

## Appendix I of Schedule "A" Terms and Conditions of Local Content

## الملحق رقم ١ للجدول "أ" شروط واحكام المحتوى المحلي

**i. Definitions:**

**Local content plan:** A template that is filled out by CONTRACTOR which reflects the proportion of the planned local content accessed during the CONTRACT execution period.

**Audit Firm:** One of the legal accounting offices approved by the COMPANY for auditing and verifying the accuracy of data related to local content submitted by CONTRACTOR.

**Local Content:** is the total spend in the Kingdom of Saudi Arabia on Saudi components including labor, goods, services, assets and technology.

**Base of Local Content:** is the minimum acceptable level of total spending in the elements of the workforce, goods and services, assets and technology.

**ii. General provisions:**

1. CONTRACTOR's commitment shall be at the level of the overall percentage of the local content and not on the inputs that are used to calculate the overall percentage of the local content.
2. Achieving the overall percentage of local content as contained in the local content plan is an integral part of the contract implementation obligations.
3. In case of that CONTRACTOR breaches its obligation to comply with the local content requirements, will lead to apply the fines below.

**iii. Local content plan:**

1. The bidder must follow the instructions mentioned in the local content plan guidelines attached to the Instructions to Bidders.
2. The submitted plan data must be consistent with what is reflected in the financial statements of the entity and according to the rules of Saudi Organization for Certified Public Accountants.
3. The local content plan should reflect the ratio of the local content out of the total expenses in this CONTRACT (CONTRACT level, not entity level), according to the local content plan.

**iv. Validation of data:**

1. COMPANY has the right to conduct the audit and approve local content reports or to use audit firm approved by the COMPANY.
2. CONTRACTOR must provide all information and documents that prove the accuracy of the data provided in the local content plan, upon request by the COMPANY or audit firm.

**v. Follow-up the performance:**

1. The local content plan audit report shall be issued within a period not exceeding 60 days from CONTRACT Final Acceptance/Expiry date.
2. The percentage of local content reached in the final report is the reference in determining the CONTRACTOR's compliance with the local content plan.

## أولاً - التعريفات

خطة المحتوى المحلي: نموذج يتم تعبئته من قبل مقدم العطاء ويعكس نسبة المحتوى المحلي المخطط الوصول لها خلال فترة تنفيذ العقد.  
مكتب التدقيق: أحد مكاتب المحاسبة القانونية المعتمدة من قبل الشركة للتدقيق والتأكد من صحة البيانات المتعلقة بالمحتوى المحلي والمقدمة من قبل المقاول.  
المحتوى المحلي: إجمالي الإنفاق في المملكة العربية السعودية من خلال مشاركة العناصر السعودية في القوى العاملة والسلع والخدمات والأصول والتقنية.  
خط الأساس للمحتوى المحلي: هو الحد الأدنى المقبول من إجمالي الإنفاق من خلال المشاركة في عناصر القوى العاملة والسلع والخدمات والأصول والتقنية.

## ثانياً - أحكام عامة

1. يكون التزام المقاول على مستوى النسبة الإجمالية للمحتوى المحلي وليس على المدخلات التي بناءً عليها تم احتساب النسبة.
2. يعتبر تحقيق النسبة الإجمالية للمحتوى المحلي حسب ما تضمنته خطة المحتوى المحلي جزء لا يتجزأ من التزامات تنفيذ العقد.
3. في حال أخل المقاول بالتزامه حيال متطلبات المحتوى المحلي، فإن ذلك يعتبر إخلالاً جوهرياً بالعقد حيث تطبق عليه الغرامات الواردة أدناه.

## ثالثاً - خطة المحتوى المحلي

1. يتوجب على مقدم العطاء اتباع التعليمات المذكورة في الدليل الإرشادي لتعبئة نموذج قياس المحتوى المحلي المرفق بالتعليمات الى مقدمي العطاءات.
2. يجب أن تكون بيانات الخطة المقدمة متوافقة مع ما يتم عكسه في القوائم المالية للمنشأة وحسب قواعد الهيئة السعودية للمحاسبين القانونيين.
3. ينبغي أن تعكس خطة المحتوى المحلي نسبة المحتوى المحلي من إجمالي نفقات المقاول في هذا العقد (أي على مستوى العقد وليس على مستوى المنشأة)، وفقاً لنموذج خطة المحتوى المحلي.

