

**General Terms and Conditions of Purchase  
and Supplier Sustainability Standards of the  
LINDE + WIEMANN CZ, s.r.o.  
(as part of the LINDE + WIEMANN Group)  
Status: June 2021 (Version 1.1)**

**I. General Terms and Conditions of Purchase**

**1. General**

1.1 These General Terms and Conditions of Purchase ("Purchase Conditions") and Supplier Sustainability Standards of the sites of the Linde + Wiemann Group, comprising the following companies

LINDE + WIEMANN CZ, s.r.o.

(hereinafter also referred to collectively as "L+W")

apply exclusively to entrepreneurs within the meaning of Sections 420 and 421 Czech Civil Code [občanský zákoník] i.e. in particular natural persons or legal entities, which, in respect of the delivery of goods to L+W, are acting in the performance of their commercial or independent professional activities ("Contractors and/or Suppliers").

1.2 These Purchase Conditions apply exclusively. L+W does not recognise general terms and conditions of the Contractor which conflict with or differ from these Purchase Conditions unless L+W has expressly consented to their validity in writing. These Purchase Conditions shall also apply if L+W accepts deliveries of goods by the Contractor or pays for them in the knowledge of terms and conditions of the Contractor which conflict with or differ from these Purchase Conditions. Terms and conditions of the Contractor shall also not apply even if L+W does not separately object to their validity in individual cases.

1.3 These Purchase Conditions also apply to all future deliveries and services of the Contractor to L+W and until new Purchase Conditions of L+W apply.

**2. Quotations, purchase orders, changes, sub-contractors**

2.1 If the Contractor makes a quotation based on an enquiry from L+W, the Contractor shall adhere strictly to L+W's enquiry and, in the case of deviations, shall expressly point them out. If the Contractor makes a quotation, a supply contract shall be concluded only upon express written acceptance of the Contractor's quotation by L+W. If L+W orders from the Contractor, a supply contract shall be concluded upon acceptance of the purchase order by the Contractor or the delivery/service being effected by the Contractor.

2.2 Remuneration for visits for the purpose of making the quotation or preparing quotations, projects etc. shall not be granted unless a remuneration was expressly agreed in writing.

2.3 Supply contracts (quotation and acceptance) and call-offs for delivery as well as their changes and modifications shall only be valid when given in writing. Call-offs for delivery can also be made by remote data transfer.

2.4 If the Contractor fails to accept the purchase order within two weeks of receipt, L+W shall have a right of revocation. Call-offs for delivery shall be binding by its acceptance or expiry of the time period of two weeks after its receipt if the Contractor does not object to them within two weeks of receipt.

2.5 Services/Deliveries, for which no purchase order or written acceptance from L+W in relation to the Contractor's quotation exists (see para. 2.1), shall not bind L+W and shall not be accepted or remunerated by L+W.

2.6 The Contractor is obliged, already when making its quotation, to indicate possible defects and incompleteness (e.g. in L+W's enquiry), especially with regard to compliance with the state of the art of science and technology, design, planning and construction, of provisions relating to environmental protection or technical suitability and feasibility and in respect of the area of application ("fit for purpose") of the delivery item (goods).

2.7 L+W can require changes to the delivery item after conclusion of the contract as well if they are reasonable for the Contractor. In such case, the impact of the changes shall be adequately considered by both parties, especially with regard to additional or reduced costs and delivery dates.

2.8 Deviations in and changes to the delivery item by the Contractor shall only be admissible if the Contractor expressly points them out to L+W in writing and they have been confirmed in writing in advance by L+W.

2.9 The use of third parties for performance of the contract (especially sub-contractors at any level) by the Contractor resp. their exchange shall require the prior written consent of L+W, which L+W may not, however, refuse for no objective reason. An objective reason exists in particular if there are justified indications that the third party does not have the qualifications required to perform the contract properly or does not appear suitable for other reasons to perform properly the tasks which are proposed to be assigned to that third party.

**3. Manufacturing equipment, manufacturing documents**

3.1 Models, testing devices, tools, special systems, moulds, samples, drafts, plans, projects, drawings and other manufacturing equipment or manufacturing documents (collectively "Manufacturing Equipment"), which are made available to the Contractor by L+W or manufactured by L+W, shall remain the property of L+W and - as well as the products manufacturer herewith - may not be used, reproduced or made accessible to third parties by the Contractor without the written consent of L+W for purposes other than for execution of the delivery.

3.2 If the above-mentioned Manufacturing Equipment is manufactured by the Contractor by order of L+W or procured from third parties by the Contractor and the Contractor receives a remuneration for this from L+W, ownership shall pass to L+W at the latest upon full payment of the remuneration. If the Contractor remains in possession of the Manufacturing Equipment or manufacturing documents, these shall be loaned to the Contractor by L+W. In such case, the Contractor shall provide for upkeep, maintenance and insurance for the Manufacturing Equipment at its own expense.

