1. Environment Health and Safety ("EHS") (This clause shall be applicable only to Contractors who are supplying the goods and also performing the site services or who are performing the site services only at Purchaser's site or Purchaser's customer site, or both) –

1.1. The Contractor shall:

(a) give the highest regard to EHS to avoid any injury to any person and damage to any property and environment.

(b) ensure that the management of EHS is an integral and visible part of its work planning and execution processes.

(c) strive for continuous improvement of its EHS performance; by implementing Siemens 6-point contractor management program.

(d) obtain Purchaser's EHS Policy, understand and implement the applicable content of this policy;

(e) follow all applicable requirements of Purchaser's EHS policy;

(f) monitor and evaluate its EHS performance to effectively take such actions as appropriate to rectify or improve its overall EHS performance;

(g) ensure that it complies with all latest applicable EHS laws and any EHS requirements of the Purchaser in force from time to time.

(h) Ensure that in case Purchaser produces a safety and health documentation for the site Ex. EHS Plan, HIRA (Hazard identification and Risk assessment), SWMS (Safe Working Method Statement), EHS assessment report & Contractor evaluation report etc.) and provides Contractor with a copy of the EHS Plan or EHS document, the contractor shall confirm receipt thereof in writing and comply with the regulations contained therein. The same shall apply to updates of the EHS Plan which Purchaser may produce as it deems necessary. Contractor shall ensure that its direct and indirect subcontractors employed to perform the Works commit themselves to the EHS Plan and its updates. The Contractor shall commit to this clause to avoid any health & safety injury to any persons who are legally on the work site including personnel, Purchaser's personnel and visitors and prevention of environmental pollution.

1.2. **Specific Requirements for Siemens locations:**

Without limiting the foregoing, the contractor shall, when working on Purchaser's or project sites:

(a) ensure that hazardous materials, including those it is required to handle, are collected, stored, disposed of or recycled in an environmentally sound manner and in accordance with legal requirements.

(b) appoint competent and experienced persons at the Purchaser's or its customer's premises, who are trained for firefighting, safety in their job and make their training record available to Purchaser immediately upon request and take part in safety discussions regularly arranged by purchaser.

(c) establish and maintain a emergency response plan to deal with unforeseen events, such as incident but not limited to fire and explosion and carry out periodic drills with the involvement of its relevant employees;

(d) Prior to starting work, medical fitness of the workmen is considered. Attend and ensure all of its employees and contractors attend site specific safety inductions, Toolbox Talks and discuss and clarify with the Purchaser, its EHS policy and requirements.

(e) ensure that a system of Permit To Work is followed and the requirements contained therein are fulfilled;

(f) ensure all PPE complies with Indian standards (IS) and Purchaser's EHS requirements.

(g) when performing height work, explore & prefer the use of safe access equipment such as man-lifter, cherry picker, scissor lift etc. ensure the use of metal scaffold and the provision and use of lifeline, fall arrestor, full body harness and safety helmet;

(h) ensure safe access and egress & safe work environment like illumination & ventilation ~~to~~ at the site;

(i) Ensure that purchaser's EHS processes such as risk assessment, Critical-To-Safety & Health, Safety Essentials, 6 Golden Rules of Electrical Safety, Permit-to-Work, Contractor Qualification & on-site Evaluation, UA UC reporting, Request-for-quotation (RFQ), Training, reporting of unsafe work practices/situations, incident reporting etc are implemented in letter & spirit to ensure safe work practices.

(j) before the start of any task the contractor will submit and discuss with Purchaser's official the method statement and HIRA: And the Contractor personnel shall implement HIRA & SWMS as approved and shared by Purchaser's official.

(k) ensure that necessary Personal Protective Equipment ("PPE") is provided in accordance with Siemens recommended specifications & suiting to nature of work. and used appropriately including other safety equipment and tools / tackles as required for the job

(l) Contractor to ensure adequate stock of Tool / tackles & PPEs. Contractor to ensure that the Tool / tackles & PPEs in use are inspected periodically to verify its healthiness & to serve its purpose. The PPEs in store to be checked for its shelf life on a periodic basis to prevent use of expired PPEs.

