

The purchase order set forth above (the "**PURCHASE ORDER**") between VF and the SUPPLIER (individually "**PARTY**"; collectively "**PARTIES**") relating to the GOODS/SERVICES (collectively, also the "**GOODS/SERVICES**") is subject to the following terms and conditions ("**Ts&Cs**") and by accepting a PURCHASE ORDER, or any part thereof, SUPPLIER agrees to supply the relevant SERVICES/GOODS as per the terms and conditions hereunder.

**1. DEFINITIONS**

- VF shall mean the company of the VF Group in the EMEA region purchasing the GOODS or SERVICES, its successors and assignees.
- GOODS shall mean all items and services to be provided whether expressly or by implication under a PURCHASE ORDER including, without limitation, materials, equipment, fabricated products, drawings, certification or other documentation, as applicable.
- SERVICES shall mean the services defined in the PURCHASE ORDER to be provided, whether expressly or by implication, by the SUPPLIER, and such other reasonable duties and services as may be consistent therewith or agreed between the PARTIES from time to time.
- PRICE shall mean the price specified in a PURCHASE ORDER.
- PURCHASE ORDER shall mean a purchase order placed on the SUPPLIER by VF, also through any of VF's systems, for the purchase of GOODS/SERVICES, which might incorporate, for example, an itemized list of GOODS/SERVICES, time and location of delivery, payment and shipping terms, and other.
- DELIVERY DATE shall mean the date(s) specified in a PURCHASE ORDER for delivery of the GOODS/SERVICES.
- SUB-SUPPLIER shall mean any person, firm, partnership, company, corporation or combination thereof other than SUPPLIER but appointed by SUPPLIER, indirectly supplying GOODS/SERVICES or parts thereof, in connection with a PURCHASE ORDER, to VF.
- SUPPLIER shall mean any person, firm, partnership, company, corporation specified in a PURCHASE ORDER for delivery of GOODS/SERVICES including its successors in title and assignees.
- AFFILIATE shall mean with respect to any PARTY, any person or entity that directly or indirectly controls, is controlled by or is under common control with that PARTY, but only for so long as such control continues. For the purposes of this definition, the term "control" shall mean the power to direct the management and affairs of another person or entity, directly or indirectly, whether through ownership of voting securities, by contract or otherwise.

**2. ACCEPTANCE OF Ts&Cs AND ORDER OF PRECEDENCE**

- 2.1 SUPPLIER agrees to supply the GOODS and/or SERVICES to VF, in accordance with these Ts&Cs, which will govern your relationship with VF and shall supersede and prevail over any other terms and conditions, whenever and wherever proposed by either party.
- 2.2 In case a separate agreement is expressly negotiated and signed, specifically to regulate a supply of GOODS/SERVICES by SUPPLIER to VF, such separate agreement shall prevail with reference to its specific subject matter.
- 2.3 In case of any inconsistency or discrepancy between the terms included in a PURCHASE ORDER and these Ts&Cs, the PURCHASE ORDER shall prevail.

**3. INDEPENDENT CONTRACTOR**

- 3.1 In the performance or rendering of the GOODS/SERVICES contemplated by the PURCHASE ORDER, the SUPPLIER is and remains an independent contractor with the authority to control and direct the performance of the details of the GOODS/SERVICES, VF being interested only in the results obtained.
- 3.2 Nothing contained in the PURCHASE ORDER and these Ts&Cs will be construed as creating a partnership, joint venture, employment or agency relationship by or between the PARTIES and the respective AFFILIATES and employees, or otherwise enable either PARTY to enter into binding agreements on behalf of the other.
- 3.3 Neither the PURCHASE ORDER or these Ts&Cs nor any provision hereof shall create any right in favour of or impose any obligation upon any person or entity other than the PARTIES hereto, and the successors and permitted assigns of the foregoing.

**4. OTHER SERVICES. CHANGES. "NO PO NO PAY"**

- 4.1 No change to the GOODS/SERVICES shall be accepted by VF and VF shall not be liable to make any payment to SUPPLIER for any change in the GOODS/SERVICES unless such change is minor and has been authorised in writing by VF.
- 4.2 In the event that SUPPLIER, at the request of VF, performs services other than those provided for under the PURCHASE ORDER, the amount and nature of the compensation to be paid by VF to SUPPLIER for such services shall be made the subject matter of a separate PURCHASE ORDER.
- 4.3 No payment of fees or consideration whatsoever will be made by VF lacking a specific PURCHASE ORDER regularly issued by VF ("No PO No Pay" rule).

**5. INTELLECTUAL PROPERTY**

- 5.1 Unless otherwise specified in a PURCHASE ORDER, upon payment, by VF, of the price specified in the relevant PURCHASE ORDER, the GOODS and any and all work product, deliverable, results and proceeds of the SERVICES delivered by SUPPLIER, including, without limitation, any creative content of any kind, any software and relevant source code, any material created in connection with the delivery of the GOODS/SERVICES such as documents, drafts, photographs, recordings, as well as any SUPPLIER's name, image, picture, voice, likeness, biographical information and performance that may be incorporated in such elements (the "**DELIVERABLES**"), and all intellectual property rights thereon, including any trademark right, patent right, copyright, trade secret, shall immediately vest absolutely in and shall be and remain the sole and exclusive property of VF forever, throughout the universe, including, without limitation, any right of modification, improvement, variation, reproduction and licensing. Good and valuable consideration for the granting of the above rights by SUPPLIER to VF is already satisfactorily included in the price indicated in the relevant PURCHASE ORDER.
- 5.2 SUPPLIER shall promptly execute and deliver to VF any further documents reasonably requested for VF to secure copyright protection in the DELIVERABLES and to protect, enforce and/or defend any or all of VF rights in the DELIVERABLES. SUPPLIER shall not, at any time, authorize any natural or legal person to infringe in any way the exclusive rights granted to VF HEREUNDER.
- 5.3 Without in any way limiting the generality of the foregoing, SUPPLIER will have each person who may perform services under these Ts&Cs, and who is not a regular full time employee of SUPPLIER execute a memorandum of assignment of ownership and will promptly deliver copies thereof to VF, upon the latter request. This clause will survive termination of these Ts&Cs for any and all reasons.

- 5.4 Should the DELIVERABLES include any SUPPLIER's and/or any third-party proprietary elements developed prior to or independent of the supply of GOODS/SERVICES hereunder, that might cause limitations in the usage rights of VF on the DELIVERABLES, such usage limitations shall have to be expressly negotiated in writing between the PARTIES, otherwise no limitation will apply.
- 5.5 SUPPLIER expressly acknowledges and agrees that VF shall retain all rights, title, interest, intellectual property rights and other proprietary rights, and SUPPLIER shall acquire no right, title, or interest whatsoever, in any proprietary assets of VF that the SUPPLIER may access in order to fulfil its obligations under a PURCHASE ORDER or these Ts&Cs, including, without limitation, trademarks, logos, brands, names, products and parts thereof, relevant materials, designs, projects, sketches, renderings, documents, manuals, graphics, information materials, products list, customer lists, databases, commercial strategies, business and financial data and statistics, and any other patented or non-patented, copyrighted or non-copyrighted asset, property, material, item, element belonging to VF or its AFFILIATES, either existing prior to, developed during the course, or created after the supply of GOODS/SERVICES by SUPPLIER to VF, including VF DATA as defined under Clause 26 below (collectively, the "VF PROPRIETARY MATERIALS").
- 5.6 In the event and to the extent that, in order to deliver any of the GOODS/SERVICES, MILESTONES or DELIVERABLES provided for under an applicable PURCHASE ORDER, SUPPLIER needs to access or use any VF PROPRIETARY MATERIAL, VF grants SUPPLIER a limited, revocable, non-sublicenseable license to access and/or use VF PROPRIETARY MATERIALS for the sole and exclusive purpose of, and solely to the extent it is strictly necessary to deliver the relevant GOODS/SERVICES, MILESTONES or DELIVERABLES.

## 6. CONFIDENTIALITY AND PUBLICITY

- 6.1 For purposes of these Ts&Cs, the term "**confidential information**" means any information concerning the business of the Disclosing Party or the GOODS/SERVICES which is not in the public domain and shall include, but is not limited to GOODS/SERVICES specifications, including any MILESTONE and/or DELIVERABLE, the content of the PURCHASE ORDER and these Ts&Cs.
- 6.2 Each Party and its officers, directors, employees, agents and AFFILIATES (the "**Receiving Party**") shall treat as confidential and prevent unauthorized duplication or disclosure of any confidential information concerning the GOODS/SERVICES or the business affairs of the other Party (the "**Disclosing Party**") which the Receiving Party may acquire during the course of its activities under the PURCHASE ORDER and these Ts&Cs (or any prior or subsequent arrangement between VF and SUPPLIER) and shall not use such confidential information for any purpose other than in furtherance of SUPPLIER's obligations under THE PURCHASE ORDER and these Ts&Cs.
- 6.3 The Receiving Party shall take all necessary precautions to prevent any such disclosure under Clause 6.2 by its employees and representatives.
- 6.4 The Receiving Party acknowledges and agrees that, unless otherwise established in THE PURCHASE ORDER or these Ts&Cs, and without prejudice to the assignment of intellectual property rights under Clause 5 above, any right, title and interest in and to the aforesaid confidential information is vested in the Disclosing Party and that such information is the sole property of the Disclosing Party.
- 6.5 The obligations of confidentiality provided hereunder shall survive for a period of five (5) years after expiration, cancellation or termination of the relevant PURCHASE ORDER, for any reason; provided, however that with respect to any item of confidential information which is a trade secret under applicable law, the obligations of confidentiality hereunder shall survive the expiration of such five (5) year period and remain in full force and effect as long as such confidential information remains a trade secret under applicable law.
- 6.6 SUPPLIER shall not mention VF's or its AFFILIATES' name, trademarks, service marks, logos, designs, and trade names, in connection with a PURCHASE ORDER or refer to the existence and/or the content of a PURCHASE ORDER in any brochure, internal house organ, publicity material, press releases, advertising or other similar communication to any third party without VF's prior consent in writing.

