



Standard Terms and Conditions of Service

Effective July 1, 2024
Italy



STANDARD TERMS AND CONDITIONS OF SERVICE

These Standard Terms and Conditions shall govern – together with orders – the relationship between the Company, belonging to Carrier Global Corporation – or its affiliate – (hereinafter the “**Purchaser**”) and the supplier (as identified from time to time in each order, hereinafter the “**Supplier**” and, together with Purchaser, the “**Parties**”) in respect to the provision of the Services – as defined below and identified in each order – that the Supplier will provide to the Purchaser.

For the purposes of these Standard Terms and Conditions, the following terms shall have the meanings set forth below:

“**Corrupt payment**” means anything of value authorized, offered, promised, or provided, directly or indirectly by the Supplier to improperly influence a person or a business in order to secure any improper advantage. Corrupt payment includes facilitating payment but exclude anything of value provided in response to an extortionate demand by a third party which places the Supplier under imminent threat of physical harm.

“**Entity**” means any corporation, limited liability company, partnership, sole proprietorship, trust or similar business entity, whether profit or not-for-profit.

“**Facilitating Payment**” means a payment to a Government Official for the purpose of securing or expediting the performance of a routine government action, such as granting permits or licences, processing visas or customs clearance.

“**Government**” means any:

- a. Government, foreign or domestic, whether at the national, regional, or local level;
- b. Entity acting in an official capacity on behalf of a government;
- c. Entity, company, or business owned or controlled in whole or in part by a government;
- d. Political party;
- e. Public international organization (e.g., United Nations, World Bank); or
- f. Department, agency or instrumentality of any of the foregoing.

“**Government Official**” means any officer, director, or employee (whether elected or appointed) of a Government or any candidate for any position therein.

“**Services**”: the services specified in the Order and in the scope of service, as well as any ancillary services.

“**Order**”: the purchase order issued by the Purchaser with any attachments thereto.

“**Parties**”: shall mean jointly the Purchaser and the Supplier.



“Price”: the price for the purchase of the Services specified in the Order, including any charges, levies or taxes, except for VAT.

“Resources”: personnel assigned by the Supplier to perform the Order in whatever capacity (including by way of example, but not limited to: employees, co-workers, apprentices, trainees, etc.).

“Rules and Regulations”: each and any regulatory, administrative or technical instrument or provision of law, even if under a court order, on lawful and proper merchantability, safety, nature, quality, and technical and functional suitability of the Products as applicable in the countries where the Products are marketed by Purchaser or by its affiliates.

“Third Party”: any individual that is not an employee of **Carrier** or any Affiliate of **Carrier**; or any **Entity** that is not Carrier or an Affiliate of Carrier.

“Carrier”: the company Carrier Global Corporation.

“Carrier Group”: The Carrier international corporate Group to which Purchaser belongs;

The Carrier Code of Ethics and the Carrier Supplier Code of Conduct both available at <https://www.corporate.carrier.com/corporate-responsibility/governance/ethics-compliance/> as well as the 231 Model adopted by Purchaser pursuant to legislative decree no. 231/2001 (hereinafter also only **“231 Model”**), available on its internet site form an integral and essential part of these Standard Terms and Conditions.

1 SCOPE OF SERVICE.

1.1 The Supplier agrees to provide the Services in compliance with the technical and functional, terms, times and manner set forth in these Standard Terms and Conditions and specified in the Orders issued by the Purchaser from time to time. More generally, the Services shall comply with any applicable regulations and shall be fit for the purpose for which they are provided. The Supplier shall timely request any clarifications or other information omitted when drafting the Order, which may be necessary for better performance of services.

1.2 Signing these Standard Terms and Conditions (hereinafter also briefly referred to as **“Standard Terms and Conditions”** or **“Agreement”**) does not create an agent-principal relationship.

2 PERFORMANCE OF SERVICES.

2.1 The Services will be performed at the Purchaser’s or Supplier’s premises, or at any other location, as specified in the Order.

2.2 Dates and period of performance of the Services are specified in the Order and reflect the Purchaser’s needs. Said dates must be considered essential deadlines pursuant to art. 1457 of the Italian Civil Code. The Supplier shall comply with such dates and shall in any case inform the Purchaser in the event of a delay.

2.3 The Purchaser shall name a contact person who will verify the proper performance of the Services and certify it as a precondition for invoicing the agreed consideration, unless a different invoicing procedure is specified in the Order.

2.4 In the event the Services are rejected, the Supplier shall supplement the Services or make any modifications necessary to render them compliant with the Order and shall bear any charges and expenses incurred in this respect. The Purchaser shall, in any case, have the right to demand compensation for damage incurred by the Purchaser and to terminate the Order. The Purchaser shall also be entitled to procure the Services under the scope of service elsewhere and any extra price shall be borne by the Supplier.



3 WARRANTY.

3.1 The Supplier warrants that, regardless of the Purchaser's inspection, the Services performed shall comply with the technical and functional specifications, terms time and manner set out in the Order and with any other requirements agreed upon between the Parties. The Supplier shall bear sole liability towards the Purchaser in respect of the performance of the Services.

3.2 The Parties expressly agree that the Purchaser may suspend payments in the event the Services do not comply with the technical and functional specifications, terms, time and manner as set out in the Order or with any other requirements agreed upon between the Parties, until the Services are rendered compliant with the above mentioned technical and functional specifications and requirements.

3.3 Failure to fulfil the obligations under this Clause 3 shall entitle the Purchaser to terminate the Order the default relates to, pursuant to Art. 1456 of the Italian Civil Code, to repeat any payments made and to demand compensation for any damage incurred.

4 CONSIDERATION AND INVOICING.

4.1 The Consideration for the Services shall be specified from time to time in each Order.

Unless specifically otherwise set out in the Order, the Consideration is fixed and invariable and includes and represents the full consideration for any and all obligations, costs and charges provided for in the Order for the provision of the Services. It is also agreed between the Parties that the Purchaser shall have the right to decrease the Consideration for the Services upon thirty (30) days prior written notice to Supplier provided that the Consideration shall not be unilaterally decreased by Purchaser in an amount higher than 10% in a 12 (twelve) months period.

4.2 In addition to the references required by law, each invoice shall always include the date of the corresponding Order further to (a) a fairly and accurately description, in reasonable detail, of the actual services performed; (b) the individuals or Entities performing the services; (c) the period of performance; and (d) the fees and expenses that are payable under the relevant agreement.

4.3 Unless otherwise communicated in writing by Purchaser to the Supplier, invoices shall be issued monthly and sent exclusively via XML format, in accordance with the law, which shall be the only format deemed valid for the purposes of this contract. The Purchaser ID is as indicated by Purchaser. Any errors or omissions in the Supplier's invoice or the failure to submit the supporting documents shall determine the payment of a penalty of €300.00 (EUR three hundred/00), as well as the suspension of payment until such errors or omissions are remedied and/or documents are complete.

4.4 The Parties agree that the Supplier's failure to fulfil the obligations under these Standard Terms and Conditions or under individual Orders shall entitle the Purchaser to suspend any payments due for services performed in the past, also unrelated to the Order, by way of compensation for possible damage resulting from Supplier's default. Purchaser may suspend the payment thereof until the compliance of the service supplied is proven by a final court judgement and, therefore, the Supplier may not file claims to recover its credit nor may any interest accrue for the unpaid amounts, not even the statutory interest rates and those set forth by Italian Legislative Decree no. 231/2001 as amended and supplemented.

5 PAYMENT TERMS.

5.1 Unless specifically otherwise set out in the Order, the Consideration shall be paid by bank transfer under the terms and conditions specified in the Order, to the account identified by the IBAN number of the Supplier.

5.2 Notwithstanding the provisions of Italian Legislative Decree no. 231/2001, in the event payment does not occur within the term set out above or in the corresponding Order, interest at the legal rate shall begin to accrue under Art. 1284 of the Italian Civil Code after fifteen days from receipt of the letter of default in payment sent by the Supplier by registered mail with advice of receipt or by certified e-mail.



5.3 Unless otherwise agreed in writing between the Parties, the payment terms for the Services purchased under the Order shall be 120 (one hundred and twenty) days plus 10 (ten) days from invoice date, end of month.

5.4 Any payment of supplies shall not negatively affect, in any way, the right of Purchaser to challenge the supply and to settle the payment again, in addition to its right to claim compensation for any suffered loss or damage, without exceptions, against the Supplier.

5.5 Payments from Supplier to Purchaser, if any, must be made only and exclusively by the legal entity or physical person indicated in the invoice and signing the present Agreement, unless otherwise agreed in writing with Purchaser, at latest, before the performance of the services by Supplier. Purchaser has the unilateral and indisputable right to refuse, at its only discretion, any payment by a third party, different from the Supplier's, not previously authorized by Purchaser in accordance with the present clause.