## رابعاً - التحقق من صحة البيانات

1. يحق للشركة التدقيق واعتماد تقارير المحتوى المحلي أو الاستعانة بمكتب تدقيق معتمد من الشركة.
2. يلتزم المقاول بتقديم كافة المعلومات والوثائق التي تثبت صحة البيانات المقدمة في نموذج قياس المحتوى المحلي، وذلك عند طلب الشركة أو مكتب التدقيق ذلك.

## خامساً - متابعة الأداء

1. تقوم الشركة أو الطرف الثالث بإصدار تقرير التدقيق على خطة المحتوى المحلي خلال فترة لا تتجاوز ٦٠ يوم من تاريخ انتهاء العقد/تاريخ الاستلام النهائي للعقد.
2. تعتبر نسبة المحتوى المحلي التي تم التوصل إليها وفق التقرير النهائي هي المرجع في تحديد مدى التزام المقاول بخطة المحتوى المحلي.

**vi. fines**

The below listed fines shall be imposed on CONTRACTOR, except if CONTRACTOR submits acceptable justifications by COMPANY.

Section	The Fine Imposed (SAR)
Compensation of Saudis	(Planned Saudis salary expenses - Actual Saudis salaries expenses)* 50%
KSA supplier development	(Planned local supplier development expenses - Actual local supplier development expenses)* 10%
Local goods and services	(Planned local goods and services expenses - Actual local goods and services expenses)* % for Capital Contract / 30% for Operational Contracts
Training of Saudis	(Planned Saudis training expenses - Actual Saudis training expenses)* 10%
Assets Depreciation	(Planned depreciation expenses of assets – Actual depreciation expenses of assets)* 10%

**vii. Base of Local Content**

The Local Content base shall be applied on the projects listed below:

	Projects	Base
1	Overhead Transmission Line projects (Extra high voltage – high voltage)	35.25%
2	Underground Transmission Line projects (Extra high voltage)	35.3%
3	Underground Transmission Line projects (high voltage)	37.1%
4	Transmission Substation projects (high voltage – 132 kv)	25.6%
5	Transmission Substation projects (Extra high voltage – 380 kv)	15.65%
6	Distribution Network projects	36.5%
7	Combined Cycle Power Plant projects	17.2%
8	Gas Turbine Power Plant projects	17.9%

#### سادساً – الغرامات

تطبق الغرامات حسب الجدول أدناه إلا في حالة تقديم المقاول مبررات مقبولة لدى الشركة:

القسم	الغرامة المفروضة (ريال سعودي)
رواتب السعوديين	(مصاريف رواتب السعوديين المخططة – مصاريف رواتب السعوديين الفعلية) * ٥٠%
تطوير الموردين المحليين	(مصاريف تطوير الموردين المحليين المخططة – مصاريف تطوير الموردين المحليين الفعلية) * ١٠%
المنتجات والخدمات الوطنية	(مصاريف المنتجات والخدمات الوطنية المخططة – مصاريف المنتجات والخدمات الوطنية الفعلية) * ٥% (للعقود الرأسمالية / ٣٠% للعقود التشغيلية)
تدريب السعوديين	(مصاريف تدريب السعوديين المخططة – مصاريف تدريب السعوديين الفعلية) * ١٠%
اهلاك الأصول	(مصاريف اهلاك الأصول المخططة – مصاريف اهلاك الأصول الفعلية) * ١٠%

#### سابعاً – خط الأساس للمحتوى المحلي:

يطبق خط أساس للمحتوى المحلي على نطاق الاعمال الموضحة في الجدول أدناه:

م	المشاريع	خط الأساس
١	مشاريع الخطوط الهوائية لشبكة النقل الجهد الفائق والعالي	35.25%
٢	مشاريع الخطوط الأرضية لشبكة نقل الجهد الفائق	35.3%
٣	مشاريع الخطوط الأرضية لشبكة نقل الجهد العالي	37.1%
٤	مشاريع محطات النقل عالية الجهد (132 kv)	25.6%
٥	مشاريع محطات النقل فائقة الجهد (380 kv)	15.65%
٦	مشاريع شبكة التوزيع	36.5%
٧	مشاريع محطات التوليد المركبة	17.2%
٨	مشاريع المحطات الغازية	17.9%

**Schedule "A" – Appendix II**

**SAFETY, HEALTH AND ENVIRONMENTAL REQUIREMENTS**

This Appendix (II) will be considered as an integral part of Schedule "A" of this Contract.

This Appendix (II) has not been translated into Arabic. CONTRACTOR and COMPANY agree to be bound by the English text.