## 7. DISPATCH OF GOODS. DELIVERY TERMS

- 7.1 **Custody and protection of GOODS.** The SUPPLIER shall store, safeguard and prevent deterioration of the GOODS (including GOODS which VF is unable to accept delivery of at the time such are due for delivery) until they are shipped to VF. The SUPPLIER shall provide at its own cost all necessary packing to protect the GOODS and shall be responsible for ensuring the GOODS are properly packed and secured and received by VF in an acceptable condition. The SUPPLIER shall ensure that all packages containing heavy or perishable materials carry the appropriate warning marks and wording.
- 7.2 **Place of delivery.** The SUPPLIER shall deliver the GOODS to VF's premises or to such a place that VF specified in a PURCHASE ORDER and at the time or times specified.
- 7.3 **Delivery terms.** Delivery terms for the supply of GOODS shall be in accordance with the International Chamber of Commerce INCOTERMS 2010 under the conditions of delivery, Delivery Duty Paid (DDP) as may be further specified by a PURCHASE ORDER. The SUPPLIER shall ensure that when delivering the GOODS it and all its agents and sub-contractors comply with VF's individual site rules where applicable. SUPPLIER shall not ship excess quantities without BUYER's prior approval. Except as otherwise provided herein, BUYER shall not be obligated to accept untimely, excess or under shipments; such shipments, in whole or in part may, at BUYER's option, be returned to SUPPLIER, or held for disposition at SUPPLIER's expense and risk. Any additional delivery term specified in a PURCHASE ORDER shall also apply to the relevant GOODS/SERVICES.
- 7.4 **Delivery note.** All deliveries shall be accompanied by a delivery note containing the PURCHASE ORDER number, date of PURCHASE ORDER, quantity of GOODS supplied, any relevant product code or item number, and any other detail that may be required under the applicable law.
- 7.5 **Time of Delivery.** SUPPLIER acknowledges that complying with the delivery dates set forth in a PURCHASE ORDER is of the essence. If delivery of the whole or part of the GOODS are not completed within the time or times specified in a PURCHASE ORDER (or any extension permitted by VF in writing) VF will be entitled to terminate the relevant PURCHASE ORDER and, (if it so elects) any other previous PURCHASE ORDER where GOODS had already been supplied but cannot be commercially used because of the omitted/delayed delivery. As a consequence of the termination of such PURCHASE ORDER(S), VF shall be entitled to return (at the SUPPLIER's risk and cost) any such unusable GOODS and SUPPLIER shall pay to VF, as liquidated damages, an amount corresponding to 100% of the total value of the terminated PURCHASE ORDERS, plus any additional costs occurred by VF, including the additional cost (if any) of acquiring GOODS of a similar description from another supplier. The GOODS must be shipped complete by the date requested but must not be shipped in advance of the time or times specified herein, without BUYER's prior approval. If more than one shipment is specified in the ORDER, indicate "Final Shipping" on shipping papers and invoice accompanying the last shipment in the ORDER.
- 7.6 **Indemnification.** SUPPLIER shall be liable for any additional and direct cost incurred by VF as a result of SUPPLIER's failure to comply with the requirements for documentation, certification, packing, marking, shipment and time and place of delivery contained in a PURCHASE ORDER.

## 8. PASSING OF PROPERTY ON GOODS AND RISK

- 8.1 Without prejudice to any contractual right hereunder assigned to VF in case of defective GOODS/SERVICES, and of any right of SUPPLIER to receive payment for the GOODS, full title to the GOODS shall pass to VF at the moment the GOODS are delivered to the agreed place of delivery at VF's premises as per the INCOTERM applicable and in accordance with the relevant PURCHASE ORDER.
- 8.2 Risk of loss shall remain with SUPPLIER until the GOODS are delivered to the agreed place of delivery at VF's premises, as per the INCOTERM applicable and in accordance with the relevant PURCHASE ORDER.

## 9. TITLE AND LIENS ON GOODS

- 9.1 SUPPLIER is expressly obliged, and expressly undertakes to ensure that the GOODS, at the time when title and risk of loss passes to VF, are free and clear of any and all liens, claims, security interests, pledges, charges, mortgages, deeds of trusts, options, or other encumbrances of any kind ("LIENS").
- 9.2 In the event that SUPPLIER, or any SUPPLIER's AFFILIATE, is in the possession of GOODS that have already become VF's property pursuant to these Ts&Cs, SUPPLIER shall at all times keep such GOODS free and clear of any and all LIENS, and will identify the GOODS, for all purposes and effects, as VF's property.

## 10. PRICE

- 10.1 VF shall not be billed at prices higher than those stated on the PURCHASE ORDER.
- 10.2 Unless otherwise provided in a PURCHASE ORDER, the PRICE shall be deemed to remunerate all taxes and out-of-pocket expenses incurred by the SUPPLIER in the supply of the GOODS/SERVICES, as well as any allocation or assignment of intellectual property rights, and/or any other proprietary rights and/or any commercial exploitation or usage rights.
- 10.3 No payment of fees, cost, disbursement or consideration whatsoever will be made by VF lacking specific mention in a PURCHASE ORDER regularly issued by VF ("No PO No Pay" rule).
- 10.4 SUPPLIER agrees that any price reduction made with respect to the GOODS/SERVICES covered by the PURCHASE ORDER after its placement but prior to payment will be applicable to this PURCHASE ORDER.
- 10.5 The SUPPLIER acknowledges that it shall not be entitled in any event to claim or receive from VF, upon the expiration or termination of the PURCHASE ORDER and these Ts&Cs for any reason whatsoever, any compensation, reimbursement, indemnity or damages, whether on account of any expenditure or commitment of any kind in connection with the supply of GOODS and/or the executed SERVICES, other than pro-rata amount(s) mentioned in the relevant PURCHASE ORDER and referred to GOODS and/or SERVICES already supplied and not disputed or rejected by VF under the relevant PURCHASE ORDER and these Ts&Cs.

## 11. INVOICING AND TERMS OF PAYMENT

- 11.1 Payment by VF will be made in Euros within SIXTY (60) days, or the different payment term specified in a PURCHASE ORDER, from the date VF receives of a regular invoice, in line with these Ts&Cs, from the SUPPLIER.
- 11.2 SUPPLIER shall not send any invoice before delivery of GOODS and/or SERVICES, including any applicable DELIVERABLE or MILESTONE, has been successfully completed and delivered in compliance with the relevant PURCHASE ORDER and these Ts&Cs.
- 11.3 SUPPLIER shall not be entitled to issue any invoice for GOODS, SERVICES, MILESTONES or DELIVERABLES in relation to which (i) VF has, in its reasonable determination, raised an objection or a dispute with regard to conformity and/or quality, including pursuant to Clause 13 and/or 15 below; and/or (ii) VF has exercised its rights under Clause 16 and/or 17 below. Such an invoice, where issued, would be considered and treated as never issued, and, SUPPLIER shall be obliged to issue a credit note offsetting the amount of such invoice and successfully remedy the non-compliance pursuant to Clauses 14, 16, 17 below, as applicable, before being entitled to newly invoice VF for the affected GOODS, SERVICES, MILESTONES or DELIVERABLES, as the case may be.
- 11.4 Any SUPPLIER's invoice shall include, in addition to any other legally mandatory information, the following indications:
- (i) Invoice date
  - (ii) Invoice number
  - (iii) Invoicing data of VF
  - (iv) Invoicing data of the SUPPLIER
  - (v) A description of the GOODS/SERVICES
  - (vi) PURCHASE ORDER number**
  - (vii) VF approver
  - (viii) Contract reference (if a separate contract exists)
  - (ix) Itemized description of the values, split by net amount and applicable taxes
  - (x) Payment methods (e.g. bank account number or other)
- 11.5 If VF does not pay to SUPPLIER all undisputed amounts due under an applicable PURCHASE ORDER by the relevant due date for payment, SUPPLIER shall notify such delay to VF and assign a cure period of 30 days to provide payment.
- 11.6 VF may withhold payments if SUPPLIER's invoice is incomplete or not in line with applicable legal or tax requirements, or if an objection or dispute has been raised by VF with regard to the conformity and/or quality of the relevant GOODS/SERVICES, MILESTONS or DELIVERABLES, including pursuant to Clause 13 and/or 15 below and/or VF has exercised its rights under Clause 16 and/or 17 below.

## 12. ASSIGNMENT AND SUB-CONTRACTING

- 12.1 The PURCHASE ORDER and these Ts&Cs shall not be assigned in whole or in part or subcontracted in whole or in part by SUPPLIER without the prior written consent of VF.
- 12.2 Notwithstanding the above, SUPPLIER shall not be relieved from any obligation under a PURCHASE ORDER and/or these Ts&Cs, and shall remain fully responsible for all GOODS/SERVICES supplied by SUB-SUPPLIERS.
- 12.3 For the avoidance of doubt, any sub-contracting of any part of a PURCHASE ORDER by SUPPLIER in accordance with the foregoing shall not create any contractual relationship between any SUB-SUPPLIERS and VF.
- 12.4 VF has the right at its sole discretion to assign to an AFFILIATE of VF or any third party in whole or in part any of its rights or obligations under a PURCHASE ORDER and /or these Ts&Cs.
- 12.5 VF will retain continued liability for the payment of all sums still due to the SUPPLIER up to the transfer date.

