

**GENERAL TERMS AND CONDITIONS OF PURCHASE**  
**SIEMENS d.d. Heinzelova 70a Zagreb**  
**(PIN: 12673471493)**

**December 2019 edition**

## **1 Scope of General Terms and Conditions**

- 1.1 These General Terms and Conditions of Purchase shall apply to all orders (deliveries of goods and services) of Siemens d.d., Heinzelova 70a, 10000 Zagreb and affiliated companies as members of the Siemens group (hereinafter referred to as 'Buyer' or 'SIEMENS' or Company).

## **2 Purchase Order**

- 2.1 These General Terms and Conditions of Purchase shall become an integral part of the contract upon acceptance of an order by the Seller. Orders must be in writing and duly signed to be valid. The Buyer may also place orders via Electronic Data Interchange (EDI) provided this has been expressly agreed between SIEMENS and the Seller in writing. Any amendments to the order or oral agreements shall be valid only if SIEMENS (Buyer) confirms them in writing.
- 2.2 The Seller may use subcontractors to perform all or a part of its duties under an order if it has obtained an express prior approval of SIEMENS.

## **3 Confirmation of Order, General Terms and Conditions of the Seller**

- 3.1 The acceptance of a purchase order shall be immediately confirmed to SIEMENS. A purchase order may also be confirmed via Electronic Data Exchange (EDI) provided this has been expressly agreed in writing between SIEMENS and the Seller. SIEMENS reserves the right to cancel an order at no cost to SIEMENS unless it has received from the Seller a proper order confirmation within a reasonable period, but no later than two weeks after the date of the order. Such cancellation is deemed on time if it is sent to the Seller before SIEMENS receives the purchase order confirmation.
- 3.2 If the purchase order confirmation deviates from the order, the Seller shall clearly state any such deviation in the purchase order confirmation. SIEMENS shall only be bound by such deviation if it has expressly accepted it in writing. An unconditional acceptance by SIEMENS of the goods delivered by the Seller shall not be considered as acceptance of any such deviation.
- 3.3 Unless accepted in writing by SIEMENS, the Seller's general terms and conditions shall not become binding upon SIEMENS. Any reference in the order to the Seller's quotation documents by SIEMENS does not imply acceptance of the Seller's terms and conditions.
- 3.4 Any terms and conditions of the Seller or any of its subcontractors made available in paper or digital form together with the delivery of software products shall not be binding upon SIEMENS, unless SIEMENS gave its prior special written approval. This is valid particularly if SIEMENS or any third parties attributable to SIEMENS (e.g. employees, consultants, customers of SIEMENS) commit an act that, pursuant to those terms and conditions, constitutes a basis for the conclusion of a contract, or if software registration or other cards are sent to the Seller.

## **4 Delivery Period, Consequences of Delay**

- 4.1 Unless expressly agreed otherwise, the period of delivery or performance shall commence on the day the order is issued, unless another beginning is expressly agreed upon. If no such period has been agreed, the Seller shall deliver goods and services without delay. The relevant point in time for the delivery of goods shall be the date of receipt at the place of destination specified by SIEMENS ("place of use"). If the delivery involves erection or installation, the relevant point in time shall be the date of acceptance. When foreseeable delays in delivery occur, the Seller shall immediately inform SIEMENS on the matter and request SIEMENS' decision. In that event, the period of delivery of goods or services shall be extended only if SIEMENS has explicitly recognised such extension in writing.

- 4.2 SIEMENS is entitled to charge a penalty of 0.5%, however, not more than 10% of the overall contract value for each calendar day of delay in delivery that already begun. Such penalty is independent of the Seller's fault and any proof of damage. SIEMENS reserves the right to claim damages exceeding the amount of the penalty. In the event of a delay, SIEMENS is entitled to withdraw from the contract after expiry of a reasonable additional time-limit for delivery granted to the Seller. This applies even if SIEMENS used to accept delayed partial deliveries without reservation before. In the case of a time-sensitive contract, SIEMENS shall not be obliged to grant an additional time-limit for delivery.
- 4.3 When it can be foreseen that the Seller will fail to properly deliver or perform by the agreed date, SIEMENS shall be entitled to take all measures necessary to prevent an imminent delay in delivery / performance at the Seller's cost and risk.
- 4.4 In the case of early delivery, SIEMENS reserves the right to charge the Seller any extra cost, e.g. warehouse and insurance costs, and to effect payment in accordance with the agreed delivery date. Until the agreed date, SIEMENS shall only bear the responsibility of a depositary.
- 4.5 SIEMENS is entitled to terminate the contract as a whole or in part, without prejudice to consequences, if insolvency or liquidation proceedings are opened against the Seller or if the Seller's ownership structure changes. The Seller is obliged to immediately inform SIEMENS about any such circumstances.