**TABLE OF CONTENTS**

**GENERAL PROVISIONS**

1. COMPLIANCE WITH SAFETY, HEALTH MANAGEMENT SYSTEM (5 Star) AND ENVIRONMENTAL REQUIREMENTS
2. DEVIATION FROM SAFETY AND ENVIRONMENTAL REQUIREMENTS
3. FAILURE TO COMPLY
4. COMPANY ASSISTANCE

**SECTION I - SAFETY AND HEALTH REQUIREMENTS:**

1. LOSS PREVENTION PROGRAM
2. WORK PERMITS
3. WELDING AND CUTTING EQUIPMENT
4. PERSONAL PROTECTIVE EQUIPMENT
5. TOOLS AND PORTABLE POWER TOOLS
٦. LADDERS
٧. SCAFFOLDING
٨. ELECTRICAL INSTALLATIONS AND EQUIPMENT
٩. CRANES AND RIGGING EQUIPMENT
١٠. MECHANICAL EQUIPMENT
١١. TRANSPORTATION
١٢. INJURY AND DAMAGE REPORTING
١٣. EXCAVATIONS
١٤. FIRE PREVENTION
١٥. FIRST-AID FACILITIES
١٦. TRAFFIC AND PEDESTRIAN CONTROL
١٧. CONTRACTOR CAMPS



الشركة السعودية للكهرباء  
Saudi Electricity Company  
نعمل بإنفاق من أجلكم

## SECTION II - ENVIRONMENTAL REQUIREMENTS:

1. INTRODUCTION
2. APPLICABLE SEC ENGINEERING REQUIREMENT
3. WASTE MANAGEMENT PROGRAM
4. WATER SUPPLY PROTECTION
5. WASTE WATER MANAGEMENT
6. SPILL CONTROL
7. SOLID WASTE MANAGEMENT
8. AIR POLLUTION MITIGATION
9. NOISE CONTROL
10. FOOD SERVICE HYGIENE
11. CAMP SANITATION

## SECTION III - VIOLATIONS





## SAFETY, HEALTH AND ENVIRONMENTAL REQUIREMENTS

### GENERAL PROVISIONS

#### 1. COMPLIANCE WITH SAFETY, HEALTH AND ENVIRONMENTAL REQUIREMENTS

CONTRACTOR and all CONTRACTOR employees, agents and SUBCONTRACTORS shall comply at all times with all applicable Saudi Arabian Government Safety, Health and Environmental Regulations, Standards and Directions, Regional and International Environmental Agreements, Conventions and Protocols ratified by Saudi Arabia.

CONTRACTOR shall also take or cause to be taken any additional measures under the direction of the COMPANY REPRESENTATIVE to prevent the injury or death of any person, or any damage or loss of property, loss of process, or damage to the environment during CONTRACTOR's performance of the WORK.

COMPANY reserves the right to monitor and inspect any WORK SITE, lay down yard, fabrication yard, clinic, camp, office, accommodation and dining facility (on or off COMPANY property) for compliance with the above stated Safety, Health and Environmental Requirements.

#### 2. DEVIATION FROM SAFETY, HEALTH AND ENVIRONMENTAL REQUIREMENTS

COMPANY does not accept any responsibilities for any infringement of the General Environmental Regulations and Environmental Standards which may be committed by the CONTRACTOR. Any deviation by CONTRACTOR from the General Environmental Regulations and Environmental Standards (if any) shall be approved, in advance, in writing by the COMPANY REPRESENTATIVE.

#### 3. FAILURE TO COMPLY

Should CONTRACTOR fail to comply with any of the requirements of this Appendix II, COMPANY reserves the right to notify CONTRACTOR of this situation. Upon receiving such notification, CONTRACTOR shall immediately take all necessary corrective actions. Any corrective action shall, unless provided otherwise in this CONTRACT, be taken at CONTRACTOR's expense. The corrective action shall include all expenses of the corrective actions,



الشركة السعودية للكهرباء

Saudi Electricity Company

نعمل بإتقان من أجلكم

penalties imposed by concerned governmental agencies, expenses and damages to people and property, lawsuits and legal and procedural fees. If CONTRACTOR fails to take prompt corrective action, the COMPANY REPRESENTATIVE may direct CONTRACTOR to suspend all or part of the WORK pursuant to Schedule "A" until satisfactory corrective action has been taken. Costs incurred by CONTRACTOR as a result of such WORK suspension shall be solely CONTRACTOR's responsibility, and any resultant CONTRACTOR performance delays shall not be deemed excusable hereunder.

