

## **General Terms and Conditions of Purchase of Sanofi-Aventis Deutschland GmbH – a company of the Sanofi Group**

Last revised March 21, 2019

### **1. Scope**

The following General Terms and Conditions of Purchase (“**Terms and Conditions of Purchase**”) are part of all Purchase and Supply Contracts that we conclude with our Suppliers (“**Supplier**”/“**Suppliers**”). Provisions of the Supplier that deviate from our Terms and Conditions of Purchase, especially the Supplier’s General Terms and Conditions of Business, shall not apply even if we do not separately object to their validity in individual cases. The Terms and Conditions of Purchase shall apply even if we unreservedly accept the supplied products in the knowledge of contradictory terms and conditions of the Supplier.

### **2. Orders**

In principle, orders are only binding for us if we make them in writing. Orders by telephone or orders by way of electronic data interchange may only be accepted from the Supplier if such an ordering procedure has been expressly agreed with us. Any deviating acceptance of an order from us by the Supplier requires an express written communication from us. In this case, the contract shall only be realized with our written consent. Obvious errors (e.g. writing and computation errors) and incompletenesses of the order, including the order documents, must be brought to our attention in writing by the Supplier for the purpose of correction and/or completion, whereby notification by email shall suffice; otherwise the contract shall be considered not to have been concluded.

The use of subcontractors requires prior written consent from us. If consent is provided, the Supplier is nevertheless fully responsible in relation to us to the full extent of contract compliance.

### **3. Prices, terms and conditions of payment, settlement**

The price shown in the order is binding. The agreed upon prices shall be understood as fixed prices plus the statutory value added tax, if the latter is not shown separately. Insofar as not otherwise agreed in individual cases, the price shall include all services and ancillary services (e.g. montage, installation) as well as all ancillary costs (e.g. orderly packaging, transport costs including any transport and liability insurance) of the Supplier. Invoices must be issued in the currency that we indicate in our order. Insofar as no other payment condition has been agreed upon and subject to orderly receipt of the goods and/or service, we settle invoices within 30 days after receipt of the invoice.

The invoices must be sent in a single copy to the party indicated in the invoice address on the order.

Each invoice may bill only for deliveries/services from one order. So long as no auditable invoice that complies with the contract is available to us, there is no obligation to pay.

The payment can be validly made through us or a company of the Sanofi Group and especially through the Sanofi European Treasury Center S.A., Brussels, Belgium, that has been authorized by us to make payments in our name.

### **4. Delivery time, breaches of contract**

The delivery time stated in the order is binding. If the delivery time is not stated in the order and is not otherwise agreed upon, it shall be two (2) weeks from the contract conclusion. For the timeliness of the delivery, receipt of the goods at the agreed receiving office shall be decisive. If the Supplier cannot state a binding delivery time, then it is obligated to state an earliest and latest delivery time.

The Supplier can only invoke the absence of necessary documents to be supplied by us if it has requested the documents in writing and has not received them within an appropriate period.

The Supplier is obligated to notify us in writing immediately if circumstances occur or become known to it that make timely delivery or service likely to be impossible. Breakdowns, lack of energy or raw materials, and traffic disruptions, insofar as such events were not foreseeable, as well as strikes, lockouts, official decrees and cases of force majeure, shall release the affected party from the obligation to deliver and/or accept, for the duration of the disturbance and to the extent of its effect. In this case, the Supplier shall distribute all of its remaining goods on hand among its customers in proportion to their orders. If the delivery and/or acceptance is delayed by more than one (1) month by the circumstances listed in No. 4, then both the Supplier and ourselves, excluding all further claims, shall have the right to withdraw from the Contract in regard to the quantities affected by the disturbance of delivery and/or acceptance.

### **5. Transfer of risk**

The transfer of risk shall comply with the agreed upon Incoterms. Insofar as no agreement has been made, the delivery must be made according to DAP (Delivery at Place) (Incoterms 2010), free to destination. For machines and technical installations, the risks are not transferred to us until confirmation that a functional test has been passed.

