



For the World
We Share

Standard Terms & Conditions of Purchase

Effective October 1, 2025



1. General

(1.1) This order including the terms and conditions specified herein constitute the sole and entire agreement between the Parties here to in respect of the subject matter of this transaction. The Seller shall acknowledge receipt of order within seven days of order date otherwise order shall be deemed to be accepted. Provided however that acknowledgment of Buyer of work done under the order and receipt by the Seller of any payment or consideration paid hereunder by the Buyer shall result in a binding contract and oblige the Seller to perform his obligations under the order even if the Seller has not expressly signed the Vendor Acknowledgment form.

(1.2) The seller shall not be entitled to make any change, alteration or modification to any of the terms, conditions, prices or schedules specified in the Order without the express written consent of the Buyer.

(1.3) No course of prior dealings between the Parties or past practice or usage of the trade shall be relevant to supplement or explain any of the terms of the Order.

(1.4) Payment shall be made in accordance with Buyer's payment calendar. Payment of the consideration in the amount as set out in the Order shall be complete discharge of the Buyer of all its payment obligations towards the purchase of the goods set out in the order and the buyer shall not be required to pay other or further sums of amounts to the Seller on any account whatsoever. No interest will be applicable for delayed payment if any.

(1.5) At any time prior to its shipment or even thereafter, the Buyer may require the Seller to produce the documents of title to the goods forming the subject matter of the Order.

2. Buyers Options

The Buyer reserves the right, at any time, to change or modify the specifications or delivery dates as also the quantity or quality of the products forming part of the Order, Any difference in price required by such change or modification shall be equitably adjusted and the Order shall be modified in writing accordingly. Buyer further reserves the right to terminate, without assigning any reason or incurring any liability to the Seller whatsoever, all or part of the work to be performed pursuant to this Order. In such an event the Buyer shall not be liable for any incidental or consequential damages or for loss of income or profit to the Seller.

3. Delivery

3.1 Time of delivery and performance by the Seller shall be of essence of the Order. If the Seller fails to deliver the goods



in the quantity or quality or perform his obligations within the time specified therefor in the Order, the Buyer may, without limiting its other rights and remedies provided by this Order or by law: -

(i) By writing, extend the time for supply of the products performance by the Seller of his obligations under the Order, or

(ii) Cancel this Order without any obligation to the Seller, or (iii) Reject the goods in whole or in part; or

(iv) Purchase the goods from any other third party and charge the Seller any loss incurred in this regard; or

(v) Demand and recover from the Seller difference of an amount equivalent to the selling price of the goods that the Seller failed to deliver and price paid to third party in accordance with the Order, which amount shall be recovered as liquidated damages and not penalty.

3.2 The risk of loss of and title to the goods shall not pass to the Buyer unless the Buyer actually receives and accepts the goods at the point of destination. If the Buyer has made any advance payments to the Seller prior the delivery to the Buyer of the goods, then in such an event the title to the said goods shall pass to the Buyer, even if the same is in the possession of the Seller, but the risk of loss shall remain with the Seller until the actual delivery to and acceptance by the Buyer has been made.

(3.3) In the even that the Buyer agrees to accept early delivery of the products, the Buyer shall be entitled to withhold payment in respect of such deliveries until the required delivery date.

(3.4) The quantity of goods as indicated in the Order shall not be exceeded by more than 5% without the prior written authorization from the Buyer. In the event that the Seller supplies the products in quantities excess than permissible limit, the Buyer shall have the option to: -

(a) Accept and retain the excess quantity of the products and pay the amounts in respect thereof to the Seller; or

(b) Return to and at the expense of the Seller, all excess quantities of the products.

4. Shipping advice

Shipping advice shall be given and confirmed by the Seller to the Buyer, at least 1(one) week prior to the required date of delivery of the product, containing such information as loading and unloading port, brief description of the products shipped, name of the vessel, estimated time of deliver or arrival, invoice amount etc.

5. Intellectual Property Rights Indemnification

Seller agrees to indemnify, defend and hold harmless each of

(i) the Buyer, (ii) each of Buyers Affiliates, assigns and successors in interest, as the case may be; and (iii) each of the respective directors, officer and employees of the Buyer from and against any and all losses which may be incurred or suffered by said party and which may arise out of or result from any claim of infringement of any intellectual property rights occasioned by the manufacturer of the products or any other third party.

