

## 1. Scope

- 1.1 These general terms and conditions of purchase of All4Labels Global Packaging Group (hereinafter “General Terms and Conditions of Purchase”) form an integral part of contracts on deliveries and services between the supplier of goods or the service provider, respectively, (hereinafter “Contractor”) and All4Labels Group GmbH or its affiliated companies in Italy, respectively, (hereinafter “Principal”).
- 1.2 These General Terms and Conditions of Purchase shall also apply to all future contracts with the Contractor.
- 1.3 Contractor’s conflicting or differing terms and conditions or other terms and conditions or other general business terms and conditions are not recognized. Delivery of the purchased goods end/or services shall always entail the formal acceptance by the Contractor of these General Terms and Conditions of Purchase. Conflicting or differing terms and conditions shall apply only if the Principal has expressly accepted them in writing in each individual case. This provision applies even if goods and/or services are accepted by the Principal in awareness of Contractor’s general business terms and conditions.
- 1.4 Individual contractual agreements always have priority over these Purchase Terms and Conditions.
- 1.5 Depending on the nature of the contract entered into by the parties, for the sake of these General Terms and Conditions of Purchase “statutory provisions” shall mean either the provisions of Section 1470 and subsequent of the Civil Code on the sale and purchase of goods (“Compravendita”) or of Section 1655 and subsequent of the Civil Code relevant to an independent contract to perform a piece of work or to render services (Appalto)

## 2. Offer, Purchase Order and Acceptance

- 2.1 Offers and price quotes shall not be remunerated and shall not create any obligations on the part of the Principal.
- 2.2 The Contractor shall check each purchase order received from the Principal for discernible errors, ambiguities, omissions and unsuitability of the specifications selected by the Principal for the intended purpose. Supplier shall immediately inform Purchaser of any necessary amendments or clarifications to the purchase order.
- 2.3 The Principal can accept the offer and price quotes from the Contractor by purchase order. The Contractor is obliged to accept the Principal’s purchase order in writing within a period of two weeks by a confirmation order or to execute them without reservation by dispatching or delivering the ordered goods / services unless another period is specified by the Principal. A belated acceptance by the Contractor shall be deemed to be a new offer and price quote and must be expressly accepted by the Principal in writing. In any case, a contract is concluded only if the Principal has executed a purchase order.

## 3. Delivery Date, Changes in the Delivery of Goods / Provision of Services

- 3.1 The Contractor must comply with the agreed dates of delivery or dates of provision of services, respectively. In case of the delivery of goods such compliance requires the delivery free of any defects to the Principal within the Principal’s regular business hours accompanied by the required shipping documents to the address specified in the purchase order (hereinafter “Place of Destination”). If a delivery including assembly / service has been agreed, the delivery of the goods free of any defects shall not be considered timely unless the assembly / service has been duly carried out as specified in the contract. If a

formal acceptance procedure is stipulated by law or specified in the contract, the time specified for such acceptance shall be adhered to by both parties. Advance deliveries of goods / provision of services or partial deliveries / partial provision of services require the Principal's prior written agreement.

- 3.2 If the Contractor recognizes that it will not be able to fulfill its contractual obligations either in full or in part, or not within the stipulated timeframe, it must notify this to the Principal in writing forthwith. The notice must state both the reason(s) for the delay and the predicted delay in delivery time. Any acceptance by the Principal of a delayed or partial delivery of goods / provision of services shall by no means constitute a waiver of any rights or claims of the Principal due to late or partial delivery of goods / provision of services.
- 3.3 Any changes to the goods to be delivered or services to be provided require the prior written consent of the Principal.
- 3.4 The Contractor shall request the documents required for the execution of the contract from the Principal in due time and check them for completeness and conformity immediately upon receipt. The Contractor shall inform the Principal in writing without delay of any inconsistencies that are apparent to the Contractor.

