Covestro Deutschland AG – Supplementary Order Conditions for technical Services

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1. APPLICABLE REGULATIONS

All statutory provisions, guidelines, regulations and ordinances shall apply without restriction. In addition, the specific regulations of the site as well as the accident prevention regulations (UVV) of the Association of Industrial Trade Cooperatives (VBG) shall apply. These do not relieve the CONTRACTOR of the obligation to comply with further safety regulations relevant to their services and to familiarize all deployed personnel with them.

For NRW sites (Leverkusen, Dormagen, Uerdingen):

The "Safety and Administrative Regulations in CHEMPARK (SOV Part 1–2)" for contractors, effective from 2011-10-01, shall form an integral part of the order.
Download: http://www.chempark.de/de/downloads.html

For Brunsbüttel site (Industrial Park):

The "HSE Manual" in its currently valid version for contractors within the Industrial Park shall form an integral part of the order. Download: https://www.covestro.com/de/company/covestro-worldwide/deutschland/covestro-in-deutschland/standorte/brunsbuettel

Accommodation:

The CONTRACTOR is advised that accommodation shortages may be expected at the Brunsbüttel site and in the surrounding area. The CONTRACTOR is requested to coordinate related planning with the CLIENT at an early stage.

Compliance with the respective regulations is part of the order. A prerequisite is the thorough instruction of personnel and their preparation for deployment.

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2. GENERAL OBLIGATIONS OF THE CONTRACTOR

The CONTRACTOR commits, at no additional cost, to:

- Not exceeding the total order value without written approval.
- Performing services only upon written authorization. Verbal authorization is permissible only in justified exceptional cases (e.g., operational disruption); written confirmation shall follow on the next business day.
- Executing the requested services under the agreed conditions in the form of individual orders for the entire contract duration.
- Familiarizing themselves with the full scope of work prior to commencement, including joint inspection of the construction site/assembly location.
- Not submitting additional claims due to lack of knowledge of regulations, specifications or local conditions.
- Reporting waiting times/disruptions exceeding 0.5 hours per employee immediately and submitting written requests for approval in a timely manner.

- Having included in the prices all applicable costs for lockers, commercial space, container spaces, acute medical care, occupational safety, fire protection/rescue services and site security per employee.

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3. REQUIREMENTS FOR PERSONNEL AND SUBCONTRACTORS

The CONTRACTOR commits, at no additional cost, to:

- Ensuring German language proficiency of all deployed employees to the extent that safety instructions and reports can be understood in spoken and written form
- Selecting reliable, professionally qualified employees and obligating them to exercise due care
- Presenting qualification certificates upon request
- Considering the legitimate interests of the CLIENT in personnel selection
- Immediately replacing any employee who impairs cooperation
- Instructing personnel in accident prevention regulations, administrative regulations and occupational safety regulations
- Not performing any work without a work permit; strict compliance with all conditions
- Engaging subcontractors only with written approval of the CLIENT
- Providing evidence that subcontractors fulfill obligations regarding taxes, social contributions and duties under the Temporary Employment Act (AÜG)
- Applying high standards to subcontractors regarding occupational safety; violations shall be attributed to the CONTRACTOR
- Performing welding work only by certified welders with valid test certificates
- Performing flange assemblies only by trained personnel in accordance with the "Flange Training" instruction manual

Non-compliance with these requirements shall constitute improper fulfillment of the entire order.

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4. OCCUPATIONAL SAFETY

The protection of employee health and safety at work represents a fundamental objective of the Covestro Group.

"Nothing we do is worth getting injured for."

Occupational safety and health preservation, on equal footing with order and cleanliness, have the highest priority. Accidents are preventable when work is thought through beforehand, safely prepared and carefully executed.

Our objectives:

- Occupational safety management according to OHSAS

- Reporting of near-miss incidents
- Compliance with agreed safety rules
- Zero workplace accidents
- Zero injuries and unsafe acts
- Zero environmentally relevant incidents
- Order and cleanliness at all workplaces
- On-time completion of work

Covestro Deutschland AG and the contractual partner commit to supporting each other in assessing site-specific hazards and providing the necessary information.

