

General Purchase Terms and Conditions of Bayer
d.o.o. Sarajevo, Trg solidarnosti 2A, 71000 Sara-
jevo

1. GENERAL

- 1.1 These terms and conditions ("Purchase Terms and Conditions") are incorporated by reference into the purchase agreement or other agreement entered into for the purchase of goods and/or services ("Agreement") between Bayer d.o.o., Bravničarjeva 13, Ljubljana or the company affiliated with Bayer d.o.o. within the meaning of Article 527 of the Slovenian Companies Act that includes these Terms and Conditions ("Purchaser") and the contractual partner ("Supplier").
- 1.2 These Purchase Terms and Conditions apply exclusively. These Purchase Terms and Conditions shall not apply only if and to the extent that the validity of Purchaser's special terms and conditions is agreed on. In that case, the Purchase Terms and Conditions apply only additionally and secondarily.
- 1.3 The Supplier's conflicting or differing terms and conditions or other terms and conditions or other general business terms and conditions are not recognized. Conflicting or differing terms and conditions shall apply only if the Purchaser has expressly accepted them in writing in each individual case. This provision applies even if goods and/or services are accepted by the Purchaser in awareness of the Supplier's general business terms and conditions.
- 1.4 Individual contractual agreements always have priority over these Purchase Terms and Conditions.

2. PROVISIONS OF THE AGREEMENT

- 2.1 No oral side agreements or assurances made by Purchaser before the conclusion of the Agreement are legally binding. All such agreements or assurances are replaced in full by the Agreement. The above provision does not apply if the assurances expressly indicate that they are intended to remain binding, or if the assurances are expressly confirmed in writing by Purchaser.
- 2.2 Individual provisions of these Purchase Terms and Conditions that make express reference to a specific type of purchase category (e.g. purchase of goods, purchase of work and materials, work services, general services or equipment) apply exclusively for the respective type of purchase category. Otherwise, the provisions set forth below apply for all types of purchase categories.

3. SUPPLIER'S OFFER

- 3.1 The Supplier shall orient its offer to the Purchaser's inquiry.
- The offer must be prepared and submitted free of charge. The offer shall not create any obligations on the part of the potential Purchaser. Cost proposals shall be remunerated only by express prior agreement.
- 3.2 If, in a particular case and notwithstanding the provisions of 17.1, third-party costs and expenses are to be compensated, they must be indicated in the offer, itemized by quantity and with an indication of unit and total prices.

4. PURCHASE ORDER AND ACCEPTANCE

- 4.1 The Supplier shall check each purchase order received from the Purchaser for discernible errors, ambiguities, omissions and unsuitability of the specifications selected by the Purchaser for the intended purpose. The Supplier shall immediately inform the Purchaser of any necessary amendments or clarifications to the purchase order.
- 4.2 Each purchase order and/or amended purchase order that alters any part of a previous offer of the Supplier must be acknowledged in writing by the Supplier. The start of execution of the purchase order by the Supplier shall be equivalent to this express acceptance of the offer by the Supplier.

The contracting parties agree that the provisions of Articles 39, 40 and 41 of the Civil Obligations Act shall apply to the acceptance of the offer.

- 4.3 The Supplier must indicate the following information in all correspondence: Purchasing department, complete purchase order number, date of purchase order and Purchaser's reference.
- 4.4 The Purchaser is entitled to demand modifications to the goods or services to be supplied even after the conclusion of the Agreement, provided that the Supplier can be reasonably expected to make such modifications. Such amendments to the Agreement shall consider the effects for both parties, and, in particular, cost increases or decreases and effects on the schedule shall be taken into account.
- 4.5 Supplier is not authorized to represent Purchaser by the purchase order.

5. PERFORMANCE OF SERVICES BY THE SUPPLIER AND SUB-CONTRACTORS

- 5.1 The Supplier shall perform the services itself or have them performed by third parties integrated into its operating organization and on its own responsibility. The Supplier is authorized to use subcontractors only upon the Purchaser's prior express written approval. If the Purchaser approves the use of subcontractors, they shall be commissioned by Supplier in its own name and for its own account.
- 5.2 If the performance of the service takes place at the Purchaser's site, the Supplier must comply with the safety and organizational requirements for outside companies and/or the internal operating regulations applicable at the respective site. The Supplier must also comply with all other requirements displayed for the site. If the Supplier considers the requirements unreasonable, it must immediately report its objections to the Purchaser.
- 5.3 The Supplier shall use only qualified persons for the performance of the service. Persons whose employment with the Purchaser was previously terminated by the Purchaser for personnel or performance-related reasons may not be used, or persons who have repeatedly damaged or continue to cause particularly serious damage to the Purchaser's interests. The Supplier shall bear any increased costs resulting from a replacement of the personnel used for the performance of the service.

6. TIME OF PERFORMANCE AND DELIVERIES

- 6.1 If a specified period of time has been stipulated for the performance, unless otherwise agreed, this period begins with receipt of the purchase order by the Supplier.
- 6.2 As soon as the Supplier becomes aware that it can no longer perform its contractual obligations in whole or in part, or in a timely manner, it must immediately notify the Purchaser of this, indicating the reasons for and the projected duration of the delay. Notification must be made in writing. If the Supplier fails to provide this notification, it may not plead the obstacle to the Purchaser as the cause of the delay.
- 6.3 If the Supplier does not perform within the stipulated time, it shall be liable in accordance with the applicable laws and regulations. The Purchaser is also authorized, in the event of delays in performance or delivery, and after prior written notification to the Supplier, to impose a contractual penalty in the amount of 0.5% of the amount of the purchase order for each week or portion thereof during which the performance or delivery is delayed, unless the Supplier is not responsible for such delay. The total amount of the contractual penalty may not exceed 5% of the amount of the purchase order. Any contractual penalty paid in accordance with this provision shall be credited toward the compensation for delayed performance owed by the Supplier.
- 6.4 Partial services and/or deliveries shall be accepted only by express agreement.
- 6.5 If a delivery deadline is stipulated, the Purchaser reserves the right to return any goods delivered before the deadline at the Supplier's expense. If the Purchaser decides not to return early deliveries, the goods shall be stored until the stipulated delivery date at the Supplier's expense and risk.

