

General Terms and Conditions of Purchase of AVL SCHRICK Performance Components GmbH

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

- 1.1 These Terms and Conditions of Purchase apply to all contracts between us, AVL SCHRICK Performance Components GmbH, hereinafter referred to as "AVL SPC," and the contractual partner, hereinafter referred to as "Supplier."
- 1.2 Upon confirmation of our order by the supplier, these Terms and Conditions of Purchase shall be deemed to have been accepted by the supplier.
- 1.3 Any terms and conditions of the supplier that conflict with or deviate from these Terms and Conditions of Purchase shall not become part of the contract, even if we do not expressly object to their inclusion. If the supplier does not agree to this, it must notify us of this circumstance in writing without delay.

The standard reference to the supplier's general terms and conditions is hereby expressly rejected.

2. CHANGES TO DELIVERY AND SERVICES

- 2.1 We may at any time request changes to the agreed scope of delivery and/or services, in particular in terms of design, process and/or execution, provided that such changes are not unreasonable for the supplier.

In the event of such requests for changes, the effects, in particular with regard to the additional or reduced costs actually incurred, shall be specified by the supplier in writing without delay and agreed upon appropriately between the parties.

- 2.2 If the supplier wishes to change the content and/or scope of agreed deliveries and/or services, it must submit such change requests to us in writing immediately after determining the change request. The requested change is only permissible if we have given our express prior written consent.
- 2.3 Changes that become mandatory due to changes in legal regulations or standards on the part of the supplier do not require approval, but do require prior, immediate, and timely written notification by the supplier.

The supplier is obliged to immediately propose to us any changes that it considers necessary or appropriate in view of changes in statutory or other mandatory regulations or for other reasons. If a change may affect the costs or delivery date, the supplier must inform us of this at the same time.

- 2.4 Contrary to sections 2.2 or 2.3, any unauthorized changes made to the service must be reversed or eliminated at no cost upon request by AVL SPC. If AVL SPC subsequently approves such a change, the supplier shall be entitled to reasonable additional compensation based on the actual additional and reduced costs incurred, plus reasonable surcharges.
- 2.5 If the parties disagree on the amount of remuneration to be granted in accordance with Section 4 of these Terms and Conditions, the Supplier undertakes to explain to AVL SPC the additional and reduced costs it considers necessary and their impact on the additional remuneration it is seeking, providing appropriate evidence.

3. OFFERS; ORDERING

- 3.1 We shall not grant any remuneration for the preparation of offers, plans, cost estimates, etc. by the supplier, unless this has been expressly agreed..
- 3.2 Upon receipt of any written order from us, the supplier shall immediately, but no later than within 3 days, either confirm or reject this order or submit a modified offer to us. This 3-day period is hereinafter referred to as the "response time." Telecommunication transmission by fax or email is sufficient to comply with the written form requirement. Periods that fall within a Saturday, Sunday, or public holiday at the supplier's place of business are not included in the calculation of the

response time. If the supplier does not confirm our order within the response time, we are entitled to cancel the order. Unsere Bestellungen und Änderungen zu diesen haben nur Gültigkeit, wenn sie von uns schriftlich erteilt bzw. bestätigt werden.

- 3.3 Our orders and changes thereto shall only be valid if they are placed or confirmed by us in writing.
- 3.4 Our orders may only be passed on to third parties in whole or in part with our prior written consent. Any violation of this provision entitles us to terminate the contract extraordinarily and without notice. Further claims on our part remain unaffected. Consent in accordance with sentence 1 is not required if the supplier's business is not equipped to perform the service.
- 3.5 The assignment of claims and/or the transfer of the collection of claims against us to third parties is only permitted with our prior written consent, which AVL SPC may only refuse for important reasons.
- 3.6 If the supplier suspends payments or insolvency proceedings are opened against its assets, we shall be entitled to terminate the contract without prejudice to any other rights.

