



Global Procurement Should Contract & Governance

GCC ed 7° and HSE Terms



The document is only for information, disclosed to facilitate the understanding of the contractual changes made to the contractual standard of Enel Group.

- **GCC 6th edition vs GCC 7th edition**
- HSE Terms 1st edition

(GCC) General Contract Conditions 7th edition

New Clauses



✓ General re-wording of clauses.

✓ New Clauses.

New Clauses	CGC ed 6	GCC ed 7
Contract renewal (art 4.2)	Not present	Tacit extension or automatic contract renewal not accepted anymore.
Bonus (art 9.1.7)		Economic bonus can be assigned.
Governance (art. 25, 26, 27)		New clauses to include performance management, Governance, KPI, Gain Sharing and continuous improvement.
New Annex		New Annex XV Indonesia
HSE clauses	Clauses available in GCC ed 6	Clauses not available in GCC ed7, but moved to HSE Terms, that has been introduced in the contractual structures.

(GCC) General Contract Conditions 7th edition

Updated Clauses in 7th edition



✓ Updated clauses

Updated Clauses	CGC ed 6	GCC ed 7
Termination, Withdrawal and Suspension (Art 16) (before Art 16)	Withdrawal not available for supplier	clauses simplified and balanced towards suppliers (i.e. open to suppliers' withdrawal)
Ethic clauses (Art 29) (before Art 27)	Reciprocity of ethic code not available	Reciprocity of Ethic Code (ENEL can acknowledge the contractor code ethic if it is similar to ENEL ethic code).
Force majeure clauses (Art 17) (before Art. 17)	Distributed in the Countries Annex.	Merged all in general part
Liability (Not present) (Before art. 20)	Unlimited liability of contractor for direct and indirect damages	Removed all the liability clauses. Specific cases will be managed directly in Agreement.
Data protection clauses (in the annex)	Aligned to previous law.	Aligned to GDPR and standardized for the overall perimeter.
Vendor Rating (art. 24) (before Art 25)	ENEL tool was not available	Vendor Rating reviewed clause in order to introduce the ENEL vendor rating application.

- GCC 6th edition vs GCC 7th edition
- **HSE Terms 1st edition**

HSE Terms

Main contents



- ✓ General obligation on occupational law, health, safety and environment
- ✓ Health, Safety and Environmental Plan.
- ✓ HSE organization and responsibility:
 - **HSE key people**: one or more representatives, appointed by the Contractor before Contract activities starting.
 - **Foreman**: one or more representatives, appointed by the Contractor among its personnel during the activities.
 - **HSE reporting focal point**: Contractor should assure a personnel structure with a focal point to comply with Safety and Environmental reporting to Enel.
- ✓ **Special requirements for complex works**
 - Focus on Complex Works activities
- ✓ **Consequences of breaches regarding Health, Safety and Environmental requirements** (termination)
- ✓ **Subcontractors**
- ✓ **Focus on Waste management for Italy**
- ✓ **First Aid, Fire Prevention and Emergency Management**
- ✓ **Vehicles, machinery, equipment, tools and materials**
- ✓ **Chemicals and Hazardous Materials**



Contractual Clauses HSE

Comparison between HSE content of CGC rev.06 and HSE Terms



CGC Ed 6		HSE Terms (main issues)
Termination (art 16 CGC)	Possible termination in case of breach of H&S obligation.	Detailed the cases of termination right for H&S issues. Added termination in case of fatal/severe accident in a different contract or in a company belonging to the same Contractor's parent company. Added Environmental issues.
General requirements and obligations (art18.1 CGC)	<ul style="list-style-type: none"> - Declaration of awareness by Contractor on obligations and conditions. - No alcohol, no smoke, no narcotics or psychotropic substances 	Added: <ul style="list-style-type: none"> - No firearms - Pre-job meeting ENEL/Contractor - Company card for identification - One year driving experience
Penalties (art 18.2 CGC)	Penalties for H&S breaches.	Revision of the previous process in terms of H&S. Added Environmental issues.
HSE organization (art 18.3.1 CGC)	Foreman	Added figures on HSE issues (HSE key people, HSE reporting focal point and HSE Coordinators, if needed)
ENEL Inspections (art 18.3.1 CGC)	ENEL has the right to carry out checks on H&S issues	Added: <ul style="list-style-type: none"> - Environmental issues - Service satisfaction survey by ENEL - Detailed corrective action process - Stop work by ENEL during inspection - Periodical meeting for Non Conformities

Contractual Clauses HSE

Comparison between HSE content of CGC rev.06 and HSE Terms



CGC Ed 6		HSE Terms (main issues)
Worker training and awareness (art 18.3.1 CGC)	<ul style="list-style-type: none"> - Personnel training and qualification - Pre-job check 	Added: <ul style="list-style-type: none"> - Induction on work location
Subcontracting (art 18.4 CGC)	Selection and management requirements for H&S issues.	Revision of the previous process in terms of H&S. Added Environmental issues.
Before:		Now : Clauses clustered in HSE Terms
Environment Protection (art 24 CGC)		Minimum requirements for Environmental protection.
HSE risk assessment		Minimum requirements for the execution of risk assessment and relevant HSE plan. Detailed requirements for the management of interference risks.
Vehicles, machineries, tools and equipment	Requirements differently reported in specific Country Annex.	<ul style="list-style-type: none"> - Requirements on maintenance and correct management - Provide ENEL list of authorized ones - ENEL right to inspect vehicles, machineries. - Id number and contractor logo on vehicles and machineries
Products and chemicals		Detailed requirements on the supply and management of products and chemicals.
Documentation		Provide or make available: H&S plan, Environmental plan, Safety files, data for Safety KPI reporting.