7. PLACE OF PERFORMANCE

For both parties, the place of performance regarding all claims arising under this Agreement is the destination specified by Purchaser (i.e. the delivery address indicated in the purchase order or stipulated otherwise).

8. COOPERATION BY THE PURCHASER

8.1 The Purchaser shall ensure cooperation stipulated by the contract. Unless agreed otherwise, this cooperation is an obligation.

8.2 If the Purchaser fails to provide or adequately perform the required cooperation services, the Supplier must file a complaint immediately and in writing. If the Supplier does not fulfill the requirement to file its complaints, the Purchaser shall not be in default of its duty of cooperation, and the Supplier cannot plead lack of cooperation.

9. TESTS AND INSPECTIONS

If tests and inspections are stipulated for the goods or services to be supplied, the Supplier shall bear the costs of materials and the personnel for such tests and inspections. The Purchaser shall bear the costs of its testing and inspection personnel. The Supplier must send a binding notification to the Purchaser that the service or goods are ready for testing or inspection at least one week before the date stipulated for the test or inspection. The Supplier must also agree on a test date with the Purchaser. If the item to be tested is not presented on this date, the Purchaser's testing personnel costs shall be charged to the Supplier. If defects are identified and repeated or additional tests are therefore necessary, the Supplier shall be responsible for all material and personnel costs. The Supplier shall bear all material and personnel costs regarding material certificates for the primary materials. Testing and inspection shall be conducted during regular working hours and in accordance with the Personal Data Protection Act of Bosnia and Herzegovina.

10. PACKAGING AND SHIPMENT

10.1 Separately from the goods and the invoice, the Supplier must send a complete shipping notice for each individual shipment on the date of dispatch. Bills of lading and packing lists must be included with each shipment. For deliveries by ship, the name of the shipping company and the vessel must be indicated in the shipping documents and the invoice. The Supplier must select the best and most appropriate means of transport for the Purchaser. Purchase order references and information on the unloading point specified by the Purchaser must be indicated in full on the shipping notices, bills of lading, packing lists, consignment notes, invoices and on the external packaging.

10.2 The Supplier shall always pack, label, store, stow and ship product in accordance with applicable laws and according to product specification including product specific requirements for packaging, warehousing, and transportation. If required by applicable laws, the accompanying documents shall show the risk category and all further particulars. This may include the delivery of a valid and complete material safety data sheet.

10.3 Goods must be packed to prevent damage during transport. Packing materials must be used only to the extent necessary to achieve this purpose. The Supplier must take back the packing material as required by law and the applicable regulations. If, under the terms of an express agreement, the Purchaser pays a separate compensation for the packing material, it is entitled to return the packing material in good condition for a refund of 75% of the invoiced price, freight prepaid, to the Supplier. The maximum weight of each package is 10 kg.

10.4 In general, Supplier must pack, identify and ship hazardous products / dangerous goods ("Dangerous Goods") in compliance with the applicable national/international requirements concerning classification, labeling packaging, storing and transportation of Dangerous Goods ("Transport and Handling"). The same applies to the creation and signing of mandatory transport documentation related to Dangerous Goods, irrespectively of the agreed Incoterm. Where such regulations do not exist,

the UN Recommendations on the Transport of Dangerous Goods, Model Regulations shall apply.

10.5 The Supplier shall be liable for damages and shall assume all costs incurred as a result of failure to comply with these regulations. Supplier shall also be responsible for compliance with these regulations by its subcontractors.

10.6 All shipments that cannot be accepted as a result of the Supplier's failure to comply with these regulations shall be placed in storage at the Supplier's expense and risk. The Purchaser is entitled to ascertain the content and condition of such shipments.

11. COMPLIANCE WITH THE REACH REGULATION

11.1 If the Supplier is a supplier within the meaning of Article 3, No. 32 of the REACH Regulation (Regulation (EC) 1907/2006), it is responsible for compliance with its obligations with reference to the delivery of the goods. In particular it must, in all cases covered by Article 31, paras. 1 to 3 of the REACH Regulation, provide the Purchaser with a Safety Data Sheet pursuant to Article 31 of the REACH Regulation in the language of the receiving country and comply with its duty of information pursuant to Article 32 of the REACH Regulation for materials, both individually and in mixtures for which no Safety Data Sheet is required.

11.2 The Supplier must ensure that all the substances contained in the goods are effectively registered in compliance with the applicable requirements of Art. 6 of the REACH Regulation for the applications indicated by Purchaser, unless they are exempt from the registration obligation, and that they have the necessary authorizations. The above requirement applies as appropriate for substances released from products within the meaning of Article 7 of the REACH Regulation.

11.3 The Supplier must immediately notify the Purchaser if the ingredients of an item supplied by Supplier contain a substance in a concentration greater than 0.1 percent by weight (w/w) that meets the criteria of Articles 57 and 59 of the REACH Regulation or is listed in Annex XIV of the REACH Regulation. The same requirements apply for packing materials.