The hazard assessment conducted by the CLIENT relates to hazards emanating from the chemical plant and results in the measures documented in the work permit regarding PPE and, for example, explosion protection. Activity-related hazards of the executing trade are to be assessed by the CONTRACTOR, including their required protective measures.

Accident reporting and consequences:

The CONTRACTOR is obligated to provide, upon request at any time, their safety statistics based on reportable accidents with lost days (medically certified incapacity of at least one day) for the preceding 12 months to Covestro Deutschland AG. The statistics shall cover all services performed by the CONTRACTOR under the framework agreement in Germany.

If the CONTRACTOR is at fault for an accident resulting in certified incapacity, they are obligated to provide complete clarification and implement measures to be agreed upon (e.g., training programs). In case of a culpable reportable accident with lost days, Covestro is entitled to terminate the order in whole or in part with immediate effect.

For contractor personnel, foremen and the safety organization shall be informed; the incident and name shall be documented.

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5. TECHNICAL SAFETY AND INSTALLATIONS

The CONTRACTOR is responsible for equipping their employees and subcontractors with trade-specific protective equipment and ensuring its use.

Electrical installations and equipment must comply with the provisions of the accident prevention regulation "Electrical Installations and Equipment" of the BG Chemie. The CONTRACTOR warrants that the equipment to be supplied complies with these provisions – even when manufactured according to the CLIENT's specifications. If this warranty cannot be given, written notification is required prior to execution. The CLIENT reserves the right to cancel the order.

The CONTRACTOR confirms that electricity provided by Covestro shall be used exclusively for services rendered for Covestro Deutschland AG.

The CONTRACTOR is obligated to strictly comply with all applicable accident prevention regulations, requirements of the trade association and the factory inspectorate during site setup

and work execution. The CONTRACTOR shall be liable for all costs and damages resulting from non-compliance.

All CONTRACTOR vehicles may only be parked on secured ground outside working hours (protection against soil/water contamination).

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6. MATERIALS AND PROVISIONS

The CONTRACTOR commits, at no additional cost, to:

- Organizing all transport of provided materials within the manufacturing/assembly site
- Performing loading/unloading and proper storage
- Conducting incoming goods inspection when storing in the site warehouse (rough identification, visual inspection, quantity check, dimensional accuracy, performance/function data)
- Handing over delivery notes to the CLIENT upon completion
- Providing timber/pallets and lifting vehicles
- Submitting net purchase invoices for externally procured materials (broken down by material, freight, packaging, certificate costs) in a timely manner

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7. CHANGES IN SCOPE OF WORK (CHANGE ORDER PROCEDURE)

The CLIENT is entitled to request changes to the scope of work. The CONTRACTOR is obligated to notify the CLIENT in writing within 14 calendar days of receipt of the change request, indicating the impact of the change:

- technically (feasibility, specification changes)
- commercially (additional/reduced costs)
- schedule-related (impact on agreed deadlines)

The change shall only become effective upon written consent of both parties. Until agreement is reached, the CONTRACTOR shall continue work at the existing scope unless the CLIENT instructs otherwise.

In case of a reduction in scope, the CONTRACTOR shall have no claim to the reduced portion.

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8. INSPECTIONS

The CLIENT reserves the right to perform non-destructive testing of welds during prefabrication and at the assembly location. For radiographic testing, a film location plan shall be prepared. In case of detected defects, acceptance may be made contingent upon further inspections.

For pressure/leak tests, only gaskets intended for subsequent operation shall be used. Deviations require written consent.

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9. ACCEPTANCE OF SERVICES

Acceptance of services shall follow this procedure:

a) The CONTRACTOR shall notify the CLIENT in writing of the completion of services.

b) The CLIENT shall conduct an inspection within 5 working days of the completion notice and prepare an acceptance protocol.

c) The acceptance protocol shall only become legally binding upon signature by both parties.

d) Objections to the acceptance protocol must be raised in writing within 10 working days.

e) Final acceptance shall be deemed granted when the last inspection protocol shows no outstanding defects and complete documentation has been handed over to the CLIENT.

f) If defects are identified during acceptance, they shall be recorded in the protocol. The CONTRACTOR shall remedy the defects within a reasonable deadline set by the CLIENT. A follow-up acceptance shall take place after remediation.

