

Brose instructions for contractors

Introduction:

This Brose instruction applies to all business partners, suppliers, customers, government agencies and other third parties including their employees and of these any third parties (hereinafter called 'contractors') that are active on the premises of a Brose Group company (hereinafter called 'Brose').

The scope of this Brose instruction begins upon entering and ends upon leaving Brose premises.

The purpose of this Brose instruction is the avoidance or reduction of safety, health, environmental and property risks due to activities of contractors on Brose premises.

Moreover, this Brose instruction serves to help contractors prepare their own risk assessment and at the same time demand compliance with the requirements listed below.

1) Occupational health & safety and environmental regulations

All relevant occupational health & safety and environmental regulations, industry-recognized guidelines as well as working time laws applicable for each country must be observed by all contractors when performing work. If these rules are not known by the contractors, they are obliged to obtain the necessary information. The contractors ensure that neither they nor their subcontractors employ staff without valid and proper working papers and that the relevant legislation for remuneration payment is complied with.

2) Coordinator for Contractors (hereinafter called 'coordinator')

The coordinator is a Brose employee. The coordinator is the direct contact for the contractor in all respects during its stay at the Brose premises. The coordinator's name and telephone number shall be given to the contractor upon award of contract.

3) Orders and instructions, violations

The contractor must follow the direction of the coordinator, the officers for environmental protection, the occupational health and safety officer and plant security and/or the security responsible of the location (hereinafter referred to collectively as 'authorizing officer'). If the contractor has doubts about the justification of the authorizing officer to deliver orders and instructions, it is obliged to seek justification confirmed by the coordinator. The work activity involved must be stopped until a resolution is identified.

Monitoring and issuing orders and instructions by the authorizing officer does not relieve the contractor of its responsibility towards its employees and Brose.

For violations of occupational health & safety and environmental regulations as well as other breaches of duty, Brose is entitled vis-à-vis the contractor to order cessation of the work until the violation is eliminated and to suspend offending employees from further activities.

4) Behavior in case of incidents

For incidents of all kinds (e.g. accident at work, fire, explosion, leaks or damage to Brose property), plant security and/or the security responsible should be notified immediately via the Brose plant internal emergency number (communicated by the coordinator). In addition, the contractor is obliged to report all incidents to the coordinator, to the occupational health and safety officer or the officers for environmental protection and to comply with the relevant statutory reporting obligations for an incident.

5) Safety consulting

Brose's occupational health and safety officer advises the contractor in all matters relating to occupational safety. He is available to the contractor for information and will advise e.g. about hazards arising for the individual equipment/machines and processes and measures for their prevention. The contractor must obtain the contact details of the responsible occupational health and safety officer from the coordinator, as long as the data are not included in the 'Document of assignment for contractors'.

6) Environmental consulting

Brose's officers for environmental protection advises the contractor in all matters of environmental protection. He is available to the contractor for information about all aspects of waste management, soil and water conservation as well as pollution control. In case of questions about hazardous goods management, the Brose officer for risk prevention in carriage of hazardous goods is the person to contact. The contractor must find out the contact details of the officers for environmental protection and officer for risk prevention in carriage of hazardous goods from the coordinator, as long as the data are not included in the 'Document of assignment for contractors'.

7) Special contractor obligations

The contractor agrees to comply with following points:

- a) The contractor shall inform the coordinator prior to the start, after the end and at each interruption of activities performed on Brose premises.
- b) The contractor shall ensure that it always leaves the working environment in a safe condition.
- c) The contractor shall indicate to coordinator any operational disturbances. It reports to the coordinator all faults and irregularities that occur while performing the activity.
- d) The contractor shall determine the daily work with the responsible coordinator.
- e) Tools and devices used, especially electric hand tools, ladders and scaffoldings, must be in safe working condition. Upon leaving the workplace, they are to be locked up or otherwise secured so they cannot cause danger to persons or property or be used without authorization.
- f) For work on buildings and building services or production systems, electrical supply points must have a residual current device (RCD) /ground fault circuit interrupter (GFCI) and must never be left in a live, unprotected state.
- g) Vehicles used by the contractor must comply with the respective regulations valid at the operation site.
- h) The contractor is required to carry the permission of his activity foreseen at the location (e.g. paper 1 of the 'Document of assignment for contractors') every time it spends time at the Brose premises.
- i) If a visitor's badge has been issued by Brose, it must be worn visibly by the contractor's employees.