12. INSURANCE

12.1 In accordance with the transfer of risk under the stipulated INCOTERMS/delivery conditions, the respective Party bears the risk for the loss of or damage to the goods. Unless otherwise agreed between the parties, DDP ("delivered duty paid") Incoterms Clause shall apply.

12.2 The Supplier must, at its expense, purchase sufficient liability insurance in an amount standard in its sector to cover the damage caused by services or work performed or property owned by it, its personnel or its subcontractors as a result of services performed or work or goods delivered. Proof of coverage must be provided to the Purchaser on request. More extensive damage claims to which the Purchaser may be entitled in excess of insurance coverage remain unaffected.

12.3 The purchase of special mounting/installation insurance coverage in addition to the liability coverage stipulated in Section 12.2 must be coordinated between the Purchaser and the Supplier in each individual case.

12.4 Objects loaned to the Purchaser, including but not limited to machines and equipment that are used on operating sites, must be insured by the Purchaser against the standard risks. The Purchaser shall have no further liability for loss of or damage to these objects except in cases of malicious intent or gross negligence.

13. NO TRANSFER OF EMPLOYEES, MINIMUM WAGE

13.1 The Purchaser does not have supervisory authority over the Supplier's employees. The Supplier must ensure that no persons employed by it in the performance of the service are integrated into the Purchaser's operation. The above requirement applies in particular if persons employed by the Supplier perform the services in the Purchaser's offices or on its property.

- 13.2 The Supplier bears sole responsibility for the contractual, statutory, official and professional obligations toward the persons employed by it for the performance of the service. The Supplier must hold the Purchaser completely harmless from claims that may be brought against the Purchaser resulting from the infringement of the above obligations. This obligation to hold harmless applies in particular to obligations for wage and/or salary payments and/or all other payment obligations that result from employment or service relationships (such as for Social Security contributions). It also applies for any and all claims arising from hiring employees.
- 13.3 The Supplier must notify the Purchaser as soon as it becomes apparent that pseudo self-employment of the Supplier by the Purchaser could be assumed or that the performance of the service by the Supplier might be qualified as subcontracted labor.

14. PURCHASER'S DOCUMENTS

- 14.1 The Purchaser shall retain the ownership of all industrial property rights and copyright to all documents physically or electronically transmitted to the Supplier. The Purchaser retains title to all drawings, standards, guidelines, analysis methods, formulas and other documents that are transmitted by the Purchaser to the Supplier for the manufacture of the item to be delivered. The Purchaser's documents are also covered by the requirements set forth in Section 25. The documents to which the Purchaser retains ownership and/or that contain its business and operating secrets in drawings, standards, guidelines, analysis methods, formulas and other documents may be used, copied or made accessible to third parties by the Supplier only for the Purchaser's contractually stipulated purposes. Other requirements apply only with written consent of the Purchaser. Per request, all copies and reproductions that are necessary for the performance of the Agreement or are no longer required under statutory retention obligations must be immediately returned to the Purchaser and/or – in the case of electronic documents – deleted.
- 14.2 Documents of all types that are required by the Purchaser for the use, setup, erection or installation, processing, storage, operation, maintenance, inspection, service and repair of the items supplied must be made available by the Supplier promptly, unsolicited and free of charge.
- 14.3 The Purchaser's internal standards (company standards) and guidelines must be requested by the Supplier in good time, to the extent that they have not already been made accessible or transmitted.
- 14.4 Documents transmitted by the Purchaser must be returned unsolicited and/or – in the case of electronic documents – deleted by the Supplier, subject to the obligation set forth in Section 15 and/or existing statutory retention obligations, not later than at the time of the completion of the order.

15. PURCHASER'S DOCUMENT RETENTION OBLIGATION

All documents created by the Supplier in the context of the Agreement (e.g. drafts, clean drawings, film copies, audio takes and final proofs) and the data transmitted to the Purchaser must be retained by the Supplier for an additional three (3) years after the expiration or cancellation of the Agreement and made available at no charge in response to a special request by the Purchaser.

16. QUALITY ASSURANCE

- 16.1 The Supplier must establish and maintain an effective Quality Assurance program (e.g. in accordance with ISO 9000 *et seq.* or equivalent). The Supplier must demonstrate the corresponding measures to the Purchaser on request.
- 16.2 The Purchaser itself is entitled to verify the Quality Assurance measures per agreement or to have them verified by third parties engaged by the Supplier.
- 16.3 The Supplier shall notify the Purchaser before making any changes to raw materials, source of raw materials, methods of manufacture, production

equipment or locations involved into the performance of a purchase order and shall obtain the Purchaser's agreement that such changes do not make the use of goods and/or services unsuitable for the Purchaser before making any such change(s). The Purchaser may terminate the purchase order, if the Supplier does not agree.

- 16.4 The Supplier shall ensure that all equipment, and containers are cleaned with the utmost care before any change of products. The Supplier shall operate in accordance with all applicable laws, including the latest guidance on contamination prevention in the Manufacture of Crop Protection products, which can be found on <https://croplife.org/?s=guidelines>, and shall, to the extent legally possible and where applicable, indicate to the Purchaser which other product had been previously handled, processed or stored in the equipment and containers. Furthermore, the Supplier shall promptly inform the Purchaser of any risk of contamination or any suspicion of contamination.

