

General Terms and Conditions of Purchase

These General Terms and Conditions of Purchase apply to all deliveries and services provided to Durmont Teppichbodenfabrik GmbH (hereinafter referred to as the "Purchaser") and form an integral part of every contract in accordance with Section 1.1, unless the Purchaser and its suppliers (hereinafter referred to as the "Supplier," both collectively referred to as the "Parties") have agreed otherwise in writing.

1. Definition

- 1.1. **"Contract"** comprises the order (or, if no order has been placed, any other specification of the contractual products to be purchased by the Buyer). In addition, if agreed, the "Guidelines for Business Relations with Suppliers and Supplier Development," these General Terms and Conditions of Purchase, technical specifications, and delivery schedules shall apply.
- 1.2. **"Order"** means the offer to purchase one or more Contract Products by the Buyer in accordance with the terms of a contract within the meaning of Section 1.1. If it is a framework order, this is an agreement between the Parties on the ongoing purchase of Contract Products by the Buyer within a certain period in accordance with the terms of a contract within the meaning of Section 1.1.
- 1.3. **"Delivery schedule"** means any schedule for the delivery of Contract Products agreed by the Parties. If agreed, the relevant Product Release Additional Terms shall apply.
- 1.4. **"General Terms and Conditions"** are these general terms and conditions of purchase.
- 1.5. **"Guidelines for Business Relations with Suppliers and Supplier Development"** contain information about the buyer's standards and business practices and are hereinafter referred to as "Business Relationship Guidelines."
- 1.6. **"Contract Product(s)"** means one or more products and/or services that the Supplier delivers or provides to the Buyer in accordance with the Contract.
- 1.7. **"Quality guidelines"** are the buyer's applicable quality guidelines. Unless otherwise agreed, in accordance with the applicable "Guidelines for Business Relations with Suppliers and Supplier Development."
- 1.8. **"Technical Specifications"** are the documents in which the form and function of the Contract Products agreed by the Parties, e.g., material, etc., are defined. Unless otherwise agreed by the Parties, the Buyer's product specifications that served as the basis for the request shall be deemed to be the Technical Specifications.
- 1.9. **"Transport and Packaging Guidelines"** are the Buyer's applicable transport and packaging guidelines, if agreed; unless otherwise specified, the Product Release Additional Provisions shall apply.

2. Orders and conclusion of contract

- 2.1. "Orders" are subject to the General Terms and Conditions of Purchase. Changes or additions to an order by the supplier require the written consent of the buyer.
- 2.2. The General Terms and Conditions take precedence over the general terms and conditions of sale or similar contractual terms and conditions of the supplier, the validity of which is hereby expressly and completely excluded.
- 2.3. The buyer's quality, transport, and packaging guidelines apply to every order, if agreed, and the supplier is obliged to comply with them.
- 2.4. Orders must be confirmed by the supplier in accordance with the "Guidelines for Business Relations" unless otherwise agreed by means of a written order confirmation.

3. Notifications

- 3.1. Each party shall always inform the other party in writing of all matters that are of significance for the performance of the contract by the parties.

4. Delivery and acceptance

- 4.1. Deliveries shall be made in accordance with INCOTERMS 2020 in the version valid at the time of conclusion of the contract.
- 4.2. The delivery time specified in the "Order," in the "Delivery Schedule," in a framework order, or elsewhere shall be binding for the Supplier.
- 4.3. Delivery shall be deemed to have been effected when the Contract Products have been received at the agreed place of delivery. In addition to the "Contract Products," each delivery shall also include the documents containing the order data, written operating and maintenance instructions for the Contract Products, if necessary, and all other documents agreed by the parties or listed in the order. All documents supplied must be in German and/or English.
- 4.4. The Supplier shall use all means at its disposal to ensure or guarantee punctual delivery. It shall inform the Buyer immediately of any delay in delivery and state the reasons for and expected duration of the delay. The supplier is aware that improper delivery may cause the buyer considerable financial damage, e.g., in the form of contractual penalties for delay, and that the proper and timely delivery of the contractual products is therefore of particular importance. In the event of a delayed delivery, the supplier shall be in default without the need for a reminder or the setting of a grace period.
- 4.5. Unconditional acceptance, payment, and use of the contractual products do not constitute a waiver of any rights of the buyer and, in particular, do not constitute approval of the quality and quantity of the contractual products delivered or the amounts invoiced.

