

## 1. GENERAL PRINCIPLES

- a. The legal relations between the Supplier and KWD Automotive AG & Co. KG and its affiliated enterprises pursuant to Section 15 ff. of the German Stock Corporation Act (AktG) (hereinafter referred to as the Buyer) shall be based on the following conditions and any other written agreements. This shall apply whether the contracts relate to the delivery of goods (production materials), the provision of services, the production of a work or combinations thereof. Other standard terms and conditions or deviating provisions introduced by the Supplier shall not apply even if they are not expressly contradicted. The unconditional acceptance of goods or services on the part of the Buyer, or the uncontradicted making of payments by the Buyer, shall not in any circumstances mean any recognition of the Supplier's standard terms of business.
- b. Regarding the nature and scope of the services provided by either Party, the following shall apply in the order given:
  - the terms set out in the order,
  - the other contractual conditions listed in the order,
  - the technical delivery conditions and quality assurance agreements,
  - these Purchasing Terms and Conditions.

## 2. ORDERING, PRICING, SHIPPING, PACKAGING, EXPORT & CUSTOMS REGULATIONS

- a. Orders shall only be valid if made in writing, and made only on the basis of these Purchasing Terms and Conditions. Delivery contracts (order and acceptance), call-off orders and any changes and amendments to them must be made in writing. Call-off orders and changes thereto may also be made by means of remote data transmission or machine-readable data carriers.
- b. If the Supplier does not accept the order within two weeks of receiving it, the Buyer shall be entitled to rescind it. At the latest, call-off orders become binding if the Supplier does not object within three days of their receipt.
- c. The agreed prices shall be fixed prices. The price stated in the order is binding. It shall include all services and ancillary services that are necessary to provide the expected service in full, unless these are to be remunerated separately by agreement. These shall include, without limitation, the cost of auxiliary resources, freight, customs duties, packaging materials, insurance, transport to the place of use specified by the Buyer, taxes and other charges.
- d. The Buyer may demand changes to the goods or services delivered, within the limits of what can reasonably be expected of the Supplier. The Contracting Party may object to the demand for changes if it cannot reasonably be expected to fulfil the demand for changes. The effects of such changes, including but not limited to the additional and reduced costs and the delivery dates, shall be regulated reasonably by mutual agreement. The Supplier shall inform the Buyer without undue delay of any unreasonable elements. If no agreement is reached, we may terminate the Contract on the specific service to be changed without notice if we cannot reasonably be expected to adhere to the Contract without the requested change.
- e. The Supplier shall be obliged to state the order number, order date, unloading point and material number on all shipping documents. Each packaging unit must be labelled as follows:
  - VDA material advice note
  - Order number
  - Designation/quality
  - Part number/dimensions
  - Buyer's article number
  - Number of items/weight
  - Production date
  - QA confirmation

If the required information is missing, this may lead to the shipment being rejected. The costs thus accrued shall be borne by the Supplier.

- f. At the request of the Buyer, the Supplier shall be obliged to inform the Buyer in writing in its business documents, in a legally binding manner, of any licensing requirements under German, European or US export and customs regulations and the export and customs regulations of the goods' country of origin if its goods are exported or re-exported. For this purpose, the Supplier shall provide the Buyer with the following information:
  - the export list number in accordance with Annex AL to the German Foreign Trade and Payments Ordinance (AWV) or comparable classification numbers from relevant export lists,
  - for US goods the ECCN (Export Control Classification Number) as defined in the US Export Administration Regulations (EAR),
  - the commercial origin of its goods (under the Union Customs Code) and the components of its goods, including technology and software,
  - whether the goods have been transported through the USA, manufactured or stored in the USA, or manufactured using US technology,
  - the statistical number (HS Code) of its goods, and
  - a contact person in its company to deal with any queries about technical details and questions about export controls.

On request, the Supplier shall be obliged to provide the Buyer in writing with all further foreign trade data on its goods and their components, and to inform us in writing without undue delay (before any relevant affected goods are delivered) about any changes to the above data.