#### **4. Sustainability**

- 4.1 The Principal conducts its business in accordance with the principle of sustainable development and adheres to internationally recognized fundamental standards for occupational health and safety, environmental protection, labor, and human rights as well as responsible corporate governance (hereinafter "ESG Standards"), including but not limited to the international environmental management standard ISO 14001, the international energy management standard ISO 50001 and any other regional or local regulations (e.g. EU Deforestation Regulation (EUDR) in Europe, Broad-Based Black Economic Empowerment (BBBEE) in South Africa etc.). The Contractor must adhere to the ESG Standards. Furthermore, the Principal calls upon the Contractor to ensure that all its subcontractors of any tier adhere to the ESG Standards likewise. The Principal shall have the right to check adherence to the ESG Standards on the part of the Contractor, either itself or through third parties that it commissions, with prior notice.
- 4.2 While performing the contract, the Contractor must adhere to the Principal's occupational health and safety and environmental protection requirements specified in the contract or the Supplier Code of Conduct (<https://all4labels.com/downloads/>). Furthermore the Contractor is obliged to comply with the respective Site Rules of the Principal.

#### **5. Quality**

The Contractor shall carry out and maintain effective quality assurance and, if requested, demonstrate this to the Principal. To this end, the Contractor shall use a quality assurance system with elements as per ISO 9000 ff. or a similar system of equivalent standard. The Principal shall have the right to inspect the Contractor's quality assurance system with prior notice, either itself or through third parties commissioned by the Principal.

## 6. Use of Subcontractors

Third parties (in particular any subcontractors) may only be employed or replaced by the Contractor to perform the contract with the Principal's prior written consent. The Principal will not refuse its consent without cause. If the Contractor intends to use subcontractors to perform the contract from the outset, the Contractor must inform the Principal of this when submitting its offer.

## 7. No transfer of Employees, Minimum Wage

- 7.1 The Principal does not have supervisory authority over Contractor's employees. Contractor must ensure that no persons employed by it in the performance of the goods / service are integrated into Principal's operation. The above requirement applies in particular if persons employed by the Contractor perform the goods / services in the Principal's offices or on its property.
- 7.2 The Contractor bears sole responsibility for the contractual, statutory, official and professional obligations toward the persons employed by it for the performance of the goods / service. The Contractor must hold the Principal completely harmless from claims that may be brought against the Principal 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). It also applies for any and all claims arising from the hiring-out of employees.
- 7.3 The Contractor must notify the Principal Purchaser as soon as it becomes apparent that pseudo self-employment of the Contractor by the Principal could be assumed or that the performance of the goods / service by the Contractor might be qualified as subcontracted labor.
- 7.4 The Contractor must ensure compliance with the respective applicable statutory provisions concerning the minimum wage. The above requirement applies in particular to statutory documentation obligations.
- 7.5 Whenever the parties enter into an independent contract to perform a piece of work or to render services (appalto), prior to starting the piece of work or the services, and, thereafter, every four months, unless shorter issuance terms by the Public Entities apply, the Contractor shall provide to the Principal:
  - (i) an updated DURC form (Workers tax, social security and employment compliance certificate). Should the competent Public Entities cease to provide such certificates, the Contractor shall provide a receipted copy of the bank form F23 proving the payment of social security and mandatory insurance contributions, and the payment of statutory deductions relating to those workers employed in carrying out the piece of work/services, as well as proof of the payment of all taxes and duties due by the employer in accordance with the current Italian legislation, if applicable to the contract itself and/or to the Contractor;
  - (ii) a copy of the payroll or of the Contractor's workers register bearing the list of the workers to be employed in the performance of the Contract.
  - (iii) the number of the Contractor's Social security position (INPS) .
  - (iv) the number of the Contractor's mandatory national safety and security insurance (INAIL).
  - (v) a copy of the collective bargaining agreement applied to the workers/employees performing the contract

- 7.6 In the case of subcontracting, the Contractor's obligations above shall also apply to the documentation and details relating to the Subcontractor and its staff.
- 7.7 The Contractor shall hold the Principal harmless from any claims in connection with the payment of wage, taxes and duties, social security and any other amount due to the workers applied to the carrying out of the piece of work or services.
- 7.8 Illegal employment of all kinds is prohibited. The breach of any of the provisions of this Section 7 shall entitle the Principal to immediately terminate the contract in accordance with the provisions of Section 1456 of the Civil Code.