### **6. Regulations and Compensations of the industrial park administrations**

Our production sites are predominantly in industrial parks administered by third parties. The safety regulations imposed by the administrations of the industrial parks must be followed absolutely. The Supplier shall consult

the site operators before beginning the delivery as to what guidelines apply for it during the provision of services for us in the industrial park. The guidelines communicated to it insofar must be strictly complied with by the Supplier. Compensation for issuance of plant ID cards and entry permits will not be refunded by us.

#### **7. Quality assurance**

The Supplier is obligated to perform effective quality assurance and to maintain a corresponding, effective quality assurance/quality management system, and to prove this to Sanofi upon request. At the request of Sanofi, the Supplier shall use a quality assurance/quality management system according to DIN ISO 9001 and/or ISO 14001 and/or DIN EN ISO 13485 or equivalent nature according to the recognized policies for GMP and GLP ("quality assurance system").

The Supplier accepts that we have the right to review its quality assurance system.

For this purpose, we or a third party commissioned by us and under an obligation of confidentiality, may perform an audit on the business premises of the Supplier during his/her usual business hours, in order to review the Supplier's compliance with quality regulations. Insofar as separately agreed between the parties, Sanofi may conduct regular audits of the Supplier after prior notice.

For this purpose, the Supplier shall, among other things, grant access to certification and auditing reports as well as to testing and manufacturing procedures carried out, including all records and documents relating to supply.

We and any third party commissioned by us to perform an audit will ensure that the audit is carried out in such a manner, taking the applicable data protection and other statutory regulations into account, as to disturb the business operation of the Supplier as little as possible and that there is no infringement of confidentiality agreements of the Supplier with third parties.

The costs arising from performance of the audit will be borne by us and by the Supplier itself, respectively.

The inspection can also occur by means of a questionnaire provided by us.

#### **8. Characteristics of goods, REACH, CLP Regulation**

The Supplier<sup>1</sup> is obligated to ensure that the delivery is free of defects and that the agreed and/or guaranteed quality is present, as well as the quality that we can expect based on the public statements of the Supplier, the Manufacturer or third parties commissioned with distribution of the goods. The delivered goods must correspond to the applicable legal provisions, regulations, and guidelines, in particular with regard to environmental protection, work safety and health protection, the CE regulations, legal and administrative regulations, tax and social security provisions as well as the recognized rules of science and technology.

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<sup>1</sup> The term Supplier shall comprise, in connection with No. 8 of these Terms and Conditions of Purchase, only such Suppliers that are located within Europe. So-called non-EU Suppliers are not included by No. 8 of these Terms and Conditions of Purchase.

The Supplier assures that all materials contained in the supplied goods are effectively pre-registered, registered and licensed under Regulation EC No. 1907/2006 dated December 18, 2006 ("**REACH Regulation**") and Regulation EC No. 1272/2008 dated December 16, 2008 ("**CLP Regulation**"), including all supplements, changes, and guidelines and all national laws applicable in connection with the REACH and/or CLP Regulation, with the relevant requirements of the REACH and/or CLP Regulation.

The Supplier assures that with each delivery it shall convey to us a current, complete safety data sheet that corresponds to the requirements of the REACH and/or CLP Regulation.

The Supplier further assures that if, in products delivered to us, there is a concentration of more than 0.1 percent of weight (w/w) of one or more materials that fulfill the criteria of Articles 57 and 59 of the REACH Regulation, it will provide us with sufficient information for safe use of the products.

Suppliers that deliver goods from outside the European Union to the European Union, are obligated to carry out the necessary registrations for products named in Title II of the REACH Regulation, and in accordance with Article 8 of the REACH Regulation will name a sole agent who will comply with the obligations for an importer arising from Title II of the REACH Regulation.

#### **9. Complaints, guarantee**

We will begin inspecting for defects within an appropriate period after the receipt of goods. Defects shall be considered to be complained about in timely fashion if we report the defect to the Supplier within 5 working days after conclusion of the necessary inspection, in the case of concealed defects, from their discovery. For perishable goods, the notification will be carried out immediately.

In the case of defects, we have the right to determine the nature of subsequent performance. In addition, we have the right to the statutory claims for defects. The right to compensation for damage, in particular to compensation instead of performance, remains expressly reserved.