## 3. PAYMENT

- a. Payment shall only fall due after the goods have been received pursuant to the Contract, and after receipt of a proper, verifiable invoice. The invoice is to be sent to the Buyer in duplicate (with the duplicate marked as such). It must be verifiable and contain the supplier number, the order date and number, the article number(s), the quantity and material number(s), the number and date of the delivery note, additional details regarding the Buyer (account assignment, unloading point) and the contractually agreed price/units of quantity of the invoiced goods. Invoices that do not meet the above requirements may be rejected. They must also fulfil statutory regulations, including, without limitation, regulations on tax law.
- b. Payment shall be made with a 2 % discount on the 25th of the month following the delivery, or within 30 days net. If an early delivery is accepted, the time at which payment falls due shall be based on the agreed delivery date.
- c. If the delivery is incorrect or incomplete, the Buyer shall have the right to withhold payment proportionately until the delivery is properly fulfilled.
- d. Payment shall be made by bank transfer, cheque or a credit or debit process. The timeliness of the payment by the Buyer shall be governed by whether the action required to fulfil the performance has been carried out, e.g. whether the transfer order has been issued to the bank or the cheque has been sent. The application of Section 286(3) of the German Civil Code (BGB) is hereby waived.

## 4. DELIVERY DATES AND DEADLINES/DELAY IN DELIVERY/CONTRACT IMPLEMENTATION

- a. Unless otherwise agreed, the delivery shall generally be carried out at the Supplier's risk until the goods are delivered to the delivery address indicated by the Buyer. The risk shall always be transferred to the Buyer when the goods are accepted by the Buyer or at the indicated place of delivery. This shall also apply if the Buyer assumes the shipping costs in any individual cases, or if the delivery is made "ex works". For every

delivery/service by the Supplier, the goods shall be handed over at the Buyer's reception point in return for confirmation of receipt, unless reception of the delivery/service has been agreed upon separately.

- b. Agreed dates and deadlines are binding. The receipt of the goods/provision of the service at the place of use/place of performance indicated by the Buyer shall decide whether the delivery date or the delivery deadline has been complied with. The Supplier shall provide the goods in due time, taking into consideration the standard time taken for loading and shipping.
- c. The Buyer shall only accept partial deliveries if they have expressly been agreed upon. If partial shipments have been agreed upon, notice must be provided immediately in writing about the remaining items. If the date for partial deliveries of this kind is missed more than twice, the Buyer shall be entitled to withdraw from the Contract and claim damages for non-performance.
- d. If delivery occurs before the agreed date, the Buyer reserves the right to send the goods back at the expense and the risk of the Supplier. If the Buyer does not exercise its right to send the goods back when delivered ahead of time, the goods shall be stored at the Buyer's site at the expense and risk of the Supplier until the agreed delivery date. This shall also apply to goods delivered in excess of the quantities ordered. The Buyer shall not be obliged to accept items delivered in excess.
- e. The delivery may not be made subject to correct and timely delivery to the Supplier. If there is an impending delay in delivery, the Supplier shall inform the Buyer immediately in writing, indicating the reasons for and length of the delay.
- f. The Supplier shall be obliged to compensate the Buyer for damage caused by the delay. The fact that the delayed delivery or performance is accepted shall not constitute a waiver of claims for damage. In accordance with the statutory provisions, the Buyer's right to claim further compensation for damages, to revocation, or to cancellation shall remain unaffected. Unless otherwise stipulated by law, limitation of the duty to compensate for damages shall expressly not be permitted.
- g. A delivery or service may be accepted subject to a later inspection of quantities and quality.
- h. If the delivery lead time is extended or there are repeated delivery difficulties, then whatever other consequences this has, to safeguard its own production, the Buyer may demand that appropriate levels of delivery items are kept in stock ready to be called off. Any costs that may arise shall be borne by the Supplier.
- i. Without prior written consent, the Contractor may not transfer the performance of the Contract to third parties either in whole or in part. If consent is given, the Contractor shall remain fully responsible for the performance of the Contract. The Contractor may also only commission sub-suppliers with prior written consent.

