



# General conditions of business cooperation with the Sava Insurance Group

## 1 Definition of terms used

**Supplier (contractor)** – any business entity that supplies goods or provides services to the buyer.

**Buyer (client)** – the company Sava Re d.d. and all other companies of the Sava Insurance Group.

**Purchase order** – when the client requires (1) a specific service, (2) specific goods, or (3) anything else for the client’s business operations:

the parties enter into a separate written contract (e.g. a sales contract, contract for services, licencing agreement or any other written agreement), or

the client shall issue a written purchase order to the contractor, or

the client places the order in another written form, including by e-mail or other electronic means.

The term “**purchase order**” shall apply to all of the above.

**Parties to the procurement procedure or contracting parties** – the buyer (client) and the supplier (contractor) based on a purchase order placed.

**Acceptance document** – a written document confirming that the quality and quantity of the goods or services supplied have been appropriate.

**Sava Insurance Group** – all members of the Sava Insurance Group as presented on the website:

<https://www.sava-re.si/en-si/sava-insurance-group/organisation/>.

## 2 General provisions

- 2.1. General Terms and Conditions of Business Cooperation (hereinafter: the Conditions of Cooperation) with Sava Re d.d., Dunajska Cesta 56, 1000 Ljubljana, Slovenia (hereinafter: the buyer) apply to all purchase orders issued by the buyer to the supplier.
- 2.2. If a supplier receives a purchase order from Sava Re in respect of two or more companies of the Sava Insurance Group, Sava Re's Conditions of Cooperation apply to all companies. Any exceptions are agreed in writing when the purchase order is placed.
- 2.3. These Conditions of Cooperation govern relations arising from the business cooperation between the buyer and the supplier. They are solely and fully applicable to the buyer's purchase order procedures, and the buyer does not recognise any general conditions of the supplier or contractor.
- 2.4. For the avoidance of doubt, the buyer shall consider the supplier's offer/quotation, confirmation or execution of the purchase order as the supplier's acceptance of the buyer's (client's) Conditions of Cooperation, to which the supplier fully agrees. The buyer reserves the right to set specific terms and conditions of business cooperation (hereinafter: special conditions) applicable in addition to these Conditions of Cooperation, which need to be specified in writing in the purchase order. In the event of any conflict between the special conditions and these Conditions of Cooperation, the provisions of the special conditions prevail and these Conditions of Cooperation remain binding in their entirety and apply to the parts not covered by the special conditions.
- 2.5. Any general or other conditions of cooperation, whether in paper, electronic or any other form, provided by the supplier as part of a particular purchase order are not binding on the buyer unless the buyer expressly confirms and specifies in writing which part of the supplier's terms and conditions applies to the particular purchase order.
- 2.6. Under these Conditions of Cooperation, the supplier also agrees that the data obtained in the course of each purchase order process will be processed in the buyer's computer system.

## 3 Request for quotation, quotation/offer and purchase order

- 3.1. In the event of a request for quotation or invitation to tender, the buyer reserves the right:
  - not to select an offer/quotation,
  - to negotiate a lower price after receiving a quotation,
  - not to accept items that are listed as optional in a quotation,
  - to place part of the purchase order with other suppliers, and
  - not to offer an explanation to unsuccessful tenderers and not to notify unsuccessful tenderers of the selection.
- 3.2. Quotations made by the supplier are free of charge and non-binding on the buyer. Quotations must include all information requested by the buyer in the request for quotation, but at least item, quality, quantity and price, payment terms and conditions, and delivery method. In some cases, samples are a required element of the quotation. Unless specified otherwise in the request for quotation, the due date for submitting quotations is two working

days after receipt of the request. The supplier is bound by the offer/quotation made until its expiry, which must not be earlier than 14 days from the date of the quotation. Offers/quotations are deemed to have been accepted, if they have been confirmed in full by the buyer, without any written proposal to amend them, by placing a purchase order before their expiry date.

- 3.3. The buyer places purchase orders with the supplier in writing. Any verbal agreements made in connection with the purchase order are not binding on the buyer unless confirmed in writing by the buyer.
- 3.4. The supplier shall notify the buyer of the receipt of a purchase order within two business days of the order's issue date. Failure to do so is deemed to constitute the supplier's agreement to the terms and conditions of the purchase order and acceptance of the purchase order in full, and the buyer reserves the right to cancel the purchase order without any liability for damages. The supplier cannot change the content of a buyer's purchase order in the purchase order confirmation note. Cancellation of a purchase order is deemed to have been made in good time if it is sent to the supplier before the buyer has received the supplier's order confirmation.
- 3.5. Once the supplier has received and confirmed the purchase order, the sale is deemed concluded and is mutually binding, with the Conditions of Cooperation forming an integral part of the purchase order.

## **4 Supply and acceptance**

- 4.1. The supplier must provide the goods or services in accordance with the terms of the purchase order. In general, goods or services are supplied directly to the buyer and/or to a specified location, unless otherwise specified in the purchase order.
- 4.2. The goods or services provided by the supplier or contractor must comply with applicable safety, environmental and other regulations. The supplier must make available to the buyer, upon receipt of the goods or provision of the service, all necessary documentation relating to the goods and/or the service provided (e.g. assembly plans, installation and assembly instructions or operating and maintenance instructions). The supplier shall deliver the full documentation in the buyer's language and, at the buyer's request, in other languages.
- 4.3. The supplier shall immediately notify the buyer of any circumstances that may cause a delay in the delivery of the goods or the performance of the services. Unless otherwise agreed in writing, the timeliness of delivery of the goods and completion of the services is determined by acceptance at the agreed place, which is the registered address (registered office) of the buyer.
- 4.4. Acceptance is confirmed by signing a written acceptance document. The acceptance document must show the nature of the goods or services, the quantity and quality, the date and place of acceptance, the purchase order number and the name of the representative of the supplier and the buyer, both in capital letters. The signed acceptance document is the basis for invoicing. If the invoice is not accompanied by a signed acceptance document, the buyer may reject the invoice.

