General Purchase Conditions Mercedes-Benz Cars Česká republika s.r.o.

1. The legal relationships arising from this Agreement between the contractor and Mercedes-Benz Cars Česká republika s.r.o., hereinafter referred to as MBCZ, shall be governed by these conditions and any other written agreements. Neither MBCZ’s terms and conditions for the purchase of production material and spare parts for motor vehicles nor the contractor’s general terms and conditions shall apply to this Agreement.

2. The placing and acceptance of orders, and all subsequent amendments and conditional clauses, must be in writing. Collateral agreements made orally when the Agreement is concluded shall be void only if confirmed in writing by MBCZ. This shall also apply to amendments made to the Agreement after the Agreement has been concluded. If the contractor does not accept the order within 14 days, MBCZ shall be entitled to revoke the order in writing.

3. Unless otherwise agreed in writing, invoices shall be sent to the invoice control section of the MBCZ department to which the goods have been supplied.

4. Without the prior written consent of MBCZ, which shall not be unreasonably withheld, the Contractor shall not be entitled to assign to or sell its receivables against MBCZ to third parties or to allow such receivables to be collected by third parties. Consent is presumed in the event of assignments to companies in which MBCZ directly or indirectly holds an interest of more than 50 percent. If the Contractor assigns its receivables against MBCZ to a third party without MBCZ’s consent contrary to sentence 1, the assignment shall however cease to have effect if MBCZ may choose whether to make payment to the Contractor or to the third party; either alternative shall have the effect of discharging the debt.

5. The parties may use this business relationship for advertising purposes only with prior written consent of the other party. Drawings, models, patterns, samples, and similar items provided to the Contractor by MBCZ or paid for by MBCZ shall remain the property of MBCZ. They must not be handed over or made available in any other way to third parties and may only be used for goods supplied to third parties with MBCZ’s prior written consent. Subcontractors shall be obligated accordingly.

6. In the event of short-time work, interruptions in work, and other cases of plant shutdown, which prevent MBCZ, through no fault of its own, from accepting goods and services in the area affected, the parties to the Agreement shall agree upon a suitable alternative date. MBCZ shall consult the Contractor on this matter in good time if possible.

7. The Contractor must comply with the generally accepted technical standards, the safety regulations and the agreed technical specifications for the goods and services it supplies. If it provides services on the customer’s premises, it shall notify the coordinator appointed by the customer of the commencement date for and the scope of the work to be performed in the report sheet on the procedures to be carried out which shall have the right of direction and control in this respect. For materials (substances, preparations) and items (e.g. goods, components, technical equipment, uncleaned emiptes), which, by virtue of their nature, their characteristics or their condition, may represent a hazard to the life and health of human beings to the environment or which are therefore required by regulations to undergo special treatment in respect of their packaging, transport, storage, handling and waste disposal, the Contractor shall provide MBCZ with a completed EU safety data sheet as per EU Regulation 1907/2006 (REACH), as amended, and a relevant accident report sheet (Transport). If the materials are modified or the legal situation changes, the Contractor shall provide MBCZ with updated data and report sheets. The Contractor shall also comply with the standards and requirements of MBCZ as set forth in the current version of Mercedes-Benz Special Terms – Sustainability and Environmental Protection.

8. The Contractor shall ensure that the items to be delivered as well as the manufacturing process are not in breach of any rights of third parties (in particular patent rights, utility model rights, copyrights, design rights, brand rights or other [intellectual] property rights). The Contractor is liable for any expenses and damages (including legal costs) arising from the breach of rights of third parties and shall indemnify MBCZ from all claims arising from the use of such rights. The liability and indemnification obligation of the Contractor according to this clause do not exist if the Contractor has produced the delivery objects in accordance with the detailed drawings or models provided to it by MBCZ and has no knowledge, or does not have to have knowledge, that this would lead to an infringement of property rights in connexion with the products developed by it. The Contractor undertakes to inform MBCZ without undue delay of any risks of infringement and alleged infringements that become known and to provide MBCZ with support for countering possible claims at no cost in an appropriate manner (e.g. during the investigation, analysis, assessment of documents, etc.). The Contractor shall notify MBCZ at MBCZ’s request of the use of any published and unpublished property rights of its own or the use of licensed property rights and property right registrations for the deliver object.

9. Deadlines and periods agreed in writing are binding. MBCZ must be notified immediately of an impending delay. Whether work, goods or services have been delivered on time is determined exclusively by actual delivery of the contractually agreed at the agreed place of performance at the agreed time. If the contractor is in default, MBCZ shall be entitled to terminate for good cause after expiration of a reasonable extension of time for performance given by MBCZ. If the contractor violates a contractual obligation, the statutory provisions shall apply.

