

## Terms of Purchase

### 1. Scope of application

- 1.1. These Terms of Purchase shall apply as agreed to Deliveries and Services provided by Suppliers to Kontron Transportation France (hereinafter: "KT"), unless and insofar as expressly otherwise stipulated in written agreements concluded individually between KT and the Supplier (each individually hereinafter: "Contracting Party" and jointly: "Contracting Parties"). If and to the extent that individual provisions have been agreed in writing between the Contracting Parties which deviate from or conflict with provisions of these Terms of Purchase, such individual provisions shall take precedence over the respective provisions of the Terms of Purchase. In all other respects, the provisions of the Terms of Purchase shall remain unaffected.
- 1.2. These Terms of Purchase shall also apply if other terms and conditions of the Supplier remain unchallenged. Other terms and conditions of the Supplier or other changes with regard to Deliveries and Services shall only become part of the contract if KT expressly accepts them in writing.
- 1.3. These Terms of Purchase shall also apply to purchase orders pursuant to item 2.
- 1.4. "Supplier" can be any natural or legal person who provides Deliveries and Services to KT or on whose behalf third parties provide Deliveries and Services to KT.
- 1.5. "Deliveries and Services" or "Delivery and Service" in the sense of these Terms of Purchase include all deliveries and/or services, of whatever kind, provided by Suppliers to KT, in particular the transfer of goods (e.g. purchase of hardware, software or software licenses), the provision of services, work deliveries or work services in the areas of communication, digitization and networks (e.g. planning, development, installation, assembly, migration, provision, operation and maintenance, including the creation, adaptation, installation and maintenance of software, such as, in particular, releases, upgrades, updates, patches and/or bug fixes etc.) as well as consulting and support Services, training courses and advanced training events.

### 2. Purchase orders, order confirmations, price adjustments, changes in Deliveries and Services, project documents

- 2.1. The Supplier must confirm purchase orders in writing. These order confirmations must be signed by the Supplier and received by KT within 8 calendar days from the purchase order date. After expiry of this deadline, the purchase order shall be deemed to have been accepted by the Supplier under the terms of KT's purchase order, unless the Supplier has rejected the purchase order within this deadline by written notice.
- 2.2. Any deviations of a purchase order confirmation from the terms and conditions of a purchase order are only binding for KT if KT expressly confirms them to the Supplier in writing.
- 2.3. The Supplier shall review KT's purchase orders relating to KT's requirements for the Deliveries and Services associated with the purchase order. The Supplier shall also offer, provide and perform all those Deliveries and Services, which are necessary to fulfil KT's requirements, within the scope of an purchase order and include them in the price, even these Deliveries and Services are not expressly stated in the purchase order or in the contract, if and to the extent that KT's requirements were known to the Supplier or should have been known to the Supplier according to objective standards. The Supplier cannot demand any price adjustment for the fulfilment of such requirements after conclusion of the contract.
- 2.4. The Supplier shall at no time and under no circumstances have any claims to price increases for ordered and/or contractually agreed Deliveries and Services.
- 2.5. If and insofar as prices for the contractual Deliveries and Services should decrease in the period between the purchase order and the actual performance of the Deliveries and Services, for whatever reasons (e.g. in the case of list price changes, reduction of purchase prices etc.), this price reduction is to be passed on in full to KT at KT's discretion by means of a corresponding refund or credit note.
- 2.6. If the Supplier grants a third Party more favourable price conditions for the contractual or comparable Deliveries and Services, the contractual conditions must retroactively be adjusted accordingly at KT's discretion by price reduction or credit note.
- 2.7. The Supplier shall return purchase order and project documents to KT upon request. The Supplier may only duplicate these purchase order and

project documents and/or make them accessible to third parties with the express consent of KT.

### 3. Management systems, product requirements, supplier audit, overall responsibility of the Supplier

#### 3.1. Quality

The Supplier shall apply a certified quality management system according to ISO 9001. The Supplier shall provide the relevant certificates and documents.

#### 3.2. Product conformity

- 3.2.1. Deliveries and Services must comply exactly with the quality criteria specified in the purchase order. If and insofar as no special quality classes are included in KT's purchase orders, the Deliveries and Services must be of first-class quality and comply with the applicable legal safety regulations and the latest state of the art and, in particular, and all regulations based thereon as well as all legal product standards and official regulations at the place of destination, the valid ÖVE and VDE regulations and the technical ÖNORMEN, DIN standards, harmonized European standards and ISO standards.

- 3.2.2. The standards (e.g. DIN, ÖNORM, CENELEC, EN, ITU, VDE, UL, ISO, works standards) and drawings specified in a purchase order refer to the edition valid at the time of the purchase order, unless expressly stated otherwise in the purchase order.

- 3.2.3. All relevant EU directives applicable to the product (e.g. regarding CE marking, prohibition of use of certain substances) must be complied with. Suppliers from non-EU countries are obliged to hand over the relevant declaration of conformity including the corresponding documentation together with the first delivery.