## **8. Delivery, Shipping, Packaging, Passing of Risk, Transfer of Title**

- 8.1 Unless agreed otherwise, the delivery of goods shall be made "DAP to the Place of Destination (Incoterms 2020)". Unless agreed otherwise, the delivery shall be accompanied by two copies of the delivery note, the packing list, cleaning and inspection certificates according to the agreed specifications and all other necessary documents. If known, the following details must be given in all shipping documents and – for packaged goods – on the outer packaging too: purchase order number, gross and net weight, number of packages and type of packaging (disposable / reusable), completion date as well as Place of Destination (un-loading point) and consignee. For projects, the complete job number and assembly building must be given as well.
- 8.2 For third country deliveries (imports), Principal shall become importer of record and Contractor shall support him with all documents and information necessary to complete and lodge a true import declaration to authorities responsible for customs, as required in the customs legislation of the country of import.
- 8.3 The Contractor shall notify the Principal in writing about the percentage of US controlled content.
- 8.4 The Contractor shall uphold the Principal's interests during the delivery. Goods must be packed with packaging materials approved for the Place of Destination as so to avoid damage during transport. The Contractor is liable as per the statutory provisions for any damage incurred due to improper packaging.
- 8.5 For domestic deliveries, upon the Principal's request the Contractor shall collect any accumulated outer packaging, transport and sales packaging from the Place of Destination following delivery and dispose of it or having this done by a third party.
- 8.6 The Contractor shall package, label and ship hazardous products according to the applicable national and international laws and regulations. As far as it is applicable the Contractor complies with all obligations for suppliers (pursuant to Article 3 (32) Regulation (EC) No. 1907/2006/EC (hereinafter "REACH")) under REACH with respect to the delivery of goods. The Contractor shall in particular provide the Principal with a safety data sheet according to Article 31 REACH in the national language of the recipient country in all cases stipulated in Article 31 (1) to (3) REACH. As far as the Reach Regulations are not applicable the Contractor shall comply with similar international standards.
- 8.7 Up until the arrival of the goods specified in the contract with the documents mentioned in clauses 8.1 and 8.2 at the Place of Destination, the Contractor shall bear the risk of loss or damage. If the parties have agreed a delivery inclusive of assembly / service, the risk of loss or damage shall pass to the Principal after the assembly / service has been duly completed in accordance with the contract and following the handover of the goods.
- 8.8 If a formal acceptance is stipulated by law or by the contract, the passing of risk shall take place upon acceptance by the Principal. If formal acceptance is agreed, the risk of loss shall not pass from the Contractor to the Principal before a successful acceptance has

been confirmed by the Principal in the acceptance certificate. Payment of invoice balances shall not replace a formal acceptance.

- 8.9 Transfer of title and ownership shall pass to Principal as per the statutory provisions.

## **9. Retention of title**

- 9.1 Title to goods must be transferred to the Principal without restrictions and without regard to payment of the price.
- 9.2 If under the Contractor offers to transfer the title conditional on payment of the price, the Contractor's reservation of title expires not later than payment of the price for the goods delivered. The Principal remains authorized, even before payment of the 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 applies in particular for expanded and forwarded retention of title and retention for title extended to include reprocessing.

## **10. Origin and Status of Goods**

- 10.1 The Contractor declares the non-preferential origin of goods (country of origin) in commercial documents. In addition, the Contractor provides an A.TR movement certificate, if applicable. Upon the Principal's request he will provide a proof / certificate of origin specifying the origin of the goods.
- 10.2 The goods must comply with the regulations for the preferential origin of goods as per the bilateral or multilateral agreements or the unilateral regulations for the origin of goods pursuant to the Generalized Systems of Preferences (GSP), insofar as the delivery is within the scope of preferential trade.

