

PANDORA

VIETNAM

# TERMS AND CONDITIONS OF PURCHASE

## OVERVIEW OF DOCUMENT

Version 1.0

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1. **Agreement:** These Terms and Conditions of Purchase ("T&C") shall govern the supply and purchase of any goods and/or services ("**Deliverables**") stated in the purchase order ("**PO**") to which this T&C is attached unless a specific written agreement has been entered into between the Supplier and Pandora Production Vietnam Co., Ltd. ("**Customer**"). This T&C shall form an integral part of the PO.

2. **PO Acceptance:** Any of the following shall constitute Supplier's unqualified acceptance of the PO: (a) acknowledgment of the PO; (b) furnishing of any Deliverables, including commencing the supply of any goods or performance of any services under the PO; or (c) acceptance of any payment. Additional or different terms and conditions proposed by the Supplier shall not form part of the PO, and shall be of no effect unless accepted in writing by the Customer. In the event of a conflict between the Supplier's terms of acceptance and this T&C, this T&C shall govern unless the Customer agrees in writing to the Supplier's proposed terms. In the event of a conflict between the T&C and the terms of annex(es) to the PO (which shall form an integral part of the PO) or quotation and any annex(es) from the Supplier, the T&C shall prevail.

3. **Adjustment:** The Customer reserves the right to change at any time the quantity, packaging, unit size, place, and/or time of delivery. The Supplier agrees to proceed with the PO in accordance with any such change and to submit a claim request for an equitable adjustment in the PO price or delivery term caused by such change. However, this does not include loss of anticipated profits or any economic or consequential loss. No change in, modification of, or revision to the PO shall be valid unless it is made in writing by an authorized representative of the Customer.

4. **Packaging:** The Supplier must preserve, handle, and provide proper and adequate packaging of the Deliverables in accordance with best commercial practice and the Customer's specifications, to ensure that the goods being shipped to the Customer will be free of damage. The Customer reserves the right to reject any shipment that is deemed not to have been packaged adequately.

5. **Delivery:** Delivery of the Deliverables must be completed within the delivery schedule stated on the PO. Otherwise, the Customer reserves the right to: (a) cancel the PO without liability and to charge the Supplier with any loss and damage incurred as a result of Supplier's failure to make the delivery within the delivery schedule specified; or (b) charge a penalty of 0.1% of the total price for every day of breach of the delivery schedule by the Supplier, without prejudice to any rights and remedies of the Customer under the PO or the law. The Supplier must pay the accrued penalty to the Customer as notified in writing by the Customer. The Customer may deduct such penalty from the remuneration to be paid for the Deliverables ("**Charges**") by the Customer to the Supplier.

6. **Prices and Payment:** Charges will be as set out in the PO. The Supplier will invoice the Customer upon delivery of the Deliverables. For imported goods, the invoice must contain the information of shipper, harmonized tariff code and the country of origin. Payment will be made to the Supplier as stated in the "Terms of Payment" of the PO and within the period stated in the PO after receipt of the invoice.

7. **Chemical and Hazardous Materials:** The Supplier who sells and/or handles the chemical and hazardous materials must comply with the applicable laws and the Customer's requirements. The Supplier must ensure that the warning and documentation including the Safety Data Sheet accompanies each consignment, together with appropriate care and handling instructions.

8. **Inspection and Acceptance:** Upon the Customer's request, the Supplier must provide to the Customer evidence and documentation for the quality and effectiveness of the Deliverables for inspection. All Deliverables are subject to inspection by the Customer at all reasonable times and places notwithstanding the terms of payment, and, in any event, prior to final acceptance. Inspection of any Deliverables made prior to final acceptance will not relieve the Supplier from responsibility for failure to meet the requirements of the PO for such Deliverables and will not imply acceptance thereof. If any Deliverables do not meet the applicable specifications and instructions, the Customer is entitled, at its option, to require the Supplier to: (a) promptly re-perform the non-conforming services; and/or (b) repair the goods or provide replacement goods or services satisfactory to the Customer at the Supplier's sole expense. If the Supplier is unable to accomplish the foregoing, the Customer may procure such Deliverables from another source and charge to Supplier's account all costs, expenses, and damages associated therewith.

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Any acceptance by the Customer does not release the Supplier from any warranties or other obligations under the PO.

9. **Warranties:** The Supplier warrants that: (a) the Supplier will discharge its obligations under the PO in a good and workmanlike manner with reasonable skill, care, and diligence including good industry practice and in accordance with its own established internal procedures as applicable; (b) all Deliverables shall be free of defects in material, construction, workmanship, functionality, and design, as well as from any encumbrance, need for eviction, or disturbance by third party; (c) all Deliverables will be suitable for the Customer's intended purposes under the PO; (d) the Deliverables will meet all requirements set out in the PO, any requirements of the Customer, and all applicable legal and regulatory requirements; (e) during the entire term of the PO and as long as the Supplier is obligated to provide or deliver Deliverables to the Customer, the Supplier shall comply with the Customer's invoicing requirements, Pandora Supplier Code of Conduct and Safety, Health and Environment manual. Save for (e), the warranty shall commence and continue for the period specified in the PO. If such a period is longer than the term of the PO, the Supplier's warranty shall continue for the longer period.

10. **Defect:** If any Deliverables are found to be defective (including any deviation from or non-conformity with the PO or the Customer's requirements) and such defect is caused by any reasons attributable to the Supplier, the Customer may, at its sole discretion, demand that the Supplier remedy the defect by: (a) replacing or correcting the defect within the reasonable deadline set by the Customer or agreed between the parties; or (b) a full refund of Charges for Deliverables found to be defective within the deadline between the parties. In such case, the Customer may offset the refund against any Charges, including remaining for future Charges, payable to the Supplier. If the defect of the Deliverables is discovered prior to the provision or delivery of Deliverables and the Charges have not yet been paid, the Customer shall be entitled to cancel its PO and not pay the agreed Charges. In such event, the Supplier shall issue a credit note to the Customer upon request.

