

General Purchase Terms and Conditions of Bayer AG and its affiliated companies for the purchase of technical goods and services

1. GENERAL

- 1.1 These terms and conditions ("Purchase Terms and Conditions") are incorporated by reference into the agreement ("Agreement") entered into for the purchase of goods and/or services between Bayer AG or a company affiliated with Bayer AG (hereinafter referred to respectively as "Bayer") that includes these terms and conditions and the contractual partner ("Contractor").
- 1.2 These Purchase Terms and Conditions shall not apply only if and to the extent that the validity of Bayer's special terms and conditions is expressly agreed on. In that case, the Purchase Terms and Conditions apply only additionally and secondarily.
- 1.3 Contractor's conflicting or differing terms and conditions of delivery 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 Bayer has expressly accepted them in writing in each individual case. This provision applies even if services are accepted by Bayer in awareness of Contractor's general business terms and conditions and/or other terms and conditions.
- 1.4 Individual contractual agreements always have priority over these Purchase Terms and Conditions and must be specified in writing.

2. PROVISIONS OF THE AGREEMENT

- 2.1 No oral side agreements or assurances made by Bayer 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 Bayer.
- 2.2 Contractor must comply with generally accepted rules of technology. Contractor shall comply with all relevant laws and other legal standards and the recognized current technical rules, standards and guidelines.
- 2.3 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 conditions set forth below apply for all types of purchase categories.

3. CONTRACTOR'S OFFER

- 3.1 Contractor's offer shall comply with Bayer's inquiry.
- 3.2 Contractor's offer must contain a binding delivery and/or completion date.
- 3.3 The offer must be prepared and submitted free of charge. The offer shall not create any obligations on the part of Bayer. Cost proposals shall be compensated only by express prior agreement.
- 3.4 If in an individual case and notwithstanding the provisions of Section 16, third-party costs and/or expenses are to be compensated, they must be indicated in the offer, itemized by quantity and with an indication of unit and total prices, in such a way as to be comprehensible to and verifiable by Bayer.
- 3.5 Contractor has no claim to reimbursement of costs for the determination of the compensation and/or any deadline changes and the preparation of change proposals and/or proposed technical solutions.
- 3.6 Sections 3.1 to 3.5 shall apply equally to changes and/or additional services.

4. PURCHASE ORDER AND ACCEPTANCE

- 4.1 Contractor shall immediately check each purchase order received from Bayer for discernible errors, ambiguities, omissions, and unsuitability of the specifications selected by Bayer for the intended purpose. Contractor shall immediately inform Bayer of any necessary amendments or clarifications to the purchase order.
- 4.2 The Agreement shall enter into force by Bayer placing a purchase order in response to Contractor's offer unless Contractor explicitly objects to the purchase order. If Contractor simply sends an order confirmation including reference to the validity of its own general business terms and conditions, this shall not constitute such explicit objection.
- 4.3 Contractor must indicate the following information in all correspondence: Bayer's site, project title, contact person, purchase order number and purchase order date.
- 4.4 Bayer is entitled to demand changes and/or additional services even after the conclusion of the Agreement, provided Contractor can be reasonably expected to perform them. This shall include all planning and/or execution which is standard in the industry sector.
- 4.5 Amendments to the Agreement shall have bilateral effect; in particular, sufficient account shall be taken of cost increases or decreases and effects on the schedule. In calculating changes, Contractor shall determine the cost increases or decreases on the basis of the cost calculation for the principal service/principal order. In the case of additional services, the quoted additional compensation shall not exceed the market price level prevailing at the time the offer was prepared. The burden of proof of that shall be borne solely by Contractor.
- 4.6 Contractor is not authorized by the purchase order to represent Bayer.