3.3 The Manufacturing Equipment owned by L+W or L+W customers including current documentation relating to the Manufacturing Equipment shall be handed over to L+W at any time on request but shall remain with the Contractor until such request.

3.4 The Contractor shall check Manufacturing Equipment made available by L+W on its own responsibility for usability. This shall also apply to articles provided to the Contractor as contract manufacturer.

3.5 The Contractor shall be liable for damage, deterioration, destruction or loss of Manufacturing Equipment or manufacturing documents according to statutory provisions. The

Contractor shall provide for upkeep, maintenance and insurance for the Manufacturing Equipment at its own expense.

3.6 The Contractor shall label all Manufacturing Equipment owned by L+W clearly and according to L+W's specifications as property of L+W or property of the L+W customer.

3.7 The Contractor shall provide free of charge (manufacturing) drawings and any layout drawings, operation manuals, maintenance instructions, programs etc. and full documentation on equipment, apparatus, machine parts and tools, which are not series-production and subject to wear and tear. L+W shall be entitled thereby to use these documents to manufacture spare parts, make changes to items supplied or the like itself or through third parties.

**4. Confidentiality**

4.1 All business, technical or product-related information, especially calculation data, manufacturing instructions, drawings, internal production information and data of whatever kind made accessible to the Contractor by L+W, including other development or manufacturing characteristics to be taken from any objects, documents or data provided ("Confidential Information") must be kept confidential with respect to third parties and may only be made available to those persons in the Contractor's own company who must necessarily be involved in their use for the purpose of delivery or service to L+W and who are likewise bound in writing to confidentiality, in the case of employees if permitted by labour law. They shall remain exclusively the property of L+W. Sub-contractors of the Contractor shall be accordingly bound. The above provision shall not apply to Confidential Information which is or has become generally accessible or has been or is communicated to the Contractor by a third party authorised to do so without obligation as regards its confidential treatment or which was verifiably known already to the Contractor prior to the date of receipt. If the Contractor invokes one of the above exceptions to the obligation of confidentiality, the burden of proof that this exception exists shall rest with the Contractor.

4.2 The obligation as regards confidentiality shall also survive termination of the business relationship with the Contractor. On no account shall it end before the expiry of any obligations to keep available and supply spare parts (see para. 14.1 of these Purchase Conditions).

4.3 Use of enquiries or purchase orders of L+W, of other correspondence or the existence of a business connection between the Contractor and L+W for advertising purposes shall not be permitted without the prior written consent of L+W.

4.4 The Parties shall be free to agree provisions in writing which are different from and/or supplementary to the above provisions within the scope of a separately concluded non-disclosure agreement. In the case of conflicting provisions, the non-disclosure agreement shall take precedence over these Purchase Conditions.

**5. Property rights and copyrights**

5.1 The Contractor shall indemnify L+W and customers of L+W against third-party claims arising from any infringement of property rights in relation to the Contractor's delivery items, including all documents, illustrations, technical documents and intellectual property etc., provided by the Contractor, and shall bear all costs incurred by L+W in this connection.

5.2 If a property right is infringed, the Contractor shall first have the right to conduct a discussion with the holder of the property right concerning the existence, scope and applicability of the property right and concerning the amount of a reasonable licence fee. The Contractor shall inform L+W about this continuously and promptly.

5.3 If this results in judicial proceedings, L+W shall have the right to join the Contractor as a party to the legal action. If the Contractor loses the legal action through no fault of L+W, the Contractor shall reimburse L+W for the costs of the legal proceedings.

5.4 If the Contractor does not conduct a discussion or the Contractor fails in its efforts concerning a discussion, L+W shall have the right to obtain approval for use of the delivery items and services in question from the holder of the property rights at the Contractor's expense. L+W's right to claim compensation for damage incurred by the defect of title shall remain unabridged.

5.5 If the drawings, samples and other documents compiled by the Contractor according to the specifications of L+W are copyrighted works, the Contractor hereby transfers an exclusive right of use unlimited geographically and in time to L+W.

**6. Quality and documentation**

6.1 The Contractor shall verify in an appropriate form the quality of the delivery item on a continuous basis with the due diligence of prudent commercial judgment. The Contractor shall notify L+W immediately of potential improvements and implement them at L+W's request.

6.2 The Contractor shall comply with the technical specifications of L+W, recognised rules of technology (e.g. DIN standards, applicable Czech technical norms), the EU Machinery Directive and other relevant (work) safety regulations. The same shall apply to quality assurance agreements / regulations concluded separately with L+W. If the nature and scope of testing and testing equipment and methods have not been agreed between the Contractor and L+W, L+W shall be prepared at the Contractor's request to discuss testing with the Contractor on the basis of know-how, experience and capabilities, in order to determine the respectively necessary level of state-of-the-art testing technology. Furthermore, L+W shall notify the Contractor upon request of the safety regulations to be applied.

