



Apparel Solutions General Terms and Conditions of Purchase

1. Applicability

1.1. All agreements and/or purchase orders (hereinafter to be referred to as: "Agreement" or as "Order"), signed by an authorized member of staff, as well as all offers for and the acceptance of Agreements under which any entity (in)directly controlled by Avery Dennison Corporation (hereinafter to be referred to as: "Avery Dennison") purchases any products or services related to Apparel Solutions from a natural or legal person (hereinafter to be referred to as "Supplier"), shall be subject exclusively to these current Apparel General Terms and Conditions of Purchase (hereinafter to be referred to as: "Conditions").

1.2. In these Conditions, delivery shall refer to the supply of goods ("Goods") and/or the rendering of services ("Services") (together "Products"). The applicability of any general conditions provided or determined by Supplier is hereby excluded. These Conditions shall also apply to all future trading relationships with Supplier, even if they are not communicated anew.

1.3. These Conditions together with the relevant Order constitute the entire agreement between the parties, and supersede all prior or contemporaneous oral or written understandings, negotiations, warranties, or agreements of any kind. Avery Dennison hereby explicitly objects to any terms or conditions contained in any order confirmation or other communication of any kind from the Supplier that is conflicting, inconsistent or additional to the Conditions. In the case of a conflict between the Conditions and a written contract signed by both parties, the following order of precedence shall apply: (1) a fully executed contract between the parties such as a Purchase Agreement; and (2) the Conditions.

2. Offers, Conclusion of Agreements

2.1. Offers made by Supplier shall be deemed to be irrevocable. Unless a fixed period is specified for the validity of the offer, it shall remain valid for sixty (60) days or, if shorter, any maximum validity period mandated by applicable law.

2.2. Subject to Clause 3 below, Avery Dennison shall not be bound until it has expressly and in writing confirmed an Order or accepted an offer made by Supplier, at which point a contract, incorporating the terms of the Order and these Conditions (such contract being an Agreement), will be formed. Any performance or preparation for performance executed by Supplier prior to Avery Dennison's Order and/or Order confirmation shall be done for the account and risk of Supplier.

3. Modifications, Liability

3.1. Avery Dennison shall have the right to cancel and/or modify any Order at any time insofar as it relates to Products which have not at that time been delivered or performed (including where an Order involves several deliveries over a certain period of time). For the purposes above, Avery Dennison shall notify Supplier in writing and Supplier shall immediately take actions to suspend the Orders' execution. In such an event, Avery Dennison shall only be liable to pay reasonable compensation for any direct expenses incurred by Supplier before the written notice was made. Supplier shall not be paid for any work done after receipt of the written notice above, or for any costs incurred by Suppliers' subcontractors which Supplier could reasonably have avoided. Subject to Clause 10 and to the extent permitted by law, in no event shall Avery Dennison be liable to Supplier for any loss of profits (whether direct or indirect) and Supplier shall not be entitled to compensation for any indirect, incidental or consequential losses, including but not limited to loss of revenue, or opportunity, punitive damages and damages due to such cancellation and/or modification, whether related to a contract, tort, product liability, statute, equity or otherwise.

4. Inspection at Supplier's Premises

4.1. Prior to the dispatch of Goods, Supplier shall be bound to inspect and test the Goods to ascertain whether they conform with the requirements of the Agreement, without prejudice to the following paragraph. Each shipment shall be accompanied by an inspection certificate pursuant to which Supplier shall certify the relevant Goods conform with the requirements of the Agreement.

4.2. Avery Dennison shall have the right, but not the obligation, to inspect or cause the inspection of the Goods intended for delivery to Avery Dennison during any part of the process, including, but not limited to, their manufacturing, processing or storage. If this right is exercised by Avery Dennison, Supplier shall provide or cause the provision of such facilities as may reasonably be demanded by Avery Dennison for such purpose. The choice to exercise or not to exercise this right shall neither affect Supplier's warranties and/or liabilities nor Avery Dennison's right of complaint or refusal of acceptance of the Goods.

4.3. If, in the course of any inspection or test pursuant to the provisions of the two preceding paragraphs, it is established by Avery Dennison that the Goods delivered or to be delivered do not conform with the requirements of the Agreement or that it is likely that they will not so conform after completion of the manufacturing process, Avery Dennison shall have the right to either terminate the relevant Order and/or Agreement or demand due performance of the relevant Order and/or Agreement, at its option, without prejudice to its right to compensation of damages.

