

## Terms and Conditions for the Supply of Services/Goods effective from 1<sup>st</sup> January 2023

### I. Basic Provisions

1. The following General Terms and Conditions (GTC) form an integral part of the Contract/Order. Provisions deviating from these GTC shall only be valid in the following cases:
  - a) if they are stated directly in the text of the Contract/Order; or
  - b) if they are set out in the framework contract referred to in this order.
2. These GTC shall apply to legal relations arising from the supply of goods and services (hereinafter the "Subject-matter of Supply") to companies belonging to the ORLEN Unipetrol Capital Group (hereinafter the "Client"), if the Parties expressly agree to their application in the framework agreement, contract or order (the framework agreement, contract and order are hereinafter collectively referred to as the "Contract" or "Order"). The Contract, the Annexes thereto and the GTC together form a complete and integral contract, which represents the totality of the rights and obligations of the Parties in relation to the supply of goods and services under the terms of the Contract. Wherever a reference to a contract is made in these GTC, it shall also be understood as an order, unless the content of such provision expressly states otherwise.
3. These GTC take precedence over those provisions of the law which are not mandatory provisions.
4. If the Contract/Order contains deviating provisions, the provisions contained in the Contract/Order shall prevail over the provisions contained in these GTC.
5. The Contract/Order shall be deemed concluded at the moment when the Parties agree in writing on all the particulars specified in the Contract/Order. If either Party has comments to supplement or amend the other Party's proposal, such comments shall be considered a new proposal by said Party. The Client excludes acceptance of the Order/Contract by the Supplier with additions or deviations and/or acceptance of the Order/Contract by the Supplier with reference to the Supplier's terms and conditions.
6. The Supplier is obliged to confirm the Order/Contract and send the confirmed copy of the Order/Contract electronically back to the person who handles the Order/Contract.
7. By confirming this Order/Contract, the Supplier undertakes to deliver the Subject-matter of Supply in the scope, specification, quality and time specified in this Order/Contract and the Client undertakes to accept the delivery and pay for it under the terms and conditions specified in this Order/Contract.
8. The Subject-matter of Supply must also include information on hazardous substances within the meaning of Regulation (EC) No 1272/2008, if it contains such substances. This information must be included in the Delivery Note.
9. The Supplier is obliged to comply with all restrictions relating to hazardous substances as they arise from generally binding legal regulations, in particular Act No 350/2011, on chemicals and chemical mixtures, and related regulations (e.g. restrictions on asbestos and other hazardous substances).
10. The anti-corruption clause, which the Parties undertake to comply with, forms an integral part of the GTC.
11. All rights and obligations of the Parties arising from the Contract and the GTC are governed by the law of the Czech Republic, in particular Act No 89/2012, the Civil Code, as amended (hereinafter the "Civil Code").

### II. Contractual Anti-corruption Clause

1. Both Parties declare that they will exercise due diligence and comply with all anti-corruption legal regulations, binding on the Parties in connection with the performance of this Contract, issued by the competent authorities in the Czech Republic and in the territory of the European Union, both directly and when acting through subsidiaries or related economic entities of the Parties.
2. Moreover, each Party declares that in connection with the performance of this Contract they will comply with all internal requirements that are of interest to the Parties with regard to standards of ethical conduct, prevention of corruption, compliance with laws relating to settlement of transactions, costs and expenses, conflicts of interest, giving and receiving gifts, and anonymous reporting and explanation of misconduct, both directly and when acting through subsidiaries or related economic entities of the Parties.

3. The Parties declare that in connection with the execution and performance of this Contract, neither any Party nor any of their owners, shareholders, stockholders, officers, directors, employees, subcontractors or any other person acting on their behalf have made, proposed, promised to make, authorised, or will make, propose, promise to make, or authorise the making of any payment or other action that could result in financial or other gratification or other gain, directly or indirectly, of any of the following:
  - a) a member of the statutory body, director, employee or representative of that Contracting Party or any subsidiary or affiliated economic subject of the Parties;
  - b) a public official understood as a natural person who performs a public function within the meaning that this term has in the legal system of the country where the performance of this Contract takes place or where the official registered offices of the Parties or any of their subsidiaries or related economic entities are located;
  - c) a political party, a member of a political party, or a candidate for a position in public office;
  - d) an agent or intermediary of the aforementioned persons; nor
  - e) any other person or entity - for the purpose of obtaining their decision, influence or activity that may lead to any unlawful preference or any other undesirable purpose, if such activity violates or would violate the anti-corruption legal regulations issued by the competent authorities in the Czech Republic and in the territory of the European Union, both directly and when acting through subsidiaries or related economic entities of the Parties.
4. The Parties are obliged to immediately inform each other of any breach of the provisions of this Article. At the written request of either of the Parties, the other Party shall supply information and provide a response to a reasoned inquiry by the other Party concerning the performance of this Contract under the provisions of this Article.
5. For the purpose of the proper performance of the above obligations, both Parties declare that during the performance of this Contract, they will provide any person acting in good faith with the opportunity to report misconduct anonymously via the Anonymous Unethical Conduct Reporting System at: [securityreport@orlenunipetrol.cz](mailto:securityreport@orlenunipetrol.cz).
6. In cases of suspected corruption committed in connection with or for the purpose of performance of this Agreement by any representative of both Parties, the Client reserves the right to conduct an anti-corruption audit of the other Contracting Party to verify that the other Contracting Party complies with the provisions of this Article, in particular in order to explain all matters relating to corrupt practices. To this end, both Parties undertake to provide each other with all the assistance that is or will be necessary to achieve the purpose set out in this paragraph.

### III. Sanction and restraint of trade provisions; bribery provisions

1. The Supplier represents and warrants to the Client that on the Effective Date and at any time during the Term of the Contract:
  - a) the Supplier, subcontractors and their affiliates, subsidiaries, parent companies, beneficial owners and members of their governing bodies, directors, managers and persons acting under their name and on their behalf shall comply with all applicable sanction provisions, including, but not limited to, provisions on trade sanctions, embargoes, foreign trade controls, export controls, non-proliferation of weapons of mass destruction, counter-terrorism, international boycotts of any type and similar provisions, as well as anti-money laundering and anti-bribery restrictions imposed by any laws, regulations, decrees, orders, resolutions, directives, requirements, requests, rules or demands imposed by the United Nations, the European Union, Member States of the European Union and the European Economic Area, the Czech Republic, Poland, the United States of America, the United Kingdom of Great Britain and Northern Ireland, Canada (hereinafter the "RELEVANT JURISDICTIONS") and other bodies of a similar nature and bodies acting on their behalf (hereinafter the "SANCTION PROVISIONS");
  - b) the Supplier, subcontractors and their affiliates, subsidiaries, parent companies, beneficial owners and members of their governing bodies, directors, officers and persons acting under their name and on their behalf are not subject to any SANCTION PROVISIONS and that they are not entities or individuals with whom trading is prohibited by the SANCTION PROVISIONS (hereinafter the "SANCTIONED ENTITIES");
  - c) the Supplier, subcontractors and their affiliates, subsidiaries, parent companies, beneficial owners and members of their governing bodies, directors, officers, and persons acting under their name and on their behalf are not restricted, prohibited, or disqualified under any SANCTION PROVISIONS, including, without limitation, as a result of inclusion on any list of persons or entities subject to the SANCTION PROVISIONS in any