17. COMPENSATION

- 17.1 Unless expressly agreed otherwise in writing, the compensation owed is a fixed price. Fixed prices also include expenses, energy costs, raw material costs, third-party costs, travel costs and out-of-pocket expenses as well as packing and freight-paid delivery. Fixed prices also include compensation for sketches and drafts (including clean drawings or drawing stored on electronic media, including image data). Fixed price agreements are also valid for estimates prepared by the Supplier before the conclusion of the Agreement, unless such estimates are explicitly identified as non-binding. Any increased costs necessary to perform the service shall be borne by the Supplier.
- 17.2 Unless a fixed price has been stipulated, travel costs are reimbursable only on the basis of the Purchaser's prior written consent according to the Purchaser's conditions for the reimbursement of travel costs.
- 17.3 If the Supplier's prices are reduced or the Supplier's conditions improve during the period between the purchase order and delivery, the prices and conditions in effect on the date of delivery also apply for the Purchaser. The above provision applies accordingly for individually approved third-party services, costs and expenses.

18. PAYMENT TERMS

- 18.1 Invoices must contain the purchase order number indicated in the purchase order and describe the components of the service or goods in detail. Invoices must also correspond to the language, order of invoice items and prices indicated in the purchase order. Any additional or reduced services or goods must be listed separately in the invoice.
- 18.2 Invoices not denominated in local currency must show the conversion rate between the foreign currency/local currency or the VAT amount in the local currency.
- 18.3 If in the specific instance the parties agree in writing, notwithstanding the provisions of Section 17.1, that the Purchaser shall reimburse out-of-pocket expenses, costs of third-party services and other expenses, these expenses must be shown in the invoice, broken out by item, quantity, unit and total prices and documented by copies of the corresponding invoices or vouchers.
- 18.4 Payment periods begin to run from a specific date, although not earlier than the receipt of the goods or their acceptance, and in no case before receipt of the invoice and – if stipulated – the transmission of analysis certificates and/or manufacturing documentation.
- 18.5 Payments are due within 30 (thirty) days net after receipt of the invoice, unless the provision in Section 18.4 results in a later payment date.
- 18.6 The Parties may deviate from the payment terms as set forth in Section 18.5 if explicitly agreed, for example in the text field of a purchase order.
- 18.7 The Purchaser's payment may be late only if the Purchaser has received an express warning after the date on which payment was due and/or a fixed payment deadline has been stipulated. The lump-sum late interest rate

applicable in the event of late payment is 10 percentage points over the base interest rate, unless the Purchaser demonstrates that the actual pecuniary damage incurred by the Supplier was less.

- 18.8 In the event of defective deliveries, the Purchaser is entitled to withhold payment proportionally until proper performance.
- 18.9 Payment does not constitute any acknowledgment of terms, conditions or prices. The payment date has no effect on the beginning of the warranty periods and represents neither unrestricted acceptance of the item delivered nor a waiver of potential warranty claims.
- 18.10 Unless otherwise stipulated, invoices made out to the respective Purchaser must be sent by mail to the ordering company.

19. RETENTION OF OWNERSHIP

- 19.1 Ownership of goods must be transferred to the Purchaser without restrictions and without regard to payment of the price.
- 19.2 If, under the terms of an individual agreement, the seller offers to transfer ownership conditional on payment of the purchase price, the Supplier's reservation of ownership expires not later than payment of the purchase price for the goods delivered. The Purchaser is also authorized, even before payment of the purchase price, to resell the goods in the ordinary course of business, including the advance assignment of the claim resulting from resale; alternatively, simple retention of ownership extended to the resale applies. However, all other forms of ownership retention are excluded. The above provision applies in particular for expanded and forwarded retention of ownership and retention of ownership extended to include reprocessing.

20. GRANTING/TRANSFER OF RIGHTS

- 20.1 The parties agree that all rights to the contractual works, designs, including but not limited to figures and graphics, photographs, software, data collections and/or other work results created by the Supplier individually for the Purchaser, including the associated drafts, documentation and information (hereinafter together: "Work Results") are the exclusive property of the Purchaser. The parties further agree that the Purchaser is entitled to use, exploit, add to, modify and otherwise process these Work Results (including for purposes beyond the business purposes of the Purchaser and the objective pursued with the specific order) in any conceivable manner and otherwise to process them and connect or combine them with other works or items and to transfer them in modified or unmodified form to affiliated companies and other third parties.
- 20.2 By entering into this Agreement, the Supplier grants exclusive, irrevocable rights of use to the Work Results referenced above created by the Supplier and protected under copyright law as well as to all revisions and/or modifications of these Work Results with no temporal, geographic or content-related restrictions, which rights of use may be transferred and/or sub-licensed in whole or in part. This granting of rights includes all rights of exploitation and use, including but not limited to the right of reproduction, dissemination, exhibition, presentation, performance and display, broadcasting, display, rental, leasing and database rights, cinema and video presentation rights (including all audiovisual storage systems), merchandising rights, as well as rights to playback via interactive and non-interactive video or audio media, the playback of wireless transmissions and public access, digitization, online availability, transmission and playback, other public playback and access. This includes the right to modify and process the Work Results (in particular to translate them into other languages and to synchronize them) and to combine or connect them with other works or items. The above granting of rights includes all known types of use, including but not restricted to use, application and/or exploitation for advertising purposes (such as in the form of posters, brochures, invitations, letters, reproductions on the Intranet and/or Internet, on websites, in apps and by all other digital media), in the context of books, press releases and/or other written works, in the context of television films, company videos, photographs and/or other recorded images, in all digital forms (such as in the context of multimedia products, on websites, in apps,

availability on the Intranet and/or the Internet) and/or in artistic and/or graphic images (including logos) that portray or integrate the Work Results. The above granting of rights to the use of the Work Results further includes rights for unknown types of use as well as use in processed form.

