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1. Scope

- 1.1. These General Terms and Conditions of Purchase (hereinafter referred to as: **General Terms**) for Siemens, Trgovsko in storitveno podjetje, d. o. o., (hereinafter referred to as: **Customer**) apply for any and all orders of goods and services (hereinafter referred to as: **Purchase Order**) by the Customer, unless agreed otherwise in writing.
- 1.2. The term "**Contract**" shall within these General Terms mean the entire legal relationship between the Customer and the Supplier/provider (hereinafter "Supplier") as defined inter alia by the purchase order, its acceptance and order confirmation, written agreement, eventual amendments to the agreement and these General Terms, unless expressly agreed otherwise or indicated otherwise in the respective context.

2. Purchase Order, Written Form

- 2.1. If no written (framework) Contract has been concluded between the Customer and the Supplier for the ordered items, the provisions of this chapter shall apply to the Purchase Order.
- 2.2. These General Terms shall become an integral part of the contractual relationship when the Supplier accepts the Purchase Order.
- 2.3. A Purchase Order may be sent to the Supplier in written or electronic form, including via electronic data interchange (EDI) if expressly agreed in writing between the Customer and Supplier. Any changes to the Purchase Order or verbal agreements shall only be permitted if they are confirmed in writing by the Customer.
- 2.4. The Supplier may use subcontractors to execute all or a part of its obligations deriving from a Purchase Order if it obtains the express prior approval of the Customer.

3. Purchase Order Confirmation, Supplier's General Terms and Conditions

- 3.1. The Supplier is required to confirm the receipt of a Purchase Order in written or electronic form, or via electronic data interchange

(EDI) if expressly agreed in writing between the Customer and the Supplier. A Contract between the Customer and Supplier shall be concluded when the Supplier confirms the Customer's Purchase Order. These General Terms are an integral part of such a Contract.

- 3.2. If the Supplier fails to confirm a Purchase Order duly and within the specified time, but no later than within two weeks following the date on which the Purchase Order was sent, the Customer shall have the right to withdraw from the Purchase Order, whereby its liability for damages shall be excluded.
- 3.3. If the order confirmation differs from the Purchase Order, the Supplier is required to indicate this clearly and highlight the differences, otherwise it shall be deemed that the Supplier accepts the Purchase Order under the terms referred to in the Customer's Order. Confirmation of the mentioned changes shall be deemed in any way to be a rejection of the Customer's order and shall apply as a new proposal by the Supplier. If the Customer accepts such a proposal, the General Terms shall be an integral part of such a Contract.
- 3.4. The General Terms of the Supplier shall apply only in the event of the express written consent of the Customer. No reference by the Customer to the Supplier's proposal documents in the Purchase Order shall constitute the Customer's acknowledgement of the Supplier's General Terms as applicable. If the Supplier's General Terms apply, these General Terms shall also be an integral part of the Contract and shall apply to those issues that are not regulated by the Supplier's General Terms.
- 3.5. Any general terms and conditions or contracts of the Supplier or any of its subcontractors that are delivered together with software or computer services in paper or electronic form shall not be binding upon the Customer if the latter has not provided its prior written approval. This shall apply particularly in cases when the actions of the Customer or third parties related to the Customer (e.g. employees, consultants or clients) might constitute their express or implied acceptance pursuant to such general terms and conditions or contracts. The above shall also apply if software licenses or registrations are returned to the Supplier.

4. Electronic Commerce

- 4.1. Electronic Commerce shall mean the conduct of business in the electronic format by using information and communication technology and/or electronic signature in legal transaction as defined by the law regulating electronic commerce. Electronic Commerce shall be equivalent to the classic (written) one provided that:
 - a) permanent preservation of the electronic messages and their later use is ensured;
 - b) information is retained as to enable the identification of the origin and the destination of an electronic message as well as the place and time when it was sent or received;
 - c) information is retained in the format in which it was generated, sent or received, or in a format that accurately represents the information generated, sent or received, respectively;
 - d) technology and procedures used appropriately prevent any change or deletion of the data that could not be detected easily, or reliably ensure the inalterability of the message, respectively.
- 4.2. Message dispatched via electronic mail and not signed with a secure electronic signature shall not qualify as a message in writing pursuant to these General Terms.
- 4.3. An electronic message shall be deemed as sent when it enters the information system out of the control of the sender or the person who sent the electronic message upon order on behalf of the sender. An electronic message shall not be deemed as unsent only due to a requested and missing delivery receipt, unless a prior express written agreement stipulates that a delivery receipt is required for a valid delivery. The seat of the sender shall be deemed the place of dispatch of the electronic message even if the sender's information system is located elsewhere and such a place would otherwise be regarded as the place of dispatch.

4.4. The electronic message shall be deemed as received when it enters the recipient's information system. The seat of the recipient shall be deemed as the place of delivery even if the recipient's information system is located elsewhere and such a place would otherwise be regarded as the place of reception.

5. Suspension, Withdrawal

5.1. The Customer shall have the right to demand suspension of Order performance at any time. In the event that the suspension exceeds the duration of three months, the Supplier shall be entitled to claim the reimbursement of costs incurred beyond the lapse of three months. The Customer shall reimburse the costs incurred due to the suspension exclusively on the basis of a detailed list of costs and respective evidence thereof, furnished by the Supplier and confirmed by the Customer. The Supplier may claim damages solely for such proven costs and the Customer shall in no case whatsoever be held liable for damages incurred by the Supplier on account of suspension.

5.2. The Customer reserves the right to withdraw from the Contract in part or in full notwithstanding any Supplier's defect. In such a case, the Supplier may only charge the Customer the costs of the ordered items that were proven to be rendered by the date of withdrawal from the Contract, decreased by any and all benefits and savings deriving from or relating to the withdrawal.

5.3. The Customer also reserves the right to change the volume of delivery or services. The Supplier shall have the right to adjust the Contract Price accordingly.

6. Contract Price and Terms of Payment

6.1. The Contract Price and the payment term shall be stipulated in the offer, order or agreement, respectively.

6.2. **Contract Price** shall be the entire amount to be paid by the Customer pursuant to the Contract. It shall include VAT and all expenses borne by the Customer; the tax and individual expenses (e. g. packing and packaging, transport, organised by Supplier, insurances, etc.) must be invoiced as separate items in such a way that their height is disclosed.

6.3. Unless agreed otherwise, the Contract Price shall include the costs of packing and packaging. The Supplier shall reimburse the Customer the value of the returned reusable packaging, unless otherwise agreed.

6.4. The period of payment commences to run after the acceptance of the entire Order (Chapter 8) and reception of correctly issued invoice (Chapter 11), unless expressly agreed otherwise in writing. If the Supplier is required to provide tests of material, records of tests, quality control documents or any other documents, it shall be deemed that the delivery and services have been fully completed following the receipt of such documents.

6.5. Unless otherwise agreed in writing, the payment term shall be 60 days and the Customer shall be granted up to a 3% discount on the Contract Price if it effects payment within 30 days.

6.6. In the event that the deliveries or services performed are defective, Siemens shall be entitled to withhold the entire payment free of interest until their rectification, except if this right is specifically excluded in writing. Unless otherwise agreed in writing, the Customer shall be entitled to withhold free of interest up to 10 % of the Contract Price for the duration of the warranty or liability for material defects period as a security deposit for any warranty claims the Customer may have. Full payment of the Contract Price shall not represent an acknowledgement that the Order was performed duly and in accordance with the Contract; neither does it constitute a waiver of any warranty or liability claims. If the agreed guarantee or payment security is not (or no longer) available for any reason, the Supplier shall be obliged to provide an equivalent guarantee or security to the Customer.