6. Inspection

(6.1) Buyer shall have a reasonable time after receipt and beneficial use, to inspect and or reject the goods. The Buyer shall, at the risk of the Seller, store all rejected goods for a maximum period of 20 days (subject to the clearance of excise formalities) from the date of such information to the seller within which the Seller shall, at his own cost and expense, arrange for its collection or disposal. If the rejected goods are not collected by the Seller within the aforesaid time, the Buyer shall be entitled to dispose off the same and remit the proceeds thereto the Seller after deduction of disposal cost or storing cost incurred by the Buyer in respect of the rejected goods. The costs of inspection of goods, which are rejected, shall be charged to the Seller. The Seller shall not replace the rejected goods without the express approval of the Buyer. Buyer shall be entitled to adjust expense incurred/paid for goods rejected.

(6.2) In the event that Seller desires to provide samples of the products, the Seller shall obtain Buyers approval in writing in respect of the samples of the products including the process, methods and tooling employed in the production of the products. Buyer shall then have the obligation to ensure that all bulk supplies confirm with the approved samples in all respects.

(6.3) If upon inspection, the Buyer finds that part of the goods received from the Seller are defective or non-confirming, Buyer shall have the right to cancel and terminate the unshipped 2 portion of the Order without incurring any liability to the Seller towards cancellation whatsoever. It is clearly understood between the Parties that any payment of the goods on this Order prior to its inspection shall not constitute acceptance thereof by the Buyer and shall be without prejudice to any claims that the Buyer may have against the Seller, it is also agreed between the Parties that the receipt of the goods by the Buyer for inspection and examination shall not amount to or be construed as acceptance of the same by the Buyer.

(6.4) The making or failure to make any inspection of or payment for the goods, shall not affect the rights of the Buyer to reject non-confirming or defective goods, recover



damages exercise any other remedies to which the Buyer may be entitled notwithstanding the Buyers knowledge of the non-conformity or defect, its substantiality or the ease of its discovery.

(6.5) Buyer shall have the right, without any liability or obligation whatsoever, to cancel the Order or any part thereof if the Seller fails to comply with or fulfill any of the terms of the Order. Provided however that the Buyer reserves the right to carry out repairs of the defective goods, material and parts and to claim and recover from the Seller all costs and expenses incurred in this regard including but not limited to labor costs, material costs and factory overheads.

7. Warranty

(7.1) The Seller represents and warrants to the Buyer and each of its successors, assigns, customers and users of the products that One or more of the following warranties shall apply to goods or services Buyer purchases from Seller:

- (a) Goods. Seller warrants to Buyer and its Affiliates, successors, assigns, customers and end users ("End Users") of the goods or Buyer's products incorporating such goods ("Products") sold by Buyer that all goods provided hereunder shall: (i) be merchantable; (ii) be new upon receipt by Buyer; (iii) be free from defects in material and workmanship; (iv) be free from defects in design, except to the extent the goods are designed by Buyer; (v) be in strict compliance with all specifications, samples, standards, drawings, and performance requirements; (vi) be in compliance with all applicable regulations and other legal requirements concerning the manufacture, labeling, packaging, packing and delivery of the goods including, but not limited to, all the applicable safety, environmental and export regulations; (vii) be selected, designed, manufactured and assembled based upon Buyer's stated use; (viii) be fit for their intended purpose(s); (ix) be free from liens and encumbrances on title; and (x) not, through use or as part of a Product in any way infringe or contribute to the infringement of any intellectual property right in India or elsewhere, and no claim, action or suit alleging any such infringement or contribution to infringement is pending or threatened against Seller, its employees, agents, suppliers or contractors; and (xi) not contain any open source software or other third party software that imposes any obligations or conditions on Buyer's intellectual property or confidential information (collectively "Goods Warranty").
- (b) Seller's obligation under this Goods Warranty shall not be affected by and shall survive delivery, inspection, test, acceptance, payment, and use for a period beginning on the later of the date of installation of the goods or Products, or the date the goods are delivered after a warranty repair or replacement and equal to the longer of sixty (60) months or the duration of any warranty of the goods or Products provided by Buyer in connection with Buyer's sale of its Products,