## 5 Destination and passage of risk of loss or damage

- 5.1. The risk of loss or damage passes on to the buyer on the date of acceptance in the case of deliveries involving installation or erection and in the case of services, and on the day of delivery at the place of destination in the case of other supplies.
- 5.2. The supplier is liable for any loss or damage caused by improper packaging. The supplier must remove all transport, sales and service packaging at its own expense. Unless otherwise agreed, the supplier shall reimburse the buyer for the return of reusable packaging.
- 5.3. The supplier must warn the buyer of any hazardous waste that may be generated and indicate possible disposal options. At the request of the buyer, the supplier must accept, free of charge, any hazardous waste arising from the supply or use of the goods or the provision of services. If the supplier refuses to accept such waste or if such acceptance is not possible, the buyer shall arrange for the disposal of the waste, the cost of which is borne by the supplier.

## 6 Delivery period and penalty for late delivery

- 6.1. Unless the parties have agreed otherwise, the period for delivery of the goods or performance of the services starts on the date on which the buyer issues the purchase order to the supplier. The delivery of the goods or performance of the services is deemed to have taken place on time if, by the expiry of the time limit, all the supplier's (contractor's) obligations under a purchase order have been fulfilled free of defects or deficiencies – in the agreed quantity and quality – and a written acceptance document has been signed by the buyer (client).
- 6.2. Unless otherwise agreed in the purchase order, if goods have been delivered late, the buyer is entitled to claim liquidated damages of 0.5% of the total value of the purchase order for each started calendar day of delay, up to a maximum of 20% of the total value of the purchase order. The buyer reserves the right to claim damages in excess of the amount of liquidated damages. The buyer reserves the right to impose a penalty for late delivery even after acceptance of the late delivery.
- 6.3. In the event of delay, the buyer is entitled to withdraw from the purchase order after the expiry of a reasonable period of grace granted to the supplier. If the delivery time is an essential part of the purchase order, the buyer is not obliged to grant an extension of the delivery term.

## 7 Special provisions on performance of works procured

- 7.1. The supplier shall perform the accepted work in accordance with the approved technical documentation. The work must be carried out professionally, accurately, in accordance with applicable regulations, standards and professional practices, and using materials the quality of which has been previously approved by the buyer.
- 7.2. Prior to starting work, the supplier shall provide evidence of the suitability of all materials, equipment and systems to be installed.

7.3. The supplier may only subcontract the performance of its obligations under the purchase order to its external professional staff with the prior written consent of the buyer. In this regard, the supplier is liable for the work or services performed as if they had been performed by the supplier. The supplier must meet all obligations to subcontractors for work carried out, otherwise the buyer may pay the subcontractors directly instead of the supplier.

7.4. The supplier must keep a log of the work carried out. On completion of each stage and all work, the supplier must notify the buyer thereof and invite the buyer to inspect the work. On completion of the work, the supplier must provide the buyer with warranty documentation for the installed systems and appliances.

## **8 Payment terms and payment**

8.1. Prices and payment terms are agreed at the time of quotation negotiation and confirmed for each purchase order. The agreed price is final and cannot be changed unilaterally by the supplier. Unless otherwise stated in the purchase order, the price includes delivery and transport to the place of delivery specified in the purchase order, including the cost of packaging and its removal and destruction.

8.2. The supplier sends the invoice to the buyer immediately, but no later than eight days after the acceptance. The invoice must comply with the legal requirements and be accompanied by a copy of the acceptance document; the invoice must contain the purchase order details (purchase order number and date). If the invoice is not complete, the buyer may reject it or request that it be completed, extending the payment period by the time of the late delivery of the relevant documents.

8.3. To meet the goal of paperless operations, the buyer may request that invoices be issued in electronic form and sent to the buyer's agreed address. Only in exceptional circumstances will the buyer accept a paper invoice from a supplier.

8.4. The buyer shall reject any invoice which is not made in accordance with the applicable law, the buyer's instructions, in particular as regards order details, or the rules on tax obligations. In this case, the invoice is deemed not to have been issued and the time limit for payment has not started to run.

8.5. Payment must be made in accordance with the conditions set out in the purchase order. The payment period for an invoice starts on the date on which the buyer signs the written acceptance document and receives the duly issued invoice with the required attachments.

8.6. The buyer shall pay the amounts due by bank transfer to the supplier's bank account by set-off.

## **9 Quality, complaints and warranty**

9.1. The parties establish the quality and quantity at the time of delivery and confirm this in a written acceptance document.