5. PROVISION OF SERVICES BY CONTRACTOR AND SUBCONTRACTORS

- 5.1 Contractor shall perform the services itself and on its own responsibility. Contractor is authorized to use subcontractors only after giving Bayer prior notice thereof in good time and obtaining Bayer's express consent. If Bayer consents to the use of subcontractors, they shall be hired by Contractor in its own name and on its own account. Bayer is entitled to refuse to approve subcontractors, without the need to state any reasons.
- 5.2 Contractor undertakes to inform its subcontractors about all regulations, stipulations and provisions relating to the commissioned deliveries and services in full and in time. Contractor shall also ensure that its subcontractors comply with these regulations, stipulations and provisions. Contractor shall obligate its subcontractors to cooperate with Bayer where that is contractually indicated; this shall also apply in particular to the sharing of documents and participation in meetings.
- 5.3 When engaging subcontractors, Contractor must heed and comply with all relevant legal regulations, in particular under the Posted Workers Act, Temporary Employment Act and occupational safety laws. In addition, Contractor shall hold Bayer harmless from any liability with regard to claims by its employees, its subcontractors and other parties under the above regulations.
- 5.4 Contractor undertakes to check compliance with the provisions listed in Section 5.3 each time before commissioning a subcontractor and prior to each extension – including those made automatically – of a contract with the subcontractor (e.g., by requiring a self-disclosure from the subcontractor). Any transfer of services by the subcontractor to further subcontractors shall usually not be permitted and shall require Bayer's express written confirmation. If in such exceptional cases a subcontractor engages a subcontractor, the provisions listed in Sections 5.2 and 5.3 shall apply accordingly as appropriate. This shall apply to all levels of subcontracting. If a subcontractor does not comply with one or more of the provisions listed in Section 5.3, Contractor assures that it will not or no longer commission this subcontractor to perform services for Bayer until such time as all the provisions listed under Sections 5.2 and 5.3 are (again) satisfied.

5.5 If, contrary to the provisions of Section 5.3 to 5.4, Contractor or a subcontractor uses a subcontractor to provide services to Bayer or the deployment of a subcontractor is qualified as an employment relationship and/or unauthorized temporary employment in relation to Bayer, Contractor shall hold Bayer harmless against any and all material and immaterial disadvantages arising therefrom, in particular from obligations to pay wages, social security contributions or wage taxes.

5.6 If the performance of the service takes place at Bayer's site, Contractor must comply with the safety and administrative regulations for outside companies and/or the internal operating regulations applicable at the respective site. Contractor must also comply with all other requirements displayed for its information on the site. If Contractor considers the requirements unreasonable, it must immediately register its objections with Bayer.

5.7 Contractor shall use only qualified persons for the performance of the service. Persons whose employment with Bayer was previously terminated by Bayer for personnel or performance-related reasons may not be used, or persons who have repeatedly damaged or continue to cause particularly serious damage to Bayer's interests. Contractor 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 of the service, unless otherwise agreed, this period begins with receipt of the purchase order by Contractor.

6.2 As soon as Contractor becomes aware that it can no longer perform its contractual obligations in whole or in part, or not in a timely manner, it must immediately notify Bayer of this, indicating the reasons for and the projected duration of the delay. Notification must be made in writing. If Contractor fails to provide this notification, it may not plead the obstacle to Bayer as the cause of the delay.

6.3 If Contractor does not perform its services within the stipulated time, it shall be liable in accordance with the applicable laws and regulations.

6.4 Early performance of services, early deliveries or partial deliveries require Bayer's written consent.

6.5 If Contractor knows that an obstruction will have effects on performance, Contractor must immediately notify Bayer in writing of the obstruction and its effects, including the beginning and expected end of the period of obstruction, the potential consequences of the obstruction with regard to deadlines and/or costs and a detailed explanation of the reasons. After the obstruction has been remedied, Contractor must resume the affected services without undue delay and notify Bayer of this without undue delay and in writing.

7. PLACE OF PERFORMANCE

The place of performance for all claims arising under this Agreement is the destination specified by Bayer (i.e., the delivery address indicated in the purchase order or otherwise stipulated).

8. COOPERATION BY BAYER

8.1 Bayer shall provide the contractually stipulated cooperation. Unless agreed otherwise, this cooperation is an obligation.

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

9. TESTS

9.1 If tests and inspections are stipulated for the goods or services to be supplied, Contractor shall bear the material and personnel costs of the tests and inspections. Bayer shall bear the costs of its testing and inspection personnel. Contractor must send binding notification to Bayer that the service or goods are ready for testing or inspection at least one week before the date stipulated for the test or inspection. Contractor must also agree on a test date with Bayer. If the service/item to be tested is not presented on this date, Bayer's testing personnel costs shall be charged to Contractor. If defects are identified and repeated or additional tests are therefore necessary, Contractor shall be responsible for all material and personnel costs. Contractor shall bear the material and personnel costs of the material certificates for the primary materials.