8) In-house safety regulations

The contractor observes in-house safety regulations, in particular the following:

- a) Tools, equipment, facilities and Brose systems may not be used without written permission, without proof of required qualification and suitability as well as without a briefing by Brose.
- b) Material storage and material stocks must be so designed that they do not jeopardize safety, production process, as well as transportation and traffic flow.
- c) Excavations, trenches, open-ended channels, floor openings etc. must be adequately secure everywhere and be illuminated in the dark. Dangerous work areas must be blockaded.
- d) Bringing and consuming alcoholic beverages and other intoxicating substances (drugs) are not permitted at Brose premises. Members of the contractor who are justifiably suspected of being under the influence of intoxicating substances or beverages can be expelled from the premises.

- e) The contractor respects the ban on smoking. Smoking is only permitted in approved areas.
- f) The contractor shall ensure that its staff wear the necessary personal protective equipment (goggles, safety shoes, hard hat, etc.). When entering production or production-related areas (e.g. logistics, warehouse, testing and workshop), safety shoes must be worn. Safety shoes must comply with the applicable legal requirements. Employees of the contractor who are not wearing safety shoes are only allowed to stay on marked footpaths. Higher legal requirements in regions remain unaffected by this.
- g) At Brose premises, the relevant legal regulations of public traffic are applicable. However, plant traffic should always be granted priority and in-plant transportation and codes of conduct must be observed. The maximum speed permitted at the location for vehicles of all types within the Brose premises must be observed (if not specified: 20 km/h respectively 12 mph. The vehicles of the contractor may only be on the premises for loading and unloading purposes. Persons and property are subject to designated entry and exit controls at the location.
- h) Employees of the contractor who operate industrial trucks, cranes and lifting platforms must be in possession of an appropriate training certificate. Use of Brose's own lifting platforms may only occur after a documented briefing by the platform operator.
- i) Employees of the contractor are not allowed to enter business areas that do not belong to their authorized work area with the exception of catering areas, rest areas and sanitary facilities. As an exception, other areas of operation may be entered after consultation with the responsible coordinator insofar as this is necessary for fulfilling the activity.
- j) Mandatory, prohibition, warning labels and markings must be observed. They may not be removed or made illegible.
- k) Escape routes and emergency exits are marked. They must always be kept free.
- l) Fire-fighting equipment, fire hydrants, ring guidance systems and appropriate signs must not be covered, blocked or otherwise made unusable. They must be accessible at all times. Damage must be reported immediately to the coordinator.
- m) Pedestrians must use marked sidewalks and pay attention to truck traffic.

9) Dangerous work

For dangerous work, partially work permits (e.g. hot work permit, driving into containers) are required. The contractor receives these when necessary from the responsible coordinator.

The contractor shall only use qualified staff for dangerous work.

Dangerous work should not be carried out alone. If for operational reasons it is exceptionally necessary to assign a person to carry out "dangerous work" alone, the contractor must take suitable measures agreed with the occupational health and safety officer to monitor the person working alone.

Dangerous work include in particular:

a) Handling hazardous substances:

If the contractor will be working on Brose premises with hazardous substances that it has brought with it, it shall make the respective safety data sheet available to the coordinator in advance.

Hazardous substances may only be left on the plant premises with the approval of the coordinator and the responsible hazardous materials officer. The legally prescribed storage conditions must be observed. Hazardous substances brought along are to be taken back after completion of the order.