4. DELIVERY AND SERVICE DATES; DELIVERIES

- 4.1 The contractually agreed delivery or service dates—hereinafter referred to as "dates"—are binding and are understood to be the date of receipt of goods or provision of services at the contractually agreed destination.
- 4.2 If compliance with a deadline is jeopardized, the supplier must notify us immediately in writing.
- 4.3 In the event of a delay in delivery or performance for which the supplier is responsible, we reserve the right to impose a contractual penalty of 0.2% per working day of delay, up to a maximum of 5% of the total order volume, at the latest until the final payment. We may also demand the contractual penalty if we do not expressly reserve the right to do so upon acceptance of the delivery or service. Further claims on our part, in particular those for damages, remain unaffected. In the event of such further damages being asserted, the forfeited contractual penalty shall be offset against the damages.
- 4.4 Even if we accept a postponement, we reserve the right to assert any legal and contractual claims to which we are entitled due to delay.
- 4.5 If the supplier is responsible for exceeding the delivery date, it is obliged to use the fastest means of transport available, regardless of the shipping method specified in the order, in order to minimize the delay. The costs for this transport shall be borne by the supplier.
- 4.6 In the event of a delay in delivery for which the supplier is responsible, we shall be entitled, after expiry of a reasonable period of time, which shall not normally exceed 14 calendar days, to withdraw from the contract with immediate effect if the supplier has been warned of this in advance together with a request for remedy within the period set for this purpose.
- 4.7 Partial advance deliveries and services are only permitted with our written consent. Exceptions to this are deliveries and services within a maximum of 7 calendar days before the agreed date. Even in the case of a permitted advance delivery, the payment period shall not commence until the contractually agreed date.
- 4.8 Unless otherwise agreed in writing, deliveries shall be made in accordance with DAP (Delivered at Place) (Incoterms 2020) to the destination specified in the order..
- 4.9 The packaging must be selected in accordance with the relevant packaging standards, in particular the AVL Schrick Performance Components packaging and transport guidelines, in such a way that damage-free delivery is guaranteed. Upon request by AVL SPC, the supplier is obliged to take back the

transport packaging.

- 4.10 The following applies to complaints about defects, incorrect deliveries, or quantity errors in accordance with § 377 HGB (German Commercial Code): We only carry out an incoming goods inspection with regard to externally visible damage and externally visible deviations in identity and quantity. We will report such defects immediately. We reserve the right to carry out a more extensive inspection of incoming goods. Furthermore, we will report defects as soon as they are discovered in the course of normal business operations. In this respect, the supplier waives the objection of delayed notification of defects. Payment for the goods does not constitute unconditional acceptance of the goods.
- 4.11 In the event of a specially agreed delivery release by us, we shall be entitled to extend the delivery period by up to 90 calendar days. In this case, the supplier shall be obliged to store the goods carefully and free of charge until we release them for delivery.

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 the safety, accident prevention, and environmental regulations, the relevant ordinances and directives of the VDE regulations, the REACH Regulation [EC] No. 1907/2006 and the RoHS Directive, 2011/65/EU, the recognized latest rules and standards of technology, and precisely the documents underlying the order and known to the supplier, such as drawings, descriptions, samples, specifications, acceptance conditions, etc. The supplier shall provide all necessary data sheets and information sheets for the ordered goods and shall label its deliveries in accordance with the applicable regulations (e.g., CLP Regulation [EC] No. 1272/2008).
- 5.2 The supplier shall establish a quality management system that complies with the requirements of ISO 9001 and shall carry out quality control that is appropriate in terms of type and scope and corresponds to the latest state of the art. The supplier shall also ensure IT security in accordance with the requirements of ISO 27001.
- 5.3 Complete maintenance, operating, and service instructions for devices, instruments, system components, and systems must be supplied in electronic form without separate specification and at no extra cost.
- 5.4 The supplier is hereby notified that we are certified according to ISO 14001 and ISO 9001. The QES documents to be observed by suppliers, including the current list of ingredients and substances ("AVL substance list") that may not be supplied to us or may only be supplied to us under certain conditions.
- 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 purchaser responsible for them at our company, specifying the substances concerned.
- 5.5 Any change in the production process, the production site, or the place of dispatch of the goods requires our prior written consent, which may only be refused for good cause. Costs and damages incurred by us as a result of non-compliance with this provision or otherwise due to a change of location initiated by the supplier shall be borne by the supplier. The supplier shall immediately inform us in writing of any relocations in its supply chain or changes of subcontractors in the supply chain of which it is aware.
- 5.6 The supplier is obliged to provide complete product documentation (in particular installation, maintenance, operating, and service instructions, test documentation, CE declarations, etc.) without separate request and at no extra cost in an electronically editable form, as a PDF, and as a hard copy. The specifications of the supplier documentation

specifications (<http://srm.avl.com> > Customer Documentation Notice) must be observed. We are entitled to use this product documentation without restriction and, in particular, to integrate it into training and sales documents as well as customer documentation—in whole or in part, in the original language or in translation.

