

# General Purchasing Conditions of AVL Deutschland GmbH

## 1. SCOPE OF APPLICATION; ACCEPTANCE: OTHER TERMS AND CONDITIONS

1.1 These Purchasing Terms and Conditions of Purchase apply to all contracts between us, AVL Deutschland GmbH, and the contractual partner - hereinafter referred to as the "Supplier".

1.2 By confirming our Purchase order, the Supplier acknowledges these purchasing conditions

Any terms and conditions of the Supplier that conflict with or deviate from these purchasing conditions will not become part of the contract, even if we do not expressly object to their inclusion. If the Supplier does not agree with this, they must notify us immediately in writing.

Any standard reference to the Supplier's general terms and conditions is hereby expressly rejected

## 2. CHANGES TO DELIVERY AND PERFORMANCE

2.1 We may request changes to the agreed scope of delivery and/or performance at any time, particularly in design, process, and/or execution, provided such changes are not unreasonable for the Supplier. In the event of such change requests, the Supplier must immediately specify the effects, particularly regarding the actual additional or reduced costs, in writing and agree on them with us appropriately.

2.2 If the Supplier wishes to change the content and/or scope of agreed deliveries and/or services, they must apply for such changes in writing immediately after identifying the need for change. The requested change is only permissible if we have expressly, previously, and in writing approved it.

2.3 Changes that become mandatory for the Supplier due to changes in legal regulations or standards do not require approval but must be communicated to us in writing immediately and in a timely manner. The Supplier is obliged to propose such changes to us immediately, which they consider necessary or appropriate in view of changed legal or other mandatory regulations or for other reasons. If a change can affect costs or the delivery date, the Supplier must inform us of this simultaneously.

2.4 Changes made unilaterally by the Supplier contrary to clauses 2.2 or 2.3 must be reversed or eliminated at AVL's request at no cost. If AVL subsequently approves such a change, the Supplier is entitled to appropriate additional compensation based on the actual additional and reduced costs plus reasonable surcharges.

2.5 If there is disagreement between the parties regarding the amount of compensation to be granted under clause 4 of these conditions, the Supplier undertakes to explain to AVL the additional and reduced costs they consider necessary and their impact on the additional compensation sought, based on appropriate evidence

## 3. OFFERS; ORDERS

3.1 No compensation will be granted by us for the preparation of offers, plans, cost estimates, etc., by the Supplier, unless expressly agreed otherwise.

3.2 The supplier will connect with us via the SAP Business Network Ariba upon our request to electronically exchange all order and delivery-related documents (e.g., order, order confirmation, delivery note, invoice, etc.) and to handle processes defined by us (uploading product catalogs, VMI [Vendor Managed Inventory], etc.) through Ariba.

3.3 Upon receipt of any written order from us, the Supplier must confirm, reject, or submit a modified offer for the order immediately, but no later than within 3 days. This 3-day period is hereinafter referred to as the "response time." To maintain the written form, telecommunication transmission via fax or email

is sufficient. Periods that fall on a Saturday, Sunday, or a public holiday at the Supplier's business location are not counted in the response time. If the Supplier does not confirm our order within the response time, we are entitled to revoke the order.

3.4 Our orders and amendments thereto shall only be valid if they are issued or confirmed by us in writing.

3.5 The transfer of our orders in whole or in part to third parties is only permitted with our prior written consent. A violation of this provision entitles us to extraordinary and immediate termination of the contract. Further claims on our part remain unaffected. Consent according to sentence 1 is not required if the Supplier's business is not set up to perform the service.

3.6 The assignment of claims and/or the transfer of the collection of receivables against us to third parties is only permitted with our prior written consent, which AVL may only refuse for important reasons.

3.7 If the Supplier ceases payments or insolvency proceedings are opened over their assets, we are entitled to terminate the contract without prejudice to other rights.

## 4. DELIVERY AND PERFORMANCE DATES; DELIVERIES

4.1 The contractually agreed delivery or performance dates – hereinafter referred to as "dates" – are binding and are understood as the time of receipt of goods or performance at the contractually agreed destination.

