



Life Energy Motion

## LEM General Terms and Conditions of Purchase

Supplier confirms that it has read, understood, and accepted the LEM General Terms and Conditions of Purchase prior to order confirmation, and had the opportunity to request clarifications. The supplier acknowledges that these terms were made available prior to contract conclusion and explicitly agrees to their incorporation in the order, any order acknowledgement, shipping documents, invoices and other contractual documentation. The supplier acknowledges that clauses relating to indemnification, limitation of liability, intellectual property, and warranty have been specifically highlighted and explained prior to acceptance.

### 1. Scope

1.1. Unless otherwise expressly agreed under a separate agreement, these General Terms and Conditions of Purchase and, as applicable, the most current version of LEM Group Suppliers General Requirements Manual (available on [www.lem.com](http://www.lem.com)) which is an integral part of these General Terms and Conditions of Purchase (hereinafter collectively the "Conditions of Purchase") apply to all goods and services procured by a LEM affiliate (hereinafter "LEM") from any supplier (without regard to supplier location), as set forth in a purchase order (hereinafter the "Goods"). By accepting LEM order, the supplier agrees to the exclusive application of these Conditions of Purchase for the procurement of Goods by LEM. Notwithstanding anything to the contrary stated in supplier's conditions of sale, acceptance of LEM's purchase order constitutes (1) supplier's explicit waiver of all its conditions of sale and (2) supplier's express acceptance of these Conditions of Purchase which shall prevail in battle of forms. Any modifications or deviations from these Conditions of Purchase must be agreed in writing and signed by LEM and the supplier, in which case such modifications or deviations shall prevail. Any condition set out in supplier's order acknowledgment form that modifies, conflicts with or contradicts any of these Conditions of Purchase shall be deemed invalid and not applicable.

### 2. Affiliate

2.1. LEM affiliate means LEM HOLDING SA and any legal entity, branch or office directly or indirectly controlled by LEM HOLDING SA. "control" means the ability to vote more than 50% of the voting securities of the business entity or otherwise having the ability to direct the management and policies of such legal entity, branch or office.

### 3. Order

3.1. The contract is considered as concluded between LEM and the supplier when LEM has placed an order, unless the supplier rejects it in writing within 2 working days after receipt. The order together with these Conditions of Purchase and any other document specifically referred to in the order or separately agreed to in writing, such as technical specifications, drawings or quality requirements, will be binding and form part of the contract between LEM and the supplier.

3.2. The supplier shall fully comply with LEM's requirements as set forth in the order or in its attachment. Deviating comments on the order shall only be valid if approved in writing by LEM. In such a case, LEM will issue a revised order cancelling and superseding the previous one. In any case, the supplier undertakes to promptly inform LEM if any LEM's requirement contained in the order differs from the technical specifications validated by LEM.

3.3. Orders may be submitted, whether in writing or electronically, and do not need to be signed to be enforceable, unless otherwise required by applicable law.

### 4. Order change and cancellation

4.1. Subject to applicable law, LEM may at any time, issue a change order to the supplier (whether in writing or electronically), to make any change to an order even after it was approved (e.g. change to delivery dates, place(s) of delivery, packaging, quantities and/or the Goods).

4.2. If any such change causes a material increase or decrease in the cost of, or the time required for, performance of the order, an equitable adjustment shall be made to the price and/or delivery date. Any claim by the supplier for adjustment under this clause shall be made in writing, together with supporting documentation satisfactory to LEM. However, any such claim shall be deemed waived unless asserted within 2 working days after receipt by the supplier of the change order. Unless otherwise instructed by LEM, any claim by the supplier must be approved by LEM in writing before the supplier proceeds with such change. The supplier shall not suspend performance under any order while LEM and the supplier are in the process of making such changes and any related adjustments. Except and only to the extent it is specifically precluded by applicable law and upon 10 days notice, LEM may cancel any order at any time and for its sole convenience on or before the lead time for production or 30 calendar days prior to the date of delivery, whichever is shorter, without any liability to LEM in connection with any such cancellation. If LEM cancels any order less than the lead time for production or 30 calendar days prior to the delivery date, whichever is shorter, LEM shall reimburse the supplier for the work already performed prior to the notice of cancellation that the supplier can document to LEM's satisfaction. The supplier shall not be paid for any work done after receipt of the notice of cancellation nor for any costs incurred by supplier's sub-suppliers or providers which the supplier could reasonably have avoided. LEM will in no event reimburse costs exceeding the contract price of the Goods under the cancelled order. This clause 4.3 is without prejudice to LEM's rights to cancel any order for cause. No further claims shall exist.