CONTRACTOR shall not be responsible for any pre-existing pollution, contamination or harm to the environment at the WORK SITE. However, unless otherwise directed by COMPANY in writing not to do so, in the event of discovery of any pollution or harm to the environment, CONTRACTOR shall immediately inform COMPANY and take, following the COMPANY's approval, the necessary action to remove the pollution or harm to the environment and COMPANY shall reimburse CONTRACTOR the actual verifiable and auditable costs incurred by CONTRACTOR for the effort and if relevant shall equitably extend the Critical Milestone Dates of the WORK.

#### 4. COMPANY ASSISTANCE

CONTRACTOR may request assistance from COMPANY with respect to obtaining copies of and the implementation of Safety, Health and Environmental Requirements. The COMPANY REPRESENTATIVE (or the COMPANY REPRESENTATIVE'S designated party or parties) may provide assistance to the CONTRACTOR by explaining good safety and environmental practices, pointing out unsafe conditions, and by applying experience and judgment, to assist CONTRACTOR in improving safety and to safeguard the environment. Such assistance by COMPANY shall in no way relieve CONTRACTOR of its responsibilities as set forth in this Appendix II.

### END OF GENERAL PROVISIONS

## SECTION I - SAFETY AND HEALTH REQUIREMENTS:

### 1. LOSS PREVENTION PROGRAM

CONTRACTOR shall prepare and submit a Loss Prevention Program with a job-specific Hazard Identification Plan (HIP), as described in section I-1.3 of the SEC Construction Safety Manual, to the COMPANY REPRESENTATIVE for approval no later than fifteen (15) working days before starting WORK. CONTRACTOR shall ensure full implementation of the Program. CONTRACTOR shall appoint a qualified full-time Safety Supervisor (who is subject to COMPANY approval), fluent in spoken and written English, to coordinate the Loss Prevention Program. He is to be provided with a dedicated means of transportation. The name, qualifications, service vehicle type, phone number, and address of the Safety Supervisor shall be submitted to the COMPANY REPRESENTATIVE for approval and concurrence. The Safety Supervisor shall be frequently present at the WORK site while CONTRACTOR personnel are working.

The Program shall outline specific essential measures to be taken by CONTRACTOR to prevent human injuries, property/equipment damage, loss of process, or damage to the environment and to ensure compliance with this Appendix II.

The Program shall be organized and implemented by each craft or crew supervisor. It shall include a specific plan to hold a documented ten-minute safety discussion, organized and implemented by each craft or crew supervisor at least one day in each working week. These meetings shall be monitored by CONTRACTOR'S management and key staff personnel.

### 2. WORK PERMITS

CONTRACTOR shall obtain a WORK Permit for any WORK to be carried out during each shift in any COMPANY specified "Restricted Area" or as may be required by the COMPANY REPRESENTATIVE. It shall be CONTRACTOR's responsibility to ascertain, in advance, whether the WORK area is designated a Restricted Area. The COMPANY REPRESENTATIVE can give guidance on Restricted Area locations. CONTRACTOR shall only provide qualified and certified craft personnel to execute and/or supervise WORK. WORK Permit courses are provided by the Loss Prevention Department. The certificates of all COMPANY contractors shall be approved by the proponent organization superintendent.

Supervisory personnel or other qualified staff must always be present at the WORK Site while any WORK is in progress. All WORK Permit procedures shall be carried out by CONTRACTOR in accordance with COMPANY 5Star System.

3. WELDING AND CUTTING EQUIPMENT

All welding and cutting equipment shall comply with COMPANY 5Star safety and health management system, and be maintained in good condition. All CONTRACTOR welders or welding operators shall be qualified and certified

4. PERSONAL PROTECTIVE EQUIPMENT (PPE)

CONTRACTOR shall, as a minimum, provide, maintain and enforce the use of the items of personal protective equipment (PPE) as required by COMPANY 5Star safety and health management system. CONTRACTOR shall comply with these requirements and all PPE requirements stipulated by the manufacturer of the hazardous/toxic material. Specifications of all PPE to be used by the CONTRACTOR shall be included in the CONTRACTOR'S Loss Prevention Program submitted for review.

5. TOOLS AND PORTABLE POWER TOOLS

Tools shall be equipped with proper safeguards and used only in applications for which they were designed. All tools (including portable power tools) shall be free from any defect and maintained in a good operating condition. COMPANY reserves the right to reject, remove from site or destroy tools and portable power tools found to be defective or of substandard quality. "Homemade", including "Shop-made", tools are strictly prohibited.