- 20.3 If third-party copyright arrangements allow it, the Supplier also assigns the copyright to the Work Results as such to the Purchaser. The Supplier assigns all additional intellectual property rights to the Work Results as well, as the film rights, to the Purchaser.
- 20.4 With regard to the contractual software created by the Supplier individually for the Purchaser and/or adaptations to software and/or parts of the software (including patentable databases, data or database structures and data collections), the terms and conditions set forth below also apply:
- If the Work Results are individually created software or adaptations to standard software, the Purchaser shall be granted exclusive rights to said software or adaptations. Otherwise, the rights shall be granted on a non-exclusive basis.
 - The Purchaser is further granted the rights with regard to the contractual software or parts of the software individually, but also when they are included in other software and/or software parts and to that extent also jointly, in particular the right to exploit, lease, rent, reproduce, reconfigure and modify them, to transmit them wirelessly or by wire in whole or in part, to make them available for retrieval by the public free of charge or for consideration and to publicly report on the service. This right expressly also includes documentation, training materials or interim results of this software.
 - The Purchaser is entitled to assign rights of use to software that has been purchased by the Purchaser on the basis of these Purchase Terms and Conditions in the event of restructuring, the formation of new entities for purposes of research and development (in particular including for joint ventures formed in this context), the sale of companies or the outsourcing of IT processes in whole or in parts to associated companies within the meaning Article 527 of the Slovenian Companies Act and to third parties (in particular service providers in connection with this IT outsourcing). The assignment may to this extent also be only partial and in the context of the license scope shall include a usage authorization in favor of the Purchaser.
- 20.5 The Supplier also assigns all rights to and from inventions (including rights from patents and utility models), distinctive marks, trademarks, trade names and design rights to the Work Results created for the Purchaser, to the Purchaser in full and globally. This assignment further comprises all applications and interests in these rights. The assignment is independent of whether the rights, applications and interests are registered or unregistered. If any existing protective or identifying marks, trademarks, trade names or design rights cannot be assigned, Section 20.1 applies as appropriate.
- 20.6 If the Supplier creates software and/or adaptations to standard software on orders from the Purchaser, the source and object code created in the context of execution of the order shall be assigned to the Purchaser comprehensively and in appropriate form. If the subject matter of the Agreement is the supply of standard software and if the Supplier does not transmit the source and object code for it to the Purchaser, the Supplier must, if the Purchaser so wishes, deposit the source code with a suitable third-party, i.e. in particular an escrow agent, under standard market conditions and in favor of the Purchaser.
- 20.7 In addition to the exclusive title to intellectual property, the Purchaser also acquires exclusive title to all physical objects and data media created or conveyed in the context of this Agreement by the Supplier or per the Supplier's instructions for the performance of the purchase order (e.g. including but not limited to sketches, drafts, documents, molds, models, tools, films, photographs, transparencies, contact prints, film recordings, videotapes, masters, USB sticks, memory cards, advertising material, posters, signs, labels, packing materials etc.). The above provision applies even if some or all of the cited objects remain in the Supplier's possession. These objects must be delivered to the Purchaser on request.