## **11. Condition of the Delivery / Service, Complaints, Rights in the Event of Defects**

- 11.1 The Contractor is responsible for delivering goods and services free of defects, in particular (but not limited to) compliance with the agreed specification of goods and services, functionality, use and quality characteristics and, additionally, for ensuring that guaranteed properties and features are present. In addition, the Contractor guarantees that goods and services meet the current technical standards and – if applicable – the generally recognized standards in plant safety, occupational medicine and hygiene; are delivered by qualified personnel and are in line with all pertinent legal regulations at the Place of Destination. If machines, equipment or plants constitute delivery items, they shall meet the special safety requirements applicable to machinery, equipment and plants at the time of contract fulfillment, and shall be CE marked. Any deviation therefrom has to be pre-approved by the Principal in writing.
- 11.2 The Contractor shall ensure that all materials contained in the goods have effectively been pre-registered, registered (or exempt from the obligation to register) and – if relevant – authorized in accordance with the applicable requirements of REACH for the uses disclosed by the Principal. If the goods classified as an article according to Article 7 REACH the preceding sentence shall also apply to substances released from such goods. As far as the Reach Regulations are not applicable the Contractor shall comply with similar international standards.

- 11.3 The Contractor shall forthwith notify the Principal if a component of the product contains a substance in a concentration exceeding 0.1 mass percent (W/W) if this substance fulfills the criteria of article 57 and 59 REACH (so-called substances of very high concern). This also applies to packaging products. As far as the Reach Regulations are not applicable the Contractor shall comply with similar international standards.
- 11.4 Where the commercial inspection and notification obligation legally applies, the Principal shall notify any obvious defects to the Contractor within eight days (8) days following discovery if Section 1470 and subsequent of the Civil Code apply, or within sixty (60) days or one (1) year from discovery should the provisions of Section 1655 and subsequent apply to the case.
- 11.5 If an acceptance by the Principal is legally stipulated or contractually agreed, the Principal can refuse to declare the acceptance and withhold any installment payment associated with the acceptance if the goods or services are not provided in full or are defective. This also applies in the case of an agreed acceptance date or a deadline for acceptance set for the Principal by the Contractor.
- 11.6 In the event of any defects, the Principal has the right to demand rectification of such defects according to applicable law. The mode of rectification shall be at the Principal's discretion. The rectification location shall at Principal's option be either the Place of Destination or the place of acceptance, if acceptance is legally required or contractually agreed, or another delivery location for the goods if this was known to the Contractor when the contract was concluded. The Contractor shall bear the cost of rectification within the framework of the statutory provisions and must execute rectification in all respects in accordance with the Principal's instructions and requirements. If (i) rectification does not take place within an appropriate period of time, (ii) rectification has failed, or (iii) it is not necessary to fix a grace period for rectification, the Principal shall be entitled to claim further legal rights in the event of defects, including (but not limited to) to reduce the price.
- 11.7 If rectification does not take place within an appropriate period of time, if it has failed, or if it is not necessary to fix a grace period for rectification, the Principal has the right, in addition to the rights named in Clause 11.6, to remedy the defects itself at the cost and liability of the Contractor or allow this work to be undertaken by third parties. The Principal is in this case entitled to demand compensation from the Contractor for the required measures. A grace period for rectification is particularly unnecessary if there is a danger of unreasonably high damages and the Contractor cannot be reached. In addition, the applicable law shall apply. Any additional rights of the Principal concerning the Contractor's statutory liability for defects or under any guarantees shall remain unaffected.
- 11.8 Claims under warranty regarding delivery of goods and services shall become time-barred in accordance with the relevant statutory provisions. The Principal shall not be deemed to have waived any of its rights to make claims under warranty in the absence of an express written waiver.

## 12. Infringing Property Rights

It is the Contractor's responsibility to ensure that the delivery of the goods and / or provision of the services by the Contractor and the use thereof by the Principal pursuant to the contract will not infringe any patent laws, copyright or other proprietary rights of third parties. Notwithstanding other legal claims, the Contractor shall indemnify the Principal from any third party claims for which the Principal may be held liable as a result of the infringement of any of the aforementioned property rights if these are based on a culpable violation of obligations by the Contractor. In this case, the Contractor shall bear the cost



of any licensing fees, expenses and fees incurred by the Principal in preventing and / or rectifying any infringements of property rights.