4.2 If adherence to a date is at risk, the Supplier must inform us immediately in writing (fax is sufficient).

4.3 In the event of a delivery or performance delay attributable to the Supplier, we reserve the right to claim a contractual penalty of 0.2% per working day of delay, but no more than 5% of the total order volume, no later than the final payment. We can also demand the contractual penalty if we do not expressly reserve the right to do so upon acceptance of the delivery or performance. Further claims on our part, particularly those for damages, remain unaffected. In the event of a claim for such further damage, the contractual penalty incurred will be credited against the damage.

4.4 Even if we accept a delay in the schedule, our statutory and contractual claims due to delay remain unaffected.

4.5 The Supplier is obligated, in the event of delivery delays attributable to them, to use the fastest available means of transport, regardless of the shipping method specified in the order, to minimize the delay. The costs for this transport shall be borne by the Supplier.

4.6 In the event of a delivery delay attributable to the Supplier, we are entitled to withdraw from the contract with immediate effect after a reasonable period, usually not longer than 14 calendar days, if this has been previously threatened to the Supplier along with a request for remedy within the set period.

4.7 Partial or advance deliveries and services are only permitted with our written consent. Excluded from this are deliveries and services within a maximum of 7 calendar days before the agreed date. Even with permitted advance delivery, the payment period only begins with the contractually agreed date.

4.8 Unless otherwise agreed in writing, deliveries are made according to DPU (Delivered at Place Unloaded - Incoterms 2020) at the destination specified in the order.

4.9 The packaging must be selected in accordance with the relevant packaging standards, in particular the AVL delivery and packaging regulations, which can be found on the [AVL Deutschland GmbH | AVL](#) website („Terms and Conditions of Purchase “), in such a way that damage-free delivery is guaranteed. At AVL's request, the Supplier is obliged to take back the transport packaging.

4.10 For the notification of defects, incorrect deliveries, or quantity

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errors according to § 377 HGB, the following applies: We only conduct an incoming goods inspection regarding externally visible damages and deviations in identity and quantity that are visible from the outside. We will immediately report such defects. We reserve the right to conduct a further incoming goods inspection. Furthermore, we will report defects as soon as they are discovered in the ordinary course of business. The Supplier waives the objection of late notification of defects to this extent. Payment for the goods does not constitute unconditional acceptance of the goods.

- 4.11 In the case of specially agreed delivery release by us, we are entitled to extend the delivery period by up to 90 calendar days. In this case, the Supplier is obliged to store the goods free of charge and carefully until the delivery release by us.

### 5. QUALITY AND DOCUMENTATION

- 5.1 The goods to be delivered must comply with the applicable domestic and foreign regulations at the respective place of use (in particular, safety, accident prevention, and environmental regulations, relevant ordinances and directives of VDE regulations, the REACH Regulation [EC] No. 1907/2006, and the RoHS Directive, 2011/65/EU, the recognized latest rules and standards of technology, as well as precisely the documents underlying the order and known to the Supplier, such as drawings, descriptions, samples, specifications, acceptance conditions, etc.). The Supplier will provide all necessary data sheets and information sheets for the ordered goods and label their deliveries in accordance with the applicable regulations (e.g., CLP Regulation [EC] No. 1272/2008).
- 5.2 The Supplier must establish a quality management system that meets the requirements of ISO 9001 and conduct quality control that is appropriate in type and scope and corresponds to the latest state of the art. The standard ISO 26262 concerning functional safety for systems with electronics and software must be adhered to by the Supplier. Likewise, web applications must at least meet the requirements of ÖNORM A7700. The Supplier must also ensure IT security according to the specifications of ISO 27001.
- 5.3 For devices, instruments, plant components, or systems, complete maintenance, operating, and service manuals must be supplied in electronic form without separate specification and at no additional cost.
- 5.4 The supplier is hereby informed that we are certified according to ISO 14001, ISO 9001, ISO 27001. The QES documents to be observed by suppliers, including the current list of ingredients and substances ("AVL List of Substances"), which may not be supplied to us or only to a limited extent, can be found on the AVL Deutschland GmbH website [AVL Deutschland GmbH | AVL](#) ("Terms and Conditions of Purchasing"). If the goods to be delivered by the Supplier contain one or more of the substances listed in the current AVL Substance List, the Supplier must contact the responsible buyer at our company, specifying the respective affected substances.
- 5.5 Any change in the production process, production location, or shipping location of the goods requires our prior written consent, which may only be refused for important reasons. Costs and damages incurred by us due to non-compliance with this regulation or otherwise due to a location change initiated by the Supplier shall be borne by the Supplier. The Supplier will immediately inform us in writing of any known relocations within their supply chain or known subcontractor changes in the supply chain.
- 5.6 The Supplier is obliged to provide complete product documentation (especially installation, maintenance, operating, and service manuals, test documentation, CE declarations, etc.) without separate request and at no additional cost in electronically editable form, as a PDF, and as a hard copy. The specifications of the supplier documentation manual (<http://srm.avl.com> > Customer Documentation Posting) must