#### 3.3. Environment

- 3.3.1. The Supplier must apply a certified environmental management system in accordance with ISO 14001/EMAS and ensure that its products are designed, manufactured, packaged and transported in such a way that the environmental impact is kept as low as possible. The Supplier shall provide the associated certificates and documentation - including of any existing environmentally relevant product certifications.

- 3.3.2. If the Supplier has an obligation to take back waste electrical and electronic equipment, but at the time of delivery of the new equipment the return is not carried out, the Supplier undertakes to carry out this return by collection also at a time up to 12 months later from delivery or, in agreement with KT, to reimburse the costs incurred by KT for the collection and recycling of this equipment.

- 3.3.3. The Supplier shall comply with all EU environmental directives and regulations affecting services and contractual products purchased and delivered under an agreement from the date such directives and/or their national implementations become legally enforceable, including but not limited to the following directives together with their transposition into Austrian law:

3.3.3.1. RoHS (Restriction of Hazardous Substances)

3.3.3.2. REACH (Registration, Evaluation, Authorization and Restriction of Chemicals)

3.3.3.3. WEEE (Waste Electrical and Electronic Equipment)

- 3.3.4. The Supplier has to provide KT with all relevant current certificates of conformity, REACH declarations of conformity according to the latest SVHC list and, if necessary, the relevant documentation documents so that the product can be disposed properly at the end of its useful life. Furthermore, the Supplier has to provide KT with all data and information, which are required for the fulfilment of KT's duty to inform authorities or other institutions, regarding the components, assemblies or devices delivered by him free of charge, if possible in catalogued, structured, electronic form. The Supplier further undertakes to comply with all legal requirements regarding labelling, disposal of packaging, old materials, old devices, old goods and/or hazardous substances and will otherwise fully indemnify and hold KT harmless and compensate KT for all losses and expenses resulting from a breach of obligations in this respect and shall indemnify KT from all obligations and liabilities upon first request. The Supplier is obliged to inform KT if the products contain hazardous substances of an unusual type or quantity.

#### 3.4. Occupational safety and health management system

The Supplier undertakes to comply with all applicable provisions of labour law. If a certified management system for safety and health at work (e.g.

according to ISO 45001) is established, the corresponding certificates and documents will be transmitted to KT.

### 3.5. Information security and product safety

3.5.1. The Supplier shall apply an ISMS information security management system according to ISO 27001. If a certification exists, the Supplier has to provide the corresponding certificates and documents to KT with the provision of the Deliveries and Services.

3.5.2. If subject of the Deliveries and Services is an electronic component, the relevant and applicable safety measures must be implemented in accordance with the state of the art and the corresponding legal basis.

### 3.6. IACS Security

If subject of the Deliveries and Services is a component or an entire system of an IACS (Industrial Automation and Control Systems), the relevant and applicable safety measures according to IEC 62443-3-3 or 62443-4-2 must be complied with and proven. If a certification of the IACS component or system according to IEC 62443 is available, the Supplier has to provide the certificate with the provision of the Deliveries and Services.

### 3.7. Brand new products

Unless otherwise required in the purchase order or expressly agreed between the Contracting Parties, the Supplier shall exclusively deliver brand-new products. If non-brand-new products are a permissible contract subject due to an explicit agreement with KT, these must have all promised and assumed functionalities as well as fulfil all product requirements in accordance with the aforementioned provisions and the Supplier shall be liable for them - unless otherwise agreed - as for brand-new products. The warranty period for material defects in non-brand-new products shall be 12 months. In all other respects, the provisions on warranty and liability in accordance with these Terms of Purchase shall apply accordingly.

### 3.8. Supplier audits

The Supplier agrees that KT is entitled, in coordination with the Supplier, to carry out supplier audits with regard to all or individual subjects of regulations according to this point 3, in which employees of KT and/or third parties commissioned by KT may participate.

### 3.9. Overall responsibility of the Supplier

The Supplier shall bear the overall responsibility for the fulfilment of all requirements mentioned in this point 3, all safety regulations applicable to the Deliveries and Services as well as all other requirements usually presupposed with regard to the contractual Deliveries and Services. In this regard, the Supplier shall indemnify and hold KT harmless and shall compensate KT for all losses and expenses resulting from a breach of duty in this respect as well as indemnify KT from all obligations and liabilities upon first request.

## 4. General obligations and responsibilities of the Supplier, contractual penalty for breach of the non-solicitation clause

4.1. The Supplier bindingly represents and warrants that it shall at all times exercise the knowledge, caution and care of a prudent businessman in the performance of the Deliveries and Services.