5. Packaging and Delivery

5.1. Supplier shall properly pack and label each shipment of Goods for the type of transportation and in accordance with Avery Dennison's requirements, including, but not limited to, Avery Dennison's specification number, quantity, and Order number and Supplier's production lot number. Supplier warrants that Supplier's packaging materials meet the requirements laid down in the environmental statutes and regulations applying from time to time. Supplier shall make every effort to use durable, reusable and/or recyclable packaging materials which minimizes packaging waste received by Avery Dennison. In an effort to standardize incoming freight packaging, Avery Dennison may from time to time impose its own packaging specifications. If any such requirements cause an increase or decrease in the cost or in the time required for performance, an equitable adjustment shall be negotiated and the underlying Agreement shall be modified

in writing accordingly.

5.2. Unless otherwise specified in the relevant Order and/or Agreement or in writing by Avery Dennison, Supplier shall deliver the Goods "DDP", as defined in latest version of the international commercial terms (Incoterms) of the International Chamber of Commerce (ICC) to the end destination designated by Avery Dennison or agreed to between Avery Dennison and Supplier and at the time and in the manner provided for in the relevant Order and/or Agreement. Supplier will ship the Goods only via carriers qualified on generally accepted international standards for shipment of goods similar to the Goods. Supplier will mark all Goods and packaging with the country of origin as required by applicable law, and will provide a certificate of origin and any other documents required for customs clearance, tax purposes or for any other reasons required by applicable laws. All Goods and packaging shall be labeled with at least the following minimum information in both readable text and bar code (a) Supplier's name and part number, (b) (if different) manufacturer name and part number, (c) Avery Dennison's part number and reference/PO number, (d) Goods description, (e) manufacturing date and lot code, (f) quantity contained in individual reel, tube, tray or other acceptable packaging, (g) warning of hazardous material or environmental notifications. Technical equipment must be supplied with a technical description and instructions for use at no extra cost. Software must be supplied with the complete documentation (systems-related technical documentation and user documentation). On a case-by-case basis Avery Dennison may specify additional requirements for labeling. Supplier shall ensure that the labeling of packed Goods will remain legible during transport and storage.

5.3. Subject to paragraph 5.4, where the Products are Services, Supplier will provide the Services at the location(s) set out in the relevant Order and/or Agreement.

5.4. Supplier shall deliver the Products at the agreed time without the need of a further reminder or notice of default. Supplier agrees that meeting the delivery date is an essential condition stipulated by Avery Dennison in concluding an Agreement and is of the essence of these Conditions. In case an expedited delivery is deemed necessary due to a delay related to Supplier or third parties acting for and on behalf of Supplier, Avery Dennison shall have the right to, but not the obligation to, charge additional costs and expenses and invoke Clause 5.9.

5.5. Avery Dennison is entitled to postpone delivery of Products for up to fourteen (14) days. In the event that additional storage fees apply for Goods, Avery Dennison will, upon request of the Supplier, compensate Supplier for any reasonable additional storage fees, provided Supplier has notified Avery Dennison without undue delay after it was informed by Avery Dennison of that postponement. Supplier shall in such case ensure that the Goods are properly packaged, stored, preserved, secured separately and insured and designated in such a way that they are readily identifiable.

5.6. Avery Dennison is authorized to refuse to take delivery of Goods if the Goods are delivered otherwise than in accordance with the Agreement, without prejudice to Avery Dennison's right to claim compensation for damage caused by extra handling, insufficient or inappropriate packaging.

5.7. Supplier shall promptly inform Avery Dennison as soon as Supplier knows or should reasonably know that the Products cannot be delivered or performed in time (including where the relevant Goods are lost during transport prior to delivery). Without prejudice to the foregoing, if the Products or part of the Products have not been delivered or performed at the agreed time, Supplier shall be in default by law and Avery Dennison shall have a right to, but not be obliged to, terminate the Agreement and/or the Order at any time by written notice, and without judicial intervention. Such termination shall extend over the Products not yet delivered or performed. If the Agreement or an Order is terminated in accordance with this paragraph, Avery Dennison may return the delivered Products to Supplier for Supplier's account and risk in which case the Supplier shall refund any payments Supplier may already have received for such Products to Avery Dennison immediately. Where German law applies, the above will only apply on condition that Avery Dennison has informed the Supplier prior to the agreed delivery date that partial delivery will be of no use.

5.8. Goods supplied in quantities exceeding the quantities of the purchase Order, may be returned to Supplier at its expense and risk and, in addition to Avery Dennison's other rights, Avery Dennison may charge Supplier all expenses of unpacking, examining, repacking, and reshipping such Goods.

5.9. Supplier shall be bound to compensate all and any damage suffered by Avery Dennison as a result of the non-delivery or late delivery of the Products or part of the Products where such non-delivery or late delivery is the result of Supplier's negligence or intentional misconduct.