6.7. The place of payment shall be the seat of the Customer. The payment shall be considered completed in time provided the Customer makes the remittance order no later than on the due date of payment. The charges of the receiving bank shall be borne by the Supplier.

6.8. The Customer shall have the right to set off the receivables of related companies against the Supplier's receivables. The Customer shall be entitled to set off its receivables due from the Supplier against the Supplier's receivables due from the Customer.

6.9. If the Supplier's bank account number has been entered in the relevant Customer's systems, yet an invoice indicates a different bank account number, the Supplier shall be required to submit a bank statement confirming that the Supplier is the holder of this new bank account. The payment term shall be suspended until such an official confirmation is submitted to the Customer.

7. Order Performance

7.1. Performance of the Order must comply with the agreement, Customer's requirements, the quality customary in such transactions, and in particular conditions set forth in Chapter 12.

7.2. Partial performance, excessive or deficient scope of performance (e. g. delivery in excessive or insufficient quantity) and deliveries in multiple parts shall only be permitted upon Customer's prior consent.

7.3. Performance term shall be stipulated in the offer, order or agreement, respectively. Unless agreed otherwise, the performance term shall commence to run on the day when the Order was placed by the Customer. If the period of delivery/performance is not expressly stated in the Order, the delivery/performance shall be accomplished immediately.

7.4. The performance shall be deemed timely if the Supplier fulfils his entire Contract obligations by the expiry of the performance term.

7.5. The Supplier shall promptly inform the Customer of all events and facts that he becomes aware of and are relevant for the performance of the Order. If the Supplier learns of possible delays in performance, he shall promptly inform the Customer thereof in writing and obtain further instructions on the performance of the Order. The Customer shall be entitled to grant an extension of performance term at his sole discretion. The approval shall be valid only if made in writing.

7.6. In the event of a delay in performance, the Customer shall be entitled to liquidated damages in the amount of 0.5 % of the Contract Price for every commenced calendar day of delay but not exceeding a total of 10% of the Contract Price in aggregate. The Customer shall be entitled to liquidated damages even if the Supplier was not advised thereof at the time of delivery. Liquidated damages shall be paid within 8 days after correctly invoiced. The Customer shall be entitled to set off the amount of liquidated damages against the contract Price. The Customer shall have the right to claim damages exceeding the maximum amount of due liquidated damages.

7.7. If it becomes plausible during the performance term that the Supplier will not be able to provide timely and proper Order performance, the Customer shall be entitled to take, at Supplier's expense and risk, any necessary measures to prevent imminent performance delay. In case of performance delay, the Customer shall have the right to order goods and services from a third party at the cost of the Supplier, irrespective of Supplier's responsibility for the delay.

7.8. In the event of a delay, the Customer shall be entitled to unilaterally withdraw from the Contract if the Contractor does not ensure, upon prior notice, timely and proper performance in spite of the lapse of a reasonable additional grace period granted by the Customer. If the delivery by a specific deadline is an essential provision of the Contract, or if it becomes obvious that proper performance will not be ensured in spite of an additional grace period, the Customer shall be entitled to unilaterally withdraw from the Contract with immediate effect. The right to unilateral withdrawal pursuant to this Article shall not be affected by a possible prior acceptance of a delayed partial delivery without any reservation.

7.9. In case of early delivery/performance, the Customer shall have the right to reimbursement of possible costs incurred therewith, such as storage costs, insurance costs etc. Early delivery shall have in no case any impact on terms of payment as set forth in the Article 6.4.

7.10. The delivery destination or place of performance shall be stipulated in the offer, order or agreement, respectively. If delivery destination and/or place of performance are not stipulated, it shall be deemed this is the place where the Order will be used (**Place of Use**). If case the Place of Use is unknown, the delivery destination or place of performance shall be the Customer's business address.

7.11. If the parity of delivery is not specified, DDP clause – place of destination (Incoterms® 2010) shall apply, provided the registered office of the Seller and the place of destination are within EU, whereas the place of destination shall be the delivery destination as set forth in Article 7.10. If the registered office of the Seller or the place of destination are outside the EU, DAP clause – place of destination (Incoterms® 2020) shall apply.

8. Acceptance

8.1. The risk of accidental loss or damage shall pass from the Supplier to the Customer upon acceptance of the deliveries and/or services.

8.2. Taking possession of the deliveries, temporary use of deliveries or services, or payments made shall not constitute acceptance according to this Chapter.

8.3. The Customer shall have the right to refuse the acceptance of the entire Order if its performance does not comply with Articles 7.1., 7.2. or 7.3. or other conditions stipulated in this Chapter are not met.

8.4. The mere acceptance or provisional use of deliveries and services or payments made thereof shall not constitute the acceptance or waiver of rights by the Customer. The delivery receipts issued by the Customer's department that is the recipient of the goods shall not constitute the final acceptance of the delivered goods by the Customer.

9. Goods

9.1. The delivery of goods shall be deemed completed when the goods are handed over to the designated person, at the designated place, in the agreed manner and the delivery note or other receipt document is confirmed in writing. Thereby, goods shall be considered accepted. If it was agreed that the Supplier shall perform material tests, provide test records, quality control proofs, quality certificates, certificates of conformity or any other documentation, the goods cannot not be deemed accepted prior to the submission of such documentation, unless the parties have explicitly agreed otherwise in writing.

9.2. Each consignment shall be accompanied by a corresponding delivery note or other receipt document containing all mandatory invoice information pursuant to Article 11.1.; otherwise, the Customer shall have the right to reject acceptance of the goods at Supplier's costs and risk. The Customer shall also have the right to reject acceptance of the goods at Supplier's cost and risk if the agreed payment instruments (e.g. letter of credit) turn out to be missing or prove to be incomplete, the consignment documents (consignment note) are not submitted in the required number of copies, and especially if the documentation fails to contain Order details required to be reported to the Customer.

9.3. In case of early delivery, the Customer's liability for damage or accidental loss of prematurely delivered goods shall be, until the agreed delivery time, limited to the liability of the custodian.

9.4. The Supplier shall duly comply with all requests by the Customer concerning packing, mode of transportation, freight forwarding and dispatching. If the transportation costs are borne by the Customer and no particular mode of transportation was requested, the one involving the lowest possible costs shall be preferred. This shall also apply to the use of regular instead of express mail. If the Supplier fails to comply with the provisions above, all costs exceeding the indispensable costs shall be borne by the Supplier. The Supplier shall be liable for any damages incurred due to non-compliance with the Customer's instructions.

9.5. Direct deliveries to Customer's clients on behalf of the Customer shall be effected in neutral packaging, fitted with neutral package labels and accompanied by neutral consignment documents. The

Supplier shall provide the Customer with a copy of the delivery note or other receipt document.

9.6. The Supplier shall be liable to the Customer for damages incurred due to improper packaging. When delivering dangerous goods, the Supplier shall fully comply with all applicable legislation, in particular requirements concerning the type and labelling of packaging as well as the mode of transportation.

10. Services

10.1. Service Performance shall be deemed completed when the Customer conducts all contractual obligation and both parties sign an Acceptance record in writing. When Service performance forms part of a Final Customer's concrete Order, Acceptance shall be deemed completed together with the Acceptance by the Final Customer.

10.2. If it was agreed that the Supplier shall perform material tests, provide test records, quality control proofs, quality certificates, certificates of conformity or any other documentation, the services cannot not be deemed accepted prior to the submission of such documentation, unless the parties have explicitly agreed otherwise in writing. Supplier's warranty obligations and liability for defects shall remain unaffected by this provision.

11. Invoice

11.1. The invoice must be specified in accordance with Article 6.2. and include all data set out in items a) to g) of Article 22.3. Furthermore, it shall contain a detailed description of the consignment contents and/or provided services as well as the complete order number.