If the Supplier does not comply with its obligation of subsequent performance within an appropriate period set by us, then we can remedy the defect ourselves and demand reimbursement for the necessary expenses for this and/or a corresponding advance.

If, due to defective delivery, a goods inspection is necessary that goes beyond the usual extent (receipt or return inspection), the Supplier shall bear the costs.

We carry out functional tests shortly after receipt of the notification of operational readiness. For systems and devices with multiple and complicated programs, we reserve a functional testing time of 30 days.

The Supplier's liability for defects is not affected by the receipt of deliveries or by approval of submitted models or samples by us.

The legal warranty periods shall apply.

## 10. Liability

For the case that third parties make claims against us based on the Medicinal Products Act [Arzneimittelgesetz], the Product Liability Act [Produkthaftungsgesetz], the Environmental Liability Act [Umwelthaftungsgesetz] or comparable foreign laws, the Supplier shall indemnify us regarding internal relationships, insofar as the cause of the damages lies within his/her domain and organizational area. The same shall apply if third parties make claims on us due to infringement of an industrial property right. These indemnity obligations also apply to all expenses necessarily arising for us from or in connection with a claim by a third party. We have the right, observing the due diligence of a prudent businessman, to obtain approval for use of the relevant delivery items from authorized parties, at the expense of the Supplier.

In the context of his/her liability for damage events for product damages, the Supplier is also obligated to refund all expenses arising from or in connection with a recall action implemented by us. We will inform the Supplier concerning the content and extent of the recall measures to be carried out – insofar as is possible and reasonable – and give it the opportunity to make a statement.

Insofar as no separate agreement has been concluded, the Supplier is obligated to maintain product liability insurance with a coverage of at least EUR 1 million per personal injury/material damage – flat rate. The amount of contractual and legal liability shall remain unaffected by the extent of insurance coverage.

## 11. General safety and protection regulations

If, when fulfilling the contract, the Supplier does not comply with the respectively valid legal and contractual regulations within an appropriate period of time in spite of being warned, then we have the right to terminate the Contract without notice for cause.

Termination without notice for cause can also occur if the Supplier does not comply with environmental regulations, regulations on safety and health protection, applicable ethical principles (see [www.unglobalcompact.org](http://www.unglobalcompact.org)) or provisions to combat illegal employment (including the following “**Safety and protection regulations**”) and there is a possibility that we might not be inconsiderably affected thereby in our business operations. This is especially the case if our public image could be affected.

The Supplier accepts that we have the right to evaluate his/her compliance with safety and protection regulations on the basis of our company’s social responsibility.

This evaluation can be carried out through a questionnaire provided by us.

If there is a reasonable suspicion that the Supplier is infringing safety and protection regulations, a third party commissioned by us, under obligation of confidentiality, may perform audits on the business premises of the Supplier during his/her usual business hours, in order to verify the Supplier’s compliance with the safety and protection regulations.

We and the third party commissioned by us to perform an audit will ensure that the audit is performed under consideration of the applicable data protection and other

legal regulations, in such a manner, that the business operations of the Supplier are disturbed as little as possible, and that no infringement of the confidentiality agreements of the Supplier with third parties occur.

If the review shows that the Supplier is infringing safety and protection regulations, then the Supplier shall bear the costs of the audit. Otherwise we shall bear these costs.

The Supplier must inform us immediately of the nature and extent of such conditions as, in the context of compliance with a purchase or supply contract concluded with us, could lead to us being involved in the public interest, such as an accident during transport or during handling of our products or wastes.

## 12. Product and/or procedure conversions

Suppliers, with which we are in constant business relationships, are obligated to inform us early if they intend to implement product and/or procedure conversions or changes of the analysis method in regard to products related to us.

## 13. Execution documents

The Supplier may not use execution documents entrusted to it by us for the manufacture of the delivery item for purposes other than those of the contract concluded with us, reproduce them or make them accessible to third parties. We reserve all rights to this. The Supplier must return to us all documents entrusted to it upon request.