Specifications as regards the technical data and test regulations shall not release the Contractor from the obligation to supply functional delivery items free from defects and in accordance with the contract.

6.3 The Contractor shall keep specific records for the motor vehicle parts specifically identified (e.g. by "D") in the technical documents or by separate agreement concerning when, how and by whom the delivery items were tested with regard to characteristics subject to documentation and the results produced in the quality tests required. The test documents must be kept according to legal requirements and/or Czech technical norms and submitted to L+W as required. A longer retention period can be agreed by the parties e.g. in a separate quality assurance agreement ("QAA"). The Contractor shall bind upstream suppliers to the same extent. As guidelines, L+W recommends "Volume 1 Documentation and Archiving - Code of practice for the documentation and archiving of quality requirements and quality records" of Verband der Automobilindustrie e.V. (VDA) in the respective latest edition.

6.4 The nature and scope of quality assurance shall be agreed by L+W and the Contractor. It is assumed that the Contractor complies with production-specific test methods customary in the industry.

**7. Prices**

7.1 The agreed prices are net fixed prices and exclude additional claims. Unless a special agreement is concluded, the prices are free of the L+W works specified on the purchase order, duty paid, tax paid (DDP pursuant to Incoterms 2020) including packaging. VAT is not included therein.

7.2 If, contrary to 7.1, reservations of prices are agreed in writing in individual cases, the Contractor shall notify changes in price immediately in writing for approval. In such case, L+W and the Contractor agree that L+W shall have the right to withdraw from the contract if there are changes in price.

7.3 If no prices were fixed in L+W's purchase order, L+W reserves the right to verify and approve the prices invoiced subsequently, even if execution of the supply contract has already commenced. The nature of pricing shall not affect the agreement on the place of performance.

7.4 L+W shall be obliged to pay the price only after the goods have been taken over at the unloading point at the place of destination.

## 8. Delivery dates, default in delivery

8.1 The agreed delivery dates and periods are binding. Compliance with the delivery date or delivery period shall be determined by receipt of the goods at the shipping address stated by L+W or the timeliness of successful acceptance. In the context of delivery by the Contractor to L+W, the Contractor shall provide the goods in due time, taking into account the time for loading and shipment to be agreed with the haulier. Where a calendar week is agreed as delivery date to L+W, the last date shall be Friday of that week. In the absence of an express agreement, the goods shall be delivered to the registered office of the L+W company respectively specified on the purchase order.

8.2 If it becomes clear to the Contractor that an agreed date cannot be complied with, irrespective of the causes of the delay, the Contractor shall notify L+W in writing immediately, stating the reasons and expected duration of the delay.

8.3 The Contractor can invoke the absence of necessary documents to be supplied by L+W only if the Contractor has sent a written reminder about the documents and has not received them within a reasonable time limit.

8.4 If delivery is earlier than agreed, L+W reserves the right to return the goods at the Contractor's expense. If the goods are not returned when delivered early, the goods shall be stored at L+W at the Contractor's expense and risk until the delivery date. Furthermore, L+W reserves the right, in the case of early delivery, to make payment only on the agreed due date.

8.5 Partial deliveries shall only be accepted after express agreement with L+W. Where partial shipments are agreed, the remaining quantity must be specified.

8.6 The Contractor undertakes to notify L+W of incidents involving additional freight charges to be borne by the Contractor.

8.7 If the agreed delivery date is exceeded for reasons which are the responsibility of the Contractor, the Contractor shall pay L+W a contractual penalty of 0.3% of the respective net purchase price of undelivered items per calendar day of default in delivery but at most 5% of the total (net) purchase price. The right to assert higher damage, offsetting the contractual penalty, and/or other rights remains reserved. If the agreed delivery date is exceeded, L+W shall have the right, after setting a reasonable time limit which has expired, at its option to withdraw from the contract and/or require damages in lieu of performance. A time limit shall not have to be set if the Contractor conclusively refuses performance, the parties have agreed a fix-date transaction or there are other reasons which render the setting of a time limit unnecessary.

8.8 In the event of default in delivery, L+W shall also have the right, irrespective of the foregoing rights, at its option, to purchase contract products from other sources during the period of delay at the Contractor's expense and to reduce the call-off delivery to the Contractor by the quantity of contract products purchased in this way without liability with respect to the Contractor or to instruct the Contractor with binding force to procure the missing contract products from third-party sources for L+W at the price agreed with the Contractor. This shall not affect other or further contractual and/or legal rights of L+W.

8.9 Acceptance of a delayed delivery of the contract products by L+W shall not constitute any waiver of claims for damages and contractual penalty.