## 13. QUALITY WARRANTIES

SUPPLIER represents and warrants that the GOODS/SERVICES, including any DELIVERABLE and any service milestone identified in a PURCHASE ORDER ("MILESTONE") shall, as applicable:

- (i) Conform to any and all business, technical and other requirements, specifications, drawings, scope of work, instruction and description represented by VF, including in the relevant PURCHASE ORDER and any and all written representations provided by the SUPPLIER;
- (ii) be of sound manufacture and workmanship;
- (iii) meet the standard of performance specified in a PURCHASE ORDER;
- (iv) be fit for the purpose expressly or by implication indicated by VF in these Ts&Cs or in a PURCHASE ORDER or otherwise agreed upon in writing between the PARTIES;

- (v) not contain any substance that may have been restricted and/or prohibited by any regulatory governmental authority in each of the jurisdictions where the GOODS are to be distributed, marketed and/or sold and/or which do not comply with VF CORPORATION's RESPONSIBLE MATERIALS AND SOURCING POLICIES hereto attached as Annex I;
- (vi) not present any safety hazards or other threats to humans;
- (vii) comply with any applicable laws, statutes, ordinances, rules, regulations and other governmental requirements.

#### 14. QUALITY INSPECTION, TESTING, INCOMPLETE DELIVERY

- 14.1 Prior to shipment/delivery the SUPPLIER shall carefully inspect and test the GOODS for compliance with clause 13 above, and shall upon request of VF supply VF with certified copies of all the test sheets upon which VF shall be entitled to rely.
- 14.2 The SUPPLIER shall permit VF and its representatives, including any independent quality control inspector designated by it, to inspect and test the GOODS prior to delivery, and secure the necessary access to its facilities for this purpose.
- 14.3 All information available to the SUPPLIER regarding potential hazards known or believed to exist in connection with the storage, the transportation, handling or use of the GOODS shall be communicated to VF.
- 14.4 If at any time prior to delivery, VF is of the reasonable opinion that the GOODS/SERVICES do not or are unlikely to comply with clause 13 above, VF shall notify the SUPPLIER and the SUPPLIER shall immediately take steps to ensure compliance, failing which VF may treat the PURCHASE ORDER as expressly rejected by the SUPPLIER.
- 14.5 Failure of VF to exercise any of its rights under the previous point or to request test certificates as indicated above, shall not be construed in any way as a waiver of any of VF's rights under these Ts&Cs or at law.

#### 15. OTHER WARRANTIES

- 15.1 SUPPLIER represents and warrants that:
  - (i) the GOODS/SERVICES, including any relevant MILESTONE or DELIVERABLE will conform to Clause 13 above;
  - (ii) it has the experience and capability (including sufficient and competent engineers, supervisors and other personnel), has available all requisite services and expertise and will make available all requisite materials, tools and equipment for the satisfactory and timely supply of the GOODS/SERVICES and that it shall observe and exercise the standard of care, skill and competence which reputable suppliers normally practise in the performance of similar work;
  - (iii) the GOODS/SERVICES, as well as any relevant DELIVERABLE, are original and/or do not infringe upon or violate the rights of any third party;
  - (iv) The use of the GOODS/SERVICES, as well as any relevant DELIVERABLE, will not violate or infringe the rights of any third party;
  - (v) Any and all permissions and consents that may be required in relation to the use and/or exploitation of the GOODS/SERVICES, as well as any DELIVERABLE, have been duly obtained by supplier prior to entering into a PURCHASE ORDER with VF;
  - (vi) SUPPLIER shall comply with all lawful and reasonable directions regarding the GOODS/SERVICES communicated to it from time to time by VF or its representatives;
  - (vii) The SUPPLIER shall keep VF fully apprised at all times of potentially hazardous substances used for the production of the GOODS.
- 15.2 Furthermore each PARTY represents and warrants that:
  - (i) it is duly organised and validly existing under the laws of the jurisdiction of its incorporation and has been in continuous existence since incorporation;
  - (ii) it has and shall continue to have the right, power and authority, and has taken all actions necessary, to execute, deliver and exercise its rights, and perform its obligations, under the PURCHASE ORDER and these Ts&Cs;
  - (iii) it has obtained and complied with all applicable laws, regulations, directions, permissions, licences, waivers, consents, registrations, approvals and other authorisations of competent authorities in order to enter into and perform the PURCHASE ORDER and these Ts&Cs.

#### 16. DEFECTIVE GOODS GUARANTEE AND REMEDIES

- 16.1 Without prejudice to any other rights and/or remedies that VF may have under these Ts&Cs and at law, SUPPLIER shall, at VF 's sole discretion, as expeditiously as possible and at SUPPLIER'S risk and expense replace or repair any of the GOODS which are or become defective during the period of twenty-four (24) months after the date of receipt by VF, unless such defects are due to faulty designs or instructions made, furnished, or specified by VF and for which SUPPLIER has disclaimed responsibility in writing prior to delivery.
- 16.2 Should SUPPLIER not begin and diligently proceed to complete said remedy within a reasonable time, VF shall, after first advising SUPPLIER in writing, have the right to have defective GOODS replaced or repaired either by itself or by third parties and all costs thereof shall be borne by SUPPLIER.
- 16.3 SUPPLIER shall be liable for VF's reasonable costs incurred in removing or withdrawing defective GOODS and substituting the defective ones with repaired or replacement GOODS.
- 16.4 The provisions of this clause shall further apply to any repaired or replaced GOODS as if they had been put into commercial service on the date of repair and/or reinstallation.
- 16.5 The terms of this clause shall survive the expiration or termination of these Ts&Cs and/or a PURCHASE ORDER.

#### 17. DEFECTIVE MILESTONES AND DELIVERABLES GUARANTEE AND REMEDIES

- 17.1 VF shall have the right to dispute and reject any SERVICE, including any applicable DELIVERABLE or MILESTONE that, in its reasonable determination, does not conform to Clauses 13 and/or 15 above, as applicable, and/or to the relevant PURCHASE ORDER. Clauses 11.3 and 11.6 shall apply.
- 17.2 Without prejudice to any other rights and/or remedies that VF may have under these Ts&Cs and at law, in case of any non-compliance of any SERVICE, including any applicable DELIVERABLE or MILESTONE with clause 13 and/or 15 above, and/or with the relevant PURCHASE ORDER, identified by VF in its reasonable discretion, during the period of twenty-four (24) months after the date of receipt by VF, unless such defects are due to faulty designs or instructions made, furnished, or specified by VF and for which SUPPLIER has disclaimed responsibility in writing prior to delivery, SUPPLIER shall, as expeditiously as possible and at SUPPLIER'S risk and expense, repair or replace the defective SERVICE, DELIVERABLE or MILESTONE, as applicable.
- 17.3 Should SUPPLIER not begin and diligently proceed to complete said remedy within a reasonable time, VF shall, after first advising SUPPLIER in writing, have the right to have defective SERVICE, DELIVERABLE or MILESTONE, as applicabl, replaced or repaired either by itself or by third parties and all costs thereof shall be borne by SUPPLIER.
- 17.4 The terms of this clause shall survive the expiration or termination of these Ts&Cs and/or a PURCHASE ORDER.

#### 18. INSURANCE REQUIREMENTS

- 18.1 Throughout the Term, SUPPLIER shall maintain insurance coverage, with high-standard insurance companies, as follows: (i) workers' compensation in an amount consistent with the statutory minimums required in each country where the GOODS/SERVICES are being delivered; (ii) employer's liability insurance with respects to its own employees, contractors, collaborators, in an amount not lower than EUR 1,000,000 (one million euros) for each accident; (iii) commercial general liability covering, without limitation, bodily injury, property damage and contractual liability in an amount not lower than EUR 5,000,000 (five million euros) per occurrence; (iv) business car insurance in an amount not lower than EUR 1,000,000 (one million euro) per occurrence.
- 18.2 If requested by VF, all insurance policies hereunder shall (a) name VF as an additional insured, (b) not be cancelable without thirty (30) days prior written notice to VF and shall be written as primary policies (primary over any insurance carried by VF), not contributing with and not in excess of coverage that VF may carry, if any, and (c) include an endorsement waiving the insurer's right of subrogation against VF.
- 18.3 SUPPLIER hereby irrevocably and unconditionally waives and will cause its insurers to irrevocably and unconditionally waive any rights of subrogation for claims against VF, to be documented to VF'S satisfaction.

## 19. FORCE MAJEURE

- 19.1 FORCE MAJEURE shall mean the effective occurrence of any act or event which is unforeseeable, insurmountable and outside the reasonable control of VF or SUPPLIER and which renders the affected party unable to comply totally or partially with its obligations under the PURCHASE ORDER. FORCE MAJEURE shall include, but not be limited to, acts of God (such as epidemic, pandemic, tidal wave, lightning, earthquake and hurricane), hostilities or acts of war (whether declared or not), riots (other than among employees of SUPPLIER and/or SUB-SUPPLIER), civil or military disturbances, national, regional or professional strikes and acts of any Government or Governmental authority or any representative thereof (whether or not legally valid). For the avoidance of doubt, FORCE MAJEURE does not include events such as the insolvency of either party or the shortages of staff, materials or utilities or the failure of SUB-SUPPLIERS unless such shortages of staff, materials or utilities or failures of SUB-SUPPLIERS are caused by an event of FORCE MAJEURE.
- 19.2 Neither PARTY will be liable to the other for any failure, delay or interruption in the performance of any of the obligations provided for under a PURCHASE ORDER of these Ts&Cs due to FORCE MAJEURE events, provided that the non-performing PARTY is without fault in failing to prevent or causing such default or delay, and such default or delay cannot reasonably be circumvented or avoided by the non-performing PARTY through the use of alternate sources, work-around plans or other means. In such event, the non-performing PARTY will be excused from further performance or observance of the specific obligation(s) so affected for so long as such circumstances prevail and such PARTY continues to use commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay.
- 19.3 The non-performing Party also undertakes to make its best efforts to reduce as much as possible the duration and extent of the non-performance and its impact on the overall execution of the PURCHASE ORDER and these Ts&Cs. Any Party so prevented, hindered or delayed in its performance will promptly notify the other Party to whom performance is due.

## 20. TERM

The term of these Ts&Cs shall begin on the date of receipt of the PURCHASE ORDER and shall continue in full force and effect until the SUPPLIER completes the delivery of GOODS/SERVICES contemplated in the PURCHASE ORDER or until the relevant PURCHASE ORDER gets earlier terminated in accordance with these Ts&Cs ("**Term**"), without prejudice to any clause of these Ts&Cs for which it is hereby established that it shall survive expiration or termination of a relevant PURCHASE ORDER.