٦. LADDERS

CONTRACTOR shall ensure that only metal, fiberglass, or timber ladders meeting COMPANY 5Star safety and health management system (standard 2.4 ladders, stairs, walkways and scaffolding) are provided and used for ingress to and egress from WORK places, where other means of ingress and egress are not available.

٧. SCAFFOLDING

CONTRACTOR shall ensure that all scaffolding WORK and materials are in full compliance with the COMPANY 5Star safety and health management system standard 2.4 ladders, stairs, walkways and scaffolding.

٨. ELECTRICAL INSTALLATIONS AND EQUIPMENT

All material and equipment used in temporary electrical installations shall meet COMPANY 5Star safety and health management system standard 2.12 General Electrical Installations and Flameproof

٩. CRANES AND RIGGING EQUIPMENT

CONTRACTOR shall ensure that all lifting devices and every part thereof, including all equipment used for anchoring or fixing such devices, shall be in good mechanical operating condition, free from any defect, and constructed of materials with a specified strength suitable for the intended use. CONTRACTOR shall also ensure that such lifting devices are properly inspected, maintained, and affixed with COMPANY certification stickers. All chains, hooks, slings, shackles and other equipment on a lifting device used for raising or lowering shall be of a COMPANY approved type and maintained in good condition. All cranes and elevating/lifting equipment shall be inspected and certified by COMPANY before being permitted to operate on COMPANY projects. All mobile heavy equipment and crane operators shall possess a valid Kingdom of Saudi Arabia specific heavy equipment operator's license and be certified by COMPANY to operate such equipment. Riggers that are certified by COMPANY shall be provided for all lifts.

١٠. MECHANICAL EQUIPMENT

All of CONTRACTOR's and SUBCONTRACTOR's construction and installation equipment shall be suitable for the safe and efficient performance of the WORK.

All such equipment may be subject to inspection/calibration from time to time by COMPANY or other regulatory organizations. Any such equipment which is rejected as not conforming to the foregoing shall be promptly removed from the WORK SITE by CONTRACTOR and replaced with equipment acceptable to COMPANY without additional cost to COMPANY and without delay in completion of the WORK.

All moving parts of any equipment shall be securely guarded to prevent access to these parts by persons working on or passing through the WORK Site.

١١. TRANSPORTATION

CONTRACTOR shall ensure that passengers shall travel only in vehicles that are provided with passenger seats. This requirement shall apply for travel to and from any WORK Site, and at the WORK Site itself. Seat belts shall be installed



الشركة السعودية للكهرباء  
Saudi Electricity Company  
نعمل بإتقان من أجلكم

for all seats and used in all vehicles carrying personnel (except in the case of buses where seat belts are mandatory only for the driver).

The towing of small equipment, such as compressors, welding machines, etc., is allowed, but only after the equipment is properly and safely connected to the tow vehicle (i.e. all safety pins, safety chains, shackles and brake/indicator lights are in place). The towing speed of the vehicle shall not exceed 40 kilometers per hour at any time within COMPANY facilities and project sites. For highway travel, such equipment shall not be towed, but shall be carried in a flat bed truck, etc.

CONTRACTOR shall comply with all pertinent requirements of the Saudi Arabia Government traffic regulations for transporting materials and supplies.

#### ١٢. INJURY AND DAMAGE REPORTING

CONTRACTOR shall ensure that an immediate oral report and preliminary written report is made to the COMPANY REPRESENTATIVE as per COMPANY 5Star safety and health management system standard 4.2 Accident Reporting and Investigation.

#### ١٣. EXCAVATIONS

CONTRACTOR shall ensure that all excavation WORK is carried out according to the requirements of COMPANY 5Star safety and health management system standard 2.27 Excavation and trenching.

#### ١٤. FIRE PREVENTION

CONTRACTOR shall provide and maintain in good working order suitable firefighting equipment according to COMPANY 5Star safety and health management system. All CONTRACTOR personnel shall be properly trained in the use of such equipment. Storage, laydown and fabrication yards shall be laid out in accordance with COMPANY 5Star safety and health management system standards.

#### ١٥. FIRST-AID FACILITIES

CONTRACTOR shall provide and maintain adequate first-aid facilities at the WORK Site in accordance with COMPANY 5Star safety and health management system standard 5.6 First Aid Responder and Facilities and standard 5.7 First Aid Training.



الشركة السعودية للكهرباء  
Saudi Electricity Company  
نعمل بإتقان من أجلكم

١٦. TRAFFIC AND PEDESTRIAN CONTROL

Any construction work which will affect vehicle or pedestrian traffic in any way shall be done in accordance with the Saudi Arabia Government General Department of Traffic and COMPANY 5Star safety and health management system.