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10. RIGHT OF INFORMATION AND INSPECTION

The CONTRACTOR shall grant the CLIENT access at any time – including when subcontractors are engaged – to review the processing of individual orders and to verify progress and contractual compliance.

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11. WASTE DISPOSAL

Only waste that has been sorted according to the CLIENT's requirements and generated in connection with the order within the sites may be disposed of. The CONTRACTOR shall not bring any waste from outside.

Disposal shall be carried out in accordance with the waste disposal guides of the respective sites.

NRW sites: Delivery times to disposal facilities: Mon.–Fri. 7:00–15:15.

Brunsbüttel site: Delivery times in accordance with the current requirements of the Industrial Park.

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12. ACCEPTANCE OF SERVICES AND PAYMENT

The estimated order value stated in the order is non-binding and does not establish any claim to the total amount.

Deadlines:

- Individual/partial invoices: within **10 working days** after service completion
- Final invoice: within **20 working days** after documented final acceptance
- Time sheets (for time and materials services): to be submitted unsolicited within **5 working days**

Invoices received after these deadlines will no longer be considered.

Credit notes or invoice payments do not constitute technical/value verification. Acceptance shall only be confirmed after quantity survey in a random sampling procedure – at the latest after 6 months.

Acceptance relates solely to deployment at the construction site/assembly location and only to the execution period.

Additional claims: In the event of unforeseen difficulties, the CONTRACTOR is obligated to immediately report to the CLIENT and obtain approval for the reason, duration and amount of compensation. Changes/reductions/additions require prior written price agreement.

Overtime surcharges: Only for operationally required services outside regular working hours – subject to prior approval.

The agreed rates include, among others:

- Wages and wage-related costs
- Expenses, per diem, social costs
- Overhead, travel, accommodation and subsistence costs
- Difficulty and dirt allowances
- Setup/dismantling including tools and safety equipment
- Site-specific safety briefings
- All communication costs

Prices not agreed upon require express acknowledgment by the CLIENT.

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13. OWNERSHIP AND INTELLECTUAL PROPERTY RIGHTS IN WORK RESULTS

(1) All work results arising in connection with the order – including inventions, designs, computer programs, drawings, models, data and know-how – shall be the exclusive property of the CLIENT. The CONTRACTOR hereby assigns all transferable rights in advance in full to the CLIENT; the CLIENT hereby accepts such assignment.

(2) The CLIENT shall receive a spatially, temporally and substantively unrestricted, exclusive, irrevocable and sub-licensable right of use for all known and future types of use in respect of all works protected by copyright. This shall also apply to works created by subcontractors of the CONTRACTOR.

(3) The CLIENT shall furthermore acquire ownership of all physical objects and data carriers produced in the course of the services.

(4) Computer programs shall be delivered in source code and object code on data carriers. Excluded from this are general software tools of the CONTRACTOR, which shall only be provided as a non-exclusive license in configured form.

(5) The CONTRACTOR shall ensure that employee inventions are claimed without restriction under the German Employee Inventions Act (ArbEG) and that all participating inventors and authors are adequately compensated in accordance with §§ 32/32a of the German Copyright Act

(UrhG). The CONTRACTOR shall indemnify the CLIENT against all third-party claims in this regard.

(6) The CLIENT shall have the right to file intellectual property rights for all inventions at its discretion. If the CLIENT does not file for protection within 6 months, the rights shall be transferred back to the CONTRACTOR; the CLIENT shall retain a non-exclusive, royalty-free, unrestricted right of use including sub-licensing.