be followed. We are entitled to use this product documentation without restriction and to integrate it, in whole or in part, in the original language or in translation, into training and sales documents as well as customer documentation.

### 6. PRICES AND PAYMENT

- 6.1 The prices stated in the Supplier's offer and/or in our order are fixed prices and thus unchangeable until complete and proper delivery and performance, unless expressly agreed otherwise in writing.
- 6.2 Payment will be made, unless otherwise agreed in writing, after contractual receipt of goods or contractual performance and receipt of the proper and verifiable invoice within 60 days net.
- 6.3 If the performance provided is defective and AVL is entitled to demand rectification of defects, AVL may withhold an appropriate portion of the due remuneration, usually twice the necessary rectification costs, until the defects are completely rectified.

### 7. LIABILITY FOR DEFECTS AND INSURANCE OBLIGATION

- 7.1 Unless otherwise agreed in writing or by special contractual conditions, the limitation period for claims for defects is 36 months from the transfer of risk.
- 7.2 During the statutory warranty period, the Supplier must rectify defects immediately upon request within the period set for this purpose.
- 7.3 All costs associated with the rectification of defects, such as transportation, dismantling and installation costs, shall be borne by the supplier.
- 7.4 The limitation period for justified claims arising from defect liability shall be suspended for the duration of the defect rectification until the successful rectification of the defect.
- 7.5 For parts replaced or repaired as part of the rectification of defects, liability for defects shall apply for a period of 36 months from completion of the replacement or repair, unless a different period is specified in an agreement made in accordance with clause 7.1 or agreed special contractual conditions.
- 7.6 If the Supplier does not fulfill their obligation to rectify defects within a reasonable period set by us, we are entitled to carry out the defect rectification at the Supplier's expense or have it carried out by a third party, or, if this is not possible, to procure a replacement elsewhere.
- 7.7 The provisions of clause 7.6 apply accordingly in cases where we are entitled to dispense with setting a deadline to avoid significant damage, considering both parties' interests, or if such a deadline is unreasonable for us. Further statutory provisions remain unaffected.
- 7.8 The Supplier is obliged to maintain adequate insurance coverage for all risks arising from the present supply relationship (such as operational and product liability, extended product liability including removal and installation costs, all consequential damages, as well as inspection, sorting, and vehicle recall costs) for the duration of the supply relationship and for an appropriate period thereafter (at least 10 years), with a minimum coverage amount of EUR 5 million per claim with worldwide coverage (including USA/Canada). This insurance coverage must be maintained for the entire duration of all obligations arising from the supply relationship. The Supplier must provide proof of insurance coverage to AVL within 14 days after contract signing and every six months during the contract term without being asked.