- RELEVANT JURISDICTION;
- d) the Supplier, subcontractors and their affiliates, subsidiaries, parent companies, beneficial owners and members of their bodies, directors, officers and persons acting under their name and on their behalf are not directly or indirectly owned or controlled by an entity or natural person meeting the criteria set out in (b) or (c) above;
  - e) the Supplier, subcontractors and their affiliates, subsidiaries, parent companies, beneficial owners and members of their bodies, directors, officers and persons acting under their name and on their behalf do not reside or have their registered office, principal centre of activity or interest or place of business in a country to which the SANCTION PROVISIONS apply and are not incorporated under the laws of a country to which the SANCTION PROVISIONS apply;
  - f) the Supplier, subcontractors and their affiliates, subsidiaries, parent companies, beneficial owners and members of their governing bodies, directors, officers and persons acting under their name and on their behalf are not subject to or involved in any proceedings or investigations against them in relation to the SANCTION PROVISIONS.
2. The Supplier hereby undertakes to ensure that for the duration of the Contract:
- a) the procedures and systems to monitor compliance of the Supplier, subcontractors and their affiliates, subsidiaries, parent companies, beneficial owners and members of their governing bodies, directors, officers and persons acting under their name and on their behalf will be put in place in accordance with generally binding applicable law and that industry best practices will be established and maintained;
  - b) the Supplier, subcontractors and their affiliates, subsidiaries, parent companies, beneficial owners and members of their bodies, directors, officers and persons acting under its name and on its behalf will comply with the SANCTION PROVISIONS;
  - c) any amounts payable under or in connection with the Contract to the Supplier or to subcontractors to which they are entitled under the Contract shall not be available or made available (directly or indirectly) to a SANCTIONED ENTITY and shall not be used to the advantage of a SANCTIONED ENTITY or otherwise benefit a SANCTIONED ENTITY to the extent such conduct is prohibited under the SANCTION PROVISIONS;
  - d) any statement referred to in Article III will remain true, complete, correct and not misleading, and in the event that any of the statements referred to in paragraph 1 of this Article become false, incomplete, incorrect or misleading, it shall, unless prohibited by law, promptly, but in any event within ten (10) business days of becoming aware of such event, notify the Client in writing of any such event and of the steps taken to remedy the situation and restore the accuracy of such statements;
  - e) indemnify the Client against any damage arising out of or in connection with any act or omission of the Supplier, subcontractor and their affiliates, subsidiaries, parent companies, beneficial owners and members of their bodies, directors, officers and persons acting under their name and on their behalf in connection with any breach of the representations, duties and obligations set out in this Article III.
3. Notwithstanding anything to the contrary elsewhere in the Contract:
- a) nothing in this Contract is intended, and nothing herein should be construed or interpreted, to induce or require any Party to act in any manner (including not taking any action in connection with the Transaction) that is penalised, prohibited or in violation of the SANCTIONARY PROVISIONS (whether voluntary or involuntary in nature) of the RELEVANT JURISDICTIONS that apply to such Party at any time (and regardless of their jurisdiction); and
  - b) no Party shall be obligated to perform any obligation otherwise required by this Contract [including, without limitation, the obligation to (a) perform, deliver, receive, sell, purchase, pay or accept money from or through any person or entity, or (b) engage in any other conduct], if such obligation could reasonably be expected to result in a breach of, materially conflict with, or expose such party to retaliation under the SANCTION PROVISIONS applicable to either or both Parties or to the transaction(s) contemplated at any time under this Contract (and without regard to their jurisdiction).
4. If any performance by the Client could reasonably be expected to be in violation of the SANCTION PROVISIONS, materially conflict therewith, or expose the Supplier to punitive measures thereunder, the Client shall, as soon as reasonably practicable, give written notice to the Supplier of its inability to perform certain obligations in accordance with the terms of this Contract. Once such notification has been served, the Client shall be entitled to:
- a) immediately suspend the obligation in question (whether payment or performance) until

- such time as the Supplier is authorised to perform such obligation; and/or
  - b) if the impossibility to fulfil the obligation continues (or is reasonably expected to continue) until the end of the contractual period stipulated for its fulfilment, the complete release from the obligation in question, if the obligation in question concerns the payment of a contract price or part thereof, the payment obligation in question shall remain suspended until such time as the payment of any amount due no longer exposes the Client to the risk of breaching the SANCTIONARY PROVISIONS or to punitive measures thereunder;
  - c) in any event, without any liability (including, but not limited to, any damages for breach of contract, penalties, costs, fees and expenses), and in the event of a suspension of an obligation, the period for performing such obligation shall be extended accordingly.
- 5. The Client may terminate the Contract by notice to the Supplier if the applicable SANCTION PROVISIONS prevent either PARTY from performing its obligations under the Contract for more than four (4) months or for a period of four (4) months in any continuous period of twelve (12) months.
- 6. Nothing in this Article shall limit or prevent the operation of the legal doctrine of subsequent impossibility of performance; frustration of the purpose of the Contract, emergency or Force Majeure.
- 7. The Supplier undertakes and represents to the Client that in connection with this Contract, each will individually comply with all applicable laws, rules, regulations, ordinances and/or official governmental orders of any RELEVANT JURISDICTION applicable to such party relating to bribery and money laundering and that each will not individually take any action that would expose the other party to fines or penalties under such laws, regulations, rules or requirements.
- 8. The Supplier represents, warrants and undertakes to the Client that it will not directly or indirectly
  - a) pay, offer, give, promise to pay or authorise the payment of any money or the transfer of any financial or other benefits or other things of value in an unlawful manner to:
    - i. a government official or officer or employee of the government or any department, agency or instrumentality of any government;
    - ii. an official or employee of a public international organisation;
    - iii. any person acting in an official capacity for or on behalf of any government or ministry, agency or instrumentality of such government or any public international organisation;
    - iv. any political party or its officials or any candidate for political office;
    - v. any director, officer, employee or agent/representative of the Client or any actual or potential counterparty, contractor or customer of the Client or the Supplier; or
    - vi. any other person, natural or legal, at the suggestion, request or direction of, or for the benefit of, any of the persons and entities described above; or
  - b) engage in other acts or transactions;
- 9. in any case where it is inconsistent or contrary to the anti-bribery or anti-money laundering legislation of any RELEVANT JURISDICTION, including but not limited to Council Directive 91/308/EEC of 10 June 1991 on prevention of the use of the financial system for the purpose of money laundering, the U.S. Foreign Corrupt Practices Act, the UK Bribery Act 2010, the Proceeds of Crime Act 2002, the Criminal Finances Act 2017, the UK Counter Terrorism Act, Crime and Security Act 2001, the Money Laundering Regulations 2007 and the Proceeds of Crime Act 2002 and relevant national legislation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