5. Prices and terms of payment

- 5.1. Unless the parties have made a separate written agreement on the prices for the contractual products, the prices shall be those stated in the "order." If a separate price agreement has been made, it shall form an integral part of the contract.
- 5.2. Payment shall be made in accordance with the payment terms agreed between the buyer and the supplier. The agreed payment terms are stated on the order. The invoice must contain all information required by law, as well as any other information requested by the buyer. Invoices that do not meet these requirements will not be accepted by the buyer and will be returned to the supplier. Payments are deemed to have been made as soon as they have been initiated by the buyer.
- 5.3. Payments do not constitute approval of the delivery or the amount invoiced.
- 5.4. Unless otherwise agreed, the costs of money transfers shall be shared.

6. Documents and support

- 6.1. Must be provided in accordance with the "Supplier Code of Conduct."

7. Packaging, exchanged or returned items

- 7.1. All exchanged or returned items shall become the property of the supplier in accordance with the "Supplier Code of Conduct."
- 7.2. Unless otherwise agreed, the supplier is obliged to recycle or dispose of all packaging not provided by the buyer or its customers after any return shipment. The costs of the return shipment shall be borne by the supplier.

8. Warranty (defects and delivery)

- 8.1. The supplier guarantees that all contractual products delivered are free from defects. A contractual product is considered defective in particular if it deviates in any way from the technical specifications
 - 8.1.1.1. does not have the characteristics that the supplier has guaranteed by means of samples – in particular by means of approved initial samples, prototypes or in advertising, or
 - 8.1.1.2. is not suitable for the use specified in the contract.
- 8.2. The limitation period for warranty claims based on a defect in the Contract Product shall be in accordance with the statutory provisions, but shall be at least 3 years and shall commence on the date of delivery of the defective Contract Product to the Buyer.
- 8.3. The supplier is obliged to inform the buyer immediately of any identified or foreseeable defects in contractual products that it has already delivered to the buyer.

9. Deliveries after the end of series production

- 9.1. The supplier undertakes to ensure deliveries of materials after the end of series production in accordance with the "Supplier Code of Conduct."

10. Information and cyber security

- 10.1. The supplier expressly warrants that it implements and maintains appropriate technical and organizational measures and other protective measures for the proper security of all information or data from the buyer (including, but not limited to, not to transfer any confidential information provided to the Supplier by the Purchaser to (a) any laptop1 computer or (b) any portable storage media that can be removed from the Supplier's premises, unless such data has been encrypted and such data is loaded onto the portable storage media solely for the purpose of storing such data externally outside the premises.
- 10.2. The Supplier shall make commercially reasonable efforts to prevent password theft or loss or unauthorized access or unauthorized use of data or information from the Purchaser, and the Supplier shall notify the Buyer immediately of any theft or loss of passwords or unauthorized access or use of data or information belonging to the Buyer. The Supplier shall implement security measures and physical security procedures with respect to access to and confidentiality of confidential information and data from the Purchaser that (i) are at least equivalent to industry standards for such locations, and (ii) ensure adequate technical and organizational protection against accidental or unlawful loss, alteration, or unauthorized disclosure or access to confidential information or data from the buyer, the supplier warrants that it has processes and security procedures in place to ensure that its information systems are free from viruses and similar defects. The supplier's systems shall not contain viruses, Trojan horses, worms, time bombs or other computer programming routines, devices or codes that may be assumed to cause damage to the Buyer's system, data or information or adversely affect the Buyer's system or data or information or secretly intercept or decrypt data or information from the Buyer.
- 10.3. The Supplier's information systems shall not contain any malware, backdoor programs or other technological processes, devices or codes that could compromise the security or confidentiality of the Buyer's systems, information or data. The Supplier shall take all reasonable measures to protect its premises and equipment against "hackers" and other persons who attempt to modify or access the Supplier's or the Buyer's systems or the information contained therein without authorization. The Supplier shall regularly test its systems for potential areas where security breaches could occur.
- 10.4. The Supplier undertakes to inform the Buyer as soon as possible by telephone of any cyber security incident affecting access to data or information belonging to the Buyer, and in any event within twenty-four (24) hours of the Supplier discovering the cyber security incident.