### 8. SPARE PARTS, PRODUCTION EQUIPMENT AND RAW MATERIALS

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- 8.1 The Supplier guarantees the availability of spare parts for the goods delivered by them for a period of 15 years after the end of delivery and will also transfer this obligation to all their subcontractors. If a spare part is no longer available within this period, the Supplier will provide a technical replacement solution, whose delivery time must not be longer than the originally agreed delivery time and whose price must not be higher than that of the affected spare part.
- 8.2 If the supplier intends to discontinue the production of spare parts for the products delivered to us within the period specified in clause 8.1, it shall notify us of this immediately after the decision on the discontinuation. This decision must be made at least six months before production is discontinued.
- 8.3 Production equipment that we have made available to the supplier must be treated with care.
- 8.4 Production equipment manufactured or procured by the Supplier, for which we have paid the manufacturing costs (tooling costs), becomes our property upon payment. If at least 50% of the manufacturing costs (tooling costs) are paid, we are entitled to the transfer of proportional co-ownership.
- 8.5 All production equipment provided by us or acquired in accordance with clause 8.4 must be kept in a usable condition at our disposal for 15 years from the last production date and must be permanently labeled "Property (Co-ownership) of AVL Deutschland GmbH." If it is impossible or unreasonable for the Supplier to store this equipment, they must inform us immediately in writing so that alternative measures can be agreed upon. The costs of storage are borne by the Supplier. The production equipment must be handed over to us upon request during the storage period without any right of retention. The Supplier's obligation to store the equipment ends upon its handover to us.
- 8.6 In the event of damage, loss or destruction of primary materials provided by us (semi-finished products, castings, pre-machined parts, etc.), the supplier shall reimburse us for their replacement costs.
- 9. RIGHTS TO DOCUMENTS; CONFIDENTIALITY**
- 9.1 All drawings, sketches, calculations, descriptions, and similar documents provided to the Supplier for the preparation of offers or the execution of orders – hereinafter collectively referred to as "documents" – remain our property and must be returned to us upon submission of the offer or execution of the order. The documents may not be altered, duplicated, or made accessible to third parties without our prior written permission. If the Supplier makes changes to the documents with our prior permission according to the preceding paragraph, the Supplier may use the modified documents exclusively for the preparation of offers or the execution of orders. Furthermore, the Supplier transfers to us the exclusive, unlimited right to use and exploit the modified documents in terms of time, place, and content. The right to return according to the preceding paragraph also extends to the modified documents.
- 9.2 The supplier is obliged to treat all business and trade secrets of AVL ("confidential information") that become known to it during the course of cooperation with us as strictly confidential. The confidential information may not be duplicated, made accessible to third parties, or used for purposes other than the execution of our orders without our written permission. The supplier is particularly prohibited from removing documents (e.g., data, documentation, programs) of any kind from our premises without our written permission. If we approve the (partial) awarding of subcontracts to fulfill its contractual obligations to subcontractors, the supplier must impose corresponding confidentiality obligations on its subcontractors. Likewise, the supplier will oblige its employees to maintain confidentiality (including the prohibition of use).
- 9.3 Confidential information includes, in particular, all drawings, calculations, all AVL-owned and customer-related business, technical, and personal data, all AVL-owned or customer-provided technical know-how (designs, specifications, plans, software, etc.), the order and the resulting work, results, data, and knowledge provided for the submission of offers or the execution of orders.
- 9.4 The supplier undertakes to secure all confidential information immediately upon receipt against unauthorized access by third parties to the extent possible according to the state of the art and to protect it, in particular, against theft, loss, manipulation, damage, or any duplication. If the supplier has indications that unauthorized third parties may have gained knowledge of the confidential information, it must inform us immediately in writing and, in coordination with us, take all necessary steps to clarify the situation and, if necessary, prevent future access.
- 9.5 If the supplier stores, processes, or handles the confidential information in its data processing systems, it must ensure that unauthorized third parties cannot access this data.
- 9.6 The Supplier undertakes to return all embodied and data-based confidential information to us after the completion of the order. Furthermore, the Supplier will remove all confidential information from their data processing systems and either return all copies of the confidential information to us or destroy the copies in such a way that reconstruction is impossible. The Supplier will provide proof of the complete return or destruction upon our request and confirm it in writing.
- 9.7 The supplier is obliged to comply with all applicable data protection regulations in their current version and will observe them. The supplier must instruct all employees and subcontractors according to the relevant data protection regulations and, if necessary, oblige them to data secrecy according to the applicable data protection regulations. The supplier undertakes to implement measures to ensure data protection through technology (Privacy by Design) and data protection-friendly default settings (Privacy by Default).
- 9.8 The supplier undertakes to support us in fulfilling our applicable data protection obligations.
- 9.9 If the supplier processes personal data of AVL as a data processor, it will do so exclusively in accordance with our instructions and agrees to conclude a separate data processing agreement in accordance with Art. 28 (3) of the EU General Data Protection Regulation.
- 9.10 A breach of the provisions of this clause 9 entitles us to extraordinary and immediate termination of the contract. Further claims on our part remain unaffected.
- 9.11 The Supplier can access our privacy policy at [AVL Online Datenschutzerklärung | AVL](#). AVL's data protection officer or data protection department can be reached by email at [privacy@avl.com](mailto:privacy@avl.com).
- 9.12 The application of the provisions of the German Trade Secrets Protection Act (GeschGehG) remains unaffected.
- 9.13 If the supplier becomes aware of an actual or threatened information security incident, the Supplier is obligated to report the incident to AVL immediately at [security@avl.com](mailto:security@avl.com) stating all information and evidence available to the Supplier, and to support AVL in dealing with the incident if requested to do so. If the supplier fails to report in a timely manner and/or provide further support, the supplier must indemnify AVL against all resulting disadvantages.
- 10. WORKING HOURS AND INTELLECTUAL PROPERTY RIGHTS**
- 10.1 Work results within the meaning of these provisions consist of all findings obtained during the execution of the individual contract, including all inventions, regardless of their