- 9.2. The supplier warrants that, at the time of delivery of the goods or completion of the service, the goods or service supplied will meet the agreed requirements and will be free from defects that would affect their value or usefulness.
- 9.3. The buyer shall notify the supplier in writing (in the form of an e-mail or a complaint note) of any non-conformity of the goods delivered or services rendered within six months of the date on which the non-conformity was discovered, during which period the buyer may point out any defects or make a claim in respect of both hidden defects and defects that could have been detected at the time of signing of the acceptance document. The supplier is liable for defects occurring within two years from the date of signing the acceptance document.
- 9.4. Upon receipt of a complaint or notice of defect, the supplier must send the buyer a written response within two workdays.
- 9.5. The supplier shall remedy the complaint or defect within a reasonable time, not exceeding 15 days.
- 9.6. The buyer is not obliged to pay for the purchase order which is the subject of the complaint or which the buyer has refused to accept. The buyer may withhold payment until the defects or deficiencies are remedied. Payment in full does not constitute an acknowledgement by the buyer that the performance of the order is proper and free from defects, nor does it constitute a waiver of the buyer's rights under the guarantee against defects and/or the warranty.
- 9.7. The parties may agree that the buyer may withhold payment of up to 10% of the order value during the warranty period as security for warranty claims. No interest is paid on the retained funds.
- 9.8. If the supplier fails to remedy the complaint or defect, the buyer is entitled in particular to (this list is not exhaustive and is given by way of example only):
- withdraw from the contract, in whole or in part, without compensation,
  - demand a reduction in the price,
  - carry out the repair itself, purchase new goods or have goods supplied or services rendered by a third party at the supplier's expense, and
  - claim damages.
- 9.9. The supplier shall bear the cost and risk of loss for the return of defective goods delivered.
- 9.10. The supplier shall bear the consequences of any disruption to the business process due to poor quality, quantity or any other defect. The level of compensation is calculated on a case-by-case basis.
- 9.11. The supplier must notify the buyer immediately of any defect in the goods or services of which he is aware to limit any subsequent adverse consequences.

- 9.12. The supplier must, at its own expense, defend and indemnify the buyer against any legal proceedings brought against the buyer by third parties in connection with the purchase order and against all costs and damages incurred by the buyer.
- 9.13. Unless otherwise agreed, the supplier provides a warranty against defects in the goods and services supplied for a period of 24 months for each purchase order of goods supplied and services rendered. The warranty period starts on the date of acceptance of the goods or services by the buyer and, in the event of a complaint, starts again after the defect has been rectified. For the avoidance of doubt, the warranty under this section 9.13 of these Conditions of Cooperation is in addition to the liability for defects under sections 9.2 and 9.3 of these Conditions of Cooperation, and the Buyer may therefore assert rights under both the liability for defects under sections 9.2 and 9.3 and the warranty under this section 9.13 of the Conditions of Cooperation.
- 9.14. The supplier undertakes to offer the buyer assistance in the event of litigation in connection with a purchase order, and to provide to the buyer promptly with the name of the manufacturer, importer, sub-supplier or subcontractor involved in the performance of the purchase order, including all information necessary to defend against product liability claims, as well as all necessary documentation relating to the goods or services delivered.
- 9.15. The supplier must provide the buyer with spare parts for the goods or services supplied for at least ten years after the goods or services have been supplied. If the supplier discovers that the manufacturer has ceased to produce spare parts, the supplier must inform the buyer immediately or at least six months before production ceases.

## **10 Special provisions for hardware and software**

- 10.1. Unless otherwise agreed, hardware and software are regarded as a single unit.
- 10.2. Software specially developed for the buyer is deemed to have been accepted when it has run satisfactorily and without error in accordance with its specifications for a trial period of at least four weeks. In case of doubt, this period runs from the first day of the buyer's commercial use of the software.
- 10.3. As part of its warranty obligations, the supplier shall make available to the buyer, free of charge, all versions of the software that contain corrections and updates. Furthermore, the supplier agrees to provide maintenance for the software supplied to the buyer at prevailing market rates for at least five years.
- 10.4. Unless otherwise agreed, the supplier shall provide the buyer with the source code for the software supplied on an appropriate electronic medium at the latest at the time of delivery. In addition, the supplier shall provide the buyer with all system passwords and all other necessary instructions (e.g. operating instructions, content and structure of the data carrier, data flow program and plan, test procedures and programs, and error handling) required by the buyer for the smooth operation of the software.
- 10.5. Section 12.1 of these Conditions of Cooperation also applies in full to the software supplied, i.e. the supplier warrants that it has the full right to transfer to the buyer the

intellectual property rights to the software and, unless otherwise agreed in writing in the individual purchase order, the supplier (contractor) transfers to the buyer, on the basis of the individual purchase order and in accordance with section 12.1 of these Conditions of Cooperation, all intellectual property rights to the software that is the subject matter and content of the individual purchase order, in the manner set out in section 12.1 of these Conditions of Cooperation. The buyer is granted the intellectual property rights in the software worldwide, unrestricted in scope and unlimited in time (i.e. perpetual). The buyer may transfer the intellectual property rights in the software, whether or not for consideration, without the consent of the supplier.

10.6. For the avoidance of doubt, in accordance with section 10.5 above, all intellectual property rights in the source code of the software also pass to the buyer so that the buyer is free to use, reproduce, modify or otherwise use and exploit the software and the source code of the software, whether or not in modified form, without the consent from the supplier and without any additional compensation being payable by the buyer.

10.7. If the supplier has developed its software on the basis of third-party software (e.g. Microsoft, IBM or Oracle), the supplier shall ensure that the buyer has the right to modify the developed software, whereas the supplier is not obliged to provide the source code in relation to software from other vendors.

