

## **GENERAL TERMS AND CONDITIONS OF PURCHASE HIRSCHMANN CAR COMMUNICATION GMBH**

### **1. General - Area of Application**

- 1.1 These General Terms and Conditions of Purchase will apply exclusively to all contracts, deliveries and other services, unless expressly agreed otherwise.
- 1.2 We do not acknowledge any general terms and conditions of the Supplier deviating from our Terms and Conditions of Purchase, unless we have expressly agreed to their validity in writing. Our Terms and Conditions of Purchase will also be applicable if we accept delivery or make payment unconditionally, having knowledge of terms and conditions of the Supplier that conflict with or deviate from our Terms and Conditions of Purchase.
- 1.3 Our purchasing conditions will apply only to the business relationship between Hirschmann Car Communication GmbH with companies, legal persons under public law and special funds under public law in accordance with § 310 Para. 1 Bürgerliches Gesetzbuch (BGB – German Civil Code).

### **2. Ordering and Order Confirmation**

- 2.1 Delivery is made on the basis of individual delivery contracts (order and acceptance) or rolling delivery schedules from us (together “Orders”)
- 2.2 Orders and other agreements, as well as changes and additions to them, must be at least in text form. Delivery schedules may also be issued by remote data transmission or EDI (Electronic Data Interchange).
- 2.3 If the Supplier does not accept the individual order within two weeks of receipt, we will be entitled to cancel the order. Delivery schedules will become binding if the Supplier does not object to them within a period five (5) business days from the time of receipt.
- 2.4 Delivery quantities specified in delivery schedule with delivery times within the defined production and material release period shall be deemed binding orders that are subject to a purchase obligation. Quantity classifications in excess of this are non-binding forecasts from which no claims may be derived on their non-observance by Supplier. Order confirmations stating otherwise will be invalid. Production and material approval will be a rolling approval. This will update itself automatically in accordance with the delivery schedule release until we issue a change notification.
- 2.5 An order confirmation deviating from our Order shall not be recognized by us, even if we do not object in writing.

### **3. Commissioning of Third Parties, Changes and Relocation, Delivery Guarantee**

- 3.1 The Supplier may subcontract the entire or a substantial portion of the production volume only with our prior written consent. Even if consent is granted, the Supplier is fully responsible for fulfilling the contract.

- 3.2 Within the limits of what is reasonable for the Supplier, we may request modifications to the construction and design of the delivery item. The effects of this, particularly with regard to cost increases or decreases, and delivery dates, should be settled reasonably between the parties by mutual agreement.
- 3.3 The Supplier may not relocate the production facility for the manufacture of goods or parts thereof without our prior express written consent.
- 3.4 Any technical changes to the products, changes to the raw materials or their composition, changes to the procurement sources or significant changes to the manufacturing process are only permitted with our prior written consent.
- 3.5 The Supplier will be obliged to manufacture and deliver supply parts and components that are installed in our products for a period of 15 years after the series expires (EOP – End Of Production).

#### **4. Prices, Transfer of Risk**

- 4.1 The prices agreed upon at the time when the order is placed are net fixed prices and include all necessary ancillary services required to fulfil the contract. If no special agreement is made, the prices are for delivery with duty paid (DDP-INCOTERMS 2020). The purchase price includes delivery without additional delivery charges to either the purchaser's premises or the place of use, including reusable packaging.
- 4.2 In each case, the applicable statutory value-added or sales tax is not included and is to be shown separately in the invoice.
- 4.3 The Supplier bears the material risk until the goods are accepted by us or our agent at the place where the goods are to be delivered in accordance with the order. If delivery includes assembly or installation or the performance of services, the transfer of risk takes place upon acceptance.

#### **5. Invoices, Payment Terms, Assignment**

- 5.1 Invoices are to be submitted separately from the delivery and have to state the order number given in our order, the order date, and our material number (if given). For every case of failure to comply with this obligation, the Supplier is responsible for any consequences, unless the Supplier proves that he is not responsible for these consequences.
- 5.2 Unless agreed separately, we make payments within 60 days without a discount after receipt of invoice. If the goods are delivered to us or the agreed delivery point after receipt of the invoice, the aforementioned payment term shall commence when the goods have been delivered in full, and delivery has been confirmed as being in accordance with the contract. If early deliveries are accepted, the payment period referred to in sentence 1 will only begin on the agreed delivery date.
- 5.3 Payment is made at our discretion either by bank transfer, offsetting against counterclaims, or by another method. If participation in the credit note procedure has been agreed, the payment will be made by credit based on the order.