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patentability and regardless of whether they are recorded, stored, or embodied in records, descriptions, experimental setups, models, devices, or systems (hereinafter referred to as "work results"). All resulting work results, whether patentable or not, must be documented by the contracting party where they arise.

- 10.2 All work results developed by the supplier shall immediately become our exclusive and unrestricted property upon their creation and must be promptly disclosed and made accessible to us. This also applies to inventions or shares in inventions made by the supplier. The supplier assigns all rights to such inventions or shares in inventions to us without restriction. If we waive our rights to inventions or shares in inventions, in whole or in part, the supplier is not entitled to assert rights to such inventions or shares in inventions (e.g., personal use, patent application, granting of licenses to third parties, etc.). Inventions or shares in inventions are compensated with the agreed price according to Clause 6 of these General Terms and Conditions
- 10.3 Regarding the copyrights accruing to the Supplier in connection with the order, the Supplier grants us the unlimited, free right to use the work permanently.
- 10.4 The Supplier undertakes to provide a delivery or service free from third-party intellectual property rights. The Supplier is liable for ensuring that the execution of the contract and the use of the delivery or service do not infringe third-party intellectual property rights. The Supplier indemnifies us against justified claims by third parties due to intellectual property rights infringements to this extent.

## 11. EXPORT RESTRICTIONS; SUPPLIER DECLARATION

- 11.1 The supplier is obliged to inform us in writing, without being asked and as early as possible, about any goods-related restrictions on (re-)exports of the goods supplied or to be supplied by it in accordance with European and/or US export and/or customs regulations as well as the export and/or customs regulations of the country of origin of the goods. To this end, the supplier will provide at least the following information in its offers and order confirmations for the individual goods items:

- The military goods list number (ML number) of the EU military goods list,
- The export list number (AL number) of the EU dual-use goods list,
- For US goods, the ECCN (Export Control Classification Number) according to the US Export Administration Regulation (EAR),
- For US defense goods (so-called ITAR goods), the USML (United States Munitions List) category,
- The Information on the non-preferential origin of its goods (products, technology, software) and their components,
- The Information on goods manufactured based on controlled US technology and/or containing controlled US components.