10.8. The buyer reserves the right to test the supplier's IT environment to ensure that the buyer's IT assets and databases are adequately protected. Environments that may be involved in such testing include, but are not limited to, the following circumstances:

- the uninterrupted execution of business processes;
- ensuring business continuity, including disasters preparedness and recovery;
- monitoring of disaster recovery testing;
- procedures for data backup, copying, recovery and transfer, including on-site verification that the backup media are readable, on-site verification of records / data management equipment; and
- procedures and conditions for data protection, including the right to carry out a baseline assessment of the security and availability of data, and to carry out a periodic scheduled penetration test.

## **11 Contract suspension, amendment and withdrawal**

11.1. The buyer reserves the right to request from the supplier to suspend the execution of the purchase order at any time. If the suspension lasts continuously for more than three months, the supplier may submit to the buyer a detailed statement of the costs thus incurred. After three months of suspension, the supplier may begin to charge the buyer for such costs, except for those relating to the first three months. The costs incurred due to the suspension of the purchase order do not include any loss of expected profit.

11.2. If the contractor:

- becomes insolvent or a court order is made for the commencement of a compulsory arrangement or bankruptcy proceedings, or
- fails to start performance of its obligations under the contract either within the contract period or within a subsequent period specified by the client, or



- fails to meet the agreed standards of performance under the contract either within the contract period or within a subsequent period specified by the client, or
- fails to perform its obligations under a particular purchase order, or
- acts in a manner that directly or indirectly damages the reputation of the client,

the client may withdraw from the purchase order without notice. In such a case, the contractor is liable for any damages resulting from the client's withdrawal from the contract and/or the individual purchase order.

11.3. The client may also withdraw from the contract with immediate effect and without notice if:

- a. the contractor has committed a criminal offence or is the subject of a criminal investigation or prosecution;
- b. the contractor has been involved directly or indirectly in or associated with any situation, business or activity (whether caused by the contractor or a third party) that:
  - in the opinion of the client, adversely affects the reputation of the client or any aspect of its business, in particular the reputation of the client's trademarks or services;
  - would bring the client or any aspect of its business into disrepute, scandal, ridicule or contempt, or be likely to shock, offend or insult the public in any territory in which the client operates;
  - may affect the delivery, successful sale and use of the client's products or services;
- c. due to non-compliance with human rights, legislation or tax, labour, occupational health and safety, environmental or personal data protection regulations or any other regulations relating in any way to the contractor's business and operations, the contractor is the subject of judicial, administrative, inspection, supervisory or any other proceedings, measures or sanctions;
- d. performance of the contractual obligations would constitute a breach of any trade or economic restrictive measures or sanctions adopted by international organisations or individual countries;
- e. the contractor's agents (legal representatives, proxy holders or other), attorneys, promoters, founders, shareholders, owners, supervisors, employees or any other person connected with the contractor are directly or indirectly involved in or associated with any corrupt practice, even if only suspected of such corrupt practice;
- f. the contractor obtains benefits and advantages from the business relationship by misrepresenting the product or service to the detriment of the client's reputation;
- g. the contractor fails to act as a diligent manager in the contractual relationship and to protect the interests of the client; and
- h. in any other case similar to any of the cases referred to in section 11.3 of these Conditions of Cooperation.

The occurrence of any situation as defined under section 11.3 of the Conditions of Cooperation are deemed to be a material breach of the purchase order by the contractor and constitute sufficient grounds for the client's withdrawal from the purchase order with immediate effect and without notice, whether or not the contractor caused the situation or whether or not the contractor is responsible for the occurrence of such situation.

- 11.4. The client, as a contracting party, is not liable for any untrue or inaccurate statements made by the contractor to third parties. If the contractor causes material or moral damage to third parties by making false or inaccurate statements, the client has the right, in addition to the right to cancel the purchase orders with immediate effect and without notice, to demand that the contractor pay compensation for the damage.
- 11.5. The existence of any of the circumstances referred to in sections 11.2, 11.3 and/or 11.4 of these Conditions of Cooperation or any breach by the contractor of any contract or purchase order constitutes grounds for the client to terminate, with immediate effect and without notice, some and/or all of the contracts and purchase orders concluded with the contractor (cross-default clause).
- 11.6. A contract or purchase order concluded for an indefinite period may be terminated by either party to the procurement procedure by giving three months' notice, unless otherwise agreed in writing.
- 11.7. To be valid, modifications to an individual purchase order concluded must be in writing.

## 12 Intellectual property rights

- 12.1. The supplier warrants that it has the full right to assign to the buyer the intellectual property rights in the goods and services supplied, failing which it is liable to the buyer for all damages. Unless otherwise agreed in writing in the individual purchase order, the supplier (contractor) assigns to the buyer (customer) on the basis of each individual purchase order all intellectual property rights to the goods, services, products, articles and other items which are the subject matter and content of the individual purchase order. Intellectual property rights include, but are not limited to, patents, utility models, rights in inventions, copyright and related rights, all other rights related to or arising from copyright, trademarks and service marks, business names and domain names, rights in visual identity and trade dress, reputation and the right to sue for counterfeiting or unfair competition, know-how, design rights, database rights and all other intellectual property rights, whether registered or unregistered, including all rights to apply for, grant, obtain, renew, extend and expand intellectual property rights, and all similar or equivalent rights or forms of protection now existing or existing in the future in any part of the world. The contractor shall grant to the client irrevocable, fully transferable, non-exclusive, unrestricted (perpetual, worldwide and for any purpose) and royalty-free intellectual property rights as the assignment of the intellectual property rights is already included in the contract price of each individual purchase order. The transfer of intellectual property rights applies in particular to the right of public display, the right of making available to the public, the right of reproduction, the right of distribution, the right of rental and the right of transformation, all of which may be exercised by the client in electronic, printed or other form or by any other means. In particular, the transfer of the right to process means that the customer may supplement or modify the goods and/or services supplied, or may use and process the goods and services as he sees fit.
- 12.2. Materials, samples and the like made available by the buyer to the supplier for the purpose of performing the purchase order remain the property of the buyer and must be stored, labelled and managed separately. Any related costs as well as the risk of loss of or

damage to materials are borne by the supplier. Such materials may only be used for the performance of the order.