11.2. Supplier shall provide the Customer with the invoice immediately after the acceptance. Duplicates of invoices shall be marked as copies. Invoices shall be structured and drafted in such a manner that both the inspection and comparison with the Order can be easily accomplished. Every invoice is to contain the Purchase Order number and information on the Purchase Order. The invoice for services and/or works has to be enclosed with log-books approved by the Customer. Invoices for goods that are subject to export limitations shall contain all information necessary in connection with applicable export licenses. The Supplier is required to submit the PIN number of the Office for Infrastructure and Logistics (OIB) no later than the invoice. If the Supplier's registered office is in the EU, the Supplier shall be required to submit the VAT number no later than the invoice.

11.3. Customer shall have the right to reject an invoice that fails to comply with the requirements set forth in this Chapter. In such case, it shall be deemed that the invoice has not been issued and that the payment period has not commenced running. Electronic invoices will only be accepted if they are sent to the Customer via the EDI system.

11.4. The Supplier shall not be entitled to set off its receivables due from the Customer against the Customer's receivables due from the Supplier.

12. Quality Assurance, Safety and Compliance of Goods and Services with Legislation

12.1. The delivered goods and services must be of first-class quality, fit for the intended purpose, made of state-of-the-art materials, professionally manufactured and/or performed, comply with underlying technical drawings, appropriately constructed, professionally manufactured, and faultlessly assembled and installed.

12.2. Upon request, the Supplier shall serve the Customer with proofs of Supplier's quality control system as well as any and all documentation related to or associated with quality control inspections. The Customer shall have the right to review the aforementioned documentation at the Supplier's premises. The Supplier shall reimburse Customer the costs of such a review in case deficiencies in quality control system or quality control documentation are established.

- 12.3. Supplier shall ensure that all delivered goods and materials comply with regulation of the European Union, in particular: a) REACH (Registration, Evaluation, Authorisation and Restriction of Chemical substances – Regulation 1907/2006/EC and Directive 2006/121/EC with amendments), b) RoHS (Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment – Directive 2002/95/EC with amendments), c) on batteries and accumulators and waste batteries and accumulators (Directive 2006/66/EC with amendments) and d) WEEE (Waste Electrical and Electronic Equipment – Directive 2012/19/EC with amendments).
- 12.4. Moreover, Supplier shall ensure that all delivered goods and materials comply with the legislation of the Republic of Slovenia governing: a) packaging and packaging waste handling (Decree on packaging and packaging waste handling, Official Gazette of the RS No. 84/2006 with amendments), b) management of batteries and accumulators (Decree on the management of batteries and accumulators and waste batteries and accumulators, Official Gazette of the RS No. 3/2010 with amendments), c) waste electrical and electronic equipment handling (Decree on the waste electrical and electronic equipment, Official Gazette of the RS No. 107/06 with amendments) and d) are free of asbestos.
- 12.5. The delivered goods, equipment and installations shall be equipped with safety mechanisms compliant with regulatory requirements and meet safety regulations valid at the Place of Use. All delivered goods, equipment and installations must be accompanied with a corresponding Certificate of Conformity. If so required by applicable legislation, the goods, equipment and installations shall also be fitted with a »CE« label. Notwithstanding any statutory requirements concerning notification and/or reporting duties, the Supplier shall furnish to the Customer all necessary information on the delivered goods and/or rendered services, requisite for safe handling therewith and storage thereof, particularly instructions on appropriate storage, and safety specifications set forth by Regulation 1907/2006/EC with amendments. The Supplier shall timely inform the Customer of any changes in production materials, manufacturing procedures, suppliers of semi-manufactures and Certificates of Conformity. If the Orders comprise of equipment or other devices requiring assembly or installation, or if this is statutorily required in other cases, the Supplier shall provide the Customer with documentation, including but not limited to, assembly/installation/mounting instructions, modification instructions, use and maintenance instructions, lists of spare and/or consumable parts, etc., to wit in necessary extent and customary scope. All labels and use and maintenance instructions shall be, if not agreed otherwise in writing, in Slovene language and upon Customer's request in other languages as well.
- 12.6. The Customer shall not be held liable for any damage in respect to health and safety at work inflicted on the employees of the Supplier or its subcontractors or for any damage suffered by the Supplier or any damage caused by the Supplier to third parties, except in the event of intent or gross negligence of the Customer. The Supplier shall assume full legal responsibility for the implementation of all safety at work measures within the business scope of this Contract. The same shall apply to the Supplier's material responsibility in respect of the works subcontracted to its subcontractors. The Supplier shall be obliged to render all contractual works and activities in a manner preventing any reporting or publication to the detriment of the Customer and in a manner preventing a diminished business reputation of the Customer.
- 13. Warranty, Liability for Material Defects**
- 13.1. The Customer shall have the right and duty to verify the adequacy and completeness of the deliveries and/or service performance, and inspect the latter for possible material defects, within reasonable time after completion of delivery and/or service performance and Supplier's notification thereof. When the Order items are ordered for a particular project or for a particular end recipient and a) it would be unreasonable to expect from the Customer to check and test the deliveries and/or services before their use (e. g. packaging opening before the deliveries reach the Place of Use) or b) it is not possible to check and test the deliveries and/or services before commissioning the entire system (e. g. the Order is not independently fully functional), the Customer shall inspect the deliveries and/or services as soon as reasonable (in case a) or possible (in case b).
- 13.2. The Customer shall have the right to enforce liability for patent material defects in spite of possible acceptance.
- 13.3. The warranty and liability period for the Ordered items shall be two years. The warranty and liability period for products and services that become a fixed part of buildings and land shall be three years. In case of defect rectification by way of repair or substitution, the warranty and liability period for the rectified parts shall commence to run anew.
- 13.4. If the Supplier or its staff renders engineering, consultancy, software and documentation services, it shall warrant fully for the accuracy and completeness of its written and oral information and instructions for two years following their delivery.
- 13.5. Unless specifically agreed otherwise, the warranty and liability period shall commence to run with the acceptance of deliveries and/or services (Chapter 8). When the Order items are ordered for a particular project and it is not specifically agreed otherwise, the warranty and liability period for the Order items shall not expire prior to the expiration of Customer's warranty or liability vis-à-vis the end-customer.
- 13.6. The Supplier's subcontractors or sub-suppliers shall be deemed to be the Supplier's agents for which the Supplier shall be fully liable, i.e. as if it had performed the Order on its own.
- 13.7. If defects are detected within the warranty or liability period, the Supplier shall immediately, at its own cost and at Customer's discretion either: a) rectify the defects at the Place of Use or b) provide re-performance of services or collection of deliveries at the Place of Use, their replacement and return to the Place of Use (**Rectification**). The Customer shall in any case be entitled to reimbursement of any costs incurred in connection with the rectification of defects (e. g. assembly, disassembly, inspection, testing, travelling and transportation costs, etc.).
- 13.8. In exceptional cases, that is if: a) the Supplier fails to rectify defects within a reasonable time period, set forth by the Customer, or b) the Customer is likely to get in delay with regard to deliveries and/or service performance for third parties due to untimely defect rectification, or c) it becomes obvious from the circumstances that the Supplier will either not be able to or does not intend to rectify the defects within the set time period, the Customer shall have the right to rectify or have the defects rectified at the Supplier's cost himself, without previous notice and without granting the Supplier an additional grace period. The Supplier shall reimburse the Customer all costs incurred with such defect rectification, even in case they exceed the costs that would have been incurred had the rectification been performed by the Supplier. Supplier's liability for damages in case of defect rectification performed by the Customer pursuant to this Article shall remain unaffected.
- 13.9. The Customer shall have the right to choose between the warranty or liability-for-defects claims at his discretion. Claims on one legal ground do not exclude subsequent claims on alternative legal ground.
- 13.10. Insofar the Supplier insured the Order performance or compliance with the agreement (e. g. performance, rectification of defects, etc.) with an insurance instrument (e. g. bank bond, bill of exchange, etc.), the Customer shall have the right to call it if the Supplier fails to comply with the agreement in spite of a reasonable grace period given by the Customer.