#### **IV. Price and payment terms**

- 1. Unless otherwise stated, the price stated in the Order/Contract is deemed to be exclusive of value added tax (VAT), which will be added at the statutory rate applicable on the date of the taxable supply.
- 2. The Supplier shall issue an invoice that will serve as an accounting document in accordance with Act No 563/1991, on accounting, as amended, and it shall contain the particulars of a tax document in accordance with Act No 235/2004, on value added tax, as amended, or other legal regulations.

3. The invoice must, in addition to the particulars of a tax document in accordance with Act No 235/2004 and as required by generally binding legal regulations, contain the following:
  - a) SAP Order/Contract number of the Client;
  - b) SAP material numbers from the Client's Order/Contract, if applicable;
  - c) TARIC code, if applicable;
  - d) marking of country of origin, if applicable.
4. The invoice must be accompanied by proof of delivery (e.g. delivery note) confirmed by the Client.
5. Invoices must be delivered exclusively in PDF to the address to be specified in the Order/Contract. Invoices sent in this manner shall not be sent to any other e-mail addresses of the Client or in paper format. As the Supplier invoices are processed automatically, the entire tax document including any annexes to the tax document must be sent to the Client as one single PDF file.
6. The Parties expressly agree that the due date for a validly and properly issued invoice of the Supplier shall be **60** calendar days from the date of its demonstrable delivery to the Client, unless otherwise agreed in the Order/Contract. The Supplier, as creditor, hereby expressly declares that it does not consider the due period specified in the preceding sentence to be grossly unfair to itself within the meaning of Section 1963(2) of the Civil Code; therefore, the Supplier, as creditor, considers this arrangement to be fully valid and binding on the Parties. The date of payment is the date the relevant amount is debited from the Client's account. If the invoice does not contain all the particulars or if the date of taxable performance stated on the invoice is earlier than the delivery of the Subject-matter of Supply, the Client is entitled to return the invoice. For a legitimately returned invoice, the Client shall issue a new invoice within 15 days with a new due date, so that the due date of the new invoice is 60 calendar days from the date of delivery.
7. The invoice must be delivered to the Client within 3 calendar days of its issue.
8. The purchase price is considered paid when it is debited from the Client's account.
9. The Client shall pay all funds only to the Supplier's account published by the tax administrator via a remote access and maintained with a domestic payment service provider. The Supplier is obliged to provide the Client with an account number that meets the above criteria. Until the account number published by the tax administrator via remote access is communicated, the Client shall not be in default with the payment of the invoice.
10. If the Supplier becomes an unreliable payer within the meaning of Act No 235/2004, on Value Added Tax, this is considered a reason for withdrawal from the Contract by the Client. Invoices for the services/goods already provided/delivered shall be paid in such a way that the part of the Client's invoices corresponding to the VAT amount will be paid directly to the tax administrator's account in accordance with Section 109a of Act No 235/2004, on Value Added Tax; the tax base shall be paid to the Supplier's account.
11. If the invoice does not contain all the required data or if the total or subtotal is incorrect, the Client is entitled to return such invoice to the Supplier for completion as a tax document that does not meet the prescribed requirements. In such a case, the Supplier shall not be entitled to payment of the invoiced amount or the agreed late payment interest or other penalty, if such amount is contractually agreed until the corrected invoice is delivered to the Client. Upon delivery of the corrected invoice, a wholly new due period starts to run.
12. Payments shall be made by cashless transfer and shall be satisfied when the relevant amount is debited from the Client's account to the account specified in an invoice that meets the conditions laid down in this Article.
13. The Supplier shall not be entitled to assign claims against the Client arising under or in connection with the Contract or to use them as collateral to secure its obligations to a third party without the prior written consent of the Client.
14. The Client is entitled to set off mutual due and undue receivables against due and undue receivables of the Supplier, even such receivables that may be considered uncertain in accordance with Section 1987(2) of the Civil Code.

#### **V. Contractual penalty, late payment interest**

1. Should the Supplier be in default with the payment, the Client may demand default interest that the Supplier is obliged pay. The amount of default interest will be set in accordance with Government Regulation No 351/2013 Sb., establishing the amount of late payment interest and fee under the Civil Code, as amended, or pursuant to relevant legislation that would in the future substitute the above regulation to the extent concerned.

2. In the event of a delay in delivery of the Subject-matter of Supply, the Supplier shall pay the Client a contractual penalty of 0.25% of the contractual price of such supply for each day of delay. Payment of the contractual penalty does not deprive the client of the possibility to claim compensation for damage (direct and indirect).
3. In the event of the Supplier's delay in satisfying the Client's rights arising from defective performance [see Article VII(3) of the GTC] or from the quality warranty provided (see Article VIII of the GTC), the Client is entitled to claim a contractual penalty against the Supplier in the amount of 5% of the price of the delivered service/goods for each individual defect to which the delay relates and for each day of delay, unless otherwise agreed in the Order/Contract.
4. In the event that the Supplier breaches any obligation under the Contract, the fulfilment of which is not secured by any of the above contractual penalties, the Client shall be entitled to claim a contractual penalty against the Supplier in the amount of 5% of the price of the delivered service/goods for each individual breach of obligation and each day of the duration of such breach, unless otherwise agreed in the Order/Contract.
5. An arrangements of a contractual penalty shall not affect the right to compensation for damage arising in a causal connection with the breach of an obligation secured by a contractual penalty in full.
6. Contractual penalties are payable within 7 calendar days from the date of delivery of the statement to the other Party.