## **5 Shipment, Delivery, Passing of Risk, Export Control**

- 5.1 In the case of deliveries involving erection or installation and in the case of services, the risk passes upon acceptance; for deliveries not involving erection or installation the risk passes upon receipt by SIEMENS at the place of destination. If the registered office of the Seller and the place of delivery are within the EU, DDP (place of destination) Incoterms® 2010 shall apply. If in this case delivery to construction sites or directly to third parties is agreed, the Seller shall bear the costs and risk of unloading the goods. If the registered office of the Seller or the place of delivery are outside the EU, DAP (place of destination) Incoterms® 2010 shall apply. If in this case delivery to construction sites or directly to third parties is agreed, DAT (place of destination) Incoterms® 2010 shall apply.
- 5.2 Partial as well as over-deliveries and under-deliveries are only permissible after obtaining SIEMENS' express written approval. Goods are delivered to the goods receiving department of the place designated for delivery at the times agreed for the receipt of goods in the order. Each delivery shall be accompanied by a delivery note detailing the net weight per item and the complete purchase order number.
- 5.3 All requirements by SIEMENS regarding mode of transportation, carrier and shipment rules must be strictly adhered to. Unless SIEMENS has required a particular mode of transportation, goods must be dispatched at the lowest possible cost, failing which any adverse consequences and additional cost shall be borne by the Seller. Additional cost arising from the need to meet the delivery date by way of expedited shipment shall be borne by the Seller. Should agreed payment instruments (e.g. letter of credit) and shipping documents, in particular purchase order data, be missing or incomplete, SIEMENS shall be entitled to refuse acceptance at the Seller's cost and risk.
- 5.4 When providing goods and services, the Seller shall comply with all requirements of export, customs and foreign trade legislation ("FOREIGN TRADE REGULATIONS") and obtain the required export authorizations, unless not the Seller, but SIEMENS or a third party is obliged to apply for the export authorizations under applicable FOREIGN TRADE REGULATIONS.
- 5.5 The Seller shall forward to SIEMENS in writing all information and data (for each item on the purchase order confirmation, delivery note and invoice) required by SIEMENS to comply with all applicable FOREIGN TRADE REGULATIONS governing the export and import as well as the re-export of the goods and services as early as possible, but in any case before the Delivery Date, including the following "EXPORT CONTROL AND FOREIGN TRADE DATA" for each commodity/service.

- the "Export Control Classification Number" pursuant to the U.S. Commerce Control List (ECCN) if the Product is subject to the U.S. Export Administration Regulations; and
- all applicable export list numbers; and
- the statistical commodity code according to the current commodity classification for foreign trade statistics and the HS (Harmonized System) Code; and
- the country of origin (non-preferential origin); and
- upon request of SIEMENS: preferential origin declarations by the Seller (in the case of European Sellers) or other preferential certificates (in the case of non-European Sellers)

- 5.6 In the case of changes in the origin or features of the goods or services or the applicable Foreign Trade Regulations, the Seller shall update and communicate in writing to the Buyer the Export Control and Foreign Trade Data as early as possible, but in any case before the Delivery Date. The Seller shall be liable for any expenses and/or damage incurred by SIEMENS due to the lack or incorrectness of EXPORT CONTROL AND FOREIGN TRADE DATA.
- 5.7 Direct supplies to SIEMENS' customers shall be made in neutral packaging and with shipping documents in the name and on behalf of SIEMENS, where necessary and at the sole request of SIEMENS. The Seller shall provide SIEMENS with a copy of these delivery notes.
- 5.8 Retention of title of whatsoever nature by the Seller is invalid.
- 5.9 Where prices are quoted without packaging, packaging shall be charged at cost price and stated separately in the invoices. Unless otherwise agreed by the parties, the value of packaging material returned by SIEMENS to the Seller for reuse shall be reimbursed by the Seller. The Seller is liable for any damage caused by improper packaging. When delivering hazardous goods, the Seller shall comply with all applicable statutory provisions, in particular those relating to the type and marking of packaging and to the means of transport to be used.
- 5.10. For the performance of works and services under this contract the Contractor shall only use employees who are not listed in the relevant national, European and US-American sanctions lists based on foreign trade legislation.

## **6 Suspension, Cancellation**

- 6.1 SIEMENS reserves the right to order the Seller to suspend the performance of the contract at any time. If the performance of the contract is suspended for more than three months, the Seller will have to prove to SIEMENS in detail that it has incurred costs resulting from such suspension. However, SIEMENS shall not be liable to the Seller for any loss of profits. The Seller may claim compensation only for such proven costs. The Seller may not claim compensation for any costs incurred as a result of a suspension of less than three months, or, in the case of a suspension of more than three months, for the costs incurred during the first three months.
- 6.2 SIEMENS reserves the right to withdraw from the contract, as a whole or in part, irrespective of any fault on the part of the Seller. In such a case, the Seller is only entitled to charge SIEMENS for the services proved to have been performed by the date of withdrawal, minus all possible gains and savings arising out of or relating to the withdrawal.
- 6.3 SIEMENS also reserves the right to vary the scope of supply or services. The Seller is entitled to a corresponding adjustment in the contract price.

## **7 Invoicing, Set-off**

- 7.1 Invoices must indicate all purchase order details and be submitted to SIEMENS immediately after delivery of goods or completion of services. Copy invoices must be marked as duplicates. Invoices shall be worded and structured to facilitate both their comparison with the order and their auditing. Each invoice must show the purchase order number and the purchase order data. Invoices relating to services and installation performed shall be accompanied by time records confirmed by SIEMENS. Invoices relating to goods requiring export authorisations shall list all marking requirements fulfilled. The Seller must provide PIN

(OIB) not later than the invoice. If the Seller's main office is within the EU the seller must provide the VAT number not later than the invoice.