10. The liability of MBCZ and the Contractor shall be governed by the statutory provisions. MBCZ may enforce claims for damages of other Group companies against the contractor as if they were MBCZ’s own claims.

11. The Contractor warrants that the goods and services it supplies shall remain free of defects during the warranty term. This shall also apply regarding parts the contractor obtains from third parties. The duration of the warranty term shall be governed by the statutory period of limitation for claims regarding defects of quality. This shall also apply in the case of multi-shift operations. A complaint in writing from MBCZ shall have the effect of suspending the period of prescription for claims in respect of a specific defect until such time as the defect has been remedied. The suspension shall, however, end three months after a written declaration has been received stating that the defect has been remedied or that no defect existed. The contractor must be notified of defects in writing without undue delay as soon as they are discovered within the ordinary course of business.

12. The Contractor shall assume liability in respect of claims arising from the violation of granted or registered property rights while the goods and services are being used in accordance with the Agreement. The contractor shall indemnify MBCZ against any claims arising from the use of such rights. If a work protected by copyright is supplied, MBCZ shall receive from the contractor a single, unrestricted usage right covering all forms of use. The Contractor shall check all parts it obtains from third parties regarding capability and freedom from defects.

13. If the contractor suspends its performance or if an insolvency proceeding against it is refused for lack of assets, MBCZ shall be entitled to terminate the contract with immediate effect or to rescind the contract. If no such rescission takes place, MBCZ shall be entitled to withhold a sum equivalent to at least 5 percent of the remuneration as security for the claims under the contract, until the contractual warranty period has elapsed. Each party is particularly entitled to terminate the contract for good cause, if a proceeding to make an affirmation in lieu of an oath of the other party has been started.

14. Within the framework of its commercial dealings with MBCZ, the contractor is obliged to desist from all practices which may lead to penal liability due to fraud or embellishment, insolventcies crimes, crimes in violation of competition, guaranteeing advantages, bribery, acceptance of bribes or other corruption crimes on the part of persons employed by the contractor or other third parties. In the event of violation of the above, MBCZ has the right to immediately withdraw from or terminate the contract for good cause, if a proceeding to make an affirmation in lieu of an oath of the other party has been started.

15. The contractor has a duty to ensure that any employees used on site at MBCZ and/or that any employees given access to any IT systems in connection with fulfilling the requirements of this purchase order must receive an admission and/or access authorization from MBCZ. Individuals to whom MBCZ or any MBCZ affiliate has declared a house ban, an admission ban, and/or an access ban can not be used by the contractor in the fulfilment of this purchase order.

16. The contractor shall treat all private technical, commercial and organizational information, of which it becomes aware as a
result of its business relationship with MBCZ as confidential, and shall not exploit it or make it available to third parties either during the period of this Agreement or five years thereafter. This obligation shall not apply in regard to technical, commercial or organizational information and documents - which can be proven by the third party to have been known to him at the contracting time - which are legally received by the contractor from a third party without any confidentiality obligation; which are in the public domain or enter the public domain through no wrongful act of contractor; which can be proven by the contractor to have been developed independently of confidential information received from MBCZ. A record may only be made in so far as it is necessary for the purposes of the Agreement. The contractor shall exercise the due care of a diligent businessman in respect of its confidentiality obligation, whereby at least the same would apply when dealing with its own confidential information. The contractor shall only use the information and materials which have been or will be made available to him in the course of the collaboration with MBCZ for the purpose of fulfilling its contractual obligations. The same shall apply in the case of results, data and knowledge arising in connection with this Agreement or the individual contracts. Using the latest available technology, the contractor undertakes to do everything possible to immediately and effectively protect all information and data received from MBCZ against access by unauthorized third parties, and in particular to secure it against misappropriation, loss, manipulation, damage or any duplication. If the contractor has reason to suspect that unauthorized third parties have obtained knowledge of the information and data, it must inform MBCZ immediately and, in consultation with MBCZ, take all measures necessary to establish the facts and, if necessary, prevent future third-party access. If the contractor stores, works on or processes the information and data in its data processing systems, the contractor shall ensure that unauthorized third parties cannot access this data. Otherwise, the Annex “Basic Requirements for Information Security” applies. The contractor undertakes, upon completion of the assignment, to return all information, data, documents and storage media received from MBCZ. The contractor shall also remove all data from its information and data processing equipment, and shall either return all copies of the data and storage media to MBCZ or destroy the copies in such a way that they cannot be reconstituted; the choice shall be MBCZ’s. The overwriting of data is also considered as destruction of data. At the request of MBCZ, the Contractor shall demonstrate that all materials have been destroyed or returned and shall confirm in writing that this has been done. The contractor is under a duty to comply with all data protection provisions as amended from time to time, and will observe these. The Contractor must ensure that all employees know about the relevant data protection regulations and process personal data only upon instruction of the controller the Contractor shall provide proof of the assurance of this obligation to MBCZ or its data protection officer upon request. The contractor is obliged to pay a penalty of 5 percent of the value of the respective order in the event of a breach of any of these duties. Such penalty will be offset against any damages claimed by MBCZ for breach of this obligation. With regard to data protection and information security the annex “Agreement on Data Processing on behalf of” shall apply. This Annex is to be filled in with the relevant information by the Contractor and MBCZ. If the Contractor process personal data of MBCZ under its own responsibility and for its own purposes, MBCZ must document the legal basis which allows MBCZ to transfer the personal data to the Contractor. In this case, the completion of the Annex referred to above can be omitted. If, within the scope of Contractor’s performance, the Contractor does not collect, process or use any personal data, inclusion of the Annex referred to above is not necessary. MBCZ must document this.