6 SETOFF.

The Purchaser may set off any amounts due to the Supplier by reason of an Order against any debts or claims owed by Supplier.

7 PURCHASER'S PROPERTY.

7.1 Any tools, drawings or other material that the Purchaser may make available to the Supplier or the Supplier may produce on behalf of the Purchaser for the purpose of providing the Services under an Order, or for which the Purchaser has paid consideration, are the sole property of the Purchaser.

7.2 The Supplier shall not limit such property right in any manner by placing liens, pledges, encumbrances on them or otherwise. Upon termination of the relationship between the Parties or after the Order is performed, and anyway upon the Purchaser's demand, the Supplier shall return such property to the Purchaser in the same conditions as it was originally made available, with the exception of reasonable tear and wear by virtue of the activity performed. The Purchaser shall have the right to inspect the condition of its property after prior notice to be sent to the Supplier's premises.

8 INTELLECTUAL PROPERTY RIGHTS.

8.1 The Supplier warrants that the provision of the Services will not infringe on the intellectual property rights of third parties (including, but not limited to know-how, patents, licences, prior user rights, etc.), and the Purchaser will be able to make use of the provided Services safely and undisturbed.

8.2 The Supplier shall not use the name, trademarks or commercial brands of the Purchaser without the prior written consent of the Purchaser. In the event the Supplier needs to use Purchaser's drawings in order to perform the Services, the Supplier shall not make available such drawings to third parties, and anyway shall not use them for any purposes other than providing the Services.

8.3 The Supplier shall indemnify and hold harmless the Purchaser, also with respect to legal fees and costs, from and against any third-party claims in connection with any alleged infringement of intellectual and/or industrial property rights relating to the provision of the Services and, where required, shall offer the Purchaser the broadest assistance and collaboration in connection with any third-party claims.

9 SUPPLIER'S PERSONNEL.

9.1 The Supplier declares that it has its own independent organization, it conducts business at its own risk and it has the necessary personnel and equipment to provide the Services. These Standard Terms and Conditions shall not be construed as creating any relationship between the Parties other than a supplier-purchaser



relationship; by way of example and without limitation, joint-ventures, *de-facto* companies, fiduciary, trust, agency, employment and subcontracting relationships are excluded.

9.2 The Supplier shall perform the activities under the Orders using its employees and co-workers, with whom it shall have entered into suitable employment and/or service agreements in full compliance with the law in force.

9.3 The Supplier shall offer its personnel the remuneration, employment and social security terms provided for by prevailing law, regulations or national collective agreements; all obligations concerning the payment of social security and welfare contributions, insurance against occupational accidents and third-party liability under prevailing law shall attach to the Supplier, as well as any other expense incurred by reason of incompliance with law and/or administrative provisions.

9.4 Pursuant to Act no. 977/1967 (as amended and supplemented), Italian national collective agreements, ILO Convention no. 138 of 1973, ILO Convention no. 182 of 1999, as well as other national, EU and international provisions that prohibit the employment of minors, Purchaser forbids its suppliers to make use of child labour. Only apprenticeship, internship or similar training schemes for minors, as provided for by the law, are allowed. "Minor" means any individual who is under the age of 16 years or anyway under compulsory school age, or anyway under the legal working age. The Supplier is aware that Purchaser does not purchase Services or services from suppliers that make use of child labour, and declares and confirms that the Supplier, its *operating companies*, divisions, subsidiaries and/or associates, in Italy or abroad, do not and will never make use of child labour to provide the Services or services.

9.5 In the event the Supplier fails to comply with the provisions of this Clause, this Agreement shall be terminated by operation of law under Art. 1456 of the Italian Civil Code, by a simple written notice sent to the Supplier. Furthermore, if the Supplier fails to comply with the provisions of this Clause 9, including the mere hypothesis of irregularities, including documentary ones, connected to the obligations referred to in this Clause, Purchaser will also have the right to suspend the payment of any sum and/or consideration due to the Supplier, and/or to withhold the same as compensation for any damage, and/or sanctions, and/or any other detrimental or adverse effect suffered by the Purchaser as a result of the violation of the provisions referred to in this Clause 9, except in any case, the right to request compensation for the greater damages suffered.

9.6 The Supplier shall defend, indemnify and hold harmless the Purchaser from and against any damage, fines, disputes, and/or any detrimental or adverse effect suffered by the Purchaser arising directly with its personnel as to the violation of applicable regulations or with social security authorities as to the relating relationship, and with third parties as to issues concerning the work entrusted to them, and shall bear any resulting charges and expenses even after the effective term of individual Orders.

10 ADDITIONAL OBLIGATIONS OF THE SUPPLIER and ITC

10.1 The Purchaser encourages the Supplier to adopt the Carrier Supplier Code of Conduct or a similar code meeting the same requirements suitable for its reference industry, requiring compliance with law and regulations in force, including guidelines to maintain a safe and healthy work environment, giving due consideration to environmental protection, waste and emission reduction, energy saving, and prohibiting involvement in unlawful conduct (e.g. facilitation, or offer or payment of bribes).

10.2 By way of example and without any limitation whatsoever, the Supplier undertakes:

- to observe all prevailing law provisions and regulations, including those prohibiting collusion, conflicts of interest, corruption and unfair competition, further to dispositions of the Carrier Code of Ethics, of the Carrier Supplier Code of Conduct and of the 231 Model (hereinafter the "Rules"), that it has read and understands;

- not to offer, promise, attempt to offer or provide any kind of Corrupt payment or Facilitating payment (directly or indirectly);
- not to offer, promise, attempt to offer or provide any ownership or financial interest in the Supplier to any Purchaser or Carrier's employee or Government Official;
- to timely and accurately record all transactions and expenses relating to the Purchaser in its accounting books and records and supporting documents (e.g. invoices, receipts);
- generally, to avoid any conduct that involves committing and/or a risk of committing an unlawful act and/or a crime (irrespective of whether such unlawful acts and/or crimes are actually committed or punishable);
- to perform every assigned task with transparency, loyalty, fairness, professional rigour and in good faith;
- to not give and/or promise any form of gifts and/or benefits and/or payments in favour of employees of the Purchaser or individuals employed with the public administration, public officials and/or public servants, with special regard to: Italian and/or foreign public managers, officials, employees and/or of political parties and/or their members and officials, candidates to political posts and/or their relatives and/or individuals connected with them, as may influence their independent judgement, abusing their functions, and/or induce anyone to secure any advantage in favour of Carrier Group (e.g. in order to obtain, retain or direct business agreements to it);
- to immediately inform the Purchaser in writing of any situation that may, even just potentially, lead to a conflict of interest and refrain from taking any action in conflict of interest, without the prior express written authorization of the Purchaser.

10.3 In order to ensure the respect of the Rules during the performance of this General Conditions, each Party undertakes to provide all documents and other information proving compliance with the Rules, when required by the other Party and to inform the other Party without delay, of the Party being in breach of any Rules, of the Party being aware of any breach of the Rules by a third party, as well as of any measures implemented in order to comply with the Rules.

10.4 The Supplier, after prior reasonable notice, grants the Purchaser and/or its authorized representatives access to its operational offices/headquarters, as well as to its account books and staff registers and the relating documents (with a right to view and reproduce them) to enable them to evaluate and determine the Supplier's compliance with the obligations under these Standard Terms and Conditions and with the Rules and with any individual Order, and to the business practices applicable to the goods/services provided under the Orders. In addition to the provisions of the above paragraph, the Supplier's failure to assist with any verification or investigative *audit* of the Purchaser to establish compliance with the provisions of this Clause, entitles the Purchaser: i) to suspend payments; ii) to demand the compensation of damages.

10.5 In the event the Supplier fails to comply with the provisions of this Clause, this Agreement shall be terminated by operation of law under Art. 1456 of the Italian Civil Code, by a simple written notice sent to the Supplier.