Page 6 of 9

10.6. The Supplier shall (i) provide the buyer with a summary of the known information about such a cyber security incident, (ii) make commercially reasonable efforts to remedy the effects of such a cyber security incident, (iii) upon request, provide the Buyer with reasonable information about the cyber security incident and the response thereto, and (iv) within two (2) weeks after completion of the investigation of the cyber security incident, provide the buyer with a report containing the following: a description of the incident, the specific cases affected and the measures taken by the supplier to prevent future incidents of a similar nature, the timeframe of the incident, the alleged perpetrators, what information or data of the buyer may have been affected, or possible financial consequences for the buyer. Any remedial measures identified as a result of the cyber security incident shall be implemented no later than two (2) months after completion of the investigation of the incident.

10.7. The Supplier shall indemnify and hold harmless the Buyer from and against any liability, including losses and damages, arising from information or cyber security incidents affecting the Supplier's information system. In the event that the Buyer has suffered damage as a result of a cyber security incident affecting the Supplier's system, the Supplier shall only be entitled to receive payments for deliveries after and to the extent that the Buyer has conducted reasonable investigations and subject to all indemnification obligations of the Supplier and all set-off rights of the Buyer in connection with the cyber security incident. receive payments for deliveries after and to the extent that the buyer has carried out appropriate investigations and subject to all compensation obligations of the supplier and all rights of set-off of the buyer in connection with the cyber security incident.

10.8. Late payments for items delivered by the supplier that are caused by a cyber security incident affecting the supplier's system shall not constitute a default in payment.

10.9. The buyer has the right, either directly or through a third party appointed by the buyer at its own expense, to inspect the supplier's premises once per calendar year in order to review the supplier's business operations in connection with the supplier's goods or services with regard to technical infrastructure, information or data system interaction, organization, quality, quality control, and the personnel involved in the goods and services for the buyer.

10.10. The buyer shall be entitled, depending on the type and protection requirements of the data in connection with the manufacture and delivery of the delivery item, to demand appropriate security measures and proof of an appropriate level of information security in the supplier's operations as specified by the automobile manufacturer (OEM), in particular by presenting suitable certificates (e.g. ISO/IEC 27001 "Information technology - IT security procedures - Information security management systems - Requirements") or certification in accordance with the VDA model TISAX (Trusted Information Security Assessment Exchange). MAGNA and the SUPPLIER may agree on a reasonable period for the initial testing of a site in accordance with TISAX.

11. Compliance

11.1. The Supplier undertakes to comply with the applicable legal provisions within the scope of the business relationship with the Purchaser. This also includes the applicable legal provisions at the following locations: Registered office of the Supplier and the Supplier's place of production. The Supplier undertakes to comply with all principles and regulations of the Purchaser's Supplier Code of Conduct (www.durmont.at).

11.2. The supplier undertakes (i) not to offer, promise or grant any advantage to a public official for themselves or a third party in order to expect an official act in return; (ii) not to offer, promise or grant any employee or agent of a company in the course of business any advantage for themselves or a third party in return for them giving preferential treatment to them or another party in the procurement of goods or commercial services in an unfair manner; (iii) not request, accept or allow to be promised any advantage for themselves or a third party in order to unfairly favor another party in business transactions in the procurement of goods or commercial services; (iv) not violate any applicable anti-corruption regulations and, where applicable, not violate the US Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act.

11.3. The supplier undertakes (i) not to support or permit working conditions in the performance of the services that do not at least comply with the applicable legal provisions and industry standards as well as the conventions of the International Labor Organization (ILO Conventions); (ii) to comply with the applicable environmental protection laws.

11.4. Upon request by the buyer, the supplier shall confirm in writing that it complies with the obligations under this Section 11 and that the supplier is not aware of any violations of the obligations under this Section 11. If there is reasonable suspicion that the obligations under this Section 11 have not been complied with, the Buyer shall be entitled, within the scope of applicable law, after notifying the Supplier of the reasonable suspicion, to demand that the Supplier – at its own expense – permit and cooperate in an audit, investigation, certification, or screening procedure to verify compliance with the obligations under this Section 11. The aforementioned procedures may be carried out by the Supplier, the Buyer itself, or a third party who is bound to confidentiality in compliance with applicable laws.

