

These General Conditions of Purchase govern Buyer's Order and any resulting Contract for the supply of Goods and/or the provision of Services.

**1. GENERAL.** BUYER EXPRESSLY OBJECTS TO AND EXPRESSLY REJECTS ANY PROVISIONS ADDITIONAL TO OR DIFFERENT THAN THE TERMS HEREOF THAT MAY APPEAR IN SELLER'S QUOTATION, ACKNOWLEDGMENT, CONFIRMATION, INVOICE OR IN ANY OTHER PRIOR OR LATER COMMUNICATION FROM SELLER TO BUYER UNLESS SUCH PROVISION IS EXPRESSLY AGREED TO BY BUYER IN A WRITING SIGNED BY BUYER. No conditions, custom, usage of trade, course of dealing or performance, understanding or agreement purporting to modify, vary, explain, or supplement these terms and conditions shall be binding unless hereafter made in writing and signed by the party to be bound. This order and, if applicable, any related agreement(s) such as a Purchase Contract or a Business Unit Supply Agreement concluded with Seller, or the related Master (Business Unit) Supply Agreement (collectively "Related Agreements") whose terms and conditions apply to this order, shall supersede all prior negotiations, discussions, and dealings and shall constitute the entire agreement between Buyer and Seller. In the event of a conflict between (i) the Related Agreements, (ii) the special terms and conditions set forth in the order form and (iii) these general conditions of purchase, the order of precedence shall follow the order set above. "Contract" means the written agreement (including these General Conditions of Purchase and the order form) made between Buyer and Seller for the supply of Goods and/or the provision of Services. "Contract Price" means the price payable by the Buyer to the Seller for the Goods and/or Services. The Emerson entity who is named in the order form as the entity purchasing the Goods and/or Services, enters into this Contract as the principal and is named hereafter as the "Buyer". If applicable, "Emerson" refers to any of Buyer's affiliates for whose benefit the Goods and/or Services are being purchased. "Seller" means the person, firm, company or corporation to whom the order is given. "Services" means the services described in Buyer's order form, and, where applicable, can include software as a service. "Goods" means all materials, items, subassemblies, equipment, software, systems and documentation to which the order relates. "Work" means all Goods, Services, and/or deliverables which are supplied and/or performed by Seller under this Contract.

**2. VARIATION.** Buyer reserves the right at any time to vary the order form and if any such variations cause a change to Seller's costs, an equitable variation shall be made to the price payable to Seller and shall be agreed by Buyer in writing; any financial claim or request for a change to the due date for delivery/completion must be made in writing within five (5) days from the date the variation was advised and any claim or request made at a later date will not be accepted. Seller shall not suspend performance of this Contract while Buyer and Seller are in the process of making such changes and any related adjustments. Seller agrees that it will not make any process or manufacturing changes which might affect the performance, characteristics, reliability or life of the Goods, or substitute any materials without prior written approval of Buyer. Mistakes in prices, discounts, specifications, delivery schedules or other terms and any noticeable discrepancies in quantities or sizes are to be reported immediately by Seller to Buyer and Seller shall immediately remedy such mistakes by refunding incorrect charges to Buyer or correcting such other discrepancies, unless otherwise directed by Buyer.

### 3. QUALITY AND WARRANTIES

**3.1.** Seller warrants (i) that the Goods will be new, unused, of merchantable and satisfactory quality, fit for any purpose made known to Seller whether expressly or by implication, and free from all defects whether in design, material or workmanship, (ii) that the Goods and Services will conform with the specifications, drawings, samples or other descriptions contained or referred to in this order and with all applicable standards, codes, laws and regulations, (iii) that Seller will exercise all reasonable skill, care and due diligence and shall carry out the Services in accordance with good engineering and professional practice, (iv) that Seller has in place and complies with a documented quality management system, (v) that the Goods and the product of the Services (if any) shall be supplied with such documentation as is suitable and adequate for their use, installation, operation, handling, storage and maintenance, and (vi) that Seller has suitable and sufficient premises, competent and qualified staff and tools and equipment required to perform its obligations under the Contract. Without prejudice to Buyer's other rights and remedies, including but not limited to the warranty for hidden defects and for lack of security, Seller shall at its own cost make good all defects discovered in the Goods and/or Work within twenty four (24) months from first use of such Goods and/or Work or such other period as may be stipulated in the Contract. If requested by Buyer, Seller will, at Buyer's option, refund the purchase price of the Goods, or correct or replace, at Seller's expense, the defective or

nonconforming Goods, within ten (10) days after notice by Buyer to Seller. All costs in connection with or as a result of such defective or nonconforming Goods, including, without limitation, cost to transport the Goods from Buyer to Seller and return shipment to Buyer, will be borne by Seller. This warranty will then continue as to the corrected or replaced Goods for two (2) years after the date of delivery of the corrected or replaced Goods to Buyer. If Seller fails to repair or replace the Goods within the time periods set forth herein, Buyer may repair or replace the defective or nonconforming goods at Seller's expense. The foregoing warranties and any other guarantee(s) given by Seller or the manufacturer of the Goods and/or performer of the Work and/or the Services shall be transferable in full to Buyer's customer and/or the end-user (as applicable). In the event of defective or nonconforming Services and if requested by Buyer, Seller will, at Buyer's option, refund the purchase price of the Services, re-perform the Services, or replace the defective or nonconforming Services with conforming Services, within such time as Buyer reasonably specifies, in each case at Seller's expense. If Seller fails to re-perform or replace the defective or nonconforming Services with conforming Services within such time as Buyer reasonably specifies, Buyer may purchase the Services from an alternative supplier at Seller's expense.