The supplier is further obliged to provide us (especially the buyer named in the order) with all other foreign trade data in writing upon request and to inform us in writing without being asked about any changes to the above information.

- 11.2 The legally binding acceptance of re-export restrictions according to the regulations of the Technology Transfer Ordinance is limited to goods for which an export license is demonstrably required in the country of delivery (for the USA, the current version of the Export Administration Regulation of the US Department of Commerce applies), which are also correspondingly marked in the delivery documents and for which the Supplier explicitly informs us in offers and order confirmations.

- 11.3 Suppliers based in the EU are obliged to provide us with the original of the (long-term) supplier's declaration for goods with preferential origin status according to Regulation (EC) No. 1207/2001 in its current version or according to DVO (EU) 2015/2447 within one calendar week after the corresponding request.

If the Supplier does not fulfill the above obligation or if their declaration does not comply with legal requirements, they will indemnify us against all resulting disadvantages. The Supplier undertakes to comply with all applicable import and export regulations as well as sanction regulations.

The Supplier also undertakes to comply with all applicable regulations in cross-border goods and merchandise traffic and to provide AVL with the necessary documents (including any CO2 and/or origin information) upon request.

## 12. AGENTG RESTRICTIONS, MILOG

The Supplier assures that they will comply with all obligations under the current Employee Secondment Act (AEntG). In particular, the Supplier assures that in the business relationship with us, they will pay their employees at least the minimum wages according to the Minimum Wage Act (MiLoG) and will not make any further deductions besides the statutory deductions. The Supplier will indemnify us upon first written request against all claims made by third parties based on the regulations for non-payment of the minimum remuneration (§ 14 AEntG) or minimum wage (§ 13 MiLoG).

## 13. COMPLIANCE AND SOCIAL RESPONSIBILITY

- 13.1 We support and respect the protection of internationally recognized human rights and strive to comply with all applicable laws and regulations. We have implemented a Code of Conduct for our employees based on the principles of integrity, honesty, and fairness, and we expect our suppliers and their subcontractors to comply with the regulations for the protection of internationally recognized human rights, all applicable laws and regulations, and the underlying principles.

In this context, the supplier must comply with the laws of the respective applicable legal systems within the framework of this contractual relationship. In particular

- Respect of fundamental and human rights
- Ban on child labour and forced labour,
- Compliance with the statutory or industry-standard minimum wages and social benefits
- Compliance with the statutory or industry or other standards for working hours,
- Compliance with applicable laws and regulations relating to freedom of association and right to collective bargaining
- Compliance with applicable laws and regulations relating to freedom of association and right to collective bargaining
- Prohibition of discrimination based on race or ethnic origin, gender, religion or belief, disability, age, or sexual identity,
- Compliance with occupational safety and health protection requirements,
- Responsibility for the environment and compliance with applicable environmental protection regulations,
- Compliance with the prohibition of participating in any form of bribery and corruption or improper granting of advantages, whether active or passive, direct or indirect,,
- Compliance with applicable competition and antitrust laws, in particular compliance with the prohibition of anti-competitive agreements.