## 21. TERMINATION FOR CONVENIENCE BY VF.

- 21.1 VF may elect to (earlier) terminate the PURCHASE ORDER at any time in its sole discretion, on thirty (30) days written notice to SUPPLIER of its intention to so terminate, without any penalty, liability or further obligations. In case of termination, SUPPLIER shall immediately interrupt any supply of GOODS/SERVICES.
- 21.2 Upon written approval by VF, SUPPLIER shall have the right to complete any delivery of GOODS/SERVICES already ordered by VF.
- 21.3 In case of such early termination, the PRICE to be paid to SUPPLIER shall be limited to the price of: (i) the GOODS/SERVICES that, upon termination, have already been delivered, plus (ii) the price of GOODS/SERVICES for which delivery after termination has been expressly approved and executed.

## 22. TERMINATION FOR CAUSE

- 22.1 Failure by either Party (the "**Breaching Party**") to comply in all material respects with its obligations under the PURCHASE ORDER and these Ts&Cs shall entitle the other party (the "**Non-breaching Party**") to give notice to the Breaching Party specifying the nature of the breach and requiring it to cure such breach, and informing the Breaching Party of its intention to terminate the relevant PURCHASE ORDER if such breach is not so cured within thirty (30) days thereof.
- 22.2 If such Breaching Party is unable to cure the breach complained of by the Non-Breaching Party within such time, the Non-Breaching Party shall be entitled, in addition to any other remedies available to it by law or in equity, to terminate the relevant PURCHASE ORDER by giving written notice to take effect immediately.
- 22.3 To the extent allowed under applicable law, either Party may terminate these Ts&Cs if, at any time, the other Party shall file in any court or agency pursuant to any applicable statute or regulation of any applicable law, a petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee of the Party or of its assets, or if the other Party's assets are liquidated for any reason, or if the other Party proposes a written agreement of composition or extension of its debts, or if the other Party shall be served with an involuntary petition against it filed in any insolvency proceeding, and such petition shall not be dismissed within sixty (60) days after the filing thereof, or if the other Party shall make an assignment for the benefit of creditors.

## 23. COMPLIANCE WITH LAWS, REGULATIONS, CODES AND STANDARDS

- 23.1 SUPPLIER warrants that, with respect to the performance of any of its obligations under a PURCHASE ORDER, it shall comply with, and the GOODS/SERVICES, any DELIVERABLE or MILESTONE, shall comply with, all applicable laws, regulations, codes and standards including, without prejudice to the foregoing generality, all export and import regulations, laws regulating employment, social security, health and safety at the workplace, personal data protection and environmental laws. Supplier also agrees to provide evidence of such compliance at VF's request.
- 23.2 SUPPLIER shall defend, indemnify and hold harmless VF against any fine, penalty, sanction and loss of similar nature which may be imposed on VF (including any which may be imposed on VF AFFILIATES) by reason of any alleged and/or actual violation of such laws and/or regulations by SUPPLIER or any SUB-SUPPLIERS as well as against all claims, lawsuits and proceedings in that respect.

## 24. BUSINESS ETHICS AND SUSTAINABILITY

- 24.1 SUPPLIER has received, reviewed, and understood VF CORPORATION's RESPONSIBLE MATERIALS AND SOURCING POLICIES, hereto attached as Annex I.
- 24.2 SUPPLIER shall provide VF CORPORATION's RESPONSIBLE MATERIALS AND SOURCING POLICIES to all facilities utilized by it in the manufacture and distribution or Supply of any shipped or purchased GOODS and DELIVERABLES.
- 24.3 SUPPLIER agrees that it will strictly comply with VF CORPORATION's RESPONSIBLE MATERIALS AND SOURCING POLICIES in all facilities owned by SUPPLIER or used by SUPPLIER and will require any SUB-SUPPLIER to comply with VF CORPORATION's RESPONSIBLE MATERIALS AND SOURCING POLICIES.

## 25. ANTI-BRIBERY

- 25.1 The SUPPLIER makes the following representations and warranties to VF and covenants and agrees as follows, to the best of SUPPLIER's knowledge:
- (i) The SUPPLIER represents that neither it nor any of its officers, directors, employees, agents, SUB-SUPPLIERS, delegates or representatives has, in connection with any business involving VF, made, promised or offered to make any payment or transferred anything of value, directly or indirectly, to any government official or employee, including employees of government owned companies, or to any political party or candidate for public office, or to any other person or entity, if such payment or transfer would violate any laws of the country in which the payment or transfer is made, including the anti-bribery laws in Switzerland; the European Union and the Foreign Corrupt Practices Act ("FCPA") in the United States.
  - (ii) The SUPPLIER further represents that neither it nor any of its officers, directors, employees, agents, SUB-SUPPLIERS, delegates or representatives will, in connection with any business involving VF, make, promise or offer to make any payment or transfer anything of value, directly or indirectly, to any government official or employee, including employees of government owned companies, or to any political party or candidate for public office, or to any other person or entity, if such payment or transfer would violate the above-mentioned laws.
  - (iii) The parties intend that no payments or transfers of value shall be made which have the purpose or effect of bribery, kickbacks or other unlawful or improper means of obtaining business. The SUPPLIER further warrants that all written and oral information it supplies to VF related to its compliance with the FCPA and/ or any applicable law is and will be complete, truthful and accurate.
  - (iv) The SUPPLIER represents and warrants that, as of the date of these Ts&Cs and during the term of these Ts&Cs, it is not and will not be, owned or directed by, and does not, and will not, employ any government official or employee, political party official or candidate for public office.
- 25.2 The SUPPLIER agrees to give prompt written notice in the event that, at any time during the term of these Ts&Cs, it has failed to comply with or has breached any of its warranties hereunder or any of the certifications hereunder become inaccurate.
- 25.3 In the event the SUPPLIER has not so complied or has breached any of its warranties hereunder or any other certifications hereunder become inaccurate, these Ts&Cs shall be null and void from the time of such non-compliance, breach or inaccuracy.
- 25.4 If VF believes, in its reasonable discretion, that the SUPPLIER has acted in any way that may subject VF to liability under the laws in Switzerland, the European Union or FCPA, VF may unilaterally and immediately terminate these Ts&Cs by written notice

## 26. DATA PROTECTION AND PRIVACY

- 26.1 Without prejudice to any confidentiality obligation hereunder, "**VF DATA**" means any VF's information that includes, but is not limited to, information that is collected, stored, transmitted, processed or used, as well as information generated as result of VF's use of any GOOD/SERVICE, MILESTONE or DELIVERABLE and SUPPLIER's provision of GOODS/SERVICES, MILESTONES or DELIVERABLES.
- 26.2 Supplier shall provide a secure environment for receipt, storage and transmission of VF DATA. All VF DATA must be in secure directories that require access authentication. Supplier is responsible for any disclosure or dissemination of VF DATA resulting from the failure of Supplier's systems during the transmission.
- 26.3 Supplier shall maintain a backup of VF DATA, for an orderly and timely recovery of VF DATA in the event that the services may be interrupted. Supplier shall perform daily backups. Full system backups and server image backups must be performed on a monthly basis. Monthly system images and the data must be securely uploaded and stored off-site at a data management facility. Daily backups must be retained for at least thirty (30) days. Monthly backups must be retained for at least three (3) months.
- 26.4 **Personal data.** The PARTIES acknowledge that in performing its obligations under an applicable PURCHASE ORDER, SUPPLIER may obtain or have access to, or otherwise store, process or transmit, information relating to an identified or identifiable natural or legal person which qualify as personal data within the meaning of the Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data - GDPR - and the Swiss Federal Act on Data Protection of June 19, 1992 – FADP - as well as other applicable data protection laws and provisions ("**PRIVACY LAWS**") belonging to VF, including with reference to the following categories of individuals: VF's employees, other personnel, agents, officers, directors, contractors, customers, potential and prospective customers, suppliers and other persons (collectively and individually, "**PERSONAL DATA**").
- 26.5 **Privacy Laws and Security Measures.** Without prejudice to any specific obligation of SUPPLIER which applies in the event SUPPLIER acts as a "data processor" pursuant to Clause 26.8 below, SUPPLIER shall comply with all applicable PRIVACY LAWS in relation to PERSONAL DATA, including, maintaining appropriate security measures for PERSONAL DATA, which must be at least proportionate to the potential risks that the processing of the PERSONAL DATA pose for the relevant individuals and compliant with article 32 of GDPR and/or any corresponding provision under the applicable PRIVACY LAWS.
- 26.6 **Data Breaches.**
- 26.6.1 Without prejudice to any specific obligation of SUPPLIER which applies in the event SUPPLIER acts as a "data processor" pursuant to Clause 26.8 below, if SUPPLIER discovers, suspects or is otherwise made aware of (a) any breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to PERSONAL DATA transmitted, stored or otherwise processed ("**DATA BREACH**"), or (b) any condition that is likely to result in a DATA BREACH, SUPPLIER shall report such SECURITY BREACH or likely SECURITY BREACH to VF without undue delay and in any case by no later than twenty-four (24) hours following discovery or suspicion. SUPPLIER shall mitigate, in a timely manner and to the extent practicable, any harmful effects of a DATA BREACH. SUPPLIER shall cooperate with VF in investigating and responding to any DATA BREACH, including, without limitation, observing any reasonable requests made by VF to ensure compliance with applicable PRIVACY LAWS, and providing any notices that VF deems appropriate. Upon VF's request, SUPPLIER shall deliver to VF a root cause assessment and future incident mitigation plan with regard to any DATA BREACH that sets out written details regarding SUPPLIER's investigation and remediation of the DATA BREACH.
  - 26.6.2 To the extent any DATA BREACH is attributable to a breach by SUPPLIER, and applicable law requires that VF, VF's customers or other affected individuals be notified of a DATA BREACH involving PERSONAL DATA, VF is entitled to determine whether notice will come from VF or SUPPLIER. In any event, the content, timing and other details of the notice are subject to VF's approval, in VF's sole discretion.
  - 26.6.3 SUPPLIER shall bear the costs incurred in complying with its legal obligations relating to the DATA BREACH, and in addition to any other damages for which SUPPLIER may be liable for under a relevant PURCHASE ORDER and/or these Ts&Cs, the following costs which may be incurred by VF in responding to the breach, to the extent applicable: (a) the cost of providing notice to affected individuals, government

agencies, credit bureau and other required entities (which may include, without limitation, print services postage, and obtaining contact information for affected individuals); (b) the cost of providing affected individuals with credit monitoring services and identity theft mitigation services for a specific period to the extent VF determines the incident could lead to a compromise of the affected individuals' credit or credit standing or identity theft, if required by applicable law; (c) the cost of call center support for affected individuals; (d) forensics services; (e) fines imposed by credit card associations, merchant banks or financial account institutions and costs passed on by individual card companies, banks and other financial institutions; (f) the cost of any other measures required under applicable law; and (g) any other losses for which SUPPLIER would be liable under the relevant PURCHASE ORDER and/or these Ts&Cs.