## 9. Force majeure

9.1 Force majeure i.e. war, riot, strikes, lock-outs, official intervention, power shortages and shortages of raw materials, company obstructions through no fault e.g. due to fire, water, and damage to machinery and any other obstructions which, when considered objectively, were not caused culpably by L+W and which last for longer than one week, shall render the obligation to perform at L+W inapplicable for the period in which the foregoing obstruction exists but L+W shall, however, be obliged to the extent reasonable to give the Contractor information immediately and to notify the Contractor of the scope and impact of the disruption.

9.2 L+W shall be released from the obligation to accept the ordered delivery/service in whole or in part and shall have the right to withdraw from the contract in this respect if the delivery/service can no longer be used, taking into account economic considerations and the justified interests of the Contractor, due to the delay at L+W caused by force majeure resp. the industrial dispute (see para. 9.1).

## 10. Shipment regulations

10.1 Unless otherwise agreed in writing, delivery shall be free to the specified shipping address, including packaging, transport and customs formalities and customs duty (= DDP, para. 7.1). In the case of deliveries where delivery to another delivery works or shipping station is expressly concluded by way of exception, all expenses and cartage incurred until handover to the main haulage contractor shall be borne by the Contractor. L+W shall only bear the pure freight charges.

10.2 Shipment shall be effected at the Contractor's risk unless otherwise agreed. The risk of any deterioration including accidental loss shall remain with the Contractor until delivery to the specified shipping address. The obligation to take back packaging is governed by statutory provisions. The goods must be packed to prevent transport damages. If, based on special agreements, packaging is invoiced, this shall be attributed at the full invoiced value in the case of return freight paid.

10.3 Each shipment must be supplied with a delivery note, stating the following information: L+W purchase order no, item on the purchase order, exact description of the goods, dimensions, number of rings, gross/net weight, material/EDP no, delivery works, if applicable. Furthermore, any works certificates required must be included in the shipment. L+W reserves the right to refuse acceptance of shipments with incomplete delivery papers and to return them at the Contractor's expense as performance not fulfilled. If the Contractor passes the order on, the Contractor shall be liable for the sub-contractor's compliance with these shipment regulations. The sub-contractor shall specify its ordering party on all documents.

## 11. Invoicing and payment

11.1 Invoices shall be submitted separately and in proper form by the Contractor as a single copy, stating the purchase order no, the item, material description and EDP no. and statutory requirements of the Czech law. Invoice copies must be clearly identified as such. L+W shall return

invoices not properly submitted immediately to the Contractor and they shall be deemed received only on the date they are correct.

11.2 If the weights or numbers of items specified on the invoice deviate from the findings made by L+W or the receiving station, the latter shall prevail.

11.3 Unless otherwise agreed, payments shall be made net at the latest within 60 days of the Contractor providing the service and receipt of the invoice by L+W.

11.4 Settlement between L+W and the Contractor can be undertaken, if this was agreed by credit note procedure. Information on this can be obtained from L+W.

11.5 L+W has the right to offset against receivables due, to which L+W is entitled against the Contractor. This shall also apply if the due dates of the mutual claims differ.

11.6 Payments by L+W do not constitute any waiver of the assertion of claims arising from defective performance or other claims of L+W.

11.7 Where a delivery is defective, L+W shall have the right to withhold a proportionate amount of the payment until proper performance.

11.8 In the case of advance payments by L+W, the Contractor shall on request provide appropriate security, for example a guarantee.

11.9 The Contractor shall not have the right, without prior written consent of L+W, which may not be unreasonably withheld, to assign its receivables against it or have them collected by third parties. If the Contractor assigns its receivables against L+W to a third party contrary to sentence 1 without its consent, the assignment shall nevertheless be effective. L+W can, however, at its option with discharging effect, make payment to the Contractor or the third party.

## 12. Proper performance of the contract, recourse

12.1 The specification agreed with the Contractor forms an integral part of the supply contract and can be amended only by mutual consent. Specification is also deemed to be any description of the scope of delivery by the Contractor which is to be considered binding or its drawing. Deviations from the specification by the Contractor shall always be deemed substantial breach of duty unless L+W can put the product itself in a condition in accordance with the specification at only negligible expense.

12.2 The Contractor undertakes to use environmentally friendly products and processes for its deliveries/services and also for supplies or ancillary services of third parties as far as economically and technically feasible. The Contractor is liable for the environmental compatibility of the delivered products and packaging materials and for all consequential damages incurred by the culpable violation of its statutory waste disposal obligations. At the request of L+W, the Contractor shall issue a certificate of composition for the delivered goods.

12.3 The Contractor shall notify L+W of the registration number for all substances subject to registration by virtue of Regulation (EC) No 1907/2006 (REACH Regulation), irrespective of whether these are supplied as substance or part of a preparation. If the Contractor fails to notify a registration number, this shall mean that the delivery does not contain any substance subject to registration. A delivery containing a substance subject to registration without notification of a registration number is defective.

