice of such penalty.
8. Employees will mean the employees of the carrier company and its sub-contractors.
9. Definitions related to the state of affairs shall be always interpreted in accordance with the relevant provisions of the then effective HSE laws and regulations (health protection, safety technology, safety, environmental protection) and the contract.
10. Expulsion will mean the immediate cancellation/suspension of the loading process by MOL. In case of imposing a ban from a MOL site, the given employees cannot be given a valid entry pass into and cannot perform any work on the relevant MOL area or site during the term of such ban.
11. Presentation of penalty-bound state of affairs, sanctions and actions if such a state of affairs is detected or identified:



Scope of the audit, conclusions/findings	Penalty amount (net HUF)	Penalty amount (net HUF)	Other action/consequence
Smoking, using ignition source in prohibited area			
Smoking in area not designated for smoking irrespective of fire hazard category)	100 000 /head	330 /head	to ban the person's entry into MOL sites for two months, repeated HSE exam; in case of the violation of the same penalty: 1-year ban.
Working without permit to work			
Missing and/or invalid „general work permit“ for the given work or activity	200 000	660	To immediately stop shunting. To ban the person's entry into MOL sites for two months, repeated HSE exam; in case of the violation of the same penalty: 1-year ban.
Safety equipments are removed or missing			
Equipments and signals that have material impact onto safety are removed or they are off-compliance.	200 000 /head	660 /head	To immediately stop shunting
Proven consumption of alcohol or drug			
Consumption of alcohol or drug proven by an audit or investigation performed by MOL Group Corporate Security	200 000 /head	660 /head	To ban the relevant employees for 1 year from MOL sites
The required documents are missing			
There is a sub-contractor's employee at the working area who is not reported in the contract	200 000 /sub-contractor	660 /sub-contractor	Sub-contractor's immediate expulsion from the working area. two weeks ban of the supervisor, repeated HSE exam.
Older than 1-year basic, supervisor and site-specific HSE training and/or HSE booklet is missing or invalid (where this booklet is an obligatory item)	50 000 /head	165 /head	Expulsion until make-up work
Personal qualifications required for the work are missing (certificates, special exams, e.g. fire protection, mining safety)	100 000 /head	330 /head	To suspend/stop the work of the given person until make-up work, expulsion if repeated
Failure to connect or disconnect carriage properly	50 000	165	Correction immediately
Conditions specified in the relevant permit to work are not fulfilled			
Violation of rules for connecting and disconnecting and fixing them in accordance with the relevant regulations	50 000	165	Immediate correction or make-up
Escape routes are not secured			
Traffic roads, passageways, escape routes, emergency exits are blocked due to reasons attributable to the carriers	100 000	330	Make-up or correction, and expulsion in case of repeated deficiency
Unacceptable housekeeping and behaviour			



Negligent or careless behaviour that may expose hazard onto the worker and others in the vicinity of work	100 000	330	Four weeks ban, repeated HSE exam.
Exceeding speed limits defined for the railway track section	100 000 /train	330 /train	In case of repeated event to ban the <u>employee (driver) from entry into MOL sites for two months.</u> In case of the violation of the same penalty: 1-year ban.
Failure to report HSE events during work.	100 000 /event	330 /event	Ban the <u>supervisor from entry into MOL sites for 1 year</u>
Conditions for providing first aid are not secured			
Trained first-aiders are not available on site	50 000	165	Correction or make-up, Ban of the supervisor for two weeks, repeated HSE exam.
There is no appointed first-aiders or nobody knows him/her, there is no proper first-aid kit, nobody knows how to call emergency and nobody know how to help in case of emergency.	50 000	165	Correction or make-up, Ban of the supervisor for two weeks, repeated HSE exam.
Fire fighting equipments are not properly secured			
The fire fighting equipments are not secured on the working site in the prescribed number and type	100 000	330	To suspend work until correction
The safe and ready-to-use status of the prescribed fire fighting equipments cannot be verified (sub-titles, scripts, seals are missing)	100 000	330	To suspend work until correction
Violation of regulations for not „life-saving” protective equipments			
Protective glasses are not used when prescribed and/or the protective capacity cannot be identified and/or is inadequate	20 000 /head	70 /head	To suspend work until correction , in case of repeated deficiency - expulsion
The employees do not wear the safety helmet, or its status is poor, validity date expired and/or its protective capacity cannot be identified	20 000 /head	70 /head	To suspend work until correction , in case of repeated deficiency - expulsion
Protective shoes/boots are inadequate to the hazard, and/or the protective capacity cannot be identified and/or inadequate, they lost the protective capacity	20 000 /head	70 /head	To suspend work until correction
The used protective clothes are not appropriate to the hazard or danger (i.e. to the requirements in effect on the site!)	20 000 /head	70 /head	To suspend work until correction
Hand protection is not acceptable and/or the protective capacity of safety gloves cannot be identified and/or they have lost their protection capacity	20 000 /head	70 /head	To suspend work until correction
Inadequate waste storage, soil, water or ground water contamination			
The emerged or produced waste is not collected at the location and with the method specified by the operator	50 000	165	To suspend work until correction , in case of repeated deficiency - expulsion
During work with dangerous materials the soil, soil water or surface deposit is polluted due to default of the carrier.	200 000 (if there is no further claim for compensation)	660 (if there is no further claim for compensation)	Work suspension, recultivation actions