## 5. SERVICES MEETING CRITERIA FOR ACCEPTANCE/SPARE PARTS/CALL CONTRACTS

- a. If services are provided which meet the criteria for acceptance, all the stipulations under the law on contracts to produce a work shall apply which relate to acceptance as regulated there. The same shall apply mutatis mutandis if acceptance has been agreed upon in an individual contract.
- b. The Buyer shall carry out the acceptance inspection in the presence of the Supplier following start-up (production readiness) or following the performance of the service in the Buyer's plant. Following the inspection, handover/transfer records shall be compiled listing the defects found. These records shall be signed by the Parties to the Contract. The defects which were found must be remedied by the Supplier free of charge and without undue delay.
- c. In the case of machines or devices for which the Parties have waived an inspection, the notice period shall be 3

weeks from start-up for obvious defects, or from the moment of discovery for hidden defects. The same shall apply if the inspection cannot be carried out in time for reasons attributable to the Supplier.

- d. The machines/plant/devices shall be handed over at the Buyer's plant by a technician working for the Supplier, who will provide appropriate instructions when they are started up following installation, if such instructions appear necessary or useful. This shall not result in any further costs for the Buyer.
- e. The Supplier expressly guarantees that the spare parts for the machine will be kept in stock for at least 10 years and shall thus be available ex warehouse at short notice.
- f. If the Supplier ceases production of the spare parts, the Supplier commits to surrendering the design documents/drawings to the Buyer on request in return for an appropriate fee, and to using those documents for the production of spare parts for its own use only. The Buyer commits not to make these documents accessible to third parties.
- g. If a call-off contract is concluded with the Contractor, we shall be entitled to call off items as required, in whole or partial batches of any quantity, unless otherwise expressly agreed. There shall be no obligation to call off specific or constant quantities or to place call-off orders at specific or regular dates. Unless otherwise agreed, the call-off term shall correspond to the term of the Contract. The Contractor shall not be entitled to request an earlier call-off. Unless a fixed or minimum purchase quantity has been expressly agreed, there shall be no obligation to call off in full. Estimated purchase quantities shall only be non-binding indications of expected demand. Unless otherwise agreed, the Contractor shall be obliged to keep goods sold on call ready for immediate delivery and to carry out the deliver within three working days or on a date which we specify.

## 6. SERVICES

In addition to the conditions listed, the following shall apply for services:

- a. The Supplier shall provide the specifically commissioned service with the care of a reasonably prudent and diligent businessperson and taking into account the current state of science and technology.
- b. If the Supplier provides its own employees, it shall guarantee that the services are only performed by employees who have the necessary skills, experience and qualifications. If there is any doubt as to whether they are suitably qualified, the Buyer shall be entitled to demand their immediate replacement.
- c. The Buyer shall provide the documents, data and information which are material to the provision of the service. Insufficient cooperation must be reported in writing immediately.
- d. All results relating to the work carried out for the Buyer, including any studies, reports, plans, associated data and documents, shall become the property of the Buyer.
- e. If there is relevant copyright protection for these results, the Supplier shall grant the Buyer the exclusive and unrestricted right to use and exploit them in all known and as yet unknown ways in which they can be used and exploited. This transference of the right to use and exploit these results shall include, but not be limited to, permission to adapt them and to grant third parties licences. This right to use and exploit the results shall persist beyond the duration of the consultancy contract. The Supplier explicitly waives any other rights to the results which it is otherwise entitled to, for example as the author or holder of other intellectual property rights, including, without limitation, the right to be named as the source, the right to adapt the results and the right to grant access to the work.
- f. There shall be no entitlement to separate remuneration for the granted rights of use and exploitation. Instead, the rights of use and exploitation are fully covered by the remuneration.

