



# GENERAL TERMS OF PROCUREMENT FOR CAPITAL GOODS AND SERVICES

## 1. SCOPE OF APPLICATION

These General Terms of Business regulate acquisitions of Capital Goods and Services by SEAT Group from its Suppliers.

## 2. DEFINITIONS

The definitions of the terms used in this document are set forth below:

1. **General Terms of Procurement:** These General Terms of Procurement will also be known as **CGC**.
2. **Capital Goods and Services:** are the Subject of these CGC, and refer to Specific Facilities as well as General Facilities, Machinery, Ancillary Materials, Work Methods, Civil Works, Commercial Services, General Services, Energy, Consultancy and Processing Agencies, R+D, Training, Surveillance, Logistics, Staff Transport and other services.
3. **SEAT SA:** The buyer party, registered at Autovía A-2, Km. 585, 08760, Martorell, Barcelona, entered in the Commercial Registry of Barcelona, Volume 23662, Page 1, Sheet 56855 with tax identification number (VAT): (ES) A28049161.
4. **VW Group Company/ies:** Any company of the Volkswagen Group, with Group understood within the meaning of section 42 et seq. of the Commercial Code [*Código de Comercio*] for which SEAT may make purchases of Capital Goods and Services in application of these CGC.
5. **Supplier/ies:** The party that supplies the Capital Good or supplies the Service covered by the Order.
6. **Order:** Document by means of which SEAT SA contracts the delivery of Capital Goods or rendering of Services and that may be classified as a Closed Order or Framework Agreement.
7. **Closed order:** Agreement or closed Order in terms of dates, amount, quantity and material description and of the Capital Goods or Services.
8. **Framework Agreement:** Contractual agreement between SEAT and Supplier that defines some rates and some validity dates for them, as well as a total maximum amount for the delivery of Capital Goods or rendering of Services.
9. **Request for Proposal:** Request made by SEAT to Suppliers as of a given need for Capital Goods and Services, to prepare a proposal for the supply of these. This request includes, among other items, the Bidding Terms, technical specifications, logistics, quality, environmental and safety requirements, which should comply with the subject of the Order.
10. **Bidding Terms:** contractual document/s that establish/es all necessary information (description of the capital goods and services, conditions, clauses, rights, obligations and liabilities) so that the contracting is successful.
11. **Industrial and Intellectual Property:** Intellectual and Industrial Property Rights will be considered, for illustrative purposes and not limited to these, as trade secrets, copyrights,

technical expertise, experience, drawings, designs, circuit diagrams, computer programs and any other technical information resulting from the rendering of the Services, the registered trademarks, patents, utility models, industrial designs, relative to the Services and to their intermediate, partial or final results, including any improvement or development that may derive from the Order. These expressly exclude any Intellectual and Industrial Property Rights that belonged to the Supplier prior to signing the Order.

12. **Work Center:** production unit or factory in which the subject of the order is made.
13. **Work Method:** Includes tools, supplies, tooling, equipment, parts, molds, dies, mock-ups, samples, drawings, models and designs necessary for the manufacture, preservation, storage, control, verification and transport of the production.
14. **Sustainability Requirements:** For the purposes of these CGD, these will be understood as the “Volkswagen Group Requirements for sustainability in relations with trade partners (Code of Conduct for Trade Partners)”, which are the rules on how Suppliers should perform within their business activity in relation to the main environmental, social, economic and aspects of regulatory compliance according to the policies of Volkswagen and the principles of Global Compact (United National Global Compact), the declaration for long-term sustainable development of the International Chamber of Commerce and the obligatory conventions of the International Labor Organization.

### **3. VALIDITY AND ACCEPTANCE OF THESE GENERAL TERMS OF BUSINESS AND THE ORDERS**

- 3.1. These General Terms of Business are approved in their entirety by the Supplier with the acceptance of the Order.
- 3.2. The total acceptance of the Order will be understood as existing:
  - When the Supplier expressly states this in writing, or
  - When the Supplier commences the fulfillment of the Order placed by SEAT, or
  - When the Supplier has submitted any bill to SEAT against that Order.
- 3.3. The Supplier will have a period of 10 calendar days from the issue date of the Order to reject it, indicating the reasons for this.
- 3.4. In the event of a current Order, the amendment of the General Terms of Business may be arranged by common agreement between the Supplier and SEAT.
- 3.5. In the event of any contradiction between the General Terms of Business and the Order, the Order will prevail.
- 3.6. Following notice to the Supplier, SEAT may specify any terms in the New Orders that amend or supplement these General Terms of Business.
- 3.7. No clause or general provision of any type included by the Supplier in the bills, delivery slips or correspondence, that is contrary to or in any way limits the Request for Proposal, the Orders, the Negotiation Protocol or these General Terms of Business will be considered valid.
- 3.8. If any or some of these General Terms of Business or of any of the Orders are invalidated or become unenforceable for legal reasons, the validity of the other provisions will not be affected.

- 3.9. The Request for Proposal, the Order, any amendments of this, their written appendices, if these exist, the New Orders, the Negotiation Protocol and these General Terms of Business will constitute the entire agreement between SEAT and the Supplier, whereby no other term or verbal agreement that varies the content of the above documents will be binding for SEAT.
- 3.10. The price of the Capital Goods and Services will be the one that appears in the Order.