7.2 SIEMENS reserves the right to return invoices which do not comply with its requirements; in particular those regarding purchase order data or VAT rules, unprocessed. In such a case, invoices are considered as not submitted. Electronic invoices will only be accepted if forwarded to SIEMENS via EDI.

7.3 The Seller is not entitled to set off claims it may have against SIEMENS against claims SIEMENS has against the Seller.

## **8 Payment Terms**

8.1 The period within which invoices must be paid commences with SIEMENS' unconditional acceptance of delivered goods or services and upon receipt of the properly issued invoice. If the Seller is obliged to provide material tests, test records or quality control documents or any other documentation, deliveries and services will be regarded as fully performed only upon receipt of such documentation.

8.2 Unless otherwise agreed, payments are to be made within 90 days net or within 30 days minus the discount of 3% at SIEMENS' choice. SIEMENS is entitled to withhold payment until identified defects are remedied. For the duration of the warranty period, SIEMENS may withhold up to 10% of the contract value as an interest-free guarantee deposit. Payment shall not be considered as an acceptance that the goods or services were delivered in accordance with the contract, nor as a waiver of any rights on the part of SIEMENS. Payments are deemed to have been made in a timely manner upon execution of the transfer order with SIEMENS' bank by the due date of payment. The Seller bears bank charges incurred by the receiving bank. If, for any reason, an agreed security is not (or no longer) available, the Seller is obliged to provide SIEMENS with an equivalent one.

8.3 SIEMENS is entitled to set off claims of its affiliated companies against the Seller's claims. SIEMENS is entitled to set off claims it may have against the Seller against claims the Seller has against SIEMENS.

## **9 Acceptance, Notice of Defects, Liability for Defects, Product Liability, Intellectual Property Rights, Quality Assurance**

9.1 The mere receipt or temporary use of deliveries and services or payments made thereof do not constitute an acceptance or waiver of rights by SIEMENS. Acknowledgements of receipt issued by the goods receiving department of SIEMENS do not constitute a final acceptance by SIEMENS of the goods delivered.

9.2 The goods are taken over (received) and checked as to their completeness and any visible defects within a reasonable time after their receipt. If random checks show that parts of a delivery do not comply with SIEMENS' requirements or do not have the required marketable quality, SIEMENS may reject the delivery as a whole. SIEMENS shall notify the Seller of any defects detected as soon as possible.

9.3 The Seller is required to carry out an adequate inspection of the components it provides (e.g. raw materials, building materials) from upstream suppliers, producers and other third parties upon receipt in order to determine any apparent or hidden defects, and to notify the supplier of such defects without delay.

9.4 The Seller warrants to the Buyer that it will use best, appropriate and brand-new materials, manufacture the products adequately and in compliance with the underlying technical drawings, and that it will provide for their proper installation. The warranty period for supplies and services by the Seller is two years. The warranty period for products and services that become a fixed part of buildings or land is three years. After rectification of defects notified by SIEMENS, the warranty period for the replaced product begins to run anew. The warranty period for deliveries begins to run with the erection or installation of the delivered products, for services with their acceptance, for deliveries not involving erection or installation with their delivery to the place of destination, for hidden defects with their identification. For deliveries to locations where SIEMENS uses the Seller's goods to perform contracts outside its premises,

the warranty period begins to run with the acceptance of the services to be rendered by SIEMENS by SIEMENS' customer. This time-limit is deemed to be observed if SIEMENS has asserted warranty claims against the Seller within the aforesaid periods in writing.

- 9.5 If engineering, advisory, software or documentation services or staff are provided by the Seller, the Seller fully guarantees the correctness and completeness of its written and verbal information and instructions for a period of two years after their provision.
- 9.6 The Seller's upstream Sellers are regarded as its agents, for which the Seller is entirely liable.
- 9.7 SIEMENS may require the Seller either to immediately remedy defects identified within the above specified warranty periods at the Seller's expense at the place of destination or to provide defect-free goods or services within the set deadline. SIEMENS is entitled to claim all costs incurred in connection with the rectification of defects, e.g. installation and removal costs. The Seller shall without delay reimburse SIEMENS for any inspection costs if an inspection has revealed defects. In the case of imminent danger, e.g. in order to avoid its own default, or if the Seller fails to rectify defects within a reasonable time, SIEMENS shall be entitled to acquire defect-free products from third parties, without prior notification and without prejudice to its warranty claims against the Seller or to repair or have defective goods repaired at the Seller's expense. The Seller shall fully reimburse SIEMENS for the cost of such repairs, even if it exceeds the cost of repair made by the Seller, without delay and following an invitation from SIEMENS.
- 9.8 The Seller shall indemnify and hold SIEMENS harmless against disputes arising from any patent, copyright, trade mark or registered design, and guarantee SIEMENS the unrestricted use of the delivered product, without delay and following an invitation from SIEMENS. Without prejudice to other obligations, the Seller will indemnify and hold SIEMENS harmless against any product liability claims raised by third parties against SIEMENS as a result of defects in the products delivered by the Seller, without delay and following an invitation from SIEMENS. The Seller undertakes to compensate SIEMENS for costs incurred in connection with a defence against any such claim or in connection with an obligation to repair defective products, without delay and following an invitation from SIEMENS. The Seller will provide SIEMENS with ample proof that it has taken out adequate insurance to cover these risks.
- 9.9 For a period of 11 years after the last delivery, the Seller shall provide SIEMENS upon the latter's request with the names of the respective manufacturers, importers, upstream Sellers without delay, not later however than two weeks after being requested to do so. Furthermore, the Seller will provide SIEMENS immediately with appropriate evidence, such as production records and documents specifying production and delivery batches and/or the date of production and delivery to enable SIEMENS to oppose product liability claims.
- 9.10 Installations or products delivered by the Seller must have the required safety features and comply with the applicable safety standards (for installations or parts thereof in particular with those applicable at the place of destination). In any case, the currently valid technical regulations shall be complied with. In particular, the relevant EU directives, the Croatian General Product Safety Act and any provisions based thereon (as amended) as well as currently applicable regulations versions of European standards, Croatian standards and similar bodies of rules must be complied with. Installations, systems or products delivered by the Seller must bear the CE markings required under the relevant EC directives and Croatian legislation. Upon delivery, the Seller shall provide SIEMENS with EC declarations of conformity with short technical descriptions as well as installation instructions and installation requirements, if required. In addition, the Seller shall inform SIEMENS about changes in materials, manufacturing procedures, sub-Seller parts and EC declarations of conformity in a timely fashion. When delivering equipment designed to be assembled by SIEMENS or a third party, the Seller shall provide SIEMENS, to the extent necessary, with all documentation required by SIEMENS, including assembly schedules, data sheets, installation instructions, processing instructions, storage, operation and maintenance instructions, lists of spare and non-consumable parts etc. Delivered products have to be marked in Croatian and – upon SIEMENS' request – in other languages as well. The operating requirements and instructions must be drawn up in duplicate in Croatian and - upon SIEMENS' request - also in other languages.