## 7. FORCE MAJEURE

Obstacles to performance that do not fall under the risks borne by one Party to the Contract shall release the contracting Parties from their performance-related duties for the duration of the disruption and to the extent of its effects. Obstacles to performance include force majeure, riots, acts of war or terrorism, epidemics or pandemics, strikes, industrial disputes including those in companies belonging to the contracting Parties and those of their vicarious agents, lockouts, official measures, transport route blockades, breakdowns of or restrictions to electronic data interchange caused by third parties, third-party cybercrime, or other unpredictable, unavoidable and serious events. If such events occur at a time when the relevant Party to the Contract is in default, these events shall discharge the Party to the Contract from that moment on. Within the limits of what is reasonable, the contracting Parties are obliged to provide required information without undue delay and to adapt their obligations to the changed circumstances in good faith.

## 8. CONFIDENTIALITY/ADVERTISING

- a. The contracting Parties commit to treating all commercial and technical details that have not been made public and of which they become aware through their business relationship as trade secrets. The Supplier may only provide outsiders with information about the value of orders or parts thereof, or about prices for items or subitems, in cases where this is required by law.
- b. This obligation to maintain confidentiality shall remain in place after the business relationship with the Supplier comes to an end. It shall not end before the expiry of any obligations to deliver spare parts and keep them available (see Section 5 of these Purchasing Terms and Conditions). The Parties are at liberty to agree upon stipulations in writing, in a separately concluded non-disclosure agreement, that derogate from and/or supplement the above regulations. The non-disclosure agreement shall take precedence over these Purchasing Terms and Conditions in the event of any contradictory regulations.
- c. The contracting Parties may only advertise their business relationship with prior written consent.
- d.

## 9. INTELLECTUAL PROPERTY RIGHTS

- a. When the deliverables are used in accordance with the Contract, the Supplier shall be liable for all claims arising from the infringement of intellectual property rights and applications for intellectual property protection, at least one of which in the patent family has been published either in the Supplier's country of origin, by the European Patent Office or in one of the countries of the European Community, Switzerland, the UK or the USA.
- b. The Supplier shall indemnify the Buyer from all claims by third parties in respect of the infringement of intellectual property rights and from any costs thus arising for the Buyer to the extent that the Supplier's vicarious agents has or have culpably caused the breach.
- c. On request, the Supplier shall inform the Buyer before the order is placed about the use of its own and any licensed published and unpublished intellectual property rights and applications for property rights in respect of the deliverables.
- d. The Parties to the Contract commit to informing one another without undue delay of any risks of infringement and alleged accidental infringement of which they become aware, and to give one another the opportunity to mutually counteract related claims.
- e. Drawings, models, templates, samples, designs, simulations, manufacturing concepts, tools and other manufacturing equipment that are made available to the Supplier by the Buyer or are paid for in full by the Buyer may not be sold, pledged or passed on to third parties or used in any other way without the Buyer's written consent. They may not be made available or otherwise accessible to unauthorised third parties. The same shall apply to the items produced using this manufacturing

equipment. All the equipment and items named above shall remain the material and intellectual property of the Buyer and shall be returned on the Supplier's own initiative once the Contract is terminated. Insofar as they were made according to the Buyer's instructions, the Buyer shall become the owner after full payment has been made. Sub-suppliers/subcontractors shall be required to comply with these terms.