#### **4. PROPOSALS AND COST BREAKDOWNS**

- 4.1. The Supplier must send the proposals in the formats that SEAT provides in each Request for Proposal, completing all data reflected in them.
- 4.2. The Supplier agrees to provide SEAT, at its request, with a complete cost breakdown of the Capital Goods and Services, including concepts of any type, providing SEAT considers this advisable, as well as invoices or documents that justify those costs.
- 4.3. Furthermore, the Supplier authorizes SEAT, or individuals designated by it, to make any pertinent verifications in its facilities or those of its suppliers of all Capital Goods and Services that will be used for SEAT.

#### **5. DELIVERY AND ACCEPTANCE OF CAPITAL GOODS OR PROVISION OF SERVICES**

- 5.1. The delivery of Capital Goods or the rendering of Services will be made in the place and date agreed upon and indicated in the Order.

The delivery will be documented by delivery slips, certificates, work orders, etc., as the case may be, in keeping with the Order and/or INCOTERMS agreed.

- 5.2. In the case of Deliveries of Goods Outside the EU, the Supplier must deliver the merchandise dispatched for export. For these purposes, the terms of delivery and INCOTERMS agreed upon in the Order should be consistent with that point. Deliveries of Goods Outside the EU should be understood as all those deliveries of merchandise made from a country that does not belong to the EU.
- 5.3. In the event of the breach of the delivery date, SEAT reserves the right:

- 5.3.1. To accept the continuity of the works or delivery of the Capital Goods or provision of Services, applying a weekly penalty to the Supplier of 0.5% on the total amount of the Order up to a maximum of 5% of its total amount.

All of which is without prejudice to the right to be compensated for any harm and loss caused by the delay.

In those cases in which the delay is owing to the transport managed by the Supplier, and this entails any damage for SEAT, SEAT may penalize the Supplier by charging the transport or other costs that SEAT may have incurred in resolving the situation.

- 5.3.2. Following notice from SEAT to the Supplier, to finalize any works covered by the Order, delivery of Capital Goods or provisions of Services, etc. on its own or by means of third parties. This decision will be binding for the Supplier as of its reception of the notice.

If SEAT exercises this right, any expenses deriving from the performance of the works covered by the Order, the delivery of Capital Goods or rendering of Services by any entity other than the Supplier, as well as the cost of transport or any other expenses in which SEAT may directly or indirectly incur, will be the expense of the Supplier.

For this purpose, SEAT will proceed to issue the corresponding bill for the total amount of these costs, for which the compensation scheme envisaged in Condition 26 of the General Terms of Business will apply.

- 5.3.3. To consider the Order canceled, in which case notice from SEAT to the Supplier will suffice, as of which time the latter will be released from any obligation deriving from the terms of the Order.

All of which is without prejudice to the exercise of any legal actions that may correspond to SEAT and claim for harm and loss.

- 5.4. The Supplier will withstand the risk to which the Good covered by the Order is subject through the moment of its effective delivery to SEAT.
- 5.5. Any work, Good or Service that fails to adapt to the specifications, details and requirements provided by SEAT may be rejected or adapted by SEAT to its needs. Any cost this may generate will be shifted to the Supplier. All of which is without the claim that may correspond to SEAT for any harm and loss caused.
- 5.6. If during the performance of the subject of this Order the Supplier causes damages in the facilities or the production of SEAT, it will be liable for these and will assume any costs generated.
- 5.7. If the Supplier accepts an Order whose subject requires the attainment of an authorization, stamp, permit, legalization, administrative or similar certification, the Supplier will cover all costs, procedures and payments that may derive from those legal or administrative requirements.
- 5.8. The delivery of the Capital Goods to SEAT or the shipping agent or the rendering of the Services will not, on their own, imply the acceptance of these by SEAT. For this purpose, written consent with regard to quantity and quality from SEAT is essential.

## **6. DELIVERY DOCUMENTS**

- 6.1. Any supply of Capital Goods or rendering of Services should take place by means of the corresponding delivery slips, according to the forms established by SEAT, delivery documents or shipping lists, quality certificates, work orders, etc., that will indicate the quantities delivered, their description and/or symbol/reference, number of boxes, identification, gross and net weights and an indication of the contents of each one of them.

For the rendering of any Services, the bill will include a cost breakdown of the hours employed or other concept arranged, duly signed by the SEAT individual in charge.

- 6.2. Any supply of Capital Goods should also be accompanied by the documentation necessary for training in its use, including the list of advisable and perfectly identified commercial spares, as well as detailed drawings of any non-commercial spares.
- 6.3. If Capital Goods manufactured in Spain include foreign elements brought into Spain with temporary import permits, the Supplier must indicate the quantity and name of those elements in the acceptance of the Order, as well as provide SEAT prior to the delivery of the machine, installation or equipment with a copy of any documentation they hold for that purpose, in order to regularize their documentary status and legalize the entry of those Capital Goods in the SEAT facilities before the competent authorities, all of which will be performed by and at the expense of the Supplier.
- 6.4. In the case of Deliveries of Goods outside the EU, for each delivery the Supplier must provide SEAT with a commercial invoice detailing, at minimum and without being limited to this: the Order number, the delivery slip number, the identification code of the good, the description of the

good, the gross weight and Real Value of the merchandise. The Supplier must send a copy of the commercial invoice to the email address of the SEAT Customs [department: importacion@seat.es](mailto:importacion@seat.es).

- 6.5. The Real Value of the merchandise will be understood as the market value of the Good at the moment the Order is placed, regardless of the value effectively paid or to be paid.