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- 13.2 The Supplier will not use any "Conflict Minerals" as defined in Section 1502 of the US Dodd-Frank Act that originate from the Democratic Republic of Congo or an adjoining country in their goods. If the goods supplied by the Supplier contain tin, tantalum, tungsten, or gold, the Supplier must provide all necessary documents proving the legal compliance of the entire supply chain upon request.
- 13.3 The Supplier is aware that AVL maintains a general Code of Conduct for the AVL Group as well as a Code of Conduct for Suppliers, which is binding for all contractual relationships. The Supplier is also aware that the principles contained therein regarding the consideration of human rights and environmental expectations constitute a fundamental declaration of AVL Deutschland GmbH within the meaning of § 6 (2) LkSG. The statement is publicly accessible at [AVL Deutschland GmbH | AVL](#) („Terms of Purchasing“).
- The supplier assures that he has taken note of and understood these principles and will fulfill the resulting obligations without restriction and explicitly pass them on to the service providers bound by him. He guarantees to obtain written confirmation from his service providers of their acknowledgment and commitment to comply with these principles.
- 13.4 AVL is entitled, after prior notice of at least three working days, to verify compliance with the risk and control/measure management and adherence to the principles of the policy statement and the regulations according to this clause 13.4 at the supplier's premises, either itself or through a suitably certified third party. AVL will then prepare a report on the conducted review and make it available to the supplier.
- 13.5 If deviations in the risk and control/measure management from its submitted description, non-compliance with the obligations according to the fundamental declaration or its transmission within a supply chain, non-compliance by subcontractors of the Supplier, previously unknown risks, or violations of the established human rights and environmental principles are identified during the audit, AVL will provide the Supplier with a deficiency list along with the report, listing the complaints individually and setting a reasonable deadline for remedy.
- 13.6 Within the same period, the supplier must submit to AVL a concept aimed at ending or at least minimizing and permanently ending the violation, describing the measures to be taken by him. This also applies if the supplier cannot remedy the violation within the period set for him due to the nature of the violation. In this case, the concept must include a schedule indicating when the violation will be ended or at least significantly minimized. In all cases, the concept must include considerations regarding joint development with AVL or the violating company and the implementation of a plan to end or minimize the violation, a planned merger with other companies within the framework of industry initiatives and standards to increase influence on the perpetrator, and also regarding a possible suspension of the respective business relationship until the violation is successfully ended.
- 13.7 If the supplier does not comply with the request for remedy within the period set for him, AVL is entitled to terminate the contract with the supplier extraordinarily and without notice if the violation of the protected legal position or environmental obligation is considered very serious, the implementation within the timeframe specified in the concept has not provided a remedy, or it is foreseeable that an increase in the supplier's influence and thus AVL's influence with the available means does not appear promising. In this case, the supplier will only receive compensation for the services provided up to the termination. In addition, AVL is entitled to claim compensation for any damage incurred due to the termination. The assertion of further damages by AVL remains unaffected.
- 13.8 AVL can verify the effectiveness of the remedial measures taken.
- 13.9 The preceding paragraphs in this clause 13 apply accordingly if AVL has actual indications that a violation of a human rights or environmental obligation by the supplier is possible and this possibility has been confirmed by the result of a risk analysis conducted by AVL on a case-by-case basis in accordance with § 5 LkSG.
- If an authority responsible under the LkSG issues orders and takes measures against AVL to investigate breaches of obligations under Sections 3 to 10 (1) LKSG that originate from the supplier's sphere, the supplier is obliged to tolerate and cooperate with the authority and AVL. This includes, among other things, tolerating access to and inspection of the Supplier's premises, business premises and commercial buildings during normal business or operating hours and ensuring that business documents and records are inspected and examined to determine whether the obligations set out in AVL's policy statement and the obligations set out in Section 13 of these Terms and Conditions of Purchase are being complied with. Upon request, the supplier shall provide the responsible authorities and AVL with information and documents required by them to fulfill the duties arising from the LkSG. This includes information and evidence to establish the applicability of the LkSG, to fulfill the obligations under §§ 3 to 10 para. 1 LkSG or the Declaration of Principles and the provisions under clause 13 of these Terms and Conditions of Purchase as well as the designation of the persons responsible for monitoring compliance with these obligations within the company. The obligation also extends to further contractual relationships of the supplier, insofar as they are related to the present contractual relationship (supply chain) and are available to the supplier or can be made available by the supplier with reasonable effort. § Section 52 (1) StPO applies accordingly. Further statutory rights to refuse to give evidence and duties of confidentiality shall remain unaffected.
- If the authority identifies shortcomings in the Supplier's sphere, the Supplier must submit a plan to remedy the identified shortcomings within two months of notification of an order to AVL, including specific timescales for remedying them. If AVL issues instructions to the Supplier corresponding to the authority's abandonment of specific actions, the Supplier shall be obliged to comply with these instructions as part of its duty to cooperate in accordance with sentence 1.
- If a fine is imposed on AVL under § 24 LkSG due to a deficiency originating from the supplier's sphere, the supplier indemnifies AVL from it. If the fine has already been paid by AVL, there is a claim for damages against the supplier for the fine-related violation originating from his sphere under § 24 LkSG.
- 13.10 The supplier must take appropriate measures to comply with the laws, regulations, and principles listed in this clause 13 and provide evidence of this to AVL upon request without delay. The supplier will also make every effort to ensure that his subcontractors undertake corresponding obligations.
- 13.11 The supplier grants AVL the right to inspect the business premises and production sites of the supplier and its subcontractors, where the contractual services are prepared or provided, during the usual business hours of the supplier or subcontractor, either by itself, through an appointed third party, or AVL's customers. This is to ensure the proper and complete provision of all services and compliance with legal/regulatory and other applicable requirements, as well as all obligations arising from the order and/or these purchasing conditions (including, but not limited to, the implementation of standards for quality management, quality assurance measures, confidentiality, security, information security, and data protection) in the relevant areas. Such an inspection may also include the review of internal guidelines, processes, and procedures, as well as access to books, documents, and other records. The supplier or subcontractor must support the audit in an appropriate manner to achieve the respective audit purpose and provide all necessary or useful information.