which durations will be provided by Buyer upon written request and are INCORPORATED HEREIN BY REFERENCE. If nonconformities are identified, Seller agrees, at Buyer's option, to either (a) reimburse Buyer for the full cost of all nonconforming goods and all costs incurred by Buyer in correcting or replacing such goods or Products; or (b) to repair or replace the goods at Seller's sole cost and expense. In the event Buyer elects (b), Seller agrees, at Seller's sole cost and expense, to promptly correct defects in or replace all the goods not conforming to the foregoing warranty. In the event that Seller fails to timely correct defects in or replace nonconforming goods as determined by Buyer in its sole discretion, Buyer, after reasonable notice to Seller, shall then have the right to correct or replace all nonconforming goods with alternate goods and charge Seller for the cost incurred by Buyer in doing so. If nonconformities in the goods are identified after shipment of the goods or Products to Buyer's customer, the goods may be scrapped, retained, or held for Seller's disposition, at the discretion of Buyer, Buyer's customer or the End User. Seller shall promptly reimburse Buyer for all expenses and damages incurred by Buyer, Buyer's customer or the End User regardless of the nature of such expenses or damages as a result of or relating to failure to comply with the foregoing warranty, including but not limited to repair, replacement, rework, removal and reinstallation costs, shipping costs, damages and/or accommodation payments, production delays, payment withholds, field service costs, recall costs, administrative costs and costs of filing and complying with legal and regulatory requirements, including but not limited to those of agencies such as the Consumer Product Safety Commission.

- (c) Software/Firmware. To the extent the goods contain compiled and embedded versions of software needed for the goods to function (individually or collectively, "Firmware") or the goods constitute, include or incorporate software owned or licensed by Seller (individually or collectively, "Software"), Seller hereby authorizes Buyer to sell, resell and/or license the Firmware and Software to Buyer's customers and/or End Users. Seller warrants to Buyer, Buyer's customers and End Users that all Software and/or Firmware sold to Buyer either as a good or incorporated into a good or service shall perform in conformity with the specifications and other documentation provided by Seller describing the functionality of the respective Software and/or Firmware (collectively, the "Software Specifications") for a period of sixty (60) months after installation by End Users (the "Software Warranty" and the "Software Warranty Period", respectively). If the Software or Firmware fails to conform to the Software Warranty during the Software Warranty Period, at Buyer's option, Seller shall promptly repair or replace the Software or Firmware or provide a full refund of the license and other fees paid with respect to the Software (or if Firmware provide a full refund of the purchase price of the good containing such Firmware). If Seller fails or is unable to promptly repair or replace the Software or Firmware, Buyer, Buyer's customer or End Users, as applicable, shall be entitled to a full refund of the license and other fees paid with respect to the Software (or in the case of Firmware a full refund of the purchase price of the good containing

such Firmware). At Buyer's option, Seller will refund Buyer and Buyer will assume any obligation to refund Buyer's customer or End Users.