**3.2.** If Seller ceases to manufacture the Goods and for a term of at least five (5) years afterwards, Seller guarantees an adequate repair service as well as supply of spare parts. The Seller shall have spare parts available at any time. Seller shall place the spare parts at Buyer's disposal or deliver them to the Buyer immediately upon Buyer's request. Buyer shall be informed immediately and in writing of any planned discontinuations by the Seller or a subcontractor. Suggestions shall be made as to how to ensure supply to Buyer at competitive prices and, if possible, unchanged specifications.

### 4. PRICE AND PAYMENT

**4.1.** The prices stated in this order are fixed, firm and not subject to variation for any reason save as set out in Clause 2 (Variation); the prices don't include Value Added Tax and/or any withholding tax, whether in force at the date of the order or in the future. Buyer shall pay Seller all amounts due under this Contract within a period of two (2) calendar months and five (5) days as of the last day of the month in which both the following conditions have been satisfied: (i) all Goods (including documentation) have been received and/or Services provided and Work completed; and (ii) a correct invoice has been received together with such supporting documentation as Buyer may reasonably require. All documents must be clearly marked with Buyer's order number, article reference number, quantity, time of delivery and any other information reasonably requested by the Buyer. Non-compliance with any of the foregoing by Seller may result in delays in payment, without liability for the Buyer. Payment of any sum by Buyer shall in no circumstance imply acceptance of any Goods, Services or Work and shall be without prejudice to any right or remedy of Buyer. Buyer shall be entitled to set-off any sum or sums owed to Buyer by Seller against any money due from Buyer to Seller, observing mandatory legal provisions applicable.

**4.2.** Buyer and Buyer's customer shall at any time up to a maximum of six (6) years after the completion, termination or final payment under the Contract (whichever is the latest), have the right to carry out audits of all records and related documents, procedures and controls of the Contract insofar as they relate to non-fixed or non-lump sum elements of the Contract. Buyer and Buyer's customer shall have no right of audit of Seller's costs covered by fixed rates, or those costs expressed as a percentage of other costs. Seller shall maintain its books and records insofar as they relate to the non-fixed or non-lump sum elements of the Contract in accordance with generally accepted accounting principles and practices and shall preserve these books and records and all documents related thereto for a period of six (6) years following the completion, termination or final payment under the Contract (whichever is the latest). Buyer and Buyer's customer shall have the right to reproduce any of the aforesaid records and documents. Seller shall ensure that the provisions of this Clause 4.2 are included in any contracts with subcontractors/vendors etc. so that Buyer and Buyer's customer have the same rights to carry out inspection/audits of any subcontract as it has in respect of the Contract.

**5. INSPECTION AND EXPEDITING.** Buyer, Buyer's customer and/or, if different, the end-user ("Buyer Group"), and/or any official body concerned shall be entitled to inspect or test the Goods or Work and to expedite progress of this order at any reasonable time at Seller's works or at the works of any of Seller's sub-contractors or assignees. Seller will give Buyer adequate notice of Seller's and its subcontractors' works tests which Buyer Group shall be entitled to attend. Seller will provide Buyer with such test certificates as Buyer may require. Such inspection,

testing and/or attendance by Buyer does not relieve Seller of any liability nor does it imply acceptance of the Goods or Work. Seller shall promptly inform Buyer of any contact with any customers of Emerson, the end-user (if different) and/or any official body in connection with this order and shall not act upon any instruction from any of them unless confirmed in writing by Buyer. Seller shall supply schedules and progress reports for Buyer Group's use in expediting as required by the Buyer Group, and shall render all other assistance deemed reasonably necessary by Buyer Group. Any additional expediting costs incurred by Buyer Group due to a failure/rectification or delay of Seller shall be borne by Seller.