26.7 **Data Transfers.** In case SUPPLIER, or any SUPPLIER's AFFILIATE or any third party to which SUPPLIER will transfer PERSONAL DATA is located outside the EU/EEA in a country that is not recognized as providing an adequate level of data protection, the SUPPLIER will ensure that the the transfer is covered by a direct data processing agreement based on the appropriate Standard Contractual Clauses for the Transfer of Personal Data approved by the European Commission, or put in place another appropriate transfer legitimization mechanism pursuant to Art. 44 ff. GDPR.

26.8 **Data Protection Addendum.** In the event that the SUPPLIER, as part of its obligations under an applicable PURCHASE ORDER, is entrusted with the processing of any PERSONAL DATA on behalf of VF, with SUPPLIER qualifying as a "data processor" under GDPR or any applicable PRIVACY LAW, the Data Processing Addendum hereto attached as ANNEX II shall be deemed as expressly executed by and between VF, as the data controller and SUPPLIER as the data processor pursuant to GDPR and/or any applicable PRIVACY LAW.

## 27. LIMITATION OF LIABILITY

27.1 In any case the above provisions have not to be interpreted as an exclusion or a limitation of the responsibility in the case of gross negligence or wilful misconduct or for damages deriving from fraud, death or personal injuries caused by negligence of wilful misconduct or any other liability to the extent such liability may not be excluded or limited as a matter of law.

27.2 **Indirect Damages.** In no event will either PARTY be liable for any special, indirect or consequential damages in any way related to a relevant PURCHASE ORDER, even if the damages are foreseeable or the possibility of the damages has been communicated.

27.3 **Acknowledged Direct Damages.** Any damages resulting from breach of confidentiality, privacy or data security obligations pursuant to an applicable PURCHASE ORDER or these Ts&Cs are acknowledged to be direct damages and neither party will assert these damages are special, indirect or consequential.

27.4 **VF'S Limitation of Liability.** Except for VF's indemnification obligations or breach of confidentiality obligations, in no event will THE COMPANY, or any of its AFFILIATES, be liable to SUPPLIER for damages arising under an applicable PURCHASE ORDER or these Ts&Cs for any cause whatsoever regardless of the form or the action or the theory of recovery in an amount in excess of the amount paid or payable to SUPPLIER under the applicable PURCHASE ORDER.

27.5 **SUPPLIER's Limitation of Liability.** Except for SUPPLIER's indemnification obligations, supplier's breach of confidentiality obligations, supplier's breach of data security obligations or supplier's gross negligence or intentional misconduct, any direct damages for which SUPPLIER may become liable to VF with respect to an applicable PURCHASE ORDER or these Ts&Cs, for any cause whatsoever regardless of the form or the action or the theory of recovery will be limited in the aggregate to the greater of (a) three (3) times the total amount of fees payable to SUPPLIER under the relevant PURCHASE ORDER or (b) the amount of coverages required under the insurance provisions of the relevant PURCHASE ORDER and/or these Ts&Cs; (c) EUR 2,000,000 (two million euros).

## 28. INDEMNIFICATION

28.1 Without prejudice to any other indemnification obligation set forth in these Ts&Cs, SUPPLIER shall, at SUPPLIER's own expense, indemnify and hold harmless VF, its AFFILIATES, successors, and assignees from and against any and all losses, damages, costs and expenses, including, without limitation, reasonable attorney's fees and production cost, sustained by VF and arising out of or connected with any SUPPLIER's breach of any of the warranties, representations or agreements made by SUPPLIER in a PURCHASE ORDER and/or in Clauses 13 and 15 of these Ts&Cs, or from any reasonable reliance by VF upon such warranties, representations or agreements.

28.2 VF shall notify SUPPLIER in writing, as soon as it is reasonably practicable, of any claim in respect of which VF may be entitled to be indemnified by the SUPPLIER pursuant to Clause 28.1 above.

28.3 VF shall undertake all reasonable endeavors to mitigate any loss which may be claimed under any such indemnity and shall co-operate fully in the defense of any such claim, at the SUPPLIER reasonable expense, including (without limitation) the provision of any relevant information or documentation.

## 29. ITALIAN CORPORATE LIABILITY LAW

29.1 In case VF is a legal entity incorporated in Italy, and/or in the event the location of the delivery of GOODS/SERVICES is Italy, SUPPLIER hereby represents and warrants to be aware of the provisions of Italian Legislative Decree no. 231 of June 8th, 2001 (the "Decree") governing the administrative liability of the entities.

29.2 SUPPLIER is well informed about the content of the Code of Business Conduct and of the Modello di Organizzazione Gestione e Controllo adopted by VF Italian companies (<http://www.vfc.com>) in accordance with the Decree and undertakes therefore to accept and comply with the rules contained therein by refraining from behaviours that are suitable for configuring the offences set out in the decree.

29.3 Failure to comply with these provisions will be considered to be a serious breach that will give to VF the right to terminate any relevant PURCHASE ORDER in advance and with immediate effect, in any case without prejudice for the right to compensation for damages.

30. **RIGHT TO AUDIT.** Upon VF's request with reasonable notice, SUPPLIER shall permit technical, financial and operational audits by an Auditor of VF and its AFFILIATES, related to the subject matter of the relevant PURCHASE ORDER. Audits will not occur more than once in a given calendar year unless the audit is materially different in scope from a preceding audit or VF has a good faith belief that SUPPLIER is in material breach of an applicable PURCHASE ORDER or these Ts&Cs. During each audit, SUPPLIER shall grant the Auditors reasonable access to SUPPLIER'S books, records, third-party audit and examination reports, controls, processes, procedures, service-level measurement systems and actual Service Levels to the extent related to a reasonable assessment of SUPPLIER's performance of its obligations to VF. Supplier shall, in a timely manner, fully cooperate with the Auditors and provide the Auditors all assistance as they may reasonably request in connection with the audit. The auditors will seek to avoid disrupting SUPPLIER's operations during the audit. If the auditors document either an overcharge of the fees for the audited period/activities or a material breach of SUPPLIER obligations, SUPPLIER shall promptly (a) reimburse VF for its reasonable cost of performing the audit if the overcharge is more than two percent (2%) of the fees for the audited period/activities, (b) reimburse VF for any overcharge, (c) promptly cure any identified breach, and (d) the audit will not be counted for the purposes of the limitation as described in this provision. If the SERVICES include any processing of VF DATA, SUPPLIER shall provide, upon request from and at no additional cost to VF, a copy of an annual audit report, if any, prepared by SUPPLIER in accordance with the International Standard of Assurance Engagements 3402 or Type 2 U.S. Statement on Standards for

Attestation Engagements 16 (SOC 2) (or an equivalent audit under the successor standard as may then be in effect) covering an audit of SUPPLIER's policies and procedures applicable to the processing and protection of VF DATA.

31. **PARTIES' AFFILIATES**

The PARTIES acknowledge and agree that, for the purposes of this clause, THE COMPANY shall be deemed to be acting both on its own behalf and on behalf of its AFFILIATES and that all of SUPPLIER's representations, warranties and covenants contained in a PURCHASE ORDER shall be binding both on SUPPLIER and any and all relevant SUPPLIER's AFFILIATE, as applicable, and take effect to the benefit of both THE COMPANY and its AFFILIATES. SUPPLIER shall ensure that all of its SUB-ORDERS contain a provision of equivalent effect to the foregoing such that any and all of the SUB-SUPPLIER's representations, warranties and covenants shall be binding both on SUPPLIER and any and all relevant SUPPLIER's AFFILIATE, as applicable, and take effect to the benefit of both THE COMPANY and its AFFILIATES.

32. **ENTIRE AGREEMENT**

The PURCHASE ORDER and these Ts&Cs, including all matters expressly incorporated herein by reference, constitute the entire agreement between the PARTIES regarding the subject matter hereof, and supersede any and all prior and pre-existing representations made by and between VF and SUPPLIER. Exception is made in case a separate agreement has been expressly negotiated and signed, specifically to regulate the supply of GOODS and/or SERVICES under the relevant PURCHASE ORDER. In such a case, such separate agreement shall constitute the entire agreement between the PARTIES respecting the subject matter thereof, and there will be merged therein all prior and pre-existing representations made by and between VF and SUPPLIER.

33. **NOTICES**

33.1 Notices, reports, and other communications made with respect to the PURCHASE ORDER and these Ts&Cs will be given in writing, addressed to the PARTIES at the addresses designated in writing by either party to the other.

33.2 All notices required to be given hereunder will be effective when delivered by hand or when deposited in the mail, with proper prepaid postage, certified or registered mail or when delivered (and receipted for) by an express delivery service.