- 5.4 The unconditional payment does not constitute acceptance of the performance of the delivery or service as being in accordance with the contract, or acceptance of the correctness of the calculation.
- 5.5 In case of incorrect or incomplete delivery or services we are entitled, without prejudice to our other rights, to withhold the payment proportionally until the order has been properly fulfilled.
- 5.6 The Supplier is not entitled to assign his claims against us or have them collected by a third party without our prior written consent, which may not be unreasonably withheld. If the Supplier assigns a claim without our consent to a third party, the assignment will be valid in any case. At our discretion, we can then either make the payment either to the Supplier or also to the third party with the effect of discharging the obligation.

## **6. Delivery**

- 6.1 Unless otherwise agreed in writing, delivery is to be made DDP (INCOTERMS 2020). This includes delivery “free works” or free place of use” including recyclable packaging. Deliveries including assembly and/or installation or the performance of services will always be made without additional delivery charges to the place of use.
- 6.2 Agreed dates and deadlines are binding. The delivery period begins - unless a specific date is given - on the date on which the order is issued. The delivery date will only be considered to have been met if the goods are received on our premises or at the agreed place of use independent from the agreed INCOTERMS. If delivery including assembly and/or installation or the performance of other work is the subject of the contract, these will only be considered to have been completed when they have been formally accepted. The schedule for the inspection and, if necessary, revision of the work should be determined by mutual agreement. In any case, we will have a reasonable period of at least twenty (20) working days to review the work.
- 6.3 If delivery not agreed DDP (INCOTERMS 2020), the Supplier must provide the goods in a timely manner, taking into account the usual time for loading and shipment. The deliveries are to be handled according to our instructions.
- 6.4 As soon as it is possible for the Supplier to recognize that he will not be able to meet his contractual obligations in full or in part, or not on time, or not in the agreed quality, he must inform us of this immediately in writing stating the reasons and the expected duration of the delay.
- 6.5 In case of delays in delivery, we are entitled to claim lump-sum damages in the amount of 1% of the order value per calendar week begun, but not more than a total of 10% of the order value. We are, however, also entitled to assert a claim for the specific loss incurred, which may exceed the amount of lump-sum damages; we reserve the right to assert further legal claims (especially withdrawal and damages instead of performance). The Supplier has the right to prove to us that no damages at all or much lesser damages were incurred.
- 6.6 The unconditional acceptance of a late delivery does not constitute a waiver of further rights and claims.
- 6.7 The Supplier is obliged to state our order number on all shipping papers and delivery notes. In addition to the drawing number, the relevant index should also be stated on the delivery note if

available. If the Supplier omits this information, we will not be responsible for the resulting delays in processing.

## **7. Force Majeure**

- 7.1 Force majeure, operational disruptions that are not the fault of the contracting party, unrest, governmental measures and other unforeseeable, unavoidable, and severe events release the contracting parties from their obligation to perform for the duration of the disruption and to the extent of their effect. Agreed deadlines and delivery dates shall be extended by the period affected by the disruption. We are entitled to obtain supplies elsewhere for the duration of the delay.
- 7.2 If the disturbance is of significant duration and results in a significant decrease in demand, we will be entitled - without prejudice to our other rights - to withdraw from the contract with regard to the portion not yet fulfilled.
- 7.3 The Supplier must inform us immediately in writing of any emerging delays as defined under Section 7.1 and the expected duration. If the Supplier fails to give notice or if notice is given too late and the Supplier is responsible for the omission or the delay in the notification, the Supplier must pay compensation for the damages, which could have been avoided if timely notification had been provided.
- 7.4 The Supplier will be obliged to provide us with an appropriate emergency plan.