- (d) Services. Seller warrants to Buyer that all services provided: (i) have been and will be performed in a professional and workmanlike manner and in accordance with current, sound and highest generally accepted industry standards and practices by appropriately licensed, trained, and supervised personnel who are experienced in the applicable field(s); and (ii) do, if applicable, and will conform to and be in compliance with all applicable specifications, performance requirements and other requirements contained in the Order (collectively, the "Service Warranty"). Seller agrees that should any services not conform to the Service Warranty, Seller will re-perform or correct such nonconforming services at at Seller's sole cost and expense. In the event of failure by Seller to do so promptly, Buyer, after reasonable notice to Seller, may perform or correct such nonconforming services and charge Seller for all costs incurred by Buyer thereby. Notwithstanding any other provision, in addition to the foregoing, Seller shall be liable for Buyer's actual costs, expenses and damages related to or arising from services not conforming to the Services Warranty. Seller warrants to Buyer that all documentation and certifications by Seller or Seller's subcontractors or business partners related to the services are current, complete, truthful, and accurate and have been signed or stamped, as applicable, by individuals authorized and qualified to sign or stamp such documentation and certifications. Except for permits and/or licenses required by statute or regulation to be obtained by Buyer, Seller agrees to obtain and maintain - at its sole cost and expense - all permits, licenses and other forms of documentation required in order to comply with all existing national, state, provincial or local laws, ordinances, and regulations, or of other governmental agency, which may be applicable to Seller's performance of work hereunder. Buyer reserves the right to review and approve all applications, permits, and licenses prior to the commencement of any work hereunder.
- (e) Epidemic Failure. If at any time a governmental agency of any country, state, province or municipality requires Buyer to conduct a product safety recall or a field fix program with respect to any goods or services provided by Seller (or any Products), or Buyer voluntarily undertakes such an action related to the goods, services or Products, Buyer will notify Supplier within thirty (30) days of the initiation any such action and Supplier shall reimburse Buyer for all related costs, expenses or damages arising as a result of such recall or field fix program.
- (f) Right of Set Off / Off Set. Buyer shall be entitled to deduct, set off or offset all costs and expenses associated with Seller's failure to comply with the foregoing warranties against any amounts Buyer or any of its Affiliates may owe Seller or any of its Affiliates.
- (g) Return of Non-Conforming Goods. Buyer expressly rejects all return material authorization (RMA) or similar policies of Seller. To the extent Buyer agrees to return any goods, Seller shall cover or reimburse Buyer for the cost of all necessary packaging and shipping. Failure to return any



nonconforming goods that are incorporated into Products in Buyer's customers' possession or installed at End User locations shall not be a bar to recovery of any remedies specified herein.

(7.2) The warranty obligations of the seller set out in clause 7 above are valid for a period of one year or for period as agreed otherwise from the date when the products are put into service or operation.

(7.3) The Seller shall have the obligation, at its own cost and expense, to repair, replace or supplement any defects, defective parts or shortage of the goods which arise due to defective materials or poor workmanship or design as may result upon inspection by the Buyer or its authorized representatives.



(7.4) In the event of restoration or replacement of the products, the Buyer shall extend the warranty period by a period of 6 months each time from the date the warranty works performed by the Seller is approved and accepted by the Buyer.

(7.5) Seller represents and warrants to Buyer to ensure availability of spare part for a period of 10 years from the date of supply.

8. Accounting of Stocks

The Seller shall account to the Buyer, at least one every month, for the raw materials and or the components delivered to the Seller for manufacture of the goods against the Order. In the event that there is any rusting or spoilage or loss of the Materials or components provided by the Buyer, the Seller shall reimburse to the Buyer all costs and expenses in respect thereof.

9. Indemnification

Seller agrees to indemnify, defend and hold harmless each of

- (i) the Buyer
- (ii) each of buyers affiliates, assigns and successors in interest, as the case may be; and
- (iii) each of the respective directors, officers and employees of the Buyer from and against any and all losses which may be incurred or suffered by any such party and which may arise out of or result from any negligence or willful misconduct of the Seller, (b) any breach by the Seller of any of the provisions of the Order in respect of the manufacture and or supply and delivery of the products; (c) any defect in material or workmanship resulting in the failure of the goods to perform to its full capacity as specified in the Order, or
- (d) any breach by the Seller of any of the express or implied warranties herein contained.

10. Contingencies

Performance of any obligations under the Order may be suspended by either party, without liability, to the extent that an act of God, war, riot, fire, explosion, accident, flood, sabotage, strike, lockout or injunction (whether or not such labor event is within the reasonable control of such party) delays, prevents, restricts or limits the performance under the Order, or the consumption, sale or use of the goods or any products manufactured there from or therewith. The affected Party may invoke this provision by promptly notifying the other party of the nature and estimation duration of the suspension period. At the option of the Buyer, either the Order period shall be extended by the term of any such suspension and deliveries committed because of any such

suspension shall be made during the extended period or the total Order quantity shall be reduced by the quantity not delivered during the suspension and in either even. The order shall otherwise remain unaffected. In the event that the Sellers performance is suspended for a period of more than 30 days during the term hereof, Buyer may, at its option cancel the Order upon written notice to the Seller. Provided however it is agreed between the Parties that any such contingency shall not entitle to the Seller to suspend the performance of or fail to supply the goods

(a) for which the consideration, whether in part or in full, has already been paid by the Buyer, or

(b) if the Seller is already in breach or default of any its obligation contained in the Order.