6. Warranty

6.1. In addition to the other warranties in these Conditions, Supplier warrants that:

6.1.1 any Goods provided by the Supplier to Avery Dennison will, at the time of delivery and for a period of twelve (12) months thereafter (or such longer period as is agreed by the Supplier and Avery Dennison) (the "Warranty Period"):

6.1.1.1. be suitable for their destined purpose as made known to or by Avery Dennison or as follows from the nature of the goods or the relevant Agreement;

6.1.1.2. be of satisfactory quality and suitable for their destined purpose as made known to or by Avery Dennison or as follows from the nature of the Goods or the relevant Agreement;

6.1.1.3. be manufactured or provided with good workmanship, are new, of good quality and free from manufacturing, construction or material defects;

6.1.1.4. be entirely in conformity with the Order and/or Agreement and with any specifications belonging thereto including those regarding quantity, description and quality;

6.1.1.5. be in all respects identical with the samples made available or provided by Avery Dennison and/or Supplier with the exception of such differences as have been agreed to by Avery Dennison;

6.1.1.6. in all respects satisfy and comply with all the applicable statutory regulations and/or all the regulations laid down by each relevant competent authority with respect to such Products (such as but not limited to the quality, the

environment, health and safety, and origin) and in particular with all relevant EU regulations and directives;

6.1.1.7. conform to any statements made on the containers or labels or advertisements for such Goods, and all Goods shall be adequately packaged, marked and labeled;

6.1.2. it has authority to enter into an Agreement with these Conditions on such topic and that in so doing it will not infringe any agreement it may have with any third party; and

6.1.3. any Services provided by the Supplier to Avery Dennison will at all times be performed using all due skill and care.

(all the above hereafter together as the "Warranty").

6.2. If any Products are defective or fail to meet the Warranty (including where the relevant Goods are damaged during transport prior to delivery), Supplier shall, at Supplier's expense, account and risk, and at Avery Dennison's option, within fourteen (14) days from the moment when Avery Dennison reports to the Supplier that the Products do not conform with the Warranty either:

6.2.1. repair or replace the defective or non-conforming Goods so as to conform with the Warranty within forty-eight (48) hours of Avery Dennison's rejection and/or notice thereof;

6.2.2. reperform the relevant Services; or

6.2.3. refund to Avery Dennison the purchase price of the relevant Products and, if paid by Avery Dennison, any actual transportation costs, costs of consigned material, labour costs, insurance premiums and duties and taxes or credit it to Avery Dennison's account.

If Avery Dennison requests repair or replacement of the defective Goods or reperformance of the non-conforming Services pursuant to this paragraph 6.2, the Supplier shall bear all costs and expenses incidental to such repair or replacement or reperformance, including but not limited to, costs for consigned material, labor costs, transportation costs and taxes and duties in connection with the defective Goods and replacement or repaired Goods and/or reperfomed Services. Replacement or repaired Goods must be delivered to Avery Dennison at the location specified in the Order. Any non-conforming Services must be reperfomed by the Supplier at the location specified in the relevant Order and/or Agreement) within fourteen (14) days from Supplier's receipt of the defective or non-confirming Products. Payment for defective or non-conforming Products will be withheld until replacement or repaired Goods and/or reperfomed Services are delivered or performed at the location specified in the relevant Order and approved by Avery Dennison.

6.3. The warranties set out in paragraphs 6.1 and 6.2 shall benefit Avery Dennison, its successors, assigns and customers and users of Products sold by Avery Dennison.

7. Transfer of Ownership and Risk

7.1. Title to and ownership in the Goods shall transfer to Avery Dennison when such Goods are received at the delivery location as defined in the relevant Order, Agreement and/or as agreed upon by the terms and conditions of any applicable consignment or supplier managed inventory program. Any retention of title by Supplier shall be excluded.

7.2. Risk in the Goods will transfer from the Supplier to Avery Dennison in accordance with the Incoterms that apply to the relevant Order and/or Agreement.

8. Terms of Payment

8.1. All payments made by Avery Dennison to Supplier hereunder shall be made by wire transfer only to an account designated by the Supplier. Each payment shall be subject to presentation of a valid and appropriate invoice by Supplier. Invoice must not be dated prior to specified shipping date. Unless otherwise explicitly agreed in writing, payment is due ninety (90) days following Avery Dennison's receipt of the valid invoice, provided that a discount should be applicable if Supplier requires a payment in a shorter period and/or in advance.