10.6 International Trade Compliance:

Restricted Parties and Restricted Sourcing (a) Supplier represents that it is not a Restricted Party, defined as (i) a party listed on a list of parties with whom business is restricted or prohibited by the United States, the European Union or its Member States, the United Kingdom, or other applicable governments, including but not limited to the US Office of Foreign Assets Control (“**OFAC**”) Specially Designed Nationals List, the OFAC Consolidated List, or other similar lists; (ii) the government, including the agencies and instrumentalities thereof, of **Cuba, Iran, North Korea, Russia, Syria, or the Crimea, Donetsk, Kherson, Luhansk or Zaporizhzhia regions of Ukraine, Russia or Belarus (“Carrier Restricted Territory”)**, or Venezuela; (iii) an ordinary resident of, or entity incorporated under the laws of a Carrier Restricted Territory; or (iv) an entity owned 40 percent or more, in the aggregate, or controlled by, a party covered by (i)-(iii). **Supplier shall not procure services, goods, parts, or components for goods subject to Orders and this Agreement, from Restricted Parties or Carrier Restricted Countries, either directly or indirectly.** Supplier shall not procure goods, parts, or components for goods subject to Orders and this Agreement, from regions or entities restricted for import into the country of destination, such as parties and regions subject to Withhold Release Orders issued by U.S. Customs and Border Protection. Supplier shall provide to Purchaser, upon Purchaser's reasonable request, the identity of its suppliers and/or the location of manufacture of the goods or any subcomponents of the goods, as applicable, to confirm compliance with legal and regulatory requirements and the Order. Supplier shall require



sub-suppliers to comply with such requests as well. Supplier shall comply, and cause each of its subsidiaries, agents and contractors to comply, with respect to all activities and transactions contemplated under this order, with all applicable export control laws, regulations, and orders (including the U.S. Export Administration Regulations administered by the Bureau of Industry and Security, U.S. Department of Commerce (“**BIS**”), 15 C.F.R. parts 730-774) or the European Union Regulation 2021/821 (“**Export Controls**”) and economic sanctions laws and trade embargoes (including those administered or enforced by the U.S. Department of the Treasury’s Office of Foreign Assets Control (“**OFAC**”), U.S. Department of State and the European Commission (“**Sanctions**”). Supplier shall notify Purchaser promptly and in writing if Supplier, any of its subsidiaries, or any of their respective officers or directors, or Supplier’s vendors working on this Agreement, in each case, becomes, or there is a reasonable basis that such party will become, a Restricted Party. Supplier (i) represents and warrants to Purchaser that such goods are not subject to the jurisdiction of the ITAR and do not appear on the United States Munitions List (“**USML**”), and (ii) shall provide Purchaser with (a) the applicable Harmonized Tariff Schedule Number and (b) the Export Control Classification Number (“**ECCN**”) of such goods, software, technology or services that are controlled by the EAR, and to include the ECCN of parts and components if such classification differs from the ECCN of the goods or software and (c) and the dual-use status of such goods or any analogous classification under any other Applicable Law.

IMPORT COMPLIANCE

For shipments where Carrier is the importer of record:

- (a) Duty Drawback/IPR. Upon request, Supplier will provide information reasonably requested by Purchaser to complete its Drawback / Inward Processing Relief applications.
- (b) Customs/Country of Origin Requirements. Supplier will provide (i) accurate information on the Bill of Lading and or commercial invoice (ii) compliant country of origin marking and identification requirements (iii) valid certificates of origin, compliant with applicable law in the country where Purchaser imports the goods.
- (c) Anti-Dumping/Countervailing Duties. Supplier shall promptly, and no later than within 7 days of receipt, inform Purchaser of any correspondence, questionnaires or orders received by them or their industry representatives from US International Trade Commission or U.S. Department of Commerce or a European regulatory agency, or the United Kingdom’s Her Majesty’s Revenue & Customs (HMRC) regarding their manufacture, supply, trading or export of the goods. Supplier shall provide Purchaser any documentation necessary to establish, where applicable, that imported goods supplied by or through Supplier are outside the scope of anti-dumping/countervailing/safeguard/additional duty, investigation and/or orders.
- (d) Security Programs. Purchaser participates in a variety of customs security programs such as CTPAT, PIP, AEO (including other equivalents, “Security Programs”). Supplier will (i) provide any and all information required for Purchaser’s participation in a Security Program; (ii) follow shipping requirements required by the Security Program as communicated by Purchaser; and (iii) use reasonable efforts to implement security measures required by the Security Program and communicated by Purchaser.
- (e) Free Trade Agreement Support. Supplier will respond to Purchaser’s requests for (i) country of origin certificates or (ii) free trade agreement certificate within 10 business days of Purchaser’s request for any such information or documentation. Where Supplier confirms to Purchaser in advance of purchase that goods qualify for preferential duty treatment under any trade agreement, unilateral preference program, or other duty savings opportunity, such as “first sale” valuation, Supplier shall provide such written confirmation in the form of an acceptable Free Trade Agreement Certificate to Purchaser at the time the Purchaser seeks to make entry in the applicable Customs Jurisdiction. Supplier also agrees to cooperate with all requests for support from Purchaser in reviews by relevant governments.
- (f) Invoice Sufficiency and Accuracy. Supplier shall promptly cooperate with all requests for re-invoicing where the original invoice is determined to be inaccurate or incomplete against relevant legal requirements or compliance with this Agreement. All costs associated with re-invoicing and any required compliance remediation shall be borne by Supplier when related to quantity or price discrepancies caused by Supplier. Storage charges incurred at customs associated with invoice inaccuracy and or non-existence invoice shall be covered by Supplier.

10.7 Supplier recognizes that Purchaser may fall within the scope of and may have to comply with specific laws requiring certain due diligence, disclosure, and/or other actions to ensure the protection of certain fundamental human rights and the environment including, without limitation, the German Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz) (each such law individually referred to as a “Statutory Due Diligence Obligation and, together “Statutory Due Diligence Obligations”). To the extent any Statutory Due Diligence Obligation applies to any transaction between Supplier and Purchaser, Supplier agrees to comply with the obligations for each such Statutory Due Diligence Obligation set forth in Annex C – Corporate Due Diligence Obligations.



11 OBLIGATIONS OF THE PARTIES CONCERNING SAFETY MATTERS.

The activities under the Order to be performed at the Purchaser's premises shall be carried out in compliance with the guidelines of the Purchaser, the specifications and the prevailing regulations on health, safety and accident prevention (including, but not limited to Italian Legislative Decree no. 17/2010, Italian Legislative Decree no. 81/2008 as amended and supplemented), paying special attention to the preliminary communication and documentation necessary for any cooperation and coordination activities.

12 NO ASSIGNMENT OR SUBCONTRACT OF AGREEMENT OR ASSIGNMENT OF CREDITS.

The Supplier may not assign or subcontract in full or in part the Orders and/or the rights and/or obligations thereunder to third parties. The Supplier may not transfer the right to collect and assign the credits relating to the Orders, and anyway such acts shall not be enforceable against the Purchaser.

Pursuant to Art. 1406 of the Italian Civil Code, the Supplier herewith agrees that the Purchaser may assign the Order, in full or in part, to third parties and companies of its Group.

13 TERMINATION.

13.1 Except for the specific termination provisions set out elsewhere in these Standard Terms and Conditions and without prejudice to the right to damage compensation, the Purchaser may terminate the Orders by operation of law, pursuant to Art. 1456 of the Italian Civil Code, by simple written notice, if the Supplier does not fulfil correctly any one of the obligations concerning:

- (i) compliance of the Services with the corresponding technical and/or functional specifications;
- (ii) delivery of the Services within the term set forth by the Order;
- (iii) property rights of the Purchaser provided for by Clause 7;
- (iv) intellectual or industrial property rights of the Purchaser or of third parties and relating indemnity provided for by Clause 8;
- (v) warranty provided for by Clause 3;
- (vi) observance of health and safety regulations;
- (vii) failure to observe, even in part, the provisions of the Carrier Code of Ethics and of the Carrier Supplier Code of Conduct and of any additional policies to be issued, as well as the provisions of 231 Model;
- (viii) failure to observe the provisions of Clause 10;
- (ix) confidentiality obligations;
- (x) prohibition to assign the Order and/or credits or to subcontract the Order;
- (xi) failure to maintain an insurance policy;
- (xii) obligations concerning the traceability of financial transactions;
- (xiii) if the Supplier becomes insolvent or bankrupt, or enters into bankruptcy proceedings.

13.2 Purchaser shall also have the right to immediately terminate the Order in the event that the corporate structure of the Supplier is modified as to include a competitor of Purchaser, directly or indirectly through persons or subsidiaries, associates or investees, including *de facto* companies, or if the Supplier or any of its directors, officers, or employees becomes for any reason *persona non-grata* in jurisdiction where work is performed or to any Government or Government Official.

13.3 The Purchaser shall advise the Supplier immediately, and anyway within 2 days, of the occurrence of any such event. The Purchaser shall, in any case, have the right to terminate the Orders pursuant to Art. 1454 of the Italian Civil Code in the event of Supplier's default of any kind, provided that the Purchaser has sent an invitation to perform within 15 days by registered mail with advice of receipt, and the claimed default has not been remedied within that term. After termination of this agreement for whatever cause, the Supplier shall return to the Purchaser all material possibly made available for provisions of services under the Order and shall remove any persons and property of the Supplier from the Purchaser's sites.