12.4 The Contractor shall carry out quality assurance which in its nature and scope always conforms with the state of the art and shall prove this to L+W in an appropriate form at first request. A corresponding quality assurance agreement on this shall be concluded with L+W at first request from L+W. The parties agree that the incoming goods inspection of L+W pursuant to Section 2104 Czech Civil Code [občanský zákoník] is limited in this respect to externally identifiable transport damages and deviations in quantity. By way of derogation from the law, a period for giving notice of defects of 14 days as of delivery to the specified shipping address (para. 10.1) shall apply in this respect.

12.5 The agreed quality of an item or work also includes characteristics which L+W may expect based on public statements of the seller, company, manufacturer (Section 2939 and following Czech Civil Code) or its agent especially in advertising or when identifying certain characteristics unless they conflict with agreed characteristics. This shall not apply if the Contractor was not aware and also did not have to be aware of the statement, that it had been corrected in an equivalent manner at the time the contract was concluded or that it could affect the decision to purchase.

12.6 L+W has the right to: a) have the defect removed by having a new defect-free thing or a missing thing supplied, b) the removal of the defect by having the thing repaired, c) a reasonable reduction of the purchase price, or d) withdraw from the contract. L+W shall notify the Contractor of the right he has chosen upon the notification of the defect or without undue delay thereafter. L+W may not change the choice made without the consent of the Contractor; this does not apply if the L+W requested the repair of a defect which proves to be irreparable. If the Contractor fails to remove the defects within a reasonable time limit or if he notifies the L+W that he will not remove the defects, the L+W may, instead of having the defects removed, request a reasonable reduction of the purchase price or withdraw from the contract.

12.7 In the case of supplementary performance, L+W shall have the right to have this monitored on site at the Contractor by an own employee.

12.8 If the Contractor fails to remove the defects within a reasonable time limit or if he notifies the L+W that he will not remove the defects, the L+W may, instead of having the defects removed, request a reasonable reduction of the purchase price or withdraw from the contract. L+W can also remedy the defect itself and require reimbursement of the required expenses. Notwithstanding the statutory provision, L+W can, in urgent cases, for which the Contractor is responsible, especially to avert an imminent risk of significant damages, remedy the defect itself at the Contractor's expense, also without determining a period for supplementary performance, if it is no longer possible given the particular urgency to notify the Contractor of the defect and the imminent damage and to set the Contractor a period, albeit it only brief, for own remedy.

12.9 Unless a different agreement was concluded, the limitation period for claims for defects is 36 months as of passing of risk (see paragraph 10.2).

12.10 If a claim is made against L+W due to violation of official safety regulations or by reason of domestic or foreign product liability regulations due to a defectiveness of products which is due to a defective contract product, L+W shall have the right to require compensation for this damage from the Contractor if it has been caused by the contract product. This damage also covers the costs of a precautionary product recall, customary costs of legal defence, inspection costs, installation and removal costs and administrative and other expense of L+W for processing the damage.

12.11 The Contractor shall furthermore be fully liable according to statutory provisions, in particular also in the case of negligence and for indirect damages.



12.12 L+W resp. third parties engaged by L+W shall have the right to carry out an audit at the production sites and branches of the Contractor resp. of the sub-contractors engaged by the Contractor in order to make sure that production resp. manufacturing processes, the work progress for a delivery item, documentation requirements and the quality assurance system of the Contractor satisfy the quality requirements of L+W. The date and procedure for a quality audit shall be determined by mutual agreement, whereby the Contractor must offer L+W an audit date within at the latest one week of L+W's request.

12.13 The Contractor shall insure itself for an adequate amount against all risks arising from product liability including the risk of recall and upon request submit the insurance policy to L+W for inspection.

12.14 L+W's other rights and claims including claims for damages remain unaffected. L+W can also assert these rights if the end customer is not a consumer but a company.

### 13. Guarantee

13.1 The Contractor guarantees for a period of 36 months that all deliveries/services are state of the art, comply with the relevant legal provisions and the regulations and guidelines of authorities, employers' liability insurance associations and trade associations. If deviations from these regulations are necessary in individual cases, the Contractor must obtain written consent for this. This consent of L+W shall not limit the Contractor's liability for defects and/or warranty obligation.

13.2 The Contractor guarantees for a period of 36 months that all deliveries are free from third-party property rights and in particular that the delivery and use of the delivery items do not infringe patents, licences or other third-party property rights within Czech Republic. If the Contractor knows that its products shall also be distributed by L+W in specific countries, the foregoing shall also apply to such countries.