- 9.11 SIEMENS reserves the right to demand proof of the Seller's quality control system and the Seller's documentation of the quality tests executed, and to carry out audits on the Seller's premises at any time. The Seller shall compensate SIEMENS for the costs of the audit if defects in the quality control system or errors of the documentation of quality tests are detected in the course of the audit.
- 9.12 Before a necessary product warning the Seller will inform SIEMENS immediately and directly in writing.
- 9.13 SIEMENS bears no responsibility for damages regarding health and safety, suffered by the employees of the Supplier or his sub suppliers, nor for the damages suffered by the Supplier or damages caused to third persons by the Supplier, except in case of intent or gross negligence. The Supplier takes on full legal responsibility for applying all health and safety measures within the business frame of this Agreement. The same applies to the Supplier's liability for works he subcontracted to his cooperants. The Supplier is obliged to perform all contracted works and activities in a way which prevents any and all reports or publications at the detriment of SIEMENS and in a way which prevents disruption of the Supplier's business reputation.

## **10 Material provided by SIEMENS**

- 10.1 Material provided by SIEMENS remains SIEMENS' property and is to be stored, labelled and managed separately free of charge. Upon SIEMENS' request, the Seller shall confirm the receipt of material provided by SIEMENS. The Seller may use such material only to execute orders from SIEMENS. The Seller shall compensate SIEMENS for a diminution in value or loss. Claims for damages arising from the delayed provision of such material as well as any right of retention of the Seller shall be excluded.

## **11 Special Conditions for Hardware and Software**

- 11.1 Unless otherwise agreed in the order, hardware and software always constitute a single product.
- 11.2 If the Seller is to deliver software that has not been developed individually for SIEMENS, the Seller will grant SIEMENS the transferable and non-exclusive right to use such software. This right of use shall not be limited in duration in cases where the payment of a lump sum has been agreed for the use of such software. For software products which have been individually developed for SIEMENS, the Seller will grant SIEMENS an exclusive and transferable exploitation right that is unlimited in time and also excludes the Seller itself from using the software for any purpose. Unless otherwise agreed, the software shall be delivered together with the source code in its latest version. The Seller shall install the software. Following the installation of the software, the Seller shall provide a data carrier which can be disclosed on SIEMENS' system both in source code and object code form together with the related documentation (contents and structure of the data carrier, programme and data flow charts, test procedures, test programmes, error processing, etc.). Apart from this documentation, the Seller shall provide SIEMENS with comprehensive written user documentation in Croatian and/or in any language selected by SIEMENS and in a sufficient number of copies before acceptance.
- 11.3 Software individually developed for SIEMENS will be accepted explicitly in the form of a written acceptance protocol if it meets the agreed functional requirements specifications. Any repair to be performed by the Seller will be also included in the acceptance protocol. If SIEMENS fails to accept delivery for four weeks after notification of readiness for acceptance by the Seller, or if SIEMENS denies acceptance without justification, the software will be deemed accepted after it has been tested free of charge for at least four weeks and such testing has shown satisfactory results and produced no error messages. In case of doubt, the mentioned period shall commence with the commercial use of the software by SIEMENS or by SIEMENS' end customer, whichever comes last.
- 11.4 The Seller undertakes to make available to SIEMENS all subsequent programme versions in which errors have been eliminated (updates) free of charge within the warranty period. The Seller furthermore undertakes to offer SIEMENS software maintenance at competitive market

prices for at least five years from the date of acceptance. Within the warranty period, maintenance charges will be reduced accordingly.