13.4 In the event of termination by operation of this Clause, the Purchaser shall have no obligation to make any additional payments to the Supplier. Recovery of loss of profit of the Supplier is expressly excluded.



14 EARLY TERMINATION.

14.1 The Purchaser may terminate Orders at any time by written notice sent by Certified Electronic Mail or registered mail with advice of receipt and in advance by fax. Termination will take effect on the fifteenth day after receipt of such notice by CEM or fax, and the Purchaser shall pay the amounts due to Supplier for the Services provided until termination date; recovery of loss of profit is expressly excluded.

14.2 Without prejudice to the early termination by notice expressly provided for by specific provisions hereof, Purchaser shall be entitled to suspend the performance of the Order, by written notice to the Supplier, at the occurrence of the following events:

(i) situations, facts or actions indicating a situation of intervening or predictable inability of the Supplier to ensure the normal fulfilment of its obligations (such as, but not limited to, in cases of failed or delayed payments to employees, social security authorities, tax authorities, suppliers or banks, as well as bill protests, securities and/or property executions, revocation of licenses or permits, preparatory and/or initial actions for voluntary liquidation procedure, application for arrangement with creditors, or out-of-court settlement, winding-up by court order or composition, bankruptcy, etc.);

(ii) interruption of Services for a period longer than 15 (fifteen) working days due to the suspension of the normal activity of the Supplier, for any reason whatsoever;

(iii) failure to ensure consistent quality of Services, in compliance with the requirements specified in Order and/or of Purchaser.

14.3 If the aforementioned circumstances do not cease within 30 (thirty) days of receipt of a communication from Purchaser, this latter shall have the right to terminate the Order with immediate effect by sending a normal written notice, with no damage, compensation or reimbursement rights for the Supplier.

15 CONFIDENTIALITY.

15.1 Any information concerning the Purchaser, its business, products and clients, the Supplier should obtain in the course of performing the Orders and its obligations under these Standard which Terms and Conditions shall be treated as confidential Information. The Supplier shall only use such information in connection with the obligations under these Standard Terms and Conditions and with order performance and within the strictly necessary limits, and shall not disclose it in any way or manner, copy or reproduce it, without the prior written consent of the Purchaser, except when its disclosure becomes necessary to comply with any legal obligations or orders of any competent authorities, provided that, even in such circumstances, the Party that has to fulfil these requirements promptly informs the other Party in order to agree on the time and contents of any communication which, as far as possible, shall be limited to the facts and/or documents which the aforementioned obligations or orders refer to. The Supplier shall protect the confidentiality of the Purchaser's information with the same degree of care with which it protects its own confidential information. Any information made available by the Purchaser under this Agreement, including any copies, shall be returned or destroyed by the Supplier upon the occurrence of any of the following events, whichever occurs first:

- upon completion of Orders;
- at any time, upon Purchaser's demand;
- upon termination of the relationship between the Parties for whatever cause.

15.2 The Supplier shall cause its employees to fulfil the obligations under this Clause. The provisions of this Clause shall remain in full force and effect even after this Agreement is terminated for whatever reason.

16 DATA PRIVACY.

The terms and conditions for the processing of personal information relevant to these Conditions are indicated in Annex A "Processing of personal information".

17 ORDER OF PRECEDENCE.

In the event of a dispute or a conflict between the provisions of the Order, the Standard Terms and Conditions



and the Supplier's quotation accepted by Purchaser, if any, for the purpose of governing contractual relationship, the order of precedence shall be as follows: (i) Order; (ii) Standard Terms and Conditions; (iii) Supplier's quotation accepted by Purchaser.

18 GOVERNING LAW AND COURT OF JURISDICTION.

These Standard Terms and Conditions and the relating Orders are governed by Italian law. Any disputes between the Parties in connection with the Standard Terms and Conditions and/or the Orders, including those concerning validity, construction, enforceability, performance and termination, shall be submitted to the Court of Milano, Italy, that shall have sole jurisdiction.

19 REGISTRATION.

For the purpose of registration, the Parties declare that this agreement concerns transactions subject to VAT carried out in the course of business and as such, registration is only required as and when the document is filed with official authorities, subject to payment of a fixed registration tax.

20 NOTICES

In order to be fully enforceable against the other party, any communication between the Parties in respect of the relationship hereunder shall be made in writing and sent only to the following addresses:

For the Purchaser: As specified in the Order or indicated by the Purchaser

For the Supplier: Address specified in the Order.

and to the e-mail addresses expressly designated from time to time.

21 ORDERS.

21.1 The Orders issued by the Purchaser shall be treated as contracts in their own right and governed by these Standard Terms and Conditions. At the Purchaser's discretion, Orders may be sent to the Supplier by registered mail with advice of receipt (hereinafter "Mail Orders"), or also by electronic mail ("E-mail Orders") or fax ("Fax Orders").

21.2 Orders placed in the above manners shall be considered as received by the Supplier on the date of the transmission receipt and shall be treated as fully valid and accepted by the Supplier, with respect to all of their provisions, upon commencement of their proper performance or anyway unless the Purchasing Department of the Purchaser receives a written notice to the contrary within 5 working days from transmission of the Order, or unless the Supplier receives a notice from the Purchaser by e-mail, fax or post service that cancels or modifies the Order received previously.

21.3 If the Supplier requests any modifications and/or additions to the Order, the Purchaser may:

- if such requests are considered acceptable, issue a new Order that cancels and replaces the previous Order;
- otherwise, cancel the Order, and the Supplier may not demand any indemnification, refund of expenses or compensation of any kind for failure to enter into the agreement.

21.4 If the Purchaser requests a confirmation expressly stating Order acceptance to be sent to a specific ordinary mail or e-mail address or fax number, the corresponding E-mail Order, Fax Order or Mail Order shall not give rise to any obligations for the Purchaser even if it has been correctly received as provided for by the above paragraphs, unless the Supplier has sent the confirmation under this subsection.

21.5 The Parties agree that any E-mail Order, Fax Order or Mail Order correctly sent as provided for by this Clause shall be deemed to satisfy the written form requirement. The Parties agree that such Orders shall have the effects provided for by Article 2702 of the Italian Civil Code.

21.6 Orders issued under these Standard Terms and Conditions shall remain in force for the period of provision specified therein. Tacit renewal of Order is excluded, even in the event the Supplier continues to provide the



Services after the period of provision specified in the Order. Under no circumstances shall any surplus provision in excess of Order quantities be accepted.

22 OBLIGATIONS CONCERNING THE TRACEABILITY OF FINANCIAL TRANSACTIONS.

22.1 The Parties declare that they are aware of all obligations concerning the traceability of financial transactions under Act no. 136 of 13 August 2010 and subsequent amendments, and agree to comply with such obligations.

In particular, if a certain Order originates from a public procurement procedure subject to mandatory traceability, the Purchaser shall notify the details of the contracting public body and the relating contract, along with the reference Unique Project Number (*CIG* or *CUP*), where available as provided for by applicable law, to the Supplier.

22.2 The Supplier shall include the same obligations provided for by this Clause in the contracts with its subcontractors and anyway agrees to ensure that the latter comply with the provisions of Art. 3 of Act no. 136/2010. In the event the Supplier fails to comply with obligations provided for by this Clause and, more generally, with the mandatory traceability of financial transactions pursuant to Act no. 136/2010, Purchaser may automatically terminate this Agreement by operation of law pursuant to Art. 1456 of the Italian Civil Code and Art. 3, paragraph 9 bis, of Act no. 136/2010, without prejudice to its right to compensation of any and all damages, including loss of profit.

22.3 In the event the Supplier fails to comply with the obligations concerning the traceability of financial transactions under Art. 3 of Act no. 136/2010, Purchaser shall immediately notify the contracting public body and the competent Prefecture-Territorial Government Office pursuant to Art. 3, paragraph 8 of Act no. 136/2010. In the event the subcontractors to the Supplier do not comply with the above obligations, the Supplier shall likewise notify the Contracting Body.

23 TECHNOLOGY GOODS, SOFTWARE OR SERVICES

23.1 **Software/Firmware.** To the extent the Services constitute hardware including compiled and embedded versions of software needed for the goods to function (individually or collectively, "Firmware") or Services constitute, include or incorporate software owned or licensed by Supplier (individually or collectively, "Software"), Supplier hereby authorizes Purchaser to sell, resell and/or license the Software to Purchaser's customers and/or their end users ("End Users"). Supplier warrants to Purchaser and to End Users that all Software and/or Firmware sold to Purchaser either as a good or incorporated into a good or Service shall perform in conformance with the specifications and other documentation provided by Supplier describing the functionality of the respective Software (collectively, the "Software Specifications") for a period of sixty (60) months after installation by the End User (the "Software Warranty" and the "Software Warranty Period", respectively). If the Software has a defect or fails to conform to the Software Warranty during the Software Warranty Period, at Purchaser's option, Supplier shall promptly repair or replace the Software or provide a full refund of the license and other fees paid with respect to the Software. If Supplier fails or is unable to promptly repair or replace the Software, Purchaser or End User, as applicable, shall be entitled to a full refund of the license and other fees paid with respect to the Software. At Purchaser's option, Supplier will refund the Purchaser and Purchaser will assume any obligation to refund the End Users.