**6. DELIVERY AND TITLE.** Prices set forth in this order are for shipment according to the following terms: **(i)** For all shipments all risk of loss during carriage/transportation shall be the responsibility of Seller, and the Goods will be considered delivered only upon receipt at Buyer's named place of delivery, in accordance with the terms and conditions of this order and risk will only pass to Buyer on delivery. Buyer has no obligation to obtain insurance while the Goods are in transit from the Seller's facility to Buyer's named place of delivery. Seller shall be responsible for the costs of checking operations, packaging and appropriate marking which are necessary for the purpose of delivering the Goods. Seller shall provide, at Seller's cost, the delivery order and/or usual transport documents required for Buyer to take delivery of Goods. Seller shall give Buyer sufficient notice of the dispatch of the Goods and any other notice necessary to take delivery of the Goods. Seller will use Buyer's preferred carrier for transporting the Goods from Seller's facility to Buyer's named place of delivery. Notwithstanding the foregoing, Seller is responsible for any costs, fees, expenses or penalties incurred as a result of Seller's failure to hire a Buyer approved carrier without Buyer's prior written consent or to otherwise follow Buyer's instructions. **(ii)** For international shipments, Seller shall make the Goods available for export fully cleared from customs and shall arrange for delivery of the Goods to the consolidating hub or to Buyer's specified carrier's container yard at the port of shipment. Seller shall obtain all necessary export licenses and authorisations, and shall assume responsibility for all fees and costs associated with export customs formalities, with getting the Goods ready for loading, and with loading of Goods at Seller's facility, including but not limited to customs clearance, container yard/container freight station, receiving, terminal handling and documentation fees. Buyer shall pay for the costs of pre-shipment inspection except when such inspections are required by the country of export. Buyer shall obtain all necessary import licences and authorisations and shall assume responsibility for all fees and costs associated with import customs formalities, including but not limited to import clearance, duties and administrative costs. At Buyer's option and request, Seller will prepay the carriage/transportation costs from Seller's facility to port of export and add such costs to the Buyer's invoice. Otherwise, all carriage/transportation costs from Seller's facility to Buyer's named place of delivery are freight collect. In all forms of documentation and communication including printed and electronic forms, the delivery terms detailed hereinabove at (i) and (ii) shall be referred to as "EMR2006". **(iii)** Title to the Goods shall pass to the Buyer only when Buyer has received the Goods at Buyer's named place of delivery. Seller: (a) warrants the full, complete and unrestricted title to Buyer of all Goods furnished by Seller under the Contract, whether upon delivery or by way of progress payments (in which case this warranty covers the portion of the Goods over which progress payments have been made), free and clear of and not subject to any subcontractor or third party lien, restriction, reservation, security interest, encumbrance, retention of title arrangement or any other like interest; (b) shall not claim any liens, attachments or other similar claims in connection with the Goods; (c) shall ensure that Goods supplied under the Contract shall at all times be free from any lien, charge, or encumbrance in favour of any third party; (d) shall at any time at Buyer's request provide evidence that the Goods or any part thereof are free and clear of any liens, charges or encumbrances, including, without limitation, any title retention arrangement, enforceable by or on behalf of Seller and/or any of its subcontractors and/or Sellers; and (e) shall defend and indemnify Buyer Group against any and all liens, attachments or other similar claims resulting from failure to fulfil its contractual obligations to any subcontractor or Seller's Sellers, employees, servants or agents. **(iv)** Seller shall obtain Buyer's prior written approval for partial shipments, prior to shipment. **(v)** Rejected or nonconforming Goods will not be deemed delivered on-time unless corrected or replaced Goods are delivered within the on-time period applicable to this Contract.

**7. TIME.** The time stipulated for delivery of the Goods and/or performance of the Services shall be of the essence. Seller shall immediately notify Buyer of any likely delay in delivery or completion and shall take all reasonable steps at Seller's own cost to expedite delivery.

**8. TERMINATION AND SUSPENSION.** If Seller is in default of any provision of the Contract (or if, in Buyer's sole discretion, it appears that Seller will be unable to comply with any such provisions), or if Seller becomes bankrupt or insolvent, or is made the subject of an administration/examinership/receivership order, or commences a winding-up by reason of insolvency, then without prejudice to any other right or remedy available to Buyer, to the extent permissible under the applicable legislation, Buyer shall be entitled to terminate for cause the Contract immediately by notice in writing, purchase equivalent or similar goods and/or work from others and recover the additional cost of so doing from Seller, whereby the Seller expressly accepts that the Buyer may enter any of its premises and take possession of the Goods and shall use its best endeavours to permit Buyer to take such actions. In addition to the foregoing, Buyer shall be entitled, without cause and at any time, to (i) suspend delivery of the Goods and/or performance of the Services without liability for the first two (2) months of suspension; or (ii) terminate for convenience the order in whole or in part by notifying Seller in writing in which event Seller shall cease performance of the order. Buyer shall pay Seller its fully documented and properly supported out-of-pocket expenses arising directly from the suspension, but only such expenses related to the suspension which exceeds two (2) consecutive months, or from the termination for convenience, as applicable. To the extent allowed by applicable legislation, Buyer shall not be liable for damages or claims (including but not limited to claims for lost profits), except as expressly set out in this clause.

## 9. INDEMNITY

**9.1.** Seller shall indemnify and hold Buyer and its affiliates fully harmless against all claims, liabilities, penalties, fines, costs, expenses, losses and damages which Buyer and/or its affiliates may suffer howsoever arising (i) from Seller's breach of any of its obligations under this order; (ii) from the negligence or intentional misconduct of Seller, its agents, assignees, employees, representatives or sub-contractors; (iii) from product liability claims arising in connection with the Goods at any time and notwithstanding any time limitations provided by applicable legislation; (iv) as a result of any suit, claim, or demand under any environmental, health, safety, labour or other laws, rules, regulations or requirements, in connection with the manufacture, distribution, transportation, export/import, storage, use or disposal of the Goods or of raw materials by Seller; or (v) in respect of any infringement of letters patents, registered design, design right, trade mark, copyright or other intellectual property right arising out of the sale or use of the Goods supplied or from the Services under this Contract, provided always that Seller shall not be required to indemnify Buyer to the extent that such infringement is caused by a specific design provided by Buyer. Additionally, Seller expressly and specifically waives all immunity that may be afforded to Seller under the workers' compensation laws of any jurisdiction.