34. **GOVERNING LAW AND FORUM**

34.1 The PURCHASE ORDER, these Ts&Cs and the rights and duties of the PARTIES hereunder shall be interpreted, enforced and governed in accordance with the laws of the country where VF is established, without reference to any conflicts of laws provisions (without prejudice to any SUPPLIER's obligation to comply with its local employment laws and other mandatory provisions of any applicable local law).

34.2 Any controversy or claim arising out or relating to these Ts&Cs or a PURCHASE ORDER - which cannot be resolved amicably - shall be submitted to the exclusive jurisdiction of the competent courts of the country of the registered head office of VF. This clause remains without prejudice to the right of VF only to introduce at its discretion legal action before the courts of the legal district in which the SUPPLIER has a place of business or which have jurisdiction by reference to the place of performance of the obligation on which the claim is based or place of occurrence of the conduct for which injunctive or other equitable relief is sought.

35. **SEVERABILITY**

If any provision of these Ts&Cs shall be deemed illegal or unenforceable, such illegality or unenforceability shall not affect the validity and enforceability of any legal and enforceable provision hereof, unless such illegality or unenforceability shall destroy the underlying business purpose of these Ts&Cs.

\* \* \* \* \*



VF Corporation is committed to the responsible sourcing of raw materials used to manufacture VF final products. Compliance with VF Corporation's Responsible Materials and Sourcing Policies by all actors in the extended VF supply chain enables Vendors and Materials Suppliers to meet VF's raw material requirements.

Adherence to the VF Corporation Global Responsible Materials and Sourcing Policies by VF's Vendors and Material Suppliers is mandatory, as required by VF's Terms of Engagement.

**Documentation and Materials Claims:**

VF's Vendors and Material Suppliers shall provide sufficient documentation to substantiate product or material claims required by VF to verify such claims. Claims may include representations, warranties, certifications, statements or others such claims such as, but not limited to, Better Cotton Initiative (BCI), Responsible Down Standard (RDS), Responsible Wool Standard (RWS), Global Organic Textile Standard (GOTS), Organic Content Standard (OCS), Global Recycled Standard (GRS), Forest Stewardship Council (FSC), and Fair Trade. Third-party certification and corresponding documentation is required to substantiate the respective claim in most uses, and always preferred by VF. Documentation to substantiate claims may include Scope Certificates, Transaction Certificates, Invoices, and shipping documents corresponding to the certified material. VF's Vendors and Material Suppliers shall provide the required documentation to comply with applicable legal requirements for product marketing and labeling.

Applicable policies are listed below and available on VF Corporation's website:

<https://www.vfc.com/sustainability-and-responsibility/resources>

**Policies:**

**1. Restricted Substance List**

VF's Restricted Substance List (RSL) is designed to uphold our commitment to protect consumers, workers, and the environment and support compliance to strict global product safety requirements. We require all VF Vendors and Material Suppliers of VF Products or Raw Materials to certify compliance with the VF Corporate RSL by executing the Supplier RSL Compliance Agreement, found in Section One of the VF RSL. VF's current RSL is available in the Sustainability Resources section of VF's website.

**2. Cotton Fiber Sourcing**

VF's Vendors and Material Suppliers shall prohibit cotton grown or processed in Uzbekistan, Turkmenistan, or Syria in any materials or products for VF. VF's detailed Cotton Sourcing Policy is available in the Sustainability Resources section of VF's website.

**3. Conflict Minerals**

VF's Vendors and Material Suppliers shall ensure that materials or products supplied to VF Corporation do not contain conflict minerals from sources involved in funding conflict in the Democratic Republic of the Congo or adjoining countries. VF's Vendors and Material Suppliers must agree:

1. To ensure that any products supplied to VF do not contain conflict minerals from sources involved in funding conflict in the Democratic Republic of the Congo or adjoining countries;
2. To undertake the necessary inquiries of its suppliers (at any tier in the supply chain) to support and inform VF's efforts to comply with applicable rules related to conflict minerals;
3. To complete any training, surveys or other diligence inquiries required by VF;
4. To maintain records reviewable by VF to support Vendor's due diligence inquiries; and
5. That VF may utilize and disclose conflict minerals information provided by Vendor to satisfy VF's disclosure obligations under applicable conflict minerals rules or requirements, as determined in the sole discretion of VF.

VF's Conflict Minerals policy is available in the Sustainability Resources section of VF's website.

**4. Animal Derived Materials**

We believe in treating all animals with care and respect. VF's Vendors and Material Suppliers shall ensure that Animal Derived Materials ("ADM") originate from animals treated per the Five Freedoms outlined in VF's ADM Policy. Supply chain actors who raise, harvest, and process ADMs shall comply with or go beyond all local laws and regulations. A supplier of ADM's to VF shall not outsource to suppliers who do not adhere to VF's ADM policy. ADMs shall only originate from domesticated animals. A farm or ranch that raises livestock destined for use in a VF product shall not engage in parallel production. The policy contains specific details on the criteria required to achieve this and is available in the Sustainability Resources section of VF's website.

**5. Forest Derived Materials**

VF is committed to the sustainable use of forest products and upholding our commitment to preventing deforestation and forest degradation, including loss of ancient and endangered forests, loss of biodiversity and habitat, forced labor and loss of indigenous peoples and local community rights. Humanmade cellulosic fibers should not contain cellulosic materials that originate from ancient and endangered forests. Materials such as hangtags, shoeboxes, hangers, shopping bags, tissue paper, gift boxes, corrugate, store fixtures, and solid wood furniture shall be of Recycled Content or Third-Party Certified Content. These Materials shall originate from sources deemed non-controversial. Paper product suppliers should process without chlorine or chlorine compounds. The policy contains specific details on the criteria required to achieve this and is available in the Sustainability Resources section of VF's website.

**6. North Korean Labor Prohibition**

The United States has adopted measures that create a presumption that all goods produced in whole or in part by North Korean labor, wherever located geographically, involve the use of forced labor and may not be imported into the United States. Authorized Facilities and their supply chains for VF goods may not use North Korean labor located anywhere, including outside of North Korea, unless it can be demonstrated by the Authorized Facility to our satisfaction in advance that the North Koreans employed in making the goods were not subject to conditions of forced labor. Goods acquired from Authorized Facilities may not consist of or contain, in whole or in part, materials, components, or products from North Korea, including from any North Korean Special Economic Zone, and may not be wholly or partially assembled, processed, or manufactured in North Korea. The specific details and criteria of the North Korean Labor Prohibition are available in the Sustainability Resources section of VF's website.

**7. Human Rights Commitment**

VF respects the fundamental human rights of anyone who engages in work or other activities connected to our business operations and supply chain. Throughout VF, we champion the rights of everyone our business touches, including those who work in our global supply chain to help manufacture materials or products. VF is committed to avoiding causing or contributing to adverse human rights impacts through our actions and striving to prevent or mitigate adverse human rights impacts directly linked to our operations or products. The specific details and criteria of the Human Rights Commitment are available in the Sustainability Resources section of VF's website.

## **8. Responsible Recruitment & Anti Forced Labor Commitment**

VF is committed to mitigating the risks of forced labor in our value chain. We drive preventative workplace standards to uphold our commitment that no worker has to risk their dignity, health, or life to work in the apparel supply chain. The specific details and criteria of the Responsible Recruitment & Anti Forced Labor Commitment is available in the Sustainability Resources section of VF's website.

VF reserves the right to modify, in whole or part, its Global Responsible Materials and Sourcing Policies at any time. Although VF will use reasonable effort to notify VF's Vendors and Material Suppliers of updates or changes to VF's Global Responsible Materials and Sourcing Policies, it is the responsibility of VF's Vendors and Material Suppliers to keep themselves informed in respect of the updated policies. In the event of a dispute arising from or connected with VF's Global Responsible Materials and Sourcing Policies, VF's interpretation of the policy controls.

\* \* \* \* \*

## ANNEX II - DATA PROCESSING ADDENDUM

This Data Processing Addendum ("DPA") is entered into by and between SUPPLIER (also referred to as "Processor" under this DPA and VF, also acting on behalf of any COMPANY's AFFILIATE in the EMEA Region (also referred to as "Controller" under this DPA.

### 1. Definitions

For the purposes of this DPA, the terminology and definitions as used by the GDPR shall apply. In addition, the terms defined throughout the DPA and below shall apply:

"Data Subject"	shall mean the natural or legal person whose data is processed.
"Member State"	shall be understood as referring to a country that is a member of the European Union ("EU") or the European Economic Area ("EEA").
"Personal Data"	shall mean any information relating to an identified or identifiable natural or legal person (Data Subject, as defined above).
"Personality Profile"	shall mean a collection of data that permits an assessment of essential characteristics of the personality of a natural person.
"Security Breach"	shall mean a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, Personal Data transmitted, stored or otherwise processed which affects the Personal Data of the Controller covered by this DPA.
"Sub-processor"	shall mean any further processor, located within or outside the EU/EEA, that is engaged by Processor as a sub-contractor for the performance of the Services or parts of the Services on behalf of the Controller provided that such Sub-processor has access to the Personal Data of Controller exclusively for purposes of carrying out the subcontracted Services on behalf of the Controller.

### 2. General responsibilities of the Parties

#### 2.1 Responsibilities of the Controller

**2.1.1** The Controller is responsible to confirm that the processing activities relating to the Personal Data, as specified in the relevant PURCHASE ORDER and this DPA, are lawful, fair and transparent in relation to the Data Subjects, as set out in Appendix 1. The Controller is responsible to confirm that Data Subjects are informed of the collection of special categories of personal data or Personality Profiles, whereas Data Subjects must be notified of the Controller, the purpose of the processing and the categories of data recipients (article 14 FADP).

**2.1.2** The Controller is responsible to confirm before processing is carried out that the technical and organizational measures of the Processor, as set out in Appendix 2, are appropriate and sufficient to protect the rights of the Data Subject.

**2.1.3** The Controller is responsible to comply with any notification and/or registration obligation set forth by the FADP prior to the a transfer of Personal Data.

