

General Contractual Conditions for Works Contracts

1.) Requirements for carrying out works contracts

Orders placed as a works contract are subject to the following requirements, which must be fulfilled and complied with by the contractor:

- Orders placed as a works contract should be carried out independently and autonomously (if a sub-contract is awarded by the contractor, written consent must be obtained from the client's responsible project manager).
- The order and the required (work) result must be defined in writing and include a defined time frame (completion date).
- If there is no written order and specification, this must be requested / the order must be rejected.
- The contractor generally has to fulfill the order with their own resources (including tools), provided this is not ruled out because of the specific work so that resources, at least in part, have to be provided directly by the client for the work to be completed, or insofar as the purchase (or procurement) of the resources is directly through the client for reasons of economy (e.g. for temporarily required specific tools available from the client); in these cases all incurred costs shall be charged correspondingly to the contractor or considered in the contractor's costs estimate.
- The contractor generally has to fulfill the order with their own materials, provided this is not ruled out because of the specific work so that materials, at least in part, have to be provided directly by the client for the work to be completed, or insofar as the purchase (or procurement) of the resources is directly through the client for reasons of economy; in these cases the material value shall be charged correspondingly to the contractor or considered in the contractor's costs estimate.
- In chronological terms, the scheduling of the colleagues deployed in order fulfillment and the materials required is the responsibility of the contractor, whereby the general requirements of the client (e.g.: material quality, completion deadlines, work periods, health and safety, ...) must be complied with.
- The contractor shall establish an independently acting organization for order fulfillment with a person with overall responsibility as contact partner for the client. Any order-related communication shall be through the person with overall responsibility.
- The colleagues engaged by the contractor shall be under the management and supervision of the contractor at all times. When fulfilling the order, the contractor and its employees are not subject to instruction from the client, except with regard to complying with the factory provisions and examining the works fulfillment, access, health and safety matters;
- Additional orders and orders that deviate from the written order, notably verbal instructions to the contractor's employees, should be rejected by the contractor.
- Work and services, which extend or deviate from the written order, are only permitted with separate written order to the person with overall responsibility with the client.
- Liability, warranty and guarantee for performance lies with the contractor.
- In addition, subcontractors have to register with the actual and real company name and the correct address of the subcontractor's branch office when entering the plant; the contractor must report order fulfillment by subcontractors to the client before deployment.

All actions against the order as works contract must be omitted or the contractor must inform client purchasing and the ordering party (PL or IH coordinator) in writing if in its opinion an order represents employee hiring rather than a works contract or if the above criteria are not being complied with.

The contractor shall inform its employees correspondingly and shall indemnify the client in the event of an infringement.

2.) Authorizations

The contractor guarantees that it has corresponding trade authorizations to carry out the work and services offered. In the case of international services, the contractor also guarantees that it has a corresponding, valid notification of services* in accordance with the Austrian Trade Code (Gewerbeordnung - GewO) if the services being provided as defined in s. 94 Austrian GewO represent a regulated business.

2.1 Notification of services

As a company authorized to perform an activity in an EU member state, which is subject to the Austrian Trade Code, the contractor may also temporarily and occasionally perform this activity in Austria. The contractor must note that it must register the intended service with the Federal Ministry for Digital and Economic Affairs (notification of services) before starting work. If the requirements are met, the Federal Ministry enters the registration in the services register. Each authorization is valid for one year and must be renewed annually. The necessary forms are available on the homepage of the Federal Ministry for Digital and Economic Affairs: <https://www.bmdw.gv.at>.

2.2 Social insurance

The contractor also guarantees that all staff employed (including subcontractors) are correctly registered for social insurance and that, depending on the nationality of the employee and the contractor's place of domicile, (i) foreign employees have a residency permit and work permit, or (ii) ZKO registration and also (iii) EU work permit / EU transfer confirmation, as well as proof of proper social insurance.

The contractor notes that contractors, who are not nationals of an EEA member state (or Switzerland), need consent or confirmation pursuant to the Austrian Aliens Employment Act (Ausländerbeschäftigungsgesetz - AuslBG) and a corresponding residency permit with permission to work (pursuant to the Austrian Aliens Police Act (Fremdenpolizeigesetz) or the Settlement and Residence Act (Niederlassungs- und Aufenthaltsgesetz) in order to be allowed to work in Austria.

2.3 Work permit

No later than one week before starting work at the client's site, without prompting the contractor shall present the work permits (exemption certificate, Red-White-Red Card, Red-White-Red Plus Card, Blue Card EU, permanent residency card, work permit, deployment permit, etc.) and any visa pursuant to s. 24 FPG for foreign personnel. For international EU deployment, without prompting the client must be presented with the ZKO registration pursuant to s. 19 Austrian Prevention of Wage and Social Dumping Act (Sozialdumping-Bekämpfungsgesetz - LSD-BG) and, in respect of the contractor's employees from third countries, the EU deployment confirmation / EU transfer confirmation as per s. 18 (12) AuslBG.

The contractor shall comply with the Employee Protection Act (ArbeitnehmerInnenschutzgesetz), the Working Time Act (Arbeitszeitgesetz), the Rest Periods Act (Arbeitsruhegesetz), the Prevention of Wage and Social Dumping Act (Lohn- und Sozialdumping-Bekämpfungsgesetz - LSD-BG), the Temporary Work Act (Arbeitskräfteüberlassungsgesetz - AÜG), the Aliens Employment Act (Ausländerbeschäftigungsgesetz) and the Austrian Aliens Police Act (Fremdenpolizeigesetz).