(m) ensure that that Central Government & State/Local Government rules with respect to the motor vehicle are followed at all times when its vehicles are on Purchaser's premises & during commuting to workplace.

(n) Ensure that necessary safety signages are displayed, competent & authorized people are deployed at the workplace. Measures are taken to barricade unprotected edges, open pit/tanks, high voltage testing, suspended load operations etc.

(o) Report near miss, first aid, medical treatment, lost time, serious / fatal incident. Also report environmental incident & property damages to the respective Siemens incharge. Contractor to provide all relevant information needed towards investigation of the incident & actively participate in

investigation process and implementing the actions in stipulated time. The contractor shall also inform the applicable legal authorities. The contractor shall support any additional investigation conducted by the Purchaser.

(p) Ensure that all vehicles used for transportation & material handling equipment are fit for use and have valid certifications. Use of first-generation hydra crane or any other equipment as notified by the Purchaser is prohibited. Operators of vehicles and machines have valid licenses, are competent & trained including helpers.

(q) Notwithstanding the above, the contractor acknowledges that the Purchaser may communicate from time to time certain additional or amended requirements with respect to EHS to be met by the contractor on Siemens sites. The Contractor agrees to comply with such requirements such that non-compliance shall attract the provisions of clause 32.3 on deductions from the Deposit and the corresponding bonus for zero violations as stated in Clause 32.3.

1.3. **Non-Compliance of EHS**

a. The Contractor acknowledges and agrees that the Purchaser places great importance on EHS and has zero tolerance for any non-compliance with the Purchaser's EHS requirements including without limitation any breach of the requirements of this clause.

b. Within 14 days of the date of order, Contractor agrees to pay vide demand draft or unconditional Bank Guarantee made in favour of the Purchaser an amount of **2.5%** of the value of the service order/portion as an **EHS Deposit** to secure compliance with the EHS requirements set out in this order. In case value of the service order/portion is not defined separately (for cases where there is single order for goods & services) the Purchaser shall decide the amount for service portion of the order to which the 2.5% deposit is applicable. The EHS deposit shall be interest free and refundable only after successful completion of the Guarantee Period, subject to necessary deduction and adjustment shall be done as per Annexure (i.e. "SAFETY GUIDELINES FOR CONTRACTORS") attached herewith in case of any non-compliance of EHS provision under this clause or EHS provisions thereafter notified during the continuance of this order.

c. If the Contractor fails to comply with the Purchaser's EHS requirements as notified or updated from time to time, including breach of this clause 32, the Purchaser may, at its sole discretion, without prejudice to any other rights of the Purchaser, deduct from this EHS **Deposit** or any amounts otherwise due/payable to the Contractor under this or any other order /Agreement/Contract for each non-compliance, up to an amount of **2.5%** of the value of the service order/portion.

d. The Purchaser will regularly evaluate the EHS performance of the Contractor and at its own discretion reward the Contractor for the project duration in which there are zero violations of the Purchaser's EHS requirements including without limitation to:

i. Zero fatalities
ii. Zero permanent disablement and
iii. Zero reportable accidents
iv. Green rating of EHS performance
v. Fulfilment of applicable labour compliance to be ensured by PM & SM
vi. Applicable statutory EHS compliance

Also matrix as mentioned in Annexure for bonus (amount recommended Rs. 50,000 or 1% of OV whichever is lower) may be implemented on yearly basis to promote good EHS performance of the contractor. Pro rata bonus payments are permissible. Or on pro-rata basis, as decided by Siemens Business.

e. Contractor shall regularly monitor compliance with statutory and contractual EHS provisions by performing safety tours on the site. In due time before a safety tour, Contractor shall invite Purchaser to participate in the tour. In case Contractor discovers non-compliance with EHS provisions, it shall restore compliance without undue delay.

f. Upon Purchaser's request, Contractor shall grant Purchaser access to all documents related to health and safety connected with the Works.

g. The rights of the Purchaser under this clause are in addition to all other rights and remedy of the Purchaser.

h. Without limiting any other rights, the Purchaser may have, the Purchaser may suspend the Contractor immediately or terminate the Agreement for any violation of EHS requirements.