### **13. Contract Penalty**

- 13.1 In the event the Contractor is in default of delivery, the Principal can demand a contractual penalty of 5% of the net price of the delayed goods / services in total. The Principal shall be entitled to demand the contractual penalty in addition to performance and without prejudice to the Principal's right to claim for further damages.
- 13.2 If the contract penalty is incurred, the Principal is entitled to claim such penalty in accordance with the statute of limitation provided for by the statutory provisions.

### **14. Liability, Insurance**

- 14.1 Unless otherwise established in these General Terms and Conditions of Purchase, the Contractor shall be liable as per the statutory provisions.
- 14.2 The Contractor shall maintain at its own expense (i) sufficient liability insurance for damage for which it or its subcontractors or agents for which it is vicariously liable are responsible (ii) sufficient product liability insurance and (iii) sufficient transportation insurance. Evidence of the amount of insurance coverage for each occurrence of damage shall be provided to the Principal upon request. The Contractor's contractual and legal liability remains unaffected by the extent and amount of its insurance coverage.
- 14.3 If a claim for compensation for damage is asserted against the Principal by third parties due to a product defect of the goods / service delivered by the Contractor, the Contractor shall indemnify the Principal at the first request from all claims of third parties, including the necessary costs for preparing a defence against such claims, if the Contractor has given cause for the claim within its scope of control and organisation.
- 14.4 If the Principal has to carry out a product recall on account of a damage event as defined in the previous sub-section, or if the Principal incurs other expenses associated with a claim of a third party, the Contractor shall be obliged to reimburse the Principal for all the requisite expenses within the scope of its indemnification obligation which result from or are connected with a claim of a third party, including any product recall carried out by the Principal. As far as this is possible and reasonable in terms of time, the Principal shall inform the Contractor about the content and scope of the product recall and give the Contractor the opportunity to remedy the situation. Any further legal claims shall not be affected by this.

### **15. Invoicing, Payment**

- 15.1 The agreed prices are net of any applicable value-added tax. Invoices are to be issued for deliveries made and services provided. These invoices shall comply with the relevant statutory invoicing requirements according to the national value-added tax legislations to which the deliveries / services being invoiced are subject. If self-billing (evaluated receipt settlement) is agreed, the Contractor must transfer to the Principal all data required as per the applicable value-added tax legislation specified in advance.
- 15.2 The Contractor must provide a separate, auditable invoice for each purchase order, which must include all of the legally required information under the respective law. The invoice