- 11.5 The Seller shall inform SIEMENS - at the latest at the time of order confirmation - whether the products and services to be delivered contain open source software according to the definition of ifross ([www.ifross.org](http://www.ifross.org)). Should the Seller not at all or too late inform that its products and services contain open source software, SIEMENS is entitled to cancel the order. The Seller is then also obliged to indemnify and hold SIEMENS harmless.
- 11.6 Should the products and services delivered by the Seller contain open-source components, the Seller shall comply with all applicable open source license terms and shall grant all those rights to SIEMENS and provide all information which SIEMENS needs in order to comply itself with the applicable license terms. In particular, the Seller must deliver to SIEMENS promptly after the order is confirmed the following:  
The complete source code of the relevant open source software, including scripts and information regarding its generating environment insofar as the applicable open source conditions require this.  
A schedule of all open source files used, indicating the relevant license, its version and including a copy of the complete text of such license and including a reference to copyright and/or author-ship. Such schedule must have an understandable structure and contain a table of contents.
- 11.7 The Seller shall inform SIEMENS - at the latest at the time the order is confirmed - whether any open source licenses used by the Seller will – within their intended use - be subject to a “Copyleft Effect” which will affect the products of SIEMENS. In the context of this provision, “Copyleft Effect” means that the provisions of the open source license require that certain of the Seller’s products, as well as any products derived from these, may only be distributed further in accordance with the terms of the open source license e.g. only if the source code is disclosed.
- 11.8 Should the Seller not indicate until receipt of the order that its products and services contain open-source components or whether the described “Copyleft Effect” would occur, then SIEMENS is entitled to cancel the order within 14 (fourteen) days upon receipt of this information.

## **12 Special provisions for planning activities**

- 12.1 Any and all documentation, such as plans, drawings, and models shall become the property of SIEMENS, even if the contract should be terminated prematurely or cancelled and shall be handed over to SIEMENS upon request. The Seller shall grant to SIEMENS exclusively, irrevocably and without claim for additional remuneration the sub-licensable right of use, unlimited with respect to contents and time, as well as the corresponding permission to use the works resulting from this contract. SIEMENS thus is entitled to exploit, by means of implementation of the respective plans, or otherwise use said plans and other documentation in their original form or after modification without any further participation or approval by the Seller.

## **13 Drawings, Tools, Auxiliary Devices, Authorisations**

- 13.1 Drawings and technical calculations shall be made available by the Seller free of charge, where necessary. Any tools, patterns, samples, models, profiles, drawings, standard specification sheets, printing templates and materials provided by SIEMENS, as well as any materials derived therefrom, shall remain SIEMENS’ property and shall not be made available to any third party nor be used for any other purposes than those contractually agreed, without SIEMENS’ prior written approval. Tools, patterns, etc., that have been produced at SIEMENS’ expense, shall become its property upon payment.
- 13.2 All tools and related auxiliary devices, in a broad sense, shall be clearly marked as SIEMENS’ property and protected against unauthorised access or use, or maintained and repaired, if and where applicable. They shall be returned either upon execution or cancellation of the order. Subject to any further rights, SIEMENS may demand the return of such materials if the Seller violates the duties referred to above. The Seller has no right of retention.

- 13.3 The Seller expressly states that it is in possession of all industrial authorisations as well as any other authorisations necessary to ensure the performance of the services as agreed in the contract and that it will, upon SIEMENS' request, make available to SIEMENS the respective documents. Insofar as for the performance of the deliveries and services special regulatory approvals, authorisations or inspections are required, such approvals, permissions and inspections will be obtained by the Seller without entitlement to special remuneration in a timely manner.

## **14 Place of Performance, Applicable Law, Place of Jurisdiction, Severability, Proviso**

- 14.1 The place of performance for deliveries or services shall be the place of destination. For payments, the place of performance shall be the Buyer's seat.
- 14.2 Croatian law shall apply with the exception of trading customs and practices, conflict of laws of the private international law and the rules of the Vienna (United Nations) Convention on Contracts for the International Sale of Goods of 1980.
- 14.3 Disputes, in particular those relating to the implementation of contract or any arising claims, shall be under exclusive jurisdiction of the Zagreb Commercial Court. However, SIEMENS shall also be entitled to bring proceedings against the Seller before any other court, e.g. before the Seller's court of general jurisdiction.
- 14.4 The Seller shall compensate SIEMENS for any costs necessary to bring appropriate legal action, in particular for attorneys' fees, and for any pre-trial expenses incurred by SIEMENS.
- 14.5 The invalidity of individual provisions shall not affect the validity of the remaining provisions of the contract.
- 14.6 SIEMENS shall not be obligated to fulfil this agreement 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.