17. The contractor shall have no rights of retention unless its claims are uncontested or have been confirmed by a nonappealable court decision. The contractor has the right to set off of a MBCZ’s claim only with those own claims, which are uncontested or have been confirmed by a non-appealable court decision.

18. The contractor must inform MBCZ promptly of impending or existing payment difficulties or where insolvency is possible or has been applied for. Any changes and additional provisions shall only take effect if they have been agreed in writing with the purchasing department of MBCZ which is responsible for this Agreement. This shall also apply to amendments that remove this requirement from the written form. If any provision of this Agreement is invalid, this shall not affect the validity of the Agreement as a whole. The parties shall agree a provision which takes account of the interests of both sides.

19. Unless otherwise agreed, the laws of the Czech republic shall apply. With respect to the interpretation of the Agreement, the Czech version shall prevail. The application of the United Nations Convention on Contracts for the International Sale of Goods dated April 11. 4. 1980 is excluded. The place of performance for deliveries or services is the recipient plant or recipient branch specified in the contract by MBCZ. Furthermore, the place of performance is Headquarters of MBCZ. The district courts of Prague 4 or the Municipal court in Prague have exclusive jurisdiction for all present and future claims arising from the business connection with business persons, including receivables on bills of exchange and checks receivables. The same place of jurisdiction shall apply if the contractor has no general jurisdiction in the Czech Republic, moves its domicile or place of habitual residence abroad after conclusion of the contract or if its domicile or place of habitual residence is unknown at the time suit is filed. MBCZ is also entitled to initiate legal action in the location of the registered office of the contractor.

Special Purchase Conditions for Services

1. Obligations of the contractor

1.1 The contractor is responsible for rendering the service specifically requested.

1.2 The contractor shall perform the fulfillment of the contractual agreed services independently and under its own responsibility. Only the contractor shall have the right of direction and control over its employees. The contractor shall be responsible for ensuring that the personnel which it deploys are not integrated into any of Daimler’s businesses or into a group company of Daimler.

1.3 Prior to the commencement of work, the contractor shall provide MBCZ with the name of a contact at the contractor who shall be the designated recipient of communications from MBCZ. All communication within the scope of the existing contract relationship, including in respect of the personnel deployed, shall be carried out exclusively via the contact person named by the contractor. MBCZ must be notified in good time of any change of the contact person. The contractor shall only use qualified employees to perform the contract and shall provide evidence of this if requested to do so by MBCZ. In the event of repeated or serious misconduct on the part of an individual employee to the detriment of MBCZ, MBCZ may demand that the contractor refrain from using this employee in connection with the provision of the service. Any additional cost arising herefrom shall be borne by the contractor. The contractor also undertakes not to assign any employee to work on the contract for MBCZ who was previously employed at MBCZ and whose employment contract was terminated for personal reasons or for reasons relating to his or her conduct.

1.4 Where service is to be performed at MBCZ’s business establishments, the contractor must comply with the applicable safety rules and information policies which MBCZ will make available to the contractor upon request. If it uses MBCZ’s information and telecommunications technology, the contractor must strictly comply with the applicable directives concerning security of information. The contractor also undertakes to comply with additional or amended directives issued by MBCZ. This does not apply if compliance would be unreasonable for the contractor and the contractor notified MBCZ of its objection to the guideline in writing immediately after being informed of it, setting out the relevant grounds.