Purchaser reserves the right to bar any Personnel from the site for security, health and safety reasons.

Annexure: Safety Guidelines for Contractors

Sr. No. 1.	Type of Violation EHS Management – General Points	Amount in INR	(Work to be stopped immediately till correction)
1a.	Absence of contractors Site In-charge	10,000	per instance
1b.	Absence of contractor safety officer at site whenever called by the Customer in the safety meeting	1,000	day
1c.	Failure to appoint Safety Supervisor	1,000	day
1d.	Absence of contractor's execution supervisor during work and for high-risk activities like height work, electrical work etc. as per Siemens CTSH guideline / Safety Essentials.	10,000	occasion
1e.	Failure to report incidents (including near miss) in reporting system and follow up for closure	10,000	occasion
1f.	Working without work permit / clearance	10,000	violation
1g.	For not using PPE at Site / no following safety instructions	1,000	per person per day
1h.	Non-display of caution boards, emergency telephone number at work locations as pe SOP/SWMS	500	per day
1i.	Violation of CTSH / Safety Essential guidelines / EHS RFQ / GCC conditions	10,000	violation
1j.	Horseplay at work	5,000	violation
1k.	Failure to comply with applicable EHS legal requirements (ex. Contractor licence, electrical contractor license, supervisory & wiremen license etc.)	50,000	Per month
1l.	Failure of contractor CEO/Senior management visiting site and reviewing EHS implementation and supporting site team	10,000	Per instance
2.	**Site Electricity**	**Amount in INR**	**(Work to be stopped immediately till correction)**
2a.	Not following six golden rules of electrical safety	10,000	instance
2b.	30mA RCCB not installed	1,000	instance
2c.	Inserting of bare wires into the socket	1,000	instance
2d.	Temporary cable connections with poor joints	1,000	instance
2e.	Improper earthing of electrical appliances	1,000	instance
2f.	Unauthorized and direct tapping of electricity	1,000	instance
2g.	Positive isolation not ensured when repairing electrical equipment	1,000	instance
2h.	Laying wire/cables on roads	1,000	instance
2i.	Electrical work without licensed/competent electrician	10,000	instance
2j.	Use of improper tools / uncalibrated equipment's / substandard test kits	3,000	instance
2k.	Non-use of 24V appliances in confined space	1,000	instance
2l.	DBs, panels etc are not iron clad / are not close tightly (IP rating)	1,000	instance
3.	**Working at Height**	**Amount in INR**	**(Work to be stopped immediately till correction)**
3a.	Working at unprotected edges (staircases, etc)	1,000	instance
3b.	Improper usage of ladder (less than 1m extension above landing point, no maintaining 1:4 ratio)	1,000	instance
3c.	Barricades / covers not provided on open holes pits	1,000	instance
3d.	Aluminium ladder without base rubber bush	1,000	instance
3e.	Absence of lifeline, fall protection provision	1,000	instance
3f.	Usage of re-bar welded unsafe ladders, broken / weak ladders	1,000	instance
3g.	Scaffold not built by experienced person / no Scaffold tag system	1,000	instance
3h.	Non-use of safety net, as required by PTW/SOP	1,000	instance
3i.	Unavailability of safe working platform / boom lift / scissor lift etc.	5,000	instance
3j.	working without anchoring safety harness at height	5,000	instance
4.	**Gas Cutting**	**Amount in INR**	**(Work to be stopped immediately till correction)**
4a.	Gas Cylinders not stored in upright position	1,000	instance