### 5. Prices and payment terms

5.1. The supplier shall provide the Goods at a firm-fixed price including all delivery costs. The price structure, including any applicable discounts or rebates, shall be clearly stated in the order. In case of late payment of undisputed amount, the supplier shall be entitled to interest in accordance with applicable law. Such price shall not be subject to revision nor any adjustment due to currency fluctuation. Unless otherwise agreed in writing, the price is fully inclusive of standard packaging and of any and all costs, risks and profits related to or in connection with the performance of the order. No extra charge of any kind will be allowed unless specifically agreed in writing by LEM in advance and stated in the order. Price increases shall be valid only if confirmed in writing by LEM's duly authorized representative.

5.2. Unless otherwise specified in the order, all prices are deemed delivery duty paid (DDP - Incoterms 2020) to the place of delivery specified by LEM. Currency is as set forth in the order.

### 6. Invoicing/Terms of payment

6.1. The supplier may issue an invoice after delivery but not later than 30 calendar days of delivery of the Goods.

6.2. The supplier shall submit to LEM invoices in a form and format satisfactory to LEM and complying with generally accepted accounting principles. In particular, invoice shall indicate the exact LEM order number, LEM designation of the Goods, quantity and price. The invoice address is according to the order. The value-added tax shall be shown separately on the invoice. The supplier shall be responsible for all consequences arising from the failure to meet these requirements.

6.3. Unless otherwise agreed in writing or except if it is specifically precluded by applicable law, the invoices are paid by LEM within 60 calendar days after receipt of correctly issued invoices. Payments shall in no event be construed as an acceptance of the Goods nor a waiver of notices of defects by LEM.

6.4. LEM reserves the right of set-off and the right of retention to the extent permitted by applicable law.

### 7. Place of delivery and passing of risk and ownership

7.1. Unless otherwise specified in the order, deliveries shall be DDP (Incoterms 2020) to the place of delivery specified by LEM on the order or LEM's place of business if no other place of delivery has been specified.

7.2. Each delivery shall include a detailed delivery note listing the order details, order number, order date and LEM name, with clear and correct description of tariffs codes (when applicable). The supplier shall ensure that all special documents required by law, such as safety data sheets, certificate of origin and export documents, accompany the delivery.

7.3. The supplier will be responsible for any damage caused by wrong, missing or insufficient documentation. Wrong, missing or insufficient documentation may delay payment, except and only to the extent it is specifically precluded by applicable law.

7.4. Ownership of the Goods passes to LEM with their delivery to the place of delivery.

### 8. Packaging

8.1. Packaging must be secure and adequate for preventing damage during storage, transport and

shipment. The Supplier must comply with any special labelling and packaging instructions given by LEM at no further cost.

8.2. The supplier shall ensure that the packaging complies with the applicable environmental regulations.

### 9. Delivery dates, delay

9.1. Delivery dates and quantities specified in the order are binding. Delivery date shall be understood as the date of delivery of the Goods at the agreed place of delivery in accordance with clause 7.1 above.

9.2. Partial deliveries and early deliveries are not permitted, unless otherwise agreed.

9.3. If the supplier anticipates that the delivery date will not be met, the supplier shall forthwith notify LEM in writing of the reason and the expected duration of the delay.

9.4. In case of early, delayed or partial delivery, the supplier shall be immediately deemed to be in default without notice.

9.5. Acceptance of an early, delayed or partial delivery shall not be deemed a waiver of the rights that LEM is entitled to as a result of supplier's deviation from the binding delivery dates.