### 14. Supply of spare parts

14.1 The Contractor acknowledges that L+W is generally obliged, after series production of the relevant product ends, to supply its customers with all spare parts for the product for a further 15 years. The Contractor will therefore refrain from disposing equipment and tools during the above mentioned period or will try at its best effort to secure that he is capable to deliver spare parts during that period if L+W so requests.

14.2 The Contractor and L+W will agree on the price of the spare parts as and when required, but in principle the original series price will be used as an orientation standard.

14.3 If production of spare parts is stopped after the period stated in paragraph 14.1 ends, the Contractor undertakes upon request to surrender design documents/drawings to L+W for a reasonable consideration and to use such documents for the production of spare parts solely for own use. L+W undertakes not to make such documents accessible to any third party.

### 15. Heavy metal ban

15.1 The Contractor undertakes to supply L+W only with products which confirm with EU Directive 2000/53/EC of 18.09.2000, taking into account the European Commission Decision of 27.06.2002 (2002/525/EC).

15.2 If the Contractor supplies products containing substances which are covered by the above-mentioned EU Directive, the Contractor undertakes to point out such substances expressly to L+W.

### 16. REACH Regulation

16.1 The Contractor is obliged to comply in all deliveries to L+W with the specifications and requirements resulting from the EU Chemicals Regulation REACH (Regulation EC No 1907/2006 of 30.12.2006) as amended (hereinafter referred to as "REACH Regulation"), in particular the relevant substances must have been registered. L+W is not obliged to obtain authorisation under the REACH Regulation for goods supplied by the Contractor.

16.2 The Contractor warrants that it does not supply any products which contain substances pursuant to

- (a) Appendix 1 to 9 of the REACH Regulation as amended;
- (b) EU Council Decision 2006/507/EC of 14.10.2004 (Stockholm Convention on Persistent Organic Pollutants) as amended;
- (c) Regulation (EC) No 1005/2009 on substances that deplete the ozone layer as amended;
- (d) RoHS (2011/65/EU Restriction of Hazardous Substances) for products pursuant to its scope of application.

If, in the Contractor's view, there are doubts in this respect, the Contractor shall notify L+W of this in advance immediately in writing.

16.3 If the delivery items contain substances which are listed on the so-called "Candidate List of Substances of Very High Concern" ("SVHC List") pursuant to REACH, the Contractor shall be obliged to inform L+W of this in advance immediately in writing and provide L+W with all information required by law. This shall also apply if substances hitherto not listed are included on that list in the case of current deliveries. The respectively current status of the list is decisive. Sentence 2 of 16.2 above applies accordingly.

16.4 If L+W is obliged by reason of Art. 37 Regulation (EC) No 1907/2006 to prepare a chemical safety report and, therefore, requires information from the Contractor regarding substances supplied, the Contractor shall be obliged to provide the requested information within a period of 30 days of receipt of a corresponding request.

### 17. Duty to notify, right to information

17.1 If the Contractor has doubts as to the type of execution requested by L+W, the Contractor shall notify L+W of this immediately in writing.

17.2 If the Contractor offers a product which L+W has already purchased from the Contractor, the Contractor must, notwithstanding further duties to notify, point out changes, without being requested to do so, if the specification has changed compared with a product previously supplied under the same designation.

17.3 The Contractor shall inform L+W, according to Section 3 (1) Act no. 102/2001 Coll., about general safety of products of any information which is important to assess the risk to the safety and health of users of the product or third parties. In so doing, particular account should be taken of the following:

- (a) the characteristics of the product including its composition, packaging, the instructions for its assembly, the installation, maintenance and service life;
- (b) its effects on other products if its use with other products is to be expected;
- (c) its presentation, appearance in trade, labelling, warning notices, user and operating instructions and information on its removal and all other product-related details or information;
- (d) the group of users who are exposed to a greater risk than others when using the product.

### 18. Legal minimum wage, prohibition of illegal employment, compliance, supplier sustainability

18.1 The Contractor shall ensure that the employees used by it or the sub-contractors it uses or personnel service providers to execute supply contracts with L+W are paid the legal minimum wage according to the *Czech law*. The Contractor shall likewise ensure that mandatory obligations to pay contributions to social security institutions, employers' liability insurance associations and other bodies, such as the joint bodies of the parties to the collective agreements, are complied with. The Contractor shall verify compliance with the preconditions pursuant to this paragraph 18.1 when selecting sub-contractors or personnel service providers.

18.2 If claims are justifiably asserted against L+W, as if it was a guarantor, by an employee of the Contractor or an employee of a sub-contractor used by the Contractor, at whatever level, or a personnel service provider, for payment of the legal minimum wage or minimum wage for the industry or by one of the bodies of the parties to the collective agreements for payment of contributions, the Contractor shall indemnify L+W against such claims.

18.3 The Contractor shall furthermore be liable to L+W for any damage arising for L+W because of culpable failure to comply with the obligations pursuant to paragraph 18.1.