- must include the Principal's full order number and, if applicable, the Contractor's delivery note number. Certificates of work completed and any other records are to be submitted with the invoice. Invoices must correspond to the information in the purchase order in respect of the goods described, price, quantity, the order of the items and item numbers. Invoices are to be sent to the billing address or via email specified by the Principal in the purchase order.
- 15.3 The Principal shall only make installment payments when these are contractually agreed and the prerequisites for the payment becoming due have been met and unless the Contractor provides the Principal with the corresponding collateral. The collateral is to be provided by means of a guarantee or an absolute guarantee issued by a financial institution / insurance company, whose registered office is located in the European Union.
- 15.4 Unless agreed otherwise, the payment period shall commence as soon as an invoice that meets the applicable value-added tax requirements has been received at the billing address. In the case of self-billing, the payment period commences the day the credit memo is issued.
- 15.5 Whenever the parties enter into an independent contract to perform a piece of work or to render services (appalto) the Contractor shall not be entitled to payment before submitting the documentation specifically required under section 4 of Decree no. 124/2019, as amended by Law 157/2019, or the substitutive one envisaged by paragraph no. 5 of the mentioned section, if applicable, and before submitting the following documents: (i) updated DURC Form (Workers' tax, social security and employment compliance certificate) referring to the Contractor and to each Sub-contractor; (ii) Substitutive declaration of affidavit pursuant to and for the purposes of sections 47, 75 and 76 of Presidential Decree no. 455/2000 of due and proper payment of the wages accrued to the month preceding the invoice; (iii) should the DURC form be unavailable, copy of the F23 form proving the payment of taxes, social security and employment withholding taxes relevant to the workers employed in the performance of the contract; (iv) copy of the Registration in the Companies' Register and (v) receipt issued by the sub-contractors with reference to the payment of the amounts due in accordance with the provisions of their sub-contracts.
- 15.6 Unless agreed otherwise in writing, the Principal shall pay the invoices as follows:
- 90 Calendar Days net
  - 30 Calendar Days with a 3% discount on the net amount of the invoice
- Payment will be made subject to determination of contractual compliance and completeness for the delivery / service provided.
- 15.7 In the event of a default in payment, the statutory provisions shall apply, whereby, in variance hereof, a written reminder from the Contractor in writing shall be required before the default occurs. Default interest on payments owed by the Principal shall amount to 2% points above the base interest rate under Section 1284 of the Civil Code (tasso legale), unless the Principal can prove a lower loss.
- 15.8 Payments by the Principal shall not represent an acceptance of the conditions and prices stated in the invoice and shall not constitute a waiver of the Principal's rights with regard to deliveries made / services provided that differed from those as agreed upon, the Principal's rights to inspection, and the right to find fault with an invoice due to other reasons.
16. **Assignment of Contract, Transfer, Change of Company Name, Offsetting, Retention**



- 16.1 The Contractor may assign the rights and obligations under the contract with the Principal to third parties only with the prior written consent of the Principal.
- 16.2 The Contractor is required to notify the Principal forthwith in writing of any assignment of the contract by virtue of law and of any change of its trade name.
- 16.3 The Principal may assign the rights and obligations under the contract with the Contractor to any affiliated company pursuant to section 1406 of the Civil Code at any time without the Contractor's prior agreement, provided that the execution of the contract is not endangered thereby.
- 16.4 The Contractor shall only be entitled to offset against reciprocal claims arising from this contractual relationship, and against undisputed claims or claims substantiated by court judgement. The Contractor is only entitled to a right of retention if the claim, due to which the right of retention shall be deemed valid, has its origins in the same contractual relationship.

## **17. Termination, Rescission**

- 17.1 The Principal's right to ordinary termination of the contract with notice or to rescission from the contract shall follow statutory provisions, unless set forth otherwise in the individual contract.
- 17.2 Each contracting party is entitled to terminate the agreement for good cause, provided the respective statutory requirements for this are met.
- 17.3 The Principal shall furthermore be entitled to terminate the contract under section 1456 of the Civil Code if:
  - the relationship of trust is significantly and lastingly disrupted due to circumstances occurring after conclusion of the contract, e.g. due to a violation of criminal laws or due to commission of administrative offences in the course of the performance of the contract by the Contractor or by third parties employed by the Contractor for the execution of the contract, and therefore, taking into account all circumstances of the individual case and weighing the mutual interests, the continuation of the contractual relationship cannot reasonably be expected from the terminating party or there are other circumstances that make continuation of the contract with the Contractor unreasonable for the Principal.
  - a significant deterioration in the asset situation of the Contractor has taken place, which jeopardizes contract fulfillment, or
  - the Contractor does not comply with his/her obligation to pay taxes or social security contributions.
- 17.4 The Principal shall furthermore be entitled to terminate the contract under section 1454 of the Civil Code if:

the Contractor commits a breach of duty, which is not remedied within 15 days following a termination warning or a fruitless warning and therefore, taking into account all circumstances of the individual case and weighing the mutual interests, the continuation of the contractual relationship cannot reasonably be expected from the terminating party.
- 17.5 In cases of termination for good cause as per No. 17.2, 17.3. and 17.4, the services verifiably performed by the Contractor in line with the contract up to the time of the cancellation shall be remunerated upon submission of the relevant receipts. Payments already made by the Principal shall be offset against the payment or re-funded in cases of overpayment. The Principal's further statutory rights and claims, in particular with regard to damage compensation, shall remain unaffected.
- 17.6 If the Contractor has acquired from the Principal any documents, records, plans or drawings within the scope of the contractual collaboration or for the purposes of fulfilling

the contract the Contractor must forthwith hand them over to the Principal in the event of termination of the contract by a party to the contract. These requirements apply likewise in the event of rescission.