#### **VI. Handover and acceptance of the Subject-matter of Supply**

1. The Subject-matter of Supply shall be delivered to the Client at the address for delivery specified in the Order/Contract and within the period specified in the Order/Contract.
2. If an item is to be supplied in accordance with drawings, the Supplier shall attach a copy of the drawings to the delivery.
3. The Subject-matter of Supply must be delivered at once (all ordered items and quantities in full). If this condition cannot be fulfilled, a partial delivery can only be carried out with the prior consent of the Client.
4. If spare parts and attestations are to be delivered, each attestation must be marked with the ordering party's stock number specified in the Order/Contract, so that the attestations can be unambiguously assigned to their relevant items.
5. If the Subject-matter of Supply is not marked according to the requirements of the Client or the conditions set by generally binding regulations, it shall be returned to the Supplier as a Subject-matter of Supply that is delivered in violation of the Contract. The Supplier is responsible for the correctness of the address provided in accordance with the Order/Contract and thus the place of delivery, i.e. a warehouse of the relevant site.
6. It is not possible to accept delivery at an address other than that specified in the Order/Contract. If this happens, the Supplier shall be required to transport the Subject-matter of Supply without delay at its own expense to the contractually designated point of delivery specified in the Order/Contract.
7. In the event of any ambiguity, the Supplier shall be obliged to request the necessary explanations from the Client, or to notify the Client in writing of any related contradictions or inappropriate instructions, and it shall only carry out the delivery after the disputed or unclear issues have been clarified and mutually agreed in writing. Otherwise, the Client shall have the right to reject the Subject-matter of Supply and return it at the Supplier's expense, unless otherwise agreed in writing.
8. If the Supplier fails to deliver within the time period specified in the Order/Contract (properly and on time, i.e. in the required quantity, quality and time), the Client may withdraw from the Order/Contract or demand performance within an alternative reasonable period. Consent to performance within an alternative period granted to the Supplier by the Client shall not deprive the Client of the possibility to claim compensation for any damage that has demonstrably been incurred in connection with the failure to fulfil the contractual obligation to deliver properly and on time.
9. In the case of delivery of a Subject-matter of Supply that required handling by a crane or such during unloading (dimensions exceeding 2m x 2m x 2m or weight exceeding 3t), the Supplier is obliged to notify such delivery 7 days in advance.
10. If the place of performance is the Client's premises, the Supplier undertakes to comply with the Client's internal regulations published at:

- For ORLEN Unipetrol RPA, <https://www.orlenunipetrolrpa.cz/CS/sluzby-areal/chempark-zaluzi/Stranky/zavazne-normy-a-informace.aspx>
- For Spolana, <https://www.spolana.cz/CZ/SluzbyAAreal/Stranky/Legislativa.aspx>
- For Paramo, <https://www.paramo.cz/CS/o-nas/bezpecnost-prace/Stranky/default.aspx#>
- For ORLEN Unipetrol Doprava, <https://www.orlenunipetroldoprava.cz/CS/o-nas/Stranky/zavazne-normy.aspx>

or provide by the Client before or during the performance of the delivery. The Supplier declares that before concluding the Order/Contract, it has thoroughly familiarised itself with the internal regulations of the Client published on the Client's website in accordance with this Contract. The Supplier further declares that it has voluntarily submitted to the Client's internal regulations as a whole and is fully bound by them. For the avoidance of any doubt, the Parties declare that the Supplier is bound by the currently effective versions of the Client's internal regulations in accordance with this Contract at any time during the performance of the delivery up to the moment of its acceptance by the Client, and not only by the versions effective as of the conclusion of the Order/Contract. In the event of a breach of an obligation under this provision, the Client shall be entitled to withdraw from the Contract.

11. The moment of handover and acceptance of the Subject-matter of Supply shall be deemed to be the moment the record/report of handover and acceptance of the Subject-matter of Supply or the delivery note is signed by the Parties, without reservations, i.e. in a state when the Subject-matter of Supply is free of any defects and imperfections.
12. If the Client accepts the Subject-matter of Supply with reservations, the Client shall not be obliged to pay the Supplier its outstanding claims until all defects and deficiencies have been rectified and the Client's liability for delay in payment shall be excluded. The due date for all existing claims of the Supplier against the Client shall be postponed until all defects and deficiencies have been rectified.
13. Unless it otherwise follows from the Order/Contract, the Client is not obliged to accept only part of the Subject-matter of Supply.
14. The Supplier is only entitled to perform before the performance date specified in the Order/Contract with the consent of the Client.

## **VII. Risk of damage to the Subject-matter of Supply and ownership**

1. The Client acquires the title to the Subject-matter of Supply as soon as the delivered Subject-matter of Supply is handed over to and accepted by the Client, or upon the payment of the price, whichever is earlier. Prior to handover, the Client acquires the title to the transported Subject-matter of Supply by obtaining the right to dispose of the consignment.
2. The Client acquires the title even if the Supplier is not the owner of the Subject-matter of Supply; this provision shall not apply if the Client did not, in good faith, have the other party's authority to transfer the title or if the acquisition did not take place between entrepreneurs in the ordinary course of business.
3. The risk of damage to the Subject-matter of Supply shall pass to the Client at the time when it takes over the Subject-matter of Supply from the Supplier.
4. The Supplier shall be liable to the Client for the fact that the acquisition of the title to the Subject-matter of Supply and its use shall not infringe the intellectual property rights of third parties (in particular industrial rights, copyright, etc.). Should the use of the Subject-matter of Supply result in a violation of intellectual property rights (in particular industrial rights, copyright, etc.), the Supplier undertakes to reimburse the Client for any damage incurred by the Client as a result of the said violation of intellectual property rights and to ensure the Client's undisturbed exercise of the title to the Subject-matter of Supply, in particular its use.
5. The Supplier undertakes and warrants that the Subject-matter of Supply will be delivered in a quality and design suitable for the purpose specified in the Contract, that it will comply with all valid permits, approvals, legal regulations, CSN terms and conditions of the Contract and its annexes and, where applicable, the instructions of the Client.
6. The Supplier undertakes and warrants that all delivered or manufactured machines, their components and accessories and all other materials and devices, equipment and works forming the Subject-matter of Supply or part thereof will be new (unless the Client agrees otherwise in

writing) and faultless in terms of technical design, materials provided and professional workmanship.