8.2. Avery Dennison is entitled to suspend payment if a default in the Products, the performance thereof, or a default in any installation/assembly work by Supplier has been established or if the invoice is not found to be in good order by Avery Dennison. Avery Dennison shall inform Supplier thereof within reasonable time.

8.3. Payment by Avery Dennison shall not release Supplier from its warranties and liabilities on any account whatsoever.

8.4. Prices are fixed, unless the Agreement provides for circumstances that may lead to a price adjustment and specifies the manner in which such adjustment may be done.

8.5. All prices in respect of Products are inclusive of all costs and expenses incurred by the Supplier including all packaging, insurance, carriage and delivery costs and all travel, accommodation and subsistence expenses (as applicable) and are inclusive of value added tax, sales tax or equivalent and all other taxes, duties and/or charges, unless explicitly otherwise agreed upon in writing by the Supplier and Avery Dennison.

9. Right to Set off

All claims of Supplier for payments due from Avery Dennison shall be subject to deduction or set off by Avery Dennison by reason of any counterclaim arising out of the relevant Agreement or law, but only in an amount not to exceed the value of such counterclaim.

10. Liability, Indemnity and Insurance

10.1. Supplier shall defend, indemnify and hold Avery Dennison harmless from all claims for damages suffered by it and all claims of third parties for compensation of damages (including all reasonable legal expenses) resulting or arising from a breach of Supplier's Warranties in these Conditions including, but not limited to, damages resulting or arising from product liability and/or product safety and compliance with applicable laws and from any unlawful or improper act or omission or negligence of Supplier, its agents, employees or subcontractors.

10.2. Without prejudice to its agreed obligations, Supplier shall effect and maintain appropriate workers' compensation (where compulsory), product and public liability insurance cover and shall keep the level of insurance under review to ensure its adequacy. If Supplier fails to do so, Avery Dennison may insure and charge Supplier with the cost of such insurances. On request, Supplier will deliver a copy of the then current and

applicable relevant insurance contract (including insured amounts) to Avery Dennison.

10.3. In the event that Supplier's performance hereunder requires performance of Services by Supplier's employees, or persons under contract to Supplier, on Avery Dennison's property, Supplier agrees that all such work shall be done as an independent contractor and that the persons doing such work shall not be considered employees of Avery Dennison. Without prejudice to paragraphs 10.1 and 10.2, Supplier shall indemnify and defend Avery Dennison from any and all claims or liabilities arising out of the work covered by this paragraph, and paragraph 10.4.

10.4. In the event Supplier utilizes the services of subcontractors to perform its agreed obligations, Supplier shall require from or provide for all subcontractors (regardless of tier) the same minimum insurance requirements detailed in paragraph 10.2. Avery Dennison reserves the right to request confirmation of subcontractor's insurance policies from Supplier when deemed necessary.

10.5. Nothing in these Conditions or the Agreement will operate to exclude or restrict any liability of a party for death or personal injury caused by negligence or wilful misconduct, fraud or fraudulent misrepresentation or any other losses which cannot be excluded or limited by Applicable Laws. Where German law applies a party's liability for any damages with respect to a slight negligent breach of a core duty, the fulfillment of which is key for the proper implementation of the contract and compliance with which may be reasonably expected by the other party, will be limited to reasonably foreseeable damages.

11. Force Majeure

11.1. Avery Dennison shall have the option of canceling all or any part of the undelivered Goods and/or Services which have not been performed but are covered by an Order, or Avery Dennison may delay delivery, payment or acceptance of an Order (in the event of a contractual purchase obligation) as a result of either the Supplier or Avery Dennison being unable to perform its or their obligations under the relevant Agreement due to the impact of an event of force majeure, without liability to the Supplier in respect of the Products so canceled. Supplier shall hold such Products at the direction of Avery Dennison, and shall deliver or perform them when the event of force majeure cause affecting the delay has been removed. An event of force majeure shall be defined as an event beyond the control of the party claiming the event of force majeure whose occurrence or consequences could not have been foreseen or prevented by that Party, including, but not limited to, acts of God, flood, fire, embargoes, sabotage (including, but not limited to computer viruses), governmental action, or the effect of any laws, ordinances or regulations which restrict or prohibit the transactions contemplated by this Agreement. The following events shall not be regarded as a "force majeure" for the Supplier: the reduction, depletion, shortage, strike, social unrest, curtailment or cessation of Supplier's supplies or reserves or any other supplies or materials of Seller.

11.2. Neither party shall be responsible or liable to the other party for failure or delay in performance of its obligations under the Agreement, because of an event of force majeure as defined in paragraph 11.1. In the event that Supplier is unable substantially to perform for any of the reasons described in this paragraph, it shall notify Avery Dennison promptly, in writing, of such inability to perform and shall use best efforts to remove or correct the cause of its inability to perform and shall resume performance hereunder as soon as practicable whenever such cause is removed or corrected.