١٧. CONTRACTOR CAMPS

Prior to the commencement of any contractual activity at any site, CONTRACTOR shall obtain, through the Company REPRESENTATIVE, the requirement of COMPANY 5Star safety and health management system.

COMPANY reserves the right to periodically re-inspect any camp facility to ensure that all COMPANY safety, health and environmental requirements are being complied with.

END OF SECTION I

## SECTION II - ENVIRONMENTAL REQUIREMENTS:

### 1. INTRODUCTION

This section covers various Environmental Regulations, rules, Standards and Directions/decisions applicable in the Kingdom of Saudi Arabia regarding the environment including the General Environmental Law and its implementing regulations that CONTRACTOR shall meet during the execution of the WORK inside/outside COMPANY sites, construction sites, and CONTRACTOR camps located on COMPANY controlled land.

### 2. APPLICABLE FOR COMPANY REQUIREMENTS

- 2.1 CONTRACTOR must acquaint itself with all applicable Environmental Regulations, Standards and Requirements relevant to the WORK.
- 2.2 If current environmental Regulations and Standards do not cover a specific situation, CONTRACTOR shall contact COMPANY REPRESENTATIVE for guidance and resolution.
- 2.3 CONTRACTOR is responsible to conduct any required testing and obtain all operating licenses from the competent/concerned agencies for all CONTRACTOR equipment and activities that might have negative impacts on the environment, as specified in the General Environmental Regulations, Rules of Implementations, Appendices and Standards.
- 2.4 CONTRACTOR shall implement the recommendations and conditions of the approved ESIA study for the project (if any).
- 2.5 CONTRACTOR shall appoint a qualified Environmental Coordinator and obtain approval from COMPANY Industrial Security Department in the Operating Area before commencing the WORK. The name and address of the Environmental Coordinator shall be submitted to the COMPANY REPRESENTATIVE before commencing the WORK.
- 2.6 CONTRACTOR shall submit periodic environmental reports to the Project Management; at least one report per month. The reports shall describe, as minimum, all CONTRACTOR activities and equipment that could have an impact on the environment, the mitigation measures, residual impacts, environmental pollution incidents and management of same, environmental monitoring and testing conducted by CONTRACTOR, permits and certificates obtained from the competent/concerned agencies.



3. WASTE MANAGEMENT PROGRAM

Concurrent with the preparation of the initial WORK Schedule, CONTRACTOR shall prepare and submit for review to the COMPANY REPRESENTATIVE a "Waste Management Program" that details sources and disposal methods for all liquid and solid wastes. This Program shall be in accordance with the General Environmental Regulations and Rules of Implementations, its appendices, any conditions imposed by General Authority of Meteorology and Environment (PME), and the recommendations of the Project Environmental Impact Assessment Study (if available).

4. WATER SUPPLY PROTECTION

CONTRACTOR shall properly protect all ground and surface waters within and around the WORK SITE. CONTRACTOR shall implement all relevant clauses in the General Environmental Regulations and Rules for Implementation, Industrial and Municipal Wastewater Discharges Standards and Ambient Water Quality Standards, Environmental Construction Permit conditions and the approved Environmental and Social Impact Assessment (ESIA) recommendations to ensure that water sources and supplies are not contaminated. CONTRACTOR shall collect, analyze water samples and prepare reports to verify compliance with regulations. CONTRACTOR shall also optimize the usage of water in the WORK SITE and CONTRACTOR's facilities by monitoring water use and installing water usage efficiency devices.

5. WASTEWATER MANAGEMENT

The basic design of all wastewater treatment units and the disposal of sanitary/industrial wastewater shall comply with the following:

- 5.1 General Environmental Regulations and Rules for Implementation,
- 5.2 Appendix-4 of the General Environmental Regulations "Hazardous Waste Control Rules and Procedures - Document 01- 1423",
- 5.3 Industrial and Municipal Wastewater Discharges Standards,
- 5.4 Ambient Water Quality Standards,
- 5.5 The Royal Commission of Jubail and Yanbu "Royal Commission Environmental Regulations – RCER 2015 Vol I", and Saudi Aramco Environmental Regulations and Standards for WORK inside and around the Royal Commission of Jubail and Yanbu and Saudi Aramco jurisdictions,
- 5.6 The Regional Organization for the Protection of the Marine Environment (ROPME) Protocol Concerning Marine Pollution Resulting from Exploration and Exploitation of the Continental Shelf,
- 5.7 The Regional Organization for the Conservation of the Environment of the Red Sea and Gulf of Aden Protocol,

- 5.8 PME Construction Permit conditions,
- 5.9 The recommendations of the approved ESIA.