4.2. The provision of the agreed Deliveries and Services requires close cooperation between KT and the Supplier. KT shall receive from the Supplier free of charge all documents, information, data, accesses, passwords, premises, approvals, certifications, type releases and approvals, homologations (in each case also from third parties) as well as personnel resources necessary for the Deliveries and Services.

4.3. The Supplier is obliged to inform KT without being asked about all legal, official and other regulations and special circumstances that have to be observed with regard to the Deliveries and Services by KT.

4.4. The Supplier is obliged to inform KT immediately about technical, quality and standardization-relevant or logistical changes related to the products delivered or still to be delivered. Products or components to be delivered later must, in the absence of any other written agreement, be completely identical to products delivered or accepted earlier.

4.5. If import, export or other official permits as well as approvals or consents of third parties are required for the performance of the Deliveries and Services, the Supplier shall procure these in due time at its own expense.

4.6. If the Supplier or a third Party on the part of the Supplier modifies, repairs, maintains or otherwise influences the Deliveries and Services provided to KT (of any kind whatsoever) without the express written consent of KT, the Supplier shall indemnify and hold KT harmless in this respect and compensate KT for all losses and expenses resulting therefrom and shall indemnify KT from all obligations and liabilities upon first request.

4.7. The Supplier shall not entice away the employees of KT, either himself or via third parties, during the duration of the underlying contractual relationship and until the expiry of one year after the end of the contract. In the case of contracts which have not been concluded for a specific or indefinite period, this obligation of the Supplier shall apply in each case until the expiry of one year after the performance of the Deliveries and Services. The Supplier undertakes to pay KT a contractual penalty in the amount of six times the gross monthly salary that the respective employee last received from KT for each case of infringement.

4.8. The Supplier undertakes to comply with the rules of conduct specified by KT when providing the Deliveries and Services on KT's company premises.

## 5. Supplier Code of Conduct and compliance

5.1. KT expressly refers to the Supplier Code of Conduct applicable within the Kontron Group, which can be viewed at <https://group.kontron.com/about/corporate-governance/>. The Supplier expressly assures to comply with the regulations and principles contained therein.

5.2. The Supplier undertakes to comply with all applicable Austrian and international legal provisions, such as, in particular, those Austrian and European legal provisions on combating and preventing corruption, money laundering and unfair competition, as well as human rights provisions, when executing and providing the contractually owed Deliveries and Services.

5.3. The Supplier shall support KT in measures to prevent corruption and shall in particular inform KT without delay as soon as and insofar as it becomes aware of or has a concrete suspicion of cases of corruption which are specifically connected with the provision of Deliveries and Services to KT.

## 6. Packaging and transport

6.1. The Supplier shall bear the overall responsibility for the fulfilment of all applicable transport regulations, packaging regulations as well as all requirements resulting from the Deliveries and Services to be provided, such as, in particular, requirements concerning the documentation and the safety of products, unless and to the extent that anything to the contrary results from these Terms of Purchase. In this regard the Supplier shall indemnify and hold KT harmless and shall compensate KT for all losses and expenses resulting from a breach of duty in this respect, and shall release KT from all obligations and liabilities on first demand.

6.2. The deliverables must be packed properly and in accordance with the protection of the product for transport in compliance with any special instructions issued by KT. Damage caused by improper packaging or non-compliance with these instructions shall be borne by the Supplier.

6.3. Customary packaging shall be taken back by the Supplier at its own expense at the respective place of delivery and service provision without being requested to do so.

6.4. Suppliers with their registered office or branch office in UK are obliged to discharge the packaging of their products via a collection and recycling system.

6.5. If the Supplier provides Deliveries and Services (e.g. repairs, professional services etc.) on the company premises of KT, he has to collect and dispose of packaging and waste at his own expense.

## 7. Special provisions for hardware and software, documentation, grant of rights, maintenance obligation, spare parts, abandonment and discontinuation of products

7.1. The Supplier warrants that the contractual hardware and software does not contain any copy protection devices, data locks, program locks, or similar restrictions on use that are in breach of the contract and that it is free of viruses and third-Party rights. In any case, the Deliveries and Services must include complete documentation in German and English that is comprehensible to a trained person and that also describes typical and foreseeable error situations as well as how to remedy them. In addition, the price includes theoretical and practical training of the operating personnel.

7.2. For testing purposes, the Supplier will offer free test runs including test software.

7.3. The Supplier grants KT a non-exclusive, transferable right of use and exploitation to the delivered software, unlimited in time and place. If subject matter of the Deliveries and Services is software individually developed for KT, the Supplier also grants KT all rights of use and exploitation exclusively.