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## 14. Environment

- 14.1 To fulfill their contractual obligations, the Supplier must use the necessary resources, particularly materials, energy, and water, efficiently and minimize environmental impacts, especially regarding waste, wastewater, air, and noise pollution. This also applies to logistics/transport efforts. For the quantitative assessment of the Supplier's resource efficiency, the Supplier must provide us with the following information regarding their entire annual order volume with us and our affiliated companies upon request:
- Total energy requirements MWh;
  - CO2 emissions from own and external energy generation in tons;
  - Total water consumption in m<sup>3</sup>;
  - Process wastewater in m<sup>3</sup>;
  - Waste for disposal in tons;
  - Waste for recycling in tons;
  - VOC emissions (volatile organic compounds) in tons.
- 14.2 If there are risks of converting natural ecosystems (e.g., forests or other natural ecosystems) in the Supplier's value chain, the Supplier must ensure through appropriate due diligence measures that they do not contribute to the illegal conversion of natural ecosystems and support the long-term protection of these natural ecosystems.
- 14.3 The Supplier undertakes to implement, operate, and provide proof of a certified environmental management system according to "ISO 14001" or a derived, recognized, and certified environmental management system by presenting a corresponding certificate no later than two years after the order is placed.
- 14.4 The supplier is obliged to ensure that the provisions contained in this clause 14 are complied with by means of suitable contractual arrangements with its subcontractors. In addition, clause 13.3 of the Terms and Conditions of Purchase shall apply insofar as the compliance with the declaration of principles referred to in clause 13.3 guaranteed by the Supplier includes environmental concerns.

## 15. FINAL PROVISIONS

- 15.1 Amendments and supplements to these provisions must be made in writing. This also applies to the revocation of this written form clause itself.
- 15.2 Should one or more provisions of these purchasing conditions and/or any other contracts concluded between the parties be or become invalid, or should a gap be found in them, the validity of the remaining provisions shall not be affected. Instead of the invalid provisions or to fill the gap, an appropriate, permissible regulation shall apply, which the contracting parties would have intended or would have intended according to the meaning and purpose of the conditions if they had known about the invalidity or gap.
- 15.3 The place of performance for deliveries and services shall be the destination specified by us. The place of performance for payment is our registered office.
- 15.4 The exclusive place of jurisdiction for all disputes arising from or in connection with the contractual relationship shall be Wiesbaden. However, we shall also be entitled to take legal action at the supplier's registered office.
- 15.5 The parties agree that the law of the Federal Republic of Germany shall apply exclusively to all legal relationships arising from this contractual relationship to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG) and other international conflict of law