## **8. Quality and Documentation**

- 8.1 With regard to his deliveries, the Supplier must comply with the applicable statutory and regulatory requirements in the country of production, the country of delivery and the countries in which the delivery items are intended for use, the recognized rules of technology, safety regulations, in particular the applicable health and safety regulations and accident prevention regulations, any DIN standards and the agreed technical data and specifications. The zero-defect principle shall apply. In addition, the Hirschmann Car Communication ("HCC") Quality Directive (available for download at <https://hirschmann-car.com/downloads/>) shall apply in the version that is valid at the time of the conclusion of the contract. If and when the Supplier becomes aware that he is unable to meet these requirements, the Supplier shall notify us immediately.
- 8.2 The Supplier is obliged to observe the applicable conditions in the manufacturer's and the customer's country, and in the country of use, with regard to the environment, electricity, and electromagnetic fields. The Supplier shall ensure that the delivery item complies with the respective current national and EU-wide regulations on prohibitions and restrictions of chemical substances, such as (EC) No. 1907/2006 (REACH), EU Directive 2011/65/EU+2015/863/EU (RoHS Directive).
- 8.3 The Supplier grants us and our customers the right to review compliance with Sections 8.1 and 8.2 on the Supplier's premises after prior appointment. The Supplier hereby agrees to the evaluation of the effectiveness of his quality assurance system either by us or our customers by means of quality audits.
- 8.4 Changes in the delivery items, including changes in materials, tools, or processes in manufacturing require our prior written consent. The Supplier must review the specifications and notify us

immediately of any necessary changes.

- 8.5 The shipment of the first series production (including in case of product changes) can only begin if our written approval is in place after the initial sample required in accordance with the HCC Quality Directive. With regard to the reviewing of initial samples, we refer to VDA (German Automobile Association) publication "Quality Assurance for Deliveries - Selection of Suppliers/Production Process - and Product Approval/Quality of Series Performance" as amended from time to time. Irrespective of this, the Supplier will permanently control the quality of the goods delivered. The contractual parties will inform each other of the possibilities for improving quality.
- 8.6 In the event that the kind and extent of testing, as well as the instruments and testing methods, are not agreed between the Supplier and us, we will, if the Supplier so desires, agree to discuss the testing with the Supplier to the extent of our expertise, experiences, and opportunities in order to determine the necessary status of testing techniques in each case. In addition, we will, upon request, inform the Supplier about the applicable safety regulations.
- 8.7 The Supplier shall provide IMDS data for all purchased parts and submit them to us without being requested to do so.
- 8.8 The Supplier must also state in his quality records for all products when, how, and by whom checks were carried out to ensure the defect-free manufacture of the deliveries. These records must be kept for 15 years and presented to us upon request. The Supplier is entitled to reduce the retention period for documentation if he is able to exclude the possibility of risk to life and health in the use of his products. The Supplier is required to obligate any sub-suppliers to the same extent as far as is legally possible. As guidance, reference is made to the VDA publication "Verification - Guidelines for Documentation and Archiving of Quality Requirements" in their respective most current version.

## **9. Acceptance, Complaints**

- 9.1 Acceptance requires an explicit declaration on our part.
- 9.2 We will only perform an incoming goods inspection with regard to externally recognizable damage and discrepancies in identity and quantity. We will provide immediate notification of any such defects. We will also provide notification of any other defects as soon as they are identified in the course of proper business procedure. In this respect, the Supplier will waive any objections due to late notification of defects.

## **10. Liability for Defects**

- 10.1 Unless otherwise stipulated in the following, claims for defects will be based on the legal regulations.
- 10.2 The Supplier warrants that the delivery items comply with the requirements referred to in Section 8 para 1 and 2.
- 10.3 In case of the delivery of parts that can be seen to be deficient before the commencement of manufacturing (processing or installation), we first give the Supplier an opportunity to sort out and rectify the defect or to provide a replacement delivery, insofar as this is not unreasonable for

us. If the Supplier is not able to do this or if he fails to do so immediately, we can withdraw from the contract without further notice and return the goods at the Supplier's risk. In urgent cases, we may rectify the defect ourselves or have it rectified by a third party in consultation with the Supplier. The Supplier shall bear the costs resulting from this. If the same goods are repeatedly delivered with defects, after a written warning, we will be entitled to withdrawal in case of further defective delivery. The withdrawal will also apply to the scope of delivery not fulfilled.

**10.4 If a defect is only determined after the commencement of manufacturing:**

10.4.1 The Supplier shall rectify the defective delivered parts free of charge, or send a new delivery of the parts, and also compensate us for the expenses we incur (in particular costs for the dismantling of defective parts and building-in of faultless parts, and sorting costs). In addition, the Supplier shall also bear those costs, which our customers (e.g. car manufacturers) are entitled to demand from us as a result of the defect (in particular transport, sorting, travel, labour, and material costs) or

10.4.2 We may reduce the purchase price.

10.5 In the event of the delivery of defective goods, we are entitled to claim compensation for all damages resulting from the defect, as well as for damages reimbursed by us to our customers in accordance with Section 11.