## **18. Contractor's Removal Duty in the Event of Termination of Contract**

In the event of termination of the contract, the Contractor must, at its own expense and regardless of the grounds for termination, forthwith dismantle and remove any plant, tools and equipment used and / or stored on the Principal's premises. Any waste or debris produced by the Contractor's work must be promptly re-moved and disposed of appropriately by the Contractor at its own expense. If the Contractor does not fulfill its duties in this regard, the Principal may undertake the work itself or have it undertaken by a third party and charge the expenses incurred to the Contractor if the work has still not been completed after a reasonable period of time has elapsed. These requirements apply likewise in the event of rescission.

## **19. Documents, Confidentiality, Rights of Use**

- 19.1 The Contractor must provide to the Principal the agreed quantity of any plans, calculations or other documents in order not to exceed the contractual deadline for execution.
- 19.2 The review and / or release of any Contractor's documents by the Principal shall not relieve the Contractor of any of its responsibilities for these documents under the contract.
- 19.3 Any models, samples, drawings, data, materials and other documents provided to the Contractor by the Principal (hereinafter "Principal Documentation") shall remain the property of the Principal and must be returned to the Principal forthwith upon its request at any point in time. The Contractor shall have no rights to retain any Principal Documentation. The Contractor must observe the proprietary rights of the Principal in and to all Principal Documentation.
- 19.4 The Contractor is obliged to keep confidential all technical, scientific, commercial and other information obtained either directly or indirectly within the scope of the contract, in particular the information given in Principal Documentation (hereinafter "Confidential Information"). The Contractor may not exploit Confidential Information for commercial purposes, make it the object of industrial property rights, pass it on or make it accessible to third parties in any way. The Contractor is entitled to share Confidential information with subcontractors approved by the Principal if the subcontractor requires this information in order to fulfill the contract.  
Confidential Information may not be used for any purpose other than fulfilling the contract. The aforementioned confidentiality obligation shall continue to apply for a period of ten (10) years after the contract has ended.
- 19.5 This confidentiality requirement shall not include any information that the Contractor lawfully possessed prior to the Principal's disclosure of such information, or is lawfully known to the public, or has been lawfully obtained from a third party. Also excluded from this confidentiality requirement shall be information that is disclosed to persons subject to a legal obligation to confidentiality, whereas the Contractor shall not release such a person from its obligation to confidentiality. The burden of proof for such an exception lies with the Contractor.
- 19.6 The Contractor shall ensure that its employees and other vicarious agents deployed to fulfill the contract are obliged to confidentiality according to the above confidentiality

- provisions by means of appropriate contractual agreements, too. Upon request, the Contractor shall confirm compliance with these obligations to the Principal in writing.
- 19.7 The Contractor shall specifically undertake all required, appropriate precautions and measures to effectively protect the Confidential Information obtained at all times against loss or against unauthorized access. This includes in particular the creation and maintenance of appropriate, required access and entry precautions for facilities, repositories, IT systems, data storage devices and other information storage devices, especially those which contain Confidential Information. This also includes informing and instructing those people who are granted access to Confidential Information pursuant to this clause. The Contractor is required to promptly notify the Principal in writing in the event that Confidential Information is lost and / or accessed by unauthorized parties.
- 19.8 "Work Results" are all results of the Contractor's work that arise in connection with the order as well as the results of the work of third parties that have been brought in by the Contractor to perform the Contract with regard to the production of work results as well as all of the Contractor's copyright-protected items and services that may arise in the course of Contract performance, including, without limitation, all plans, drawings, graphics, calculations and other documents.
- 19.9 The Contractor shall grant the Principal the right, freely transferable and/or sublicensable to third parties, without any re-strictions as to area, content or time, to use the Work Results in all known media formats including electronic media, Internet and online media saved to all imaging, audio and data storage de-vices, for the contractually agreed purposes or purposes implied as per the Contract. The purposes implied as per the Contract include, in particular, the right to edit and process, to store in all media and to reproduce. The Contractor shall obtain any necessary granting of rights by third parties for this purpose. The Principal accepts the granting of the right.
- 19.10 Moreover, the Contractor shall grant the Principal an exclusive right to use the Work Results that the Contractor created specifically for the Principal or had third parties create for the Principal and shall obtain any necessary rights from third parties. The Principal accepts the granting of the right. Pre-existing rights of the Contractor or of third parties shall remain unaffected hereby.
- 19.11 Inalienable moral rights under copyright law are not affected by the provisions above.
- 19.12 The granting of the rights set out in Clauses 19.9 and 19.10 is covered by the agreed remuneration.