- b) Working on or near electrical equipment and installations:**
Particularly when working on or in the vicinity of high-voltage equipment, approval must be obtained from Brose. Safeguards against reconnection are to be implemented in coordination with and with the approval of Brose.
- c) Driving into containers and pits – Working in narrow spaces:**
When entering containers and pits or working in narrow spaces, a second person must always be assigned as an emergency helper. Possible rescue measures must be determined in advance.
- d) Working with fire hazards and flammable liquids:**
This includes all activities with an open flame or those activities in which heat or sparks can be generated or in which flammable liquids are used. For the applicable protective measures and rules of conduct, see item 12) Fire protection.
- e) Working on steam, pressure and gas lines:**
Before starting work on steam, pressure and gas lines, the pressure must be relieved and the line ventilated without risk. Shut-off devices must be secured against unauthorized opening. Prior to recommissioning, the tightness of the line must be determined and verified to Brose.
- f) Working at a height with a risk of falling:**
When working with a fall hazard (depending on local legal requirements, as soon as none exists from > 1 meter height), technical protective measures against falls (fall protection) must be used as a matter of priority. Fall arrest systems or personal protective equipment against falls are only permitted in exceptional cases and for short-term work. The contractor shall ensure that work involving a risk of falling is only carried out by technically qualified and physically fit employees.
- g) Testing of large-scale technical equipment, e.g. coating equipment, automatic punching machines:**
The contractor shall ensure that all necessary protective measures are effective during test run. If technical protective measures have to be disabled due to the test run, suitable equivalent substitute measures must be provided. The safety of persons and the environment must be guaranteed at all times.
- h) Work that requires special care, because immediate risks exist for employees of the contractor and Brose.**

10) Mutual threats

The term 'mutual threats' applies when Brose and/or the contractor discovers a potential hazards of its own and/or of another's when carrying out activities. In the event of possible mutual threats, the contractor shall consult with the coordinator prior to the start of the work to determine whether and which safety measures are necessary. Consultation with the coordinator does not relieve the contractor of its supervisory duty towards its own employees. The following applies in detail:

- a) When working on or near live electrical equipment or facilities, Brose's department responsible for this area must be involved. The contractor must obtain the contact details of the relevant department from the coordinator.
- b) Electrical power may only be taken from the assigned supply points by the contractor. The contractor must obtain information about the supply points from the coordinator.
- c) Other electrical connections to the company network may only be made by building services department, with the involvement of the coordinator.

- d) Due to the possibility of damage to underground service and supply lines, execution of earthworks must be previously discussed with facility planning. The contractor must obtain the contact details of facility planning from the coordinator.

Mutual threats are to be documented – when using the 'Document of assignment for contractors' on sheets 2 and 3.

11) Corporate Responsibility Strategy of the Brose Group

The contractor is obliged to comply with the Corporate Responsibility Strategy of the Brose Group. It is available for download on the Brose homepage under Purchasing > Handbooks-Templates.

In particular, the following applies:

- a) No harmful contamination of soil, groundwater, surface water or wastewater may result from the handling of substances hazardous to water.
- The provision and storage of substances hazardous to water/environment must be carried out via collection trays. Small containers of less than 1 kilogram are exempted.
 - Mobile working and storage tanks for fuel, oil and waste with a volume of 400 liters and more must be double-walled.
 - Binders and other systems for retaining chemical substances must be kept available in sufficient quantities in the work area.
 - The fuel system and the lubrication system of vehicles and machines must be checked daily before use and must not show any leaks.
 - The use of the washing areas for work equipment is prohibited without the express permission of the company's officers for environmental protection.
 - The percolation of waste/process water and other liquids is prohibited. The same applies to discharging into the sewer system unless the company's officer for environmental protection has given his/her consent.
 - Work on catch basins, retention systems and systems with substances hazardous to water, as well as wastewater treatment systems, may only be carried out by specialist companies in accordance with the specifications of the water law applicable at the respective location.
- b) The contractor is obligated to recycle, dispose of and remove from the Brose premises all waste generated during the performance of the activity in a proper manner and in compliance with the relevant regulations. Copies of all evidence and supporting documents resulting from this obligation shall be handed over to the coordinator without delay. In individual cases, the contractor is authorized to dispose of waste on the Brose premises in compliance with the applicable waste separation system after obtaining the approval of the Brose waste management officer. The contractor must obtain the contact details of the responsible waste management officer from the coordinator if the details are not listed on the 'Document of assignment for contractors' (sheet 1, page 2). Burning of waste of any kind on the Brose premises is prohibited.
- c) Dust, odor and noise emissions are to be reduced to the technically achievable level. Harmful effects on the health of employees and residents must be avoided. The construction machinery used must meet the relevant legal requirements.
- d) Construction, auxiliary and operating materials containing asbestos, halogenated hydrocarbons, lead and carcinogenic fiber materials or other prohibited substances may not be used. Regulated substances may not be used without written approval from Brose.
- e) Resources (e.g. water, energy, auxiliary and operating materials) must be used sparingly.