9.2 Bayer shall have the right to obtain information about the delivery and service of Contractor and related quality assurance measures at any time. Contractor shall ensure that Bayer is provided at all times with all necessary information and data to enable assessment of Contractor's deliveries and services. Bayer is entitled to visit all sites where services are being performed to conduct its own tests (e.g., Factory Acceptance Tests and Site Acceptance Tests) and verifications, subject to giving Contractor prior notice in good time.

10. PACKING AND SHIPMENT

Unless otherwise agreed, the version of INCOTERMS at the time the purchase order was placed shall apply, namely CPT for the EU and DDP for non-EU countries.

11. INSURANCE POLICIES

11.1 Contractor must take out sufficient liability insurance at its expense in an amount standard in its industry sector – including planning liability insurance for planning services – to cover damage caused by Contractor, its personnel or its subcontractors through services provided or work or goods delivered. Proof of coverage must be provided to Bayer on request. More extensive damage claims to which Bayer may be entitled in excess of insurance coverage remain unaffected.

11.2 The purchase of specific erection/installation insurance coverage in addition to the liability coverage stipulated in Section 11.11 must be agreed upon between Bayer and Contractor in each individual case.

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

12. NO TRANSFER OF EMPLOYEES, MINIMUM WAGE

12.1 Contractor bears sole responsibility for the contractual, statutory, official, collective bargaining and professional obligations toward the persons employed by it for the performance of the service. Contractor must hold Bayer completely harmless from claims that may be brought against Bayer resulting from infringement of the above obligations. This hold-harmless obligation 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).

12.2 Contractor must ensure compliance with the respective applicable statutory provisions concerning the minimum wage. The above requirement applies in particular to statutory documentation obligations. Contractor shall also assume Bayer's documentation obligations under the Minimum Wage Act with regard to Contractor's services performed for Bayer. The above requirement also applies if and to the extent that Contractor engages a subcontractor for these services. In the event of a violation of the Minimum Wage Act by Contractor or a subcontractor, Contractor must immediately so notify Bayer in writing. Contractor shall hold Bayer completely harmless from any claims in connection with the minimum wage.

13. DOCUMENTS OF BAYER

- 13.1 Bayer reserves title to all industrial property rights and copyright to all documents physically or electronically transmitted to Contractor. Bayer retains title to all drawings, standards, guidelines, analysis methods, formulas and other documents that are transmitted by Bayer to Contractor for the manufacture of the item to be delivered. Bayer's documents are also covered by the requirements set forth in Section 22. The documents to which Bayer retains title 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 Contractor only for Bayer's contractually stipulated purposes. Other requirements apply only with written consent of Bayer. On 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 Bayer and/or – in the case of electronic documents – deleted.
- 13.2 Documents of all types that are required by Bayer for the use, setup, erection or installation, processing, storage, operation, maintenance, inspection, service and repair of the items supplied must be made available by Contractor promptly, unsolicited and free of charge.
- 13.3 Bayer's internal standards (company standards) and guidelines must be requested by Contractor in good time, to the extent that they have not already been made accessible or transmitted.
- 13.4 Documents transmitted by Bayer must be returned unsolicited and/or – in the case of electronic documents – deleted by Contractor, subject to the obligation set forth in Section 14 and/or existing statutory retention obligations, not later than at the time of the completion of the purchase order.

14. CONTRACTOR'S RETENTION OBLIGATIONS

All documents created by Contractor in the context of the Agreement (e.g., drafts, clean drawings, film copies, audio tapes and final proofs) and the data transmitted to Bayer must be retained by Contractor 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 Bayer.

15. QUALITY ASSURANCE

- 15.1 Contractor must establish and maintain an effective quality assurance. Contractor shall demonstrate the corresponding measures to Bayer on request.
- 15.2 Bayer itself is entitled to verify the quality assurance measures by appointment or to have them verified by third parties commissioned by Contractor.

16. COMPENSATION

- 16.1 The compensation shall be paid in accordance with Bayer's purchase order either based on time and material, unit rates or a lump-sum fixed price. Discounts and/or cost allocations shall also apply to changes and/or additional services performed by Contractor.
- 16.2 Compensation based on time and material:

In exchange for the services, it has to provide in accordance with the purchase order, Contractor shall be compensated on the basis of the actual hours worked, which shall be proven every 14 days by time sheets signed by Bayer, plus value-added tax at the rate on the day the liability to pay value-added tax arises. The hourly rates agreed in Contractor's offer for the period of time during which the Agreement is performed shall apply, taking into account any agreed discount and/or other contractual cost allocations.