7. The acceptance of the delivered goods must be verifiably confirmed.
8. Both Parties declare that if the Contractor creates a work that is a work of authorship in accordance with Act No 121/2000, the copyright act, as amended (hereinafter the "Copyright Act"), the Client is entitled to the exclusive right to use the work as a whole and its individual parts (licence) within the meaning of Section 2360 of the Civil Code. The licence under this article entitles the Client to the following without limitation in territory or time:
  - a) to use the copyrighted work to the full extent for all uses specified in the Copyright Act, as well as for all other uses known as of the execution of this Contract;
  - b) to make any modifications, alterations or changes to the work.
9. The Client shall be entitled to grant the licence granted to it under the preceding paragraph to any third party in its entirety. The Client is also entitled to assign the licence granted to it under the previous paragraph in its entirety to any third party without the consent of the Contractor.
10. Notwithstanding paragraph 15 of this Article, both Parties agree that the Contractor assigns to the Client the right to exercise all copyright ownership rights to the work as a whole and to its individual parts, if the work or its individual parts have the character of a work of authorship in accordance with the Copyright Act. For this purpose, the Contractor shall secure the consent of the author of such copyright work to such assignment.
11. If, during the execution of the work, by the activity of one of the parties or by their joint activity, an object is created that is eligible for protection under the legislation on the protection of industrial rights, in particular in the form of a patent or utility model, both parties undertake to take all steps necessary to ensure its legal protection, in particular they undertake to proceed so that a timely application for registration in the relevant register of the Industrial Property Office is filed. Both parties agree that all intellectual property rights shall be registered in favour of the Client and the Client shall grant the Contractor a non-exclusive licence to exercise the intellectual property rights in question free of charge for the period and to the extent necessary for the performance of the work.
12. For the avoidance of doubt, both parties agree that the Contractor is not entitled to use any copyrighted works and/or results of activities which are the subject of industrial or other intellectual property rights created in connection with these GTC. At the same time, the Contractor is not entitled to grant a licence and/or in any way allow the exercise of the property rights in these copyright works and/or results of the work to third parties. Both parties expressly agree that such action would be in direct conflict with the legitimate interests of the Client.

## **VIII. Liability for defects**

1. The Supplier expressly assures the Client that the Subject-matter of Supply is free from defects and imperfections at the time of delivery and that it is not subject to the rights of the Supplier or third parties.
2. The Subject-matter of Supply shall be considered defective if:
  - 2.1. it does not have the characteristics that the parties have agreed in the Contract, if there is no such agreement, such characteristics that the Supplier or the manufacturer has described or that the Client has expected with regard to the nature of the Subject-matter of Supply and on the basis of advertising carried out by them, or such characteristics that are usual for such Subject-matter of Supply;
  - 2.2. it is unsuitable for the purpose stated in the Contract, and if the purpose is not stated, then for the purpose stated by the Supplier or purpose usually relevant for such Subject-matter of Supply;
  - 2.3. it does not correspond in quality to the agreed sample or model, if the quality or performance was determined according to an agreed sample or model;
  - 2.4. it is not in the appropriate quantity, measure or package weight;
  - 2.5. it does not comply with the requirements of the relevant legislation.
3. The Supplier shall be expressly liable for the services/goods to be delivered being new and unused and corresponding in quantity and quality to the Client's requirements specified in the Order/Contract and these terms and conditions. If the Client claims a defect, the Supplier must:
  - a) remedy or repair the defects, including legal defects, at its own expense within 14 days of receiving the relevant notification; or



- b) replace the defective Subject-matter of Supply with a new one without defects;
  - c) the Parties may also agree in writing that the Supplier will satisfy the claim for defects in the delivered service/goods by providing a discount from the contractual price of the defective Subject-matter of Supply, which will be accepted by the Client. (unless the Parties agree otherwise, a reasonable discount shall be 20% of the contractual price of the defective Subject-matter of Supply). In the event of an irremediable defect in the Subject-matter of Supply, the Client shall be entitled to withdraw from the contract by written notice of withdrawal, which must include a statement of reasons. The withdrawal shall take effect upon delivery of the written notice to the Supplier. In this case, the Supplier shall be obliged, within 14 calendar days of receiving the notice of withdrawal, to refund the price already paid for the delivery of the service/goods to the Client and, in the case of a defective Subject-matter of Supply, to take it back from the Client.
4. The Client is obliged to notify the Supplier in writing of defects and claims arising from defects within 60 days of their discovery, and no later than the end of the warranty guarantee period agreed for the services/goods delivered. The Supplier shall be obliged to deliver to the Client a Subject-matter of Supply that is free from legal defects (in particular not encumbered by third party rights, etc.).

#### **IX. Quality warranty**

- 1. Unless otherwise agreed in the Contract or otherwise specified in the Order accepted by the Supplier, the Supplier shall provide a 48-month warranty for the Subject-matter of Supply which constitutes the performance under the Contract to which these terms and conditions apply. If the contractual documents regulate the warranty differently, the provisions contained in the Contract/Order shall prevail over the provisions contained in these GTC.
- 2. Article VII above shall apply with the necessary modifications to the Client's claims under the quality warranty.
- 3. The warranty period shall be extended by the period of time during which the Client could not use the Subject-matter of Supply due to defects.

#### **X. Technical documentation**

- 1. As an integral part of the service/goods, the Supplier shall also deliver the related technical documentation (certificates, drawings, passports, safety data sheets, instructions for use, etc.) required and specified in the Order/Contract at the same time as the delivery of the service/goods to the address designated for delivery, always in the Czech language. The Supplier shall also supply the technical documentation in English if so requested and specified in the Order/Contract.
- 2. The obligation to provide documentation for the service/goods arises for the Supplier even in cases where such documentation is not required in the contractual documents related to the performance to which these terms and conditions relate, but where the need to have such documentation arises from the nature of the service/goods supplied and is necessary for their use. The documentation (drawings, etc.) submitted by the Supplier to the Client for approval must include highlighting of all changes from the procurement documents in the texts and drawings.
- 3. Unless otherwise agreed, the condition for the acceptance of the Subject-matter of Supply by the Client is the delivery of the required quality control documents in accordance with Act No 22/1997, on technical requirements for products (for products originating from the Czech Republic) and further according to Decision No 768/2008/EC of the European Parliament and of the Council of 9 July 2008 on a common framework for the marketing of products (for products originating from the European Union), the "EC Declaration of Conformity". The required declaration of conformity must be legible and understandable, in Czech or English. The Supplier shall be responsible for the accuracy and completeness of the documents or other required documentation submitted.
- 4. If the Subject-matter of Supply is supplied directly by the manufacturer, we require a "Declaration of conformity with the order in accordance with CSN EN 10 204 2.1.". In the event that the Subject-matter of Supply is not supplied directly by the manufacturer, a declaration that the Subject-matter of Supply is in accordance with the order/contract shall be sufficient.

5. For deliveries of fittings, metallurgical material we always require copies of the original inspection and metallurgical certificate in accordance with CSN EN 10204 3.1. If a product is manufactured only for ORLEN Unipetrol RPA s.r.o., we always require ORIGINAL inspection and metallurgical certificates in accordance with CSN EN 10204 3.1. Other documentation, unless agreed in advance, is not acceptable and such delivery shall be returned to the Supplier. In the case of multiple deliveries, the entire delivery may be returned if such a shortage is detected.
6. Without the delivery of such technical documentation, the Supplier is not entitled to payment of the agreed contract price, as this does not constitute proper performance.