- 12.3. The supplier will ensure that the performance of individual purchase orders does not infringe any intellectual property rights of the buyer, whereby the term intellectual property rights has the meaning set out in section 12.1 of these Conditions of Cooperation.

### **13 Trade secrets and confidential information**

- 13.1. For the purposes of performing an individual purchase order, the buyer (client) will disclose to the supplier (contractor) business information, data and trade secrets (hereinafter: "confidential information").

- 13.2. Confidential information that has the nature of a trade secret or represents a secret or confidential piece of data includes any data (e.g. information, technical specifications, drafts, sketches, pictures, specifications, standards, operating instructions, designs, reports, forms, processes, information, lists, patents, trademarks, trade secrets, computer programs, software, databases and software documentation, and confidential business data containing information, know-how, financial, pricing or marketing data relating to the business operations of the party disclosing the confidential information) provided in any form or manner, i.e., oral or written, in coded, graphic or other tangible form, including any electronic, magnetic or optical form, materialised in the form of documents, software, promotional or demonstration materials, equipment and pilot projects, and in immaterialised form when presented orally and identified as confidential. The term confidential information (trade secrets) also includes information that would clearly result in significant loss if disclosed to an unauthorised person.

- 13.3. The contractor shall not disclose confidential information to unauthorised third parties or to unauthorised employees of the contractor who have no direct interest in or involvement in the handling of a particular purchase order (hereinafter: unauthorised persons) in order to prevent significant damage to the client in the event of disclosure of confidential information to unauthorised persons. The contractor shall restrict access to confidential information to only the persons involved in performance of a purchase order.

- 13.4. The contractor takes note of the fact that Sava Re is a public limited company listed on an organised market and is therefore subject to special provisions regarding inside information under the Market in Financial Instruments Act. The contractor undertakes to protect any inside information obtained as a trade secret in accordance with the applicable legislation and any additional instructions of Sava Re, and undertakes not to misuse such information, either for its own account or for the account of a third party.

- 13.5. The contractor undertakes to keep confidential any confidential information it receives from the client and also undertakes not to use it in any way other than as agreed in the contract. Confidential information may only be used for the business cooperation for which it was obtained.

- 13.6. Confidential information does not include information that is publicly available. The request for protection of confidential information ceases on the date on which the

information or parts thereof become public, unless the confidential information becomes public as a result of a breach of a specific order by the contractor. In addition, there is no obligation not to disclose (or not to use) confidential information in any of the following cases:

- a. if the contracting party has given its prior written consent to the disclosure or use of such confidential information;
- b. if the client has lawfully received such information from a third party without any obligation of confidentiality;
- c. if the information has been independently developed or has come into the possession of the client without any indication that the information or data is confidential; or
- d. if the client discloses the information to any judicial, administrative, inspection, regulatory or other public authority or body which has requested such information from the client, contractor agrees to:
  - before any disclosure of confidential information, promptly inform the client in writing of the existence, conditions and circumstances of any such request by the authority;
  - consult with the client on the use of available legal remedies to resist such a request by the authority and/or to limit the scope of such a request by the authority, while allowing the client to take such legal remedies itself;
  - determine with the client the content and form of the confidential information to be disclosed to the authority in accordance with the law; and
  - where disclosure of confidential information is required by law, will use its best efforts to obtain reliable written assurances that the information disclosed will be treated as confidential.

13.7. The contractor undertakes to ensure that its employees involved in each purchase order are aware of the provisions of these Conditions of Cooperation, that they adequately protect the information provided and that they are aware of its confidentiality. They are also bound by the obligations set out in these Conditions of Cooperation.

13.8. The contractor acknowledges that a breach of the provisions of section 13 may cause damage to the client. Therefore, in the event of a breach, the client has the right to seek judicial redress by requiring the contractor to immediately put an end to the threatened or actual breach. In addition, a contractor who breaches the provisions of section 13 shall indemnify the client against any pecuniary or non-pecuniary loss (including loss of profit) arising from the breach and shall return any unjustified benefit.

13.9. The obligation to protect confidential information does not cease when a purchase order is terminated, regardless of the reason for termination.

13.10. In the event that a purchase order is terminated, the contractor shall promptly return to the client all documents and data (whether confidential or otherwise) received by the contractor under or in connection with the purchase order.

## **14 Ensuring adequate staffing and contractor guarantees**

14.1. The contractor guarantees that it will perform the services under each individual purchase order professionally and in accordance with applicable law and the standards and/or norms established by the manufacturers and/or market realities for the services that

are the subject of each individual purchase order. The contractor shall perform the services with the degree of skill, care, prudence, efficiency, foresight and timeliness that would be expected of a leading company in the relevant industry or business.

14.2. The contractor also guarantees that it will carry out the subject of each purchase order with appropriately qualified or certified professional staff, which the contractor will demonstrate to the satisfaction of the client upon request. The number of qualified staff must be sufficient to meet the requirements of the purchase order at the time of its performance. If the client considers the performance of one or more of the contractor's professionals to be unsatisfactory, the client has the right to require the contractor to replace them with other professionals of equivalent qualifications at no cost to the client.