- 7.4. The Supplier is obligated to offer maintenance services for hardware and software for a period of 15 years from the performance of the Deliveries and Services in conformity with the contract at prices in line with the market and to inform about the respective new software versions. Subject to the provision in point 7.5, the Supplier also guarantees the availability of spare parts for Deliveries and Services in connection with hardware for a period of 15 years from the date of contractually compliant performance of the respective Deliveries and Services.
- 7.5. The Supplier is obliged to notify KT of the abandonment or discontinuation of products which KT has purchased from or ordered from the Supplier, in particular hardware and software, at the earliest possible time, but no later than 18 months before the abandonment or discontinuation and to duly execute any final order placed by KT. The possibility of premature product abandonment or discontinuation does not exist insofar as the Supplier has committed to Deliveries and Services in connection with these products over a certain period of time.
- 7.6. The Supplier has to hand over documents, plans, reports etc. in duplicate as hardcopy as well as simply on data storage mediums specified by KT.
- 8. Transfer of risk and place of fulfilment**
- 8.1. In principle and unless KT expressly declares otherwise or is agreed between the Contracting Parties, the clause DDP (delivered duty paid) according to Incoterms 2020 shall be deemed agreed for Deliveries and Services. Benefit and risk shall pass to KT based on DDP upon provision of the delivery and service items for unloading at the main warehouse in Vienna, Austria, or another place of fulfilment (place of delivery and/or place of performance) named by KT or agreed by the Contracting Parties. All costs until provision at the place of fulfilment shall be borne by the Supplier, in particular also the premiums for a transport insurance to be taken out by him.
- 8.2. KT may expressly declare to organise or take over the transport itself. In this case, the clause FCA according to Incoterms 2020 shall be deemed agreed for Deliveries and Services. Benefit and risk shall pass to KT based on FCA upon handover of the delivery and service items to the designated carrier at the agreed pick-up location.
- 8.3. In the case of Deliveries and Services, which object is wholly or partly the provision of services, work deliveries and/or work performances, benefit and risk shall pass to KT irrespective the above provisions upon the provision of the Deliveries and Services at the place of fulfilment (place of delivery and/or place of performance) designated by KT or agreed between the Contracting Parties. This also applies to all deliveries of goods in connection with such Deliveries and Services. If a formal acceptance or an acceptance procedure has been agreed for such Deliveries and Services, benefit and risk for the entirety of the Deliveries and Services shall not pass to KT until acceptance has taken place at the place of fulfilment. The Supplier shall bear all costs of the Delivery and Service until the transfer of risk.
- 8.4. For all other Deliveries and Services not covered by the aforementioned provisions, the place of fulfilment shall be in the absence of any other agreement, and unless otherwise stipulated in these Terms of Purchase, the registered office of KT.
- 9. Invoices and delivery notes, payment, discount**
- 9.1. For each invoice and delivery note item, the purchase order number and, if applicable, the line number according to KT's purchase order must be quoted implicitly.
- 9.2. Invoices from Suppliers must contain precisely specified information about the purchase order number, purchase order date, delivered goods (description of type and quantity), country of origin and dual-use number (or information about export license requirements), otherwise the invoice amount is not due. For Deliveries and Services within the EU, each invoice shall contain the statistical goods number and the net weight of the goods as well as the UID numbers of the Contracting Parties. Furthermore, the goods must always be accompanied by a delivery note and 4 copies of the invoice.
- 9.3. The agreed payment period shall commence only after receipt of the invoice and provided that the invoice has been properly issued or upon receipt of the goods (including documentation and ancillary services) or the agreed delivery date, whichever occurs later, in the case of complaints only after their complete settlement.
- 9.4. Payment, even without reservation, does not imply recognition of the Deliveries and Services as proper fulfilment of the contract and thus no waiver of any claims.