4b.	Flash back arrester, non-return valve an regulator not present/not in working condition.	2,000	instance
4c.	Fail to store cylinder 6m away from fire prone materials.	1,000	instance
4d.	Failure to put cylinders in a cylinder trolley.	1,000	instance
4e.	Damaged hose.	1,000	instance
4f.	Using domestic LPG cylinders	1,000	instance
4g.	Failure to use hose clamps	1,000	instance
4h.	Fire extinguisher not placed in the vicinity during gas cutting operation	1,000	instance
5	**Hot work - Welding**	**Amount in INR**	**(Work to be stopped immediately till correction)**
5a.	Improper grounding and return path.	1,000	instance
5b.	Non-availability of main switch control to switch off power to the welding unit	1,000	instance
5c.	Damaged electrode holder	1,000	instance
5d.	Damaged welding cable	1,000	instance
5e.	Bare openings in the cable.	1,000	instance
5f.	Non-availability of separate switch in the transformer	1,000	instance
5g.	Usage of reinforced rod as return conductor	1,000	instance
5h.	Fire extinguisher not placed in the vicinity during welding operation	1,000	instance
5i.	30mA RCCB in welding machine - not provided	1,000	instance
5j.	Failure to provide fire blanket, as required by PTW/SOP	1,000	instance
5k.	Use of unsafe power tools (Grinding wheels, cutting wheel, buffing wheel etc.)	1,000	instance
6	**Civil - Excavation**	**Amount in INR**	**(Work to be stopped immediately till correction)**
6a.	Excavated material not stored at least 650mm away from edge of an open excavation	1,000	day
6b.	Not shoring the excavation	1,000	day
6c.	Metal ladders and staircases or ramps not provided for safe access to and egress from excavation exceeds 1.5 meter, as the case may be.	1,000	day
6d.	Trench and excavation not protected against falling of person by hard barricading	1,000	day
6e.	Use of unsafe civil equipment (excavator, piling rig, dumper, tractor, concrete mixer etc.)	10,000	instance
7	**Fire Protection**	**Amount in INR**	**(Work to be stopped immediately till correction)**
7a.	Smoking and open flames in fire prone area	1,000	instance
7b.	Using more than 24V portable electrical appliances in fire (hazardous zones) prone area	1,000	instance
7c.	Absence of fire extinguishers / damaged /empty extinguishers not maintained	1,000	instance
7d.	No proper ventilation in cylinder storage area	1,000	day
7e.	Fire extinguisher placed in a not easily accessible location	1,000	instance
8	**Contractor Vehicles: Traffic Rule Violations**	**Amount in INR**	**(Work to be stopped immediately till correction)**
8a.	Unfit / unlicensed drivers or operators	5,000	instances
8b	Sleeping / resting below parked vehicles	1,000	instances
8c.	Power / hand brakes not in working condition, wheel chokes not applied	1,000	instances
8d.	Over speeding / Rash Driving	2,000	instances
8e.	Use of mobile phone while driving / operation	2,000	instances
8f.	Overloading of vehicles	500	day
8g.	Unlicensed vehicles	500	day
8h.	Absence of reversing alarm	500	day
8i	Absence of fog light (in winter)	500	day
8j.	Not using seat belt	500	instances
8k.	Non-availability of helper / flagman for heavy vehicle o construction equipment.	1,000	day
8l.	Carrying people in unauthorized vehicles like tractors	500	day