6. PRICE AND PAYMENT

- 6.1 Unless expressly agreed otherwise in writing, the prices stated in the supplier's offer and/or in our order are fixed prices and therefore cannot be changed until the order has been delivered and performed in full and in accordance with the order.
- 6.2 Unless otherwise agreed in writing, payment shall be made after receipt of goods or provision of services in accordance with the contract and receipt of a proper and verifiable invoice after 14 days with a 2% discount or 30 calendar days net.
- 6.3 If the service provided is defective and AVL SPC is entitled to demand rectification of the defect, AVL SPC may retain a reasonable portion of the remuneration due, generally twice the cost of rectifying the defect, until the defect or defects have been completely rectified.

7. LIABILITY FOR DEFECTS AND INSURANCE

- 7.1 Unless otherwise agreed in writing or stipulated in special contractual terms, the limitation period for claims for defects shall be 36 months from the transfer of risk.
- 7.2 During the statutory warranty period, the supplier shall remedy any defects immediately upon request within the period set for this purpose.
- 7.3 All costs associated with remedying defects, such as transport and removal and installation costs, shall be borne by the supplier.
- 7.4 The limitation period for justified claims arising from liability for defects shall be suspended for the duration of the rectification of defects until the defect has been successfully remedied.
- 7.5 Parts replaced or repaired as part of the rectification of defects are covered by a warranty for defects 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 Section 7.1 or in agreed special contractual terms and conditions.
- 7.6 If the supplier fails to fulfill its obligation to remedy the defect within a reasonable period set by us, we shall be entitled to remedy the defect ourselves or have it remedied by a third party at the supplier's expense or, if this is not possible, to obtain a replacement elsewhere.
- 7.7 The provisions agreed in section 7.6 shall apply accordingly in cases where, after weighing up the interests of both parties, we are entitled to refrain from setting a deadline in order to avoid significant damage, or where such a deadline is unreasonable for us. Further legal provisions remain unaffected.
- 7.8 The supplier is obliged to take out adequate insurance cover with an insured sum of at least USD 1 million for the duration of the supply relationship and for a reasonable period thereafter (at least 10 years) to cover all risks arising from the supply relationship in question (such as, in particular, operating and product liability, extended product liability including removal and installation costs, all consequential damage caused by defects, and testing, sorting, and vehicle recall costs). This insurance coverage must be maintained for the entire duration of all obligations arising from the supply relationship. The supplier must provide AVL SPC with proof of insurance coverage within 14 days of signing the contract and must provide unsolicited proof of the maintenance of this insurance coverage every six months during the term of the contract.

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8. SPARE PARTS, PRODUCTION EQUIPMENT, AND RAW MATERIALS

- 8.1 The supplier guarantees the availability of spare parts for the goods it has delivered for a period of 15 years after completion of delivery and shall also transfer this obligation to all its subcontractors. If a spare part is no longer available within this period, the supplier shall provide a technical replacement solution, the delivery time for which shall not exceed the originally agreed delivery time and the price for which shall not exceed that of the spare part in question.
- 8.2 If the supplier intends to discontinue the production of spare parts for the products delivered to us during the period specified in clause 8.1, it shall notify us immediately after the decision to discontinue production has been made. This decision must be made at least six months before production is discontinued.
- 8.3 Production resources that we have made available to the supplier must be treated with care.
- 8.4 Production equipment manufactured or procured by the supplier and for which we have paid the manufacturing costs (tooling costs) shall become our property upon payment. Upon payment of at least 50% of the manufacturing costs (tooling costs), we shall be entitled to transfer proportional co-ownership.
- 8.5 All production equipment provided by us or acquired within the meaning of Section 8.4 shall be kept at our disposal in a ready-to-use condition for 15 years from the last date of production and shall be marked permanently with the words "Property (co-property) of AVL SCHRICK Performance Components GmbH." If this storage is impossible or unreasonable for the supplier, they must notify us immediately in writing so that alternative measures can be agreed upon. The costs of storage shall be borne by the supplier. The production equipment must be handed over to us during the above-mentioned storage period upon request without any right of retention. The supplier's obligation to store the production equipment ends when it is handed over to us.
- 8.6 In the event of damage, loss, or destruction of raw materials provided by us (semi-finished products, castings, pre-machined parts, etc.), the supplier shall reimburse us for the costs of replacement.