9.6. **In the event of delay, LEM reserves the right to claim liquidate damages amounting to 1% of the contract price per complete or incomplete week of delay, but not exceeding 10% of the delayed quantities. The liquidated damages shall not relieve the supplier from its obligations under the contract. LEM reserves the right to assert any further legal claims, including the right to claim additional damages and/or terminate the contract once the maximum penalty amount is reached.**

9.7. Except in case of Force Majeure, LEM shall have the right to cancel the order without indemnity or compensation and unaffected LEM's right to claim for any damage, loss or prejudice arising from the delay, (i) if the forecast delivery is too late according to LEM's needs and (ii) in the event of any delay that has not been notified in writing in advance.

### 10. Performance

10.1. The supplier undertakes to perform the contract with all due diligence and efficiency, in a competent and workmanlike manner and in compliance with the best practices of the industry.

10.2. In case of Goods procured by LEM for the need of manufacture of its own products, the supplier shall use an appropriate and documented quality management system to ensure at all times traceability of the Goods and any materials in the Goods as well as conformity of the Goods with the agreed specifications and quality standards. The supplier shall not substitute or modify the Goods nor any materials in the Goods without LEM prior written consent. Any change in manufacturing site, product design, process or control, is subject to LEM's prior written agreement.

10.3. The supplier shall promptly notify LEM in writing of any circumstances which could endanger or hinder the performance of the contract, including any possible quality or safety issue with the Goods.

### 11. Sub-suppliers and providers

11.1. The commissioning of sub-suppliers is subject to the prior written approval of LEM.

11.2. Independently of any negligence or fault, the supplier shall assume unlimited liability for its providers and sub-suppliers as for itself, even though LEM has approved them and LEM shall have no obligation and no liability whatsoever vis-à-vis the providers and sub-suppliers of the supplier.

### 12. Inspection

12.1. LEM is entitled, upon reasonable notice, at any time during the contract and for a period of 12 months thereafter, to access and inspect the facilities and records relating to the design, manufacture, testing, storage and/or delivery of the Goods, including, without limitation, the manufacturing and quality control, testing operations and compliance procedures relating to the Goods. The inspection may be carried out by LEM's representatives and/or LEM's customers. The supplier shall allow LEM's representatives and/or LEM's customers to access to the premises, facilities, equipment, personnel, books and records of the supplier, providers and sub-suppliers. The supplier shall ensure that LEM has the right to access and inspect the providers and sub-suppliers as set forth herein.

12.2. Such inspection shall be exercised in compliance with local privacy and trade secret laws. The scope of audits shall be limited to verifying compliance with this Agreement and shall not relieve the supplier from its obligations under the contract.

### 13. Warranty and Remedies

13.1. The supplier warrants that the Goods (i) comply with all the specifications, blueprints, drawings and data of LEM (in any format) or provided by LEM and accepted by supplier or jointly agreed by the Parties in writing, and with all the requirements and conditions written on the order, (ii) comply with the applicable laws, standards, rules, regulations and requirements where the Goods are manufactured, stored, shipped, used and sold, (iv) are free from defect in design, material and workmanship, (v) are free from defects of title and rights of third parties, (vi) are suitable for their intended purposes, (vii) meet the quality agreements between LEM and the supplier, if any, and (viii) are new and unused at the delivery date.

13.2. **The warranty period shall be 36 months from the date of delivery of the Goods or for a longer period if the supplier issues such a warranty.**

13.3. **The supplier hereby discharges LEM from its obligation to inspect the Goods at receipt.**

13.4. Any notification of defects within the warranty period is deemed made in time and the supplier hereby waives the objection of delayed notification.

13.5. In the event of defective or non-conforming Goods, LEM may, at its option (i) require the supplier to remedy the defects at no charge, (ii) require the supplier to replace the defective Goods at no charge, (iii) reduce the price in proportion to the defects, (iv) obtain from supplier total reimbursement of the purchase price paid for the defective or non-conforming Goods or (v) terminate the contract. In any case, LEM retains the right to claim all damages in addition to the remedies set out above in this clause.

13.6. If the supplier is unable to eliminate a defect within a reasonable time since notification of the defect or non-conformance by LEM or in case of urgency, LEM shall be entitled to eliminate the defect itself or through a third party at the cost and risk of the supplier.