12. Intellectual Property Rights

12.1. Supplier warrants that the Products do not infringe or violate any patent, copyright, trade secret or any other (intellectual) property right belonging to third parties. Nonetheless, Supplier agrees upon receipt of notification to promptly assume full responsibility for defense of any suit or proceeding which may be brought against Avery Dennison or its agents, customers, or other vendors for such alleged infringement, as well as for any alleged unfair competition resulting from similarity in design, trademark or appearance of Products furnished hereunder, and Supplier further agrees to hold harmless and indemnify Avery Dennison, its agents and customers against any and all expenses, losses (including all direct, indirect and consequential losses), royalties, profits, damages and costs (including court costs (on a full indemnity basis) and attorneys' fees) resulting from any such suit or proceeding, including any settlement incurred or suffered. Avery Dennison may be represented by and actively participate through its own counsel in any such suit or proceeding if it so desires, and the costs of such representation shall be paid by Supplier.

12.2. If Supplier makes, develops or achieves any invention, device or design which is protectable by patents, design patents, trademarks or other industrial or intellectual property rights in any jurisdiction, and if such invention, device or design is based on specifications, drawings, test data, ideas, models or any other materials or information supplied to Supplier by Avery Dennison ("Avery Dennison's Specifications"), such Avery Dennison's Specifications and all intellectual property rights in any Products created or derived in accordance with any Avery Dennison's Specification ("Foreground IPR") will be the property of and vest exclusively, in perpetuity, throughout the world, in Avery Dennison absolutely from the time of its creation.

12.3. The Supplier with full title guarantee and free of all charges, liens, licenses and encumbrances hereby:

12.3.1. assigns and will procure that each of its sub-contractors assigns to Avery Dennison (by way of present assignment of future copyright, design right and/or database right) all future copyright, design right and/or database right comprised within the Foreground IPR and in any Avery Dennison materials that are created by it; and

12.3.2. assign and to procure that each of its sub-contractors assigns to Avery Dennison all other Foreground IPR and all other intellectual property rights in any Avery Dennison materials that are created by it, such assignment to take place immediately and automatically upon the creation of such Foreground IPR.

In each case, throughout the world for the whole term, including any extensions or renewals of any such intellectual property rights, and including the right to sue for damages and other remedies for infringements of any such intellectual property rights.

12.4. The Supplier will procure the irrevocable waiver of all moral rights (and any broadly equivalent rights which may exist in any territory of the world) arising from any and all Foreground IPR and in any Avery Dennison materials that are created by it or its subcontractors.

12.5. The Supplier grants to Avery Dennison a perpetual irrevocable, non-exclusive, worldwide, royalty-free license to use the Supplier's intellectual property rights in the Products solely to the extent necessary to use the Products for the purpose for which they were supplied; such right will include the right for Avery Dennison to grant sub-licenses to its other service recipients from time to time on terms no wider than the terms granted to Avery Dennison under this Agreement.

12.6. Avery Dennison will conduct good faith discussions with Supplier over compensations for the inventor's rights should the local law under which the inventors operate require such compensation.

13. Termination and discontinuation of Purchase

13.1. Without prejudice to any other rights Avery Dennison and Supplier may have, either shall be entitled to terminate the Agreement any time with immediate effect by written notice if the other acts in material breach of any of the provisions of the Conditions or the Agreement and fails to remedy such breach within thirty (30) days after receipt of written notice giving full particulars of the breach and requiring it to be remedied.

13.2. Avery Dennison or Supplier shall be entitled to terminate the Agreement by written notice with immediate effect if the other:

- files a petition for bankruptcy proceedings or becomes the subject of bankruptcy proceedings, has an administration order made in respect of it or a notice or petition of appointment of an administrator file in respect of it at any court, or
- becomes insolvent, has been granted a suspension of payment; or
- makes an assignment for the benefit of creditors; or
- a receiver is appointed to take charge of all or a material part of its assets; or
- ceases or threatens to cease to carry on business; or
- there is at any time a material change in ownership or control of the other party.

13.3. Not less than twelve (12) months before discontinuing the manufacturing, sale or provision of any Product that Avery Dennison has previously purchased, Supplier shall give prior notice to Avery Dennison and allow "last orders" to be submitted during such period. Such notification will not relieve Supplier of any obligations with respect to any Agreement regarding such Products prior to the end of the "last order" period (including, but not limited to, Warranty).