- 9.5. In the absence of any other express agreement signed by KT, KT shall pay invoices within 30 days with 3% discount and within 60 days with 2% discount.
- 10. Dates, deadlines, contractual penalty for delay, Force Majeure, withdrawal**
- 10.1. Dates or deadlines specified by KT or agreed between the Contracting Parties for the provision of Deliveries and Services, such as delivery dates or completion dates, are fixed dates or deadlines, unless explicitly stated otherwise by KT in writing. This means that the Deliveries and Services must be available to KT on the date or within the deadline at the place of fulfilment at the specified delivery address, complete and ready for use and provided in full.
- 10.2. If it becomes foreseeable that the Supplier will not be able to meet dates or deadlines specified by KT or agreed between the Contracting Parties for the provision of the Deliveries and Services, the Supplier must inform KT immediately in writing. Irrespective of compliance with this duty to inform, all damages and disadvantages incurred by KT due to a culpable delay caused by the Supplier shall be borne by the Supplier.
- 10.3. If the dates or deadlines, as specified by KT or agreed between the Contracting Parties, for the Deliveries and Services are not met for reasons other than Force Majeure, KT is also entitled to demand a contractual penalty of 2% of the total purchase order value (net) of the Deliveries and Services for each commenced calendar week that the Supplier is in culpable delay with the Deliveries and Services, up to a maximum of 20% of this amount. The total purchase order value of the Deliveries and Services shall be determined from the total amount of all economically or functionally related purchase orders. This total purchase order value shall also be decisive for the calculation of the contractual penalty if the Supplier is in delay with parts of the Deliveries and Services. Any claims for damages in excess thereof shall remain unaffected despite payment of the penalty. Payment of the contractual penalty shall not release the Supplier from the obligation to provide the Deliveries and Services in full.
- 10.4. "Force Majeure" within the meaning of these Terms of Purchase shall be deemed to exist upon the occurrence of an event which prevents Supplier from fulfilling one or more of the contractual obligations in a timely manner or prevents KT from fulfilling the performance obligations existing vis-à-vis third parties with respect to Supplier's Deliveries and Services, if and to the extent that (i) such obstacle cannot be influenced or is not reasonably influenced by Supplier and/or KT or cannot be reasonably influenced or is beyond its reasonable control, (ii) it was not reasonably foreseeable at the time of the conclusion of the contract and (iii) the effects of the obstacle could not reasonably have been avoided or overcome. Either Contracting Party shall be entitled to withdraw from the contract without granting a grace period if an event of Force Majeure occurs.
- 10.5. Instead of withdrawal by the Supplier or KT, KT can demand in the event of Force Majeure that the Supplier's contractual obligations are suspended for the duration of the obstacle, for a maximum of 6 months. The Delivery and Service deadlines applicable to the provision of Deliveries and Services shall be extended by the duration of the impediment. Accordingly, the Supplier or KT is again entitled to withdraw from the contract if the duration of the obstacle has exceeded 6 months.
- 10.6. In the event of premature Deliveries and Services, KT reserves the right to charge the Supplier for any resulting additional costs, such as storage costs, or to reject the Deliveries and Services until the delivery date or the date of performance.
- 10.7. The Supplier is then entitled to withdraw from the contract if there is a delay in acceptance that is due to gross negligence on the part of KT and a reasonable period of grace set has expired without success.
- 10.8. Without prejudice to its other rights, KT is entitled to withdraw from the contract - or only with regard to outstanding partial Deliveries or partial Services - if:
- 10.8.1. the Supplier is in delay with the performance of a contractual obligation and does not deliver or perform within the grace period despite having been granted a reasonable grace period,
- 10.8.2. the Supplier has not fulfilled his obligation to obtain import, export or other official permits as well as approvals or consents of third parties in due time,
- 10.8.3. the execution or the continuation of the Deliveries and Services is impossible for reasons for which the Supplier is responsible or is further delayed despite the setting of a reasonable grace period,