Installment/progress invoice and/or final invoice requests shall be settled after Contractor has drawn up the invoices and Bayer has acknowledged the hours worked.

The agreed hourly rates shall be the total contractual compensation for all services necessary to ensure that the services ordered as part of the scope of services are provided in full, are ready for use and do not have any defects.

Travel expenses shall be reimbursable only with Bayer's prior written consent.

16.3 Compensation based on unit prices:

In exchange for the services it has to provide in accordance with the purchase order, Contractor shall be compensated at unit prices on the basis of the actual performed quantities, plus value-added tax at the rate on the day the liability to pay value-added tax arises. The unit prices agreed in Contractor's offer for the period of time during which the Agreement is performed shall apply, taking into account any agreed discount and/or other contractual cost allocations.

Installment/progress invoice and/or final invoice requests shall be settled on the basis of a joint quantity survey of the services performed.

The agreed unit prices shall be the total contractual compensation for all services necessary to ensure that the services ordered as part of the scope of services are provided in full, are ready for use and do not have any defects.

16.4 Compensation based on a lump-sum fixed price:

In exchange for the services it has to provide in accordance with the purchase order, Contractor shall receive a lump-sum fixed price, plus value-added tax at the rate on the day the liability to pay value-added tax arises. Contractor shall bear the risk related to calculation of quantities – the actually determined quantities/volumes shall not be used as the basis for billing. Any details of volumes and/or quantities contained in the inquiry shall merely serve as an aid in costing.

The agreed lump-sum fixed price shall be the total contractual compensation for all services for the period of time during which the Agreement is performed that are necessary to ensure that the services ordered as part of the scope of services are provided in full, are ready for use and do not have any defects. Any sliding scale for wages and/or material prices shall be excluded. The lump-sum fixed price shall include any agreed discount and/or other contractual cost allocations.

17. PAYMENT TERMS

- 17.1 Invoices must contain the purchase order number indicated in the purchase order and describe the components of the service 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 must be listed separately in the invoice.
- 17.2 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.
- 17.3 If out-of-pocket expenses, costs of third-party services and/or other expenses are reimbursed, these expenses must be shown in the invoice, broken down by item, quantity, unit and total prices and documented by copies of the corresponding invoices or receipts.
- 17.4 Installment payments shall be possible in exceptional cases, where envisaged in Bayer's purchase order.
- 17.5 Payments shall be due in net in accordance with agreed payment terms after receipt of the invoice.
- 17.6 Bayer's payment shall be late only if Bayer received an express warning after the date payment was due and/or a fixed payment deadline was stipulated. The lump-sum late interest rate applicable in the event of late payment is 9 percentage points p.a. above the base interest rate, unless Bayer demonstrates that the actual pecuniary damage incurred by Contractor was less.

17.7 In the event of a defective delivery or service, Bayer is entitled to withhold payment proportionally until proper performance.

17.8 Payment does not constitute any acknowledgment of terms 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.

17.9 Unless otherwise stipulated, invoices made out to Bayer or the respective affiliated company of Bayer must be sent by mail to the ordering company with the addition "Rechnungseingangsstelle" [Accounts Payable], D-51368 Leverkusen.

18. RETENTION OF TITLE

18.1 Title to the items supplied must be transferred to Bayer without restrictions and without regard to payment of the price.

18.2 If, under the terms of an individual agreement, Contractor offers to transfer title conditional on payment of the purchase price, Contractor's reservation of title expires not later than payment of the purchase price for the goods delivered. Bayer also remains 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, the simple retention of title extended to the resale applies. However, all other forms of retention of title are excluded. The above provision applies in particular to expanded and forwarded retention of title and retention of title extended to include reprocessing.

19. GRANTING/TRANSFER OF RIGHTS

19.1 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 Contractor individually for Bayer, including the associated drafts, planning documents, documentation and information (together "Work Results" below) are the exclusive property of Bayer. The parties further agree that Bayer is entitled to use, exploit, add to, modify and otherwise process these Work Results (including for purposes beyond the business purposes of Bayer and the objective pursued with the specific purchase order) in any conceivable manner for an unlimited time 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.

Contractor shall grant Bayer full rights to use these documents as soon as they are created.