11.5. If the supplier contacts, holds discussions or negotiates with a public official on behalf of the buyer, or commissions a third party to do so, the supplier is obliged to (i) notify the buyer in advance in writing, specifying the planned scope of the interaction, (ii) provide the buyer with a written report after each conversation or meeting with the public official upon request, and (iii) provide the buyer with a detailed statement of costs including original receipts on a monthly basis. "Public official" means any person who performs tasks on behalf of or on the instructions of a public authority, government agency, public body, or international organization.

10.6. In the event that the supplier repeatedly violates obligations under this Section 11 despite a corresponding notice and fails to prove that the respective violation was not due to its fault or that reasonable precautions have been taken to prevent future violations, the buyer shall be entitled to withdraw from individual or all supply contracts or to terminate them without notice. These termination rights shall also apply in the event of single serious breaches, unless these were not culpable. Any other contractual and/or statutory termination rights shall continue to exist independently and without restriction.

11.7. The Supplier shall indemnify the Purchaser and the Purchaser's employees in full against all claims, demands, liability claims, damages, losses, costs, and expenses arising from a culpable breach of this Section 11. The supplier shall make every effort to pass on the contents of the provisions of this Section 11 to its suppliers, to oblige its suppliers to comply with them and to regularly check compliance within the supply chain.

12. Liability for defects, short deliveries, and late deliveries

12.1. If a contractual product is defective within the meaning of Section 8 or if the agreed quantity of contractual products has not been delivered, the buyer is entitled to demand immediate rectification of the defect or immediate delivery of a defect-free item or, in the event of underdelivery, subsequent delivery of the missing contractual products.

12.2. If a defective contractual product cannot be repaired or replaced within 2 days after the buyer has informed the supplier of the defect, the buyer is entitled, with regard to this and other contractual items for which it no longer has any use due to the defect, to withdraw from the contract in whole or in part, to reduce the purchase price appropriately, and to make replacement purchases from other suppliers at the supplier's expense.

12.3. Furthermore, the supplier shall be liable to the buyer for direct and indirect damage resulting from or in connection with a defect for which the supplier is responsible or a reduced delivery for which the supplier is responsible.

12.4. In the event of default by the supplier, the buyer may demand payment of lump-sum compensation from the supplier from the agreed delivery date in the amount of 1% of the purchase price for each full week of delay, up to a maximum of 15% of the respective purchase price. The supplier has the right to prove that the damage actually incurred by the buyer is less. In this case, the buyer's claim for damages shall be limited to the damage actually incurred by the buyer. The payment of lump-sum damages shall not release the supplier from its obligation to deliver the contractual products in question and to compensate the buyer for any direct and indirect damages exceeding the amount of the lump-sum damages.

12.5. Notwithstanding the preceding paragraph, the buyer is entitled to withdraw from the contract in whole or in part with immediate effect and without setting a grace period with regard to the contractual products for which the buyer no longer has any use as a result of the supplier's delay; and to make replacement purchases from other suppliers at the supplier's expense.

11. Buyer's obligation to inspect and give notice of defects

12.7. The supplier shall enclose an acceptance test certificate in accordance with DIN EN 10204 with each delivery. On the basis of the outgoing goods inspection by the supplier, deliveries shall be inspected by the buyer upon receipt for identity, part number, and externally visible transport damage.

12.8. The buyer shall inform the supplier immediately in writing of any damage or defects in the contract product that are discovered during the inspection in accordance with Section 11.1 or as soon as they are discovered in the ordinary course of business.