14. Confidentiality

Supplier shall treat all information disclosed to it by Avery Dennison to be confidential and Supplier shall not disclose any such information to any other person, including affiliated companies, or use such information itself for any purpose other than performing these Conditions or any Agreement or Order, without Avery Dennison's written consent. Supplier shall keep the existence, nature and content of these Conditions and attached Agreement or Order confidential, as well as all other commercial information relating to Avery Dennison, in whatsoever form and shall not use, disclose or publish anything with regard to such matters or use Avery Dennison's name for any purpose, without the prior written permission of Avery Dennison.

15. Materials that have been made available

If materials and/or tools are made available by Avery Dennison to Supplier for the execution of the Order, these shall remain the property of Avery Dennison and shall be clearly marked as such by Supplier. All tools provided by Avery Dennison must be returned to Avery Dennison undamaged and carriage paid by Supplier at Avery Dennison's first demand to do so. All repairs due to damage, if any, to materials and/or tools that have been made available by Avery Dennison shall be charged to the Supplier. Materials and/or tools which have been made available by Avery Dennison or which have been manufactured in whole or in part at Avery Dennison's expense may not be used for and on behalf of third parties without Avery Dennison's prior written consent.

16. Product Recall

Supplier shall cooperate fully in any product hold or product recall campaign organized by Avery Dennison and give all reasonable assistance requested by Avery Dennison in recovering Products which are the subject of such a campaign and preventing their sale to third parties.

17. Product Compliance

17.1. Supplier shall guarantee full compliance of the Products to all requirements determined by applicable laws and regulations. Supplier shall immediately notify Avery Dennison of any known or upcoming changes regarding compliance of the Products with requirements of applicable laws and regulations.

17.2. Supplier warrants that each and all Products, chemical substances or mixtures sold or otherwise transferred to Avery Dennison hereunder comply with the standards, rules, orders and regulations promulgated or prescribed pursuant to mandatory and prevailing health and safety legislation under applicable laws which apply to the relevant Agreement. Supplier shall adhere to Avery Dennison orientation concerning restricted or hazardous substances.

17.3. Supplier warrants and assures that the Products supplied to Avery Dennison are, whenever required by applicable law and/or regulations, registered, certified and/ or approved by (as applicable) competent public authorities to commercialization. With regards to the Products supplied to Avery Dennison in the EU, which may include (but are not limited to) substances, materials, and articles as supplied to Avery Dennison under an Agreement, Supplier further warrants and assures that these have been registered or notified as required by the European Union's "Regulation (EC) No 1907/2006 of the European Parliament and of the Council - of 18 December 2006 - concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH).

17.4. Supplier shall retain all qualification/validation test results and/or other documentation supporting compliance statements for a period of at least ten (10) years and provide it to Avery Dennison at Avery Dennison's request. Supplier further warrants and assures that the Products which include but not limited to substance, materials, and articles as supplied to Avery Dennison under the Agreement are in compliance with applicable laws and/or regulations on the restriction of the use of certain hazardous substances in electrical and electronic equipment (including, but not limited to, compliant

with Directive 2011/65/EU of the European Parliament and of the council of 8 June 2011 when applicable).

18. Social Compliance and Ethics

18.1. Supplier and its employees and any third parties engaged by it, shall comply with all legally applicable health and environmental regulations and Avery Dennison's internal company rules, regulations, guidelines and standards for safety, health, work procedures and/or the environment, to the extent as set out in paragraph 18.2.

18.2. Prior to commencing the implementation of the Agreement, Supplier and its relevant personnel shall familiarize themselves with and adhere to:

- the content of the "Avery Dennison Supplier Standards" describing the working conditions and employment standards with which Supplier's operations are required to comply with at all times, accessible at <https://rbis.averydennison.com/en/home/RSL.html> and subject to change from time to time;
- the content of the "Code of Ethics and Business Conduct", relating to the values, principles and key global policies, which apply to Avery Dennison and its subsidiaries' directors, officers and employees worldwide, accessible at www.averydennison.com and subject to change from time to time.

18.3. Supplier undertakes to achieve and improve its business practices as stipulated in both aforementioned documents and shall supply Products under each Order or Agreement in a manner consistent with the same.

18.4. The cost incurred by any delay in the implementation of the Agreement due to the conditions and circumstances described above will be at the expense of Supplier. Supplier shall bear the audit cost for its social compliance.

19. Compliance and Anti-Bribery

19.1. Supplier agrees that it will abide by, and will cause all of Supplier's representatives (including, but not limited to, directors, officers, employees and subcontractors) to abide by all applicable laws, statutes, and regulations including those relating to anti-bribery, anti-corruption, and human rights (including, but not limited to, antislavery, human trafficking and non discrimination at work environment). Supplier shall at all times have in place throughout the term of this Agreement adequate procedures to ensure its compliance with all such applicable laws.