13.7. After the defect has been remedied or the defective or non-conforming Goods have been replaced, the warranty period shall commence anew.

13.8. **The remedies set forth herein shall not be deemed exclusive and shall be construed in accordance with applicable law. Nothing in this clause shall exclude or limit liability for gross negligence, willful misconduct, or personal injury.** The supplier agrees that the warranties specified herein shall be in addition to any warranty by law, whether express or implied, applicable to the relevant order. They shall survive any inspection, test, acceptance and payment by LEM, as well as any termination of orders or of agreements related to orders.

### 14. Product obsolescence

14.1. If the supplier discontinues the production of the Goods, the supplier shall inform LEM at least 18 months in advance and allow LEM the opportunity to place a final order at all times within such an 18-month period.

### 15. Indemnification, Insurance

15.1. **The supplier shall indemnify LEM and its shareholders, directors, officers, employees, agents, subcontractors, suppliers and customers (the "Indemnified Parties") for and hold such Indemnified Parties harmless from all costs and all damages (including attorney and legal fees), and, shall pay any costs and damages incurred by the Indemnified Parties from and against (i) any third-party claims arising from the Goods provided by the supplier, including but not limited to product liability (if applicable) (ii) a breach of the supplier of the Conditions of Purchase or any order, whether or not the supplier may have been negligent or at fault. This liability includes, but is not limited to, the costs of product recall actions, the costs of dismantling, installation, testing, and transportation of defective products at (from and to) LEM's customers.**

15.2. The supplier shall have and maintain all necessary insurance coverages with insurance carriers to the satisfaction of LEM, including, but not limited, professional liability and public liability insurance (with extended product liability insurance) that also covers the costs of any recalls. At any time upon LEM's request, the supplier shall provide LEM with a certificate of insurance as evidence of appropriate coverages. **The insured amount under this clause 15.2 cannot be considered nor construed as a limitation of liability.**