10.6 Upon request, the Supplier shall receive the parts to be replaced by him promptly and at his own expense.

10.7 The limitation period for asserting warranty claims expires after 36 months from receipt of the goods by us. If acceptance is required, the limitation period shall commence upon acceptance by us. Sentence 1 will not apply if the mandatory provisions of § § 445a, 445b BGB apply. Notice of the defect given within this period of limitation shall suspend the limitation period.

10.8 If defective goods are delivered, claims under product liability law, tort and agency of necessity will not be affected by Section 10.

10.9 In case of repeated delivery of defective parts, "Controlled Shipment Levels" may be introduced at the expense of the Supplier.

**11. Liability, Approval, Insurance Coverage**

11.1 Subject to other liability provisions contained elsewhere in these Terms and Conditions, the Supplier will be obliged to pay compensation for damages that we incur directly or indirectly as a result of the delivery of defective goods, the violation of statutory requirements or governmental safety regulations, or for other legal grounds of Supplier liability.

11.2 We are entitled to claim compensation from the Supplier for the expenses that we have to bear in relation to our customers because they have a claim against us for compensation of the expenses required for the purposes of subsequent performance, in particular costs incurred for transport, travel, labour and material.

11.3 The Supplier will release us from all claims that our customers may assert against us as a result of

the delivery of defective goods or other noncontractual performance attributable to Supplier.

- 11.4 The Supplier undertakes to maintain an public/product liability/recall costs insurance with appropriate coverage of at least € 5 million per claim and provide proof of this insurance coverage upon request. Any further claims for the compensation of damages remain unaffected by this.
- 11.5 In the event of a product liability claim, the Supplier is obliged to indemnify us and hold us harmless from such claims if and to the extent the damage was caused by a defect in the goods supplied by Supplier. In cases of liability based on fault, this shall only apply if the Supplier is at fault. Insofar as the cause of the damage falls within the area of responsibility of the Supplier, the Supplier shall bear the burden of proof not to be at fault. The Supplier shall bear all costs and expenses including any legal fees, except such costs are in total not necessary and reasonable. In all other respects, the statutory provisions shall apply.
- 11.6 The Supplier is obligated to reimburse any expenses that arise from or in connection with measures performed by us or our customers in order to avert danger (e. g. recall measures), to the extent that the measures are caused by a defect in the goods supplied by the Supplier, except Supplier is not liable for the defect. A contributory negligence on our part shall be considered in accordance with § 254 BGB (German Civil Code) when determining the costs to be borne by Supplier. We will inform the Supplier of the content and extent of the recall measures to be performed, as far as is possible and reasonable, and give the Supplier the opportunity to give his opinion. This will not affect other statutory claims.
- 11.7 If employees, representatives, subcontractors, or other representatives of the Supplier (the "Vicarious Agents of the Supplier") spend time on our premises or those of one of our customers, the Supplier will be liable for all acts and omissions of his agents on our premises or on those of our customers. The Supplier undertakes to indemnify us against and release us from all liabilities for property damage, personal injury, or death (including court and legal costs) resulting from acts or omissions attributable to the Vicarious Agents of the Supplier, regardless of whether this occurs in accordance with the delivery contract or not.

## **12. Third-Party Rights, Intellectual Property Rights, Defects of Title**

- 12.1 The Supplier warrants that the delivery items do not infringe any third-party rights (in particular patent rights, copyrights, utility model rights, trademark rights or other intellectual property rights).
- 12.2 The Supplier undertakes to inform us other immediately if he becomes aware of risks of infringements or alleged infringements, and to give us the opportunity to jointly oppose such claims.
- 12.3 If the delivery items infringe or are alleged to infringe a third party right, the Supplier shall reimburse us for all costs incurred as a result. In addition, the Supplier shall, at its own expense and at our request, perform one or more of the following:
  - 12.3.1 Provide us with the right to use the delivery items as intended,
  - 12.3.2 Replace the delivery items with corresponding products that we indicate shall be acceptable, or alter the goods in a way indicated by us as being acceptable in such a way that they no longer infringe any third party right, and