14.3. The contractor may only subcontract the performance of its obligations under the contract to external professionals with the prior written consent of the client. The contractor undertakes that the subcontractors so engaged will have the requisite expertise and will fully comply with the terms and conditions of the specific purchase order. The contractor is liable for the services provided by its outside professionals and subcontractors under a particular purchase order as if they had been fully provided by the contractor.

14.4. The contractor further undertakes to:

- apply all the knowledge and experience gained in its business to the performance of its duties under each purchase order and to fulfil its obligations under each purchase order in accordance with the standard of a first class professional;
- perform the duties under each purchase order diligently, professionally, to the standard of workmanship and within the time limits specified in each purchase order, and to provide the client with the required documentation;
- provide the client with all relevant information concerning the subject of each purchase order and inform the client of all circumstances relevant to the performance of the rights and obligations of the parties;
- manage the internal supervision of the execution of the work and tasks under each purchase order;
- promptly inform the client of any reasons for delay in the performance of the contractually agreed services;
- monitor the further development of the technology which is the subject of the contract and keep the client informed of new guidelines, trends and methodologies in the field; and
- provide industry-standard intrusion protection and, where appropriate, recommend the installation of security patches and upgrades to the system environment to provide even greater protection.

## 15 Information security system

15.1. The contractor shall allow the client to examine the information security system of the contractor as required to ensure that information security is part of contractor's process for providing services to the client. The contractor shall allow the client to have the contracted services audited by a certified internal or external auditor of the client or by a regulator authorised to supervise the client. The client shall give the contractor at least seven days' notice of any audit of the contracted services, unless otherwise required by law or by a competent authority. The scope of the audit reviews is limited solely to the contracted services provided or the processes and activities undertaken by the contractor to provide the

contracted services. The audit team is to carry out its activities during the normal working hours of the contractor, and the contractor shall provide adequate access to the areas being audited, including infrastructure, staff and existing documentation, as well as an adequate working space for the audit team, including access to the software.

15.2. During the audit, the contractor shall provide the audit team with access to all its original documents and data, both physical and logical, necessary to achieve the audit objective. The client reserves the right to obtain the necessary data/information by appropriate direct access to the media on which it is stored. The client has the right to access data files and databases containing or relating to the contractor's data using audit software and other data collection and reporting tools. The client reserves the right to test the contractor's IT environment to ensure that the client's IT assets are adequately protected. Areas that may be subject to such testing include, but are not limited to, the following:

- business continuity, including preparedness and recovery after disasters;
- monitoring of disaster recovery testing;
- procedures for backing up, restoring and transferring data, including checking that the backup medium is readable and verifying records / data management tools on site;
- procedures and conditions for data protection and confidentiality, including the right to conduct a baseline security/confidentiality assessment, periodic security/confidentiality reviews and planned penetration tests.

15.3. If the contractor remotely troubleshoots performance issues in the client's computer applications or related systems that are the subject of a particular purchase order, the client reserves the right to track the contractor's activities on those systems in a manner that allows full monitoring of all activities performed using mechanisms that allow remote working. This includes appropriate technical tools to monitor and track events that are logged or imaged.

15.4. If an audit review reveals no irregularities or finds minor irregularities that do not constitute a breach of the purchase order placed, the audit costs are borne by the client. If the audit review reveals irregularities that constitute a breach of a specific purchase order, the audit costs are borne by the contractor.

## 16 Personal data processing

16.1. Where processing of personal data is involved in the performance of a purchase order, an obligation under a purchase order or the monitoring of the performance of a purchase order, the following applies: Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (hereinafter: General Data Protection Regulation) and any national personal data protection legislation applicable to the client. The contractor undertakes to fully comply with the provisions of the General Data Protection Regulation and the national data protection legislation applicable to the client in the performance of the purchase orders, regardless of whether the personal data are disclosed to the contractor during the direct provision of services or the supply of goods at the location of the controller or processor, in the course of monitoring the implementation of the provisions of a particular purchase order, by means of written documentation or in any other way.

16.2. As regards the processing of personal data for the client, the service provider undertakes:

- a. to process personal data only in accordance with documented instructions from the client, including with regard to the transfer of personal data to a third country or an international organisation, unless required by European Union or Member State law to which the service provider is subject; in such a case, the service provider shall inform the client of that legal requirement before processing, unless that law prohibits such information for important reasons of public interest;
- b. to ensure that persons authorised to process the personal data have committed themselves to confidentiality or are subject to an appropriate legal obligation of confidentiality;
- c. to take all necessary measures in accordance with Article 32 of the General Data Protection Regulation and to inform the client of the measures taken;
- d. not to engage another processor without the prior specific or general written authorisation of the client. In the case of a general written authorisation, the contractor shall notify the client of any intended changes regarding the addition or replacement of other processors and give the client the opportunity to object to such changes. Where the service provider engages another processor to carry out specific processing activities on its behalf, that other processor is to be subject to the same data protection obligations as set out in the contract or other legal act under European Union or Member State law between the client and the service provider, in particular sufficient guarantees to implement appropriate technical and organisational measures in such a way that the processing complies with the requirements of the General Data Protection Regulation. If that other processor fails to fulfil its data protection obligations, the contractor remains fully liable to the client for the performance of that other processor's obligations;
- e. taking into account the nature of the processing, to take appropriate technical and organisational measures, as far as possible, to assist the client in fulfilling his obligation to respond to requests to exercise the rights of the data subject as set out in Chapter III of the General Data Protection Regulation;
- f. to assist the client in ensuring compliance with the obligations set out in Articles 32 to 36 of the General Data Protection Regulation taking into account the nature of the processing and the information available to the contractor;
- g. at the client's choice, to delete or return to the client all personal data after the end of the provision of the services related to the processing, and to delete existing copies, unless European Union or Member State law requires storage of the personal data;
- h. to make available to the client all information necessary to demonstrate compliance with the obligations set out in this article and to allow and cooperate with audits, including inspections, conducted by the client or any other auditor appointed by the client, and to inform the client immediately if the contractor believes that any instructions are in breach of the General Data Protection Regulation or any other data protection legislation of the European Union or any Member State;
- i. to enter into a contract with the client or adopt another legal act under European Union or Member State law, which is binding on the contractor with regard to the client and which sets out the scope and duration of the processing, the nature and purpose of the processing, the type of personal data and the categories of data subjects, and the obligations and rights of the client as the controller. This contract or other legal act is to