### 16. Intellectual property rights



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- 16.1. The supplier warrants that the Goods do not infringe any copyrights, patents, trademarks, designs or other property rights of third parties.
- 16.2. The supplier shall promptly defend the Indemnified Parties (as defined in clause 15.1) against any third-party claims based on alleged intellectual property rights infringement and pay any costs and damages incurred by the Indemnified Parties (including reasonable attorney fees), in conjunction with such claims. Supplier guarantees that it has full right to use, produce and sell the Goods to be supplied and that LEM shall have full right to use and re-sell such Goods.
- 16.3. without prejudice to LEM's rights under clause 16.2, the supplier shall at its own expense, at LEM's option, either reach a settlement which grants LEM the right to use the Goods free of any liability for infringement, or replace it with a similar one as agreed by LEM, or and credit LEM with an amount equal to the purchase price of the Goods subject to the claim.
- 17. Ownership of information and material**
- 17.1. Any and all intellectual property, commercial and technical information and material, including, without limitation, patents, know-how, trademarks, logo, designs, drawings, tools, molds, dies, plans, templates, samples, specifications, test equipment, manufacturing and/or testing and quality processes that LEM discloses and makes available to the supplier, in whatever form and format, shall be and remain LEM's property (hereinafter "LEM Property"). The supplier shall not at any time do or cause to do, directly or indirectly, any act which impairs or tends to impair in any way LEM's rights, title or interest in and to any of LEM Property. LEM reserves all rights in respect of LEM Property.
- 17.2. LEM Property shall not be modified without the written consent of LEM. Any items of LEM Property shall be clearly marked by the supplier as being owned by LEM and separated from the supplier property. LEM Property shall not be used by the supplier except for performance of the contract or as authorized in writing by LEM and may only be made available to third parties with LEM prior written consent. The Goods manufactured with any LEM Property may neither be used by the supplier itself nor offered or supplied to third parties.
- 17.3. While in supplier's possession or control, LEM Property shall be held at supplier's cost and risk. The supplier warrants that it will keep any items of LEM Property in good condition and safely stored and will replace any such items when lost or destroyed. The supplier undertakes to carry out in a timely manner any needed maintenance and inspection work on any items of LEM Property at his own expense and shall promptly report any failure. The supplier shall insure at his expense any items of LEM Property against loss by fire, water and theft.
- 17.4. Any right of retention with respect to LEM Property is expressly excluded and the supplier undertakes that LEM Property shall be free and clear of all liens and encumbrances, security interests and claims of the supplier and supplier's creditors. Unless otherwise agreed, LEM Property must be automatically returned or destroyed at LEM's request. Notwithstanding the foregoing, in the event of supplier's insolvency or bankruptcy, LEM's representatives are authorized to enter the supplier's premises at any time and remove LEM Property.
- 17.5. In case the supplier fails to comply with any of its obligations under this Section 17, LEM shall be entitled to claim compensation for the resulting damages.
- 17.6. **Any intellectual property whatsoever the form, generated, created or provided by the supplier for the order and any right related thereto shall be the sole property of LEM, such intellectual property being considered works created under commissioning. In case such direct vesting of rights is not possible under the applicable law, the supplier shall at supplier's costs perform any and all actions, necessary to transfer and assign to LEM, or if not allowed under the applicable law, to provide LEM with an irrevocable and perpetual, sole and exclusive, fully paid and royalty-free, worldwide, sublicensable right and license to use (have used), modify and make derivative work, distribute directly and indirectly, lease, sell, offer for sale, import, export, develop, transfer, and otherwise dispose of and exploit such intellectual property alone or combined with any other good and related services thereof.** Should the supplier fail to do so within a reasonable time and in addition to any other remedies available to LEM, LEM shall be entitled to handle all necessary procedures, ask for assistance and reimbursement of the costs incurred.
- 17.7. **To the extent LEM doesn't own all industrial and intellectual property rights in the Goods, the supply of the Goods to LEM shall be deemed to include a worldwide, fully paid-up, royalty-free, perpetual and irrevocable license to use and sublicense any and all intellectual property and rights related thereto for the use, sale, offer to sell, importing and exporting, packaging, testing, quality control, lease or other disposition of the Goods for their intended purpose and use and any service related thereto.**
- 18. Confidentiality**
- 18.1. As long as it is not entered into the public domain, the supplier shall keep as strictly confidential any and all information furnished by LEM and related to the order and its execution, including, without limitation, all LEM Property as well as any other data, documents and experience of LEM, its affiliates or their respective customers or business partners, and shall not disclose any such information to any third party, or use such information for any purpose other than performing the contract, except otherwise expressly agreed to in writing by LEM.