14. Materials Provided by the Customer

- 14.1. Any materials (including parts) provided by the Customer to the Supplier for the purpose of performing the Order remain the property of the Customer and shall be stored, labelled and administered separately at the cost of the Supplier. The risk of accidental loss or damage shall be borne by the Supplier as long as the materials are at his disposal, until the acceptance by the Customer. Upon request, the Supplier shall confirm the acceptance of Customer's materials. Customer's materials shall only be used for the purpose of fulfilling the Customer's Order. In the event of reduction of its value or loss of the materials, the Supplier shall provide adequate replacement and/or monetary compensation. Any claims by the Supplier for compensation due to delayed delivery of such materials as well as the Supplier's right of retention shall be excluded.

15. Hardware and Software

- 15.1. Unless stipulated otherwise in the order or in the agreement, hardware and software shall be deemed an inseparable unit.
- 15.2. If the Supplier is to deliver software that has not been developed specifically for the Customer, the Customer shall be granted a non-exclusive, transferable and territorially unlimited license to exploit and use the software for all purposes. The license shall not be limited in time if the payment was agreed in lump sum or in instalments. If the Supplier is to deliver software that has been developed specifically for the Customer, the Customer shall be granted an exclusive, transferrable, territorially and timely unlimited license to exploit and use the software for all purposes. Unless agreed otherwise, software shall be delivered together with the latest version of the source code. The Supplier shall be obliged to install the software.
- 15.3. Unless agreed otherwise, the Supplier shall provide to the Customer the installation of the software with the latest version of the source code and machine code on a portable data carrier that is readable on the Customer's computer system following the installation of software, and furthermore all pertaining documentation showing, inter alia, the content and structure of the data carriers, program and data flowcharts, testing procedures, testing programs, error control protocol, etc..
- 15.4. If the supplied software contains open source software, the Supplier shall be obliged to provide to the Customer no later than upon Order confirmation: a) information on software parts that are subject to open source software license, b) names and conditions of applicable open source software licenses, and c) source code of the relevant portions of the software in its current version, if the disclosure is required by the applicable open source software license. The Supplier shall be liable to the Customer for damages in the event of an infringement of the provisions of this Article and the Customer shall have the right to cancel the Order. Within the context of this provision, "open source software" shall constitute all software and hardware or other information offered by individual license holders to all users without a license fee based on a license entailing modification or distributions rights (e.g. GNU general public license (GPL), GNU lesser general public license (LGPL) or MIT license). If the goods and services supplied by the Supplier contain open source software, the Supplier is required to observe all the applicable open source license terms and conditions and transfer all such rights to the Customer while providing all the information needed by the Customer for its own compliance with the applicable license terms and conditions. In particular, the Supplier is required to submit to the Customer the following as soon as an Order is confirmed:
- the entire source code of the relevant open source software, including scripts and information about the current generation environment if so requested in the applicable open source terms and conditions;
 - a list of all open source files used with an indication of the relevant licenses, their version, the entire wording of the license and indicated copyrights and/or authorship. Such a list is to have a clear and understandable structure and table of contents.
- 15.5. Furthermore, the Supplier must inform the Customer no later than upon Order confirmation whether a copyleft effect that will affect the Customer's products may apply to the open source licenses used by the Supplier. Within the context of this provision, the "copyleft effect" means that the provisions of open source licenses prescribe that certain of the Supplier's products and all products deriving from them may be further distributed solely pursuant to the terms and conditions of open source licensing, i.e. solely upon the disclosure of the source code. If the Supplier fails to indicate in due time that its products and services contain open source software or that the mentioned copyleft effect will take place, the Customer shall have the right to cancel the Order within 14 (fourteen) days of receiving such information.
- 15.6. The Ordered items shall not be deemed accepted until the Supplier provides the Customer with user and open source software documentation in Slovene or English language, and upon Customer's request in other languages as well.
- 15.7. The software developed exclusively for the Customer shall be

accepted expressly by the latter in the form of a written protocol if the agreed specifications regarding functionality are met. All repairs made by the Supplier shall also be subject to an acceptance protocol. If the Customer fails to accept delivery within four weeks following the Supplier's notice of readiness for acceptance or if the Customer rejects acceptance without reasonable grounds, the software shall be deemed to be accepted after at least a 4-week free trial in which satisfactory results were shown without any error messages.

- 15.8. Within the warranty period, the Supplier shall be obliged to provide the Customer with subsequent versions of the software with eliminated defects (updates) free of charge. Furthermore, the Supplier shall be obliged to provide maintenance services for the supplied software for a period of at least five years after acceptance, i.e. under conditions not worse than the prevailing market conditions. Maintenance costs in the warranty period shall be reduced accordingly.

16. Accessories, Intellectual Property Rights

- 16.1. By the acceptance, the Supplier shall provide the Customer free of charge with all technical documentation and specifications of the delivered goods and/or services performed. Any tools, moulds, samples, profiles, drawings, technical specification sheets, printing templates and similar materials (hereinafter referred to as: **Accessories**), provided by the Customer for the purpose of performing the Order, remain the property of Customer; without a prior written permission, they shall not be made available to any third parties or used for purposes other than performing the Order. The foregoing shall mutatis mutandis also apply to any products manufactured by using such Accessories. The title to any Accessories fabricated or obtained at Customer's costs shall pass to the latter upon payment.
- 16.2. All Accessories shall be appropriately labelled as Customers' property and adequately protected against access or use by unauthorised third parties. The Supplier shall adequately maintain and renew the Accessories, so as to preserve their original functionality intact. After fulfilment of the Order as well as in case of cancellation of the Order, the Accessories shall be returned to the Customer. Notwithstanding any other rights, the Customer shall have the right to request the return of the Accessories at any time, particularly if the Supplier does not comply with the provisions of this Chapter or encounters production impediments. Supplier's right of retention with regard to the Accessories shall be excluded.
- 16.3. The Supplier shall obtain all necessary industrial permits and other authorisations as required by law to ensure performance of the Order under the agreed conditions. Upon request, the Supplier shall provide to the Customer all documentation pertaining thereto. Insofar the fulfilment of the Order is subject to specific permissions or approvals by public authorities, the Supplier shall acquire such in time and without any additional compensation.
- 16.4. All intellectual property rights on documentation and Accessories shall always remain with, or pass with the handover, respectively, to the Customer. Regarding reproduction, modification, distribution and other uses, the legislation on copyright and related rights and industrial property rights shall apply.

17. Third Parties' Claims

- 17.1. The Supplier shall ensure that all Order items are free of legal defects or shall take all appropriate measures to ensure that their use by Customer will not be impeded due to legal defects in any way, respectively. The Supplier shall avert any intellectual property disputes involving the Customer and arising from the performance of the Order, actively cooperate in any proceedings against the Customer and indemnify and hold the Customer harmless from all consequences of such disputes. Notwithstanding any other obligations, the Supplier shall indemnify and hold the Customer harmless from any product liability claims raised against the Customer by any third party as a result of defects in products or services delivered and/or performed by the Supplier. In any case, the Supplier shall reimburse the Customer all expenses incurred with the defence against claims from this Article or compensation owed to third parties. Supplier shall also be entitled to claim the damages incurred due to legal defects associated with Order items. Customer for any damages arising thereof. The Supplier shall provide the Customer with a sufficient proof that adequate insurance against the aforementioned risks is ensured.