## **XI. Packaging and marking**

1. The Supplier shall provide proper protection and packaging for the delivered Subject-matter of Supply so as to ensure that it is delivered to the destination in good condition; such protection and packaging must comply with generally binding legislation, in particular Act No 477/2001, on packaging (hereinafter the "Packaging Act").
2. All items forming the Subject-matter of Supply must be marked with a material number. The package must be marked with the delivery address and order number of the Client.
3. The Supplier shall enclose a delivery note and a copy of the purchase order outside the package to allow for a quick check of completeness. If these documents are not available without breaking the packaging, the delivery shall not be accepted.
4. For FITTINGS, we require protection of seating surfaces on both sides (lids, hard paper, etc.).
5. Deliveries of shafts or piston rods must be made with a shipping container where the material is firmly fixed at at least three points to prevent possible deflection. This packaging will be included in the delivery.
6. In addition, the delivery shall be marked with the gross, net and tare quantity or weight, and other markings or data as may be required by the Client. The marking must comply with all local and international regulations, including the marking of hazardous or dangerous materials, goods and substances. Unless contractually agreed, the Supplier may not charge the Client for packaging and related expenses.
7. The delivery note must include the following:
  - a. identification of the Supplier and the Client, including registered office or place of business, Company ID No/Tax ID No;
  - b. Contract/Order number;
  - c. delivery note number;
  - d. date of issue of the delivery note;
  - e. SAP material numbers from the Client's Order, if applicable;
  - f. the name, surname and telephone number of the Supplier's contact person;
  - g. gross weight, net weight if applicable;
  - h. Incoterms 2020 (as amended);
  - i. TARIC code, if applicable;
  - j. marking of country of origin, if applicable;
  - k. other particulars required by generally binding legal regulations.
  - l. Unless otherwise agreed in writing, packaging costs and related expenses shall be considered part of the purchase price and the Supplier shall not be entitled to require the Client to pay for them.
8. The Supplier is obliged to comply with the obligations set out in European Parliament and Council Directive 94/62/EC of 20 December 1994 on packaging and packaging waste, as amended, and to provide the Client with information on the packaging of the relevant products in writing on the delivery note to the following extent:

- a) specification of the type of packaging material: paper and cardboard, glass, plastic – PET, PE, PVC, PP, PS, other plastic, metals – Al, Fe, other metal, wood, composite material, other;
  - b) the weight of each type of packaging;
  - c) possible ways of handling the different types of packaging (recycling, organic recycling, energy recovery or disposal);
  - d) usability of packaging (disposable or reusable packaging, returnable packaging, returnable back-up packaging);
  - e) in the case of returnable packaging, the method of returning the used packaging to the person who put it into circulation.
9. The Supplier shall be liable for any damage caused to the Client or any third party in the event that a defect in the packaging of the Subject-matter of Supply was the cause of the damage. A circumstance consisting in the unsuitability of the transport of the Subject-matter of Supply, for example, a defect in a rail vehicle, silo, shipping container, etc, shall also be considered a defect in packaging.

## **XII. Waste management**

1. The Supplier is obliged to comply with the requirements of Act No 541/2020, on waste, as amended, in any handling of waste, especially in its disposal and material, energy or other recovery. Increased attention shall be paid to the management of hazardous waste and selected waste defined in the Waste Act (e.g. asbestos, including asbestos-containing products, PCBs and equipment containing them, waste oils, etc.) that arise in connection with the performance of the Contract/Order. In the event of a breach of these obligations, the Supplier shall indemnify the Client against all damage (including non-pecuniary damage, penalties, if any, and liquidated damage) resulting from such breach.

## **XIII. Withdrawal from the Contract**

1. The Supplier and the Client are entitled to withdraw from the Contract, in addition to other cases provided for in these terms and conditions, if the other Party materially breaches its obligations under the Contract. In particular, the following shall be considered a material breach of contractual obligations:
  - 1.1. Delay by the Client in payment of the contract price for more than 30 days if the Supplier has notified the Client in writing that the Client is in default.
  - 1.2. Delay by the Supplier in delivering the Subject-matter of Supply or in delivering documents relating to the goods necessary for their use.
  - 1.3. Delay by the Supplier in removing defects in the Subject-matter of Supply longer than 14 days from the delivery of the defect notification.
2. Withdrawal from the Contract shall be effective upon delivery of a written notice by the withdrawing Party to the other Party. The notice of withdrawal must specifically state the reason for withdrawal.
3. Withdrawal from the Contract terminates all rights and obligations of the Parties under the Contract, except for the right to damages and payment of contractual penalties and the provisions of the Contract and the GTC relating to the choice of law, dispute resolution between the Parties and regulation of the rights and obligations of the Parties in the event of termination of the Contract. If a debt has been secured, the withdrawal shall not affect the security.

## **XIV. Damages**

1. A Party who breaches any obligation arising from the Contract shall be obliged to compensate the other Party for the damage caused to it by its breach of obligation or to the person whose interest was obviously served by the fulfilment of the agreed obligation.
2. The obligation to fully or partially compensate for damage shall not arise if the failure of the obliged party to fulfil its obligation was caused in whole or in part by the conduct of the injured party or by the lack of cooperation to which the injured party was obliged. The Party that breached its duty shall not be obliged to compensate the other Party for the damage caused thereby, if it proves that such breach of duty was the result of an extraordinary unforeseeable and insurmountable obstacle arising independently of its will.

**XV. Force Majeure**

1. Neither Party shall be liable for any failure to perform an obligation under the Contract if such failure or delay was caused by an extraordinary, unforeseeable and insurmountable obstacle that arose independently of the will of the obligated party and prevented it from fulfilling its obligation (hereinafter the “**Force Majeure**”). However, an obstacle arising from the personal circumstances of the obliged party or occurring only at the time when the party in breach of Contract was in default, or an obstacle which the obliged party was obliged to overcome, does not relieve the party in breach of the Contract from its liability.
2. For the purposes of this Contract, if the Force Majeure meets the conditions set out in the preceding paragraph, it shall include, in particular, the following:
  - 2.1. natural disasters, fires, earthquakes, landslides, floods, high water, storms or other atmospheric disturbances and phenomena of a considerable extent; or
  - 2.2. wars, rebellions, riots, civil unrest or general strikes; or
  - 2.3. decisions or legal acts of public authorities, regulations, restrictions, prohibitions or other interventions of the state, state authorities or local government; or
  - 2.4. explosions or other damage or significant malfunctions of the relevant production or distribution equipment.