## 10. GUARANTEE/PERFORMANCE OF THE CONTRACT

- a. Under Section 10, the Supplier is obliged to carry out quality control checks and outgoing goods inspections, and thus to comprehensively check the quality of the parts to be delivered. On receipt, the Buyer shall inspect whether the goods correspond with the order, but only in terms of their identity and completeness, and of any externally visible damage, including, without limitation, transport damage. The Buyer shall give notice of such defects within a reasonable period of time. The Buyer reserves the right to carry out a more extensive incoming goods inspection. Furthermore, the Buyer shall give notice of any defects as soon as they are discovered in the normal course of business. In this respect, the Supplier waives its right to raise the objection of the late notification of defects.
- b. The Supplier assumes the statutory guarantee for defects that occur within 36 months of the goods' delivery to the extent that no other mandatory statutory deadlines apply. Section 434(1) sentences 2 and 3 of the German Civil Code (BGB) shall also apply to contracts to produce a work. The Supplier shall reimburse the Buyer the expenses required for the purposes of remedying the defect pursuant to Section 439(2) of the German Civil Code (BGB) and indemnify the Buyer in advance from any third-party claims for the cost of remedying the defect and for third-party claims for damages based on defective delivery by the Contractor. The costs of remedying the defect shall include, without limitation, the costs of dismantling and reinstalling the defective goods, and of any necessary transport to a place other than the place of performance. The Supplier shall indemnify the Buyer from any third-party claims resulting from a defective delivery by the Contractor, to the extent that it is itself liable to the Buyer.
- c. If the Buyer determines that goods are defective before production begins, the Supplier shall be given the opportunity to sift out the defective goods, repair them or supply replacements, unless this cannot reasonably be expected of the Buyer. If the Supplier is not able to do this, or does not do it immediately, then the Buyer may withdraw from the Contract and return the goods at the Supplier's risk and expense. In urgent cases, the Buyer may carry out the repair itself, or have it carried out by a third party, based on information provided by the Supplier. Any costs that may arise from this shall be borne by the Supplier. If the same goods are delivered with defects again then the Buyer is entitled to withdraw, including from the goods not delivered. To take defensive action against an acute risk of considerable damage, the Buyer may, at the Supplier's expense, remedy the defects itself, have them remedied or procure a replacement without serving notice to the Supplier or setting a deadline if, due to the particular urgency, it is no longer possible to inform the Supplier of the defect and the impending damage and to give it the opportunity to provide cure.
- d. In the case of a contract to produce a work, the Buyer shall still generally have a right to choose how cure is provided unless the Supplier is entitled to refuse the type of cure selected by the Buyer or the Buyer selects a type of cure which cannot reasonably be expected of the Supplier.
- e. At the Supplier's request, the Buyer shall provide it with the parts to be replaced without undue delay and at the Supplier's expense. Unless otherwise agreed, the Buyer shall keep them for at most 30 days. After that time, the Buyer may, at its own discretion, return the goods at the expense of the Supplier, demand storage fees or arrange for them to be scrapped or disposed of.
- f. Claims for defects shall become statute-barred in accordance with the law on the statute of limitations, unless otherwise agreed.

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- g. In the case of defective deliveries, any claims on the part of the Buyer arising from the German Product Liability Act (ProdHaftG), from tort and from agency without specific authorisation shall remain unaffected by this section. Guarantees of quality and durability must be explicitly and individually described as such in writing.
- h. This shall not affect any further statutory and contractual duties to provide a warranty.

#### 11. LIABILITY

- a. Any claims for damages – on whatever legal basis – may only be asserted against the Buyer in the event of wilful or grossly negligent breach of duty. This shall not apply in the event of a breach of material contractual duties, for claims arising from product liability, or for damage to life, body or health which is caused culpably. In the event of a breach of material contractual duties, however, the Buyer's liability shall be limited to the damage typically foreseeable at the time the Contract was concluded. If a claim is asserted against the Buyer by a customer or other third party on the basis of product liability, the Supplier shall be obliged to indemnify the Buyer against these claims on written request to the extent that the damage was caused by a defect in the deliveries/services provided by the Supplier or by a breach of duty for which it is responsible. In cases of fault-based liability, this shall only apply if the Supplier is at fault. The Supplier shall also be obliged to reimburse the Buyer for any expenses pursuant to Sections 683, 670 of the German Civil Code (BGB) which arise from or in connection with a recall campaign. This liability regulation shall not cover claims made on the basis of data protection law.
- b. The principles of Section 254 BGB shall apply to compensation for damage between the Buyer and the Supplier, including in the event of direct claims being made against the Supplier.
- g. If the Buyer wishes to make a claim against the Supplier under the above regulations, the Buyer shall inform and consult with the Supplier immediately and comprehensively. The Buyer shall give the Supplier the opportunity to investigate the damage claim. The Parties to the Contract shall come to an agreement on the steps to be taken, including, without limitation, settlement agreements. In all other respects, the Supplier shall be liable in accordance with statutory provisions.