17.2. For a period of maximum 11 years after the completion of the (last) delivery and/or service performance, the Supplier shall immediately upon Customer's request submit the names of all manufacturers, importers, subsuppliers or subcontractors involved or associated with the Order performance. Furthermore, the Supplier shall also offer the Customer adequate assistance in case of any legal disputes concerning the Order items as well as provide all relevant information needed for the defence against product liability claims, particularly all documentation pertaining to supplied goods (e. g. batch number of manufacture and delivery, time of production and/or delivery).

18. Assignment of Rights and Obligations

18.1. Without a prior written permission of the Customer, the Supplier shall not be entitled to assign any of his rights or obligations arising from any agreement or individual order to third parties, pledge them or make them the subject of any other legal transaction. A prior written approval shall also be required in case the Supplier wishes to subcontract the performance of the Order in whole or in part to a third party.

18.2. The Customer shall be entitled, upon a prior written notification, to assign individual rights or duties from the agreement with the Supplier or transfer the entire agreement to any other affiliated company of the Siemens group. A prior express consent of the Supplier shall not be required therefore. The Supplier shall not be entitled to withdraw from the agreement in such case.

18.3. The Customer shall further be entitled to assign the whole Contract or a part of it to any third party, in the event of a sale or other transfer of the business or a part of the business of Siemens to a third party. The Supplier shall not be entitled to withdraw from the agreement in such case.

19. Termination

19.1. If a unilateral right to terminate the Contract for convenience without stating the reason is agreed upon and no termination period is stipulated, the termination period shall be 60 days.

19.2. Either party may unilaterally withdraw from the Contract with immediate effect in case of:

- a) A winding-up, compulsory settlement or bankruptcy procedure is instituted or proposed against the opposite party.
- b) Legal changes within the company that could affect the implementation of the agreement.
- c) Blockade of the bank account of the opposite party.
- d) Violation of essential parts of the Contract.
- e) It is evident from the conduct of the opposite party or from the circumstances that she will not or will not be able to fulfil her contractual obligations.

19.3. In addition to reasons listed in Article 19.2., the Customer may also unilaterally withdraw from the Contract with an immediate effect in case the:

- a) Supplier is in delay with the delivery, namely under conditions as set out in Article 7.8.,
- b) Supplier becomes associated with or merges with any company that is an immediate competitor of the Customer or such competitor gains a controlling share in the Supplier or controlling rights with respect to the Supplier in any other way.
- c) Supplier becomes insolvent.
- d) Customer concluded the Contract with the Supplier in order to perform a specific order for the end customer, and the agreement between the Customer and the end customer is terminated or ceases to be valid.

19.4. The termination or withdrawal notice shall be sent to the opposite party with registered mail. If a unilateral right to terminate the Contract for convenience without stating the reason is agreed upon, the termination period shall commence on the day the mail is sent off.

19.5. Cessation of validity of the agreement, irrespective of the cause, shall not affect the validity of Orders that were already confirmed,

unless they were explicitly cancelled. With respect to the cancelled Orders, the Supplier shall be entitled to payment for those parts of Orders that have evidently already been performed until the day of cessation of validity of the Contract. The Supplier shall in no case be entitled to compensation for lost profit or reliance damages. In the final settlement of accounts, all actual and eventual advantages Supplier had or may have had in connection with the withdrawal shall be taken into account. Upon receipt of the notice of withdrawal, the Supplier shall strive with the diligence of a good manager to minimize any costs incurred due to the withdrawal.

19.6. In case of withdrawal pursuant to the Article 19.3., the Customer shall be entitled to restitution of all incurred costs, including those incurred with the withdrawal itself (e. g. costs and damages incurred by potential Customer's buyers, costs of the premature end of usage of fittings and equipment, etc.). Apart from the restitution of costs, the Supplier shall be entitled to compensation for all damages incurred due to the withdrawal, to wit according to the valid laws.

20. Confidentiality and Data Protection

20.1. "Confidential Information" shall mean any information and data, including, but not limited to, any kind of business, commercial or technical information and data disclosed by the Customer to the Supplier, especially e.g. information on the Customer, offer, agreement, copy, abstract, draft, template, prototype, know-how, experience or parts of such data (hereinafter referred to a "Confidential Information").

20.2. All Confidential Information shall be used by the Supplier exclusively for the purpose of the Contract fulfilment and disclosed only to those employees who reasonably need to be acquainted with such information in order to be able to fulfil the Contract. The Supplier shall protect Confidential Information against unauthorised access or use by third parties.

20.3. Confidential Information shall be kept confidential with the diligence of a good manager regardless if they were obtained in connection with the order or from another source, unless they are publicly known.

20.4. No Confidential Information shall be disclosed to third parties or used for other purposes than Contract fulfilment without a prior written notice of the opposite party.

20.5. If the disclosure of Confidential Information to third parties or their use for a purpose other than the Contract fulfilment is granted or required in connection with the performance of the order, the disclosure shall only be made if the receiver (i.e. the third party) is bound to confidentiality to an extent not less stringent than the obligations imposed in this Chapter.

20.6. The confidentiality principles set forth in Chapter 20 shall analogously also apply to **personal data** of the Customer or third persons and to confidential information pursuant to the laws governing banking and stocks business if such information is obtained by the Supplier within the scope of the order. The Supplier shall ensure all such data is handled pursuant to the laws on personal data and banking data protection.

20.7. The Customer shall only process personal data in compliance with all applicable regulations governing data protection. During operations with the Supplier, the Customer shall process the personal data of contact persons at the Supplier, interested parties (potential suppliers) or other business partners. Details of the categories of processed data, the purposes of processing and the legal grounds are available in the Siemens Privacy Policy – they are available in detail on the Customer's homepage at the following link: [Privacy Policy](#).

20.8. Notwithstanding the provisions of this Chapter, the Supplier shall be entitled to disclose or forward Confidential Information if so required by any ruling of a governmental or regulatory authority or court or by mandatory law. Such disclosure or forwarding shall be allowed provided that written notice thereof is given to the Customer without undue delay and provided all reasonable efforts are used to assure Confidential Information will be treated confidentially. Confidential

Information disclosed pursuant to this Article must be marked as "CONFIDENTIAL" or with any other comparable designation.

20.9. The Customer shall, as a rule, process data about the Supplier (data from the business register, address, phone and fax numbers, and other data necessary for communication using modern communication tools, locations, contact persons, goods ordered and supply volume) deriving from individual business events automatically by employing information technology and only in relation to the execution of the respective Order, i.e. especially for administrative and accounting purposes. Due to logistical reasons, the Customer reserves the right to store the data on servers of other affiliated companies.

20.10. The Supplier shall agree that the Customer forwards the data about the Supplier and transactions that is obtained within the course of business or order performance to other companies within the Siemens corporation for the following purposes:

a) the provision of information (e.g. purchase pooling), b) reporting for statistical purposes, c) risk management. The Customer and other companies within the Siemens corporation shall have the right to send to the Supplier information about goods and services in writing or by email, and to contact it using any channel of communication. This consent may be cancelled by the Supplier at any time and, in such a case, the Customer undertakes to cease any such communication based on a written request made by the Supplier.

20.11. The rights and obligations concerning Confidential Information as set forth herein shall survive the validity of the Contract between the Customer and the Supplier, to wit regardless of the reason for termination, and shall remain valid as long as there is commercially viable interest for confidentiality of the data. The Supplier shall be liable to the Customer for any breach of obligations mentioned within this Chapter according to general rules on liability for damages.

21. Prohibition of Corruption and Anti-Corruption Clause

21.1. The Supplier shall notify the Customer no later than upon submission of his offer if the Supplier or members of his top management or board of directors had been convicted by a final judgement for bribery of a public officer within a period of five years prior to the submission of the offer to the Customer. The Supplier shall moreover notify the Customer without any delay if the Supplier or members of his top management or board of directors had been accused for bribery of a public officer at any time between the submission of the offer to the Customer and the acceptance of the Order items pursuant to Chapter 8.