## **7. PROOF OF ORIGIN, EXPORT CONTROL AND AUTHORIZED ECONOMIC OPERATOR**

- 7.1. Unless agreed to the contrary, the elements of the agreement will also include SEAT's general terms of business regarding the proof of origin (Proof of Origin), export control (Export Control) and security in the supply chain (AEO) ("Legal requirements on taxes and customs"). SEAT's general terms of business are subject to periodic updates, and the most recent version will apply in all cases for the Supplier.
- 7.2. If SEAT's general terms of business ("Legal requirements on taxes and customs") are not attached to the Order or agreement, they may be obtained via the website [www.vwgroupsupply.com](http://www.vwgroupsupply.com), in the section on "Legal requirements on taxes and customs" of SEAT.

## **8. GOODS THAT POSE HAZARDS TO THE HEALTH AND SAFETY OF INDIVIDUALS**

- 8.1. Any Good requested in an Order should comply with the safety requirements indicated in the SEAT technical specifications envisaged in the Bidding Terms or any document delivered to the Supplier with the Request for Proposal or subsequently to this.

It should furthermore comply with legislation on the Prevention of Occupational Risks and Ergonomics, Security and Hygiene in the workplace in force at any given time in Spain and the EU, as well as in the countries of Origin, Provenance, Transit and Destination of the Capital Good, if they do not belong to the EU, so that the manufacture, packaging, transit, etc. of the Capital Good does not pose any risk whatsoever to the health or safety of individuals during handling or use. If during the *in situ* manufacture, packaging, transit or assembly the Supplier observes any hazard to the health or safety of individuals, it should immediately notify SEAT of this, with the Supplier assuming all liabilities deriving from that hazard if it fails to do so.

Machinery Safety, Personal Protective Equipment, Electrical Material, etc. should be accompanied in all cases with the CE marking or equivalent that replaces it, the Declaration of Conformity - with an indication of the EN guidelines and standards that they fulfill, the User Manual in Spanish and any documentation required by legislation on the prevention of occupational risks.

- 8.2. If the Capital Good to be supplied poses any risk or hazard, the Supplier must clearly indicate this with labels, pictograms, explanatory references that are clearly visible in relevant places in accordance with legislation applicable at any given time in Spain and the EU, assuming all consequences that could derive from the failure to do so. Specifically, the Supplier will fully and accurately comply with all technical, identification and information requirements of the legislation cited above on the transportation of hazardous merchandise, packaging and labeling of preparations and substances, containers and packaging waste, fires, the environment and any other applicable ones.

## **9. QUALITY AND ENVIRONMENTAL REQUIREMENTS**

- 9.1. SEAT may require the Supplier to obtain the Company Registration Certificate according to the ISO-9001 Quality Standard, ISO-14001 on the environment or any others recognized by the VW Group as replacing these.
- 9.2. The Supplier must comply at all times with the standards and quality assurance/protection measures for the environment and technical conditions required by SEAT, performing all its

deliveries in accordance with these. Each Work center where it operates will comply strictly with prevailing legislation on quality, environment and safety as well as with the specific requirements of the Work center.

The Supplier is furthermore obligated to comply with all legal requirements and regulations applicable to the product or service that it may supply or provide; not just those required by legislation of the country of origin of the supply, but also any required in accordance with the legislation of the country of delivery and destination, as appropriate, indicated by SEAT.

- 9.3. SEAT will be entitled to verify at any time that the tasks entrusted to the Supplier are being performed in accordance with the specifications for quality, the environment and technical conditions requested. For these purposes, the Supplier will allow access at all times to the technicians designated by SEAT to its factories and facilities to perform those verifications.
- 9.4. The Supplier must record the date and place, person in charge and necessary description on all quality and environment technical documentation in relation to the lists of hazards deriving from the tasks entrusted by SEAT could affect the Safety and Health of individuals. The Supplier must have the results obtained in all quality controls performed, as well as the record of the degree of compliance with the requirements of prevailing legislation or regulations of SEAT itself. This documentation should be stored for the period established under the current law at any given time, and will be available upon the request of any official body or authority.
- 9.5. The Supplier must impose the same conditions on its subcontractors as SEAT requires of the Supplier with regard to quality, environment, Sustainability Requirements and regulatory compliance, without prejudice to the Supplier's direct and joint and several liability towards SEAT in all cases.
- 9.6. The Supplier must offer the same cooperation that SEAT offers national and foreign official agencies responsible for security, to examine technical requirements and test documents and any other requirements in force at any given time.

## **10. NON-CONFORMING CAPITAL GOODS OR SERVICES**

- 10.1. SEAT may claim any defects, hidden vices, deficiencies or differences in quality of the works, Capital Goods and Services entrusted to the Supplier, at the moment of their reception as well as at any other subsequent time, within the warranty period established in condition 11 below, even if the bills have already been paid, with the ability to shift to the Supplier, among others, any costs and expenses of any type deriving from the delivery and storage of the defective Capital Goods or Services.
- 10.2. In the case of the delivery of Capital Goods, the claim by SEAT of unconcealed defects or vices may be raised during a period of two months of the date of their reception in the SEAT offices.
- 10.3. In the case of Conditions 9.1 and 9.2 above, SEAT will be entitled to claim any damages for harm suffered or loss incurred and may also:
  - Reject the Capital Good or Service received, for its replacement with the same quantity and quality.
  - Reject the Capital Good or Service received, without its replacement by the Supplier.
  - Reject the Capital Good or Service received and cancel the Order.
  - Repair at the expense of the Supplier any unconcealed defects or vices, to prevent any damages that these nonconformities could cause to SEAT.