- 12.3.3 Accept a return of the delivery items and refund us the purchase price already paid for said delivery items along with all costs incurred for the return of said delivery items to Supplier.
- 12.4 If the Supplier does not meet the above obligations under Section 12.3.1, Section 12.3.2 and/or Section 12.3.3 as may have been requested by us within a reasonable grace period set in writing by us, or if such measures are unreasonable for us, we shall be entitled to withdraw from the contracts affected by this, without prejudice to the compensation and indemnification obligations under Sections 12.3 and 12.5.
- 12.5 The Supplier shall indemnify us against claims of third parties due to the infringement of third-party rights by the delivery items, unless the Supplier proves that it is not responsible for the infringement. In addition, the Supplier shall, upon request, immediately provide us with the information and documents required for the defense against such claims of third parties. The Supplier shall support the freedom from third-party rights in relation to the delivery items by taking appropriate measures, such as research on conflicting third-party rights, and shall provide us with corresponding research results upon request.
- 12.6 The limitation period for indemnification claims is three years. The limitation period for indemnification claims commences at the end of the year in which the claim arose, and we obtain knowledge of the circumstances giving rise to the claim and of the identity of obligor, or would have obtained such knowledge without gross negligence. Any longer statutory limitation periods shall take precedence. This also applies to the aforementioned additional claim for information and documents.
- 12.7 The provisions of clause 12.6 shall apply accordingly to claims due to defects of title. Any longer statutory limitation periods shall take precedence.

### **13. Reservation of Title, Provision**

- 13.1 We recognize only the simple retention of title of the Supplier.
- 13.2 If we provide parts to the Supplier, we reserve the right to ownership of these. The Supplier will perform the processing or modification for us. If our goods subject to retention of title are processed with other goods not belonging to us, we will acquire joint ownership of the new item in line with the ratio between the value of our items (purchase price plus VAT) and the other processed items at the time of processing.
- 13.3 If the items provided by us are inseparably mixed with other items that do not belong to us, we will acquire joint ownership of the new item in line with the ratio between the value of our items (purchase price plus VAT) and the other mixed items at the time when the mixing occurred. If the mixing is performed in such a way that the Supplier's item is to be regarded as the main item, it is considered agreed that the Supplier has transferred proportional joint ownership to us; the Supplier holds the sole or joint ownership on our behalf.
- 13.4 If the security interest to which we are entitled under Section 13.2 and/or 13.3 exceed the purchase price of all of our goods subject to retention of title that have not yet been paid for by more than 10%, we will be obliged to request that the Supplier release the appropriate security interest at our discretion.



## **14. Confidentiality**

- 14.1 The Supplier will be obliged to keep strictly confidential all commercial and technical details that are not public information that he becomes aware of as a result of the business relationship. These details may not be disclosed to third parties without our express approval. Such information may be used only to execute orders for us and made available only to those employees whose involvement in the execution of the order is required. The Supplier must bind these employees to confidentiality accordingly.
- 14.2 We retain ownership and copyright to illustrations, drawings, calculations, samples, models, and other documents. They may not be provided or otherwise made available to third parties without our express written consent. They will be used exclusively for production based on our order. Reproduction is permitted within the operational requirements and the copyright regulations; after processing of the order, these must be returned to us without further request and without charge after the processing of the order.
- 14.3 Subcontractors must enter into a corresponding obligation.
- 14.4 The duty of confidentiality will apply even after the completion of the contract, it will lapse if and insofar as the production knowledge included in the illustrations, drawings, calculations, and other documents has become generally known.
- 14.5 The contractual partners may use their business relationship for advertising only upon prior written consent.

## **15. Privacy Protection and Data Security**

- 15.1 "Data" means any record of information by electronic, paper, or other means, including but not limited to personal data/personal information, trade secrets, technical documents, business plans, solutions, product specifications, procedures, contracts and attachments and their contents, and other types of information recorded in any means.
- 15.2 Supplier shall comply with all applicable laws, regulations, directives, and industry standards related to data security, trade secret protection, personal data protection, and privacy protection, as amended, consolidated, or replaced from time to time.
- 15.3 Supplier shall implement and maintain appropriate technical and organizational measures to protect our Data against unauthorized access, accidental loss, tampering, destruction, damage, alteration or leakage. The measures include but are not limited to: (i) taking effective encryption, de-identification and other technical security measures, and taking recognized stronger encryption measures for sensitive personal data; (ii) implementing and maintaining comprehensive information security controls, including but not limited to firewalls, intrusion detection/prevention systems, etc.; (iii) developing and implementing appropriate backup, disaster recovery and business continuity plans; (iv) establishing internal data protection management systems and operating procedures.
- 15.4 Supplier shall ensure that any personnel involved in the processing of our Data are aware of their data protection obligations and are bound by appropriate confidentiality obligations. Supplier

shall only process our Data for the purposes specified in this Agreement and ensure that any processing of our Data is based on a lawful basis as required by applicable data protection laws.