21.2. If the negotiations or the Contract itself can be linked to any form of corruptive conduct pursuant to the Slovenian anti-corruption legislation that has or could have influenced the conduct of the parties to the Contract, the Contracts shall be deemed null and void.

21.3. In case corruptive conduct can be linked to the execution or supervision of the respective Contract, the innocent party may withdraw from the Contract before its expiration with an immediate effect and without any further obligations, including liability for damages.

22. Cybersecurity

22.1 The Supplier shall adopt suitable organizational and technical measures to ensure the confidentiality, authenticity, integrity and availability of its operations, products and services. Such measures are to comply with good business practice in the industry and include a suitable system for information security management that will meet the requirements of standards, such as ISO/IEC 27001 or IEC 62443 (in the relevant scope).

22.2 "Supplier's operations" shall imply all assets, procedures and systems (including information systems), data (including customer data), personnel and locations occasionally used or processed by the Supplier within the scope of the performance of this Contract.

22.3 If products or services include software, firmware or chips:
- the Supplier is required to put in place suitable standards, processes and methods to prevent, identify, assess and eliminate any security vulnerabilities, malicious codes and security incidents in products and services that must comply with good business practice in the industry

and standards, such as ISO/IEC 27001 or IEC 62443 (in the relevant scope);

- the Supplier is required to continue its efforts and provide services intended for the rectification, updating, upgrading and maintenance of products and services, including patches intended to rectify security vulnerabilities at a customer during the reasonable expected service life of the products and services;
- the Supplier is required to send a bill of materials indicating all the software components in the products. Upon delivery to the Customer, external software must be up to date;
- the Supplier is required to grant the Customer the right to test the products at any time in order to identify any malicious codes and security vulnerability while providing adequate support to the client, whereby the Customer shall not be bound by such tests;
- the Supplier is required to send the Customer contact information for all matters related to information security (available during working hours).

22.4 The Supplier shall be required to keep the Customer informed about any relevant incidents related to information security that occurred or are suspected, as well as any security vulnerabilities discovered in any of the Supplier's business procedures, services and products if they could have a major impact on the Customer and in the scope effected.

22.5 The Supplier shall be required to adopt suitable measures to make sure that its subcontractors undertake to comply with the obligations referred to in this Chapter 22 within a reasonable time.

22.6 At the Customer's request, the Supplier shall be required to submit written proof pursuant to this Chapter 22 including generally adopted review reports.

23. Compliance with Export Control Regulations

23.1. The Customer shall not be obligated to fulfil his contractual commitments if such fulfilment is prevented by any impediments arising out of national or international foreign trade or customs requirements or any embargoes or other sanctions.

23.2. For all Order items provided under this Contract, the Supplier shall comply with all applicable export control, customs and foreign trade regulations ("Foreign Trade Regulations"). The Supplier shall also obtain all necessary export licenses, unless the Customer or any party other than Supplier is required to apply for the export licenses pursuant to the applicable Foreign Trade Regulations.

23.3. Supplier shall advise the Customer in writing as early as possible but not later than 1 week prior to the delivery/performance date of any information and data required by the Customer to comply with all Foreign Trade Regulations for the Products and Services applicable in the countries of export and import as well as re-export in case of resale. In any case, the Supplier shall provide to the Customer for each Product and Service:

- a) classification code from the Council Regulation (EC) No 428/2009 of 5 May 2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items (with amendments and changes), if applicable,
- b) the "Export Control Classification Number" according to the U.S. Commerce Control List (ECCN) if the Product is subject to the U.S. Export Administration Regulations,
- c) the statistical commodity code according to the current commodity classification for foreign trade statistics and the HS (Harmonized System) coding,
- d) the country of origin (non-preferential origin),
- e) if applicable, preferential origin of the goods (for suppliers from EU: Supplier's declaration of preferential origin; for suppliers outside of EU: EUR1 movement certificate),
- f) net weight of the product,
- g) information on the type and weight of transport packaging.

23.4. In case of any alterations of data from the previous Article, the Supplier shall advise the Customer thereof as soon as possible, but no later than prior to the delivery/performance date. The Supplier shall be liable for any expenses and/or damages incurred by the Customer due to the lack of, inaccuracy of or untimely submission of said Export Control and Foreign Trade Data from this Chapter.

- 23.5. For the provision of work and services, the Supplier shall only use employees who are not listed in the relevant Slovenian, European and US sanctions lists based on foreign trade legislation. These lists include, but are not limited to, the US Denied Persons List (DPL), the US Unverified List, the US Entity List, the US Specially Designated Nationals List, the US Specially Designated Terrorists List, the US Foreign Terrorist Organizations List, the US Specially Designated Global Terrorists List and the EU's Terrorist List.
- 24. Environmental Protection Relating to Products, Duty to Notify, Waste Management, Packaging**
- 24.1. In case the supplied goods or its respective parts are subject to restricted traffic regime and/or distinct declaration regime (such as e. g. pursuant to regulations REACH and RoHS), the Supplier shall declare all such goods in the web database BOM-check (www.BOMcheck.net) or in another appropriate format, determined by the Customer. The respective declaration shall be accomplished no later than by the beginning of the delivery. The foregoing shall only apply with respect to laws governing restrictions and duties to declare which are applicable at the registered seat of the Customer or at the Place of Use.
- 24.2. Furthermore, the Supplier shall also mutatis mutandis declare in the manner described above all substances which are set out in the so-called "Siemens list of declarable Substances" applicable at the time of delivery and available at the website: <https://www.bomcheck.net/en/suppliers/restricted-and-declarable-substances-list>.
- 24.3. Supplier shall warn the Customer in case any hazardous waste and/or waste oils may be generated by the supplied goods and specify methods and feasibility of their removal thereof. At Customer's request and according to the provisions of the applicable Slovenian waste management regulations, the Supplier shall assume free of charge any waste, generated by the intended use of the supplied goods. The responsibility for assuming such waste is limited to the quantities supplied by the Supplier. If the Supplier is unwilling or unable to assume the aforementioned waste, the Customer may do so at the Supplier's costs.
- 24.4. The Supplier shall submit to the Customer a list of products that contain quicksilver, cadmium or lead according to the Supplier's analyses and are hence subject to the aforementioned regulations (Articles 12.3. and 12.4.). In the event of changes in levels of these substances in the goods, the Supplier shall promptly update the list. If the Order items contain such products, the Supplier shall submit to the Customer a copy of certificate demonstrating that he has been entered as the supplier of batteries and accumulators in the respective register at the ministry, competent for the environment and spatial planning.
- 24.5. After the Order is completed, the Supplier shall, at his own expense, remove and dispose of all transport, sale and service packaging.
- 24.6. In case of non-compliance with stipulations, in particular those set forth in Articles 12.3., 12.4., 22.2., 23.1., 23.2., 23.3. and 23.4., the Supplier shall appropriately comply with Article 17.1. The compliance with provisions of Article 17.1. shall not affect his liability for damages, liability for legal and material defects or warranty obligations.
- 25. Corporate Responsibility in the Supply Chain**
- 25.1. The Supplier is required to comply with the principles, applicable legislation and provisions of the "Code of Conduct for Siemens' Suppliers and Third Party Intermediaries", as attached hereto as Supplement No. 1 (hereinafter "Code of Conduct").
- 25.2. In particular, the Supplier is to avoid active or passive, direct or indirect bribery, infringements of the fundamental rights of its employees or child labour. In the event of the cross-border deployment of employees, the Supplier is to observe all the legal provisions in the country of operations. In particular, it is required to comply with all the legal provisions regarding wages and salaries and all the provisions of the collective bargaining agreements, its legal liabilities deriving from taxes and social security contributions, all legal and official requests regarding safety at work, and is to only employ workers with suitable work permits and adequate social security and accident insurance. If third parties and/or additional third parties included by third parties are involved, the Supplier shall ensure compliance with such requirements to the same extent. At the Customer's request, it is required to submit written proof of compliance with such obligations on its part or by the third party. The Supplier shall be required to fully protect and hold the Customer harmless from any claims deriving from an infringement of the obligations referred to in this Article 25.1 by the Supplier or third parties.
- 25.3. Furthermore, the Supplier shall assume responsibility for the health and safety of its employees at work and make its best effort to support this Code of Conduct among its suppliers. The Supplier undertakes to comply with all the legal requirements regarding the health and safety of its employees. It is required to ensure the health and safety of its staff and the staff of its direct or indirect subcontractors rendering deliveries and services, as well as of any other persons entitled to be around the work area.
- 25.4. The Supplier is required to act in accordance with the applicable environmental legislation and adopt suitable measures to prevent trading with so-called "conflict minerals" and to ensure the transparency of the origin of raw materials.
- 25.5. The Supplier is required to provide the necessary organizational instructions and adopt measures, particularly in respect of the following security areas: security of the location, packaging and transport, business partners, staff and information – thus providing safety in the supply chain pursuant to the requirements of internationally recognized incentives based on the WCO SAFE frameworks of standards (e.g. AEO, C-TPAT). The Supplier is to protect the goods and services provided to the Customer or third parties authorized by the Customer against unauthorized access and handling. The Supplier must only use reliable staff for the goods and services and is to request equivalent security measures from its subcontractors.
- 25.6. Notwithstanding other rights and legal remedies to which the Customer is entitled, the latter may terminate this Contract if the Supplier infringes any of these obligations at its own fault. If the Supplier substantiates the infringement of the obligations, the Customer may only terminate the Contract if the Supplier has not met its obligations within the period set by the Customer for the elimination of Contract infringements.
- 25.7. If requested by Customer, the Supplier is required – no more than once a year at its own discretion – to provide the Customer with: a) a written self-assessment in the form provided by the Customer, or b) a written report approved by the Customer describing the actions taken or to be taken by the Supplier to assure compliance with the Code of Conduct.
- 25.8. Customer and its authorised agents and representatives and/or a third parties appointed by the Customer and reasonably acceptable to the Supplier, shall be entitled (but not obliged) to conduct – also at Suppliers' premises – inspections in order to verify Suppliers' compliance with the Code of Conduct.
- 25.9. Any inspection may only be conducted upon prior written notice of Customer, during regular business hours, in accordance with the applicable data protection legislation and shall neither unreasonably interfere with Suppliers' business activities nor violate any of Suppliers' confidentiality agreements with third parties. The Supplier shall reasonably cooperate in any inspections conducted. Each party shall bear its expenses in connection with such inspections.