11. Assignment

No right or interest in the Order shall be assigned by the Seller without the prior written consent of the Buyer, and no delegation of any obligation of the Seller shall be made without the prior written consent of the Buyer. The Buyer shall however be free to assign or delegate this order in favour of any third party without obtaining approval from the Seller.

12. Arbitration

(12.1) All disputes, difference or disagreement arising out of, in connection with or in relation to this Order which cannot be amicably settled, shall be finally decided by arbitration to be held in accordance with the provisions of the Arbitration and Conciliation Act, 1996, Any arbitration pursuant hereunder shall be a domestic arbitration under the Applicable law.

(12.2) The venue of arbitration shall be Gurgaon and the language of arbitration shall be English.

(12.3) The arbitration shall take place before a single arbitrator to be appointed by the Managing Director of the Buyer within thirty days of the invocation of the arbitration. The award shall be rendered in English Language and shall be final and binding between parties.

(12.4) Pending the selection of the arbitrator or pending the arbitrator's determination of the merits of any dispute, either Party may seek appropriate interim or provisional relief from any court of competent jurisdiction in India as necessary to protect the rights or property of such Party.

13. Governing laws

This Order shall be construed and the legal relations between the Parties here to shall be determined and governed according to the laws of India and the Courts of Gurgaon shall have sole jurisdiction.

14. Code of Ethics

Seller agrees to conduct all its dealings with Buyer, its management, employees and other business associates, in a very ethical manner.

Seller agrees to comply with the requirements of UTC Supplier Code of Conduct, including: (i) complying at all times with applicable law, including laws prohibiting collusion, conflicts of interests, corruption, and unfair competition; (ii) refraining (directly or indirectly) at all times from offering, promising, attempting to provide, or providing: any corrupt payment; or any Seller's employee or Government Official, any ownership or financial interest in Seller; (iii) promptly and accurately recording in its books and records all transactions and expenses related to its work for the Buyer.

Buyer, in its Code of Ethics strictly prohibits its employees from demanding/ accepting or payment of illegal gratification in the form of bribes or kickbacks either in cash or in kind in the course of all their dealings with outside parties. Buyer shall provide copy of .Code of Ethics. to Seller..

Seller shall refrain from giving or attempting to pay illegal gratification/ bribes/ kickbacks to any employee of Buyer. Any attempts to provide such personal gratification to any Buyer employee will be viewed in a very serious manner and where there is confirmation of such instances, it may lead to: Cessation of all business dealings with Buyer
Blacklisting with Buyer and its associates for any future business.

Reporting of matter to law enforcement agencies.

Appropriate legal action, where necessary.

Seller will provide all possible assistance to investigate any possible instances of unethical behaviour or Code of Ethics violations by an employee of Buyer or an employee of the Business Associate.

Seller will disclose forthwith any breach of Buyers Code of Ethics that comes to its knowledge.

Seller represents that it is not a denied party under any Indian, US or international sanctions regime. It shall notify the Buyer immediately if it breaches this representation. The Buyer has a right to suspend or terminate this Order in event of breach of this clause or if Seller becomes a denied party under abovementioned sanctions regime.

15. The Seller agrees to meet EH&S criteria/deliverables as set out by Buyer, detailed account of which can be obtained from Buyer. The relationship of the Parties under this Order is that of independent contractors. Nothing in this Order shall constitute or be deemed to constitute either Seller as the legal representative or agent of the Buyer, nor shall Seller has the right or authority to assume, create, or incur



any liability or any obligation of any kind, expressed or implied, in the name or on behalf of the Buyer save and except to the extent provided elsewhere in this Agreement.

16. Validity of order: This order shall be deemed to be cancelled after 6 month from the date of issuance of order unless Buyer sent a mail / letter for extension thereof.