#### 12. QUALITY

- a. When making its deliveries, the Supplier must comply with the acknowledged rules of technology, safety regulations and the agreed technical data. Changes to the deliverable and/or the production process require the prior written approval of the Buyer. Unless otherwise agreed, deliveries shall be documented using acceptance test certificate 3.1B in accordance with DIN EN 10204.
- b. The type and scope of the inspections and the test equipment and methods shall be agreed between the Supplier and the Buyer unless otherwise agreed.
- c. The Supplier shall also compile special records about vehicle parts which are specifically labelled in the technical documents or in separate agreements, e.g. with a "D", noting when, how and by whom the deliverables have been inspected in terms of characteristics requiring documentation, and what results the required quality tests produced. The inspection documents shall be kept for ten years and presented to the Buyer if required. Within the scope of legal possibilities, the Supplier shall impose the same obligations on its sub-suppliers. For guidance, reference is made to the VDA publication "Documentation and Archiving – Code of practice for the documentation and archiving of quality requirements and quality records".
- d. For first article inspection, reference is made to the VDA publication "Quality Assurance for Supplies – Production process and product approval (PPA) / quality in series production". Notwithstanding the previous sentence, the Supplier must constantly check the quality of the deliverables. The contracting Parties shall keep each other constantly informed about possible ways of improving quality.

- e. If any authorities responsible for vehicle safety, emissions regulations etc. wish to inspect the production process or the Buyer's inspection documents to confirm compliance with specific requirements, the Supplier shall, at the Buyer's request, declare its readiness to grant the same rights at its own company and provide all support that can reasonably be expected.

- f. If the first article inspection is not admissible and has to be repeated in full or in part, the Buyer shall reserve the right to invoice the Supplier for the additional costs thus incurred.

- g. One of the Supplier's responsibilities is to package, transport, store and handle the goods in a manner that prevents their destruction (e.g. due to rust, storing past storage life) and any reduction in their value. In the event of non-compliance, the Supplier shall be fully liable for resulting damage for the Buyer.

- h. The Supplier hereby warrants that the deliverables fully correspond to the specifications and that the Buyer can thus expect all quality requirements to be met during the parts' subsequent processing and delivery.

- i. The Supplier shall grant the Buyer access to all product-relevant workplaces, inspection sites and warehouses and give it access to quality-relevant documents. The Buyer shall accept appropriate restrictions designed to protect the Supplier's trade secrets.

#### 13. ASSIGNMENT/SET-OFF/RETENTION OF TITLE

- a. The Supplier requires prior written consent before it may assign claims or transfer the collection of claims against the Buyer.
- b. The Buyer is entitled to transfer the Contract as a whole, with all rights and duties, to an enterprise affiliated with the Buyer, or to assign individual rights under the Contract to enterprises affiliated with the Buyer.
- c. The Supplier is only entitled to set off claims against undisputed or conclusively legally established claims.
- d. The Supplier may under no circumstances extend or expand its retention of title.

#### 14. INSURANCE

- a. The Supplier hereby commits to taking out public liability insurance and extended product liability insurance at its own expense which covers third-party claims for damage resulting from defective delivery and performance. This shall include damage to property, personal injury and financial loss, e.g. for the cost of additional processing, sifting out, installation, inspection and sorting. The Supplier moreover commits to taking out insurance against vehicle recall costs to reimburse, inter alia, expenses incurred due to notification, transfer, inspection, sorting, storage, deinstallation, installation and destruction in the case of recalls by automotive manufacturers or authorities. The Supplier shall constantly maintain in force the above insurance policies throughout the term of the Contract and ensure that even after the Contract has ended, any damage remains insured which was at least partly caused during the term of the Contract.
- b. The Supplier shall take out sufficient insurance to cover all the above risks – insofar as they are applicable in individual cases – and shall present the insurance policy to the Buyer for inspection on request.