**9.2.** Without prejudice to any other remedies available to the Buyer under this Contract, if Seller fails to deliver the Goods and/or Services by the date(s) specified in the order (or any extension thereto permitted in accordance with the Contract), Seller undertakes to pay liquidated damages at a rate of 0,1% of the total order price per day of delay. Seller acknowledges and agrees that the liquidated damages represent a genuine pre-estimate of damages for delay and are not considered a penalty. Buyer shall not be required to prove damages for delay as a condition to exercising its rights under this clause 9.2. Notwithstanding anything else to the contrary, the Buyer is entitled to claim from the Seller damages to the extent of the actual damage incurred by the Buyer as a consequence of Seller's delayed, unfit or lack of performance of its contractual obligations, in accordance with the provisions of Clause 9.1.

**10. ASSIGNMENT AND SUBCONTRACTING.** Seller shall not assign, transfer or subcontract the whole or any part of the Contract without the prior written consent of Buyer. Buyer may assign or transfer the whole or any part of the Contract to Buyer's customer or to any Buyer affiliate at any time without the prior consent of Seller, unless otherwise required by applicable mandatory laws.

**11. SOFTWARE.** Unless otherwise agreed in writing, by accepting this Contract Seller grants to Buyer and Emerson a non-exclusive, worldwide, perpetual licence to use any software provided by Seller under this Contract and to sub-license the use of such software to Buyer's and/or Emerson's customer (as applicable) and (if different) the end-user, without the payment to Seller of any additional sum other than that specified in the Contract. Buyer and Emerson shall have the right to copy the software for back-up/archiving purposes and to reverse engineer, decompile and otherwise use and copy the software as provided by applicable law.

## 12. INTELLECTUAL PROPERTY.

**12.1.** All dies, moulds, tools, jigs, patterns, materials, drawings, designs, specifications, software and other data provided by Buyer in connection with this order will remain at all times the property of Buyer and/or Emerson (as applicable), are to be surrendered to Buyer on completion of the Contract and are to be used by Seller solely for the purpose of the Contract. In addition, any patents, trademarks, copyrights, registered designs, design rights or other intellectual property rights arising from the execution of this Contract (i) in accordance with Buyer's patterns, drawings, specifications, designs or other data, or (ii) at Buyer's expense, shall become the property of Buyer and Seller shall at Buyer's request and expense execute any documents Buyer shall deem necessary to formally vest such intellectual property rights in Buyer. Seller agrees not to supply products made with or based on Buyer's or Emerson's dies, tools, moulds, jigs or materials, patterns, specifications, designs, drawings or other data to any third party without Buyer's prior consent in writing. Seller shall not use the name or logo of Buyer or Emerson or refer to Buyer or Emerson directly or indirectly whether in any advertisement, news release, professional or trade publication, or other public statement, without Buyer's prior written approval.

**12.2.** Seller warrants that the sale or use of the Goods supplied or from the Services under this Contract, will not infringe any intellectual property right (including, but not limited to patent, copyright, trade dress, trade secret, design right and trademark) of the United States or of a country where Goods and/or Services will be used and/or sold. In the event any Goods are subject to a claim or allegation of intellectual property infringement, Seller shall, at its own option and expense, without prejudice to any other right or remedy of Buyer, promptly provide Buyer with a commercially reasonable alternative, including, but not limited to, procuring for Buyer the right to continue using the Goods, replacing such Goods with a non-infringing product or modifying such Goods so that they become non-infringing.

**13. CONFIDENTIALITY.** This Contract, the subject matter thereof and all designs, drawings, specifications, software and other information whether of a technical or commercial nature shall be treated as confidential by Seller and shall not, without Buyer's prior consent in writing, be disclosed by Seller to any third party or used by Seller for advertisement, display or publication or for any purpose other than as necessary for the proper performance of its obligations under this Contract. When required by Buyer, Seller shall enter into a separate written confidentiality/secretary agreement.

**14. DATA PROTECTION.** In the performance of this Contract, the parties may transfer to each other a limited set of Personal Data. Personal Data, defined as any information relating to an identified or identifiable natural person, shall be considered confidential information and afforded all of the protections set forth in this Contract. In addition to and without limiting the terms generally applicable to confidential information, the parties agree that each shall process, apply, view and use Personal Data, only to the extent necessary for the performance of their duties under this Contract. Both parties, when processing and using such Personal Data, shall comply with applicable laws, including the General Data Protection Regulation (EU) 2016/679 ("GDPR"), and best practices relating to data privacy and data security, and shall act as independent data controllers, in particular with respect to any notice and consent requirements, requirements for technical and organizational security measures, any accountability principles and security breach notification requirements.

## 15. COMPLIANCE WITH LAWS, REGULATIONS ETC.

**15.1.** Seller, its sub-contractors and assignees and their personnel shall at all times comply with, and shall provide Emerson with any documentation, information or reasonable assistance required for Emerson, its customer and end user to comply with all applicable laws, regulations, codes and standards including but not limited to those of the United States, the Seller's country, the Buyer's country and the country which is the end-destination of the Goods and/or in which work is to be performed by Seller, and all intermediate countries and including but not limited to all health, safety and environmental laws and regulations such as (i) applicable product safety legislation (e.g. laws and regulations deriving from EU machinery directive 2006/42/EC, electromagnetic compatibility directive 2014/30/EU, low voltage directive 2014/35/EU, pressure equipment directive 2014/68/EU); (ii) regulations regarding the provision of information about substances hazardous to health and about greenhouse gas emissions such as the European Carbon Border Adjustment Mechanism (CBAM) regulation (iii) all regulations imposed by, and relating to work (including security requirements) at the premises of Emerson, its customer and end user (as applicable).