19.2. This Agreement is subject to applicable sanctions legislation. If, at any time during the term of this Agreement, sanctions legislation prohibits the continuation of this Agreement hereunder (either under the economic sanctions of the United States administered by the Treasury's Office of Foreign Assets Control the U.S. Department of State, the United Nations Security Council or the European Union and Her Majesty's Treasury or the law applicable to this Agreement ("Sanctions")) or if Supplier, directly or indirectly, uses the money paid by Avery Dennison pursuant to this Agreement or otherwise make available such money to any person to fund, any activities of or business with any person, or in any Sanctioned country, that, at the time of such funding, Avery Dennison may terminate this Agreement immediately after any notice. If sanctions legislation prevent Avery Dennison from (i) receiving any monies from Supplier; and/or (ii) paying any monies to Supplier, then Supplier's obligation and/or Avery Dennison's obligation (as applicable) to pay such amounts shall be suspended to the extent and until such time as payments of monies may be lawfully made under the respective sanctions, or after the sanctions cease to apply.

19.3. Avery Dennison may, regardless of whether any of the following situations were caused by Supplier, suspend and/or terminate this Agreement by written notice with immediate effect if the Supplier has committed a crime or becomes involved in, or associated with, (whether directly or indirectly) any situation or activity (whether caused by the Supplier or a third party) which: i) tends in the opinion of Avery Dennison to have a negative effect on the reputation of Avery Dennison or any aspect of its business; ii) would expose Avery Dennison or any aspect of its business to disrepute, scandal, ridicule or contempt, or would tend to shock, insult or offend the public in any territory in which Avery Dennison's products or services are marketed; iii) reflects unfavorably on the reputation of Avery Dennison, its brands, products or services; or iv) might affect the supply, successful sales and exploitation of the products or services of Avery Dennison. Avery Dennison's will inform Supplier of its decision on all matters arising under this clause. Examples of acts, conduct or situations considered to be prejudicial to the business of Avery Dennison as mentioned in this clause include without limitation: i) the posting or publishing on social media or elsewhere of any content that promotes bigotry, racism or discrimination based on any reason, such as, but not limited to, race, gender, religion, nationality, disability, sexual orientation, age or any content that promote or is conniving to non compliance of labor rights; ii) the expression of any political views in a context that could give rise to an association with Avery Dennison's business; iii) the use of, trade in, or other association with, illegal drugs; or iv) business activities undertaken by Supplier in countries which are subject to Sanctions or with persons or entities who trade in Sanctioned countries or which reside or are established in countries which are subject to Sanctions.

20. Privacy and Data Protection

20.1. Supplier warrants that it has implemented sufficient organizational, technical and administrative controls, policies, procedures, and safeguards to maintain confidentiality and integrity of any personal, proprietary or confidential information of (or provided by) Avery Dennison in connection with the delivery of Goods and/or Services subject to these Terms and Conditions (collectively "Data"). Personal information means any identifying or potentially identifiable information including but not limited to names, contact details, IP addresses and any information associated with those identifiers.

20.2. Supplier shall further ensure that its information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "IT Systems") perform as required in connection with the provision of Goods and/or Services under these Terms and Conditions and are free and clear of all material bugs, errors, defects, Trojan horses, time bombs, malware and other corruptants.

20.3. Supplier shall promptly notify Avery Dennison of any suspected or actual loss (or loss of control over), destruction, disclosure of or unauthorized access to Data ("Security Incident"). All Security Incidents shall be reported to Avery Dennison via email to securityoperations@averydennison.com without undue delay and not later than 24 hours

upon becoming aware of or suspecting a Security incident. Supplier shall provide Avery Dennison with all necessary information about the Security Incident, as well as all reasonable assistance needed for Avery Dennison to fulfill its legal obligations.

20.4. Supplier shall comply with all applicable laws and regulations including requirements relating to the privacy and security of Data and IT Systems. Notwithstanding any limitation of liability set forth in these Terms and Conditions, Supplier agrees to fully indemnify Avery Dennison for any damages (including third party claims), settlements, fines, costs, fees, etc., suffered or incurred by Avery Dennison as a result of a Security Incident.