#### 15. INSOLVENCY

- a. The Buyer may withdraw from the Contract in whole or in part, or terminate it in the case of continuing obligations, if the Supplier ceases to fulfil its contractual obligations or if insolvency proceedings or a comparable legal procedure has been applied for by it or, in an admissible manner, by the Supplier or another creditor.
- b. The Buyer shall also be entitled to terminate or withdraw from the Contract if insolvency proceedings are commenced for the Supplier's assets, if comparable proceedings are initiated or if the commencement of such proceedings is refused for insufficiency of assets.

- c. The same shall apply if a significant deterioration in the Supplier's assets takes place or is about to take place that jeopardises the fulfilment of its obligations towards the Buyer.

#### 16. MINIMUM WAGE/SUSTAINABILITY/COMPLIANCE

- a. The Supplier shall ensure that employees commissioned by it or its subcontractors or personnel service providers to fulfil delivery contracts concluded with the Buyer receive the statutory minimum wage under the German Minimum Wage Act (MiLoG) or, if the services to be performed fall within the scope of the German Act on Mandatory Working Conditions for Workers Posted Across Borders and for Workers Regularly Employed in Germany (AentG), that they receive the minimum wage prescribed for the sector in question. The Supplier shall also secure compliance with mandatory obligations to pay contributions to social security institutions, occupational unions and other institutions such as the joint facilities of the parties to the collective agreement described in Section 8 of the AentG. When selecting subcontractors or personnel service providers, the Supplier shall check whether the preconditions are met. Illegal employment of any kind is prohibited.
- b. If a claim is legitimately asserted against the Buyer by an employee of the Supplier or of a subcontractor commissioned by the Supplier on any level of subcontracting, or of a personnel service provider, to pay the minimum wage or sectoral minimum wage as a guarantor, or if a claim to pay contributions is asserted against the Buyer by one of the facilities of the parties to the collective agreement described in Section 8 of the AentG, then the Supplier shall release the Buyer from these claims.
- c. The Supplier shall, moreover, be liable to the Buyer for any damage caused to the Buyer due to culpable non-compliance with the obligations under Section 16.
- d. The Buyer has declared compliance to be a key corporate value. The Buyer thus expects the Supplier to comply with applicable national statutory provisions in the course of the business activities it pursues for and with the Buyer. This shall apply, without limitation, to statutory regulations on occupational and employee safety, on the safeguarding of human rights, on the prohibition of child labour, on criminal liability for corruption and the granting of any kind of undue advantage, on the protection of the environment, etc. The Buyer furthermore expects the Supplier to communicate these principles and requirements to its subcontractors and its own suppliers, and to encourage them also to comply with these laws.
- e. In addition to this, the sustainability standards listed as an annex to these Purchasing Terms and Conditions shall also apply (available at <https://www.kwdag.com/unternehmennachhaltigkeit>).

#### 17. CARE AND RESERVATION OF TITLE FOR MATERIALS PROVIDED

- a. If materials and/or workpieces which are provided are damaged, destroyed or lost on the Contractor's site, the Contractor shall be fully responsible for this and shall compensate us for the resulting damage.
- b. The Contractor shall be responsible for properly storing, safeguarding, insuring and using the materials and/or workpieces provided. It shall be obliged to label our property as such and to store and manage it separately. Our property shall be stored carefully, protecting it inter alia from environmental influences and access by third parties. The Contractor shall be obliged to insure the items which are our property at replacement value and to cover its own costs for damage due to fire, water and theft. The Contractor hereby assigns to us all possible claims for compensation against the insurer or third parties. We accept the assignment.
- c. We reserve title to all materials provided until the delivery has been made in full. Any processing or transformation by the Contractor shall be carried out for us as the manufacturer. If the goods to which we reserve title are combined or processed with other items that do not belong to us, we shall acquire co-ownership of the new thing proportionally to the value of the item to

which we reserve title (purchase price plus sales tax) in relation to the other items processed at the time of processing. If the Contractor acquires sole ownership under statutory regulations, it shall hereby transfer co-ownership to us proportionally based on the share resulting from the relationship between the goods to which we reserve title and the invoice value of the other main item.