18.4 Illegal employment of any nature is prohibited.

18.5 L+W has declared the notion of compliance to be a key company value. L+W expects the Contractor, therefore, to comply with respectively applicable national statutory provisions within the scope of its business activities on behalf of and with L+W. This applies in particular to statutory requirements in relation to industrial safety and employee protection, compliance with human rights, prohibition of child labour, criminality of corruption and the granting of advantages of any kind and in relation to environmental protection etc. Furthermore, L+W expects the Contractor to communicate these principles and requirements to its sub-contractors and suppliers and to encourage them to comply with these laws as well.

18.6 In addition, the Supplier Sustainability Standards of the Linde + Wiemann Group printed hereinafter apply.

### 19. Place of performance and place of jurisdiction

19.1 Unless otherwise expressly agreed, place of performance for the delivery obligation is the shipping address resp. place of use requested by L+W; for all other obligations of both parties, (Lysá nad Labem).

19.2 Exclusive place of jurisdiction is Prague (Prague 8), Czech Republic. L+W can, however, bring an action against the Contractor at its place of general jurisdiction.

### 20. Insolvency/Withdrawal/Change of control

20.1 L+W shall have the right to withdraw from the supply contract in whole or in part if the financial situation of the Contractor deteriorates to such an extent that it is probable that the Contractor shall not fulfil its contractual obligations or shall not do so in due time e.g. when the Contractor's credit ranking at recognised rating agencies such as Creditreform, Moody's, Fitch etc. deteriorates to such an extent that L+W can justifiably, and taking into account the interests of the Contractor, assume that the Contractor shall not fulfil its contractual obligations or shall not do so in due time. Such deterioration exists in particular if the Contractor's credit rating index at Creditreform falls below 499 or the rating at international agencies (Moody's, Fitch etc.) falls to CCC (resp. its equivalent) or lower. The same applies if an insolvency petition has been filed.

20.2 If the withdrawal from the contract is declared because of a violation of the contract due to fault of the Contractor, the services performed by then shall be invoiced at contract prices only if they could and can be used by L+W as intended. Invoicing shall take account of any damage incurred by L+W.

20.3 If a material change occurs in the legal form, management, ownership structure or financial position at the Contractor, which is likely to affect materially the cooperation and execution and fulfilment of the supply contract, which L+W can expect in connection with the performance of the supply contract, L+W shall have the right to withdrawal from the supply contracts already concluded, without L+W incurring costs for this.

20.4 The Contractor is aware that its deliveries/services are generally intended for use by L+W's end customers in the automotive industry. L+W therefore reserves the right - irrespective of other legal claims - to cancel, interrupt or suspend orders with the Contractor if end customers cancel, interrupt or suspend deliveries/services vis-à-vis L+W. L+W shall inform the Contractor of this in writing without delay and provide suitable evidence on request. In the event of termination by L+W, the Contractor shall immediately cease all work and/or other cost-triggering measures, unless - after consultation with L+W - they are absolutely necessary to maintain work results already available; the Contractor shall document the deliveries and services provided up to that point. L+W shall - in addition to the costs for deliveries/services already delivered/provided - also assume the costs for raw materials which the Contractor has already procured on the basis of a written release from L+W or on the basis of a forecast expressly marked by L+W as binding. Further claims of the contractor are excluded. In the event of termination, the Contractor is also obliged to provide L+W with all relevant documents relating to the contract in an orderly compilation at the time of the effectiveness of the termination.

### 21. Applicable law/Language of the contract

21.1 Czech law applies. Applicability of the United Nations Convention on Contracts for the International Sale of Goods of 11.04.1980 (CISG) is excluded.

21.2 Language of the contract is Czech and English, with the English version prevailing.

### 22. Miscellaneous/Data protection

22.1 Verbal agreements after conclusion of the contract, especially subsequent amendments and modifications of our Purchase Conditions, including this written form clause and collateral agreements of any kind, shall only be valid when confirmed in writing by L+W. This shall not affect the precedence of the individual agreement pursuant to Section 1751 Czech Civil Code.

22.2 The parties are responsible for compliance with all relevant statutory data protection provisions, in particular the General Data Protection Regulation (GDPR) and Czech statutory provisions), as well as for the legality of data transfer and data processing of personal data. The parties undertake to process mutually provided personal data exclusively in a legal and transparent manner and exclusively for the provision of the contractual services.

22.3 The Contractor shall keep confidential, without any time limit, all documents and information as well as knowledge on internal matters of the L+W and may them make available to third parties only with written consent of the L+W; all that applies for such time and in such scope unless the documents and information has become general knowledge as result of disclosure or in another way.