20.5. Parties acknowledge that they will act as separate and independent controllers of personal information within the meaning of the EU General Data Protection Regulation 2016/679 ("GDPR") and will process personal information necessary for the sale of products or services and for maintaining the business relationship such as name, job title/function, company address, email address, telephone number of employees, contractors of the other party. Parties may also process such personal information for their legitimate interests such as administration, accounting, communication and marketing. Each party shall use its best efforts to inform its employees and business contacts of the processing of their personal data by the other party as described in this clause. The parties shall each comply with their own obligations under the applicable privacy laws and regulations including but not limited to the GDPR.

20.6. In the event, personal information originating from the European Economic Area is transferred outside of this territory by Avery Dennison (exporter) to the Supplier Parties (importer) the Parties agree that these Terms and Conditions shall incorporate the European Commission's Standard Contractual Clauses (2021/914/EU) to ensure that the transfer of such personal information occurs in compliance with the GDPR.

20.7. Supplier shall not process any personal information on behalf of Avery Dennison without entering into a separate data processing agreement with Avery Dennison prior to such processing.

21. Governing Law/Competent Court

21.1. All Agreements and any other legal relationships between Avery Dennison and Supplier shall be governed by and construed and interpreted in accordance with the laws of the country of the purchasing Avery Dennison entity registered seat ("Applicable Laws"). The provisions of the United Nations Convention on Contracts for the International Sale of Products ("the Vienna Convention") shall not apply.

21.2. Any disputes arising out of or in connection with any Agreement and any other legal relationship between Avery Dennison and Supplier (including without limitation in relation to any non-contractual obligations) shall be brought before the competent courts of the purchasing Avery Dennison entity registered seat. Notwithstanding the foregoing sentence, Avery Dennison, at its discretion, may: a) opt to bring any such dispute before or file any claim at the competent courts of the country of Supplier's residence under the laws applicable to that country; and b) seek interim injunctive relief or any other interim measure of protection in any court of competent jurisdiction.

21.3. If paragraph 21.2 is found by any court or body or authority of competent jurisdiction to be illegal, unlawful, void or unenforceable: a) such clause will be deemed to be severed from these Conditions and this will not affect the remaining Apparel General Terms and Conditions of Purchase obligations which shall remain in full force and effect; b) subject to paragraph 21.3(c) the courts specified in paragraph 21.2 will have exclusive jurisdiction to determine any dispute arising out of or in connection with

any order or sale agreement between Avery Dennison and Supplier (including without limitation in relation to any non-contractual obligations); and c) any party may seek interim injunctive relief or any other interim measure of protection in any court of competent jurisdiction.

22. Change Notification

Supplier shall provide Avery Dennison with at least a twelve (12) month written notice prior to implementing a Change. No Change can be implemented without Avery Dennison's prior written, signed approval which may be granted or withheld in its sole discretion. "Change" means a change, modification, alteration, substitution, or cessation in or to any of the following, whether or not the Products specification remains unchanged:

- a. the location, production asset, or business entity used for manufacturing or provision of the Products,
- b. subcontractors to Supplier involved in manufacturing or provision of the Products or a component of the Products,
- c. a supplier of a component of the Products,
- d. the processes or procedures used by Supplier in the manufacturing or provision of the Products,
- e. the composition, fit, form, function, performance, test parameters, test results, characteristics, odor, color or appearance of the Products, or
- f. chemicals, raw materials or any components, ingredients or formulations used in manufacturing or provision of the Products, or the change of personnel for certain Services

23. Miscellaneous

23.1. Notice. Any notice to be given shall be in writing, addressed to the recipient at its address contained on the form of such document to which these Conditions are attached, or such other address as shall have been notified to the other. A notice shall be deemed to have been properly given: if delivered by hand during normal business hours - upon delivery; if sent by recorded delivery post - on the second working day after posting; if transmitted by facsimile and confirmed as received - at the time of delivery; or at time of confirmation if sent by e-mail to agreed valid and relevant e-mail address in a recognizable way and with request for confirmation of the receiver by the e-mail sender, which confirmation may not be unreasonably withheld by receiver.

23.2. No-waiver. Avery Dennison's failure or delay to insist on performance of any Supplier's obligations or to exercise any right or privilege or waiver of any breach hereunder shall not thereafter waive any other terms, conditions, or privileges, whether of the same or similar type.

23.3. Rights and remedies of Avery Dennison under these Conditions or any other agreement are independent, cumulative and without prejudice to its rights under the law.

23.4. Severability. If one or more provisions of these Conditions are void, invalid or unenforceable, the other provisions shall remain in full force.

23.5. Assignment. None of the rights or obligations of Supplier under the purchase and/or purchase related agreement may be assigned or transferred in whole or in part without the prior written consent of Avery Dennison.

23.6. Governing language. These Conditions are written and governed by the English language version. Any other language version of these Conditions is for convenience and translation purposes only.