11. **Liability:** If the Supplier fails to provide or deliver the Deliverables in accordance with the PO, and/or there is a defect in the Deliverables, the Supplier must without delay and at its own cost remedy the breach or defect.

12. **Limit of Liability:** The Customer shall not be liable to the Supplier or any third party for any indirect, incidental, special, punitive, exemplary or consequential damages, whether in an action in contract or tort (including negligence and strict liability) including, but not limited to, loss of anticipated profits or benefits, resulting from the Customer's performance or any failure to perform hereunder.

13. **Indemnification:** The Supplier must indemnify, defend and hold harmless the Customer and its affiliates, their officers, directors, employees, agents, and respective successors and assigns, from and against any and all losses, liabilities, suits, claims, demands, damages, and expenses (including, but not limited to, any and all expenses incurred in investigating, preparing, or defending against any litigation commenced or threatened or any claim whatsoever, such as legal and attorney fees) arising out of or in relation to: (a) the Supplier's breach of any term of the PO; (b) the Supplier's breach of warranties; (c) defects in the Deliverables; (d) the Supplier's negligence, willful misconduct, fraud, misrepresentation, or violation of the law in its performance under the PO, as well as non-performance of its obligations under the PO; and (e) any and all claims of third parties including but not limited to claims concerning infringement of Intellectual Property Rights due to the Customer's use of Supplier's Deliverables.

14. **Termination:** The Customer reserves the right to cancel all or any part of the undelivered portion of the Deliverables if the Supplier does not provide conforming Deliverables as specified, time being of the essence, or if the Supplier breaches any of the terms hereof including, without limitation, the warranties. Without prejudice to any other rights under the PO or applicable law, the Customer may, by written notice, terminate the PO with immediate effect: a) in the event of the Supplier's material breach of the PO provided that, if and to the extent the breach is curable, the Supplier has not cured such breach within the period notified in writing by the Customer; or b) if the Supplier enters into liquidation, or is subject to a petition for bankruptcy, insolvency, or rehabilitation. The Customer further reserves the right to terminate the PO in whole or in part for convenience upon written notice to Supplier, in which event the Supplier will be entitled only to reasonable termination charges consisting of actual direct costs resulting

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from termination. The termination of the PO shall not affect any of the rights or liabilities of the parties accrued up to the termination date.

15. **Confidentiality:** The Supplier acknowledges that its performance of obligations hereunder may require access to confidential business and proprietary information of the Customer. The Supplier agrees on behalf of itself and its officers, directors, employees, and agents to use its/their best efforts to prevent duplication or disclosure of data, plans, specifications, formula, drawings, or any other information whether business or technical, of a confidential nature, which has been furnished directly or indirectly, in writing or otherwise to the Supplier. Confidential information shall include the information as would be apparent to a reasonable person, familiar with the Customer's business and the industry in which it operates, that such information is of a confidential or proprietary nature, and that maintenance of its confidentiality would likely be of commercial value to the Customer. Confidential information shall not include information that is in the public domain prior to its disclosure; becomes part of the public domain through no wrongful act of the Supplier; was in the lawful possession of the Supplier prior to its disclosure to the Supplier; or was independently developed by the Supplier. The Supplier must ensure that the confidential information is treated as confidential and used only for the performance of its obligations under the PO. The Supplier must comply with the Customer Data Protection Principles and applicable laws if it collects, receives, uses, transfers, or stores any personal data in the performance of its obligations under the PO. These obligations shall survive the expiration or termination of the PO.

16. **Use of Customer Name:** The Supplier acknowledges and agrees that the Customer's company name, trade names, service marks and trademarks (including PANDORA®) (collectively the "**Customer Trademarks**") are the exclusive property of the Customer, its parent company, Pandora A/S, or its affiliates. The Supplier will not use, refer to, or publish the Customer Trademarks in any advertising, written sales promotions, press releases, or other publicity, or publish any material, which contains wording from which the connection of the Customer Trademarks may be inferred or implied. This provision will not apply to any communication necessary for the Supplier to comply with applicable legal requirements on notice and filing to relevant authorities.

17. **Force Majeure:** Force Majeure Event means cause or condition beyond the reasonable control of a party even though a party to whom it happened or is threatened to happen were to take such appropriate care as might be expected from it in its situation, including acts of God or the public enemy, terrorism, civil war, riot, governmental restrictions, fires, floods, accidents, strikes, freight embargoes. Neither party shall be liable for defaults due to the Force Majeure Event. The affected party shall notify the other party in writing of such event and impact on its performance within five (5) days after the beginning thereof, and act reasonably to limit the impact of the Force Majeure Event.

18. **Assignment:** Neither party shall be entitled to assign its rights and obligations under the PO to a third party without the prior written consent of the other party.

19. **No Waiver:** No party's failure or delay in exercising a power, right, or remedy under the PO will operate as a waiver. No single or partial exercise of power, right, or remedy will preclude any other or further exercise of the power, right, or remedy or the exercise of any other power, right, or remedy.

20. **Settlement of Dispute:** Any dispute, controversy or claim arising out of or relating to the PO, or the breach, termination or invalidity of the PO shall be settled by good faith negotiation between the parties. If such negotiation is unsuccessful, either party may submit the dispute or claim to the competent court of Vietnam. The PO is governed by and construed in accordance with the laws of Vietnam.

21. **Severability:** If any part of this T&C is found to be invalid or unenforceable, that part will be severed from this T&C and the remainder of the T&C shall remain in full force.