- 25.10. In addition to any other rights and remedies the Customer may have, in the event of: a) Supplier's repeated failure to comply with the Code of Conduct or b) Supplier's denial of Customer's right of inspection as provided for in Article 24.3., after providing the Supplier reasonable notice and a reasonable opportunity to remedy, the Customer may withdraw from the Contract and/or any purchase order issued thereunder without any liability whatsoever.
- 25.11. Other serious violations of the Code of Conduct include, but are not limited to, incidents of child labour, corruption and bribery, and failure to comply with the Code of Conduct's environmental protection requirements. The notice and opportunity to remedy provision shall not apply to violations of requirements and principles regarding of the child labour as set out in the Code of Conduct or willful failures to comply with the Code of Conduct's environmental protection requirements.
- 25.12. The Customer shall have the right to direct monetary compensation by the Supplier based on an invoice payable within 8 days in the amount specified by the Customer at its own discretion for each event of the Supplier's infringement of the provisions of this Article. The Supplier waives the right to object to such an invoice issued by the Customer. In the event of such an infringement, the Customer may terminate the Contract at its own discretion and adopt any measures. This right shall in no way prejudice any other right of the Customer to claim damages or any other right deriving from the Supplier's actions in contradiction with the legal or contractual provisions governing health and safety.
- 26. The Health and Safety of Persons and Environment Protection**
- 26.1. The Supplier is required to comply with all the legal provisions regarding health and safety, and make its best efforts to a) eliminate threats to the health and safety of persons employed by the Supplier and direct or indirect Supplier's subcontractors that are responsible for the execution of works ("staff"), and to b) make sure that no one authorized to hang around the construction site, including the staff employed by the Customer and visitors, can be injured.
- 26.2. Before the commencement of works, the Supplier is required to: 1) submit to the Customer a written risk assessment for the specific location that a) contains analyses of any and all risks to the health and safety of the staff that may occur during the execution of works, and b) lays down the measures, periods and persons responsible for the elimination of such risks; 2) submit to the Customer a written plan for the environment, health and safety / plan for the execution of works for the specific location pursuant to the provisions of the relevant national implementing regulations. Both documents are to cover all the work activities of the provider (own and subcontractor's activities).
- 26.3. The Supplier is to ensure that the entire staff attend specific training as organized for the relevant construction site before the commencement of works, which is to be documented in writing, and the same staff must also provide adequate personal protective and other equipment. The Supplier is to make sure that the staff use personal protective and other equipment, and that such equipment is in good condition at all times and furnished with the relevant certificates and, if necessary, replaced with new equipment.
- 26.4. The Customer reserves the right to withdraw, at its own discretion and at any time, any staff from the construction site and/or suspend works due to endangered health and safety, whereby the Customer shall assume no responsibility or any other consequences.
- 26.5. the Supplier is required to appoint an officer for the environment, safety and health at work, and fire safety ("Supplier's official for the environment and safety and health at work"), and must make sure that the Supplier's official for the environment and safety and health at work participates in discussions relevant to safety that are occasionally organized by the Customer.
- 26.6. The Supplier is required to closely monitor compliance with the legal provisions and provisions relating to safety and health at work, fire safety and environmental protection as laid down in the Contract and internal rules of the end customer. Furthermore, the Supplier is required to a) make regular visits to the location known as safety walk and talk, b) provide communication about the stop work authority rule in case of an identified hazard, c) provide communication with all workers who must be informed by the Customer about all work orders; therefore, work cannot commence without the prior approval of the responsible person at the Customer.
- 26.7. The Supplier may invite the Customer for a visit in a timely fashion before the visit to the site. If the Supplier establishes non-compliance with safety and health at work provisions, it is necessary to establish compliance immediately and inform the Customer of the findings and the progress of the measures adopted by the Supplier to establish compliance.
- 26.8. At the Customer's request, the Supplier is required to provide the Customer with access to the Supplier's documents referring to safety and health at work and fire safety.
- 26.9. In the event of an incident resulting in a) the death of any staff member, b) a serious injury of any staff member involving at least one day's incapacity to work, c) the hospitalization of more than three workers, or d) an injury requiring medical attention, the Supplier is required to inform the Customer immediately while 1) administering first aid to the injured persons and protecting the site of the accident, 2) performing an analysis of the underlying cause for the incident, 3) defining suitable measures to prevent similar incidents in the future, 4) setting the periods and appointing the persons responsible for measures to be implemented, and 5) submitting a written report to the Customer within one week of the incident containing sufficient details of the underlying cause of the incident and the measures and periods laid down. The Supplier is to provide support in all additional investigations that may be conducted by the Customer.
- 26.10. The Customer and its authorized persons and representatives and/or a third party appointed by the Customer shall have the right (but shall not be bound) to perform – including in the Supplier's premises – an inspection to assess the Supplier's management system for the environment and safety and health at work, including the relevant documents, and to define corrective measures in case of deficiencies that are defined by the Customer as serious.
- 26.11. Such an inspection may only be conducted by the Customer upon prior written notice during working hours pursuant to the applicable legislation governing data protection and cannot unreasonably interfere with the Supplier's business activities or infringe any confidentiality agreement with third parties. The Supplier undertakes to participate in every inspection within a reasonable scope.
- 26.12. If the cause of an inspection is a serious incident as described in Article 26.9 or continuous or recurrent deficiencies that affect the environment or safety and health at work, the cost of such an inspection and any delay in the provision of the Customer's services to the end customer shall be borne by the Supplier.
- 26.13. If the Customer prepares a document referring to health and safety at the construction site ("plan for the environment, safety and health / plan for the execution of works"), it will send the Supplier a copy of that document. The Supplier is required to confirm the receipt of the document in writing and act in line with its provisions. The same shall apply to any amendments and supplements to the plan for the environment, safety and health / plan for the execution of works that the Customer may introduce when it is deemed necessary. The Supplier is to make sure that its direct and indirect sales subcontractors with which it has concluded contracts on the performance of works act in line with the plan for the environment, safety and health / plan for the execution of works and its amendments and supplements.
- 26.14. In addition to all other rights, the Customer may terminate this Contract upon an infringement of legal and/or statutory provisions relating to safety and health at work by the Supplier or upon the regular performance of works that fail to comply with these provisions, including the provisions of this section and of the plan for the environment, safety and health / plan for the execution of work if