**15.2.** The parties shall comply with all applicable import, export control and sanctions laws, regulations, orders, provisions of general or special licenses, as they may be amended from time to time, including without limitation those of the United States, the European Union, country of export and country of import of the Goods, and any other country with jurisdiction over the activities undertaken in connection with the order ("Trade Regulations"). Seller represents and warrants that: (a) in accordance with Trade Regulations all Goods are eligible for sale, export, import, or shipment to the destination(s) for the end-use(s) and end-user(s) as advised by Buyer; (b) neither Seller nor its shareholders, controlling or affiliated parties, directors, or employees are listed on the U.S. SDN List, the EU Consolidated Financial Sanctions List or any other applicable lists of sanctioned parties ("Sanctions Target"); (c) Seller will not act for or on behalf of, or facilitate any activity of or with, or otherwise directly or indirectly deal with, any Sanctions Target in connection with the performance of its duties under this order; (d) in manufacturing the Goods provided under this order Seller has not used any parts, components, materials, products, equipment, systems or services that are produced, directly or indirectly, by any Sanctions Target, and (e) Seller will not grant access to, supply, export, re-export or transfer any documentation, technology, software, or other items that may be provided by Buyer, contrary to Trade Regulations. Further, at no time shall Seller directly or indirectly, export, sell, supply, or transfer to Buyer iron and steel products as listed in Annex XVII to Council Regulation (EU) 833/2014 which (i) originate in Russia, (ii) have been located in and/or exported from Russia, or (iii) are iron and steel products as listed in Annex XVII when processed in a third country incorporating any quantity of iron and steel inputs originating in Russia regardless of Buyer's buying location. Seller agrees that: (x) any export compliance declaration or other trade compliance document completed by Seller before formation of the Contract shall form a part of this Contract; (y) Seller will advise Buyer as soon as possible if any of the Goods ceases to be eligible for shipment to the specified destination; and (z) in the event that further items are added to the Contract, Seller will evaluate their eligibility for shipment and either provide a new export compliance declaration form or advise Buyer that they are not eligible for shipment.

**15.3.** Seller is and remains solely responsible for the full compliance of delivered Goods or parts of Goods with any applicable rules and regulations ("Legislations") on restriction of hazardous substances ("RoHS") such as Directive 2011/65/EU of 8 June 2011, as applicable ("EU RoHS"), the Administrative Measures for the Restriction of the Use of Hazardous Substances in Electrical and Electronic Products as of 1 July 2016 ("China RoHS2"), etc. and all further releases as well as all national or local regulations issued in execution of the aforesaid RoHS Legislations. Therefore, all delivered Goods or parts of Goods must be suitable and fit for RoHS compliant production and sale. Seller will complete and sign Buyer's standard Declaration of RoHS Compliance at the part number level, use appropriate systems and processes to ensure the accuracy of these determinations and maintain appropriate records to allow traceability of all products or parts of products. Insofar as products or parts of products are not supplied in accordance with the aforementioned requirements, Buyer reserves the right to terminate blanket or single orders at Seller's expense. Seller undertakes to duly and immediately inform Buyer of any changes affecting RoHS Compliance. In case of proven violations of national or international RoHS Compliance regulations by the Seller, Seller undertakes to exempt and hold Buyer harmless from any claim, liability, loss, damage, judgment and external responsibility, irrespective their legal ground, and to bear any and all harm, loss or damage arising to Buyer's disadvantage in the event of infringement.

**15.4.** To the extent required by applicable law, Seller shall be responsible for the collection, treatment, recovery or disposal of (i) the Goods or any part thereof when they are deemed by law to be 'waste' and (ii) any items for which the Goods or any part thereof are replacements. If Seller is required by applicable law, including waste electrical and electronic equipment legislation, such as the European Directive 2012/19/EU (WEEE) and related legislation in EU Member States, to dispose of 'waste' Goods or any part thereof, Seller shall dispose of such Goods entirely at its own cost (including all handling and transportation costs).

**15.5.** Seller shall comply with all applicable anti-corruption, anti-money laundering and anti-terrorism laws, including but not limited to those of the United States, the Seller's country, the Buyer's country and the country which is the end-destination of the Goods and/or in which Work is to be performed by Seller, and all intermediate countries ("Relevant Laws") and represents and warrants that it has not and will not in any way breach(ed) any Relevant Laws whether in relation to this order or otherwise. Seller's acceptance of the order shall be deemed to be certification by Seller of compliance with all Relevant Laws. Seller shall forthwith implement and maintain an effective program of compliance

with Relevant Laws satisfactory to Buyer, that includes: (i) Adoption of a code of conduct or "code of ethics" ("Seller's Code"); (ii) implementation of a system of internal accounting controls and a system designed to enable the making and keeping of accurate books, records and accounts that satisfy the requirements of the Seller's Code and Relevant Laws; (iii) Establishment of procedures to ensure compliance with the Seller's Code and with Relevant Laws; (iv) Implementation of a program of training and education concerning compliance with the Seller's Code and Relevant Laws; (v) Implementation of a program of internal review and audit of compliance; (vi) Implementation of a system for the reporting of violations of the Seller's Code and Relevant Laws; and (vii) Implementation of a procedure for disciplining employees who violate the Seller's Code or Relevant Laws. Buyer shall be entitled either itself or by employing a third party, to audit such program of compliance during normal working hours, subject only to reasonable notice having been given and subject to the execution by Buyer or the third party of a suitable non-disclosure agreement.

