



Technical Assignment of ŠKODA AUTO a.s. Part-01 General legal and business terms

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Abbreviations (see Term Definition in part I-00 Structure of Assignment Conditions)

Change History

Status	Date	Description
1.0	1 Oct 2016	New wording
1.1	31 Oct 2016	Chapters 5 and 6 new
1.2	10 Sept 2020	Chapter 2 Confidentiality obligation
1.3	05 May 2021	Chapter 2 Security Audit TISAX
1.4	01 June 2021	Chapters 1, 4 und 5 IPR Requirements



1. General Terms of Cooperation

The terms of cooperation are specified in the General Purchasing Conditions of ŠKODA AUTO a.s. (hereinafter referred to as "GPC") in the version valid on the day the contract has been concluded, in the Requirements for the Handling of Intellectual Property Rights and Rights to Works with Intangible Outputs as amended (hereinafter referred to as "IPR Requirements"), Request of ŠKODA AUTO a.s., this technical assignment, order and potential additional agreements implemented by e.g. a form of negotiation protocol. If these documents contradict each other, the document that is stricter for the supplier shall take precedence unless agreed otherwise by both parties (and confirmed in writing with signatures).

The supplier is obliged to become familiar with the documents of ŠKODA AUTO a.s. at the website www.vwgroupsupply.com in Section Terms and Conditions/ŠKODA AUTO a.s./General Procurement conditions, including GPC and IPR Requirements, at the same time taking into account the fact that if a contract is signed, these documents shall become an integral part of the contract and the supplier shall be obliged to adhere to said documentation while providing services.

The presentation of the offer does not imply any obligation of ŠKODA AUTO a.s. to enter into a contract. Obligatory offer acceptance is only possible via method set up in the GPC as amended. Any expenses incurred in connection with the preparation of a bid are to be covered by them.

2. Formal Confidentiality obligation and Data Protection

The supplier is obliged to protect the confidentiality of secret/confidential information acquired in relation to the implementation of the agreed activities (document material, image documentation, physical objects and studies etc.), **as well as details about security measures** used to secure them in ŠKODA AUTO a.s.

The Confidentiality obligation pertains to e.g. to background documentation for research methods and procedures, research results, tests and development orders, image documentation and personal or financial data. Above all, the secret/confidential information includes information which, if revealed by persons not authorised to receive it, could jeopardise long-term goal achievement of ŠKODA AUTO a.s., which is why this information must be subject to very restrictive distribution and strict examination. Public disclosure of such information could significantly impact the company's image or severely impact its economic situation (e.g. loss of customers, notable sales drop, claims of individuals or companies for damage compensation). Secret/confidential information is information which can only be made accessible to a limited group of persons authorised to receive it.

The scope of confidentiality obligation also includes **absolute prohibition of making images**, which also pertains to bringing photographic/video recording devices or mobile phones into the Technical Development premises of ŠKODA AUTO a.s. and other visibly marked sites and buildings specified by the plant security. It is also **forbidden to make copies of texts or any data files and software beyond the scope of the agreed work within the premises of the company**. An exception requires written approval from the plant security or the head of the E/Technical Development department.

Unapproved devices capable of making image documentation are to be put into the Security and Brand Protection department depository.

It is only allowed to enter non-restricted areas or areas intended for carrying out assigned activities (roadways, sites or parts of buildings).

If the confidentiality obligation is breached, whether intentionally or due to negligence, the supplier shall be required to pay a contractual fine of EUR 50,000 for each such breach. The payment shall be due 15 days from the day when a written payment demand has been issued by ŠKODA AUTO a.s.. Additionally, the supplier shall be obliged to provide ŠKODA AUTO a.s. full compensation for any damages in addition to such contractual fine.

Third parties must not be lent or otherwise given access to drawings, models, templates, samples or similar objects. Copying is only acceptable within the scope of fulfilling the actions implied by the contract, while adhering to the relevant specifications of copyright policies.

The supplier is obliged to commit their employees, collaborators and suppliers to a similar extent.

The supplier may only refer to the contractual relationship with ŠKODA AUTO a.s. in their advertisements with prior written approval from ŠKODA AUTO a.s.



The Confidentiality obligation according to this article applies regardless of whether the contract has been concluded and for any and all information acquired during the ordering phase, as well as after the contract has ended.