- 10.8.4. the Supplier is in delay with the performance of a contractual obligation and has been in delay with the performance of a contractual obligation for more than 14 days at least twice in other business cases with KT,
- 10.8.5. the extension of the delivery period or service period, for whatever reason, amounts in total to more than half of the originally agreed delivery period or service period,
- 10.8.6. there is a material breach of contract by the Supplier,
- 10.8.7. statutory restructuring proceedings or insolvency proceedings of any kind whatsoever are initiated against the assets of the Supplier or the application for the initiation of insolvency proceedings against the assets of the Supplier is rejected for lack of cost-covering assets,
- 10.8.8. circumstances exist which make further proper fulfilment of the contract obviously impossible or unreasonable for KT,
- 10.8.9. the country or territory in which the Supplier of the goods or services is located becomes subject to currency and trade restrictions, embargoes, economic sanctions, calls for boycotts or other restrictive measures after the conclusion of this contract,
- 10.8.10. the goods to be delivered or services to be rendered on the basis of the contract become subject to currency and trade restrictions, embargoes, economic sanctions, calls for boycotts or other restrictive measures after conclusion of the contract,
- 10.8.11. the Supplier, its direct or indirect owners and/or their legal representatives becomes or become subject to currency and trade restrictions, embargoes, economic sanctions, calls for boycotts, a sanctions list or other restrictive measures after the conclusion of this contract, or
- 10.8.12. the withdrawal from the contract for other statutory or contractual reasons or under these Terms of Purchase is permissible.
- 10.9. In the event of a justified withdrawal of one of the Contracting Parties in accordance with the aforementioned provisions as well as in the event of Force Majeure, KT may, at its own discretion, either retain goods already delivered or services already rendered against payment of the remuneration due thereon or demand rescission of the contract in accordance with the statutory provisions.
- 10.10. Other claims (in particular claims for damages) of KT remain unaffected by the withdrawal.
- 10.11. The withdrawal from the contract by one of the Contracting Parties shall be made by registered letter.
- 11. Assignment, set-off and pledge of claims, withhold of Deliveries and Services, transfer of rights and obligations**
- 11.1. Claims of the Supplier against KT may only be assigned or pledged with the prior express written consent of KT.
- 11.2. The Supplier may only offset against claims of KT with claims that are undisputed by KT or have been legally established by a court.
- 11.3. The Supplier may not withhold Deliveries and Services due to claims unless these claims are undisputed by KT or have been legally established by court.
- 11.4. The Supplier is only authorized to transfer its rights and obligations under the contract to third parties with the prior express written consent of KT.
- 12. Warranty**
- 12.1. The warranty period for defects of the Deliveries and Services is 36 months, unless otherwise stated in these Terms of Purchase, and begins with the day on which KT has taken over the respective Deliveries and Services. If a formal acceptance or an acceptance procedure has been agreed, the warranty period shall commence with the acceptance.
- 12.2. It shall be presumed that the defect was present at the time of takeover or, in the case of an agreed formal acceptance or acceptance procedure, at the time of acceptance, if it becomes apparent within 12 months of takeover or acceptance.
- 12.3. The rights of KT from the warranty as well as the claims from a price reduction or contract cancellation expire 12 months after the expiration of the warranty period (limitation period).
- 12.4. A defect exists if the Deliveries and Services do not have the agreed quality (functionality), are not suitable for the use presupposed according to the contract or are not handed over or provided with the agreed accessories and instructions. A defect also exists if the Deliveries and Services are not suitable for the usual use or cannot be used in accordance with the nature of the business or do not have a quality which is usual for items of the same type and which KT can expect, or do not correspond to the quality of a sample/specimen provided before conclusion of the contract or are not handed over with the accessories including packaging and instructions which KT can expect to receive.
- 12.5. In the event of a replacement delivery or remedy of defects, the warranty period for the Deliveries and Services concerned shall start anew after acceptance or taking-over, including for all defects not yet discovered.
- 12.6. KT is entitled to raise the notice of defects as well as to assert and enforce other claims of a legal or contractual nature at any time within the limitation period with regard to both obvious and hidden defects. The Supplier waives the objection of delayed notification of defects.
- 12.7. Confirmations on the counterfoil and/or the receipt of goods acceptance are always only valid with reservation, i.e. the Deliveries and Services are only considered accepted if the inspection subsequently carried out by KT does not reveal any shortages and/or defects.
- 12.8. If KT has notified a defect within the limitation period, KT can assert the defect without time limitation by pleading against claims for payment of the Supplier.
- 12.9. For defects which cannot be detected within the limitation period even with economically reasonable and customary effort, KT is also entitled after the expiry of the limitation period to raise the complaint within 6 months from the discovery of the defect and the Supplier is obliged to provide warranty for these defects as well.
- 12.10. For goods that can be assessed according to quality characteristics, quality control is carried out according to the applicable ISO sampling method (currently DIN ISO 2859-1: 2014 based on a general inspection level - Level II) with the AQL value specified in the technical document. If no value is specified, AQL 1.0 % applies. The test criteria shall be those specified in the purchase order and, subsidiarily, those specified in the relevant standards or the usually recognized characteristics. If, after this inspection, a Delivery and Service or a delivery lot proves to be defective, the entire Delivery and Service shall be treated as defective. In such a case, KT also has the right to cancel that part of the purchase order that has not yet been taken over or formally accepted within the sense of point 12.1., without this giving rise to any claims whatsoever against KT.
- 12.11. Complaints by KT shall be notified to the Supplier in writing. After an analysis has been carried out, the Supplier is obliged in consultation with KT to initiate suitable corrective measures for improvement, if KT requests this, as well as for the prevention of recurrence. These corrective measures are to be communicated to KT in writing, documented accordingly and checked for their effectiveness. Affected manufacturing and quality documents (FMEA, 8-D, etc.), test plans, test procedures etc. are to be revised accordingly. In this context, the Supplier is obligated to fully document and archive all actions and associated records relevant in terms of product liability and product safety and to make them available to KT upon request.
- 12.12. If there is a defect, KT is entitled, irrespective of other claims, to demand at its own discretion free replacement delivery (exchange), free elimination of the defects (improvement), termination of the contract or an appropriate price reduction or to remedy the identified defects itself or have them remedied by third parties at the expense of the Supplier.
- 12.13. The warranty remedies are available to KT regardless of whether the defect is insignificant or remediable.
- 12.14. Should a reasonable grace period be required due to mandatory statutory provisions, a period of 14 days shall generally be deemed reasonable. If in individual cases a longer period than 14 days should be appropriate, the Supplier must prove this.
- 12.15. In urgent cases, KT is entitled to carry out necessary repair work, replacement deliveries itself, or have them carried out by third parties at the Supplier's expense in a manner deemed suitable by KT without setting a grace period. The Supplier's warranty for Deliveries and Services in which defects that have occurred are repaired by KT or third parties shall otherwise remain valid.
- 12.16. Should a defect only become apparent in the course of the processing of the delivered goods by KT, which is due to non-compliance with the specifications required and stated by KT in the purchase order, the quality customary in the trade or other characteristics, any other violation of these Terms of Purchase or other conditions or legal regulations, KT shall also be entitled to compensation for the frustrated expenses incurred in connection with the use of the defective material, among other things, as a claim for damages.
- 12.17. The Supplier shall fully indemnify and hold KT harmless for all warranty claims and/or claims for damages asserted against KT and caused by the Deliveries and Services provided by the Supplier and shall compensate KT for all losses and expenses resulting from a breach of duty in this respect