16.1 Upon occurrence of the following events, Buyer shall be entitled to terminate this Order and be: (a) relieved of its obligation to make future payments to the Seller; and (b) entitled to recover damages arising from such breach, if:

- (i) Seller fails to perform Services; or
- (ii) Seller subcontracts the whole or part of services or assigns this Order or its obligations under this Order; or
- (iii) Seller fails to provide the services or fail to meet the time line agreed under this Order, or abandon services or plainly demonstrates an intention not to continue performance under this Order; or
- (iv) Seller is in breach of its obligations under this Order, which breach has a material adverse effect on the Buyer and, if capable of remedy, is not remedied by Seller within 24 hours from the date of notice calling upon Seller to rectify the breach; or
- (v) Seller is adjudged insolvent or bankrupt;
- (vi) Any proceedings are instituted by or against the Seller seeking relief, reorganization or arrangement under any laws relating to insolvency, or upon any assignment for the benefits of creditors; and
- (vii) A receiver, liquidator or trustee is appointed of Seller or its property or assets, or the liquidation, dissolution, or winding up of its business.

16.2 The Buyer may terminate this Order at any time with or without cause by written notice to the Seller. In such circumstance, the Buyer shall pay undisputed amount due to be paid for services satisfactorily performed till the date of termination.

16.3 The Buyer may also terminate the Agreement immediately in any of the following events: (i) Seller or any of its directors, officers, or employees becomes for any reason persona non-grata in jurisdiction where services are performed or to any Government, Government Official; or (ii) Seller fails or refuses to cooperate with any audit or investigation by the Buyer. In such circumstance, the Seller shall be: (a) relieved of its obligation to make any future payments to Seller; and (b) entitled to recover damages arising from such breach.

16.4 Upon expiration/termination, Seller shall not make any use whatsoever of the information disclosed or communicated to them by the Buyer hereunder or acquired by Seller in connection with or generated by Seller or as a result of the implementation of this Order and shall return any document/



consignment/ paper/writings in its possession.

16.5 The terms provided in this Order which need to survive shall so survive after termination or expiration of this Order.

17. Audit: Seller agrees to provide upon reasonable notice, or an authorized representative of Buyer, with sufficient access to its operating sites, personnel, and Books and Records (inspection and reproduction) for Buyer to assess and verify Seller's: (i) compliance with agreement; and (ii) accounting and business practices relating to the work performed for Buyer.

15. Privacy:

15.1. Data Privacy Laws means applicable national, state and provincial laws relating to data privacy, the protection of personal information or data, and transfer of personal information or data, including, without limitation, Indian laws and regulations.

15.2. Carrier Personal Information or Carrier PI means any information or data, provided to Seller or its agents or subcontractors in connection with this Agreement and related transactions that relate to any identified or identifiable natural person or in a conflict with applicable law, that is subject to any Data Privacy Laws.

15.3. Seller shall:

15.3.1. comply with all applicable Data Privacy Laws and only collect, access, use, or share Carrier PI, or transfer Carrier PI to authorized third parties, in performance of its obligations under the Agreement, in conformance with Carrier's instructions, or to comply with legal obligations. Seller will not make any secondary or other use (e.g., for the purpose of data mining) of Carrier PI except (i) as expressly authorized in writing by Carrier in connection with Carrier's use of the Services/Goods, or (ii) as required by law;

15.3.2. not share, transfer, disclose or provide access to Carrier PI for any third party except to provide services/goods under the Agreement or as required by law. If Seller does share, transfer, disclose or provide access to Carrier PI to a third party, it shall: (i) be responsible for the acts and omissions of any subcontractor or other third party, that processes (within the meaning of the applicable Data Privacy Laws) Carrier PI on Seller's behalf in the same manner and to the same extent as it is responsible for its own acts and omissions with respect to such Carrier PI; (ii) ensure such third party is bound by a written agreement that contains the same or equivalent obligations and protections as those set forth in this Section; and (iii) only share, transfer, disclose or provide access to a third party to the extent that such conduct is compliant with applicable law;



15.3.3. Security. maintain reasonable and appropriate technical, physical, and administrative safeguards intended to protect Carrier PI, including reasonable access restrictions to any locations containing Carrier PI, such as the storage of such servers and records;

15.3.4. Assistance. provide Carrier with commercially reasonable assistance in deleting, enabling individuals to opt-out, purging Carrier PI upon Carrier's request;

15.3.5. Requests. immediately inform Carrier in writing if it learns of any: (i) complaint or allegation indicating a violation of Data Privacy Laws regarding Carrier PI; (ii) inquiry, complaint, or request from one or more individuals seeking to access, correct, or delete or relating to the collection, processing, use, or transfer of Carrier PI; and (iii) any regulatory request for, subpoena, search warrant, or other legal, regulatory, or governmental process seeking Carrier PI.