**15.6.** Buyer expects its Sellers to comply with generally accepted principles of social responsibility and corporate citizenship as set forth in the [Environmental, Social and Governance Report](#) of Emerson Electric Co. (in this clause, "Emerson") ([www.emerson.com/en-us/esg](http://www.emerson.com/en-us/esg)). In particular, Buyer expects its Sellers and their employees to adhere to the principles included in the [Emerson Supplier Code of Conduct](#) ([www.emerson.com/documents/corporate/emerson-supplier-code-of-conduct-en-us-173520.pdf](http://www.emerson.com/documents/corporate/emerson-supplier-code-of-conduct-en-us-173520.pdf)) and to follow the same principles and rules applicable to Emerson employees in the [Emerson Employee Code of Conduct](#) ([www.emerson.com/documents/corporate/emerson-code-of-conduct-en-1629588.pdf](http://www.emerson.com/documents/corporate/emerson-code-of-conduct-en-1629588.pdf)). Seller must comply and ensure its agents, contractors, Sellers, subcontractors, and sub-tier Sellers (collectively "Subcontractors") comply with the applicable Modern Slavery Laws. "Modern Slavery Laws" means (i) laws prohibiting work or service that is performed involuntarily and exacted under the menace of violence or other types of penalty ("Forced Labor") and/or other forms of Modern Slavery (as defined below), such as 18 U.S.C. 1589 of the US and the UK's Modern Slavery Act 2015, or art. 4 of the European Convention on Human Rights and (ii) laws requiring entities to disclose their risks of Modern Slavery such as the California Transparency in Supply Chains Act and Australia's Modern Slavery Act 2018 (Cth). "Modern Slavery" has the meaning given to that term or, if "Modern Slavery" is not used, similar terms (such as forced labor), in the applicable Modern Slavery Laws; absent a definition in the applicable Modern Slavery Laws, "Modern Slavery" shall mean exploitative practices involving coercion and/or deception that aim at exacting involuntary work or service from people, such practices including but not limited to Forced Labor, child labor, debt bondage, domestic servitude and human trafficking. Seller confirms that it and its Subcontractors does not use any Forced Labor, it conducts its business, including its supply chain operations, in compliance with the applicable Modern Slavery Laws, and it is not subject to any investigation, enforcement or conviction involving Modern Slavery. Seller shall promptly notify Buyer of any actual or suspected breaches by Seller or its Subcontractors of the applicable Modern Slavery Laws, and agrees to provide Buyer immediately upon request any information and assistance that Buyer may require for compliance with the applicable Modern Slavery Laws.

**15.7.** Seller is and remains solely responsible for the full compliance of delivered products, parts of products or substances with the requirements of Regulation (EC) No. 1907/2006 (REACH) as of 18 December 2006 as amended or varied and including all further releases as well as any national regulations issued in execution of this Regulation, or other equivalent applicable legislation. Seller guarantees that all obligations under REACH have been fulfilled. In particular, Seller guarantees that each chemical substance constituting or contained in products or parts of products delivered to Buyer is pre-registered and/or registered, if required, and is authorized also for Buyer's use if subject to authorization under REACH, that any conditions of a restriction under Annex XVII of REACH are met, if applicable, and that Seller will fulfill its obligation to provide comprehensive safety data sheets in compliance with REACH and the information required to be provided under Articles 32 and 33 REACH, if applicable. Seller will monitor the publication by the European Chemicals Agency of the list of substances meeting the criteria for authorization under REACH (substances of very high concern on the "candidate list") and immediately inform Buyer if any of the products or parts of products delivered to Buyer contain a substance officially proposed for inclusion into the candidate list. Seller undertakes to duly and immediately inform Buyer of any changes affecting REACH compliance and to provide any information required by Buyer without request in order to ensure REACH compliance. Insofar as products, parts of products or substances are not supplied in accordance with the aforementioned requirements, Buyer reserves the right to terminate blanket or single orders. In the event that the Seller is situated outside the EU, the Seller and the Buyer shall discuss who

shall be responsible for the importer's obligations under REACH and, if this is the Seller, the Seller shall appoint an Only Representative under the meaning in REACH for this purpose. In case of termination of blanket or single orders or proven violations of national or international REACH compliance regulations by the Seller, Seller undertakes to exempt and hold Buyer harmless from any claim, liability, loss, damage, judgment and external responsibility, irrespective of their legal ground, and to bear any and all harm, loss or damage arising to Buyer's disadvantage in the event of infringement.

**15.8.** The Seller shall comply with all International Plant Protection Convention ("IPPC") regulations on solid wood packaging material ("SWPM") as outlined in ISPM-15 and elsewhere. Seller shall ensure, and provide appropriate certification, that all SWPM shall be marked with the IPPC logo, country code, the number assigned by the natural plant protection organization and the IPPC treatment code.