13. Production by the supplier

- 13.1. The supplier may not subcontract the production of the contractual products, either in whole or in part, without the written consent of the buyer.
- 13.2. The buyer or its customers shall be entitled at any time to inspect the contractual products at the supplier's premises at their own expense (or to have such inspection carried out by third parties). The buyer shall be entitled to document inspection agreements and the method of product release in the contract.
- 13.3. At the buyer's request, the supplier shall immediately grant the buyer, its customers, or authorized third parties access to the sites where the contract products are manufactured, further processed, or stored. The supplier shall cooperate closely with the buyer in carrying out the inspection and shall bear any costs incurred in connection therewith.
- 13.4. If an inspection cannot be carried out on the agreed date or if an inspection has to be repeated for reasons for which the supplier is responsible and no other agreement has been made, the supplier shall bear the costs incurred by the buyer in this connection.
- 13.5. Unless otherwise agreed, the supplier shall ensure that all defective contractual products are repaired or replaced in order to ensure proper delivery. The supplier shall, within the limits of what is reasonable, implement all of the buyer's demands that are intended and suitable for preventing such defects in the future.
- 13.6. If the supplier fails to fulfill its obligation under Section 12.4 to repair or replace the contractual products or to implement the buyer's claims within 2 days of receiving a request to do so, the buyer shall be entitled to make the necessary cover purchases from other suppliers or to take all reasonable measures at the supplier's expense and risk to remedy the situation itself or to commission third parties to do so, or to cancel any existing framework order in accordance with Section 19.

14. Product liability and insurance

- 14.1. The supplier shall compensate the buyer and its affiliated companies ("**affiliated companies**") for all direct and indirect damage caused by a defect in a contractual product. If a claim is made against the buyer for such damage, it shall inform the supplier thereof without delay. In this case, the parties shall jointly take the necessary steps to defend themselves against the claim in the best possible way. In the event of a legal dispute, the Supplier shall provide the Buyer with full support upon request.
- 14.2. If there is a risk that a Contract Product may cause damage to persons or property due to a defect and the Buyer therefore decides to recall the Contract Product, the Supplier shall reimburse the Buyer and the Affiliated Companies for all costs incurred as a result of the recall.
- 14.3. The supplier is obliged to take out product liability insurance commensurate with the contract and sales volume, which adequately covers any potential liability of the supplier, and to maintain this insurance cover for the duration of the contract, including the warranty period. The parties shall agree separately on an appropriate sum insured, if necessary. Upon request, the Supplier shall provide the Buyer with a copy of the insurance policy.

- 15.1. Notwithstanding the above provisions, one party shall compensate the other party for any damage suffered by the other party as a result of a breach of contract by the first-named party, provided that the first-named party is at least negligent in this respect.

16. Employees of the supplier

- 16.1. Employees of the supplier who perform services for the supplier within the scope of the contract are considered employees of the supplier from all legal perspectives.
- 16.2. The employees of the supplier are subject exclusively to the instructions of the supplier.

17. Confidentiality and trade secrets

- 17.1. In connection with this contract, "Confidential Information" means all information obtained by one of the parties in connection with the contract that originates from the other party (regardless of how and in what form it was obtained) and that is marked as secret or confidential or is obviously secret or confidential by its nature, with the exception of Confidential Information that
- 17.2. was already publicly known at the time of disclosure in accordance with Section 16 or subsequently becomes known in any other way than through a culpable act of the receiving party,
- 17.3. demonstrably developed by the receiving party independently of the information contained in the contract or which the receiving party has lawfully obtained from a third party without restrictions on disclosure or use.
- 17.4. "Trade secrets" are business, manufacturing, and technical data relating to the business of one of the parties that have actual or potential material or intangible value and are not generally available in the automotive industry or corresponding business circles.
- 17.5. Neither party shall disclose, make available or transfer to third parties any Confidential Information or Trade Secrets in any form without the written consent of the other party during the term of the Agreement and for a period of 6 years after the termination or expiry of the Agreement. Notwithstanding the foregoing, the parties shall be obliged to apply at least the same measures and the same degree of care to the confidential information and trade secrets as they apply to the protection of their own confidential information and trade secrets of comparable importance, but at least reasonable care. This paragraph shall not apply to legal notices or public announcements of any kind made by either party, provided that such notices or announcements are mandatory under applicable law.

18. Force majeure

- 18.1. Neither party shall be liable to the other party for any damage incurred by the other party as a result of unforeseeable events beyond the control of the first-named party and which could not be prevented by the latter with reasonable means, in particular due to natural disasters, the failure of an adequate supply of raw materials, flooding, extreme drought, fire, strikes, lockouts, war, military operations, terrorism, or riots ("**force majeure**").
- 18.2. Each party is obliged to take reasonable measures to limit the consequences of force majeure.
- 18.3. If the force majeure lasts longer than 30 days, the parties shall be free to withdraw from the contract in whole or in part without liability to the other party.
- 18.4. If a party wishes to invoke force majeure, it must inform the other party immediately.