The following types of information are not considered secret/confidential:

- a) Information that can be published without violating this contract;
- b) Information that has been relieved of these limitations via written approval of the counterparty;
- c) Information that has been publicly accessible or made public in a way other than through violation of the obligation by either of the contractual parties;
- d) Information demonstrably known to the recipient prior to the disclosure;
- e) Information requested by a court, state prosecutors or a similar relevant authority pursuant to applicable law and used exclusively for such purpose.

Should the supplier have access to secret/confidential information, they are obliged to form the following Confidentiality obligation

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Name: [Name of the Contractual Partner]
with the address: [Address]
registered office at [Address]
Registered in the Commercial Register maintained by (the type - e.g.) Municipal Court in (where?) - e.g. in Prague, File No. (No.) [Number]
hereinafter referred to as the "Contractual Partner"

undertakes the following

CONFIDENTIALITY OBLIGATION

to SKODA AUTO a.s. with the registered office at: Václava Štamberga 669, 293 01 Mladá Boleslav II, Czech Republic, company identification number: 00177041 registered in the Commercial Register maintained by the Municipal Court in Prague under File No. 8 332

I. The Contractual Partner of SKODA AUTO a.s. undertakes to maintain confidentiality with respect to classified information received either by observation or by direct transmission in any form, including verbal, electronic or printed documents, drawings, audio recordings, photographs, films, products, material samples, etc. In particular, classified information includes, but is not limited to:

- a. trade secrets, know-how, IP rights existing prior to or created during the cooperation, as well as any other data related to the management of the SKODA AUTO a.s. business;
- b. personal data and data relating to development, research, planning, testing and/or inspections;
- c. information concerning cooperation, including timetables, target requirements, ideas, intentions, etc.;
- d. prototypes, models, vehicles (whole or parts) and vehicle components used for testing and development of new technologies, products and services, as well as any other material objects existence, use or purpose of which are confidential and/or are classified by SKODA AUTO a.s.;
- e. all non-public information, in particular knowledge of circumstances or procedures of SKODA AUTO a.s. acquired by the Contractual Partner in cooperation with SKODA AUTO a.s. (e.g. during audits or meetings);
- f. any other documentation and information of SKODA AUTO a.s. marked as confidential or considered confidential based on the type of information or the circumstances of its transfer.

II. Confidential information also includes vehicles that do not represent a serial production, including individual components, accessories and other parts and materials used in such vehicles, as well as all related tests, test results and instructions regarding the performance and planning of such tests.

III. The Contractual Partner undertakes to maintain confidentiality of classified information and to prevent unauthorized third parties from gaining access to it. It undertakes not to distribute, disclose or disseminate classified information to any other person in any manner. The

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Contractual Partner has the right to disclose information to its employees and advisers or group companies and their employees or advisers or a need to know basis for the purpose of accessing or using classified information during the cooperation. The Contractual Partner must oblige its group companies and advisers (including their respective employees) to maintain confidentiality of classified information. The Contractual Partner is responsible for acts or omissions of its group companies and advisers.

IV. With regard to the scope of cooperation and other related circumstances (e.g. the place of performance of the Contractual Partner's activities, the nature of the information provided), SKODA AUTO a.s. is authorized to require independent classification of the information security level and to take additional security measures. In such a case, the Contractual Partner is obligated to implement these measures without undue delay, except when able to prove to SKODA AUTO a.s. that the measures already implemented are sufficient to ensure the security of the exchange of classified information and to fulfil the purpose of this confidentiality obligation.

V. The confidentiality obligation also includes:

- the obligation to protect classified vehicles and their components to the extent set by SKODA AUTO a.s.;
- the obligation to immediately report and inform SKODA AUTO a.s. of any circumstances that could compromise the confidentiality of classified information such as security breach and/or leakage of data, loss of documents and/or data, interaction with journalists or photographers, etc. Such information must be forwarded via e-mail to the address security@skoda-auto.cz;
- compliance with the prohibition of making or transmitting any video recordings (photography, filming, video transmission via unsecured communication programs and applications, etc.) in all premises used by SKODA AUTO a.s. Further, it is forbidden to bring any devices enabling the transmission and making of video recordings (cameras, film cameras, camcorders, mobile phones, tablets, notebooks, etc.) to SKODA AUTO a.s. premises marked as red mode zones. Exceptions to this rule are subject to written permission from the SKODA AUTO Security Department (SD).