## 6. MANAGEMENT OF ENVIRONMENTAL INCIDENTS

- 6.1 Before the commencement of WORK, CONTRACTOR shall prepare WORK SITE Emergency Response Plan and send it for COMPANY approval.
- 6.2 CONTRACTOR shall provide all equipment, materials, facilities and supplies necessary to manage environmental incidents as per the COMPANY-approved Emergency Response Plan.
- 6.3 CONTRACTOR shall provide adequate emergency response training for CONTRACTOR WORK SITE staff. Part of the training shall include periodic environmental emergency drills conducted with the coordination of COMPANY and other agencies as directed by COMPANY.
- 6.4 In the event of an inland or coastal oil spill, the Emergency Response Plan of the specific WORK SITE shall be followed.
- 6.5 CONTRACTOR shall take immediate action to stop, confine and contain a spill and promptly notify COMPANY and the appropriate parties as provided for in the Emergency Response Plan of the specific site.
- 6.6 Response of an environmental emergency shall also include recovery of the spilt hazardous material, clean-up and restoration to normal of the contaminated areas, disposal of contaminated soil and cleaning/absorption materials by a PME-qualified contractor, rehabilitation of the incident site and preparation of a report on the incident.

## 7. SOLID WASTE MANAGEMENT

### 7.1 Waste Disposal Program

The solid waste portion of CONTRACTOR's Waste Disposal Program shall include provisions for temporary site storage, collection, transportation and disposal practices all in line with the General Environmental Regulations and Rules for Implementation, Appendix-4 of the General Environmental Regulations "Hazardous Waste Control Rules and Procedures - Document 01- 1423", and MOMRA "Municipal Solid Waste Management Regulations".

### 7.2 Waste classification will be according to the following:

- Hazardous Waste - Wastes which constitute a high degree of hazard to the public health and the environment. These include

materials which are flammable, corrosive, reactive, toxic, radioactive, infectious, carcinogenic, mutagenic or teratogenic and sludge; as detailed in Appendix-4 of the General Environmental Regulations "Hazardous Waste Control Rules and Procedures - Document 01- 1423".

- Non-Hazardous Waste Wastes which do not constitute a high degree of hazard to the public health and the environment. These include domestic sanitary waste water, final discharge of treated industrial wastewater, inert waste, commercial and industrial garbage, wastes that have been recycled in an acceptable manner, as detailed in Appendix-4 of the General Environmental Regulations "Hazardous Waste Control Rules and Procedures - Document 01- 1423".

When COMPANY facility is located inside the Royal Commission or Saudi Aramco area, the relevant waste management regulations shall be strictly followed by CONTRACTOR.

## 7.2 Hazardous Waste Storage and Handling

- 7.2.1 CONTRACTOR shall, when applicable, use Appendix-4 of the General Environmental Regulations "Hazardous Waste Control Rules and Procedures - Document 01- 1423", for its operations involving Hazardous Waste Storage and Handling :  
CONTRACTOR shall, in conjunction with the initial WORK Schedule, prepare and submit for review to Company REPRESENTATIVE the design, construction and method of operation hazardous waste storage and handling equipment and facilities as part of the waste management program (paragraph 3, Section II of Appendix II ).
- 7.2.2 All hazardous waste shall be stored in tightly closed, leak proof containers made of or lined with materials which are compatible with the hazardous waste to be stored. Containers shall be marked with warning labels to accurately describe their contents and detail appropriate safety precautions.
- 7.2.3 Incompatible hazardous wastes shall not be stored in the same storage or transportation container. The COMPANY REPRESENTATIVE will assist in determining the compatibility of the wastes.

- 7.2.4 Hazardous chemicals shall be stored and handled in accordance with - the manufacturer's Safety Data sheet (SDS) or as defined by the COMPANY REPRESENTATIVE.
- 7.2.5 CONTRACTOR shall have readily available all the relevant SDS's at the chemical storage area and the location where chemicals are being used.