9	Lifting Tools & Tackles and Machines	Amount in INR	(Work to be stopped immediately till correction)
9a	Use of lifting tackles, machines without competent person certificate at site	1,000	Instances
9b	Unsafe Rigging practices (Eg; overloading of liftin tools and machines, standing below loads etc)	1,000	Instances
9c	Pulleys, Chain blocks, safety latch etc not anchored securely	1,000	Instances
9d	Guards not provided on rotating /moving parts	1,000	Instances
9e	Improper use of grinder – Eg; cutting wheels surface grinders	1,000	Instances
9f	Signalman without reflective jacket	1,000	Instances
10	**Occupational Health**	**Amount in INR**	**(Work to be stopped immediately till correction)**
10a	Non-availability of first aid box	1,000	instances
10b	Alcohol and drug consumed / abuse in work site	1,000	instances
10c	Non availability of doctor / arrangement with hospital	1,000	day
10d	Failure to conduct medical examination of workers	1,000	day
10e	Workers not having ID card	1,000	day
10f	Smoking inside the construction site (no smoking zone)	500	instance
10g	Allowing worker to work in environment with excessive noise without PPE	500	day
11	**House Keeping**	**Amount in INR**	**(Work to be stopped immediately till correction)**
11a	Stairways, gangways, passageways blocked	500	occasion
11b	Lumber with protruding nails left exposed	500	occasion
11c	Openings unprotected	500	occasion
11d	Office, stores toilet / urinals not properly cleaned and maintained	500	occasion
11e	Required dustbins at appropriate places, not provided / not cleaned	500	occasion
11f	Vehicles /equipment parked / placed on road	500	occasion
11g	obstructing free flow of traffic	500	occasion
11h	Unused surplus cables / steel scraps lying scattered	500	occasion
11i	Wooden scrap, empty wooden cable drums lying scattered	500	occasion
11j	Water stagnation leading to mosquito breeding	500	occasion
12	**Working in Active Track Environment**	**Amount in INR**	**(Work to be stopped immediately till correction)**
12a	Use of Mobile phone while working in track environment	2,000	instances
12b	Working in Track Environment without “Lookout Person”	2,000	instances
12c	Working in Track Environment without identifying “Place of Safety”	1,000	instances
12d	Working in track environment without Siemen approval	2,000	instances
13	**Environment protection**	**Amount in INR**	**(Work to be stopped immediately till correction)**
13a	No provision for storage of hazardous chemicals / secondary containment	1,000	instances
13b	Segregation, storage and disposal of waste not done	1,000	instances
13c	Causing environment pollution (oil spillage, gas release etc.)	3,000	instances
13d	Adequate illumination, air monitoring, environment parameters - not maintained	2,000	instances
14a	**Any EHS violation not falling under category 1 to 13.**	**Amount shall be decided by Siemens authorities (PM/Line manager & BU / Factory EHS officer)**	**instances**

S. No.	Category	Penalty / Consequent action
15.	**Lost Time Case**	1. In the event of a first occurrence of a Lost Time Accident (LTC) attributable to the Contractor's violation of applicable safety requirements, a penalty equivalent to 2.5% of the Order Value (OV), subject to a maximum of INR 500,000, shall be imposed. 2. In the event of second occurrence of a Lost Time Accident (LTC) attributable to the Contractor's violation of applicable safety requirements, a penalty equivalent to 5% of the Order Value (OV), subject to a maximum of INR 800,000, shall be imposed. Note: In addition, Siemens Management reserves the right to determine and implement any further corrective, disciplinary, commercial, or contractual actions deemed appropriate based on the severity and circumstances of the incident.
16.	**Fatal case**	A Penalty of 10% of OV subject to Rs.10,00,000 max. + Contract termination + Blocking in Siemens system. Note: In addition, Siemens Management reserves the right to determine and implement any further corrective, disciplinary, commercial, or contractual actions deemed appropriate based on the severity and circumstances of the incident.

17. Bonus Clause:

Also following Matrix for bonus (amount recommended Rs. 50,000 or 1% of OV whichever is lower) may be implemented on yearly basis to promote good EHS performance of the contractor. Pro rata bonus payments are permissible.

Note: Siemens Management reserves the right to determine applicability & implementation of Bonus as per contractor performance.

S. No.	KPI	Criteria	Weightage
(i)	Site kick off meeting done & action points completed	MoM signed off and action points sign off by Siemens EHS officer.	20%
(ii)	UAUC / Near miss reporting	At least 50 per month, signed off by Siemens EHS officer	20%
(iii)	No reportable incident	During entire duration of the contract	20%
(iv)	Contractor supervisor & EHS officer available and SITRUST trained	Confirmation by Siemens site manager	20%
(v)	Contractor EHS performance score > 8.	Evaluation by using defined 12-point checklist	20%