- 18.2. LEM information shall not be retained for longer than necessary to provide the Goods. Immediately upon termination of the contract or at any time upon LEM written request, the supplier shall either return to LEM or, at LEM's option, destroy LEM information and all copies thereof, except for copies which must be retained in accordance with applicable law or which reside on automatic computer back-up or disaster recovery systems so long as such residing copies are not readily accessible and are not used or consulted for any purpose not permitted. In case of destruction, the supplier shall confirm in writing such destruction to LEM.
- 18.3. The disclosure of the contract for advertising or reference purposes shall not be allowed without LEM's written consent.
- 18.4. The supplier shall be bound by this undertaking on and after termination of the contract. Supplier is obliged to bind its employees, agents and sub-suppliers with similar non-use and confidentiality obligations.
- 19. Data Protection**
- 19.1. When performing the contract, the supplier may need to process personal data about LEM or its employees. The supplier shall be responsible for processing such personal data in compliance with the applicable data protection laws and only for the purpose of performing the contract. The supplier shall not, without LEM's prior written consent, transfer personal data to any third party or a country offering a lower level of legal protection than in the country of origin of the personal data in question.
- 19.2. The supplier is advised and consents that LEM processes personal data about the supplier and its representatives (such as the name, address, telephone number, fax number and e-mail address of the supplier's representatives) for the purposes of the contract between LEM and the supplier and managing and administering LEM group-wide purchases and procurement services. The supplier consents to LEM sharing personal data with other LEM affiliates, including for administrative and marketing purposes. The supplier understands and consents that personal data may be transferred to and processed in databases located and accessible globally by the personnel of LEM affiliates and any third-party service providers acting on LEM's behalf worldwide, including in countries offering a lower level of legal protection than in supplier's country of incorporation. The supplier warrants that it processes personal data lawfully and that LEM has the right to process for its own purposes any personal data transferred by the supplier.
- 19.3. The Supplier shall implement appropriate technical and organizational measures to protect personal data, including encryption, access controls, and breach notification procedures, in accordance with applicable laws.
- 20. Regulatory Compliance**
- 20.1. The supplier shall remain in full compliance with all applicable export and import control laws and regulations. The supplier will obtain, at its own expenses, any import, export, transfer and re-export approvals and licenses required for the Goods and will retain documentation evidencing compliance with those laws and regulations. The supplier shall (i) identify any dual-use goods or technology and to fully cooperate with LEM in obtaining the necessary authorizations and (ii) inform LEM about export and/or import bans or restrictions when relevant.
- 20.2. The supplier shall comply with all applicable laws, standards, rules, regulations and requirements of the jurisdiction where the Goods are manufactured, stored, shipped and sold and relating to its activity. Supplier shall bear all the financial and/or administrative consequences incurred by LEM; in particular, as a result of the failure by the supplier or its employees, subcontractors and suppliers, to comply with the provisions of the said laws, decrees or regulations.
- 20.3. The Supplier shall ensure that the Goods, including embedded software, complies with all applicable laws and regulations, including but not limited to the EU Data Act, Cyber Resilience Act, NIS2 Directive, AI Act, and equivalent Swiss, US and Chinese laws on data, cybersecurity, and AI. The Supplier shall implement appropriate technical and organizational measures to ensure compliance and shall promptly report and remedy any non-conformity, weaknesses and vulnerabilities of the Goods. The supplier shall indemnify and hold harmless LEM from any claims, penalties, damages, or costs arising from non-compliance with such regulations, including data breaches, regulatory actions, or failure to meet legal obligations. LEM reserves the right to audit compliance and require corrective actions at the supplier's expense.
- 21. Termination**
- 21.1. LEM shall have the right to terminate any order by registered letter with acknowledgment of receipt, without paying any compensation or penalty to supplier if: (i) supplier fails to deliver the Goods (including the performance of any services) within the date scheduled in the order, and the delay lasts more than one (1) week without being approved by LEM; (ii) supplier fails to comply with warranty obligations; (iii) supplier unreasonably withholds its consent to order changes as per Section 4.2 above; (iv) supplier is in breach of any of its obligations arising from the Conditions of Purchase or from a contract between the parties to which the order is subject, and breach is not cured within ten (10) working days from reception of written notice from LEM of the breach; (v) a proceeding under insolvency, bankruptcy or similar laws is commenced against supplier; or (vi) an occurrence that constitutes a circumstance of Force Majeure according to Section 23 hereafter.
- 21.2. Supplier shall have the right to terminate any order by registered letter with acknowledgment of receipt in case (i) LEM is in breach of any of its obligations arising from the Conditions of Purchase and such breach is not cured within ten (10) working days from receipt of written notice from Supplier; (ii) a proceeding under insolvency, bankruptcy or similar laws is commenced against LEM, (iii) LEM fails to meet payment obligations of undisputed amount despite written notice from Supplier remained without effect during ten (10) working days.