**15.9.** Seller is and remains solely responsible for the full compliance of delivered batteries or accumulators, whether delivered as such or incorporated in appliances, with any applicable obligations under the EU Directive on batteries and accumulators and waste batteries and accumulators, Directive 2006/66/EC of 6 September 2006, as amended and varied ("Battery Directive"), and all further releases as well as all national or local regulations issued in implementation and/or execution of the Battery Directive, or equivalent applicable legislation (together the "Battery Legislation"). In particular, all delivered batteries and accumulators must be in compliance with the prohibitions of material, the labelling requirements and the requirements regarding the removability of waste batteries and accumulators and any information requirements, if applicable. If Seller and Buyer are situated in the same Member State, Seller shall ensure that it is registered as producer in that Member State. Seller will complete and sign Buyer's standard Declaration of Compliance with the Battery Legislation, use appropriate systems and processes to ensure the accuracy of these determinations and maintain appropriate records to allow traceability of all batteries or accumulators delivered to Buyer. Insofar as batteries or accumulators are not supplied in accordance with the aforementioned requirements, Buyer reserves the right to terminate blanket or single orders at Seller's expense. Seller undertakes to duly and immediately inform Buyer of any changes affecting compliance with the requirements under the Battery Legislation. In case of proven violations of the Battery Legislation by the Seller, Seller undertakes to exempt and hold Buyer harmless from any claim, liability, loss, damage, judgment and external responsibility, irrespective their legal ground, and to bear any and all harm, loss or damage arising to Buyer's disadvantage in the event of infringement.

**15.10.** Seller shall comply with all relevant and applicable national or international regulations and/or codes of practice relating to the packing, labelling, transportation, storage and handling of any hazardous substances forming part of the Goods. The Seller shall provide the Buyer with full information about any substance supplied under the Contract, which is either known to be, or could reasonably be expected to be, hazardous to the health or safety of persons installing it or using it in connection with their work and/or operating any part of the Goods, whether or not such information must be provided under any applicable law or regulation. When no such substances are present, the Seller shall provide a written statement to that effect.

**15.11.** Unless otherwise stated in the Contract or in applicable law, upon request Seller shall provide Buyer with certificates of conformity with all laws and regulations applicable to the Goods, Services and/or product of the Services.

**15.12.** Seller agrees to trace and certify, or, if Seller does not manufacture the Goods, to require the manufacturer of the Goods to trace and certify, the country of origin of minerals used in all materials used by Seller or the manufacturer in the Goods or parts of Goods or in the manufacture of the Goods or parts of Goods and to promptly provide Buyer with such documents and certifications as requested by Buyer to satisfy Buyer's Securities Exchange Commission reporting obligations under Section 1502 of the Dodd-Frank Act relating to Conflict Minerals.

**15.13.** Where Seller is involved in the international supply chain; Seller undertakes to ensure that its supply chain security procedures and their implementation are in accordance with the criteria set forth by the Authorized Economic Operator ("AEO") program of the E.U., or are comparable to or exceed the AEO requirements. Seller's compliance includes, but is not limited to, AEO prescribed inspection methods prior to loading the transport conveyance; maintaining secure control over its loaded and empty transport conveyances; controlling and applying certified high security seals for securing transport conveyance doors; and ensuring that its business partners are observing the criteria set forth by AEO.

**15.14.** Without limiting Seller's obligations elsewhere in this Contract, Seller shall implement baseline security safeguards and controls that are no less rigorous than accepted industry practices, specifically those set forth in the latest published version of ISO/IEC 27001, in order to protect Buyer's confidential information, any other data of Buyer or its personnel, and Buyer's systems (all the foregoing referred to collectively as "Buyer's Data and Systems"). Upon reasonable notice to Seller, Buyer shall have the right to review Seller's policies, processes, controls, and results of internal and/or external reviews of processes and controls associated with Buyer's Data and Systems (collectively, "Seller's Processes and Controls") prior to and during the performance of this Contract, including immediately at any time after any security incident incurred by Seller that may impact Buyer's Data and Systems. Upon discovery of any such security incident, Seller shall within twenty-four (24) hours inform Buyer of the incident and the nature of its impact on Buyer's Data and Systems. Additionally, Buyer at its own expense shall be entitled to perform, or to have performed by an independent third-party, an on-site audit of Seller's Processes and Controls. In lieu of an on-site audit, upon request by Buyer, Seller agrees to complete, within twenty (20) days of receipt, an audit questionnaire provided by Buyer regarding Seller's information security program. Seller shall implement any required safeguards as identified by Buyer or information security program audits.

**15.15.** Seller is hereby notified that the delivery of suspect/counterfeit, fraudulent and substandard items ("CFSI's") is of special concern to Buyer. If any parts covered by this Contract are described using a manufacturer part number or using a product description and/or specified using an industry standard, Seller shall be responsible to assure that the parts supplied by Seller meet all requirements of the latest version of the applicable manufacturer data sheet, description, and/or industry standard. If Seller is not the manufacturer of the Goods, Seller shall make all reasonable efforts to assure that the parts supplied under this Contract are made by the original equipment manufacturer ("OEM") and meet the applicable manufacturer data sheet or industry standard. Should Seller desire to supply a part that may not meet the requirements of this paragraph, Seller shall notify Buyer of any exceptions and receive Buyer's written approval prior to shipment of the replacement parts to Buyer. If suspect/counterfeit parts are furnished under this Contract or are found in any of the Goods delivered hereunder, such items will be dispositioned by Buyer and/or the OEM and may be returned to Seller. Seller shall promptly replace such suspect/counterfeit parts with parts acceptable to Buyer and Seller shall be liable for all costs, including but not limited to Buyer's internal and external costs, relating to the removal and replacement of said parts. Buyer's remedies described herein shall not be limited by any other clause which is agreed upon between Buyer and Seller in this Contract. At Buyer's request, Seller shall return any removed counterfeit parts to Buyer in order that Buyer may turn such parts over to its government customer for further investigation. Seller agrees that any government or quasi-government directive, such as a GIDEP (Government-Industry Data Exchange Program) alert indicating that such parts are counterfeit, shall be deemed definitive evidence that Seller's parts contain counterfeit parts. To mitigate the CFSI risk, Buyer requires Seller to recognize this risk by introducing into Seller's quality assurance program a documented process to prevent, detect and disposition suspect CFSI's.