1.5 The contractor shall not be entitled to represent MBCZ.

1.6 The contractor shall inform MBCZ, without being specifically requested to do so, of any facts or any changes to facts that could give grounds for questioning the self-employed status of the contractor.

2. Cooperation of MBCZ

2.1 MBCZ shall comply promptly with its duties to cooperate, so far as these are set forth individually in this Agreement or in individual contracts.

2.2 Following prior consultation, MBCZ shall allow the contractor the necessary access to the premises. Workplaces can be allocated by MBCZ, if the contractor explains the requirement sufficiently. There is no right of an allocation for free. The contractor must generally perform the work using its own tools and materials. If
this is not possible with regard to the special requirements of the work to be performed, MBCZ can allocate the contractor with the necessary tools and materials, only if these tools and materials are not available for the contractor on the market and, if the allocation is possible and permitted for MBCZ, it shall be entitled to do so or, if this is not the case, to acquire such tools and materials as a substitute. The contractor shall immediately inform MBCZ of any change in this regard and, if necessary, shall be prepared to rearrange it.

2.3 MBCZ shall provide the contractor with any requested documentation or information – where available – by the agreed deadlines. Where information cannot be obtained or, due to the rights of third parties, cannot be disclosed, this shall not amount to inadequate assistance.

2.4 The contractor must report any inadequate assistance by MBCZ immediately in writing otherwise MBCZ will not be in default in this regard and the contractor cannot seek to rely on inadequate assistance in the event of any future claim.

3. Changes and Additional Services

MBCZ may demand changes to the contract services at any time. The contractor may only object to such a change request where implementation of the request for change would be unreasonable. The contractor shall submit a new contract offer in writing to MBCZ for this additional work and any further work. The additional work may not be performed until a separate individual contract concerning this work has been agreed. Work carried out by the contractor which does not comply with these conditions will not be remunerated. Where there is no agreement, MBCZ may terminate the contract in relation to the work which was to be changed, with immediate effect, if adherence to the Agreement without the required change would be unreasonable for MBCZ.

4. Remuneration

4.1 Work shall not be remunerated until it has been performed in full, unless otherwise agreed. If the parties agree payment by installments, such installments shall only be paid when the agreed part-performance has been rendered in full.

4.2 The contractor is bound by agreed upper limits on remuneration and by fixed prices as well as by the cost estimations it gives prior to concluding the contract unless these are expressly described as non-binding in the purchase order or purchasing contract.

4.3 Where a fixed price is agreed for a service, the contractor must perform the service in full at the agreed price. Additional costs involved in performance of the agreed service shall be borne by the contractor. Additional claims are not permitted.

5. Rights to work results/Copyright

5.1 All rights of use to documentation, reports, flow charts, drawings, diagrams, pictures, films, visual data carriers, general data carriers etc. arising in connection with the implementation of this Agreement shall accrue exclusively to MBCZ. The contractor is entitled to retain one or more copies of the aforementioned materials as evidence of the services provided by it. The contractor shall have no further rights to this material, and in particular shall have no right to reproduce or disseminate it. Original material is to be handed over to MBCZ and ownership of such is also to be assigned, so far as this is legally possible.

5.2 As far as possible by law MBCZ shall become the owner of all documents supplied by the contractor and created in connection with this Agreement. MBCZ shall have an exclusive, irrevocable, transferable right to use such documents and all results and unprotected know-how arising from the cooperation for an unlimited period of time, without any restriction as to geography or content, and in all forms of use. This includes in particular the right to reproduce, disseminate, present, or demonstrate such materials, to broadcast it on image or sound carriers and to edit and rearrange it.

5.3 If existing industrial property rights, copyrights or the unprotected knowledge (know-how) of the contractor are used during performance of this Agreement and if such rights are necessary for the utilization of the outcome of the work results by MBCZ under the terms of this Agreement, MBCZ shall be granted a non-exclusive right to use the industrial property rights, the copyrights and unprotected knowledge (know-how). This shall include all types of use, in particular those types of use specified in §5.1.

5.4 The contractor vouches that all works and services it provides are free of third party rights. If this is not the case, it must agree with the originator by means of contract that it is entitled to grant the aforementioned rights. The contractor shall indemnify MBCZ against all third-party claims asserted against MBCZ for infringing any of rights to the works and services provided by the contractor.

5.5 The contractor shall notify MBCZ immediately of all inventions or other protectable results which arise in connection with the works and services provided for MBCZ, and shall provide MBCZ with all necessary information. All inventions are to be assigned to MBCZ. If notified of any inventions, MBCZ reserves all rights in respect of any subsequent patent rights. The contractor acknowledges that all rights to data, documents, storage media etc., and in particular rights of title and copyright, shall accrue exclusively to MBCZ. If MBCZ has no interest in applying for protective rights for an invention, it shall assign the invention back to the contractor. MBCZ shall retain a nonexclusive right of use.