and shall indemnify KT from all obligations and liabilities upon first request.

- 12.18. During the limitation period, KT may claim a non-interest-bearing liability retention of up to 10% of the purchase order value.
- 12.19. The provisions on warranty shall apply mutatis mutandis to defects of title of the Deliveries and Services. The Supplier shall provide a warranty for defects of title if the defect exists at the time of acceptance of the Deliveries and Services within the meaning of point 12.1. In the case of defects of title, the limitation period shall commence 2 years after the date on which the defect of title becomes known to KT.
- 12.20. At the time of takeover by KT, no security interests of third parties of any kind whatsoever may exist on the Deliveries and Services, otherwise the Supplier shall indemnify and hold KT harmless for any damages arising therefrom, without prejudice to any other rights of KT, and shall compensate KT for all losses and expenses resulting from a breach of duty in this respect and furthermore indemnify KT from all obligations and liabilities upon first request.
- 12.21. The right of KT to claim damages in addition to or instead of the warranty remains unaffected.

### 13. Liability, compensation

- 13.1. KT is only liable towards the Supplier for damages, if it is proven to have acted with intent or gross negligence, unless otherwise stated in these Terms of Purchase.
- 13.2. KT is not liable for slight (simple) negligence.
- 13.3. Claims by the Supplier for compensation for indirect damage, consequential damage, pure financial loss, savings not achieved, loss of interest, loss of profit, loss of turnover and damages from third party claims are excluded.
- 13.4. In case of non-compliance with regulations of these Terms of Purchase or with contractual conditions by the Supplier or third parties on part of the Supplier, compensation for damages against KT is excluded. In this respect, the Supplier declares to indemnify and hold KT harmless and to compensate KT for all resulting losses and expenses and to indemnify KT from all obligations and liabilities upon first request.
- 13.5. The Supplier shall be liable to KT for all culpable caused damages for any kind of negligence and without limitation of liability.
- 13.6. The Supplier's liability for damages includes compensation for all direct damage as well as indirect damage, consequential damage, pure financial loss, savings not achieved, loss of interest, loss of profit and damage from third-party claims. This also applies to all cases in which the Supplier is liable to KT regardless of fault due to contractual agreements, according to this Terms of Purchase and/or due to statutory regulations.
- 13.7. Limitations of liability of KT according to this provision do not apply for damages resulting from injury to life, body and health.

### 14. Product liability

- 14.1. The Supplier undertakes to compensate KT for all product liability damages with regard to the products delivered by him, which also includes partial products, as well as to indemnify and hold KT harmless with regard to all product liability claims of third parties and to compensate KT for all losses and expenses resulting from a breach of duty in this respect as well as to indemnify KT from all obligations and liabilities upon first request, both with regard to personal injury and property damage and resulting financial losses.
- 14.2. Furthermore, the Supplier is obliged to provide all documents, instructions, drawings and other documentation required for the intended use (installation, application etc.) of the products delivered by him without request and in full. Furthermore, upon request, he shall immediately name the respective manufacturer, importer or Pre-supplier.
- 14.3. Should the Supplier become aware of circumstances that could lead to product liability claims, he is obliged to report this to KT immediately and to compensate KT for all expenses and damages that KT incurs in connection with any recall actions of the defective products or that KT has to compensate third parties.
- 14.4. Should litigation arise in product liability cases, the Supplier shall provide all relevant evidence in a timely manner, support KT to the best of its ability and reimburse KT for the reasonable costs of such litigation.

### 15. Industrial property rights, copyrights and patent rights

- 15.1. All execution documents handed over by KT to the Supplier, such as plans, drawings and other technical documents, as well as samples, catalogues, brochures, illustrations and the like, always remain the intellectual property of KT and are subject to the relevant legal provisions, in particular with regard to duplication, imitation, passing on and competition. The Supplier may only duplicate execution documents and the like and/or make them accessible to third parties with express written consent of KT.
- 15.2. The Supplier is obliged to fully indemnify and hold KT harmless with regard to all patent, trademark, design protection or copyright disputes arising in connection with the Deliveries and Services and to compensate KT for all losses and expenses resulting from a breach of duty in this respect as well as to indemnify KT from all obligations and liabilities upon first request. In particular, the Supplier guarantees that the Deliveries and Services provided to KT are for KT usable, communicable and exploitable in a freely selectable form (e.g. by distribution in electronic media such as the Internet, as part of a software etc.). In principle, KT is also entitled to make translations or other changes to the Supplier's work.