9. RIGHTS TO DOCUMENTS; CONFIDENTIALITY

- 9.1 All drawings, sketches, calculations, descriptions, and similar items provided to the supplier for the purpose of submitting offers or executing 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 or reproduced or made available to third parties without our prior written permission.
- If the supplier makes changes to the documents after obtaining our prior permission in accordance with the preceding paragraph, the supplier may use the changed documents exclusively for the purpose of submitting offers or executing orders. In all other respects, the supplier shall transfer to us the exclusive right to use and exploit the amended documents without restriction in terms of time, space, or content. The right of return in accordance with the preceding paragraph shall also extend to the amended documents.
- 9.2 The supplier is obliged to treat all business and trade secrets of AVL SPC ("confidential information") that come to its knowledge in the course of its cooperation with us as strictly confidential. The confidential information may not be reproduced, made available to third parties, or used for purposes other than the processing of our orders without our written consent. In particular, the supplier is prohibited from removing documents (e.g., data, documentation, programs) of any kind from our company premises without our written consent. If we approve the (partial) awarding of subcontracts to subcontractors for the fulfillment of its contractual obligations, the

supplier must impose corresponding confidentiality obligations on its subcontractors. It shall also oblige its employees to maintain confidentiality (including a prohibition on use).

- 9.3 Confidential information includes, in particular, all drawings and calculations provided for the purpose of submitting offers or executing orders, all AVL SPC's own and customer-related business, technical, and personal data, all technical know-how belonging to AVL SPC or provided by customers (designs, specifications, plans, software, etc.), the order and the resulting work, results, data, and knowledge.
- 9.4 The supplier undertakes, within the limits of what is possible according to the current state of technology, to effectively protect all confidential information against access by unauthorized third parties immediately upon receipt and, in particular, to protect it against theft, loss, manipulation, damage, or any form of reproduction. If the supplier has any indications that unauthorized third parties may have gained knowledge of the confidential information, it shall inform us immediately in writing and, in consultation with us, take all necessary steps to clarify the matter and, if necessary, prevent future access.
- 9.5 If the supplier stores, edits, or processes the confidential information in its data processing systems, it shall ensure that unauthorized third parties cannot access this data.
- 9.6 The supplier undertakes to return all physical and data-based confidential information to us after completion of the order. The supplier shall also remove all confidential information from its data processing systems and return all copies of the confidential information to us at our discretion or destroy the copies in such a way that reconstruction is impossible. The supplier shall provide evidence of the complete return or destruction at our request and confirm this in writing.
- 9.7 The supplier is obliged to comply with all applicable data protection regulations in their current version and shall observe these. The supplier shall instruct all employees and subcontractors in accordance with the relevant data protection regulations and, if necessary, oblige them to maintain data confidentiality in accordance with the data protection regulations applicable to them. The supplier undertakes, in particular, to take 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 complying with the data protection obligations applicable to us.
- 9.9 If the supplier processes personal data from AVL as a data processor, it shall 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 Section 9 entitles us to terminate the contract extraordinarily and without notice. Further claims on our part remain unaffected.
- 9.11 The supplier can access our privacy policy at AVL Online Privacy Policy | AVL. Our data protection officer or data protection office can be contacted by email at privacy@avl.com.
- 9.12 The application of the provisions of the Trade Secrets Protection Act (GeschGehG) remains unaffected.
- 9.13 If the supplier becomes aware of an actual or imminent information security incident, the supplier is obliged to report the incident to AVL SPC immediately, providing all information and evidence available to the supplier, at security@avl.com and, upon request, to assist AVL SPC in dealing with the incident. If the supplier fails to report the incident in a timely manner and/or provide further support, the supplier shall indemnify AVL SPC against all resulting disadvantages.