- 15.5 Any transfer of our Data to a third country or international organization by Supplier shall only take place on documented instructions from us or for the purpose of complying with a specific requirement under applicable data protection laws. Supplier shall ensure that appropriate safeguards (e.g., standard contractual clauses or other approved mechanisms) are in place to protect our Data in accordance with applicable data protection laws.
- 15.6 In the event of a data breach (including but not limited to any unauthorized access, accidental loss, tampering, destruction, damage, alteration or leakage), Supplier shall report the breach to us immediately in the form of a written notice within 48 hours after becoming aware of the breach. Supplier's notice shall include, at least: (i) a description of the nature of the breach (e.g. the time, type, potential causes of the breach, and possible harm to us and/or data subjects ), (ii) the categories and size of data concerned, and the number of data subjects affected, (iii) the remedial measures that Supplier has taken and will take, and measures that data subjects can take to mitigate the harm, and (iv) the contact detail of Supplier's data security department or personal data protection department.
- 15.7 Supplier shall provide us with all necessary information to demonstrate compliance with the obligations required under applicable data protection laws and this agreement. We have the right to verify whether the measures applied by the Supplier during processing our Data comply with the provisions of this agreement. Supplier commits to rectifying any deficiencies identified during the verification within the time frame specified by us.
- 15.8 If Supplier engages a subcontractor to process our Data, it shall ensure that the subcontractor is bound by contractual obligations to provide sufficient guarantees to protect our Data and Supplier shall remain jointly and severally liable for the performance of its subcontractor's obligations.
- 15.9 Supplier is liable for damage caused to us or third parties as a result of processing by Supplier inconsistent with the provisions of this Section 15.
- 15.10 The obligations under these clauses shall survive the termination or expiration of the contractual relationship between Supplier and us, as necessary to fulfil Supplier's privacy protection and data security obligations. Supplier shall promptly return or delete all our Data in its possession or control upon termination of this Agreement, unless otherwise required by us or by applicable data protection laws.

## **16. Production Equipment and Materials**

If we have commissioned tools or resources for the manufacture of the delivery item, the terms and conditions of the tool contract/tool rental agreement in the currently applicable version will take priority. Unless expressly agreed otherwise, the following provisions will apply:

- 16.1 Payment of tools is dependent on proof of process capability and the release of the samples produced with their aid.
- 16.2 Once approval of the initial sample is granted by us, ownership of both the tool and the design

data (3D data) and design drawings (2D data) passes to us or the customer named by us. The delivery of possession shall be replaced by ceding the tool to the Supplier for use on loan.

- 16.3 The Supplier will be obliged to use our tools exclusively for the manufacturing of the goods ordered by us. The tools are to be permanently marked by the Supplier in such a way that they can always be identified as our property.
- 16.4 The Supplier is obliged to insure the tools belonging to us at the replacement value at his own expense against fire, water damage, and theft. At the same time, the Supplier already assigns to us all compensation claims under this insurance; we hereby accept the assignment.
- 16.5 The Supplier shall duly perform any necessary maintenance and inspection work, as well as all servicing and repair work at his own expense. The Supplier must report any failures to us immediately; if he culpably omits to do this, this will not affect claims for compensation for damages.
- 16.6 The Supplier will be obliged to return tools paid for or provided by us immediately upon our request.

## **17. Delivery Stipulations**

With regard to the delivery, our separate regulation "Delivery Instructions for Suppliers" will apply in the version valid at the time of the conclusion of the contract, which is available for download at <https://hirschmann-car.com/downloads/>.