15.3.6. Breach. provide written notice to Carrier no later than 48 hours of any actual or reasonably suspected incident of accidental, unauthorized or unlawful destruction, loss, alteration, or disclosure of Carrier PI of which it becomes aware (Security Breach); Seller shall take all reasonable measures to contain and remedy the Security Breach; provide Carrier with information regarding investigation and remediation, and not make any notification, announcement or otherwise authorize any broadcast of information about a Security Breach without Carrier's prior written consent, unless required by law.

15.3.7. Transfer. Seller will only transfer sensitive Carrier PI outside of India where the data principal provides explicit consent, and there are appropriate safeguard in place to protect the sensitive Carrier PI.

15.3.8. Consent. If Seller provides Carrier with personal information protected by Data Privacy Laws, Seller shall ensure that such personal information is provided consistent with applicable law, including obtaining consent / providing notice, and sharing Carrier's privacy notice at <https://www.carrier.com/carrier/en/worldwide/legal/privacynotice>

16. Artificial Intelligence:

The following clauses of this policy are incorporated into Carrier's Standard Terms & Conditions of Purchase which may be found at <https://www.corporate.carrier.com/suppliers/terms-conditions/> (the "Terms") and into any Agreement whenever the Seller delivers goods or services that contain, incorporate or utilize Artificial Intelligence. All capitalized terms used in this policy but not defined shall have the same meaning given to them in the Terms.



Definition and Scope

"Artificial Intelligence" or "AI" shall mean any software, system, algorithm, model, or technology that simulates or exhibits intelligence, learning capabilities, predictive analysis, autonomous decision-making, or content generation, including but not limited to machine learning, deep learning, neural networks, large language models, computer vision systems, and generative AI technologies. This Attachment applies to any goods or services that incorporate, utilize, or are developed using AI.

Disclosure and Documentation

Seller shall disclose to Buyer in writing prior to delivery: (a) the presence of any AI components in goods or services; (b) the functionality, capabilities, and limitations of such AI components; (c) data types processed by AI systems; (d) whether goods or services utilize third-party AI technologies; and (e) a description of the AI governance framework implemented by Seller to ensure the AI systems' safety, security, and compliance with applicable laws and regulations. Such documentation shall be maintained and updated throughout the lifecycle of the AI component.

Compliance with AI Regulations

Seller warrants that all AI components or systems incorporated into goods or services comply with all applicable laws, regulations, industry standards and frameworks governing the development, deployment, and use of AI technologies, including but not limited to data protection, privacy, non-discrimination, transparency, explainability, and sector-specific AI regulations. Seller shall monitor regulatory developments and ensure ongoing compliance with new or amended AI regulations.

Risk Management

Seller shall implement and maintain a comprehensive AI risk management system that: (a) identifies potential risks associated with the development, deployment, and use of AI components; (b) implements appropriate risk mitigation measures; (c) includes regular testing and validation of AI systems; and (d) provides for prompt notification to Buyer of any identified risks, incidents, or vulnerabilities that may affect the goods or services provided.

Transparency and Explainability

Seller warrants that all AI systems are designed with appropriate levels of transparency and explainability suitable to their use case and risk profile. For any AI system that makes or supports decisions affecting individuals, Seller shall ensure that: (a) the system's operation can be explained in understandable terms; (b) decisions can be appropriately reviewed; and (c) human oversight is maintained where necessary.