10. AWORK RESULTS AND PROPERTY RIGHTS

- 10.1 Work results within the meaning of these provisions consist of all knowledge gained during the execution of the individual contract, including all inventions, regardless of their protectability and regardless of whether they are recorded, stored, or embodied in, for example, records, descriptions, experimental arrangements, models, devices, or systems (hereinafter referred to as "work results"). All work results produced, regardless of whether they are protectable by intellectual property rights or not, must be documented by the contracting party at which they are produced.
- 10.2 All work results produced by the supplier shall immediately become our exclusive and unrestricted property upon their creation and must be disclosed to us and made available to us without delay. This also applies to inventions or parts of inventions made by the supplier. The supplier shall assign 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., own use, application for property rights, granting of licenses to third parties, etc.). Inventions or shares in inventions shall be compensated at the agreed price in accordance with Section 6 of these General Terms and Conditions.
- 10.3 With regard to the copyrights accruing to the supplier in connection with the order, the supplier grants us permanent, unrestricted, and free rights of use.
- 10.4 The supplier undertakes to provide a delivery or service that is free of third-party property rights. The supplier is liable for ensuring that no third-party property rights are infringed during the execution of the contract and use of the delivery item or service. The supplier shall indemnify us against any justified claims by third parties for infringement of property rights.

11. EXPORT RESTRICTIONS; SUPPLIER DECLARATION

- 11.1 The supplier is obliged to inform us in writing, without being asked and as early as possible, of any goods-related restrictions on (re-)exports of the goods delivered or to be delivered by him 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 shall 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) in accordance with the US Export Administration Regulation (EAR),
- for US defense goods (so-called ITAR goods), the USML (United States Munitions List) category,
- information on the non-preferential origin of its goods (goods, technology, software) and their components,
- information on those goods that were manufactured on the basis of controlled US technology and/or contain controlled US components.

The supplier is further obliged to provide us (in particular the purchaser named on the order) with all further foreign trade data in writing upon request and to inform us in writing of any changes to the above information without being asked to do so.

- 11.2 The legally binding acceptance of re-export restrictions in accordance with the provisions of the Technology Transfer Regulation is limited to goods for which an export license is demonstrably required in the country of delivery (for the USA,

the currently valid version of the Export Administration Regulation of the US Department of Commerce applies), which are also marked accordingly in the delivery documents and for which the supplier expressly informs us of this in offers and order confirmations.

- 11.3 Suppliers based in the EU are obliged to provide us with the original of the (long-term) delivery declaration for goods with preferential origin status in accordance with Regulation (EC) No. 1207/2001, as amended, or in accordance with DVO (EU) 2015/2447.

If the supplier fails to comply with the above obligation or if its declaration does not comply with the legal requirements, it shall indemnify us against all resulting disadvantages.

The supplier undertakes to comply with all applicable import and export regulations and sanctions regulations.

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

12. REGULATIONS ON THE AENTG, MILOG

The supplier warrants that it will comply with all obligations under the current German Employee Secondment Act (A-EntG). In particular, the supplier warrants that, in its business relationship with us, it will pay its employees at least the minimum wages stipulated in the German Minimum Wage Act (MiLoG) and that no deductions other than those required by law will be made. Upon first written request, the supplier shall indemnify us against all claims asserted against us by third parties arising from the provisions on non-payment of the minimum wage (§ 14 AEntG) or minimum wage (§ 13 MiLoG).

13. COMPLIANCE AND SOCIAL RESPONSIBILITY

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 also expect our suppliers and their subcontractors to comply with regulations for the protection of internationally recognized human rights, all applicable laws and regulations, and the principles underlying them.

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

- Respect for fundamental and human rights
- Prohibition of child labor and forced labor
- Compliance with statutory minimum wages and social benefits or those commonly prescribed in the industry
- Compliance with working hours specified by law or by applicable industry or other standards,
- Ensuring compliance with applicable laws and regulations on freedom of association and the right to collective bargaining
- Prohibition of discrimination on grounds of race or ethnic origin, gender, religion or belief, disability, age, or sexual identity.
- Compliance with occupational health and safety requirements
- Responsibility for the environment and compliance with applicable environmental protection regulations
- Compliance with the prohibition on participating, either actively or passively, directly or indirectly, in any form of bribery or corruption or the granting of improper advantages

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- Compliance with applicable competition and antitrust laws, in particular the prohibition of agreements restricting competition.
- 13.2 The supplier shall also 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 a neighboring state in its goods. If the goods supplied by the supplier contain tin, tantalum, tungsten, or gold, the supplier must, upon request, provide all necessary documentation proving the legal compliance of the entire supply chain.
- 13.3 The supplier is aware that AVL SPC maintains a Code of Conduct for suppliers that applies generally to the AVL Group and is binding for all contractual relationships. The supplier is also aware that the principles contained therein regarding human rights and environmental expectations constitute a declaration of principles by AVL SCHRICK Performance Components GmbH within the meaning of Section 6 (2) LkSG.