- 10.4. The Supplier may proceed to remove and/or scrap any rejected Capital Goods within the period indicated in the corresponding notice documentation, without the possibility of repair and re-delivery to SEAT. If the Supplier breaches the above obligation, SEAT may perform that removal or scrap, and shift the expenses for this to the Supplier.

## **11. SURPLUS DELIVERIES OF CAPITAL GOODS**

SEAT will not assume any liability for the Capital Goods delivered or Services performed in excess of the quantity reflected in the Order, even if these have been delivered or performed in the SEAT offices. SEAT may choose between obligating the Supplier to remove them or removing them on behalf and at the expense of the Supplier.

## **12. WARRANTIES**

The Capital Goods in general (machinery, work methods, general or specific installations, civil works, etc.) or Services contracted by SEAT from the Supplier will be guaranteed in their entirety, in terms of material as well as labor and any other concept, against all defects of material, manufacturing or assembly, error, willful misconduct and/or negligence in the delivery of the Capital Good or rendering of the Service, during the legal period that corresponds in accordance with the type of Capital Goods or Services corresponding to each Order. SEAT reserves the right to issue charges to the Supplier for any costs, harm and loss that these defects may cause it directly or indirectly regardless of the nature of the Capital Good or Service. The warranty will extend to all hidden vices or defects of the Capital Goods, as well as to any defective Services by reason of error, willful misconduct and/or negligence, regardless of their origin. In cases of willful misconduct, the warranty will be understood as indefinite.

## **13. BILLING - AUTOMATED BILLING**

- 13.1. For acceptance, all bills should specify the Supplier number, Order number, delivery slip(s) number(s), code of the Good or description of the Service as well as all legal and tax requirements in force at any given time and any others required by SEAT.
- 13.2. BILLING: Billing will take place according to the conditions set forth in the Order.
- 13.3. Automated billing: when the Order indicates that billing will take place by an automated billing system, the bill will be prepared by SEAT. To do so the Supplier and SEAT will sign an agreement authorizing SEAT to issue and rectify the bill, as appropriate, in the name and on behalf of the Supplier, adapting it at all times to the Law.

## **14. PAYMENTS**

- 14.1. The payment of the Capital Goods and Services for national as well as foreign suppliers will take place on the payment dates established in the Order.
- 14.2. In general, the prior verification of compliance with the levels of quality, quantity or other condition reflected in the Order that may be required by SEAT at any time will be essential for the payment of the bills for the Capital Goods and Services within the periods indicated in the Order.
- 14.3. The making of payments does not mean acceptance by SEAT of the Capital Goods or Services in terms of conditions of quality, quantity or price, nor does it entail a waiver by SEAT of any rights that derive directly or indirectly from these General Terms of Business or from applicable legislation at any given time.
- 14.4. For the payment of a partial advance on the Order by SEAT, the Supplier must furnish a guarantee payable on first demand in favor of SEAT for the amount advanced on the terms established by SEAT. This bank guarantee will be issued by a financial institution accepted by SEAT in

accordance with the template provided by SEAT together with the Order and should be previously reviewed and expressly accepted in writing by SEAT.

- 14.5. The standard form of payment will be on the 25th day of the month following reception of the bill by SEAT, unless another date is indicated in the Order or other documents furnished by SEAT.

## **15. WORKS ON MODELS OR DRAWINGS**

- 15.1. The Capital Goods and Services, the models, drawings, any element produced by the Supplier in accordance with information or functional specifications of systems provided by SEAT, or those performed by the Supplier based on these may not be copied by the Supplier.

Neither these nor any performed by the Supplier for works commissioned by SEAT may be assigned to other persons or entities, without the prior, express and written authorization of SEAT, or used by the Supplier for any purpose other than the one indicated by SEAT.

In any event, everything indicated above will be the property of SEAT and/or as the case may be, of any Company of the VW Group.

All of the documents referenced should be immediately delivered to SEAT at its request.

- 15.2. Therefore any copying, recording, manufacturing, trade, advertising, assignment or utilization operation that the Supplier may perform for a use or purpose other than those reflected in Condition 14 will be considered unlawful. The Supplier is prohibited from registering the Capital Goods, sets supplied, drawings, models or manufacturing procedures under any form of Industrial or Intellectual Property in any country. SEAT will be entitled to use in the manner it considers most appropriate (reproduction, authorization for reproduction, internal or external use) the drawings and/or models of the Supplier whose developments are based on Orders from SEAT.
- 15.3. In the event of the breach of the rules set forth above, SEAT will be entitled to cancel the Order and claim the refund of any profit obtained by the Supplier, as well as damages for harm suffered or loss caused.

If the Supplier registers Industrial or Intellectual Property in violation of this Condition, it will be obligated to transfer the corresponding rights to SEAT, free from expenses and with full indemnity for SEAT, without prejudice in all cases to any other rights that may derive for SEAT from the preceding paragraphs.

## **16. MODIFICATIONS**

Any changes in the Capital Goods and Services will require prior confirmation in writing from SEAT. Any change in the Capital Good and/or Service deriving from a change in Spanish or international legislation will be subject to the same confirmation, with the Supplier agreeing to notify SEAT as soon as it learns of any change in legislation that may affect that Capital Good or Service.