## **15 Confidentiality, Data Protection**

- 15.1 The Seller undertakes to keep confidential information pertinent to SIEMENS or the subject matter of the contract, which he has rightfully obtained in connection with the purchase order, unless this information has become generally known or known to the Seller in another lawful manner. Furthermore, the Seller shall keep confidential the results or partial results obtained by the Seller in fulfilment of the purchase order and use them exclusively for the performance of the present purchase order. In the event that the Seller makes use of a third party for the performance of its contractual obligations, it shall make sure that such third party contractually commits itself to at least the same degree of confidentiality.
- 15.2 The same applies to personal data relating to SIEMENS or any third party, that the Seller has acquired in connection with the contract with SIEMENS. The Seller shall protect such information against access by third parties and commit its employees dealing with contractually relevant tasks to the same level of confidentiality.
- 15.3 The Seller's data (commercial register data, address, telephone and facsimile number as well as other information required for correspondence following from modern communication tools, locations, contact persons, ordered goods, and supply volumes) which become known to SIEMENS in connection with the respective business transaction will be automatically processed only for the execution of the contract, in particular, for administration and billing purposes. For technical reasons, it may be necessary to store such data on servers of a company that is a member of the SIEMENS group.
- 15.4 The Seller expressly agrees that the data obtained from each business transaction and stored according to item 15.3 may be passed on to other companies affiliated to SIEMENS and listed in the currently available business report of SIEMENS d.d., which is available at [www.siemens](http://www.siemens). in particular to Siemens AG, Austria, for information purposes (e.g. purchase pooling), and within the scope of the Siemens-Group's reporting duties for statistical and risk management purposes and that these companies as well as SIEMENS may send the Seller



information on products or services in writing or by e-mail or otherwise contact it (e.g. by phone). Such consent may be revoked in writing or by e-mail at any time.

- 15.5. The protection of personal data is very important to SIEMENS. Therefore, SIEMENS processes personal data only in accordance with all applicable data protection and data security regulations. In the course of doing business with suppliers SIEMENS processes personal data of contact persons at the Seller, at interested parties (potential suppliers) or at other business partners. Details to the categories of the processed data, the purposes of the processing and its legal grounds can be found in the Data Privacy Policy of the contracting Siemens company – available in detail on the respective homepage on the following link [Privacy Policy](#).

## **16 Information, Declaration of Materials, RoHS, Disposal, Packaging, Dangerous Goods**

- 16.1 If the Seller delivers products that are subject to regulatory or other legal requirements with regard to their placement on the market and further marketing in the European Economic Area, or comparable requirements in other countries of use named by SIEMENS, the Seller must ensure that the products fulfill these requirements in their version applicable at the time of acceptance (cf. 5.1). The Seller must further ensure that all documents and information necessary for proof of conformity of the products with the applicable requirements can be supplied to SIEMENS immediately upon request.
- 16.2 Notwithstanding any legal information duties, the Seller shall provide SIEMENS with all necessary and useful information pertinent to the goods and services to be delivered, in particular, information on proper storage as well as safety data sheets in accordance with EU regulative applicable at the time of conclusion of the contract. In addition, the Seller shall raise SIEMENS' attention to the possibility of hazardous waste or waste oils arising from the goods delivered by the Seller and shall, in particular, advise SIEMENS on their disposal. Upon SIEMENS' request, the Seller shall take back, free of charge, any waste resulting from the ordinary use of the delivered goods or similar products, as defined in the applicable Waste Management Act. However, such obligations shall be limited to the amount delivered by the Seller. Should the Seller refuse or should the Seller not be able to accept such waste, SIEMENS shall be entitled to dispose of it at the Seller's expense.
- 16.3 The Seller ensures that deliveries under the order are RoHS-compliant and therefore in conformity with the EC Directive on the Restriction of the use of certain Hazardous Substances in Electrical and Electronic Equipment (EU Regulations in the version applicable as of conclusion of the contract) at the time of delivery. In the event that deliveries fail to comply with this EC Directive, the Seller shall – without prejudice to any warranty claims SIEMENS may raise – compensate SIEMENS for any damage arising from such non-compliance.
- 16.4 The Seller ensures that deliveries under the order are RoHS-compliant and therefore in conformity with the EC Directive on the Restriction of the use of certain Hazardous Substances in Electrical and Electronic Equipment (Directive 2002/95/EC) at the time of delivery. In the event that deliveries fail to comply with this EC Directive, the Seller shall – without prejudice to any warranty claims SIEMENS may raise – compensate SIEMENS for any damage arising from such non-compliance.
- 16.5 Should the Seller deliver legally permissible products, which are, however, subject to statutorily-imposed substance restrictions and/ or information requirements (e.g. REACH – Registration, Evaluation, Authorisation and Restriction of Chemicals), the Seller shall declare such substances in the web database BOMcheck ([www.BOMcheck.net](http://www.BOMcheck.net)) or in a reasonable format provided by SIEMENS no later than the date of first delivery of products. The foregoing shall only apply with respect to laws which are applicable at the registered seat of Seller or SIEMENS or at the designated place of delivery requested by SIEMENS. Furthermore, the Seller shall also declare all substances which are set out in the so-called "Siemens list of declarable Substances" applicable at the time of delivery in the manner described above.

- 16.6 Should the delivery contain goods which – according to international regulations – are classified as dangerous goods, the Seller shall inform SIEMENS hereof in a form agreed upon between Seller and SIEMENS, but in no case later than the date of order confirmation.

## 17. Legal Succession and third parties

- 17.1 The Buyer may assign its rights and obligations arising from the contract with the Seller to another company within the SIEMENS group or to any other third party. The Seller has no right to cancel the contract for reasons of such assignment.

## 18. Anti-corruption

- 18.1 The Seller shall notify SIEMENS – at the latest upon submission of the Seller's offer to SIEMENS – in writing if the Seller or members of its management board have been sentenced by final judgement of a national court for corruption of a public officer within the last five years prior to the submission of the Seller's offer to SIEMENS, and, without undue delay, if the Seller or members of its management board are charged with corruption of a public officer before a national court at any time between submission of the Seller's offer to SIEMENS and acceptance of the supplies/services of the Seller pursuant to Sect. 9.2. Such notification shall ensure compliance with the requirements laid down by the OECD Recommendation on Anti-corruption in relation to national export guarantees.