19. Extraordinary termination of framework agreements

- 19.1. The buyer has the right to terminate a framework order or any other contract with immediate effect without being liable for damages if insolvency proceedings are opened against the assets of a supplier's company.

20. Law, security, and environment

- 20.1. These issues shall be dealt with in accordance with the "Supplier Code of Conduct." In addition, Sections 20.2 and 20.3 shall apply.
- 20.2. The supplier, its employees, and third parties commissioned by the supplier are obliged to comply with all statutory safety, health, and environmental regulations, as well as all internal guidelines and regulations of the purchaser in the areas of safety, health, and the environment in accordance with the "Supplier Code of Conduct."
- 20.3. The supplier shall ensure that all materials used in the manufacture of parts comply with the applicable official and safety requirements for purpose-built, toxic, and hazardous materials, as well as with the environmental requirements applicable in the country of manufacture and distribution in the field of electrical and electromagnetic engineering.

21. Knowledge of the company premises

- 21.1. Before signing the contract, the supplier shall familiarize itself with the conditions of the buyer's premises and buildings where the supplier will carry out its work or which are related to the performance of the contract.
- 21.2. Any damage caused by a breach of the obligation set out in section 21.1 above shall be borne by the supplier.

22. Personnel, equipment, and materials

- 22.1. Notwithstanding clause 15, the employees assigned by the supplier to perform the contract shall be obliged to comply with all of the buyer's guidelines or, if no such guidelines exist, to act with the necessary care.
- 22.2. If the buyer has reason to believe that an employee of the supplier is not sufficiently qualified or is unsuitable for the performance of the required work for other reasons, the supplier shall, upon request by the buyer, immediately replace this employee with an employee who meets the conditions required in clause 22.1.
- 22.3. The Supplier shall procure all materials and machinery, including tools, necessary for the performance of the Contract.
- 22.4. The buyer is entitled to inspect the materials, machines, and tools specified in Section 22.3 and to respond in accordance with Section 22.5.
- 22.5. If the buyer rejects the materials, machines, or tools in whole or in part because they are not suitable for fulfilling the supplier's contractual obligations, the supplier shall replace them immediately.

23. Miscellaneous

- 23.1. The contract and any framework agreement contain the agreements made by the parties with regard to the subject matter of the contract and take precedence over all other agreements made by the parties, whether verbally or in writing.
- 23.2. In principle, neither party may transfer or assign the contract, or a framework agreement, or its rights and obligations under the contract or a framework agreement to a third party without the written consent of the other party. However, the buyer is entitled to transfer or assign individual rights under the contract or a framework agreement, or the contract or a framework agreement as a whole, to an affiliated company.
- 23.3. All notifications required or provided for under this contract must be made in writing, whereby fax and email are sufficient to comply with the written form requirement. If a declaration is sent by email, it shall be deemed to have been received as soon as the other party has confirmed receipt.
- 23.4. Should one or more provisions of the contract or any framework agreement be invalid or unenforceable, this shall not affect the validity of the remaining provisions. Any invalid or unenforceable provision shall be replaced by a provision that comes closest to the economic purpose of the parties in connection with the invalid or unenforceable provision.

24. Governing law and place of jurisdiction

- 24.1. The contract is governed by Austrian law and shall be interpreted in accordance with Austrian law, excluding the provisions of conflict of laws and the United Nations Convention on Contracts for the International Sale of Goods.
- 24.2. If the supplier is a merchant, a legal entity under public law, or a special fund under public law, the commercial court with jurisdiction over the place of business shall have exclusive jurisdiction over all legal disputes arising from or in connection with this contract. However, the buyer is entitled to bring the legal dispute before any other general place of jurisdiction of the supplier.

25. Information

- 25.1. The undersigned persons on behalf of the supplier and the buyer are responsible for bringing the content of these general terms and conditions to the attention of all relevant persons and organizations in their company after signing.

1. CHANGE HISTORY

| Rev | Date | Description of change | Name, position |
|-----|-------|-------------------------|----------------|
| 00 | 14.10 | H-M-GF-05 First edition | JEI, IMS resp. |
| | | | |
| | | | |