## **17. ADVERTISING BAN - TRADE SECRECY**

- 17.1. In no case may the Supplier, in its own interest or that of third parties, mention, publish or in any way announce its activities with SEAT or use the brand, logotype or name of SEAT in any advertising medium, without the prior, express and written authorization of SEAT. Therefore, the Orders and all commercial and technical and other type of details regarding the Orders should be treated confidentially by the Supplier.
- 17.2. The Supplier agrees, as a prior and necessary condition for contracting the services of any other supplier that is going to take part in the work commissioned by SEAT, as supplier, manufacturer



or service provider, to obtain the commitment from that Supplier to comply with the obligations deriving from this condition, without prejudice to the direct and joint and several liability that the Supplier has in all cases, against SEAT, in the event of any breach to this respect.

## **18. INTELLECTUAL AND INDUSTRIAL PROPERTY**

### **18.1. VW Group Intellectual and Industrial Property Rights**

18.1.1. The Supplier recognizes and will observe the Intellectual and Industrial Property Rights and any other, similar ones belonging to SEAT as well as the exclusive ownership of SEAT of those rights and the goodwill associated with them. None provision in these General Terms of Business will be interpreted as a transfer, assignment or license of those rights from SEAT in favor of the Supplier.

18.1.2. If, by express indication of SEAT, part of the Intellectual and Industrial Property Rights belonging to it must be used within the scope of the Capital Goods and Services, the Supplier agrees (i) to use those rights with scrupulous respect at all times for the instructions of the VW Group. For this purpose, the Supplier will exclusively give access rights to the affected SEAT Intellectual and Industrial Rights to those third parties that VW Group has previously and expressly authorized. This information and material may only be used to provide the Capital Goods and Services, and should be returned at the end of the Order or whenever requested by VW Group; (ii) to abstain from using those rights for purposes other than those expressly authorized by SEAT. (iii) To abstain from using, without authorization from VW Group, during the relationship covered by these General Terms of Business as well as following its termination for any reason, any Intellectual and Industrial Property Rights that: (a) are identical, similar or equivalent; (b) entail a modification; (c) partially or individually copy any of the elements; or (d) may generate a risk of confusion or association, directly or indirectly, particularly in relation to the names, charts, logotypes, symbols, marks, designs or distinctive signs of SEAT (registered as industrial property rights in any registries or otherwise), as well as with regard to any other right of VW Group and/or its products and services; and (iv) not to perform any action or adopt any measure whatsoever that may affect the validity of the Intellectual and Industrial Property Rights of SEAT.

18.1.3. If the Supplier learns of any third-party claim in relation to the Intellectual and Industrial Property Rights on the Capital Goods and Services, or of any other circumstance that could affect the rights of SEAT it will immediately notify SEAT of this and will abstain from taking any action against third parties without the prior and written consent of SEAT Group.

18.1.4. If the Intellectual and Industrial Property Rights of SEAT are used for purposes other than those appearing in the above points without the express consent of SEAT, or if the Supplier breaches any of the above obligations, SEAT will be entitled to claim damages for harm suffered and loss incurred.

### **18.2. Ownership of the Results, Creations and Developments**

18.2.1. Results will be understood as any result or invention that could be protected by patents, utility models, topographies of semiconductor products, plant variety protection, industrial designs, marks or other distinctive signs, know-how, industrial, commercial or another type of secret, or by means of any other right recognized in current or future industrial property legislation.

- 18.2.2. Creation and Developments will be understood as any creation, design, work, database or other provision that may be protected by intellectual property rights, related rights, sui generis rights or other, similar rights.
- 18.2.3. The exclusive ownership, without geographic or temporal restrictions, of all rights to any Results that the Supplier or any person to whom the Supplier resorts for the fulfillment of its relationship with SEAT will correspond to SEAT, whether or not an employment relationship exists, whether it has invented, developed, discovered or participated in any other way, as a result of an activity that explicitly or implicitly constitutes the subject of the relationship of the Supplier with SEAT.
- 18.2.4. Furthermore, the Supplier exclusively and irrevocably assigns SEAT all operating rights to any Creations and Developments, obtained or developed by the Supplier within the scope of the relationship with SEAT or by any individuals who participate in it, whether they are Supplier employees or third parties contracted. The assignment in this clause is valid for the entire duration of the rights and worldwide.
- 18.2.5. By means of the assignment, SEAT is attributed all operating rights (including, without limitation, the rights of reproduction, transformation, distribution, and public communication) to the Creations and Developments, in all forms of their exploitation and for all formats, media, and supports, in any field of activity, whether it is the usual activity of SEAT or otherwise.
- 18.2.6. SEAT may exercise the rights to the Results and the operating rights to the Creations and Developments as it sees fit, and may transfer, assign, or license them to third parties in the terms and conditions that it considers appropriate, with no need to inform the Supplier or obtain its consent, for commercial purposes or otherwise.
- 18.2.7. The Supplier must immediately inform SEAT of any Results or Creations and Developments obtained within the scope of the contractual relation with SEAT, and faithfully collaborate with SEAT to provide any documentation that may be necessary as well as cooperate in any other situation or event that SEAT may require, so that the latter may enforce the above rights to their full extent.
- 18.2.8. With the exception of its use within the scope of execution of the Order, the Supplier does not hold any Intellectual or Industrial Property Right or any right to the Capital Goods or Services and, therefore, may not use these or any of their parts directly or indirectly in any way, without the prior, express and written consent of SEAT.
- 18.2.9. The remuneration envisaged in favor of the Supplier includes the allocation of rights to SEAT in the above terms, as well as any obligations of the Supplier resulting from these. The Supplier declares that it has been fully compensated and paid for these concepts, and will not have the right to claim any compensation or remuneration whatsoever for these, unless established by applicable legislation to the contrary.
- 18.2.10. The Supplier must provide SEAT during or, at most, following the delivery of the Capital Goods or rendering of the Services as agreed, with the documentation and other elements to ensure the peaceful ownership of SEAT rights to the Capital Goods, Services, Results, Creations and Developments.