- 20.8 With payment of the stipulated compensation, both the services contractually owed by the Supplier and the above-mentioned transfers of rights shall be deemed fully compensated.
- 21. THIRD-PARTY RIGHTS AND ATTRIBUTION**
- 21.1 For image material, the Supplier must obtain in advance any required permission of persons portrayed in the image and for its publication and exploitation as stipulated in Section 20.2.
- 21.2 If third parties such as photographers, illustrators, models, speakers, singers etc. are hired, the Supplier shall extend to the Purchaser the opportunity to restrict the scope of the service before they are hired, with regard to the determination of fees and legal safeguards.
- 21.3 The Supplier must ensure that all creators or ancillary copyright holders who are involved in producing the services and items to be provided in the framework of this Agreement on the basis of an agreement concluded with it, or whose services or works it has used, receive an appropriate share of the proceeds therefrom within the meaning of Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC.
- 21.4 If the Supplier is the (co-)author with reference to all uses of the Purchaser's work, the Supplier waives the requirement for attribution and shall require the third parties involved by it in the performance of its services to likewise waive their rights to attribution. The Purchaser shall decide on the attribution of the Supplier and/or any (co-)authors by name, as well as on any design of the citation.
- 21.5 The Supplier shall ensure by means of corresponding agreements (in particular with any employees or subcontractors commissioned by it) that the contractual use of the Work Results and other objects conveyed by it may not be adversely affected by any (co-)authorship rights or other IP rights and that the Purchaser is granted the rights described in Sections 20.1 to 20.7. If necessary, the Supplier must acquire the necessary rights and/or licenses. The Supplier shall pay any license fees.
- 22. IP INFRINGEMENTS**
- 22.1 The Supplier shall hold the Purchaser harmless from all third-party claims, subject to the provisions of Section 22.2, that are brought on grounds of infringement of third-party IP rights by the Work Results and/or objects supplied when used as stipulated by the Agreement. This obligation to hold harmless includes all expenses that are incurred by the Purchaser from or in connection with the third-party claim.
- 22.2 The Supplier shall not be liable for services that are made available by the Purchaser. The Purchaser shall hold the Supplier harmless from third-party claims if and to the extent that the respective claim is brought on grounds that the Supplier has acted at the Purchaser's express wish, although the Supplier has notified the Purchaser in writing of its objections with regard to the admissibility of the action.
- 23. CORPORATE DESIGN**
- The Supplier shall use the Purchaser's current Corporate Design appropriately, in particular in the creation of communications and public relations services (e.g. advertising material, signs, films, television or radio spots, product packaging, business letters, business reports or similar materials, regardless whether for the Purchaser's internal use or for external purposes directed at third parties). In this regard, the Purchaser must transmit the Corporate Design to the Supplier in a suitable format or enable it to have access.
- 24. COMPLIANCE WITH THE REQUIREMENTS OF FAIR TRADE LAWS IN ADVERTISING AND PUBLIC RELATIONS SERVICES**
- 24.1 The Supplier shall be liable for the compliance of advertising and public relations measures proposed by it with the provisions of fair trade laws applicable to these measures. The Supplier shall bear any costs incurred by the Purchaser as a result of and caused by the Supplier's failure to properly examine or verify the admissibility of the proposed public relations measure under fair trade laws.
- 24.2 The Supplier shall not be liable for the accuracy of objective statements made about the Purchaser's products and services in the proposed public relations measure if and to the extent that the Purchaser has approved this content for publication.
- 25. CONFIDENTIALITY**
- 25.1 The Supplier must use all information received orally or in writing from the Purchaser only for the purposes stipulated in this Agreement, keep it confidential and not disclose it to third parties without the Purchaser's prior written consent. The Supplier must further make the information accessible only to those employees and subcontractors, if any, who are bound by a confidentiality agreement equivalent to that stipulated in Section 25 and who are required to have the information to perform the Agreement between the Supplier and the Purchaser. At the Purchaser's request, the Supplier must confirm to the Purchaser in writing the conclusion of the corresponding agreements.
- 25.2 The confidentiality requirement stipulated above extends as appropriate also to the request for quotation and purchase order as well as to the work performed in this regard.
- 25.3 The above obligations do not apply to any information that:
- At the time of its disclosure, was already known to the Supplier without any obligation to the Purchaser to keep it confidential, or
 - Was disclosed to the Supplier by third parties who received and forwarded this information without violating any confidentiality obligation, or
 - At the time of its disclosure by the Purchaser, was already in the public domain, or
 - Entered the public domain thereafter through no fault on the part of the Supplier.
- 25.4 The confidentiality obligation does not apply even if disclosure of the information to a court or a government authority is required by an order of the court or other government authority for the execution of the order. If permitted under the specific circumstances, the Supplier shall immediately notify the Purchaser before information is forwarded to a court or government authority.
- 25.5 The confidentiality obligation stipulated above survives the completion of the order unless one of the exceptions cited above occurs subsequently.
- 26. DATA PROTECTION**
- 26.1 Each party must at all times comply with its respective obligations under the applicable data protection laws and regulations.
- 26.2 Information according to Article 13 of the General Data Protection Regulation on how Purchaser processes personal data of natural persons in the context of this Agreement can be found on the following website: <https://www.bayer.com/en/corporate-compliance/data-privacy-information-for-specific-processing-activities>.
- 27. LIABILITY FOR DEFECTS AND OTHER WARRANTIES**
- 27.1 The Supplier warrants that the goods and or services owed do not have any defects that would adversely affect their value or suitability for use, that they have the contractually stipulated or required qualities and are suitable for the use specified in the Agreement. The Supplier further warrants that the goods or services owed correspond to the generally accepted rules of the art, the latest requirements of government authorities, the General Product Safety Act, the respective applicable safety requirements and the occupational safety and accident prevention requirements.
- 27.2 The Supplier's liability also extends to the parts manufactured and/or supplied by subcontractors and the services performed by subcontractors. When the supplier provides or should have provided goods with a warranty, the Purchaser decides at its own discretion, and considering all

circumstances of the case, whether to claim rights under Articles 458 – 480 of Civil Obligations Act (hereinafter: “Defects”), or under conditions of provided warranty (hereinafter: “Warranty”).

- 27.3 The Purchaser must report Defects in the contractual goods to the Supplier as soon as they are identified in the ordinary course of business. The complaint period shall be determined based on the individual circumstances. Apparent Defects must be notified to the Supplier immediately upon receipt. If the Purchaser has forwarded the goods without reloading them and the Supplier was at the time of concluding the contract aware or should have been aware of that the inspection of goods may be postponed until the goods arrive at its new destination, in such case, the Purchaser must inform the Supplier of the Defects as soon as the Purchaser could be acquainted with them, considering the normal course of events. Concealed Defects must be notified to the Supplier immediately upon discovery of the Defect.
- 27.4 The Purchaser shall retain possession of and title to defective parts until they are replaced. Defective parts shall be returned to the Supplier in exchange for the delivery of and transfer of title to the replacement. The same applies when the Purchaser files claims under Warranty.
- 27.5 The Supplier shall bear the costs of testing, inspection and rectification (including any costs of removal, installation and transport). The above requirement shall also apply if it is determined that no Defect actually existed. Any potential liability for damages on the part of the Purchaser in the event of unjustified warranty claims remains unaffected. The Purchaser shall to this extent be liable only if it was aware or was grossly negligently unaware that no Defect actually existed. The same applies when the Purchaser files claims under Warranty.
- 27.6 In case of exercising rights due to a Defect, the Purchaser may at its own discretion file the following claims: i) rectification of the Defect, or handing over new goods without Defects; or ii) reduce the purchase price; or iii) withdraw from the contract.
- 27.7 In case of exercising rights from the Warranty, the Purchaser may file the following claims: i) rectification; ii) if rectification is not provided within total of 45 days, the Purchaser may demand handing over new goods; iii) if the rectification or handing over of the new goods is not provided, the Purchaser may at its own discretion demand reduction of the purchase price or withdraw from the contract.
- 27.8 In urgent cases, if a rectification by the Supplier cannot be expected, notwithstanding its statutory rights under the Warranty and/or Defects, the Purchaser can also have the defect rectified itself or by third parties at the Supplier’s expense and demand reimbursement of the expenses incurred from the Supplier.