7.3 Method of Waste Collection and Disposal

- 7.3.1 Municipal and non-hazardous construction wastes shall be transported by CONTRACTOR to disposal areas in vehicles equipped to minimize windblown debris.
- 7.3.2 CONTRACTOR shall promptly clean up all spillages and waste lost from the vehicle on route to the disposal site.
- 7.3.3 Hazardous waste containers shall be collected and transported by a qualified CONTRACTOR in a manner which minimizes environmental, fire and explosion hazards and worker exposure. Transporting vehicles shall be properly marked and drivers shall carry the appropriate documents (waste manifest) describing the nature of the waste transported and its degree of hazard. Hazardous waste must be transported to a licensed COMPANY /CONTRACTOR-owned hazardous waste handling facility.
- 7.3.4 All vehicles and containers shall be designed to prevent the release of transported liquid and solid wastes.
- 7.3.5 Drivers shall have specialized training related to the handling, emergencies and disposal of their cargo and carry on board the relevant SDS's. Safety and fire prevention equipment, appropriate emergency response spill kits and telephone numbers to contact in an emergency shall be provided on the vehicle.

7.5 Solid Waste Disposal

CONTRACTOR shall incorporate the following into its solid waste portion of the "Waste Disposal Program" as minimum requirements during disposal operations:

- 7.5.1 Discharge of Municipal and Construction Waste: Unloading of solid waste shall be confined to a small area as possible to accommodate the number of vehicles using the area without resulting in traffic, personnel, or public safety hazards.
- 7.5.2 Unauthorized Dumping: Provision shall be made to restrict access and dumping of unauthorized material. This includes the overboard dumping of construction debris.
- 7.5.3 The COMPANY REPRESENTATIVE will advise on problematic waste, as required, and provide disposal instructions.
- 7.5.4 Incompatible Wastes: These wastes shall not be placed in common cells, tanks or containment areas. Exceptions to this include the intentional combination of certain hazardous wastes to achieve neutralization and detoxification by qualified waste management personnel.
- 7.5.6 Environmental/Water Pollution: Landfill operations shall not cause or allow the discharge of contaminants into the environment or adversely impact surface or groundwater systems.

## 8. AIR POLLUTION MITIGATION

- 8.1 CONTRACTOR shall comply with PME Mobile Source Emissions Standards, Control of Emissions to Air from Stationary Sources and Ambient Air Quality Standards.
- 8.2 All vehicles shall be properly maintained to minimize excessive exhaust emissions. Non-road mobile equipment and vehicles shall comply with the PME Mobile Source Emissions Standards.
- 8.3 Dust control shall be accomplished by properly wetting the WORK area prior to commencing the WORK and/ or other approved measures.

## 9. NOISE CONTROL

Control of noise shall be accomplished in accordance with the PME Environmental Noise Standards. For construction related noise, CONTRACTOR shall use appropriate abatement and mitigation control measures.



الشركة السعودية للكهرباء  
Saudi Electricity Company  
نعمل بإتقان من أجلكم

10. FOOD SERVICE HYGIENE

CONTRACTOR food service shall comply with the appropriate (Ministry of Municipal and Rural Affairs )(MOMRA) regulations or guidelines related to restaurants and cafeterias.

11. CAMP SANITATION

CONTRACTOR camp sanitation shall comply with the appropriate MOMRA regulations or guidelines related to camp sanitation.

END OF SECTION II



### SECTION III – VIOLATION

COMPANY may in the case of CONTRACTOR 's failure to meet any of the above requirements suspend work or any part thereof until CONTROCTOR perform all corrective work . CONTRACTOR shall not consider time lost as a result of the work suspension as a reason for requesting time extension or cost increase or compensation for damages. Without prejudice to the generality of the forgoing, COMPANY has the right to suspend the work, without liability for compensation, in case of the following violations:

1. Working without fully compliance with isolation, grounding and lock out tag out system.
2. Working without Work permits as per SECTION I - 2.
3. Lack of risk assessment.
4. Working without proper safe work procedures.
5. Working at height without fully compliance with SEC working at height standard.
6. Not wearing proper Personal Protective Equipment PPE when applicable.
7. Assign work to unqualified employees.
8. Not fasten vehicle seat built.
9. Using mobile phone while driving.
10. Working without SEC ID card.
11. Other high risk situations that may cause harm to people, property or environment according to SEC risk assessment.

#### **Safety and Environmental Liabilities:**

CONTRACTOR assumes full liability for and shall compensate COMPANY, its authorized REPRESENTATIVEs, and any or all its employees and shall indemnify and hold them harmless from all claims, lawsuits, losses, legal and procedural fees, expenses or damages to persons or assets resulting from or incurred wholly or partially, either before, during, or after performance of the WORK and directly or indirectly attributed to CONTRACTOR's negligence or actions resulting in harm to the people, equipment's or environment.