The supplier confirms that they have taken note of and understood these principles and that they will fulfill the resulting obligations without restriction and expressly pass them on to service providers bound by them. They undertake to have their service providers confirm in writing that they have taken note of and are committed to complying with these principles.
- 13.4 AVL SPC ist berechtigt, nach vorheriger Ankündigung von mindestens drei Werktagen selbst oder durch einen entsprechend zertifizierten Dritten beim Lieferanten die Einhaltung des Risiko- und Kontroll-/Maßnahmenmanagements und die Wahrung der Grundsätze der Grundsatzzerklärung und der Regelungen gemäß dieser Ziffer 13.4 zu überprüfen. AVL SPC wird anschließend einen Bericht über eine durchgeführte Überprüfung anfertigen und dem Lieferanten zur Verfügung stellen.
- 13.5 In the event that the review reveals deviations in risk and control/measure management from the description provided, non-compliance with the obligations set out in the policy statement or their transfer within a supply chain, non-compliance by the supplier's subcontractors, previously unknown risks, or violations of the established human rights and environmental principles come to light, AVL SPC will provide the supplier with a list of deficiencies along with the report, in which the complaints are listed individually and the supplier is given a reasonable period of time to remedy the situation.
- 13.6 Within the same period, the supplier must submit to AVL SPC a concept aimed at terminating or at least minimizing and permanently ending the infringement, describing the measures to be taken by the supplier. This also applies if the supplier is unable to remedy the situation within the deadline set for this purpose due to the nature of the infringement. In this case, the concept must include a timetable for when the infringement will be terminated or at least significantly minimized. In all cases, the concept must include, among other things, considerations regarding joint development with AVL SPC or the company committing the infringement, and the implementation of a plan to end or minimize the infringement, regarding 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 for the period until the infringement has been successfully terminated.
- 13.7 If the supplier fails to comply with the request for remedy within the deadline set for this purpose, AVL SPC shall be entitled to terminate the contract with the supplier without notice if the violation of the protected legal position or environmental obligation is considered to be very serious, implementation within the schedule specified in the concept has not remedied the situation or is not foreseeable, and increasing the influence of the supplier and thus AVL SPC with the means available does not appear promising. In this case, the supplier shall only receive remuneration for the services rendered up to the date of termination. In addition, AVL SPC shall be entitled to claim compensation for any damage incurred as a result of the termination. AVL SPC's right to claim further damages remains unaffected.
- 13.8 AVL SPC can verify the effectiveness of the corrective measures implemented.
- 13.9 The preceding paragraphs in this Section 13 shall apply accordingly if AVL SPC has actual indications that a violation of a human rights or environmental obligation is possible at the supplier and this possibility has been confirmed by the results of a risk analysis carried out by AVL SPC on a case-by-case basis in accordance with Section 5 LkSG.

If an authority responsible under the LKSG issues orders and measures against AVL SPC to investigate violations of obligations under Sections 3 to 10 (1) LKSG originating from the supplier's sphere, the supplier is obliged to tolerate and cooperate with the authority and AVL SPC. This includes, among other things, tolerating the entry into and inspection of the supplier's premises, business premises, and farm buildings during normal business or operating hours and ensuring that business documents and records from which it can be deduced whether the obligations under the AVL SPC policy statement and the obligations established under clause 13 of these Terms and Conditions of Purchase are being complied with. Upon request, the supplier shall provide the competent authority and AVL SPC with information and documents required by them to perform their duties under the LkSG. This includes, in particular, information and evidence to determine the applicability of the LkSG, to fulfill the obligations under Sections 3 to 10 (1) LkSG or the Declaration of Principles and the provisions under Section 13 of these Terms and Conditions of Purchase, as well as the names of the persons responsible within the company for monitoring compliance with these obligations. This 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 confidentiality obligations remain unaffected.