## **19. SUBCONTRACTING, ASSIGNMENT AND SUBROGATION**

- 19.1. The Supplier may not subcontract all or part of the Services or tasks to be undertaken on the occasion of the Order, without the prior, express and written consent of SEAT. The provisions of

Condition 18 will apply to the Supplier as well as to any of the successive suppliers of any level that take part in the execution of the Order.

- 19.2. The credits deriving from the Order may not be assigned, delegated, conveyed or transferred by any title, pledge or any establishment of similar guarantee under any format.
- 19.3. SEAT may assign any of its rights or legal actions deriving from the Order, from these General Terms of Business and/or from the documents that may replace or supplement them to any Company of the VW Group, particularly those deriving from Conditions 11 and 13 above. Furthermore, SEAT may subrogate to any claim that any company of the VW Group may have against the Supplier for any concept. The Supplier authorizes that assignment/subrogation for all purposes and agrees to address any claim that it may receive from those Companies deriving from the Capital Goods delivered and Services provided to SEAT or other company of the VW Group.

The Supplier expressly authorizes SEAT and any other Companies of the VW Group to issue the corresponding bills and offset their amounts with any debts that the Supplier may have with them deriving from any relation.

- 19.4. The Supplier agrees, as a prior and necessary requirement to contracting the services of any other supplier that is to take part in the production process of the Contractual Services commissioned by SEAT, to obtain the express acceptance of the assignment and offset mentioned in Condition 18.3 above from the other supplier, so that SEAT as well as any Company of the VW Group may either claim from the Supplier or directly from the suppliers of the Supplier, the total amount that corresponds for any concept, as well as make any appropriate offsets and charges. The non-acceptance by the suppliers of the Supplier to the assignment and offset mentioned in Condition 18.3 above will give the right to the immediate termination of the Order, at the choice of SEAT, without prejudice in all cases to the right of SEAT to claim a refund from the Supplier for any harm and loss caused as a result of that termination.

## **20. ORDER STATUS VERIFICATION IN THE SUPPLIER FACILITIES**

The Supplier authorizes staff designated and authorized by SEAT to carry out, even in its facilities, any verifications they consider appropriate, in order to verify that the status of manufacturing and assembly of the Good and the development of the rendering of the Service adapt to the Order issued.

## **21. CIVIL LIABILITY FOR HARM AND LOSS**

- 21.1. If the Supplier performs works inside the SEAT facilities or uses SEAT capital goods inside or outside its facilities in the execution of the Orders, it agrees to comply with the internal rules of SEAT, and will be liable for any harm and loss that may occur for fault or negligence of the Supplier, its suppliers and the employees of both.
- 21.2. SEAT reserves the right to shift to the Supplier any expense in which it may incur deriving from breach by the latter of obligations on the prevention of occupational risks, social security or employment legislation, and is empowered to withhold the amount of those expenses against any credits of the Supplier.
- 21.3. The Supplier will underwrite a Civil Liability policy, with minimum Operation, Employer, Products/Post-work, Joint and Several Subcontractor, Goods in deposit and defense and bond guarantees. The Supplier, if required, should provide SEAT in each policy renewal with a certificate issued by the Insurance Company listing all coverages with their respective limits of compensation and indicating that it is valid and current in payment. The Supplier is obligated to underwrite a policy for material damages that insures the total value of new goods property of SEAT on deposit/in custody.

That Supplier policy will also contain a beneficiary clause in favor of SEAT, or the requesting VW Group company. The Supplier, providing it is required to do so, should provide SEAT in each policy renewal with a certificate issued by the Insurance Company listing all coverages with their respective limits of compensation and indicating that it is valid and current in payment.

## **22. FORCE MAJEURE**

22.1. The Supplier will not be liable for its obligations or any delay in the supply if that breach or delay is owing to force majeure (including general, territorial or sectoral strikes). For the above purposes, internal strikes or any other failings characteristic of the Supplier staff will not be considered force majeure.

22.2. In those cases of breach for force majeure, the Supplier:

- Will be obligated to notify the cause to SEAT as soon as possible, which may not exceed 24 hours from when it took place, establishing the details of its nature, extension and forecast delay in the supply of the Capital Goods or rendering of the Services, as well as the resulting situation in terms of supply possibilities.
- It should remedy this event as soon as its cause has terminated.

22.3. For the duration of the force majeure situation, the Supplier and SEAT should agree to any additional measures necessary so that the supplies of Capital Goods or Services may continue, and the Supplier will be responsible for carrying out all additional measures agreed upon and necessary for their continuity. The inability of the Supplier to make supplies of Capital Goods or Services, even after correctly adopting the additional measures, will not be considered a breach of its obligations. Nevertheless, if the supply of Capital Goods or Services does not recommence normally within 5 calendar days of its total or partial suspension or total or partial breach for any cause of force majeure, SEAT may consider the Order as terminated, effective immediately, even if the Supplier has correctly adopted the additional measures indicated above.