23.2 **Support.** Supplier further agrees to provide Purchaser and End Users, at Purchaser's request, with reasonable support services for Software and Firmware at no additional charge which shall, at a minimum, include (a) correction of all failures of the Software/Firmware to perform in accordance with the applicable Software Specifications including programming, servicing and repairs required to maintain the Software/Firmware so that it operates properly and in accordance with the Software Specifications, (b) telephone support during regular business hours, (c) online access to technical support bulletins, (d) providing all updates, modifications, bug fixes and releases that Supplier provides customers generally at no additional charge, and (e) responding to Critical Issues (as defined below) within thirty (30) minutes of Purchaser's request and initiating corrective work within two (2) hours thereafter, regardless of day of week or time of day. "Critical Issues" are substantial failures of the Software/Firmware, or failure of any Software/Firmware critical to the end user's operations. Supplier shall initiate work on all other support issues within four (4) hours from receipt of a service request. In the event Supplier fails to achieve the foregoing response times for either responding to or initiating correction, Supplier shall issue to Purchaser a credit in the amount of \$250.00 for each additional hour.



23.3 Availability of Cloud-Based Software. To the extent Supplier provides cloud-based Software and/or Software services via the Internet or other network connectivity (“Cloud Software”), Supplier will make the Cloud Software Available, as measured over the course of each calendar month, 99.5% of the time, as measured on a 24-hour-a-day basis, excluding unavailability as a result of the Exceptions described below (the “Availability Percentage”). “Available” means the Cloud Software is available for access and use by Purchaser or end user, as applicable (the “End User”) over the Internet and operating in material accordance with the software specifications. In the event the Cloud Software is available between 98% and 99.5% of the time, Purchaser or End User as applicable, shall be entitled to a credit in the amount of ten percent (10%) of the monthly fee for the Cloud Software due in the month the failure occurred. If the Cloud Software is not available at least 98% of the time, Purchaser or End User as applicable, shall be entitled to a credit in the amount of forty percent (40%) of the monthly fee for the Cloud Software due in the month the failure occurred. In the event the Cloud Software is not available at least 70% of the time, Purchaser or End User as applicable, shall be entitled to a credit in the amount of seventy percent (70%) of the monthly fee for the Cloud Software due in the month the failure occurred. For purposes of calculating the Availability Percentage, the following are “Exceptions” to the service level requirement, and the Cloud Software shall not be considered unavailable if any such inaccessibility is due to: (i) the acts or omissions by Purchaser or End User, as applicable; (ii) Purchaser or End User’s Internet connectivity; (iii) Internet traffic problems not under Supplier’s reasonable control; (iv) Purchaser or End User’s failure to meet minimum hardware and/or software requirements, if any; (v) Purchaser or End User’s hardware, software, or other equipment; (vi) any hardware, software, service, or other equipment not provided by Supplier and used by a Purchaser or End User to access the Cloud Software or (vii) regularly scheduled maintenance for which Supplier provides at least five (5) business days advance written notice.

23.4 Security by Design. Supplier represents and warrants it has made commercially reasonable efforts consistent with industry standards to ensure that all Software and Firmware is designed free from material vulnerabilities (whether in proprietary software code or third party software code, including the applicable operational support system (“OSS”)) and a reasonable commercial security by design program has been established and maintained for all Software and Firmware, including when used in, or incorporated the goods, or Software/Firmware used in the installation, maintenance, configuration, or support of the goods (the “Security Protocol”). The Security Protocol will include a testing regime designed to model threats and detect security and design bugs, defects, and flaws through: (a) penetration testing (ethical hacking); (b) OSS scanning; (c) static code analysis and (d) all other testing and verification necessary to ensure adherence to industry standard “Security by Design” principles (collectively, a “Security by Design Program”). Supplier further represents and warrants that it will reasonably assist with and participate in any similar Security by Design Program established by Purchaser, including providing Supplier documentation regarding Supplier’s compliance with these requirements reasonably requested by Purchaser.

23.5 Vulnerability Notice and Remediation. During the usable life of the goods (i.e., until the formal end-of-life of any Good) in commercial use, Supplier shall monitor and address all Software and Firmware material threats and vulnerabilities by: (a) issuing necessary patches or updates; (b) providing prompt notice to Purchaser of said threats and vulnerabilities, prior to any public disclosure, except where such notice would be impracticable; and (c) developing fixes, workarounds, and/or compensating security controls and documentation (“Remedial Actions”) to address any unmitigated material threats and vulnerabilities while Supplier undertakes the process of issuing patches or updates, and providing Purchaser notice of Remedial Actions as soon as reasonably practicable. Supplier shall flow these requirements to its contractors, subcontractors and suppliers at any tier for the performance of this Agreement. If Supplier fails to fully and timely comply with this Section 23, Purchaser shall be entitled to the following remedies which shall be in addition to all other remedies available to Purchaser according to the law or this Agreement (a) Purchaser may, in its sole and absolute discretion, revoke the acceptance, reject, abandon, return or hold such goods at Supplier’s expense and risk (“Refused Goods”), and (b) Purchaser may cancel in whole or in part, i) any Order, ii) any other agreement, iii) any other obligation Purchaser may have to purchase any or all goods from Supplier, or iv) any combination of (i), (ii) and (iii) (collectively, “Canceled goods”), and (c) at Supplier’s sole cost (including the cost for expediting, quality validation, losses related to adverse effects on Buyer’s business), Purchaser may source replacements for any Refused goods and/or Canceled goods.

23.5 Security For Purchaser Information Stored By Supplier. Supplier agrees to comply with the terms of Annex B, Security For Carrier Information where Supplier stores Purchaser Information.

24 FINAL PROVISIONS.

24.1 These Standard Terms and Conditions cancel and replace any previous verbal or written understandings



between the Parties concerning the same matter.

24.2 In the event one or more provisions of these Standard Terms and Conditions and/or of the Orders are held to be null and void, voidable or invalid by a court of competent jurisdiction, under no circumstances shall such nullity, voidness, voidability or invalidity affect the remaining provisions of the Standard Terms and Conditions, and such null and void, voidable or invalid provisions shall be deemed to have been modified to such extent and effect as required for the court of competent jurisdiction to hold them to be fully valid and effective. Failure to exercise a right under these Standard Terms and Conditions or the relating Orders, or to require remedy for a breach of the above shall by no means be construed as a waiver of or implicit modification to the provisions or remedies thereunder.

Annex A: "Processing of personal information"

Annex B: "Security for Purchaser Information"

Annex C: "Corporate Due Diligence Obligations"

Place, date

The Supplier

Signature: [***]

The Supplier has carefully read the foregoing provisions and herewith declares that it expressly accepts the following Clauses of this Agreement pursuant to Art. 1341 and 1342 of the Italian Civil Code: 2 (Performance of Services); 3 (Warranty); 4. (Consideration and Invoicing); 5 (Payment Terms); 6 (Setoff); 7 (Purchaser's Property); 8 (Intellectual Property Rights); 9.6 (Supplier's Personnel); 10 (Additional obligation of the Supplier and ITC); 12 (No Assignment or subcontract of Agreement and no assignment of Credits); 13 (Termination); 14 (Early Termination); 16 (Data Privacy); 18 (Governing Law and Court of Jurisdiction); 21 (Orders); 22 (Obligations Concerning the Traceability of Financial Transactions) .