28. SUPPLIER’S RECOURSE

- 28.1 In addition to its claims arising from the Defects, the Purchaser also has unrestricted access to the Supplier’s statutory recourse claims within a supply chain (supplier’s recourse). In particular, the Purchaser is entitled to specify the exact type of remedy that the seller owes its customer in the specific case. Its statutory options under the Civil Obligations Act are not thereby limited.
- 28.2 Before the Purchaser accepts or honors a warranty claim brought by one of its customers, including compensation for expenses pursuant to the Civil Obligations Act, the Purchaser shall notify the Supplier with a brief description of the situation and request a written response. In this case, the Supplier must present proof to the contrary.
- 28.3 The Purchaser’s claims from supplier’s recourse are valid even if the goods were subjected to further processing before they were sold to a consumer by the Purchaser or one of its customers (e.g. by incorporation in another product).

29. TERMINATION

- 29.1 If the Agreement is a continuous obligation, the Purchaser, in the case of the exercise of its ordinary termination rights, is also entitled to partial termination, if it can reasonably be expected of Supplier.
- 29.2 If the Agreement is a continuous obligation, it can be terminated without notice period for a sufficient cause. Sufficient cause exists in the following cases in particular:
- The Supplier defaults on a contractual obligation and does not remedy the default within a reasonable period of time set by the Purchaser, accompanied by the threat of termination.
 - If the deadline for compliance cannot be extended depending on the type of breach, the Supplier has not successfully remedied the breach in spite of a warning.
 - The Supplier has not complied with its obligation to withhold taxes and/or social security contributions.
 - There has been significant deterioration of the Supplier’s financial situation, which endangers the performance of the Agreement.

30. LIABILITY

- 30.1 The Supplier must hold the Purchaser harmless from producer liability claims if the cause is within the area of control or operation of the Supplier or its subcontractors, in accordance with the regulations in force of Bosnia and Herzegovina.
- 30.2 In the framework of its own liability for damages pursuant to Article 30.1, the Supplier must also reimburse any expenditures pursuant to regulations in force of Bosnia and Herzegovina incurred by the Purchaser or in connection with a recall campaign conducted as required by law. The above also applies to precautionary recall campaigns.
- 30.3 The Purchaser shall be responsible for instructing government authorities in compliance with the General Product Safety Act. The Purchaser shall coordinate with the Supplier as necessary.
- 30.4 Apart from that, the Supplier shall be liable in accordance with the statutory provisions.

31. LIMITATION PERIODS AND STATUTE OF LIMITATIONS

- 31.1 Statutory limitation periods under the regulations in force of Bosnia and Herzegovina shall apply.

32. WITHHOLDING TAX

- 32.1 The Purchaser has the right to withhold from the compensation owed under this Agreement any taxes due at the source, the withholding of which is the Purchaser’s statutory responsibility, including any solidarity surtax legally due on such taxes. Any tax withheld shall be treated for all purposes of this Agreement as if it has been paid by the Purchaser to the Supplier. The Supplier must as soon as possible receive a tax receipt from the Purchaser indicating the amount of the tax withheld at the source that documents the amount of the taxes withheld and deducted.
- 32.2 No tax shall be withheld at source or the amount withheld shall be reduced if the Supplier, before payment of compensation, presents a corresponding certificate of exemption from the Tax Office that indicates that the compensation is subject to reduced withholding or is fully tax-exempt in the Republic of Slovenia on the basis of a current double taxation agreement.
- 32.3 If the Purchaser cannot deduct the withholding tax, including any solidarity surtax, from the payment because the compensation is paid by offsetting mutual claims, the Supplier must pay the withholding tax, plus any solidarity surtax, to the Purchaser separately. If the Purchaser has neglected to deduct withholding tax although it is required under the law to pay withholding taxes to the tax authorities for the Supplier’s account, the Supplier shall assist the Purchaser with regard to all procedures that are necessary to obtain a refund from the tax authorities. If the tax authorities do not refund the subsequently paid withholding taxes including any

solidarity surtax, the Supplier shall immediately refund to the Purchaser the amount of the tax owed by law, including any solidarity surtax.

33. VAT

All stipulated compensation amounts are net amounts. If owed by the Supplier under the law, value-added tax must be paid after receipt of a correct invoice within the meaning of the Value-Added Tax Act in addition to the stipulated compensation.

34. ORIGIN OF GOODS/CUSTOMS STATUS

34.1 Origin of goods

The goods supplied must meet the requirements under the Customs Policy Act of Bosnia and Herzegovina, as well as all other regulations in force applicable to the origin of the supplied goods and the preferential status of the supplied product. The Supplier is responsible for the accuracy of the supplier's declaration and shall be liable to the Purchaser for any damage incurred. A long-term supplier's declaration may be issued; at the Purchaser's request, however, an individual supplier's declaration must be issued in each case. At the Purchaser's request, however, a certificate of origin must be issued in each case, if necessary.