22.4. If the force majeure requires the suspension of the obligations stipulated and for the duration of the suspension, SEAT reserves the right to immediately withdraw any Capital Goods manufactured and/or in the process of manufacture, against payment of their value, as well as any Work Methods property of SEAT in possession of the Supplier.

22.5. In the event of flooding, fire, labor dispute or strike, upheavals, official measures, confinement or other interruptions in SEAT that lead to a decrease in the activity or stoppage in the manufacturing or commercial work centers, as well as any other similar incidents or force majeure, SEAT may suspend the reception and payment of the Capital Goods and Services placed with the Suppliers, without being obligated to pay any compensation whatsoever.

## **23. SUSTAINABILITY REQUIREMENTS AND REGULATORY COMPLIANCE**

23.1. The Supplier is familiar with the “Requirements of the Volkswagen Group for sustainability in relations with its trade partners (Code of conduct for trade partners)” available for consultation in the Cooperation > Sustainability section of the <http://www.volkswagengroupsupply.com> website, and agrees to observe these and to ensure their respect by its employees within the scope of their contractual relationship with SEAT Group. Furthermore, in the event of subcontracting with third parties, it agrees to provide them with these “Requirements of the Volkswagen Group for sustainability in relations with its trade partners (Code of conduct for trade partners)” and to require their respect within the scope of their contractual relationship with SEAT Group. SEAT Group considers that the compliance with the requirements formulated in this document is essential for the corresponding contractual relationship. If any SEAT Group trade partner fails to

comply with these requirements, SEAT Group reserves the right to finalize the trade relationship with it by immediate discharge.

Furthermore, the Supplier is familiar with SEAT Group Code of Conduct, available for consultation in the official SEAT Group website in Spain (<http://www.seat.es/content/es/brand/es/compania/conducta.html>) and agrees to consider that the employees and collaborators of SEAT Group respect the principles, values and guidelines included in it within the scope of its contractual relations with the Supplier.

## **24. CONCLUSION OF THE SERVICE**

- 24.1. Upon the conclusion of the contracting of the Service, regardless of the cause of termination, whether SEAT decides to perform the Service with its own staff or to discontinue the activity characteristic of this, SEAT will not be obligated to continue with the Supplier staff. The Supplier, at its expense, will take charge of all of its staff for their employment elsewhere or terminate their contracts as legally appropriate, and it will correspond to the Supplier to pay any compensation for termination of the employment relationship with its workers, with full indemnity for SEAT.
- 24.2. Without prejudice to the above, if SEAT or any other company of the VW Group is obligated by judicial or administrative decision to subrogate to the Supplier's employment contracts, the Supplier will hold SEAT and any other company of the VW Group harmless for any concept, and agrees to pay SEAT or any company of the VW Group any compensation that it may be obligated to pay them.

## **25. GROUNDS FOR TERMINATION**

- 25.1. In addition to the grounds expressly mentioned in any other stipulations of these General Terms of Business or those established by law, the following will be specific grounds for termination of the Order:
  - 25.1.1. That the Supplier publicly or privately assigns its goods to its creditors or its equity withstands a general enforcement at the request of its creditors, implemented as seizures of its assets or otherwise.
  - 25.1.2. The total or partial breach by the Supplier of the obligations established in the Order, in these General Terms of Business or in any documents that may supplement or replace them.
  - 25.1.3. Any delay in deliveries of the Capital Goods or Services, samples, prototypes, etc. with regard to the terms agreed, if the Supplier is liable for that delay.
  - 25.1.4. The lack of quality in the Capital Goods or Services.
  - 25.1.5. The sale or assignment, by any title, of Capital Goods or Services and/or Work Methods to third parties not designated by SEAT and without SEAT's express authorization.
  - 25.1.6. Any change to the unit of measure, price, assigned percentage, specific conditions, designs, packaging, form of delivery and delivery site of the Capital Goods and Services, without prior express and written consent from SEAT.
  - 25.1.7. The breach of the "VW Group Sustainability Requirements" by the Supplier or its suppliers.

- 25.2. In all of the above cases written notice will suffice and the termination of the Order will take effect immediately, and SEAT reserves the right to recover the Capital Goods manufactured and/or in production as well as any Work Methods, drawings, models, designs, etc.

## **26. DAMAGES**

If the Supplier totally or partial breaches any of the obligations deriving from the Order, these General Terms of Business and/or the documents that supplement or replace them, in addition to seeking termination, SEAT may claim damages for the harm suffered and loss incurred.

## **27. OFFSETTING**

If SEAT must apply any charge to the Supplier as a result of any provisions of these General Terms of Business or Orders, the Supplier expressly accepts that SEAT will issue the corresponding bill to it and offset its amount with any debts that SEAT may have with it or increase any debts that SEAT could have with it, all with the subsequent entry in the commercial current account between the parties.

## **28. NOVATION**

The acceptance of a New Order by the Supplier replaces, terminates or cancels any Order previously subscribed between the Parties in relation to the subject of the New Order.

## **29. LANGUAGE**

These General Terms of Business are executed for all purposes in Spanish, without prejudice to any translations that may be made to other languages for informative purposes. Therefore, the only valid and binding version of the General Terms of Business between the parties will be the Spanish version.

## **30. GOVERNING LAW AND JURISDICTION**

- 30.1. These General Terms of Business will be governed by Spanish Law.
- 30.2. SEAT and the Supplier agree to resolve any conflicts that may arise between them in relation to the interpretation and/or execution of the Orders and these General Terms of Business before the courts of the city of Barcelona, and expressly waive any other jurisdiction that may be available to them.