- d. The Contractor shall inform us without undue delay if third parties gain access to or intrude upon our property, including, without limitation, in the form of seizure, confiscation or damage, and shall provide us with all the information and documents required for an intervention. The Contractor shall be liable for the expenses incurred to prevent access being gained, including, without limitation, those incurred by the filing of third-party proceedings, to the extent that they cannot be obtained from the petitioning creditor.

#### 18. DATA PROTECTION

- a. When providing the service under the Contract, the Contractor commits to complying with relevant data protection regulations, including, without limitation, the stipulations of the General Data Protection Regulation (GDPR) and the respective national law implementing it, in the role of the controller or the processor. Without prejudice to the other regulations in this Section 16, it shall be responsible for the lawful handling of the personal data that we provide it to perform the services under the Contract. The Contractor shall also be responsible for complying with formal data protection regulations (e.g. naming a data protection officer, carrying out a data protection impact assessment, maintaining records of processing activities).
- b. The Contractor commits only to process the personal data provided by us in a lawful, transparent manner and in good faith, and only in order to perform services under the Contract. No further use of the data is permitted, including, without limitation, use for the Contractor's own purposes or for the purposes of third parties. Furthermore, the Contractor shall restrict the processing in terms of content and time to that which is absolutely, and shall ensure the correctness, integrity and confidentiality of the data.
- c. The Contractor commits to using technical and organisational measures to the extent required by the relevant data protection regulations to maintain the confidentiality, availability, integrity and authenticity of the personal data we provide it with. This commitment shall include data protection by design and data protection by default.
- d. The Contractor commits only to commission employees to perform services under the Contract who have been familiarised with the statutory provisions on data protection and with the specific data protection requirements of our orders and assignments by means of appropriate measures and who, if they are not already subject to appropriate statutory confidentiality obligations, have comprehensively committed in writing to maintain confidentiality.
- e. If the personal data is processed by a processor, the Parties shall conclude a contract with the processor in accordance with the respective legal provisions.

#### 19. GENERAL CONDITIONS

- a. Before the commencement of services, the Contracting Party shall name a party who shall act as our primary contact person for all matters relating to the Contract. We must be informed of any changes in relation to the contact person.
- b. The place of performance for deliveries and payments shall be the Buyer's registered office. The court with jurisdiction for all disputes arising directly or indirectly from a contractual relationship shall be Dresden. The law of the Federal Republic of Germany shall apply exclusively to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).

- c. Verbal agreements made after the Contract is concluded, including, without limitation, amendments and additions to our Purchasing Terms and Conditions, require the written confirmation of the Buyer to become effective. This shall apply to supplements of any kind and also to this clause requiring the written form. This shall not affect the priority of individually agreed terms pursuant to Section 305 b of the German Civil Code (BGB).

- d. If any provision of these Terms and Conditions and any further agreement is or becomes ineffective, this shall not affect the validity of the remaining provisions. The contracting Parties commit to replacing the ineffective provision with a new one best reflecting its intended economic effect.

#### 20. INFORMATION SECURITY

- a. The Contractor undertakes to maintain a suitable information security concept, including a description of the technical and organisational implementation of the minimum requirements for information security. Within the framework of this concept, the Contractor shall ensure adequate protection of the Client's information, taking into account the requirements of applicable standards, such as ISO 27001, and the current state of the art.
- b. Furthermore, the Contractor undertakes to comply with the Client's 'Basic Requirements for Information Security' (available online at: [www.schnellecke.com](http://www.schnellecke.com)).
- c. The Client is entitled to review the information security measures, controls and processes within the Contractor's area of responsibility after giving prior notice. The Contractor shall facilitate and provide appropriate support for such reviews.