Place, date

The Supplier

Signature: [***]

Annex A: Processing of personal information

1. The following definitions are applicable to this Data Processing (and Transfer) Agreement:

- **"Data Privacy Laws"** means any national, federal, state, and provincial laws applicable to the processing of Personal Information by Supplier in the course of the performance of the Agreement. Data Privacy Laws include the GDPR (General Data Protection Regulation), as well as any similar legislation in the world such as, without limitation, (i) the Australian Privacy Principles and the Australian Privacy Act (1998), (ii) the Personal Information Protection Law (PIPL) in the People's Republic of China, (iii) the Act on the Protection of Personal Information (APPI) in Japan, (iv) the Personal Data Protection Act 2012 in Singapore, (v) the Lei Geral de Proteção de Dados (LGPD) in Brazil, (vi) the Federal or State laws in the United States of America that govern the protection of personal data such as the California Consumer Privacy Act (CCPA), (vii) the Federal Personal Information Protection and Electronic Documents Act (PIPEDA) in Canada, (viii) the Swiss Federal Act on Data Protection in Switzerland (ix) the "Federal Decree-Law No. 45 of 2021 regarding the Protection of Personal Data" in UAE and (x) the "Personal Data Protection Law, implemented by Royal Decree M/19 of 17 September 2021 approving Resolution No. 98 dated 14 September 2021" in Saudi Arabia.
- **"Personal Information"** means any information relating to an identified or identifiable natural person ('Data Subject') who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person. For the sake of clarity, Personal Information includes, without limitation, any information qualifying as personal data under Data Privacy Laws.
- **"Data Breach"** means any actual or reasonably suspected incident leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, Personal Information transmitted, stored or otherwise processed.
- **"SCCs"** means the **"EEA Standard Contractual Clauses"** being the standard contractual clauses approved by the European Commission Implementing Decision (EU) 2021/914 of 4 June 2021 and the **"UK Standard Contractual Clauses"** being the International Data Transfer Addendum to the EEA Standard Contractual Clauses issued by the Information Commissioner ("ICO") under section 119A of the Data Protection Act 2018.

2. Supplier shall:

- comply with all applicable Data Privacy Laws;
- neither sell, nor exchange for anything of value, Personal Information processed hereunder in the course of the performance of the Agreement and thereafter;
- in the performance of the Agreement, not process Personal Information for any purposes other than to provide the products and or services, and shall not disclose such Personal Information to any third party, unless requested to do so by Purchaser or where mandated by law, e.g., through regulatory request for, subpoena, search warrant, or other legal, regulatory, administrative, or governmental process seeking disclosure of Personal Information. Supplier shall use commercially and legally reasonable efforts to limit the nature and scope of the required disclosure to the minimum amount of Personal Information required to comply with applicable law. Unless prevented by applicable law, Supplier shall provide Purchaser with advance written notice of any such disclosure request sufficient to allow Purchaser to contest legal, regulatory, administrative, or other governmental processes, and shall co-operate with Purchaser to limit the scope of the disclosure to what is strictly required by law;
- immediately inform Purchaser if, in the Supplier's opinion, the collecting or processing Purchaser Personal Information pursuant to this Clause infringes Data Privacy Laws;
- notify Purchaser promptly in writing of any (new) Data Privacy Laws that (i) potentially impact Supplier's ability to deliver the goods or provide the services, (ii) mandate any

specific contractual terms to be added herein, or otherwise require any amendment to this Clause, or (iii) which impose any obligations on Purchaser or Supplier that deviate from this Clause;

- where Supplier engages a sub-processor for carrying out specific processing activities (on behalf of Carrier), only do so by way of an agreement which imposes on the sub-processor, in substance, the same or equivalent data protection obligations as the ones imposed on Supplier in accordance with this Clause. Supplier shall ensure that the sub-processor complies with the obligations to which the Supplier is subject pursuant to this Clause and applicable Data Privacy Laws. Supplier shall remain fully responsible and liable for the acts and omissions of any sub-processor or other such third-party subcontractor, that processes Purchaser Personal Information on Supplier's behalf in the same manner and to the same extent as it is responsible for its own acts and omissions with respect to such Carrier Personal Information. Supplier shall notify Purchaser of any failure by the sub-processor to fulfil its contractual obligations;
- take reasonable steps to ensure the reliability of Supplier's employees, agents, representatives, subcontractors, subcontractor employees, or any other person used by the Supplier ("Supplier's Personnel") who have access to Personal Information provided by Purchaser, including by (i) ensuring that all Supplier's Personnel are obligated to maintain the confidentiality of Personal Information by contractual or legal obligations of confidentiality in favour of Purchaser equivalent to those in the Agreement, (ii) ensuring that Supplier's Personnel comply with the terms of this Clause, and (iii) ensuring that each member of Supplier's Personnel has undergone appropriate training in data protection, and has received the necessary instructions to process Personal Information in accordance with this Clause. In any event, the Supplier shall limit access to the Personal Information to Supplier's Personnel on a strict need-to-know basis. Supplier shall regularly review the list of Supplier's Personnel who have access to the Personal Information and immediately withdraw access, if no longer necessary;
- assist Purchaser in ensuring compliance with the following obligations, taking into account the nature of the Personal Information processing and the information available to the Supplier. The obligation to: i) conduct a 'Data Protection Impact Assessment' – (D)PIA); ii) conduct a Transfer Impact Assessment ("TIA"); iii) consult the competent authorities prior to processing where a (D)PIA indicates that the processing would result in a high risk in the absence of measures taken by Purchaser to mitigate the risk; iv) ensure that Personal Information is accurate and up to date, by informing Purchaser without delay if the Supplier becomes aware that the Personal Information it is processing is inaccurate or has become outdated; v) the obligations in Article 32 GDPR and Articles 33, 36 to 38 GDPR; vi) provide a privacy notice to data subjects with whom the Supplier has direct contact unless Supplier and Purchaser agree in writing that the privacy notice obligation is solely Purchaser's responsibility; vii) notify Purchaser immediately if Supplier receives any request from any competent authority relating to Personal Information or any complaint from an individual about the processing of Personal Information in relation to the providing of goods and/or services. Supplier shall co-operate with Purchaser and, where applicable, with any competent authority to permit Purchaser to respond to the correspondence or complaint; viii) the obligation (a) to notify Purchaser immediately if Supplier receives any legally binding request for disclosure of the Personal Information by a law enforcement authority unless otherwise prohibited, (b) to examine such request for data and appropriately narrow and challenge requests which are not necessary and proportionate and (c) to provide assistance such as reasonable requested by Purchaser;
- permit Purchaser to take reasonable steps to monitor compliance with its obligations under this Clause, including by inspecting Supplier's data processing facilities, procedures, documentation, and by allowing and contributing to audits. Provisions of the Agreement that apply to audits of any kind, shall equally apply to any audits related to the compliance with the Data Privacy Laws or Supplier's obligations stipulated under this Clause. Without prejudice to the foregoing, Supplier shall allow for, collaborate with Purchaser and contribute to audits and inspections conducted by Purchaser or by an auditor mandated by Purchaser, in a manner commensurate to (i) the nature and intensity of the risks associated with the processing of Personal

Information under the Agreement, and (ii) the degree of urgency and the severity of the actual or suspected potential breach to the Parties' obligations under Data Privacy Laws. In general, Purchaser shall give Supplier a prior notice of no less than 30 days prior to conducting such audits, unless an earlier audit/inspection is required by the applicable Data Privacy Laws or mandated by the competent authorities;

- provide Purchaser - upon its first request - with any audit reports issued under ISO 27001, ISO 29100, SSAE 16 (or SAS 70), SSAE 18, SOC 2, OR ISAE 3402 that covers Carrier Personal Information;
- implement and maintain appropriate technical, physical, organizational, administrative and contractual measures (including the use of encryption, restrictions of physical access to any locations containing Personal Information provided by Purchaser, such as the storage of such records in locked facilities, storage areas, or containers, back-up and disaster recovery systems, and any such other measures as necessary or mandated pursuant to applicable Data Privacy Laws, as well as, without limitation, any security measures) to ensure a level of security appropriate to the risk, to avoid unauthorized or unlawful processing of Personal Information, as well as accidental or unlawful loss, destruction, alteration, disclosure, access, storage or any damage to Personal Information. Supplier must periodically test and re-evaluate such technical, physical, organizational and administrative security measures adopted to ensure that they remain appropriate and effective.

3. If Supplier becomes aware of any actual or suspected incident, event, risk or intrusion that, alone or in combination with other circumstances, can subsequently result in, entail or otherwise bring about a Data Breach, as defined above (hereinafter referred to as an "Incident"), Supplier shall:

- i. take all reasonable actions and measures needed to contain and remedy the Incident, wherever possible;
- ii. assist Purchaser and provide Purchaser with any available information regarding the investigation, remediation and analysis of the Incident, unless specifically restricted to do so under applicable laws;
- iii. as soon as becoming aware of such Incident, notify Purchaser of all available details relating to such Incident, investigate further and provide Purchaser with all additional details, information or conclusions as they become available to Supplier in the course of investigating the Incident;
- iv. if required, provide a detailed explanation alongside the initial notification of why a comprehensive notification of the Data Breach could not be done earlier, so as to enable Purchaser to engage with the supervisory authority in accordance with Data Privacy Laws, if need be through an iterative process;
- v. ensure that Purchaser has all the information necessary to notify such Incident to the competent authorities in accordance with the Data Privacy Laws, including, without limitation, the categories and approximate number of data subjects concerned, the categories and approximate number of records concerned, the name and contact details of the contact point where more information concerning the Incident can be obtained, the likely consequences of such Incident and the measures taken or proposed by the Supplier to mitigate the potential adverse effects thereof;
- vi. promptly initiate, at its own costs, a full investigation into the circumstances surrounding the Incident, and make any reports or notes of the investigation available to Purchaser as soon as possible;
- vii. fully co-operate, at Supplier's cost, with Purchaser's investigation and provide any assistance requested by Purchaser in order for Purchaser to investigate the Incident, and possibly notify the Data Breach to the competent authority in accordance with the Data Privacy Laws;
- viii. not make any notification, announcement or publication or authorize any such notification, announcement or publication about an Incident (a "Breach Notice") - unless required by law or court order - without the prior written consent of and approval by Purchaser of the content, media and timing of the Breach Notice. Where required to provide a Breach Notice by law or court order, Supplier shall make all reasonable efforts to coordinate with Purchaser prior to providing any such Breach Notice.