Data Usage for AI

In addition to complying with Section 15 of the Terms and Attachment A regarding data privacy, Seller warrants that all data used for training, testing, or operating AI systems have been lawfully obtained and processed. Seller shall maintain records of data sources, processing activities, and data governance measures, and shall make such records available to Buyer upon request. Seller shall not use Buyer's data, Proprietary Information, or Intellectual Property to train AI systems beyond the scope necessary to fulfill its obligations under the Agreement without Buyer's prior written consent.

AI Intellectual Property

In addition to Section 5 of the Terms, Seller warrants that it has secured all necessary rights and permissions for any AI-generated content, code, or other outputs incorporated into the goods or services. The ownership of AI-generated outputs developed specifically for Buyer shall be considered "Buyer Project Property" as defined in Section 5. Seller shall implement appropriate measures to track and document the provenance of AI-generated content.

Human Oversight and Accountability

Seller shall maintain appropriate human oversight over AI systems, particularly for high-risk applications. Seller shall clearly define roles and responsibilities for human review, intervention, and accountability in connection with AI systems. Seller shall not deploy fully autonomous AI systems that make critical decisions without meaningful human oversight without Buyer's prior written approval.

AI Auditing and Assessment

Seller shall permit Buyer to audit and assess any AI components upon reasonable prior notice, including through technical documentation review, testing, or third-party verification. Such audits may include bias assessments, security testing, performance validation, compliance verification, or other evaluations deemed necessary by Buyer.

AI Security

Seller shall implement appropriate technical and organizational security measures for AI systems in accordance with industry best practices, including protection against unauthorized access, adversarial attacks, data poisoning, and model theft or manipulation. Seller shall promptly address any identified security vulnerabilities in AI components.



AI Indemnification

Seller's indemnification obligations under Section 5 of the Terms shall extend to any claims, allegations, or damages arising from AI components, including but not limited to: (a) AI system malfunctions or errors; (b) biased or discriminatory outputs; (c) IP infringement claims related to AI-generated content; (d) unauthorized data usage; (e) non-compliance with AI regulations; and (f) failure to implement appropriate safeguards.



EHS Standard Work Instruction (SWI)

SWI Title: EHS requirements CARL Procedure 10

Version 00

Effective Date: Jan15

Scope : The scope is to provide guidelines on EHS requirements that to be followed by Service Provider working at customer site providing mechanical/electrical/compressed gas related job-work services

1. Activity/Action

- (a) To ensure job related EHS training (including but not limited to PPE requirement, Emergency Evacuation, Cardinal Rules, Compressed gas safety as applicable etc.) through "Trainers" trained by Service team/Service EH&S coordinators/Regional EHS Manager before starting the job.
- (b) To ensure EHS inspection to be conducted and understand the Hazard & Prevention & Control before Starting of the Job and submit the same to Service technician.
- (c) Compliance of Carrier Cardinal Rules as per the Safety First card as well as EHS rules & procedures.
- (d) TO use PPE as applicable. (Safety shoes, Safety Goggles Mandatory, Other PPE as applicable to job work)
- (e) Additionally to follow any other safety guidelines given by customer.
- (f) Use secondary containment for waste oils and for other wastes like e-waste, etc., please dispose it through an authorized recycler as specified by company procedures.
- (g) The workmen of Service Provider should be knowledgeable about the emergency exit plan of customer site.
- (h) Compliance to working permits, welding & cutting, working at height, confined space entry as per site requirement.
- (i) All Tools/Tackles, Welding equipment/Electrical equipment shall be inspected before start of the work.
- (j) No electrical portable tool is allowed to use without GFCI/ELCB of 10ma or less trip level.
- (k) Service Provider workmen should carry ID cards as given by the employer and Carrier Safety First Cards to sites.
- (l) Service Provider should put all barricading/visuals/warning instructions during execution of the job.
- (m) Any workmen working on compressed gas/Refrigerant should be trained on handling before the start of work.
- (n) Service Provider shall depute specialized person for specialized jobs like welding, electrical, compressed/refrigerant gas etc.

2. Disciplinary Action Procedure:

Compliance with EH&S rules and procedures will be monitored through inspections / Audits program of Carrier and



recommendation for improvements will be enforced consistently as per Carrier standard policy.

3. EHS Support:

Service Provider can take support from EHS/Service Team if he needs any clarification or further re-orientation on EHS rules and procedures.