### 16. Subcontractor

The Supplier is not entitled to have the contractual Deliveries and Services completely performed by a subcontractor. The Supplier is entitled to pass on parts of the scope of delivery and service to third parties as a subcontract, provided that KT has agreed to this procedure in writing upfront. In the event that the Supplier passes on parts of the purchase order to third parties, the Supplier remains fully responsible and liable to KT for the conduct of these third parties. The Supplier has to transfer all contractual obligations and liabilities to the subcontractor and to prove the proper transfer at any time upon KT's request.

### 17. Confidentiality, data protection, contractual penalty for infringement of provisions on the protection of trade secrets, press releases

- 17.1. The Contracting Parties shall in principle only exchange non-confidential information during and after the provision of the Deliveries and Services. The exchange of confidential information - to be specially marked - requires the prior consent of the respective other Contracting Party. Likewise, the content of the contract concluded in each case is confidential for the Supplier and may only be passed on to third parties (even only in part) by the Supplier with the prior express written consent of KT.
- 17.2. The Supplier undertakes, also for his employees, vicarious agents and third parties in his sphere of influence, to maintain secrecy about technical, personnel, commercial and other matters of KT which are essential for KT and not generally known. This obligation also exists after the end of the contract.
- 17.3. Based on the provisions of the GDPR, the Contracting Parties and their vicarious agents shall process, disclose, make accessible or otherwise use protected personal data within the scope of the Deliveries and Services only for the agreed purpose. The Contracting Parties shall ensure compliance with this provision by vicarious agents.
- 17.4. Data requiring confidentiality shall be secured accordingly. The other Contracting Party shall be notified immediately of any deficiencies or interventions in data protection and data backup.
- 17.5. In the event that confidential information contains personal data of a Contracting Party and/or its employees, the Contracting Parties expressly agree that each Contracting Party may further process, use and disclose the personal data of the other Contracting Party and/or its employees disclosed in connection with the contractual relationship in a permitted manner.
- 17.6. For the avoidance of doubt, it is hereby stated that the main objective and purpose of the contract between KT and Supplier is not the processing of personal data. If it turns out that in the course of the performance of the contract between the Contracting Parties a "processor-controller" relationship within the meaning of the GDPR and national data protection laws will occur, the Contracting Parties agree to enter into a specific and binding data processing agreement in accordance with the GDPR and, if applicable, the standard contractual clauses specified by the European Commission for the transfer of personal data to third countries in accordance with Regulation (EU) 2016/679.
- 17.7. Any information classified as a trade or business shall be designated as such by the disclosing Contracting Party prior to disclosure. The disclosure, protection and use of this information as well as the access to and handling of this information shall be subject to the provisions of the UWG in addition to any agreements between the Contracting Parties in this respect.

- 17.8. The Supplier undertakes to pay KT a contractual penalty in the amount of five times the total value of the purchase order (net) of all purchase orders issued by KT in a period of 5 years prior to the incident for each case of culpable violation of the provisions for the protection of trade secrets. Claims for damages remain unaffected by this.
- 17.9. The Supplier agrees that his company name, logo, associated trademarks of whatever kind and a brief general project description may be used in industry standard marketing materials, press releases and similar communications to the public and on KT's website to indicate that KT is a customer or contractual partner of the Supplier. Notwithstanding the foregoing provisions, KT may, during the term of the contract and for an indefinite period thereafter, communicate to the public information of a general nature concerning the contractual relationship with the Supplier as part of marketing measures customary in the industry, such as, in particular, reference citations. The Supplier shall support KT in the preparation of press releases and other media announcements and cooperate with KT in this regard.

**18. Place of jurisdiction and applicable law**

- 18.1. The entire contractual relationship between the Supplier and KT, including all matters arising from or in connection with a contract, shall be governed by English law excluding the application of the provisions of private international law. The application of the United Nations UNCITRAL Convention on Contracts for the International Sale of Goods is excluded.
- 18.2. For disputes arising from or in connection with the contractual relationship, including disputes regarding the existence or non-existence of the contractual relationship and/or the validity of these Terms of Purchase, the exclusive local and international place of jurisdiction is agreed to be the court with subject-matter jurisdiction of Paris - France.

**19. Final provisions**

- 19.1. Amendments or supplements to the respective contracts, including the written form clause, must be made in writing to be effective, unless a stricter form is required by law. This form requirement may only be deviated from in individual cases and only after prior written agreement. This shall also apply to the amendment of this written form clause.
- 19.2. All declarations and notifications vis-à-vis the other Contracting Party must be in writing, unless another form is expressly provided for in the contract. An e-mail which is provided with an electronic signature shall comply with this requirement of written form.
- 19.3. The assertion of claims by the Supplier due to *laesio enormis*, lapse of the basis of the contract or error, unless the error was caused by gross negligence on the part of KT, is excluded.