6. Term of the Agreement and Termination

6.1 The Agreement has the term agreed in the purchasing agreement or in the individual contract.

6.2 The Agreement may be terminated in writing by either party at three months’ notice to the end of a quarter.

6.3 The right of either party to terminate the Agreement for good cause remains unaffected by this clause. The following shall in particular constitute good cause:

6.3.1 the completion of orders is clearly jeopardized by the contractor’s inadequate performance; or

6.3.2 facts become known which give cause to suspect fictitious self-employment on the part of the contractor (in compliance with §5 of act No. 435/2004 on em poym ent); or

6.3.3 in a procedure of determination the contractor’s status pursuant to social insurance law (in compliance with §5 of act No. 435/2004 on em poym ent ) the existence of a dependent employment will be asserted.

7. Subcontractors

7.1 The contractor may only engage subcontractors to fulfill the contractual obligations in whole or partially with the priorwritten consent of MBCZ.

7.2 MBCZ’s consent to a subcontractor engagement can be given subject to conditions. MBCZ shall be entitled at any time to revoke its consent in regard to each subcontractor with immediate effect.

7.3 The contractor shall require the subcontractors engaged to give the same undertakings as it has itself given to MBCZ, particularly with regard to confidentiality and data protection.

7.4 The contractor assures that none of its subcontractors will contract with a Sole Proprietorship or with a Civil Law Association (as a sub-subcontractor), if the service is in whole or partially performed by the Principal (Proprietor of a Sole Proprietorship or Partner of a Civil Law Association). That applies as well in regard to all other subcontractors of the contractor’s subcontractors.

7.5 The contractor assures that the prohibition in section 7.4 will be followed in the complete chain of all subcontracting and subsubcontracting.

7.6 Furthermore the contractor assures that in the complete chain of all subcontracting every of its subcontractors and subsubcontractors fulfill the demands by law in regard to the minimum wage for whose employees.

7.7 On request of MBCZ the contractor shall provide MBCZ an explanation which subcontractor and sub-subcontractor in the complete chain is or has been engaged in fulfilling in whole or partially the contractors obligation against MBCZ.

7.8 The contractor shall be liable to MBCZ for the fault of subcontractors and vicarious agents as it would be for its own fault.

7.9 If the contractor acts in opposite to one of the above named obligations, assurances or exception of acceptance in section 7.1 to 7.7, the contractor is liable to MBCZ for all damages MBCZ suffers. Furthermore the parties agree that every contractor’s breach of the content of this section 7 is good cause which entitles MBCZ to terminate the contract between the parties with immediate effect.

8. The contractor’s Employees

8.1 The contractor may only use foreign workers who require a work permit in performance of its contractual duties if they are contractor’s employees. Such workers must also be in possession of residence and work permits which are valid for the territory and the period covered by the work to be performed. The contractor must satisfy itself that these requirements are met before assigning tasks to these employees.

8.2 By signing the order confirmation to accept this order or by accepting MBCZ’s order in an electronic way, the contractor declares to MBCZ, that
a) the contractor has not been investigated under has not been investigated in accordance with Directive 96/71 / EC and the labor legislation of the Czech Republic implementing Directive 96/71 / EC; or
b) such investigations have ended without result.

8.2 The contractor agrees to pay the minimum wage plus agreed supplements including the contributions for social insurance, promotion of job creation and payments to protect the social insurance for employees and those in marginal part-time employment, within the scope of the statutory provisions and collective pay agreements, particularly the provisions of the Directive 96/71 ES or Labour code No. 262/2006 Coll., and of the relevant collective pay agreements.

8.4 The contractor also undertakes to inform MBCZ if it becomes the subject of an investigation by the relevant authorities in respect of violation of the regulations pertaining to work permits or residence permits, or for a breach of the Directive 96/71 ES or Labour code No. 262/2006 Coll.

Should MBCZ wish to procure a specific work result as well as commissioning services, the former shall be governed by MBCZ’s Special Purchase Conditions for Works and Services. Furthermore MBCZ’s General Purchase Conditions shall apply. If there are any contradictions between MBCZ’s General Purchase Conditions and these Special Purchase Conditions for Services, the Special Purchase Conditions for Services shall prevail.