- 26.15. the Supplier fails to eliminate the identified infringements within a reasonable period of time or prevent access to the Supplier's employees who often break rules, or it may suspend works until the non-compliance is eliminated. In such a case, the Customer shall have no responsibility in relation to the Supplier or any other third party nor shall it bear any consequences due to the termination of this Contract.
- 26.16. The Customer shall have the right to direct financial compensation from the Supplier based on an invoice payable within 8 days in an amount specified by the Customer at its own discretion for each case of the Supplier's infringement of legal or contractual provisions relating to safety and health at work. The Supplier waives the right to object to such an invoice issued by the Customer. In the case of such an infringement, the Customer may terminate the Contract at its own discretion and adopt any measures. This right shall in no way prejudice the Customer's right to compensation or any other right deriving from the Supplier's actions in contradiction with legal or contractual provisions regarding safety and health at work.

27. Governing Law and Dispute Resolution

- 27.1. The Contract shall be governed by the laws of the Republic of Slovenia. The application of the UN Convention on Contracts for the International Sale of Goods (CISG) from 11 April 1980 shall be excluded.
- 27.2. Any disputes arising in connection with this Contract shall be settled through negotiation in good faith. Every Party to the Contract shall be entitled to request that members of the highest management on either side participate in the negotiations.
- 27.3. If an amicable solution is not possible, disputes shall be settled by the competent court in Ljubljana. Notwithstanding the foregoing, the Customer shall be entitled to bring an action and enforce his claims against the Supplier before the competent court at the registered seat of the Supplier or any other court competent according to the rules valid at the Supplier's registered seat.
- 27.4. In the event of a dispute, the Supplier is required to reimburse the Customer for all costs deriving from the filed lawsuit, particularly lawyers' costs, and all costs incurred by the Customer before the start of the proceedings.
- 27.5. The invalidity of a particular provision shall not affect the validity of the remaining contractual provisions.

28. Final provision

- 28.1. All changes and/or amendments to the Contract shall only be valid if concluded in writing.

Supplement No. 1

Code of Conduct for Siemens' Suppliers and Third Party Intermediaries

This Code of Conduct defines the basic requirements placed on Siemens' suppliers and third party intermediaries concerning their responsibilities towards their stakeholders and the environment. Siemens reserves the right to reasonably change the requirements of this Code of Conduct due to changes of the Siemens Compliance Program. In such event Siemens expects the supplier to accept such reasonable changes.

The supplier and/or third party intermediary shall:

- **Legal compliance**
 - Comply with the laws and regulations of the applicable legal systems.
- **Human Rights and Labor Practices**

To ensure respect of all internationally proclaimed human rights by avoiding causation of and complicity in any human rights violations, heightened attention shall be paid to ensuring respect of human rights of specifically vulnerable rights holders or groups of rights holders such as women, children or migrant workers, or of (indigenous) communities.

 - > Prohibition of Forced Labor
 - Neither use nor contribute to slavery, servitude, forced or compulsory labor and human trafficking.
 - > Prohibition of Child Labor
 - Employ no workers under the age of 15 or, in those countries subject to the developing country exception of the ILO Convention 138, employ no workers under the age of 14.
 - Employ no workers under the age of 18 for hazardous work according to ILO Convention 182.
 - > Non-Discrimination and Respect for Employees
 - Promote equal opportunities and treatment of employees, irrespective of skin color, race, nationality, ethnicity, political affiliation, social background, disabilities, gender, sexual identity and orientation, marital status, religious conviction, or age.
 - Refuse to tolerate any unacceptable treatment of individuals such as mental cruelty, sexual harassment or discrimination including gestures, language and physical contact, that is sexual, coercive, threatening, abusive or exploitative.
 - > Working Hours, Wages & Benefits for Employees
 - Recognize the legal rights of workers to form or join existing trade unions and to engage in collective bargaining; neither disadvantage nor prefer members of employee organizations or trade unions.
 - Adhere to all applicable working-hours regulations globally.
 - Pay fair wages for labor and adhere to all applicable wage and compensation laws globally.
 - In the event of cross-border personnel deployment adhere to all applicable legal requirements, especially with regard to minimum wages.
 - > Health & Safety of Employees
 - Act in accordance with the applicable statutory and international standards regarding occupational health and safety and provide safe working conditions.
 - Provide training to ensure employees are educated in health & safety issues.
 - Establish a reasonable occupational health & safety management system¹.
 - > Grievance Mechanism
 - Provide access to a protected mechanism for their employees to report possible violations of the principles of this Code of Conduct.
- **Environmental Protection**

Act in accordance with the applicable statutory and International standards regarding the environment. Minimize environmental pollution and make continuous improvements in environmental protection.

- **Fair Operating Practices**
 - > Anti-Corruption and Bribery
 - Tolerate no form of and do not engage directly or indirectly in any form of corruption or bribery and do not grant, offer or promise anything of value to a government official or to a counterparty in the private sector to influence official action or obtain an improper advantage. This includes to renounce from giving or accepting improper facilitation payments.
 - > Fair Competition, Anti-Trust Laws and Intellectual Property Rights
 - Act in accordance with national and international competition laws and do not participate in price fixing, market or customer allocation, market sharing or bid rigging with competitors.
 - Respect the intellectual property rights of others.
 - > Conflicts of Interest
 - Avoid and/or disclose internally and to Siemens all conflicts of interest that may influence business relationships, and to avoid already the appearance thereof.
 - > Anti-Money Laundering, Terrorism Financing
 - Not directly or indirectly facilitate money laundering or terrorism financing.
 - > Data Privacy
 - Process personal data confidentially and responsibly, respect everyone's privacy and ensure that personal data is effectively protected and used only for legitimate purposes.
 - > Export Control and Customs
 - Comply with the applicable export control and customs regulations.
- **Responsible Minerals Sourcing**

Take reasonable efforts to avoid in its products the use of raw materials which originate from Conflict-Affected and High-Risk Areas and contribute to human rights abuses, corruption, the financing of armed groups or similar negative effects.
- **Supply chain**
 - use reasonable efforts to promote among its suppliers compliance with this Code of Conduct;
 - comply with the principles of non-discrimination with regard to supplier selection and treatment.

¹ For further information please see: www.siemens.com/procurement/cr/code-of-conduct