## **18. Long-term Suppliers' Declarations and Export control regulations**

- 18.1 Separate long-term Supplier's declarations in accordance with regulation (EC) no. 1207/2001 or country of origin statement is required for all goods delivered. In particular, due to existing statutory provisions, all corresponding export control provisions from the German Export List (Appendix AL to the Foreign Trade and Payments Ordinance) and the US Export Administration Regulation must be listed on all quotations, order confirmations, delivery notes, invoices, and price lists. Regular supplier declarations must include the ECCN (Export Control Classification Number) and AL number fields. Revocations of the statements of origin confirmed in the long-term Supplier's declaration must be reported to our customs department. The Supplier will be obliged to notify us of all export licenses that are needed for delivered materials. This notification must be made directly to the customs department by means of our long-term Suppliers' declaration. The Supplier will be responsible for all adverse consequences resulting from notifications that are not made or that are incomplete. Notification in other business documents is not permitted.
- 18.2 The Supplier will inform the customs department immediately if a delivery is subject in whole or in part to export restrictions under German law or any other law, and shall comply with all export regulations applicable to the delivery of the goods.

## **19. Compliance with Laws**

- 19.1 The Supplier undertakes to comply with the applicable statutory provisions, including the principles for treatment of employees, environmental protection, animal welfare, data protection and health and safety at work, and internationally recognized human rights, and to make every effort to prevent adverse effects on people and the environment within its activities. In this regard, the

Supplier shall comply with the principles of the UN Global Compact initiative (<http://www.unglobalcompact.org>), the International Labour Standards of the ILO (<http://www.ilo.org>) and the HCC Code of Conduct for business partners (see <https://hirschmann-car.com/downloads/>), as amended from time to time.

- 19.2 The above-mentioned regulations relate mainly, but not in an exhaustive manner to: the abolition of child labour, forced labour and slavery of any kind; compliance with applicable health and safety rules at work, including adequate safety and protection standards, adequate organizational measures to prevent fatigue (inter alia, through adequate working hours and breaks, sufficient training and instructions); the freedom of association; the prohibition of discrimination at work, e.g., based on gender, color of skin, disability, trade union membership, political views, origin, religion, age, pregnancy or sexual orientation; the obligation to pay adequate salaries, at least in compliance with locally applicable minimum wage regulations; the causation of harmful soil changes; contamination of water or air; harmful noise emissions or disproportionate water consumption; unlawful deprivation of land or evictions, or the hiring of security forces who disrespect the prohibition of torture or injury to life and limb as well as the prevention of corruption.
- 19.3 The Supplier assures to address the above-mentioned regulations and our requirements towards its sub-suppliers and do everything in its powers to oblige its sub-suppliers and their sub-suppliers to also comply with these regulations and principles. The Supplier shall carry out related control measures at its suppliers. We or a third party commissioned by us are entitled to verify the compliance with the foregoing obligations and to check the content of the related commitments. The Supplier shall respond to related queries in the time and form required by us and demonstrate its measures adequately.
- 19.4 The Supplier is obliged to provide all information on Product Environmental Compliance (PEC) in the required form. This includes e.g. REACH, RoHS, PFAS, CBAM and others.
- 19.5 To the extent that it is reasonably possible, the Supplier shall develop and implement a management system in accordance with ISO 14001 (environmental management).
- 19.6 The Supplier shall take concrete measures to reduce the environmental impact, in particular CO<sub>2</sub> emissions, in all phases of production, transportation and use of its products. In addition, at our request, the Supplier shall provide documentation of the implementation of these measures, the progress made in terms of energy efficiency and CO<sub>2</sub> minimization, as well as a CO<sub>2</sub> report at product level.
- 19.7 Supplier shall disclose all "Conflict Minerals" (as defined in Section 1502 of the Dodd Frank Wall Street Reform and Consumer Protection Act) used in the production of the delivery items and, in the event such Conflict Minerals are used, shall cooperate, at no additional cost to us, in performing a reasonable due diligence investigation on the origin of Conflict Minerals contained in the delivered goods to enable us to comply with our disclosure and reporting obligations under the Conflict Minerals Law. This obligation may include, but is not limited to, the following:
- 19.7.1 Support in the due diligence investigation of the country of origin for such Conflict Minerals;
- 19.7.2 Careful selection and monitoring of smelters and refineries to ensure that they operate responsibly and comply with international human rights and environmental standards;