- 22. LEM Code of Conduct**
- 22.1. The supplier, its employees, agents, sub-suppliers and providers are expected to comply with the requirements set forth in LEM Code of Conduct, and any updated version thereof. Acceptance of LEM Code of Conduct by the supplier is a pre-requisite to any continued business relationship between LEM and the supplier. The supplier is responsible for ensuring compliance with LEM Code of Conduct by all its employees, agents, sub-suppliers and providers. LEM reserves the right to audit compliance with LEM Code of Conduct which may include facility inspections. Failure to adhere to LEM Code of Conduct shall entitle LEM to terminate the contract for material breach without compensation.
- 23. Force Majeure**
- 23.1. Either party shall be entitled to suspend performance of his obligations under the contract to the extent that such performance is impeded by Force Majeure, meaning an event that was not foreseeable by the affected party at the time of execution of the respective order, is unavoidable and outside the control of the affected party, and for which the affected party is not responsible. The following events (the list of which is not exhaustive) shall be considered as Force Majeure events to the extent they present the characteristics described above: strike, boycott, embargo, export restrictions, riot, epidemics, natural disasters, extreme natural events, act of war, terrorist acts. Each party shall use its commercially reasonable efforts to minimize the effects of any event of Force Majeure. Force Majeure shall be interpreted in accordance with the applicable jurisdiction and laws.
- 23.2. The party claiming to be affected by Force Majeure shall notify the other party in writing without delay on the intervention and on the cessation of such circumstance. If the affected party fails to give such notice, the other party shall be entitled to compensation for any additional costs which it incurs and which could have avoided had it received such notice.
- 23.3. Either party shall be entitled to terminate the contract by written notice to the other party if performance of the contract is suspended for Force Majeure for more than 30 calendar days.
- 24. Assignment**
- 24.1. The supplier may not assign, transfer or encumber any rights resulting from the contract without LEM's prior written consent. LEM is allowed to assign, transfer or encumber to any third party any rights resulting from the contract.
- 25. Sustainability, Labor and Environmental Compliance**
- 25.1. The Supplier shall ensure that the Goods, including embedded software, are manufactured, developed, and delivered in accordance with internationally recognized standards for labor practices, human rights, and environmental protection. This includes, but is not limited to: (i) providing safe and healthy working conditions; (ii) implementing health and safety precautionary measures; (iii) prohibiting discrimination, harassment, and abuse; (iv) complying with applicable labor laws on working hours, wages, and freedom of association; (v) implementing measures to reduce energy consumption and greenhouse gas emissions; (vi) promoting biodiversity and responsible waste management; and (vii) complying with environmental regulations including REACH and RoHS.
- 25.2. The Supplier shall maintain documentation evidencing compliance and provide it upon request. LEM reserves the right to audit such compliance and to terminate the contract for material breach. The Supplier shall indemnify and hold harmless LEM from any claims, penalties, damages, or costs arising from non-compliance with this section.
- 26. Applicable law and Jurisdiction**
- 26.1. The contract shall be governed by and construed in accordance with the laws of the country of incorporation of the LEM company placing the order, with explicit exclusion of the applicable international private law principles and the United Nations Convention on Contracts for the International Sale of Goods dated 11<sup>th</sup> April 1980. The place of jurisdiction for any disputes shall be the registered office of the LEM company placing the order.
- 27. Miscellaneous**
- 27.1. Failure to enforce or exercise any right or provision of these Conditions of Purchase or a contract does not operate, and shall not be construed, as a waiver of such right or provision and shall not preclude the right later to enforce such right or provision or any other term herein contained.
- 27.2. If any provision of these Conditions of Purchase should be void or unenforceable, this shall not affect the validity of the remaining provisions. Any provisions that are void or unenforceable shall be replaced by provisions that come as close as possible to achieving the intended purpose.
- 27.3. Any clause of these Conditions of Purchase expressly or impliedly intended to survive termination of the contract shall remain in full force and effect notwithstanding such termination.
- 27.4. Nothing in this contractual relationship shall be construed to constitute the supplier as an agent or employee of LEM or so as to have any kind of partnership with LEM. The supplier is not authorized to represent or engage LEM towards third parties.
- 28. Additional Local Provisions**
- 28.1. For contracts executed in China, the Supplier shall ensure compliance with the Export Control Law and Cybersecurity Law of the People's Republic of China. The Chinese language version of this Agreement shall prevail in case of disputes before the Chinese courts.
- 28.2. For contracts executed in Japan, the Supplier shall act in good faith and fair dealing in accordance with Japanese commercial law. The Japanese language version of this Agreement shall prevail in case of disputes before the Japanese courts.
- 28.3. For contracts executed in Malaysia, the Supplier shall comply with the Personal Data Protection Act (PDPA) with respect to any personal data processed under this Agreement.
- 28.4. For contracts executed in the United States, the Supplier shall comply with the California Consumer Privacy Act (CCPA).