specify the contractor's compliance with the obligations set out in the previous indents and any other relationship relating to the protection of personal data. The contractor shall not process any data until the requirements set out in this indent have been met.

## **17 Duty to cooperate in audit**

- 17.1. Aware of the buyer's business activities and the fact that the buyer is subject to ongoing external audits and the supervision of the regulator, the supplier agrees to allow the audit team to audit agreed and performed services by the buyer's internal audit, an external auditor designated by the buyer or the regulator.
- 17.2. The buyer shall give the supplier at least seven days' notice of any audit of agreed and performed services, unless otherwise required by law or by the competent authority. The scope of the audit reviews is limited exclusively to the agreed and performed services, processes and activities provided by the supplier to the buyer.
- 17.3. The audit team shall perform its activities during the normal working hours of the buyer and the supplier. The supplier shall ensure adequate access to the areas to be audited, including infrastructure, staff and existing documentation, and adequate working space for the audit team, including necessary access to the software.
- 17.4. During the audit, the supplier shall provide the audit team with access to all its original documents and data, both hard and soft copy, necessary to achieve the audit objective. The authorised audit team has the right to obtain the necessary data and information relating to the supplier or the goods or services supplied by having appropriate direct access to the data media on which that data and information are stored.
- 17.5. For the purpose of the audit, the supplier shall allow the buyer to use audit software and other tools to access and compile data and produce reports from data files and databases containing data owned by or relating to the supplier and relating to the particular purchase order.

## **18 Health and safety at work**

- 18.1. The supplier shall perform this purchase order in accordance with the law on health and safety at work and shall comply with any special protocols, measures and requirements that may arise in the performance of any purchase order.
- 18.2. The parties to the purchasing process shall ensure health and safety on the buyer's premises or work site:
- carry out and organise the work on the joint worksite in accordance with the applicable health and safety at work legislation, ensuring the safety and health of their own staff and that of the contractor's staff, any subcontractors, visitors and other persons; and
  - comply with the prescribed fire order, the extract from the fire order, the rescue plan, the relevant building regulations and any safe working instructions issued by the buyer.
- 18.3. When performing work at the buyer's premises or worksite, the supplier shall:



- ensure that its staff are insured against illness and disability, are professionally trained in health and safety at work, are instructed in fire safety, are medically fit and use prescribed tools, work equipment and appropriate protective equipment;
- ensure that all means of production to be used by employees are properly inspected, in good condition and provided with instructions for their safe use;
- adequately protect and mark the area to be used for work and prevent access by unauthorised persons where there is a risk of injury or damage to health;
- store hazardous and harmful substances only in the quantities required and in accordance with the relevant safety data sheets;
- ensure that evacuation and emergency routes are kept clear and unobstructed at all times;
- inform its staff of the necessary safety measures.

18.4. The supplier shall not arbitrarily interfere with the buyer's or any other person's means of production, plant or machinery. The buyer shall not interfere with the supplier's means of production.

18.5. The use of open fire without the presence and supervision of a qualified firefighter is prohibited on the buyer's premises and work sites.

18.6. Smoking is prohibited on the buyer's premises.

18.7. The buyer has the right to stop work on the premises or at the work site if the buyer finds that the workers are not complying with the prescribed, agreed or necessary safety regulations and measures, which could endanger the health or safety of the staff, visitors or other persons at the work site or in the buyer's buildings, or could cause physical damage to buildings or equipment.

## 19 Duty to inform

19.1. The supplier undertakes to inform the buyer in writing as soon as possible of any change in corporate status.

19.2. The supplier undertakes to notify the buyer of the possibility of bankruptcy or other insolvency proceedings as soon as such proceedings appear likely.

19.3. In the event of suspected insolvency of the supplier or a subcontractor, the buyer has the right to request information from the supplier or a subcontractor on the risk of insolvency or other insolvency proceedings being initiated, or on the potential challenges to cooperation or to the continuation of the business due to the insolvency of the supplier or a subcontractor.

19.4. If the supplier is a sole trader, the supplier shall immediately notify the buyer in writing if the supplier derives at least 80% of its annual income from the buyer alone and does not employ any other workers.