VI. In the case of breach of confidentiality obligation, the Contractual Partner is obligated to pay SKODA AUTO a.s. a contractual penalty of EUR 50 000 for each such breach without undue delay. Payment of the contractual penalty does not affect the Contractual Partner's obligation to compensate SKODA AUTO a.s. for any damage resulting from such breach in the amount exceeding the contractual penalty paid.

VII. The confidentiality obligation does not apply to information which:

- a) is publicly available or becomes publicly available without a breach of this confidentiality obligation, or
- b) was lawfully received from any third Party, or
- c) is already known to the Contractual Partner at the time of the disclosure, or
- d) must be disclosed according to a judicial, administrative or other legal decision or regulation, provided that such disclosure will be made to the minimum extent possible.

The Contractual Partner will notify SKODA AUTO a.s. of the requested disclosure prior

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to its implementation, unless it was reasonably impossible to provide information on the request for disclosure, or

e) was independently developed by the Contractual Partner without usage or reference to the information of SKODA AUTO a.s.

VIII. If any provision of this confidentiality obligation is or becomes invalid or unenforceable, this shall not affect the validity of the remainder of the confidentiality obligation. Such invalid or unenforceable provision shall be replaced by a valid and enforceable provision the economic effect of which comes as close as possible to that of the invalid or unenforceable provision, provided that the content of this confidentiality obligation is not substantially altered.

IX. All disputes arising out of this confidentiality obligation shall be governed solely by the laws of the Czech Republic. The application of conflict-of-law rules of the international private law is hereby excluded. The jurisdiction of the competent court of the Czech Republic in district of which the seat of SKODA AUTO a.s. is located is agreed for any disputes arising out of or in connection with this confidentiality obligation.

I am [Name] on [Address] [Address] [Address]

Applicant/Exhibitor for SKODA AUTO a.s. (Name, OUI) [Name, OUI]

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In the event of increased requirements regarding information protection, the supplier shall be obliged to enforce additional security measures immediately at the supplier's own expense.

To ensure the state of security competence to process secret/confidential data outside the systems and premises of ŠKODA AUTO a.s. it is necessary to verify compliance with the rules and procedures of the business partner as part of the TISAX security audit (hereinafter referred to as the "Security Audit") to ensure information security as well as compliance of implemented information security measures with the requirements for TISAX certification. The Security Audit shall be conducted by an audit company approved by ŠKODA AUTO a.s. (or by the VW Group) and shall not be older than three years. After this period, a new audit shall be required. The costs of the Security Audit shall be borne by the business partner.

A personal data protection agreement will need to be entered into if any personal data will be sent to third parties.



3. Providing Services within the Premises of ŠKODA AUTO a.s.

The supplier must be authorised to provide such services in their own name and at their own expense and liability in accordance with applicable legislation.

The supplier can freely decide on timing, organisation, performance and the place of provision of the services within the scope allowed by the nature of the services.

While providing the services, the supplier shall not be authorised to conduct any legal acts towards third parties on behalf of the ordering party unless explicitly stipulated otherwise in writing.

The ŠKODA AUTO a.s. reserves the right to check the provided services continuously.

The supplier shall be liable for any defects in the provided services to the extent stipulated by law, the contract or an order, including any annexes, which typically constitute the technical assignment and the General Purchasing Conditions.

The service supplier shall use its own know-how.

When providing services within the premises of ŠKODA AUTO a.s., the supplier shall be obliged to become familiar with and adhere to the corresponding internal regulations, which are published at www.vwgroupsupply.com.

There is no hierarchical link between the supplier's staff and the ordering party's staff.

If a contractual relationship is established, the supplier is only authorised to invoice Services that were actually provided. If this technical assignment includes a statement on a volume of services to be performed, that piece of information is merely informative and does not imply any entitlements for the supplier. However, the supplier guarantees the capability to provide the service in that volume if the contract is concluded.

Services shall be performed under supervision of a responsible person appointed by the supplier, which is explicitly entitled to make decisions and issue commands. The performance shall be provided as separate supplier performance at their own liability.