It is expressly stated that strikes by employees of the Parties shall not be considered an event of force majeure except in the case of an industry-wide strike.
3. The Contracting Party that has violated, violates or assumes, with regard to all known facts, that it violates its obligation under the Contract as a result of a Force Majeure event, shall immediately inform the other Party of such a breach or event and it shall make all possible effort to prevent such an event or the consequences thereof and to remove the negative impacts thereof.
4. The Supplier declares that its offer, which forms an annex to this Contract/Order, takes into account all crisis measures, other measures, generally binding legal regulations, administrative acts or interventions of public authorities of the Czech Republic and other states, as well as direct or indirect effects of the above facts on the economic, social or political situation in the Czech Republic or in another state, in particular, but not exclusively, the general restriction of industrial production or provision of services, the dysfunction of supply chains (e.g. shortages or delays in performance by subcontractors), labour shortages or general unavailability, including loss of labour mobility, restrictions or delays in the supply of raw materials, lack of financial liquidity or other impacts, changes in consumer behaviour (hereinafter the “**Coronavirus Impacts**”) existing as of the execution of the Contract/Order.
5. The Coronavirus Impacts occurring after the execution of this Contract/Order and affecting the proper and timely performance of this Contract will be evaluated on a case-by-case basis to determine whether they constitute a Force Majeure event within the meaning of Article XIV of the GTC.

**XVI. Dispute resolution**

1. If any dispute arises between the Client and the Supplier in relation to the Order/Contract, its application or interpretation, both Parties shall use their best endeavours to resolve such dispute amicably.
2. If a dispute arising between the Parties in connection with the Order/Contract cannot be resolved amicably, the dispute shall be finally settled by a general court competent in the Client's judicial district.
3. The legal relationship, i.e. the rights and obligations of the Parties under the Order/Contract, their security, changes and termination shall be governed exclusively by the law of the Czech Republic, in particular the Civil Code.

**XVII. Extension of the limitation period**

1. In accordance with Section 630 of the Civil Code, the Parties hereby agree to extend the period of limitation of any rights arising from this Contract/Order to a period of 4 years from the time when this period begins to run, and that the extension of the period of limitation also applies to rights arising from the withdrawal from this Contract/Order. The provisions on the extension of the

period of limitation for the Supplier's rights shall not be separated from those on the extension of the period of limitation for the Client's rights.

#### **XVIII. Final provisions**

1. The Parties exclude the application of Sections 1740(3) and 1751 of the Civil Code, which provide that the Contract is concluded, even when there is no full concert with regard to the will of the Parties.
2. The Parties expressly exclude the application of Sections 1799 and 1800 of the Civil Code, provided that neither Party is considered to be the weaker party, the terms and conditions contained in the Order/Contract or in these GTC are clear and certain to the Parties and the provisions of the GTC are not contrary to commercial practices and the principles of fair business relations.
3. The Supplier assumes the risk of a change of circumstances within the meaning of Section 1765 of the Civil Code.
4. The Parties declare that none of them feels as and is not considered the weaker party in relation to the other Party and that they had the opportunity to familiarise themselves with the text and content of the Contract and the GTC, they understand it and that they want to be bound by it and that they have sufficiently discussed all and any contractual arrangements. The Parties further declare that the implementation of the Contract does not result in a disproportionate disadvantage of one of the Parties in accordance with Section 1793 of the Civil Code.
5. The Supplier is not entitled to assign its rights and obligations under the Contract to a third party without the written consent of the Client. The Client is entitled to assign its rights and obligations under the Contract to any third party.
6. The Supplier may not assign or in any way alienate or encumber any claim against the Client or any part thereof arising from the Order/Contract to a third party without the prior written consent of the Client. In the event of a breach of this obligation, the Supplier is obliged to pay the Client a contractual penalty of 30% of the nominal value of the relevant receivable.
7. The Supplier shall not, without the prior consent of the Client, set off any of its claims arising under this Contract against any claim of the Client.
8. Confidentiality The Parties agree to maintain confidentiality of all facts of a non-public nature which come to the attention of the other Party in the course of the performance of Contract/Order or from the GTC. In this context, the Supplier undertakes to ensure that this obligation is also fulfilled by all employees of the subcontractor involved. The Parties undertake not to disclose to a third party, without the prior written consent of the other Party, any information the confidentiality of which is in the interest of the Party concerned and which is in any way related to the performance of the Order/Contract and the GTC. The results of the design work and other documentation created by the Supplier within the scope of the subject-matter of the Order/Contract and the GTC are the property of the Client (more specifically, the Client acquires an unrestricted right to use these items free of charge where relevant), who may dispose of them at its discretion. The Supplier may also dispose of the results of the design work only for its own purposes and only provide them to third parties with the consent of the Client.
9. Business secret protection The Parties undertake to maintain the confidentiality of mutually transmitted information, including information obtained in manners other than during mutual cooperation (in any form, i.e. mainly oral, written or electronic), which has the character of a business secret and relate to or is owned by one of the Parties; i.e. they undertake not to communicate, publish or allow access to such information to unauthorised persons and to use it only in accordance with the purpose and subject-matter of this Contract. Business secret shall mean information as defined in Section 504 of Act No 89/2012, the Civil Code, as amended, i.e. competitively significant, identifiable and valuable technical, technological and organisational information or other information of economic value, which is kept confidential and which, as a whole or as an exact set and summary of parts thereof, is not generally known or generally available to persons who normally deal with this type of information.  
The obligation of professional secrecy shall not apply to the following:  
(a) information that, at the time of its communication to the receiving Party or at a later date, was publicly available or was made public by means other than a breach of the said obligations of the receiving Party;  
(b) information of which the receiving Party was demonstrably aware before it was communicated thereto and which was not obtained under the promise of confidentiality;

(c) information that was demonstrably obtained by the receiving Party, before it was communicated thereto, from a third party (except where it has been disclosed on behalf of the providing Party) which could legitimately do so and which has obtained that information from the providing Party; or

(d) information requested from receiving Party by bodies in charge of criminal proceedings for the purpose of investigating a suspected criminal offence, or by other public authorities, if the obligation to provide such information arises from generally binding legal regulations.

Unless otherwise agreed, the Parties are obliged to maintain the confidentiality of this information for the entire duration of this contractual relationship, as well as after its dissolution, termination, expiration or after other cancellation of the legal effects of such relationship, for at least ten years. In the event that the receiving Party will indispensably need a third party to perform a particular activity in accordance with this Contract, it may disclose or otherwise make available thereto the information and/or part thereof only with the prior written consent of the transferring Party, provided that the third party undertakes to protect it at least within the scope of this Contract.