19.2 Contractor, by entering into this Agreement, accordingly, grants exclusive, irrevocable rights of use to the Work Results referenced above created by Contractor 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 the rights to playback via interactive and non-interactive video or audio media, the playback of wireless transmissions and public access, digitization, on-line availability, transmission and playback, other public playback and access. Also included is the right to modify, process the Work Results (in particular to translate them into other languages and to dub them) and to combine or connect them with other works, projects 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 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 the use and further processing of planning documents for creating buildings and facilities – and disclosure of them to third parties for that purpose – and rights for unknown types of use as well as use in processed form.

19.3 If third-party copyright arrangements allow it, contractor assigns to Bayer the copyright to the Work Results as such. Contractor assigns to Bayer all additional intellectual property rights to the Work Results as well as the film rights.

19.4 With regard to the contractual software created by Contractor individually for Bayer 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, Bayer shall be granted exclusive rights to said software or adaptations. Otherwise, the rights shall be granted on a non-exclusive basis.
- Bayer 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.
- Bayer is entitled to assign rights of use to software that has been purchased by Bayer 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 affiliated companies 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 Bayer.

19.5 Contractor also assigns all rights to and from inventions (including rights from patents and utility models), distinctive marks, trademarks, trade names and design rights on the Work Results created for Bayer, to Bayer in full and worldwide. 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 not registered. If any existing protective or distinctive marks, trademarks, trade names or design rights cannot be assigned, Section 18.1 applies as appropriate.

19.6 If Contractor creates software and/or adaptations to standard software on orders from Bayer, the source and object code created in the context of execution of the purchase order shall be assigned to Bayer comprehensively and in appropriate form. If the subject matter of the Agreement is the supply of standard software and if Contractor does not transmit the source and object code for it to Bayer, Contractor must, if Bayer 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 Bayer.

19.7 In addition to the exclusive title to intellectual property, Bayer also acquires exclusive title to all physical objects and data media created or conveyed in the context of this Agreement by Contractor or on the instructions of Contractor for the performance of the purchase order (e.g. including but not limited to sketches, drafts, documents, molds, models, samples, 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 Contractor's possession. These objects must be delivered to Bayer on request.

19.8 With payment of the stipulated compensation, both the services contractually owed by Contractor and the above-mentioned transfers of rights shall be deemed fully compensated.

20. THIRD-PARTY RIGHTS AND ATTRIBUTION

20.1 For image material, Contractor must obtain in advance any required permission of persons portrayed in the image and for its publication and exploitation as stipulated in Section 19.2.

20.2 If third parties such as photographers, illustrators, models, speakers, singers etc. are hired, Contractor shall extend to Bayer the opportunity to restrict the scope of the service with regard to the determination of fees and legal safeguards before these third parties are hired.

20.3 Contractor 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.

20.4 If Contractor is the (co-) author with reference to all uses of Bayer's work, Contractor 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. Bayer shall decide on the attribution of Contractor and/or any (co-) authors by name, as well as on any design of the citation.

20.5 Contractor shall ensure by means of corresponding agreements (in particular with employees or any subcontractors hired 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 Bayer is granted the rights described in Sections 19.1 to 19.7. Contractor must if necessary acquire the necessary rights and/or licenses. Contractor shall pay any license fees.

20.6 With payment of the stipulated compensation, both the services contractually owed by Contractor and the above-mentioned licenses and/or license fees shall be deemed fully compensated.

21. IP INFRINGEMENTS

21.1 Contractor shall hold Bayer harmless from all third-party claims, subject to the provisions of Section 21.2, 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 hold-harmless obligation includes all expenses that are incurred by Bayer from or in connection with the third-party claim.

21.2 Contractor shall not be liable for services that are made available by Bayer. Bayer shall hold Contractor harmless from third-party claims if and to the extent that the respective claim is brought on grounds that Contractor has acted at Bayer's express wish, although Contractor has notified Bayer in writing of its objections with regard to the admissibility of the action.

22. CONFIDENTIALITY

22.1 Contractor must use all information received orally or in writing from Bayer only for the purposes stipulated in this Agreement, keep it confidential and not disclose it to third parties without Bayer's prior written consent. Contractor 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 this Section 22 and who are required to have the information to perform the Agreement between Contractor and Bayer. Upon request, Contractor must confirm to Bayer in writing the conclusion of corresponding agreements.

22.2 The confidentiality requirement stipulated above extends as appropriate to the request for quotation and purchase order as well as to the work and services performed in this regard.