## **20. Data-Protection**

- 20.1 In case the Contractor, in the course of the performance of the respective contract, receives from the Principal or otherwise obtains personal data related to employees of Principal (hereinafter referred to as "Personal Data") the following provisions shall apply.
- 20.2 If processing of Personal Data disclosed in the aforementioned manner is not carried out on behalf of the Principal, Contractor shall only be entitled to process Personal Data for the performance of the respective contract. Contractor shall not, except as permitted by applicable laws, process Personal Data otherwise, in particular disclose Personal Data to third parties and/or analyze such data for its own purposes and/or form a profile.
- 20.3 If and to the extent permitted by applicable laws, Contractor is entitled to further process the Personal Data, in particular to transmit Personal Data to its affiliated companies for the purpose of performing the respective contract. Contractor shall ensure that Personal Data is only accessible by its employees, if and to the extent such employees require access for the performance of the respective contract (need-to-know-principle). Contractor shall

structure its internal organization in a way that ensures compliance with the requirements of data protection laws. In particular, Contractor shall take technical and organizational measures to ensure a level of security appropriate to the risk of misuse and loss of Personal Data.

- 20.4 Contractor will not acquire ownership of or other proprietary rights to the Personal Data and is obliged, according to applicable laws, to rectify, erase and/or restrict the processing of the Personal Data. Any right of retention of Contractor with regards to Personal Data shall be excluded.
- 20.5 In addition to its statutory obligations, Contractor shall inform Principal in case of a Personal Data breach, in particular in case of loss, without undue delay, however not later than 24 hours after having become aware of it. Upon termination or expiration of the respective contract Contractor shall, according to applicable laws, erase the Personal Data including any and all copies thereof.

## **21. Compliance**

- 21.1 The Principal has high standards of compliance as set out in its Code of Conduct (<https://all4labels.com/downloads/>).
- 21.2 The Contractor confirms and agrees that it shall:
- (i) implement measures to comply with the applicable laws or regulations in particular relating to bribery and corruption and the Buyers Code of Conduct
  - (ii) disclose to the Buyer immediately any event which may be deemed to be a breach and immediately remedy the same.
  - (iii) ensure that its business conduct meets the requirements of the Supplier Code of Conduct (<https://all4labels.com/downloads/>).

## **22. Publicity, Severability Clause, Applicable Law, Place of Jurisdiction**

- 22.1 The Contractor may only refer to or publicly disclose otherwise its business relationship with the Principal with the prior written consent of the Principal, or where this is unavoidable in order to fulfill the contract.
- 22.2 The invalidity or unenforceability of any provision or part of a provision of the contract shall not affect the validity of the entire contract.
- 22.3 The contract shall be construed and be subject to the substantive laws of Italy with the exclusion of (i) the United Nations Convention on Contracts for the International Sale of Goods ("CISG") dated 11. April 1980 and (ii) the applicable law rules in Italy on the conflict-of-laws.
- 22.4 The place of jurisdiction shall be exclusively the court competent for the Principal's registered office.