**15.16.** Seller's compliance with the requirements of this Clause 15 shall be of the essence of the Contract and default under this Clause 15 shall constitute a material breach of the Contract.

**16. SERVICES AT BUYER GROUP PREMISES.** If under the Contract, Seller is to perform Services at premises owned or occupied by Buyer Group: (i) Seller shall conform and shall procure that its sub-contractors and its/their respective employees and agents conform with all applicable health, safety, environmental, security and other rules, regulations, codes of practice and requirements in effect at such premises, and (ii) Seller's and its sub-contractors' personnel performing such Services shall be equipped by Seller at no cost to Buyer with all necessary personal protective equipment (including but not limited to necessary protective footwear and safety helmets). Seller's compliance with the requirements of this Clause 16 shall be of the essence of the Contract and default under this Clause 16 shall constitute a material breach of the Contract.

**17. INSURANCE.** Unless otherwise stipulated in the Contract, Seller, at its own cost and expense, shall obtain and maintain in full force and

effect during the performance of the Contract insurance covering product liability and general liability in amounts of not less than \$5,000,000.00 per occurrence. All such policies shall provide for at least thirty (30) days prior written notice, to Buyer, of cancellation, non-renewal or material change in the terms and conditions of coverage and, to the extent permitted by law, name Buyer as an additional named insured. At Buyer's request, Seller will provide Buyer with a certificate or certificates of insurance evidencing such coverage. In the event Seller ceases to carry adequate insurance that names Buyer as an additional insured, Buyer may immediately terminate for cause this order by giving Seller written notice of Buyer's election to cancel.

**18. FORCE MAJEURE.** Buyer and Seller shall not be liable for any delay or failure of performance due solely to strikes, lockouts or other labor disputes, fires, war, acts of terror, acts of God or other causes unforeseeable when this Contract was concluded and beyond the affected party's reasonable control; provided, the affected party shall have given notice to the non-affected party of any such cause for delay or anticipated delay promptly following the commencement thereof and shall have used the affected party's best efforts to make or accept deliveries, as the case may be, as expeditiously as possible. In five (5) days following the occurrence of the force majeure event, the affected party must send to the other party a document issued by the relevant authorities, confirming the occurrence of such event. If Buyer believes that the delay or anticipated delay in Seller's deliveries may impair Buyer's ability to meet its production schedules or may otherwise interfere with Buyer's operations and such delay may last for a period of time that exceeds ten (10) days, Buyer may at its option, and without liability to Seller, immediately terminate this order. In the event of a shortage, Seller agrees to allocate its total available supply of Goods among Buyer and Seller's other customers, if applicable, on a fair and equitable basis.

#### **19. MISCELLANEOUS**

**19.1.** Seller shall notify Buyer in advance of planned visits to Seller's premises in connection with the Contract and Buyer's representatives shall be entitled to be present during all such visits. All communications from Seller to Buyer's customer/end-user in connection with the Contract shall be routed via Buyer and Seller shall promptly inform Buyer of all communications (including copies/transcripts thereof) received by Seller from Buyer's customer/end-user in connection with the Contract.

**19.2.** The terms of Clause 3 (Quality & Warranties), Clause 4 (Price and Payment), Clause 6 (Delivery and Title), Clause 8 (Termination and Suspension), Clause 9 (Indemnity), Clause 11 (Software), Clause 12 (Intellectual Property), Clause 13 (Confidentiality), Clause 14 (Data Protection), Clause 15 (Compliance with Laws, Regulations etc.), Clause 17 (Insurance), this Clause 19.2, Clause 20 (Law) of these general conditions of purchase shall survive the termination, cancellation or expiration of this order.

**19.3.** If any part of this Contract shall be held to be illegal, void or unenforceable, the remaining portions shall remain in full force and effect.

**19.4.** The parties agree to engage in "Electronic Commerce" activities, which may include, without limitation, contract formation, contract administration, e-sourcing/procurement, inventory management, electronic data interchange, and electronic invoice presentment. For purposes of Electronic Commerce, any electronic record, which may be any electronic message sent between parties, any electronic contract, any electronic notice, or any other electronic record of a transaction (each, an "Electronic Record") will be deemed: (a) "written" and a "writing"; (b) "signed" by a person with the intent to sign the Electronic Record, when the person places or causes to be placed on any such Electronic Record a name or other identifier attributed to the person; and (c) an original business record when printed from an Electronic Record established and maintained in the normal course of business.

**20. LAW.** The Contract shall in all respects be construed in accordance with the laws of the State of Israel excluding, however, any effect on such laws of the 1980 Vienna Convention on Contracts for the International Sale of Goods, and to the fullest extent permitted by law, shall be without regard to any conflict of laws or rules which might apply the laws of any other jurisdiction. All disputes arising out of the Contract shall be subject to the exclusive jurisdiction of the competent courts of the State of Israel.