4. Following termination of the Agreement, Supplier shall, at the choice of Purchaser, delete all Personal Information processed on behalf of Purchaser and certify that it has done so, or, return all



the Personal Information to Purchaser and delete existing copies unless Data Privacy Laws requires storage of the Personal Information. Until the data is deleted or returned, the Supplier shall continue to ensure compliance with this Clause. Absent instructions and except as prohibited by law, the Supplier shall immediately destroy all Personal Information after termination or completion of the Agreement, after waiting 30 days to allow Purchaser to request the return of Personal Information.

5. Pursuant to Carrier's written instructions, Supplier shall provide Purchaser with the ability to purge Purchaser Personal Information older than one year, or such other time period agreed upon in writing by the Parties, unless otherwise required to retain the data by applicable law.

6. Parties agree that the SCCs are incorporated by reference as if set forth herein. The SCCs will apply to Personal Information that is transferred from the European Economic Area or the UK, either directly or via onward transfer, to any country or recipient outside the European Economic Area or the UK that is (a) not recognized as providing an adequate level of protection for Personal Information, and (b) not covered by any other appropriate data transfer tool. If the Supplier will act as a controller, the Parties agree that Module One applies; if the Supplier will act as a processor, the Parties agree that Module Two applies. For Module Two, Option 2 for Clause 9(a) applies, and notice shall be provided no less than 30 days in advance. For both Modules, Option 2 for Clause 17 applies and the data exporter at issue shall be the relevant one. The law of Belgium shall be the governing law if the applicable EU Member State does not allow for third-party beneficiary rights. For clause 18 for both Modules, disputes shall be resolved in the courts of the EU Member State for the relevant data exporter. If there are multiple relevant data exporters, the Parties agree to jurisdiction and forum of the courts of Belgium. If there is any conflict between the SCCs and the Agreement, the SCCs shall prevail.

7. Supplier shall indemnify and keep indemnified and defends at its own expense Purchaser against all costs, claims, damages or expenses incurred by Purchaser or for which Purchaser may become liable due to any failure by Supplier or its Supplier Personnel to comply with any of its obligations under this Annex A.

8. The clauses of this Annex A should by nature remain in force will continue to exist after the termination of the Agreement.



Annex B: Security for Purchaser Information

1. Supplier will use commercially reasonable efforts to establish, maintain and comply with administrative, technical and physical safeguards that are designed to (a) protect the security, availability and integrity of Supplier's network, systems and operations, the Services and the Purchaser Information; (b) guard against Security Issues; and (c) satisfy the requirements for certification under ISO 27001. Supplier will develop, implement and maintain a written security program, reasonably acceptable to Purchaser that includes appropriate administrative, technical, organizational and physical safeguards, security awareness and security measures designed to protect Purchaser Information from unauthorized access and use.
2. Supplier agrees to install and implement security hardware, software, procedures and policies that will provide effective information security and are acceptable to Purchaser. Supplier agrees to monitor and update such hardware, software, procedures and policies to utilize improved technology and to respond to developing security threats in order to maintain a level of security protection, preparedness and resilience appropriate for the information involved and the then current state of security solutions. Upon request, Supplier shall provide Purchaser with any reports or results of any internal audit related to IT security performed by or on behalf of Supplier during the term of the Agreement and/or Order or any audit reports issued, including but not limited to, under the SSAE 16 report or ISAE 3402.
3. Supplier further agrees to:
 - 3.1 Only collect, access, use, or share Purchaser Information, or transfer Purchaser Information to authorized third parties, in performance of its obligations under the Agreement and/or Order, in conformance with the provisions set forth in this policy, or to comply with legal obligations. Supplier will not make any secondary or other use (e.g., for the purpose of data mining) of Purchaser Information except (a) as expressly authorized in writing by Purchaser in connection with Purchaser's purchase of Services hereunder, or (b) as required by law.
 - 3.2 Maintain and implement information security policies which address, at a minimum the following domains:
 - 3.2.1 information security policy
 - 3.2.2. organization of information security
 - 3.2.3 asset management
 - 3.2.4 human resourced security
 - 3.2.5 physical and environmental security
 - 3.2.6 communications and operations management
 - 3.2.7 access control
 - 3.2.8 information systems acquisition, development and maintenance
 - 3.2.9 information security incident management
 - 3.2.10 business continuity management
 - 3.2.11 regulatory compliance
 - 3.3 Provide Purchaser with an index or similar summary of its policies sufficient to evidence to Purchaser's reasonable satisfaction that each domain is addressed in a manner consistent with this Section. Supplier shall provide Purchaser with an updated index or summary, upon Purchaser's request, and indicate any plans, including a timetable for implementation, of planned upgrades to comply with the policy. Supplier shall implement those reasonable requests for modification of such policy requested by Purchaser.
 - 3.4 Allow Purchaser or its designee to conduct a security audit at its facilities on one day's notice, and allow Purchaser at any time to conduct (or have conducted) a network audit. If the Purchaser Information is stored in a shared environment per the agreement of Purchaser, then Purchaser shall use a third party to conduct such audits. The audits shall include any facilities with Purchaser Information including backup storage facilities.

- 3.5 Segregate all Purchaser Information into a separate database only accessible by Purchaser, and its agents and those employees and agents of Supplier that require access to perform the Services or to maintain the equipment and the program on which it runs, unless otherwise agreed by Purchaser. Logical segregation of data, if approved by Purchaser, may be an acceptable alternative to this requirement. Supplier shall use reasonable efforts, as measured by the available technology at the time, to prevent anyone other than its authorized employees and Purchaser and its agents from accessing the Purchaser Information.
- 3.6 Assure that all Purchaser Information and applicable software is appropriately backed up and recoverable in the event of a disaster or emergency, and that Supplier's disaster recovery plan (as may be otherwise required herein) shall incorporate such requirements.
- 3.7 Provide Purchaser, at the time of signing this Agreement and/or Order, with a termination plan that addresses how Purchaser Information will be returned to Purchaser at the end of this Agreement and/or Order, including backup and archival information, and how all Purchaser Information will be permanently removed from Supplier's equipment and facilities. This plan should include supplying the data to Purchaser in an industry recognized non proprietary database and, if not, a license to use the proprietary database software to access the data.
- 3.8 Provide information to and fully cooperate with Purchaser in response to any subpoena, investigation or the like seeking Purchaser Information and provide information and assistance for Purchaser to seek certification and the like relative to its information including information in the possession of Supplier. Supplier shall promptly notify Purchaser upon the receipt of any request requiring that Purchaser Information be supplied to a third party.
- 3.9 When requested by Purchaser, Supplier agrees to comply, within a reasonable period of time, with Purchaser Information security policies as provided to Supplier by Purchaser.
- 3.10 Supplier shall not provide Purchaser Information to any other entity without the prior written approval of Purchaser. A request for Purchaser approval shall include agreement by Supplier, and such other entity, that (i) all of the requirements of this provision are applicable to their performance and (ii) Purchaser shall have the right to perform the audits described above.
4. Encryption Requirements. Supplier will use, and will cause Supplier Personnel to use, appropriate forms of encryption or other secure technologies at all times in connection with the Processing of Purchaser Information, including in connection with any transfer, communication, remote access or storage (including back-up storage) of Purchaser Information, as authorized or permitted under the Agreement and/or Order. Notwithstanding any provision to the contrary herein, Purchaser Personal Information shall not be stored on any Supplier mobile computing devices (e.g. laptop computers, PDAs (personal digital assistants), etc.)
5. Notification. Supplier will provide to Purchaser immediate written notice of (i) any failure to meet the then current standards for information security, and (ii) any and all reasonably suspected and/or confirmed Security Issues. Such notice will summarize in reasonable detail the impact on Purchaser or any individuals affected by such Security Issue and the corrective action and remediation efforts taken or proposed to be taken by Supplier. Immediately following any Security Issue or any other failure to meet information security standards, whether identified by Supplier or Purchaser, Supplier will take steps to mitigate risks posed, consult in good faith with Purchaser regarding remediation efforts, and undertake a remediation plan which Purchaser determines in its sole but reasonable discretion, to be necessary, reasonable or appropriate under the circumstances commensurate with the nature of the Security Issue or failure, or as requested by any government body. Supplier will be solely responsible for all costs and expenses, including, without limitation, the reasonable costs of re-testing performed to verify that any Security Issue has been remediated. Failure to remedy the risks of a Security Issue or failure within the time frame and manner specified by Purchaser is deemed a material breach of this policy, these Standard Terms and Conditions and/or the Agreement.