## 14. Confidentiality

The Supplier is obligated to keep all information, which is either labeled as confidential or of which it can reasonably be assumed that it should be confidential, and that become known to it through the contractual relationship existing with us (Sanofi-Aventis Deutschland GmbH), including images, plans, drawings, calculations, execution instructions, product descriptions and other information on inventions, ideas, concepts, drafts and designs (in summary, hereinafter “**Information**”), strictly confidential and not to transmit it to third parties, even under a corresponding confidentiality agreement with these third parties. The Supplier shall ensure, through suitable contractual agreements, that his/her employees and agents that are affected by the contractual relationship existing with us, are also under a confidentiality obligation according to the regulations of No. 14 of this document. The Supplier will also prove this for us in writing upon request.

The Supplier is obligated to use information only for the purposes of its relevant contractual relation with us, not to use it commercially and not to make it the object of industrial property rights.

The above obligations are waived for information for which the Supplier shall prove that it was known to it in a legitimate manner before receipt by us, that it was accessible to the general public before receipt by us, without the Supplier being responsible for this, and for such information as is made accessible to the Supplier at any time by a third party that has a right to do this to the best knowledge of the Supplier. Finally, the above obligations are also waived if the Supplier is legally obligated to reveal information in a judicial, administrative or other proceeding.

References of the Supplier to business relations existing with us or use of the name Sanofi for advertising purposes require our express consent.

This confidentiality obligation shall be valid, with its restrictions, beyond the time of mutual fulfillment of any purchase or supply contract for a further 10 (ten) years, insofar as there is no farther-reaching confidentiality obligations from statutory regulations.

After the end of the contract the Supplier shall destroy or delete information saved in its database. If the Supplier has received documents from us, it shall give them back to us or destroy them at our request. If absolutely legally necessary, the Supplier shall retain one copy for documentation services.

### 15. Property rights

It is the Supplier's responsibility to ensure that if the delivered goods are used in accordance with the provisions, no patents, licenses or other copyrights or protection rights inside the country or abroad are infringed.

The Supplier indemnifies us from any claims of third parties which nevertheless exist or arise. The statute of limitations is 10 years, calculated from the end of the contract.

The Supplier transfers to Sanofi-Aventis Deutschland GmbH the exclusive, temporally unrestricted right to publication, distribution, reproduction, processing and other use of all ideas, concepts, drafts and designs produced by the Supplier and ordered by us. The rights granted above extend to all types of use, especially including print advertising such as multimedia applications (website, Print-On-Demand, e-book, online publishing). The transfer of rights in this provision expressly includes the right to further transfer to third parties. The Supplier is obligated to inform Sanofi-Aventis Deutschland GmbH immediately of any inventions that are made. The Supplier is obligated to take all necessary steps to transfer the rights to Sanofi-Aventis Deutschland GmbH.

The acquisition of the aforementioned rights is compensated with reimbursement according to the respective task.

### 16. Data storage

The supplier data stored by Sanofi for goods and payment transactions are processed only internally for the purpose of executing the contract and exclusively transmitted for business-related credit assessment to a credit protection organization, banks and credit agencies. In addition, Sanofi will process and use the supplier data exclusively to the extent permitted by law. The supplier also undertakes to comply with all applicable provisions of data protection.

### 17. Customs

In the case of orders of goods in the sense of the customs law of the European Community, the following shall apply:

- If the order is directed to the business seat of a Supplier within the customs area of the Community (Art. 3 VO (Verordnung

[Regulation]) (EWG (Europäische Wirtschaftsgemeinschaft [European Economic Community]) No. 2913/92), then the order refers to community goods in the sense of Art. 4 No. 7 VO (EWG) No. 2913/92.

- If the order is directed to the business seat of a Supplier outside of the customs area of the Community (Art. 3 VO (EWG) No. 2913/92), then the order refers to non-Community goods in the sense of Art. 4 No. 8 VO (EWG) No. 2913/92.

If the assumptions described above are deviated from, this must be reported in text form to the contact referenced in the order, immediately after receipt of the order, and confirmation of this deviation by the orderer must be waited for. Deliveries of non-Community goods must be reported to the customs service provider of the orderer, Infraser Logistics GmbH ([import@infraser-logistics.com](mailto:import@infraser-logistics.com)), in a timely manner. Representation of the orderer by the Supplier or by a third party commissioned by the latter, especially in matters related to customs, is excluded. Insofar as a separate power of attorney was issued to the Supplier or to a third party by the orderer at an earlier time, this shall be considered to be revoked.