22.3 The above obligations do not apply to information that

- at the time of its disclosure was already known to Contractor without any obligation to Bayer to keep it confidential, or
- was disclosed to Contractor by third parties who received and forwarded this information without violating any confidentiality obligation, or
- at the time of its disclosure by Bayer was already in the public domain, or
- entered the public domain thereafter through no fault on the part of Contractor.

22.4 Nor does the confidentiality obligation apply 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, Contractor shall immediately notify Bayer before information is forwarded to a court or government authority.

22.5 The confidentiality obligation stipulated above survives the completion of the purchase order unless one of the exceptions cited above occurs subsequently.

23. ACCEPTANCE, LIABILITY FOR DEFECTS AND OTHER WARRANTIES

23.1 Contractor guarantees 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. Contractor further guarantees that the supplies or services owed correspond to the generally accepted rules of technology, the latest requirements of government authorities, the Product Safety Act, the respective applicable safety requirements and the occupational safety and accident prevention requirements.

23.2 Contractor's liability for defects also extends to the parts manufactured and/or supplied by subcontractors and the services performed by subcontractors.

23.3 Bayer must report defects in the contractual service to Contractor as soon as they are identified in the ordinary course of business. The period allowed to Bayer for examination and sending a notice of defect shall be determined on the basis of the individual circumstances. For apparent defects this notice of defect period is at least fourteen (14) days from the date of shipment. For concealed defects the notice of defect period is at least fourteen (14) business days after the discovery of the defect.

23.4 Bayer shall retain possession of and title to defective parts until they are replaced. Defective parts shall be returned to Contractor in exchange for the delivery of and transfer of title to the replacement. Bayer is entitled to continue to use the defective service and items as far as possible during the performance of the maintenance, repair or replacement measures.

23.5 Contractor shall bear the costs of testing, inspection and repair (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 Bayer in the event of unjustified warranty claims remains unaffected. Bayer shall to this extent be liable only if it was aware or was grossly negligently unaware that no defect actually existed.

23.6 In urgent cases where it is not possible to wait for Contractor to remedy a defect, notwithstanding its statutory rights under the warranty, Bayer can also have the defect remedied itself or by third parties at Contractor's expense and demand reimbursement from Contractor of the expenses incurred. Bayer also has this right if Contractor negligently fails to cure the defect in spite of being given an extended deadline, the deadline extension is legally superfluous, or the attempted remedy has ultimately failed.

23.7 If Contractor has provided a guarantee for the properties or durability of the services and items supplied, Bayer can file claims under the guarantee in addition to its rights arising from defects.

23.8 The acceptance shall occur exclusively formally, through signing of an acceptance protocol by Bayer, not through use or commissioning of the work (implied acceptance). Notional acceptance is likewise excluded.

23.9 Contractor is not entitled to partial acceptance.

23.10 With regard to services that Contractor covers up during the course of subsequent service provision and which therefore can no longer be viewed and inspected, Contractor shall give Bayer the opportunity to conduct an inspection before the services in question are covered up.

23.11 Title to all works and/or parts supplied under the Agreement shall be transferred to Bayer upon delivery to the site of use.

23.12 The risk of accidental loss and/or accidental damage is transferred to Bayer upon formal acceptance.

23.13 Contractor is liable for material defects and defects of title pursuant to the statutory provisions.

24. TERMINATION

24.1 Termination is subject to the applicable statutory regulations.

24.2 Bayer is entitled to partial termination of the Agreement.

24.3 The Agreement can be terminated without notice for cause. Sufficient cause exists in the following cases in particular:

- Contractor defaults on a contractual obligation and does not cure the default within a reasonable period of time set by Bayer, accompanied by the threat of termination.
- If the deadline for compliance cannot be extended depending on the type of breach, Contractor has not successfully cured the breach in spite of a warning by Bayer.
- Contractor has not complied with its obligation to pay taxes and/or social security contributions.
- There has been significant deterioration of Contractor's financial situation that endangers performance of the Agreement.
- There are changes in Contractor's ownership structure.

24.4 After termination, Contractor is obligated to vacate the construction site and return to Bayer without undue delay all planning documents and/or other project documents that are relevant for continuing the services.

24.5 Notice of termination must be submitted in writing.

25. LIABILITY AND INDEMNIFICATION

25.1 Contractor shall be liable pursuant to the statutory provisions.

25.2 If a third party files a claim against Bayer due to the breach of a legal or contractual provision under Contractor's responsibility, Contractor must exempt Bayer from all claims.