In the event that ORLEN Unipetrol Capital Group is to provide the other Party with information that constitutes a company secret [information created by the transferring Party and identified as a specially protected type of its business secret (the label must include a "COMPANY SECRET" watermark, including the transferring Party's business name and material identification number)], it undertakes, before transmitting this information, to conclude a separate contract with this party on the disclosure of a company secret, which shall regulate, beyond the scope of this Contract, other rules for the protection and processing of the information in question. In the event of any conflict between the provisions of this Contract and the provisions of the contract on the disclosure of a company secret, the provisions of the latter shall prevail.

If either Party breaches its obligations in connection with the confidentiality of this information, that Party shall pay the other Party a contractual penalty of CZK 100 000 (in words: one hundred thousand Czech Koruna) for each individual case of a breach. The payment of the contractual penalty does not affect the right of the injured Party to demand compensation from the other Party for provable damage incurred, including damage exceeding the contractual penalty.

Upon dissolution, termination, expiration or other cancellation of the legal effects of this contractual relationship and at any time at the request of the transferring Party, the receiving Party shall promptly:

(a) return or destroy any information constituting a business secret provided thereto in material form (in particular information stored on computer disks or other electronic media) together with copies thereof or extracts therefrom;

(b) destroy any analysis, compilations, studies or other documents prepared by the receiving Party which take into account the business secrets or are based on such information communicated thereto under this Contract;

except where legal regulations, rules or directives or the competent judicial, governmental, supervisory and regulatory authorities require the receiving Party to retain such information or where such information is part of organisational records that the receiving Party must retain by law or in general in accordance with the internal record-keeping policy, or in cases where the receiving Party continues to need such information for the performance of the Contract, in which case the receiving Party shall take appropriate measures to maintain the confidentiality of such information.

10. Protection of personal data "Personal data" within the meaning of Article 4(1) of Regulation (EU) 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (hereinafter the "Regulation") shall mean any information relating to an identified or identifiable individual (hereinafter also "Data Subject") by which the individual can be directly or indirectly identified, in particular by reference to a particular identifier, such as name, identification number, location data, network identifier one or more specific elements of physical, physiological, genetic, psychological, economic, cultural or social identity of that individual.

10.1. The Parties undertake to process Personal Data for the purpose of mutual cooperation on the project in accordance with Act No 110/2019, on the processing of personal data, as amended, the Regulation and other related legislation in the field of Personal Data protection.

10.2. Personal Data will be processed by the Parties only to the extent necessary for the performance of the mutual cooperation on the supply of goods/services and only for the

period necessary for the performance of this mutual cooperation, but no longer than the period specified by and in accordance with the relevant generally binding legal regulations.

- 10.3. When processing Personal Data, each of the Parties shall act with due care so as not to cause anything that could constitute a breach of the Regulation, Act No 110/2019, on the processing of personal data, as amended, or related generally binding legal regulations.
  - 10.4. In the event that one of the Parties, within the framework of their cooperation, will carry out the processing of Personal Data for the other Party in the capacity of a processor within the meaning of Article 4(8) of the Regulation, the Parties are obliged to conclude a contract on the processing of personal data in accordance with Article 28 of the Regulation, which will regulate, beyond the scope of this agreement, additional rules for the protection and processing of the Personal Data in question.
  - 10.5. The Supplier undertakes that, within the meaning of Article 32 of the Regulation, it shall, taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of processing as well as the risk of varying likelihood and severity for the rights and freedoms of natural persons, implement appropriate technical and organisational measures to ensure security of Personal Data in the manner specified in the Regulation or other generally binding legislation to exclude the possibility of unauthorised or accidental access to Personal Data, their modification, destruction or loss, unauthorised transmissions, any other unauthorised processing, and other misuse of Personal Data. This obligation shall continue to apply after the termination of the mutual cooperation.
  - 10.6. The obligation to inform towards the Data Subjects shall be fulfilled by each Party separately.
  - 10.7. In the event of any conflict between the provisions of this agreement and the provisions of a contract on data processing, the provisions of the data processing contract shall prevail.
11. Business ethics The Supplier undertakes not to pay directly or indirectly any wages, commissions or other remuneration, compensation or discounts to employees, directors or members of the Client's bodies, unless such performance is the subject-matter of a contractual relationship between the Supplier and the Client or unless such performance arises from another legitimate relationship not in conflict with the provisions of this Article. The Supplier undertakes not to grant any benefits to employees or members of the Client's bodies or persons close to them or persons indicated by such employees or members of the bodies; in particular the following will be considered as such benefits:
- 11.1. providing gifts or refreshments worth more than CZK 1000/year;
  - 11.2. making gifts of cash or cash equivalents (e.g. shares or other forms of marketable securities) of any amount;
  - 11.3. the provision of any services on unusually favourable terms, including the provision of loans or credit at other than conventional and market prices;
  - 11.4. the sale of goods for less than full market value.
- The Supplier undertakes not to enter into business relationships with employees or members of the Client's bodies, except where they are acting as authorised representatives of the Client.
- The Supplier undertakes not to seek the above benefits from the Client for itself, its employees, directors or members of its bodies or any other persons it indicates to the Client.
- The Supplier's obligations to the Client expressed in this Article are equally binding on subcontractors and other persons contributing to the performance of the Contract.
- The Supplier shall inform the Client of any breach of business ethics by employees or body members of the Client or Supplier immediately upon becoming aware thereof.
12. The annexes are an integral part of these GTC.

## **Annex 1**

### **The Carbon Border Adjustment Mechanism for purchases of goods/materials imported from countries outside the European Union**

If the goods/materials originate from, were manufactured in, or exported from countries outside the EU, the supplier must provide the Purchaser with all necessary information about the generated emissions related to the given goods/materials in accordance with EU Regulation No 2023/956, so that the Purchaser can submit a **Carbon Border Adjustment Mechanism (CBAM)** report.

The supplier must, at the request of the Purchaser, provide additional documents that may be required by the EU customs authorities regarding the origin of the supplied products, cement, electricity, hydrogen, aluminium, fertilisers, ammonia, iron, steel and certain nitrogen compounds used in their production.

The aforementioned reporting obligation does not apply to goods/materials:

- the intrinsic value of which for the entire delivered shipment does not exceed EUR 150
- originating from the EU and from third countries and territories listed in Annex III of the CBAM Regulation (Liechtenstein, Norway, Switzerland)
- that are considered to be returned goods according to the relevant article of the Union Customs Code (Article 203)
- that are not released into the customs regime of free circulation
- to which the CBAM reporting obligation under the European Commission Regulation does not apply