(7) To the extent that the use of work results depends on pre-existing intellectual property of the CONTRACTOR (prior rights), the CONTRACTOR hereby grants the CLIENT a non-exclusive, spatially and temporally unrestricted right of use. For know-how and copyrights, this shall be royalty-free; for pre-existing patents, license terms shall be agreed separately. The CONTRACTOR shall inform the CLIENT without delay of any such prior rights.

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14. CONFIDENTIALITY

(1) The CONTRACTOR undertakes to use all technical and commercial information of the CLIENT received in connection with the order (hereinafter "INFORMATION") exclusively for the purpose of the order, to treat it in strict confidence and not to make it accessible to third parties without written approval. Access shall be limited to employees who require the INFORMATION for service delivery (need-to-know). Such employees shall be bound to confidentiality – including beyond the termination of their employment.

(2) The confidentiality obligation shall not apply to INFORMATION which is demonstrably: (a) already known to the CONTRACTOR prior to receipt, (b) publicly known at the time of disclosure, (c) made public without fault of the CONTRACTOR, (d) received from an authorized third party without confidentiality obligation, (e) independently developed, or (f) required to be disclosed due to mandatory legal or judicial obligation – in the latter case subject to immediate notification of the CLIENT and minimization of the scope of disclosure.

(3) The CLIENT retains all rights in the INFORMATION. The CONTRACTOR shall not derive any prior use rights (§ 12 German Patent Act) from such INFORMATION nor assert the objection of evident prior use.

(4) The confidentiality obligations shall apply for a period of 10 years from the handover of the INFORMATION or from termination of the order, whichever is later.

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15. REPAIR CLAUSE

Where parts, assemblies or plant components are entrusted to the CONTRACTOR for repair, overhaul or processing, the following shall apply:

a) The entrusted parts shall remain the unrestricted property of the CLIENT at all stages of processing.

b) The CONTRACTOR undertakes to store them with the care of a prudent businessman and to clearly mark them as the property of the CLIENT.

c) Mixing or combining with parts of other clients is not permitted unless expressly approved.

d) The CONTRACTOR shall secure the entrusted parts against damage, loss and access by third parties and insure them adequately.

e) In case of damage or loss, the CONTRACTOR shall be liable for the replacement value.

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16. TAX CLAUSE FOR CONSTRUCTION SERVICE CONTRACTS

Covestro Deutschland AG has the right to withhold from payments subject to a withholding obligation under § 48 EStG (German Income Tax Act) those taxes owed by the contractual partner under German tax law for which Covestro is liable for remittance. A tax certificate shall be issued promptly.

Tax deduction shall not apply upon presentation of a tax exemption certificate from the competent tax office at the time of payment.

Foreign contractors shall invoice their services without value added tax.

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17. INDEMNIFICATION UNDER THE MINIMUM WAGE ACT (MiLoG)

I. Obligations of the Contractor

1. The Contractor warrants compliance with the provisions of the Minimum Wage Act.
2. The Contractor shall obligate engaged subcontractors and temporary employment agencies to the same extent.
3. Proof of compliance shall be provided upon request by an independent auditor or tax advisor.
4. The Client is entitled to verify compliance at any time through audits announced at short notice. The Contractor shall grant access to facilities and databases and present all required documents in original form.

II. Obligation of the Client

Immediate notification of the Contractor in case of claims by third parties in connection with the MiLoG.

III. Indemnification

1. Indemnification from all third-party claims (including employees, subcontractors, social insurance carriers, tax authorities, Federal Employment Agency) in connection with the MiLoG.
2. Contractual limitation of liability shall not apply in case of MiLoG liability.

IV. Consent requirement: Engagement of sub-/subcontractors subject to consent.

V. Securities: Retention of remuneration components until proof is provided; bank guarantee if applicable.

VI. Special termination right: In case of non-fulfillment after a reasonable deadline; extraordinary termination in case of breach of duty.

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18. SEVERABILITY CLAUSE

Should any provision of this order be or become wholly or partially void, invalid or unenforceable, the validity of the remaining provisions shall not be affected. In place of the invalid provision, that provision shall apply which most closely approximates the economic purpose in terms of form, content, time, measure andscope. The same shall apply to any gaps.