## 20 Anti-corruption commitment

- 20.1. The buyer and the supplier declare that they will not offer, give or promise any undue advantage to any employee or member of the management or supervisory bodies of the counterparty or to any representative or agent of a public sector body or organisation, at any stage in the conclusion or performance of the contract, in order to:
- obtain business, or
  - obtain more favourable conditions for any purchase order, or
  - neglect proper supervision over the performance of any purchase order, or
  - commit any other act or omission that causes or is likely to cause damage to the other party or that enables an employee or member of the management or supervisory bodies of the other party or a representative or agent of a public sector body or organisation to obtain an undue advantage.
- 20.2. A breach or attempted breach of the anti-corruption commitment referred to in the previous section will render any purchase order that has already been completed null and void. If such a purchase order has not yet been commenced or used, it shall be deemed not to have been submitted.

## 21 Management of conflicts of interest

- 21.1. A conflict of interest is any private interest of a senior manager or employee involved in the performance of a purchase order, or the private interest of a close family member of such employees, that may adversely affect the prudent, economical, fair or effective placement or performance of a particular purchase order.
- 21.2. Each party shall promptly notify the other party of any perceived conflict of interest.
- 21.3. The contractor undertakes to take all necessary measures to manage any risks that may arise from conflicts of interest (and to inform the client immediately of the measures taken), in particular, but not exclusively, by:
- excluding persons with a conflict of interest from all further procedures relating to the performance of an individual purchase order, or by taking other measures to prevent such persons from influencing the performance of the purchase order;
  - carrying out procedures to monitor the actions already taken by the person with a conflict of interest; and
  - engaging other persons to review and approve, on an ongoing basis, all actions taken by the person with a conflict of interest in relation to the performance of a particular purchase order.

## 22 Commitment to sustainable development

- 22.1. In line with the buyer's sustainable development strategy, the supplier is expected to disclose its policies on the natural environment, human and labour rights, quality assurance and monitoring, and all factors that contribute to the well-being of society during the procurement process. Sustainable development, i.e. a socially responsible approach, is one of key priorities of the Sava Insurance Group's strategy and is an important aspect in

making decisions in all areas of business. The Sava Insurance Group's sustainability report is prepared in accordance with the International Accounting Standards, the Slovenian law governing commercial companies, the Solvency II Directive and the Global Reporting Initiative's (GRI) International Sustainability Reporting Standards. Part of the sustainability report covers relationships with contractors.

22.2. The client uses a questionnaire to assess the contractor's sustainability performance. The contractor shall:

- return, at the client's request, the completed questionnaire to the client within ten days of receipt of the questionnaire and notify the client of any changes without delay before the entering into any contractual relationship; and
- complete the questionnaire with true and accurate information, and acknowledges that completion of the questionnaire with untrue or inaccurate information is deemed to be a misrepresentation to the client and a breach of these Conditions of Cooperation and a breach of the purchase orders, which may result in the client cancelling all purchase orders without notice.

22.3. The client has the right to withdraw from the procurement procedure, a purchase order or a contract by unilateral declaration and without notice if the supplier does not answer in the affirmative the questions identified as essential in the questionnaire. In such cases, the supplier shall reimburse the client for any resulting costs or losses.

22.4. The contractor shall ensure that it respects the human rights recognised in the Universal Declaration of Human Rights and, in particular, the rights of workers as recognised in the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, and in particular that it:

- a. does not use or tolerate the use of child labour, forced labour or undeclared work;
- b. does not circumvent workers' rights through the use of alternative forms of work that could amount to disguised employment;
- c. does not practice or tolerate any form of discrimination in recruitment, remuneration, career development, dismissal or retirement on the basis of nationality, sex, race, ethnic origin, religious belief, political opinion, age, disability, medical condition or any other personal circumstance;
- d. recognises or enables workers to freely form or join trade union organisations of their choice and the right to participate in collective bargaining, in accordance with the relevant legal and regulatory framework;
- e. ensures that employees have the right to health and safety at work in accordance with the specific rules on health and safety at work, and take appropriate measures to prevent accidents at work or adverse effects on their health;
- f. complies with all relevant statutory and implementing regulations for each activity regarding full-time work, overtime, night work, breaks and rest periods, and holidays;
- g. respects the right of employees to fair remuneration for their work;
- h. ensures that workers receive appropriate training and development in line with the needs of the work process; and
- i. ensures that employees are treated with respect for their dignity, privacy and the protection of personal data.

## 23 Force majeure

23.1. Force majeure means any unforeseeable and unexpected event occurring independently of the will of the parties that could not have been foreseen by the parties at the time of the conclusion of any agreement, implementation contracts or purchase orders, which in any way affects the performance of the contractual obligations and which is recognised as force majeure by the case law of the client's country. The party affected by an event of force majeure shall notify the other party within three working days of the occurrence of the event of force majeure.

23.2. If the force majeure on the part of the contractor lasts for a continuous period of 15 days, or intermittently for at least 30 days within a six-month period, the client may withdraw from all or only some of the purchase orders without notice and with immediate effect.

## 24 Final provisions

24.1. Procurement procedures and purchase orders placed in accordance with these Conditions of Cooperation are governed by the law of the client's domicile, unless otherwise expressly agreed in writing.

24.2. Anything not provided for in these Conditions of Cooperation is governed by the provisions of the applicable Code of Obligations and the relevant mandatory provisions of the law of the client's domicile.

24.3. The parties shall settle any disputes amicably and out of court. In the absence of an agreement, disputes are settled by the court having subject-matter jurisdiction in the place where the client has its seat.

24.4. These Conditions of Cooperation are effective for an indefinite time and apply to all purchase orders placed as from 15 April 2024.

24.5. These Conditions Of Cooperation are available on the website of Sava Re d.d., at <http://www.sava-re.si/si/za-dobavitelje/>.

Ljubljana, 9 April 2024