Basic Requirements for Information Security for Contracts with IT Supported Data Processing by MBCZ

1. The Contractor undertakes to effectively secure all information and data which the Contractor collects or processes for the Customer or information to which it has access, in accordance with the applicable current standard of technology against unauthorized access, alteration, destruction or loss, prohibited transmission and any other prohibited processing or other misuse. The Contractor has an appropriate security concept in place for this purpose.

2. The Contractor shall coordinate its security concept with the Customer. In particular, the information security requirements and specifications defined in the requirements specification or in other written specifications shall be observed and taken into account for the security concept. The responsible Information Security Officer of the Customer shall provide support in this regard. The Customer may demand appropriate, periodic written proof of the implementation of and conformity with the security concept. In cases of doubt, the Contractor shall also enable the Customer to carry out an on-site inspection and will provide all necessary information.

3. The Contractor shall designate a contact person endowed with sufficient authority for Security Management who is available for all topics concerning information security, e.g. for Incident Management (Management of Information security incidents).

4. The Contractor must inform the Customer in text form of any significant changes in the processing of the data. Changes are considered to be significant in particular if they relate to the security concept. The notification must contain a description of the scope of the change and the effect on the security concept. In the event of a foreseeable reduction in the protective effect, the approval of the Customer must be obtained in advance in text form.

5. The information and data of the Customer may only be used by the Contractor for the contractually agreed purposes and to the extent required for the performance of the contract. In the case of data processing for different customers, the segregation of such data must be verifiably ensured (separation of customers).

6. Access to data processing equipment (“DP equipment”) of the Customer or its Contractor may only be granted with the permission of the Customer within the allowed scope that is necessary for the performance of the contract by the persons who are authorized to this end. The Contractor undertakes not to disclose the access authorizations granted to it for the use of the system to any unauthorized persons. The Contractor may only provide subcontractors or freelance staff with access to the DP systems of the Customer within the scope required for the performance of the contract and with the prior approval of the Customer. The Contractor must notify the Customer without delay if any employees of the Contractor, subcontractor or freelance staff with access privileges or access authorizations for DP systems of the Customer, its agents or subcontractors or subsubcontractors are no longer engaged with the performance of the contractually agreed service, in order to enable the Customer to cancel the existing access privileges or access authorizations.

In the case of data transmission and data storage on mobile devices, the Contractor must protect all information of the Customer which is classified as confidential or secret through appropriate cryptographic measures, in accordance with the current standard of technology. In the case of transmission or storage within a secure environment, this is not required. If so requested by the Customer, the Contractor shall prove that the environments where confidential or secret data is processed are designed in accordance with the applicable current standard of technology.

The Contractor must notify the Customer without delay of any knowledge or justified suspicion of data protection violations, security breaches and other manipulations of the processing work flow which relate to MBCZ data and services and must – in consultation with the Customer – immediately initiate all necessary steps for the clarification of the matter and limitation of the loss.

9. If the data processing takes place onsite at MBCZ or through a data exchange with MBCZ systems, the Contractor shall take appropriate measures to avoid any impairment of MBCZ infrastructure (and of third parties as a result thereof) as required. The Contractor must observe the relevant applicable information security requirements of the Customer.

10. The Contractor shall inform the Customer without delay of any danger that unauthorized persons could access data of MBCZ as a result of seizure, confiscation or other official intervention, in insolvency or settlement proceedings or through any other events or measures. The Contractor shall inform the third parties that data of MBCZ is involved.

11. The Contractor shall inform its employees, subcontractors or freelance staff with access to or access privileges for DP systems of the Customer about relevant topics of information security in relation to the service performance for the Customer on a regular basis.

Sustainability and Environmental Protection
The following provisions regarding sustainability define the standards and criteria that MBCZ suppliers must meet: adherence to internationally recognized human and employee rights, the prohibition of child labor and forced labor, observing and promoting ethical business conduct and adherence to legal standards and environmental rules, as well as preventive environmental protection.

The sustainability rules are based on the Daimler “Supplier Sustainability Standards” and on our “Corporate Social Responsibility Principles” applying throughout the company. Moreover, they are based on the internationally accepted principles of the United Nations Global Compact (http://www.unglobalcompact.org) and the established minimum standards of the International Labor Organization of the UN (http://www.ilo.org).