If the authority identifies deficiencies on the part of the supplier, the supplier must submit a plan to AVL SPC within two months of notification of an order, including specific details of when the deficiencies will be remedied. If AVL SPC issues orders to the supplier in line with the specific actions required by the authorities, the supplier is obliged to comply with these orders as part of its duty to cooperate in accordance with sentence 1.

If a fine is imposed on AVL SPC pursuant to Section 24 LkSG due to a deficiency within the supplier's sphere of influence, the supplier shall indemnify AVL SPC against this. If the fine has already been paid by AVL SPC, it shall be entitled to claim damages from the supplier for the fine-worthy violation originating in its sphere pursuant to § 24 LkSG.
- 13.10 The supplier shall take appropriate measures to comply with the laws, regulations, and principles listed in this Section 13 and shall provide evidence of this to AVL SPC immediately upon request. The supplier shall also use its best efforts to ensure that its subcontractors also enter into corresponding obligations.
- 13.11 The supplier grants AVL SPC the right to inspect, either itself, through a commissioned third party, or through a customer of AVL SPC, the business premises and production facilities of the supplier and its sub-suppliers where the contractual services are prepared or performed during the usual business hours of the supplier or sub-supplier and to satisfy itself that all services are being performed properly and completely performance of all services and compliance with legal/regulatory and other applicable requirements, as well as all obligations arising from the order and/or these Terms and Conditions of Purchase (in particular, but not exclusively, the

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implementation of standards for quality management, quality assurance measures, confidentiality, security, information security, and data protection) in the relevant areas. Such a review may also involve the inspection of internal guidelines, processes, and procedures, as well as access to books, documents, and other records. The supplier or subcontractor shall provide reasonable support for the audit in order to achieve the respective audit purpose and shall provide all necessary or useful information.

or in connection with the contractual relationship is Wiesbaden. However, we are also entitled to bring legal action at the supplier's place of business.

- 15.5 The parties agree that all legal relationships arising from this contractual relationship shall be governed exclusively by the laws of the Federal Republic of Germany, excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG) and other international referral provisions.

14. ENVIRONMENT

- 14.1 In order to fulfill its contractual obligations, the supplier must use the necessary resources, in particular materials, energy, and water, efficiently and minimize environmental impacts, especially with regard to waste, wastewater, air pollution, and noise pollution. This also applies to logistics/transportation costs. For the quantitative assessment of the supplier's resource efficiency, the supplier must provide us, upon request, with the following information relating to its total annual order volume with us and our affiliated companies:

- Total energy consumption in MWh;
- O₂ emissions from own and externally generated energy in tons;
- Total water consumption in cubic meters;
- Process wastewater in cubic meters;
- Waste for disposal in tons;
- Waste for recycling in tons;
- VOC Emissionen (volatile organic compound) in t.

- 14.2 If there are risks of conversion of natural ecosystems (e.g., forests or other natural ecosystems) in the supplier's value chain, the supplier must take appropriate due diligence measures to ensure that it does not contribute to the illegal conversion of natural ecosystems and to support the long-term protection of these natural ecosystems.

- 14.3 The supplier undertakes to introduce and operate a certified environmental management system in accordance with "ISO 14001" or a recognized and certified environmental management system derived from it within two years of the order being placed at the latest, and to provide us with proof of this by presenting a corresponding certificate.

- 14.4 The supplier is obliged to ensure, through appropriate contractual arrangements with its subcontractors, that the provisions contained in this Section 14 are complied with. In all other respects, Section 13.3 of the Terms and Conditions of Purchase shall apply insofar as the supplier's assurance of compliance with the declaration of principles referred to in Section 13.3 covers environmental issues.

15. FINAL PROVISIONS

- 15.1 Amendments and additions to these provisions must be made in writing. This also applies to the waiver of this written form clause itself.

- 15.2 Should one or more provisions of these Terms and Conditions of Purchase and/or any other contracts concluded between the parties be or become invalid, or should a loophole become apparent in them, the validity of the remaining provisions shall not be affected and the invalid provisions shall be replaced or the gap filled by an appropriate, permissible provision which the contracting parties would have intended or would have intended in accordance with the meaning and purpose of the terms and conditions if they had been aware of the invalidity or gap.

- 15.3 The place of performance for deliveries and services is 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