Please note that

- the corresponding authorizations for the use of foreign employees on site must be obtained timely from the AMS and presented to the responsible project manager or external company coordinator promptly before the start of work.
- subcontracting is only possible if the project manager consents to this by email to the client's purchasing department and the statutory authorization requirements are guaranteed.

- all costs and expenses of any kind, which are incurred by the client and the responsible contractor as a result of non-compliance with Austrian statutory provisions, notably the provisions according to AusIBG or LSD-BG, shall be borne by the contractor.

2.4 Provision of documents for international transfer

The contractor acknowledges that in the case of international services it is required to provide complete, up to date documents according to s. 21 LSD-BG (ZKO registrations, social insurance documents such as a valid A1 insurance confirmation, official permissions) and the wage documents according to s. 22 LSD-BG in physical or electronic form.

The wage documents for each employee: The following wage documents must be provided in German or with a German translation:

- Employment contract (can also be in English rather than in German)
- Instead of the employment contract, a notice of employment according to Directive 91/533 can be provided
- Payslip for each month of execution for the works contract
- Payslips / payment remittances for each month of execution for the works contract
- Wage records*
- Up to date working time records
- Documents relating to wage classification, such as CVs and education certificates.

*Wage records are, in particular: Payroll sheets, wage lists, wage tax cards, health insurance registration and deregistration, holiday and clearance cards, registration and bonus allocation lists and the like. More information is available at https://www.entsendeplattform.at/cms/Z04/Z04_0.

3.) Preventing wage and social dumping

The contractor is required to comply with the Austrian Trade Code (GewO), Employee Protection Act (ASchG), the Work Time Act (AZG), the Rest Periods Act (ARG), Prevention of Wage and Social Dumping Act (LSD-BG), the Temporary Work Act (AÜG), s. 24 the Aliens Police Act (FPG) and the Aliens Employment Act (AusIBG) for its employees and for employees of its subcontractors and shall obtain all required authorizations before starting work. In particular, the contractor shall fulfill the document retention obligations according to sections 21 and 22 LSD-BG and ensure that these documents are available at all times in case of an inspection. The contractor shall also name a responsible person for the client, who can be contacted in the event of an inspection.

For all personnel deployed by the contractor and its subcontractors, the contractor shall obtain valid authorizations according to AusIBG and residency permits (notably according to s. 24 FPG) and for a contractor's employees from the EU/EEA/Switzerland, correctly submitted ZKO notifications and also EU deployment / transfer confirmations for the planned duration and shall present these to the client at least three days before starting work.

The contractor guarantees that the Austrian minimum wage provisions are complied with for its employees and for employees of its subcontractors in accordance with the conditions of the LSD-BG and that compliance with the minimum wage provisions is constantly reviewed.

If there are breaches of the above obligations, which lead to the client being liable, the contractor shall assume liability for this and indemnify the client and its responsible contractor in full and in particular shall also assume the client's costs for legal representation.

4.) Personnel deployment / factory registration

Occupational health and safety is anchored as a corporate value in the Lenzing Group. We therefore consider it a duty to ensure that everyone, who works at Lenzing sites, returns home healthy after their working day. The supplier is aware that occupational health and safety is an integral component of this order. It shall comply with all statutory obligations, the Lenzing safety regulations and the Lenzing Life Saving Rules. A summary of these rules has been presented and provided. In addition, the contractor shall instruct all employees deployed to observe the site-specific safety information, which is provided as part of the site training, and shall also check compliance. In the case of a breach of safety regulations, the client reserves the right to hold a binding safety course at the contractor's cost.

If there are serious or repeated breaches of safety, the client also reserves the right to remove the relevant persons from the site. Any responsibility for the progress of the scope of delivery and works shall also remain unreservedly with the contractor in this case.

The client shall hold a safety course in order to inform the contractor and its employees of health, environmental, operational and construction site-specific risks. The contractor shall be advised here of the current provisions, code of conduct and responsibilities. Through its conduct, and the measures taken by it, the contractor shall ensure the safety of its and all other participating employees in its surroundings. The client's responsible person (external company coordinator) shall announce the safety training in good time. Verification of this must be seamless.

Before working on the site, verification of the safety training course attended and, if necessary, the valid work and residency permits issued, as well as any ZKO registrations, must be presented to the responsible external company coordinator (or a person named by them).

Starting work without the aforementioned authorizations and training in safety provisions is not permitted!

Bringing and consuming alcohol and drugs, as well as smoking on site, are prohibited. Smoking is only allowed where this is expressly permitted.

The contractor is fully responsible for compliance with the alcohol and drugs ban - also for its subcontractors.

Non-compliance shall result in the immediate removal of the relevant personnel.

The client reserves the right to charge any additional costs due to unsafe conduct to the contractor or to cancel the work order at the contractor's cost.

The contractor shall observe the site-specific works safety regulations explained as part of the site training.

Upon request, the works ID issued during accreditation must be clearly visible on the clothing.

The contractor's personnel is authorized to remain only in the allocated areas of the site.

There is a general ban on photography. The client reserves the right to prohibit devices suitable for taking photographs, also mobile phones, from being taken onto the site.

The client reserves the right to search vehicles and bags when entering and exiting the site.

In general, all knowledge gained while on the client's site must be treated as confidential.

If individuals breach this duty of confidentiality, the client reserves the right to remove them from the site. Any responsibility for the progress of the scope of delivery and works shall also remain unreservedly with the contractor in this case.

5.) Concluding conditions

In order to be valid, amendments or addenda to these supplemental agreement works contract conditions shall require the written form.

If individual conditions of this agreement are invalid or become unenforceable, this shall not affect the validity of the remaining conditions. The parties shall cooperate in order to find a condition to replace invalid or unenforceable conditions with valid and enforceable, economically sensible conditions.