The supplier hereby enters into obligation to comply with the following standards:

I. Working Conditions/Labor Standards

1. Wages and Benefits, Working Hours
Compensation and benefits are to be remunerated in accordance with the fundamental principles relating to minimum wages, overtime hours and statutory benefits. Working hours must be in conformity with all applicable laws, industry standards or relevant ILO conventions. Overtime should be voluntary and employees must be granted at least one day off following six (6) consecutive working days.
2. Child Labor Prevention
For its enterprise, the supplier warrants that no exploitative child labor within the meaning of ILO Convention no. 182 is or was involved in producing or processing the products to be delivered, as well as that these products do not violate any obligations resulting from the implementation of this Convention or of any other applicable, domestic or international regulations on combating exploitative child labor. Moreover, the supplier warrants that its enterprise, its suppliers and their subcontractors have proactively taken targeted measures conducive to ensuring that exploitative child labor in the sense of ILO Convention no. 182 is ruled out where the production or processing of their products is concerned. The supplier will place its sub-contractors and their sub-contractors under a corresponding obligation and will perform controls and checks in this regard. MBCZ will review the content of this undertaking and the supplier will submit proof of the measures taken should MBCZ so request.

3. Freely Chosen Employment
The supplier will not employ anyone against their will or force them to work. Employees must be free to leave employment with reasonable notice. Employees must not be required to hand over government-issued identification, passports or work permits as a condition of employment.

4. Freedom of Association, Right to collective bargaining
Workers must be able to communicate openly with management regarding working conditions without fear of reprisals of any type. Workers need to have the right to associate freely, join labor unions, seek representation and join works’ councils.

5. Health and Safety
In its role as employer, the supplier ensures occupational health and safety in keeping with domestic standards and will promote continuous improvement of the workplace environment.

II. Business Ethics Standards

1. Anti-Corruption and Compliance
Within the framework of its commercial dealings with MBCZ, the supplier is obligated to desist from all practices which may lead to penal liability due to fraud or embezzlement, insolvency crimes, crimes in violation of competition, guaranteeing advantages, acceptance of a benefit, bribery, acceptance of bribes or other corruption crimes on the part of persons employed by the supplier or other third parties. In the event of violation of the above, MBCZ has the right to immediately withdraw from or terminate all legal transactions existing with the supplier and the right to cancel all negotiations. The above notwithstanding, the supplier is obligated to adhere to all laws and regulations applicable to both itself and the commercial relationship with MBCZ.

2. Non-Discrimination
Harassment or discrimination against employees in any form is not acceptable. This applies without limitation for gender, race, caste, color, disability, union membership, political beliefs, origin, religion, age, pregnancy or sexual orientation.

3. Safety & Quality
All products and services will be delivered to meet the contractually specified quality and safety criteria, and will be safe to use for their intended purpose.

III. General Environmental Standards and Environmental Sustainability

1. General Environmental Responsibility, Environmental Performance of Production Activities and of Products
MBCZ is committed to a system of integrated environmental protection, which addresses causes at the root, assesses the environmental impact of production processes and products in advance and integrates these into corporate decisions. In this context, production processes and products are designed using holistic principles to make them environmentally compatible and to use resources as sparingly as possible. With regard to environmental protection, the supplier will act in accordance with precautionary principles, will take the initiative to ensure the promotion of greater environmental responsibility and will sponsor the development and dissemination of environmentally friendly technologies. In all stages of manufacturing, the supplier will ensure a high degree of environmental protection. This includes proactively preventing or minimizing the impact of accidents which may adversely affect the environment. Particular emphasis is given to the application and continuing development of technologies serving to save water and energy that are characterized by strategies ensuring minimal emissions as well as reuse and recycling strategies. All products manufactured within the supply chain must meet the environmental standards applicable to their respective market segment. This includes all materials and substances used in production. Chemicals and other materials posing a hazard if released into the environment are to be identified. A hazardous material management system is to be instituted for them that ensures appropriate processes for their safe handling, movement, storage, recycling or reuse and disposal.

All suppliers of production materials are obliged to implement a certified environmental management system according to ISO 14001, EMAS or comparable standards no later than two years after conclusion of the purchasing contract. This above mentioned certified environmental system has to be operated during the entire term of the business relationship with MBCZ. Supplier is obliged to provide a corresponding certificate. In due time before the expiry of the duration of validity, a new certificate has to be provided to MBCZ.

Also suppliers of non-production material have to fulfill the above mentioned obligations regarding an environmental management system at request of MBCZ.

2. Establishment of Recycling and Disposal Concepts for the Products Supplied
In connection with the EU Directive on End-Of-Life Vehicles, the supplier is obligated to ensure the following:

- Preparation and transfer of a component-related concept for drainage and pollutant removal.
- Compliance with labeling standards for materials and components according to VDA 260 and MB Standard 33035.
- Provision of a recycling concept for selected, supplied parts in coordination with MBCZ.
- Highest possible level of plastic component recycling and use of renewable raw materials subject to coordination with MBCZ.