34.2 Customs status

Unless otherwise agreed between the Supplier and the Purchaser, the Supplier must always supply goods for deliveries from a loading point in Bosnia and Herzegovina. The Supplier must indicate the customs status of the goods in its shipping documents.

34.3 Custom and Foreign Trade

In addition, the "BAYER Supplier Instruction – Customs and Foreign Trade Terms and Conditions" apply.

34.4. Sustainability

Supplier is obligated to organize its business with Bayer in compliance with Bayer's human rights-related and environment-related expectations as well as other sustainability topics as outlined in Bayer's Supplier Code of Conduct ("Bayer SCoC"), Version dated December 31, 2022, which can be accessed through <https://www.bayer.com/en/procurement/supplier-code-of-conduct>, Version dated December 31st. Bayer reserves the right to amend this Sustainability Clause as well as the Bayer SCoC if Bayer's human rights-related and environment-related expectations change and will inform Supplier thereof as soon as reasonably possible. Supplier shall acknowledge continued compliance to such amended SCoC or clause, as the case may be.

Supplier will address the substantive provisions of the Bayer SCoC to its suppliers and ensures that the substantive provisions of the Bayer SCoC are adhered to by itself and its suppliers, including access to Bayer's complaint portal specified in the Bayer SCoC.

Bayer reserves the right to evaluate, control or audit (onsite or remote audit, online or paper questionnaire, recognized certification systems or audit-systems, etc.) to ensure and verify compliance with the aforementioned. An evaluation, control or audit can be executed directly by Bayer or by a qualified third party.

Supplier shall, without undue delay, (i) report to Bayer in writing any identified risks for and violations of the principles outlined in Bayer SCoC and (ii) take appropriate remedial actions to prevent, end, or minimize the violation. Bayer reserves the right to (i) apply a concept for ending or minimizing a violation and (ii) ask for Supplier's cooperation in this respect. If Supplier fails to comply with the requirements of the Bayer SCoC, and after a grace period of three months has lapsed without the violations having been eliminated, Bayer reserves the right to either (i) suspend the agreement until such violations have been remedied, or (ii) give extraordinary notice of termination after the aligned timeline for execution has lapsed unfruitful and at Bayer's exclusive discretion.

Supplier acknowledges and supports Bayer's Supplier Inclusion & Diversity efforts, its commitment to the participation of diverse businesses and the prohibition of discriminatory treatment in the supply chain as outlined in Bayer SCoC. Supplier will use reasonable efforts to employ qualified diverse suppliers and subcontractors where appropriate and feasible, keep record of their use, and be able to produce a report upon Bayer's request of spend percentages with diverse suppliers.

Supplier shall indemnify and keep Bayer and its affiliates, including Bayer AG (all Bayer affiliates listed at https://www.bayer.com/sites/default/files/GDIS_Companies_EN.pdf) harmless from any damages, 3rd party claims, fines, or losses arising out of violations of the obligations described either herein or in the SCoC.

35. FINAL PROVISIONS

35.1 The Supplier is permitted to cite the business relationship with the Purchaser or to refer to it in informational and advertising material only with the Purchaser's express written consent.

35.2 The Supplier may assign claims against the Purchaser that are not monetary claims only with the Purchaser's express consent.

35.3 The Purchaser may transfer the Agreement and the rights and obligations related to it at any time and without the Supplier's consent to Bayer AG or to companies affiliated with it within the meaning of Article 527 of the Slovenian Companies Act or in connection with the sale or transfer of all or substantially all of (i) its business, (ii) a given business unit or (iii) a given site, or in connection with a merger or other consolidation of the Purchaser or any of its affiliated companies with another entity.

35.4 The Supplier may offset only against undisputed or legally upheld claims. If the Supplier has a right to withhold performance, the Supplier may do so only against claims that originate from the same contractual relationship.

35.5 Otherwise the statutory provisions governing offsetting and withholding rights apply.

35.6 The Supplier must immediately notify the Purchaser in writing of any transfer of the Agreement by operation of law and of any change in its company name.

35.7 Force Majeure: Where a Party is unable, wholly or in part, to perform its obligations under this Agreement due to a fire, flood, explosion, earthquake, riot, an act of God, war or terrorist activities, through no fault of the Party declaring Force Majeure and not resulting in any way from its negligence or willful misconduct, excluding payment obligations ("Force Majeure Event"). Such obligations shall be suspended so far as they are affected by the Force Majeure Event and, in relation to such suspended obligations, neither Party shall be liable to the other or be deemed to be in breach of this Agreement for reason of delay in performance or failure of performance.

35.8 The law of Bosnia and Herzegovina shall apply, excluding its conflict of law rules. The UN Convention of April 11, 1980, on agreements for the International Sale of Goods shall not apply.

35.9 If a purchase order references INCOTERMS without indicating the year, INCOTERMS apply in the version in force at the time of the purchase order.

35.10 Municipal Court in Sarajevo shall have exclusive jurisdiction.

35.11 If individual provisions of the Agreement are or become invalid or unenforceable in whole or in part, the remaining provisions shall be unaffected thereby.

35.12 If provisions are excluded from the Agreement, are invalid or unenforceable, the content of the agreement shall be as required by law. Only otherwise and if no additional interpretation of the Agreement takes priority or is possible, the parties shall replace the invalid or unenforceable provision with a valid and enforceable provision that comes economically as

close as possible to the original provision in consideration of their mutual interests.

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