## 19. Code of Conduct for Sellers, Security in the Supply Chain

- 19.1 The Seller is obliged to comply with the laws of the respective jurisdiction. In particular, the Seller shall not engage, actively or passively, directly or indirectly, in any form of bribery, violation of fundamental rights of its employees or child labour. Moreover, the Seller shall take responsibility for the health and safety of its employees at their workplace, act in accordance with the applicable environmental laws and make the best efforts to promote this Code of Conduct among its Sellers.
- 19.2 The Seller shall provide the necessary organizational instructions and take measures, particularly with regard to the following security: premises security, packaging and transport, business partner, personnel and information - in order to guarantee the security in the supply chain according to the requirements of respective internationally recognized initiatives based on the WCO SAFE Framework of Standards (e.g. AEO, C-TPAT). The Seller shall protect the goods and services provided to SIEMENS or provided to third parties designated by SIEMENS against unauthorized access and manipulation. The Seller shall only deploy reliable personnel for those goods and services and shall obligate any subcontractors to take equivalent security measures.
- 19.3 Without prejudice to other rights and remedies SIEMENS may have, SIEMENS may terminate the contract if the Seller has culpably violated any of these obligations. If, however, the Seller's breach of duty is capable of remedy, SIEMENS may terminate the contract only if the Seller has failed to comply with a period granted by SIEMENS for remedying its breach of contract.
- 19.4 The Seller shall abide by the principles and terms of the "Code of Conduct for Siemens Sellers and Third-Party Intermediaries", attached herein as Appendix 1 (hereinafter: Code of Conduct).
- 19.5 If required by Siemens, the Seller shall, once a year at most, submit to Siemens (of his own choice) either (i) a written self-assessment report in the form requested by Siemens or (ii) a written report approved by the Seller which describes the measures taken or to be taken by the Seller in order to abide by the Code of Conduct.
- 19.6 Siemens and its authorized agents, representatives and/or a third party appointed by Siemens and acceptable to the Seller shall be authorized (but not obliged) to perform inspection - including on the Seller's premises - in order to verify whether the Seller abides by the Code of Conduct.

Inspection may be performed only after prior written approval by Siemens, during regular working hours and in accordance with the existing data protection act. In doing so, the

inspection shall not unreasonably interfere with the Seller's operations nor violate any of the Seller's confidentiality agreements concluded with third parties. The Seller shall reasonably cooperate with any inspection being performed. Each party shall bear its own costs associated with such inspection.

- 19.7 In addition to all other rights and remedies available to Siemens, in the event that (i) the Seller severely violates the Code of Conduct on several occasions or (ii) if the Seller fails to allow Siemens to use its right to inspection in accordance with the third paragraph of this Section, after Siemens has warned the Seller and has given him sufficient time and opportunities to correct omissions, Siemens may terminate this Contract and/or any order performed under it, without any compensation.

A severe violation includes but is not restricted to cases of child labour, corruption and bribery and non-compliance with the terms related to environmental protection determined by the Code of Conduct. The provision which refers to the granting of a time-limit and the opportunity to correct omissions is not applicable neither to violations of terms and principles related to child labour stated in the Code of Conduct nor to the intentional non-compliance with the terms referring to environmental protection determined by the Code of Conduct.

- 19.8 SIEMENS is granted with the right of direct monetary remuneration by the Seller, on the basis of an invoice due for payment within 7 days, in the amount determined by SIEMENS at its sole discretion for each case of breach of the provisions of this Article by the Seller. The Seller waives its right to contest such invoice issued by SIEMENS. In the event of such breach, SIEMENS is authorized to terminate the Contract and take any other measures, at its sole discretion. This right does not in any way affect SIEMENS' right to compensation for damages or any other right deriving from the Seller's behaviour contrary to the statutory or contractual health and safety provisions.

## **20. Occupational Health and Safety**

- 20.1 The Seller shall comply with all legal provisions on health and safety and shall make his best efforts a) to remove threats to the health and safety of persons employed by the Seller and Seller's direct or indirect sub-Sellers responsible for the performance of works ("personnel") and b) to ensure that no person who is authorized to be on a construction site, including personnel, Siemens personnel and visitors is injured.
- 20.2 Prior to the start of works, the Seller shall: 1) provide Siemens with a risk assessment prepared for that specific site in written form that a) analyses any potential threats to the health and safety of personnel which may arise from the performance of works and b) determines measures, deadlines and responsible persons to remove such threats; 2) provide Siemens with a EHS Plan/Plan of work execution prepared for that specific site, in written form, in accordance with provisions of the relevant national bylaw. Both documents must cover all Contractor's work activities (his own and his sub-contractor's).
- 20.3 The Seller shall ensure that all personnel, prior to the start of works, participates in specific training organised for that construction site which must be documented in written form, and that the same personnel is equipped with appropriate personal protective equipment and other equipment. The Seller shall ensure that the personnel uses that personal protective equipment and other equipment and that the equipment is maintained in good condition at all times, have appropriate certificates and, if necessary, replace them with new ones.
- 20.4 Siemens reserves the right, at its sole discretion and at any moment, to remove any personnel from the construction site and/or suspend the performance of works for health and safety reasons, in which case Siemens shall bear no liability or any other consequences.
- 20.5 The Seller shall appoint an expert as its representative for environment, health and safety and fire safety ("the Seller's EHS representative") and shall ensure that the Seller's EHS representative participates in discussions related to safety which will periodically be organized by Siemens.
- 20.6 The Seller shall regularly monitor compliance with the legal provisions as well as provisions in the field of occupational health and safety, fire safety and environmental protection defined in the contract and in the internal rules of the End Customer. In addition, Seller shall a) periodically conduct site visits, known as Safety Walk and Talk (hr: Sigurnosni obilasci i razgovori), b) ensure communication of Stop Work Authority (hr: Pravo na obustavu rada u