## **31. DATA PROTECTION**

- 31.1. Any capitalized terms that are not otherwise defined in this Clause will have the meaning envisaged in the GDPR or, otherwise, the meaning given to them in the Agreement.

### **31.2. Processing assignment with the Supplier**

Any processing of SEAT Group personal data performed by the Supplier in the name and on behalf of the former will be governed by the Processing Assignment Agreement, which will form an integral part of the Agreement and will be included in it as Appendix III.

### **31.3. Joint controller status among the companies of the Volkswagen Group**

Within the scope of the Volkswagen Group procurement process, the companies of the Volkswagen Group work jointly and closely for increased efficiency. To this regard, they have defined the principles and have reached an agreement, in accordance with section 26 of the GDPR, by which they will jointly process the personal data of the Supplier and its representatives that are included in the consortium procurement system, as joint controllers of these. Therefore, the joint

controllers have jointly established the means and purposes of the processes, and will act and process the personal data jointly.

The joint control among the companies of the Volkswagen Group is necessary since all of them use, in the procurement processes, the same operating systems, databases, platforms, and infrastructure systems of joint use worldwide, for more efficient management of the procurement process.

The companies of the Volkswagen Group that take part in the joint controller agreement for the use of the joint procurement system have agreed upon specific technical and organizational measures, as well as specific obligations for each one, to enable the implementation of the GDPR. The procurement system used by the companies of the Volkswagen Group will be maintained and managed by Volkswagen AG and AUDI AG, which will be responsible for implementing and maintaining the appropriate technical and organizational measures, as well as for ensuring the security of the personal data. Without prejudice to the above, all companies of the Volkswagen Group have implemented the appropriate technical and organizational measures for the appropriate use of the procurement system and processing of personal data in keeping with the principles of the GDPR. Therefore SEAT, as a company of the Volkswagen Group that collects and processes the data, has implemented the appropriate technical and organizational measures, including those devoted to ensuring the confidentiality and integrity of personal data.

#### 31.4. Categories of personal data

The Volkswagen Group companies will jointly process the following data of the Suppliers, their representatives and their employees:

- Contact information and job post;
- Consortium system usage data;
- Identification and contact data;
- Contractual data and data relative to the corresponding agreements; and
- Bank and credit information

#### 31.5. Purpose of processing

All personal data of the Supplier, with the exception of the consortium system usage data, will be processed by the joint controllers for commencement and execution of the commercial relationship between the corresponding Volkswagen Group company and the Supplier.

The consortium system usage data will be processed by the companies of the Volkswagen Group to ensure their correct operation and ongoing improvement.

#### 31.6. Legal basis

The companies of the Volkswagen Group will process the personal data of the Supplier to commence and execute the commercial relationship with the Supplier, the legal basis for which for this is the execution of the contractual relationship with it or the taking of pre-contractual measures at its request, a purpose that is strictly necessary for execution of the Agreement.

On the other hand, the legal basis for the processing the personal data of the Supplier within the scope for the use of the consortium systems of the Volkswagen Group will be the legitimate interest of the Volkswagen Group companies to ensure the functionality and integrity of the shared procurement systems. The legitimate interest of the companies of the Volkswagen Group is

aligned with the interests and rights of the personal data subjects, since they benefit from the efficiencies and synergies created by the analysis of the data and security entailed by sharing the same procurement system with all companies of the Volkswagen Group.

No automated decisions that may affect the interested parties will be taken.

#### 31.7. Storage periods

The data will be stored for the entire term of the Agreement and for the time required to fulfill the legal and contractual obligations pertaining to the performance of the Agreement. Once the time necessary for compliance with the legal and contractual obligations regarding the execution of the Agreement has elapsed, the personal data will be erased. Volkswagen AG and AUDI AG will be the Volkswagen Group companies responsible for erasing the personal data of the consortium systems.

#### 31.8. Recipients

The personal data of the Supplier will be processed by the Volkswagen Group companies within the European Economic Area. The European Economic Area is composed by the EU member countries, as well as Iceland, Norway and Liechtenstein. The GDPR is directly applicable in this area.

The personal data of the Supplier will also be processed by companies of the Volkswagen Group outside the European Economic Area, where the joint controller agreement among them will ensure compliance with the principles and precepts of the GDPR. Furthermore, any processing of the personal data of the Supplier outside the European Economic Area will comply with the Standard Contractual Clauses approved by the European Commission.

In addition, the personal data of the Supplier will be processed by those third parties to which the companies of the Volkswagen Group are legally or contractually bound to notify (as in the case of third-party service providers to which any service has been entrusted associated with the management or performance of the Agreement and that the companies of the Volkswagen Group have carefully selected in consideration of their scrupulous compliance with applicable data protection standards).

#### 31.9. Exercise of rights

Within the scope of their joint controller status, the companies of the Volkswagen Group are particularly conscious of their duty of information and response to requests for rights.

The Suppliers, their representatives and employees may exercise, in the terms established by legislation in force at any given time, the rights of access, rectification and erasure of data, as well as request to restrict, object to or request the portability of their personal data by written notice to the following email address: [master.data@seat.es](mailto:master.data@seat.es).

Anyone wishing to exercise their rights should clearly indicate the right they wish to exercise, their given name, surnames and a copy of the national identification number or similar document accrediting them. They may also file a complaint with the data protection agency.