26. LIMITATION PERIODS

26.1 Unless expressly agreed otherwise, the statutory periods of limitation apply. Notwithstanding the above, the provisions set forth below apply.

26.2 Non-contractual claims on grounds of material defects and defects of title and contractual claims on grounds other than defects are subject to the statutory periods of limitation.

26.3 The period of limitation on justified warranty claims is extended by the length of time between the registration of the warranty claim and its satisfaction. If the item/service supplied is replaced in its entirety, the period of limitation begins again. For a partial replacement, the period of limitation applies to the replaced parts. The period of limitation shall not start over if Contractor is visibly not acting in the framework of its obligation to remedy defects.

27. WITHHOLDING TAX

Bayer shall be entitled to deduct and withhold from the amount payable the tax for which Bayer on behalf of Contract Partner is liable under any provisions of tax law. If the withholding tax rate is reduced according to the regulations in a double tax treaty no deduction shall be made or a reduced amount shall be deducted only if Bayer is timely furnished with necessary documents (e.g., a notice of exemption) by Contract Partner issued from the relevant tax authority (e.g., the German Federal Tax Office), certifying that the payment is exempt from tax or subject to a reduced tax rate. Any withheld tax shall be treated as having been paid by Bayer to Contract Partner for all purposes of the Agreement. Bayer shall timely forward the tax receipts certifying the payments of withholding tax on behalf of Contract Partner. In case Bayer must pay but cannot deduct the withholding tax due to the fulfilment and completion of the payment obligation by settlement or set-off, Contract Partner will pay the withholding tax to Bayer separately. If Bayer failed to deduct withholding tax but is still required by tax law to pay withholding tax on account of Contract Partner to the tax authorities, Contract Partner shall assist Bayer with regard to all procedures required in order to obtain reimbursement by tax authorities or, in case tax authorities will not reimburse withholding tax to Bayer, Contract Partner will immediately refund the tax amount.

28. VAT

All stipulated compensation amounts are net amounts. If owed by Contractor 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 remuneration.

29. SUSTAINABILITY

Contractor is expected to bring its business operations and business practices into compliance with the Bayer Supplier Code of Conduct (<https://www.bayer.com/en/procurement/supplier-code-of-conduct>). Bayer is entitled to have Contractor's sustainability level audited by a self-assessment (e.g., online, written questionnaires, etc.) or by an on-site audit conducted by Bayer or by a third party. The sustainability level shall be determined by a comparison with the standards set by the Bayer Supplier Code of Conduct.

30. FINAL PROVISIONS

30.1 Contractor is permitted only with Bayer's express written consent to cite the business relationship with Bayer or to refer to it in informational and advertising material.

30.2 Contractor may assign claims against Bayer that are not monetary claims only with Bayer's express consent.

30.3 At any time and without Contractor's consent, Bayer may assign the Agreement and the rights and obligations under it to Bayer or to companies affiliated with Bayer AG or in connection with the sale or transfer of all or substantially all of (i) its business, (ii) a business unit or (iii) a site, or in connection with a merger or other consolidation of Bayer or a company affiliated with Bayer with another company.

30.4 Contractor may offset only against undisputed or legally upheld claims. If Contractor has a right to withhold performance, Contractor may do so only against claims that originate from the Agreement.

30.5 Otherwise, the statutory provisions governing offsetting and withholding rights apply.

30.6 Contractor must immediately notify Bayer in writing of any transfer of the Agreement by operation of law and of any change in its company name.

30.7 The law of the country in which Bayer has its registered office shall apply. The UN Convention of April 11, 1980, on agreements for the International Sale of Goods shall not apply. The place of jurisdiction shall be the place where Bayer has its registered office.

- 30.8 If individual provisions of the Agreement are or become invalid or unenforceable in whole or in part, the remaining provisions shall be unaffected thereby.
- 30.9 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. The same shall apply to any gaps in the provisions. The gap shall be closed by the inclusion of a suitable provision which, insofar as possible, most closely approximates what the parties would have intended within the meaning and purpose of this Agreement had they been aware of the invalidity or unenforceability at the time the Agreement was concluded.
- 30.10 Amendments, supplements and the cancellation of the Agreement by mutual consent shall only be valid if they are made in writing. This also applies to any amendment of this clause requiring written form.

Updated: Leverkusen, November 2021