In particular, in the case of delivery of non-Community goods in the sense of Art. 4 No. 8 VO (EWG) No. 2913/92, the Supplier is not obligated to acknowledge any goods values on the shipping documents and/or other documents, that deviate from the order data.

If there are criteria for granting of preferences, the Supplier is obligated to provide us with proper formal and material legal proof of preference for all goods that qualify for preference, at the latest by the time of delivery of the goods to their destination, without the requirement of any separate request on our part. After the above named time and until a separate request is made, the Supplier is obligated to immediately provide us with any subsequently issued movement certificates and/or duplicates of the same and/or other proper formal and material proofs of preference. All costs for the procurement and transmission of the previously described proofs of preference shall be borne by the Supplier.

The Supplier is obligated to immediately and without additional remuneration communicate detailed information to us in the case of questions related to customs, tax and foreign trade law that affect its performance, and to transmit to us the required documents and explanations, especially Supplier declarations in the sense of VO (EG) 1207/2001.

### 18. Minimum wage

If the Supplier has his/her business seat in Germany and the contract has been concluded with the branch in Germany, the Supplier is obligated in regard to us, to comply with his/her payment of the legal minimum wage as well as taxes and social security contributions and if necessary, at the request of Sanofi, to provide appropriate proof thereof.

The Supplier only has the right to use a third company in the fulfillment of his/her contractual obligations, with our express consent. However, it remains responsible to us for orderly compliance with the contractual performance.

If the Supplier uses a third company after our consent, the latter must comply with its legal obligations concerning payment of the legal minimum wage as well as of taxes and social security contributions, and comply with the requirements of commercial law. The Supplier must notify us promptly in writing of the name, address and competent employer's liability insurance association (including member number) of the relevant third company, before commissioning the third company, for the purpose of approving the third company for this use. In connection with this, the Supplier must notify us of the nature and extent of the contractual service to be provided by the relevant third company, before use of the third company. We have the right to demand proof of the technical knowledge, performance ability and reliability of the intended third company at any time.

#### **19. Anticorruption**

The purpose of this clause is to prevent corruption and even the suspicion of corruption, and to preserve the trust of the general public in the integrity of our company and our employees as well as our interests in respect of assets.

The Supplier must comply with the requirements of the national and international anti-bribery/anticorruption laws that apply to it, under German law especially those of §§ 299et sqq., 333 and 334 StGB Criminal Code [Strafgesetzbuch]. It affirms that it has made no promises or offers concerning financial or other advantages (direct or indirect) in regard to natural or legal persons or corporations under public law that, through abusive exploitation of its position, could influence, secure or obtain our business dealings. It will also make no such promises or offers to natural or legal persons or corporations under public law. Insofar as the Supplier is a public corporation, it asserts that neither it nor its employees or agents have ever accepted a corresponding financial or other advantage, and that neither it nor its employees or agents have been offered such an advantage in order to influence thereby their decision regarding a contract with us.

The Supplier shall inform us immediately at any time if circumstances come to its attention that contradict the terms of this anticorruption clause (No. 19).

In the case of infringement of this anticorruption clause (No. 19), we have the right to withdraw from any purchase or supply contract concluded with the Supplier for cause and/or to terminate it without notice for cause. Legal claims for compensation for damages remain unaffected hereby.

#### **20. Applicable law, jurisdiction**

The total legal relationships between us and the Supplier are subject to the laws of the Federal Republic of Germany. The UN Convention on Contracts for the International Sale of Goods (CISG) dated 04.11.1980 is excluded.

Insofar as no other individual contractual regulation is concluded with the Supplier, the legal statute of limitations shall apply.

The exclusive place of jurisdiction is Frankfurt am Main, for complaints by us, it is also the general place of jurisdiction of the Supplier.

#### **22. Severability clause**

Should a provision of these terms and conditions be or become ineffective, then the efficacy of the other provisions and purchase conditions overall are not affected.