- 19.7.3 Accurate verification, and - at our request - providing information on the origin of the Conflict Minerals contained in the Supplier's products throughout the entire supply chain;
  - 19.7.4 Where possible, sourcing minerals from conflict and high-risk areas only from certified smelters and refineries;
  - 19.7.5 Carrying out regular audits of the Supplier's sub-suppliers and obliging its sub-suppliers to provide and transmit information to us, as well as obliging the sub-suppliers to pass on these obligations in their own supply chain;
  - 19.7.6 Providing an adequate description of the measures taken to ensure proper sourcing and monitoring in the supply chain for such materials, and/or
  - 19.7.7 Submission of Supplier's Conflict Minerals Policy and the due diligence report, if applicable;
  - 19.7.8 Submission of an annual Conflict Mineral Report.
- 19.8 The Supplier undertakes to pay its employees at least the statutory or contractually agreed minimum wages and to engage only those subcontractors who also contractually committed themselves to (a) pay at least the statutory or contractually agreed minimum wages to their employees and (b) to oblige their own subcontractors accordingly.
- 19.9 We, our customers or a third party commissioned by us are entitled to carry out on-site inspections and audits at the Supplier's premises at any time after prior notice within normal business hours, at our own costs, unless otherwise agreed. For these purposes, the Supplier shall grant access to all relevant documents, manufacturing facilities, processes and procedures and shall actively support us in the inspections. We and any third parties commissioned by us will treat the information obtained in the course of such audits as confidential.
- 19.10 The Supplier shall facilitate the participation of its employees in trainings on human rights and environmental matters.
- 19.11 The Supplier shall provide us with all relevant information that we may need to be able to comply ourselves with all applicable laws and respective customer requirements. The Supplier shall respond to related queries in the time and form required by us and demonstrate its measures adequately. The Supplier guarantees that all information provided to us is accurate and complies with applicable regulations.
- 19.12 If a third party asserts a claim against us due to a breach of the Supplier's obligations under this Section 19, the Supplier undertakes to provide us with all information necessary for the defense against such claim and any legal proceedings. This also applies after termination of the contractual relationship between the Supplier and us. The Supplier shall oblige its subcontractors accordingly.
- 19.13 When required by applicable law or upon the request of our customers, we may disclose relevant information provided by the Supplier and related to supply chain transparency processes (e.g. CBAM) on a need-to-know basis. The Supplier expressly acknowledges its consent.

- 19.14 In case of a potential breach of the obligations under this Section 19, the Supplier shall investigate such potential breaches without undue delay and inform us about any action taken by the Supplier. If justified, the Supplier shall also disclose its relevant supply chain to us. In case of an actual breach, the Supplier shall, and if so requested, jointly with us, develop and implement measures to end or minimize the respective breach.
- 19.15 In case of a breach of any obligation set out in this Section, the Supplier shall indemnify us against all obligations resulting from such breach and shall compensate us for any damage resulting therefrom. The same obligation applies to the Supplier if a sub-supplier commissioned by the Supplier breaches the above obligations.
- 19.16 We reserve the right to terminate existing agreements, with or without notice, in case the Supplier: (i) repeatedly and/or despite a corresponding notification breaches the law or the aforementioned regulations, and (ii) does not demonstrate that the respective breach has been cured to the extent possible and that the Supplier has taken adequate measures to prevent future breaches.

## **20. General Provisions**

- 20.1 If a contractual partner suspends his payments or if insolvency proceedings are initiated against his assets, then the other contractual partner will be entitled to withdraw from the part of the contract that has not been performed.
- 20.2 Offsetting against counterclaims or the exercising of a right of retention is only permissible if the counterclaim is undisputed or has been legally established.
- 20.3 The exclusive place of jurisdiction for all disputes arising directly or indirectly from the contract will be at the court with jurisdiction over our registered office ("Sitz"). We are also entitled to bring an action against the Supplier in his place of general jurisdiction.
- 20.4 Unless stated otherwise in the order, our registered office or the place of use desired by us will be the place of performance.
- 20.5 German law will apply exclusively to all legal relationships between the Supplier and us; the provisions of the United Nations Convention on Contracts for the International Sale of Goods (CISG) and the conflict of laws (international private law) will not apply. INCOTERMS 2020 will apply with regard to the interpretation of delivery clauses.
- 20.6 In the event that individual provisions of these terms and conditions and further agreements entered into are or become invalid, the validity of the contract will otherwise remain unaffected. The contracting parties will be obliged to replace the ineffective provision with an effective provision that comes as close as possible to being equivalent with regard to economic success.

Status: July 2025