#### 2.2 Obligations of the Processor

**2.2.1** The Processor agrees and warrants that it will process the Personal Data only on behalf of the Controller and in compliance with its instructions and this DPA. If it cannot provide such compliance for whatever reasons, it agrees to inform promptly the Controller of its inability to comply, in which case, the Controller is entitled to suspend the transfer of data and/or terminate the PURCHASE ORDER and this DPA.

**2.2.3** The Processor is obliged to implement the technical and organizational measures as specified in Appendix 2 before processing the Personal Data on behalf of the Controller. The Processor may amend the technical and organizational measures from time to time provided that the amended technical and organizational measures are not less protective than those set out in Appendix 2.

**2.2.4** The Processor agrees and warrants that it will deal promptly and properly with all inquiries from the Controller relating to its processing of the Personal Data subject to the transfer and to abide by the advice of the supervisory authority with regard to the processing of the data transferred.

**2.2.5** The Processor shall be obliged to ensure that persons authorized to process the Personal Data on behalf of the Controller, in particular employees of Processor and any Sub-processors, including their employees, process such Personal Data in compliance with the Controller's instructions.

**2.2.6** The Processor is obliged to provide to the Controller the respective information on records of processing activities relating to the services under this DPA, to the extent necessary for the Controller to comply with its obligation to maintain records of processing.

**2.2.7** If so required by the Controller, the Processor shall provide required assistance to the Controller in ensuring the Controller's compliance relating to data protection impact assessments and prior consultation with the supervisory authorities, taking into account the nature of the processing and the information available to the Processor.

**2.2.8** Whether the Processor has appointed a DPO (if required by applicable data protection law) and/or a representative (if the Processor is established outside the Union), is obliged to provide the DPO (and/or representative) contact details to the Controller.

**2.2.9** The Processor is obliged - at the choice of the Controller - to delete or return to the Controller all Personal Data which are processed by the Processor on behalf of the Controller under this DPA after the end of the provision of the Services, and delete any existing copies. Where the Processor is to delete the Personal Data, it shall certify to the Controller that it has done so, unless EU or Member State law requires the Processor to retain such Personal Data. In that case, the Processor warrants that it will guarantee the confidentiality of the Personal Data transferred and will not actively process the Personal Data transferred anymore.

**2.2.10** The Processor shall not disclose or transfer any Personal Data processed on behalf of the Controller to any third party, without previously informing the Controller and obtaining the Controller's prior written consent, unless it is legally required or permitted to do so under applicable law.

**2.2.11** The Processor, and any Sub-processor appointed according to Section 8 of this DPA, cooperates with the Controller and with the Supervisory Authority, upon request, in the provision of documents, in the performance of obligations and/or in any further tasks, when such tasks are requested directly or indirectly by a Supervisory Authority.

**2.3** The Parties are required to comply with those obligations under the GDPR, the FADP and under any other applicable data protection laws that apply to the Controller in its role as data controller or to the Processor in its role as data processor.

### **3. Instructions**

**3.1** As required by Section 2.2.1 of this DPA, the Processor is obliged to process the Personal Data only on behalf of the Controller and in accordance with Controller's instructions and the relevant PURCHASE ORDER (including this DPA), including with regard to transfers of Personal Data to a third country or an international organization, unless the Processor is required to do so by EU or EU Member State law to which the Processor is subject. In such a case, the Processor shall inform the Controller of that legal requirement under EU or EU Member State law before processing the Personal Data beyond the Controller's instructions, unless that law prohibits such information on important grounds of public interest, in which case the information to Controller shall specify the legal requirement under such EU or EU Member State law.

**3.2** The Controller may give specifications to such instructions provided in this DPA and the PURCHASE ORDER as well as further instructions. Any further instructions that go beyond the instructions contained in this DPA or in the relevant PURCHASE ORDER shall be within the subject matter of the relevant PURCHASE ORDER and this DPA. Otherwise, the further instruction requires a change request pursuant to the relevant PURCHASE ORDER.

**3.3** Instructions shall be given in writing, unless the urgency or other specific circumstances require another (e.g. oral, electronic) form. Instructions in another form than in writing or in electronic form shall be documented in appropriate form.

**3.4** The Processor shall, in addition to other notification obligations provided in this DPA, notify the Controller, without undue delay, if it holds that an instruction violates applicable data protection laws ("**Challenged Instruction**"). Upon providing such notification, the Processor is not obliged to follow the Challenged Instruction. If the Controller confirms the Challenged Instruction upon the Processor's information and acknowledges its liability for the Challenged Instruction, the Processor will implement such Challenged Instruction, unless the Challenged Instruction relates to (i) the implementation of technical and organizational measures, (ii) the rights of the Data Subjects, or (iii) the engagement of Sub-processors. In case of (i) to (iii), the Controller may contact a competent supervisory authority for a legal assessment of the Challenged Instruction. If the supervisory authority declares the Challenged Instruction as lawful, the Processor shall follow the Challenged Instruction.

### **4. Monitoring, audits, and inspections by the Controller**

**4.1** In order to assist the Controller with its legal obligation to diligently choose a service provider, the Processor shall monitor, by appropriate means, its own compliance and the compliance of its employees and Sub-processors with the respective data protection obligations of the Processor laid down in Art. 28 of the GDPR and in this DPA in connection with the services. The Processor is obliged to make available to the Controller any information necessary to demonstrate compliance with such obligations. To document such self-monitoring activities, the Processor will provide to the Controller periodic (at least annual) and, if available, occasion-based reports (also on demand of the Controller) regarding such controls ("**Audit Report**"). The Audit Reports shall be limited to information and data processing systems that are relevant to the Services but shall at least include confirmation of proper instruction to the employees and Sub-processors, compliance with the technical and organizational measures, confirmation of commitment to data secrecy, any occurred data breaches and/or security incidents, and the required and/or recommended improvements. The Controller shall have the right to request such audit reports at any time in order to control the Processor's compliance with its data protection obligations.

**4.2** Controller may request inspections conducted by the Controller or another auditor mandated by the Controller ("**On-Site Audit**"). Such On-Site Audit is subject to the following conditions: (i) On-Site Audits are limited to processing facilities and personnel of the Processor involved in the processing activities covered by this DPA; (ii) On-Site Audits occur no more than once annually or as required by applicable data protection law or by a competent supervisory authority or immediately subsequent to a material Security Breach that affected the Personal Data processed by the Processor under this DPA; (iii) may be performed during regular business hours, without substantially disrupting the Processor's business operations and in accordance with the Processor's security policies, and after a reasonable prior notice; and (iv) the Controller shall bear any costs arising out of or in connection with the On-Site Audit at the Controller and the Processor, unless such On-Site Audit identified that the Processor is not in compliance with its obligations in Art. 28 of the GDPR, in this DPA or in any applicable data protection law in which case the Processor shall bear any such costs. The Controller may create an audit report summarizing the findings and observations of the On-Site Audit ("**On-Site Audit Report**"). On-Site Audit Reports as well as Audit Reports are confidential information of the Processor and the Controller will not disclose them to third parties except for the Controller's legal counsel and consultants, the Controller's data protection officer, the Controller's employees, and the other affiliates of the Controller or if the Controller is required to disclose the information under applicable data protection law or upon a request from a competent supervisory authority or if the Processor consented to the disclosure.

### **5. Data secrecy**

**5.1** The Processor shall be obliged to ensure that persons authorized to process the Personal Data on behalf of the Controller, in particular employees of Processor and any Sub-processors, including their employees, have committed themselves to confidentiality or are under an appropriate statutory obligation of confidentiality relating to the Personal Data and processing activities covered by this DPA. Upon request, Processor will demonstrate compliance with this obligation.

### **6. Notification obligation and Security Breach**

**6.1** In addition to other notification obligations provided in this DPA, the Processor shall notify Controller without undue delay about: (i) any legally binding request for disclosure of the Personal Data by a law enforcement authority, unless otherwise prohibited (such as a prohibition under criminal law to preserve the

confidentiality of a law enforcement investigation), or any orders by courts and competent regulators/authorities relating to the processing of Personal Data under this DPA; (ii) any complaints or requests received directly from a Data Subject (e.g., regarding access, rectification, erasure, restriction of processing, data portability, objection to processing of data, automated decision-making) without responding to that request unless the Processor has been otherwise authorized to do so or otherwise required by applicable law; and (iii) any Security Breach as defined herein or by applicable data protection law relating to the Services provided by the Processor.

In any case, the Processor shall communicate to the Controller within max of 4 hours that the Security Breach has occurred. Within the further max 20 hours the Processor shall collect and provide to the Controller the following detailed information:

- a) the type of breach
- b) the nature, sensitivity, and volume of Personal Data impacted
- c) ease of identification of individuals
- d) severity of consequences for individuals (ex. physical harm, psychological distress, humiliation or damage to reputation)
- e) the list of Data Subjects affected by the Security Breach (when available) including the contact information
- f) the categories and approximate number of Data Subjects concerned and the categories and approximate number of Personal Data records concerned
- g) likely consequences for the Controller of the Personal Data breach suffered by the Processor and/or by Sub-processors
- h) measures taken or to be taken to address the Personal Data breach, to mitigate the effects and to minimize any damage resulting from the Security Breach.

The Processor shall assist the Controller with the Controller's obligation under applicable data protection law to inform the Data Subjects and the supervisory authorities, as applicable, by providing relevant information taking into account the nature of the processing and the information available to the Processor.

**6.2** The Processor will indemnify and hold the Controller harmless of any claims, damages, liabilities, assessments, losses, costs, administrative fines and other expenses (including, without limitation, reasonable attorneys' fees and legal expenses) arising out of or resulting from any claim, allegation, demand, suit, action, order or any other proceeding by a third party (including supervisory authorities) which the Controller suffers due to a Security Breach caused by the Processor, Processor's employees, directors, managers, agents or other staff members or by Processor's Sub-processors.

## **7. Response to Data Subject requests**

**7.1** The Processor shall assist the Controller, especially through appropriate technical and organizational measures, insofar as this is possible, with the fulfilment of the Controller's obligation to respond to requests for exercising the Data Subject's rights.