slučaju opasnosti) rule in case of identified danger, c) osigurati communication to all workers that Siemens must be informed about each Work order, i.e. the work activity must not start without prior approval by the Siemens responsible person.

In due course, before conducting site visits, the Seller may invite Siemens to participate in the visits. If the Seller finds non-compliance with the provisions on health and safety, compliance has to be established without delay and Siemens has to be informed on the findings and status of actions taken by the Seller in order to achieve compliance.

- 20.7 Upon the request of Siemens, the Seller shall immediately allow Siemens to access the Seller's documents which refer to health and safety, fire safety and environment protection, and relate to the works.
- 20.8 In the event of an incident which leads to a) the death of any one member of personnel or b) serious injury which includes more than one day of incapacity to work of any one member of personnel or c) more than three workers put in hospitals, d) an injury that requires medical attention the Seller shall immediately notify Siemens and shall, without delay, 1) provide first aid to injured persons and secure the location of the incident 2) conduct an analysis of the basic cause of the incident, 3) determine appropriate measures in order to prevent similar incidents in the future, 4) define time-limits and responsible persons for measures to be carried out and 5) submit a written report to Siemens within one week from the incident which contains sufficient details on the basic cause of the incident, the measures determined and the time-limits defined. The Seller shall support any additional investigations that might be carried out by Siemens.
- 20.9 Siemens and its authorized persons and representatives and/or a third party designated by Siemens have the right (but not the obligation) to perform – including at the Seller's premises – an Audit to evaluate the Seller's environmental, health and safety management system, including controls of appropriate documents and, in case of deficiencies classified as serious by Siemens, defining of remedial measures.
- Such Audit may only be conducted by Siemens with prior written notice, during regular business hours, in accordance with applicable data protection law, and shall not unreasonably interfere with Seller's business activities or violate any vendor confidentiality agreement with third parties. The Seller undertakes to cooperate reasonably during each performed Audit.
- 20.10 If the Audit is caused by serious incident described in clause 20.8 or by continuous or recurring environmental and occupational health and safety deficiencies, the cost of that Audit and any delay in the provision of Siemens services to the End Customer shall be borne by the Seller.
- 20.11 When Siemens prepares a document related to health and safety on a construction site ("EHS Plan/Plan of work execution"), Siemens will provide a copy of it for the Seller. The Seller shall confirm the receipt of the document in writing and act in accordance with the provisions contained therein. The same applies to the amendments to the EHS Plan/Plan of work execution which Siemens may carry out when deemed necessary. The Seller shall ensure that its direct or indirect sub-Sellers, with which the Seller contracted works, commit to conduct in compliance with the EHS Plan/Plan of work execution and its amendments.
- 20.12 In addition to all other rights, Siemens may, in the event the Seller violates legal and/or contractual provisions regarding health and safety or regularly performs works failing to comply with those provisions, including the provisions of this Section and the provisions of the EHS plan/Plan of work execution, terminate this contract after the Seller fails to correct the identified violations within a reasonable time-frame or prohibit access to Seller's employees who frequently violate the rules, or suspend work until the non-compliance is remedied. In that case, Siemens shall have no liability to the Seller or any other third party nor any other consequences regarding the termination of this contract.
- 20.13 SIEMENS is granted with the right of direct monetary remuneration by the Seller, on the basis of an invoice due for payment within 7 days, in the amount determined by SIEMENS at its sole discretion for each case of breach of the statutory or contractual health and safety provisions by the Seller. The Seller waives its right to contest such invoice issued by SIEMENS. In the event of such breach, SIEMENS is authorized to terminate the Contract and take any other measures, at its sole discretion. This right does not in any way affect SIEMENS' right to compensation for damages or any other right deriving from the Seller's behaviour contrary to the statutory or contractual health and safety provisions.

## Siemens Group Code of Conduct for Suppliers and Third Party Intermediaries

**This Code of Conduct defines the basic requirements placed on the suppliers and third party intermediaries of the Siemens Group concerning their responsibilities towards their stakeholders and the environment. The supplier and/or third party intermediary declares herewith to:**

### 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 system<sup>1</sup>.
- Grievance Mechanism
  - Provide access to a protected mechanism for their employees to report possible violations of the principles of this Code of Conduct.

# SIEMENS

## **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.
- Establish a reasonable environmental management system<sup>1</sup>.

## **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 make its suppliers comply with the principles of this Code of Conduct.
- Comply with the principles of non-discrimination with regard to supplier selection and treatment.

<sup>1</sup> [www.siemens.com/code-of-conduct/managementsystems](http://www.siemens.com/code-of-conduct/managementsystems)