## II. Supplier Sustainability Standards

### Preamble

These standards represent requirements for all Linde + Wiemann suppliers regarding human rights, labor standards, business ethics, environmental protection and safety. They have worldwide application and are directed at both product suppliers and service providers. The contents of this document are hereby into the terms of the contracts with our suppliers around the world. Companies are obligated to communicate these requirements to their employees as well as to their own suppliers. Moreover, Linde + Wiemann expects its business partners to observe all applicable laws and regulations.

Our frame of reference encompasses the Universal Declaration of Human Rights and the Global Compact of the United Nations, the Guidelines for Multinational Enterprises of the Organization for Economic Co-operation and Development (OECD) and the conventions of the International Labour Organization (ILO). Linde + Wiemann Group applies the same provisions concerning labor standards, business ethics, environmental protection and safety to its own business operations. They are implemented in the Sustainability Declaration in our Manual.

## 1. Labor Standards

### Observance of Human Rights

Suppliers are obligated to respect internationally recognized human rights and to promote adherence to them. For all business activities within their sphere of influence, suppliers shall make every effort to ensure that they, their business partners and their suppliers do not violate any human rights or become involved in any such violations. **Free Choice of Employment** Forced or compulsory labor is prohibited. Employees must have the freedom to terminate their employment, provided they give reasonable notice.

### Ostracism of Child Labor

Child labor is not allowed at any phase of production or processing. as a minimum, suppliers are requested to comply with the ILO's conventions on minimum employment age and the ban on child labor. Children must not be inhibited in their development. Their health and safety must not be impaired.

### Equal Opportunities/ Ban on Discrimination

Suppliers are obligated to ensure equal opportunity of employment and avoid all forms of discrimination. Discrimination against employees, for instance on the basis of race, origin, nationality, skin color, religion, ideology, political or union activity, gender, sexual orientation, age, disability, disease or pregnancy, is prohibited.

### Freedom of Association and the Right to Collective Bargaining

Companies should preserve freedom of association and actively acknowledge the right to collective bargaining. They must ensure that their employees can discuss working conditions openly with management without fear of punishment. The right of employees to assemble, join a union, appoint representatives and be elected to the union must be respected.

### Fairness in Pay, Working Hours, and Social Benefits

Compensation and social benefits must correspond to the basic principles of minimum wages according to the Czech law, applicable overtime regulations and statutory social benefits. Work hours and time off must, as a minimum, be in conformity with applicable laws, industry standards or relevant ILO conventions, whichever are strictest.

## **Health and Safety at the Workplace**

As employers, suppliers shall ensure health and safety in the workplace at levels no less than those required by national legislation, and shall support the continuous advancement and improvement of working conditions.

## **2. Environmental Protection and Safety**

### **Environmental Responsibility**

When addressing environmental issues, suppliers must follow precautionary principles and take initiatives to promote greater environmental responsibility as well as the development and spread of environmentally friendly technologies.

### **Environmentally Friendly Production**

Optimum environmental protection must be guaranteed during every phase of production. This includes a proactive approach to preventing and minimizing the impact of accidents that may harm the environment. Especially significant in this context are the utilization and continued development of technologies for conserving energy and water, characterized by the use of strategies for reduction of emissions, reuse and recycling of materials.

### **Environmentally Friendly Products**

All products manufactured along the supply chain must meet the environmental standards of their market segments. This applies to the complete product life cycle as well as to all materials used. Chemicals and other substances, which are potentially harmful substances if released into the environment, must be identified. A management system for hazardous materials must be established to enable safe handling, transport, storage recycling, reuse, and disposal of such materials.

### **Product Safety and Quality**

All products and services must meet contractual criteria for quality and active and passive safety upon delivery. They must be used safely in line with their intended purpose.

### **Waste Reduction**

The supplier has a system in place to identify and monitor its waste, such as its emissions to air, water and soil, its solid, liquid waste from its production facilities and packaging materials, with the aim of minimizing its generation

## **3. Business Ethics and Compliance**

### **Adherence to Laws**

We expect the highest level of integrity in all business activities and business relationships. Suppliers are requested to refrain from all forms of fraud or disloyalty, insolvency crimes, corruption, granting of unfair advantages, and giving or taking bribes. Suppliers are obligated to obey all laws and regulations, which apply to them and their business relations with Linde + Wiemann.

**Fair Competition**

Laws that protect and promote competition, in particular laws against restraints on competition, must be adhered to. Companies must respect rules of fair competition and comply with the ban on agreements with competitors or other actions taken to interfere with the free market.

**Avoidance of Conflicts of Interests**

When dealing with business partners, suppliers are obligated to make decisions solely based on objective information and not allow themselves to be influenced by personal or selfish financial interests.

**Safeguarding of Trade Secrets**

Suppliers are obligated to treat as confidential all non-public financial and technical details to which they become privy during the course of the business relations.

**Whistleblowing Policy**

The supplier is required to set up an effective whistleblowing policy and provide internal training on this topic