**7.2** In addition to the assistance specified above, the Controller may request and require additional assistance from the Processor in order to comply with the rights exercised by the Data Subjects. The Controller is obliged to determine whether or not a Data Subject has a right to exercise any such Data Subject rights and to give specifications to the Processor to what extent the assistance is required.

## **8. Sub-processing**

**8.1** The Processor shall not engage any Sub-processor without previously informing the Controller and obtaining the Controller's prior written consent. Provided that Processor obtains such prior specific authorization, Processor's engagement of Sub-processors is subject to the following conditions:

- (a) The Processor shall choose such Sub-processor diligently with special attention to its good standing and experience with the provision of the subcontracted Services and the suitability of its technical and organizational measures. The Processor shall enter into a written contract with any Sub-processor and such contract shall (i) impose upon the Sub-processor the same obligations as imposed by this DPA upon the Processor, to the extent applicable to the subcontracted Services, (ii) describe the subcontracted Services, and (iii) describe the technical and organizational measures the Sub-processor has to implement pursuant to Appendix 2 of this DPA, as applicable to the subcontracted Services. The Processor must promptly send the Controller a copy of the contract between the Processor and the Sub-processor.
- (b) The Processor shall throughout the term of this DPA, at no charge to the Controller, actively monitor, regularly audit and, where applicable, take steps to enforce the compliance by each Sub-processor with its obligations, report promptly to the Controller any detected or reported non-compliance by the Sub-processor and all actions taken to remedy any non-compliance. If at any time a Sub-processor fails to remedy any non-compliance within a reasonable time after notice requiring remedy, the Controller may revoke the approval for such Sub-processor. Where the Sub-processor fails to fulfil its data protection obligations, the Processor shall remain fully liable to the Controller for the performance of the Sub-processor's obligations.
- (c) The Processor is required to inform the Controller at the latest 30 days before a Sub-processor (who must be engaged in compliance with this DPA) is granted access to the Personal Data covered by this DPA, thereby giving the Controller the opportunity to object to such Sub-processor.
- (d) If the Controller has a legitimate reason, the Controller can revoke the approval of any Sub-processor at any time. In this case, Section 8(c) of this DPA shall apply *mutatis mutandis*.
- (e) In case any Sub-processor is located outside the EU/EEA in a country that is not recognized as providing an adequate level of data protection, the Processor will (i) ensure that the Controller and the Sub-processor enter into a direct data processing agreement based on the Standard Contractual Clauses for the Transfer of Personal Data to Processors Established In Third Countries pursuant to Commission Decision 2010/87/EU of 5 February 2010, or (ii) provide the Controller with other information and relevant documentation on the mechanism for international data transfers pursuant to Art. 46 of the GDPR that is used to lawfully disclose the Controller's Personal Data to the Sub-processor.

## **9. Local law compliance**

**9.1** The Parties have the right to ask for changes to any part of this DPA to the extent required to satisfy any interpretations, guidance or orders issued by competent Union or Member State authorities, the competent Swiss authorities, national implementation provisions, or other legal developments concerning the GDPR and FADP requirements for the commissioning of data processors in general or other requirements for the commissioning of data processors. The Parties will agree on the necessary changes in good faith effort taking their obligation to carry out this contractual relationship in compliance with applicable data protection law into account.

## **10. Effectiveness, term and termination**

**10.1** This DPA shall be effective throughout the Term as defined under the relevant PURCHASE ORDER and these Ts&Cs. Save as otherwise agreed herein, termination rights and requirements shall be the same as set forth in the relevant PURCHASE ORDER and these Ts&Cs.

**11. Document hierarchy**

**11.1** In the event of contradictions or inconsistencies between the provisions of this DPA and the PURCHASE ORDER or these Ts&Cs and/or other agreements between the Parties, the provisions of this DPA shall prevail with regard to the Parties' data protection obligations. In case of doubt as to whether clauses in such other agreements relate to the Parties' data protection obligations, this DPA shall prevail.

**12. Other provisions**

**12.1** Each Party is liable for its obligations set out in this DPA and in applicable data protection law. Any liability arising out of or in connection with a violation of the obligations of this DPA or under applicable data protection law, shall follow, and be governed by, the liability provisions set forth in, or otherwise applicable to, the PURCHASE ORDER and these Ts&Cs, unless otherwise provided within this DPA. If the liability is governed by the liability provisions set forth in, or otherwise applicable to, the PURCHASE ORDER and these Ts&Cs, for the purpose of calculating liability caps and/or determining the application of other limitations on liability, the liability occurring under this DPA shall be deemed to occur under the relevant PURCHASE ORDER and these Ts&Cs.

**12.2** The Processor will defend, indemnify, and hold harmless the Controller and the officers, directors, employees, successors, and agents of the Controller (collectively, "indemnified parties") from all claims, damages, liabilities, assessments, losses, costs, administrative fines and other expenses (including, without limitation, reasonable attorneys' fees and legal expenses) arising out of or resulting from any claim, allegation, demand, suit, action, order or any other proceeding by a third party (including supervisory authorities) that arises out of or relates to the violation of the Processor's obligations under this DPA.

**12.3** This DPA shall be governed by the law of the EU Member State in which VF is established, except as otherwise stipulated by applicable data protection law. The place of jurisdiction for all disputes regarding this DPA shall be as determined by the PURCHASE ORDER and these Ts&Cs, except as otherwise stipulated by applicable data protection law.

**12.4** Should any provision of this DPA be invalid or unenforceable, then the remainder of this DPA shall remain valid and in force. The invalid or unenforceable provision shall be either (i) amended as necessary to ensure its validity and enforceability, while preserving the Parties' intentions as closely as possible or - should this not be possible - (ii) construed in a manner as if the invalid or unenforceable part had never been contained therein. The foregoing shall also apply if this DPA contains any omission.

\* \* \* \* \*

**Data Subjects**

*The Personal Data processed concern the categories of Data Subjects processed by SUPPLIER as set forth in the relevant PURCHASE ORDER.*

**Categories of data**

The Personal Data processed concern the categories of data processed by SUPPLIER in the context of the activities set forth in the relevant PURCHASE ORDER.

**Special categories of data (if appropriate)**

The Personal Data processed concern the special categories of data processed by SUPPLIER in the context of the activities set forth in the relevant PURCHASE ORDER, if any.

**Nature and purpose of the processing**

The nature and purpose of the processing is as specified in the relevant PURCHASE ORDER.

\* \* \* \* \*

**Description of the technical and organisational security measures implemented by the Processor (and its Sub-processors):**

Taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of processing as well as the risk of varying likelihood and severity for the rights and freedoms of natural persons, the Processor shall implement the following technical and organizational measures which have been confirmed as appropriate by the Controller to ensure a level of security appropriate to the risks for the rights and freedoms of natural persons. In assessing the appropriate level of security the Controller took account in particular of the risks that are presented by processing, in particular from accidental or unlawful destruction loss, alteration, unauthorized disclosure of, or access to Personal Data transmitted, stored or otherwise processed.

**1. Pseudonymization**

The following measures shall be implemented to the maximum extent possible to address the pseudonymization of the Personal Data:

- separation of customer master data and customer sales data,
- use of personal, customer, IDs instead of clear names,
- any similar measure to achieve proper pseudonymization.

**2. Encryption**

The following measures shall be implemented to the maximum extent possible to address the encryption of the Personal Data:

- symmetric encryption,
- asymmetric encryption.

**3. Confidentiality of the processing systems and of the services**

The following measures shall be implemented to the maximum extent possible to address the confidentiality of the processing systems and of the Services: measures to prevent unauthorized access to Personal Data at the Controller, on the way to the Processor or on the way to another third party, such as measures to:

- prevent unauthorized persons from gaining access to data processing systems with which Personal Data are processed or used,
- prevent data processing systems from being used without authorization,
- ensure that persons entitled to use a data processing system have access only to the data to which they have a right of access, and that Personal Data cannot be read, copied, modified or removed without authorization in the course of processing or use and after storage,
- ensure that Personal Data cannot be read, copied, modified or removed without authorization during electronic transmission or transport, and that it is possible to check and establish to which bodies the transfer of Personal Data by means of data transmission facilities is envisaged,
- ensure that data collected for different purposes can be processed separately.

**4. Integrity of the processing systems and of the services**

The following measures shall be implemented to address the integrity of the processing systems and of the Services: measures that ensure that Personal Data may not be (unnoticed) modified, such as measures to

- ensure that it is possible to check and establish whether and by whom Personal Data have been input into data processing systems, modified or removed,
- protection by technical and organizational means regarding authorizations, protocols/logs including analyzing protocols, audits.

**5. Availability of the processing systems and of the services**

The following measures shall be implemented to address the availability of the processing systems and of the Services: measures that ensure that Personal Data is available in a permanent and unlimited way and is available if needed, such as measures to

- ensure that Personal Data are protected from accidental destruction or loss,
- ensure that, in the case of commissioned processing of Personal Data, the data is processed strictly in accordance with the instructions of the principal.

**6. Resilience of the processing systems and of the services**

The following measures shall be implemented to address the resiliency of the processing systems and of the Services: measures that ensure that systems and Services are designed in a way that they can handle punctual or constant high load of processing operations; this is especially rated to storage, access and performance capacity.

**7. Ability to restore the availability and access to the Personal Data in a timely manner in the event of a physical or technical incident**

The following measures shall be implemented to address the ability to restore the availability and access to the Personal Data in a timely manner in the event of a physical or technical incident:

- backup concept,
- redundant data storage,
- cloud services,
- fall back IT infrastructure,
- mirror data centers.

**8. Process for regularly testing, assessing and evaluating the effectiveness of technical and organizational measures**

The following measures shall be implemented to address the regularly testing, assessing and evaluating of the effectiveness of technical and organizational measures:

- security concept,
- review by the data protection officer,
- external reviews, audits, certifications.

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