The parties shall appoint contact persons for the purpose of information exchange.

The decision on selection of such persons is exclusively the responsibility of the supplier.

The contact persons of the parties are to hold meetings on regular basis in order to approve work performance and the scope thereof.

Questions related to the contract fulfilment and performance shall be handled exclusively by the contact persons and/or the contractual partners.

At the time of each replacement of personnel and new employee orientation, the supplier is to make sure that these personnel provide contractual performance in the specified level of quality.

4. Liability for defects, Warranty, Insurance

Unless stated otherwise within this technical specification, the supplier shall be liable for potential harm caused to the ordering company within the extent according to valid legislation and the General Purchasing Conditions of ŠKODA AUTO and IPR Requirements.

The contractor is obliged to arrange a third-party liability insurance policy with the minimum coverage limit specified by the specialised department of ŠKODA AUTO a.s. The insurance must be kept throughout the entire duration of the contractual relationship.

5. Copyright and Protection of Intellectual Property

The supplier may not use any material or intellectual products created within the framework of the activities based on this technical assignment (hereinafter referred to as "supplier activity results") for their own benefit, nor may they provide it to third parties without prior written approval of the ordering company. The reward for reassigning all of the rights described in the IPR Requirements is already included in the total price for the agreed activities.

Should there be a separate reward to be paid in any given case for using the intellectual property rights, it shall be specifically, separately, bilaterally agreed and included in the budget relating to the relevant order.

For all intellectual property rights, including copyright rights, are the IPR Requirements applicable, with the following clarification:

For the purposes of **provision of IT services**, the result of means in particular (but not only) all related source codes, which will be complete and functional after compilation, and all other sources – e.g. multimedia, graphic elements, texts, analyses, documentation (in particular functional and system specifications), all model outputs – e.g. data models, analyses of classes, methods, descriptions of processes, outputs from modelling tools and more.



In the event that the supplier develops **software** exclusively for the needs of ŠKODA AUTO, it shall not be entitled to use the developed software for itself or grant a licence to a third party. Based on an agreement, the supplier shall grant ŠKODA AUTO an exclusive licence to the software, which will include exclusive, temporally (for the duration of the property rights), spatially and factually unlimited and transferable rights to use the developed software (including the right of ŠKODA AUTO to modify and change the software) to the fullest extent permitted by legislation. ŠKODA AUTO is entitled to decline to use the license. The supplier is obliged to hand over source codes to ŠKODA AUTO along with the software programs. The ordering company is entitled to grant a licence to the software to third parties without limitation.

6. Transition of Ownership to Tools

If a tool is a subject of tool delivery and also necessary for the serial production of the related model, the transition of ownership to ŠKODA AUTO shall happen at the moment of the delivery of the first parts manufactured using tools designated to initiate the serial production.

For tools purchased after the serial production of the related model has been initiated, the ownership transition ŠKODA AUTO shall occur upon the first delivery of parts manufactured for the tools for the serial production of the model.

100% of the value of the supplied tools must be invoiced at the moment of ownership transition.

After the ownership transition to ŠKODA AUTO, ŠKODA AUTO may lend the tools to the supplier along with technical documentation, including CAD data, which is also owned by ŠKODA AUTO. If the tools are to be located at a subcontractor, the supplier forgoes the right to hand over the tools and related documentation ŠKODA AUTO.

If the tools are handled any further (sold, rented, used to repair or rebuild), ŠKODA AUTO entitled to provide full technical documentation to another tool user/owner or subject which is going to be performing the repairs or reconstruction. For these purposes, ŠKODA AUTO is entitled to copy the technical documentation. Any potential establishments that limit the right of ŠKODA AUTO to handle the tool documentation in the way described above or in the documentation for the tools itself are void and the supplier explicitly allows ŠKODA AUTO to handle the technical documentation of the tools (used texts, images, wiring diagrams, drawings) in such way.

If the tools also include copyrighted software, ŠKODA AUTO shall thereby acquire a licence to use the software along with the software. If the tool is handled further, the software usage licence shall be transferred to the new user/owner of the tool. ŠKODA AUTO or the new tool user/owner shall be entitled to interfere with the software, modify and alter it at their own risk.