3. Confirmation of Adherence to Substance Bans
Substances that are subject to legal restrictions or bans may only be contained in the materials or parts which are supplied when subject to these regulations (e.g. chemicals ban directive, REACH Regulation (EC) no. 1907/2006). MBCZ requires its suppliers to be aware of the obligations from these regulations and to comply with them. The supplier must therefore ensure the following:

- The provision of correct and complete IMDS (International Material Data System) material data sheets (since 2003) is to be ensured free of charge for every new part and for the adjusted parts as well as for all substructure parts and / or contained operating materials characterized as spare parts in the spare parts area, and has to be implemented, in the course of initial sample inspections of new or modified products, at the latest two (2) months following a blank release (QQ D). Any flawed material data sheets (MDS) will not be accepted and must be corrected at the latest three (3) months following blank release. For more information on the basic release principles, see IMDS FAQ - Daimler IMDS supplier information on reviewing material data sheets: www.mdsystem.com. A retroactive requirement may be issued for material data sheets not submitted thus far. Although as a general rule no sample inspection is performed for carry-over parts, standard parts and parts serving small parts optimization as used in a new model series, material data sheets will have to be submitted regarding these parts also, should this be subsequently required.
Regulation for substances, that are listed in Annex XIV of REACH-Regulation

- In case of developing a new component, substances listed in Annex XIV of the regulation 1907/2006/EG (REACH) must be waived in general. If the use of such substances is unavoidable, these substances only may be used after prior approval by the responsible person for the components (where applicable in coordination with the special material department at Daimler) either in written or in text form. The supplier must provide evidence to the responsible person that supplier or one of supplier’s sub-suppliers have submitted an application for approval for the required usage no later than upon reaching the "latest application date" (18 months before "sunset date"). Otherwise supplier has to take further measures to ensure compliance with the requirements of the REACH-regulation.

- If there are alternatives under technical and economic constraints, substances included on the candidates list must also be waived preventively in case of developing a new component. If there is no alternative, it has to be aligned with Daimler. The current overviews of the substances included on the candidates list and of the Annex XIV can be accessed on ECHA’s homepage:

https://echa.europa.eu

- If a component contains a substance listed in Annex XIV of the Regulation 1907/2006/EG, supplier has to inform the contact person of the supplier management immediately, so that measures for substitution or, if necessary, for other activities regarding the compliance with the REACH regulations (e.g. approval for the relevant substances) can be initiated. Suppliers of spare parts shall refer to the contact person of the after sales department on this matter.

- Substances of Very High Concern (SVHC) in components, spare parts, miscellaneous items, accessories and packaging: If parts delivered contain a share of substances of very high concern (SVHC) specified on the candidate list in accordance with Article 59 (1) of Regulation 1907/2006/EC amounting to more than 0.1% of their weight, the supplier is required to automatically provide all information in accordance with Article 33 (1) of Regulation 1907/2006/EC on delivery. This also applies if such substance is only added to the candidate list during an ongoing supply relationship. The information must be provided in written form, preferably by IMDS.

- Confirmation and observance of the substance bans according to the EU End-Of-Life Vehicles Directive (e.g. chrome (VI) freedom) in accordance with the agreed changeover scenarios.

- Adherence to the list of banned materials according to DBL 8585.

- Recommendations for a further reduction of interior emissions.

- Allergenic and sensitising substances (H317 and H334) must be avoided.

- Minimization of interior emissions, especially compliance with the listed limits of DBL 5430.

4. Holistic Accounting for Continuous Improvement of Products and Production

Daimler carries out environmental audits on the basis of ISO 14040 et seq. in order to determine and improve its overall environmental profile.

On request, the supplier shall therefore provide MBCZ with information on the relevant products, materials and processes. MBCZ assures suppliers that this information is kept strictly confidential and will only be used for the purpose of holistic Life Cycle Assessment.

The supplier shall make every effort to obtain such information also from its sub-suppliers (raw material and semi-finished product manufacturers, energy suppliers, residue recyclers, etc.). In this regard, the confidentiality declaration shall apply correspondingly.

In order to guarantee a standardized, methodically validated flow of information, Daimler offers an introduction to the technique of holistic Life Cycle Assessment in order to carry out joint analyses as required.

The data must be provided in the specified documentation format (VDA data collection format for life cycle assessments). The period of time and data quality must be agreed between MBCZ and the supplier.

The “Environmentally Friendly Product Development” (RD/FZU) department is available to answer any questions and to address any problems.

IV. Promotion of Standards in the Supply Chain

The supplier will forward the content of these sustainability standards to its suppliers, placing them under the corresponding obligations, and will monitor and check compliance with sustainability standards in the supply chain.