Annex C –Corporate Due Diligence Obligations

Carrier recognizes that different countries have established laws requiring certain due diligence, disclosure and other actions to ensure the protection of certain fundamental human rights and the environment including, without limitation, the German Act on Corporate Due Diligence Obligations in Supply Chains (*Lieferkettensorgfaltspflichtengesetz*). Those laws are referenced in this Annex C along with those provisions each specific law requires be made part of the Supplier's applicable contract with Purchaser as a supplier to Purchaser.

A. German Act on Corporate Due Diligence Obligations in Supply Chains (*Lieferkettensorgfaltspflichtengesetz*)

To the extent the Act on Corporate Due Diligence Obligations in Supply Chains applies to Purchaser and/or Supplier as its supplier, the following provisions are incorporated into these Purchaser's Standard Terms & Conditions of Purchase (the "**Terms**"). All capitalized terms used in this policy but not defined shall have the same meaning given to them in the Terms. This Attachment does not affect Supplier's obligations under the Terms, in particular under Section 10 (ADDITIONAL OBLIGATIONS OF THE SUPPLIER and ITC) but stipulates additional obligations for Supplier.

1. HUMAN RIGHTS INSTRUMENTS

Supplier commits itself to respect and observe and make best efforts to have its direct suppliers respect and observe the rights and fundamental principles articulated and protected by the following human rights instruments (the "**Human Rights Instruments**") as listed in the Annex to section 2 (1), section 7 (3) sentence 2 to the Act on Corporate Due Diligence Obligations in Supply Chains (available at https://www.csr-in-deutschland.de/SharedDocs/Downloads/EN/act-corporate-due-diligence-obligations-supply-chains.pdf?__blob=publicationFile#linkicon)

Convention No. 29 of the International Labour Organization of 28 June 1930 concerning Forced or Compulsory Labour (ILO Convention No. 29; available at: [Convention C029 - Forced Labour Convention, 1930 \(No. 29\) \(ilo.org\)](#));

Protocol of 11 June 2014 to Convention No. 29 of the International Labour Organization of 29 June 1930 of the International Labour Organization (available at: [Protocol P029 - Protocol of 2014 to the Forced Labour Convention, 1930 \(ilo.org\)](#));

Convention No. 87 of the International Labour Organization of 9 July 1948 concerning Freedom of Association and Protection of the Right to Organise, as amended by the Convention of 26 June 1961 (ILO Convention No. 87; available at: [Convention C087 - Freedom of Association and Protection of the Right to Organise Convention, 1948 \(No. 87\) \(ilo.org\)](#));

Convention No. 98 of the International Labour Organization of 1 July 1949 concerning the Application of the Principles of the Right to Organise and to Bargain Collectively, as amended by the Convention of 26 June 1961 (ILO Convention No. 98; available at: [Convention C098 - Right to Organise and Collective Bargaining Convention, 1949 \(No. 98\) \(ilo.org\)](#));

Convention No. 100 of the International Labour Organization of 29 June 1951 concerning Equal Remuneration for Men and Women Workers for Work of Equal Value (ILO Convention No. 100; available at: [Convention C100 - Equal Remuneration Convention, 1951 \(No. 100\) \(ilo.org\)](#));

Convention No. 105 of the International Labour Organization of 25 June 1957 concerning the Abolition of Forced Labour (ILO Convention No. 105; available at: [Convention C105 - Abolition of Forced Labour Convention, 1957 \(No. 105\) \(ilo.org\)](#));

Convention No. 111 of the International Labour Organization of 25 June 1958 concerning Discrimination in Respect of Employment and Occupation (ILO Convention No. 111; available at: [Convention C111 - Discrimination \(Employment and Occupation\) Convention, 1958 \(No. 111\) \(ilo.org\)](#));



Convention No. 138 of the International Labour Organization of 26 June 1973 concerning the Minimum Age for Admission to Employment (ILO Convention No. 138; available at: [Convention C138 - Minimum Age Convention, 1973 \(No. 138\) \(ilo.org\)](#));

Convention No. 182 of the International Labour Organization of 17 June 1999 concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (ILO Convention No. 182; available at: [Convention C182 - Worst Forms of Child Labour Convention, 1999 \(No. 182\) \(ilo.org\)](#)).

International Covenant of 19 December 1966 on Civil and Political Rights (available at: [volume-999-i-14668-english.pdf \(un.org\)](#));

International Covenant of 19 December 1966 on Economic Social and Cultural Rights (available at: [ch_iv_03.pdf \(un.org\)](#));

Minamata Convention on Mercury of 13 October 2013 (available at: [Minamata Convention on Mercury \(Text and Annexes\) | Minamata Convention on Mercury](#));

Stockholm Convention on Persistent Organic Pollutants of 22 May 2001 (available at: [Text of the Convention \(pops.int\)](#));

Basel Convention on the Control of Transboundary of Transboundary Movements of Hazardous Wastes and Their Disposal (available at: [Basel Convention > The Convention > Overview > Text of the Convention](#)).

2. INFORMATION REQUESTS

Supplier shall promptly provide any reasonable information requested by Purchaser or its duly authorized representative from time to time in connection with Purchaser's compliance in relation to the Human Rights Instruments.

3. HUMAN RIGHTS DUE DILIGENCE OBLIGATIONS

(a) Supplier shall establish and maintain a human rights due diligence process appropriate to its size and circumstances to identify, prevent, and end or at least mitigate any violation of the rights and principles articulated and protected by the Human Rights Instruments within its supply chain.

(b) Supplier shall use best efforts that its suppliers and subcontractors provide the Supplier with timely and accurate information on all matters relevant to the human rights due diligence process (if existent).

(c) Supplier shall develop and implement an action plan to prevent, end or minimize any violation of a human-rights related or environment-related obligation (as defined under the German Supply Chain Act in section 2 (4) in connection with section 2 (2) no. 1 to 12 and section 2 (3) No. 1 to 8) that has occurred or is imminent at the Supplier or the Supplier's suppliers, and make best efforts that its suppliers implement the action plan. Purchaser will assist in developing and implementing the action plan, where necessary and appropriate.

(d) Supplier shall develop and implement adequate compliance training measures in which the Supplier's managers and responsible employees will be provided with an adequate level of knowledge and understanding of the rights and principles articulated by the Human Rights Instruments and this Attachment. Supplier must ensure that its responsible personnel participate in any training offered by Purchaser. The foregoing does not constitute an obligation for Purchaser to offer training.

(e) Supplier shall make best efforts to negotiate and include contractual requirements corresponding to those prescribed in this Attachment vis-à-vis its direct suppliers and to oblige them to pass on to their direct suppliers the obligation to comply with the rights and fundamental principles set forth in the Human Rights Instruments.



4. COMPLIANCE

(a) Upon reasonable notice, Purchaser or its duly authorized representative shall have the right to audit Supplier's compliance with its obligations under this Attachment at Supplier's facility (including the review of associated books, records and other documentation). Supplier shall timely reply to requests during such audit and shall provide reasonable support to Purchaser and its duly authorized representative to complete the audit within Purchaser's established timeline. Where Purchaser discovers material noncompliance with the terms of this Attachment, or where Supplier delays increase the cost of the audit, Supplier shall reimburse Purchaser for costs of the audit.

(b) Supplier shall make best efforts that its suppliers also permit such audits by Buyer.

(c) Any audit shall be conducted in compliance with applicable laws (including, but not limited to, data privacy and antitrust laws) and taking into account the auditee's reasonable interests (e.g. trade secrets).

(d) Supplier must take appropriate action to end or minimize any non-conformances identified during assessments and make best efforts that its direct suppliers end or minimize any non-conformances identified taking into account the obligations set forth under Section 3 of this Attachment.

5. MISCELLANEOUS

Supplier shall review and take into account any amendment to this Attachment that Purchaser must request due to the results of the risk analysis required by the German Supply Chain Due Diligence Act.