- f) For activities with significant environmental impacts, the contractor shall only use employees who are qualified through education, training or experience. The associated evidence shall be shown to Brose at any time upon request.

12) Fire protection

- a) The contractor is obliged to apply the permit procedure for activities with fire risk and to arrange for the decommissioning (impairment) of the fire alarm systems or fire suppression systems via the coordinator, with the involvement of the fire protection officer and the plant security or security responsible of the location.
- b) The influence of other activities (e.g. drilling, painting, roof work, ceiling work) on the fire alarm system and/or individual fire/smoke detectors must be discussed in advance with the coordinator. If a fire detector must be switched off due to dust, odor, dirt, etc., the switch-off must be announced by telephone or in person at the fire alarm control center (gate, control center, security service, etc.). The registered work may only be carried out after the fire detectors have been switched off and the safety personnel have given the approval. If the contractor causes false alarms of the fire alarm system during its work, Brose reserves the right to charge the contractor for the resulting costs.
- c) Holes through fire walls shall be permitted only after consultation with the coordinator and shall be resealed using the procedure determined by the coordinator.
- d) The contractor is obliged to provide extinguishing agents and to remove flammable and combustible substances and gases from the building or the work areas such as the roof areas after completion of the work and if necessary to provide a fire watch.

13) Further notes

- a) The construction and installation site must always be kept in an orderly condition and cleaned up after work is completed.
- b) Bringing cameras and taking pictures on the Brose premises – unless special permission has been granted by Brose – is not permitted.
- c) On Sundays and public holidays, employees of contractors are only allowed to enter our premises upon written authorization from Brose.
- d) Construction water withdrawal from hydrants is permitted only with the approval of the coordinator.

14) Energy management system

Brose is committed to careful use of energy and continuously improving its energy efficiency. To achieve this, an energy management system (EnMS) according to ISO 50001 is available at numerous locations. As a contractor, you also contribute to the effectiveness of our EnMS and the achievement of energy targets. Therefore, we expect an economical and careful use of any energy!

15) Location-specific regulations

If location-specific regulations (e.g. country-specific regulations or internal company rules) exist at the respective Brose location, the contractor is obliged to comply with them. Location-specific regulations shall be communicated by the coordinator as part of the briefing.

16) Employee training

The contractor is obliged to instruct its employees on the contents of these 'Brose Instructions for Contractors' prior to the start of the activity and to provide appropriate proof of this upon request by Brose.

Furthermore, the contractor is responsible for ensuring that its employees comply with the regulations of the 'Brose Instructions for Contractors'. Independently of the obligation to instruct the own employees, the instruction on the working conditions, hazards and protective measures from the mutual risk assessment (documented in the 'Document of assignment for contractors', if used) must additionally be demonstrably provided before the start of work and thereafter – in the case of recurring work – repeated at least once a year.

17) Binding language versions

German and English versions are binding.

All other language versions only serve for a better understanding.