BASF

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Special Conditions for the Lease of Standard Software

1. General

These Special Conditions for the Lease of Standard Software ("**Special Conditions**") shall apply in addition to and take precedence over the General Conditions of Purchase of BASF SE and its Affiliated Companies with registered offices in Germany ("**General Conditions of Purchase**") and shall apply to the temporary leasing of standard software against ongoing remuneration together with the associated documentation between the supplier of the software (hereinafter referred to as "**Contractor**") and BASF SE or its Affiliated Companies with registered offices in Germany (hereinafter referred to as "**Principal**").

2. Subject of the Agreement and Scope of Services

2.1. The Contractor shall provide the Principal with the contractually stipulated software ("**Software**") designated in Principal's order as well as the associated documentation for use during the agreed subscription period.

2.2. The scope of the Software, in particular the name, quantity, type and scope of the purchased licenses and metrics as well as the subscription term, shall be determined by the Principal's order.

2.3. The Contractor shall provide the Principal with the Software - as individually agreed - either (i) by making it available for download and installation on the Principal's own hardware environment (hereinafter "**Installation**") or (ii) by keeping the Software permanently available for access by the Principal at any time via the internet using a web browser (hereinafter also "**Software as a Service**" or "**SaaS**"); in each case by providing the necessary access data (in particular user names, associated passwords and possible license keys).

2.4. Within the scope of a test or pilot operation, the Contractor shall instruct the Principal in the use of the Software to the extent required. In addition, the Contractor shall offer the Principal introductory and training events upon request for a reasonable fee.

2.5. The Software shall be provided with documentation ("**Documentation**"). The Documentation shall consist of at least a user documentation and an operating documentation and shall contain, in particular, information on installation, use and operation. The Documentation shall describe all necessary procedures in such a way that they are comprehensible to an average user. In addition, the Documentation must also describe typical and foreseeable error situations and how to rectify them. The Documentation shall comply with the standards customary at the time of use of the Software and shall enable the Principal to use the Software comprehensively and competently. The Documentation shall be provided to the Principal free of charge in machine-readable form and in German and English and must correspond to one of the common formats, e.g. Microsoft Excel, Microsoft Word or PDF.

2.6. The Principal shall be entitled to copy, use, and make available for its own purposes and the purposes of Affiliated Companies the Documentation in a reasonable number for the contractual use and for training purposes without any further costs.

2.7. At the request of the Principal, the Contractor shall also provide installation and implementation services. If the Principal requests such services, these shall be covered in a separate contract.

3. Installation Requirements, Cooperation- and Contribution Duties

3.1. The Contractor shall explicitly and conclusively list in its offer any installation requirements to be provided by the Principal as well as other requirements for the hardware and software environment of the Principal. In addition, the Contractor shall ensure that the Software can be operated on the hardware and software environment of the Principal on which the offer was based.

3.2. Apart from the cooperation- and contribution duties (*German: "Obliegenheiten"*) expressly agreed in the contract, the Contractor may only demand further cooperation- and contribution duties from the Principal to the extent that these are necessary for the proper performance of the contractual service and are reasonable for the Principal, in particular taking into account the operational concerns as well as the time and financial effort. The Principal may provide such cooperation- and contribution duties himself or through third-parties.

3.3. The Contractor shall inform the Principal in due time about the type, scope, time and other details of the cooperation- and contribution duties to be provided by the Principal.

3.4. The Contractor may only invoke a failure by the Principal to provide cooperation- and contribution duties if the Contractor has set the Principal a reasonable grace period in writing and has informed the Principal of the legal and factual consequences of the failure to provide such cooperation- and contribution duties.

4. Rights of Use

4.1. The Contractor shall grant the Principal a worldwide, non-exclusive right to use the Software, limited in time to the agreed subscription period, to the extent and for all users as contractually specified.

4.2. The right of use granted by the Contractor includes in particular the following rights:

a) temporary reproduction of the Software for use in accordance with the contract, including, without limitation, loading into RAM, displaying and running,

b) loading, executing and processing own data sets with the Software,

c) provision of the Software to and use by a third-party service provider of the Principal for purposes of the Principal, to the extent and as long as this service provider renders services for the Principal that absolutely require the use of the Software (for example, data center services or production-related services). In the case of provision of the Software by means of downloads and installation, this shall also include the installation, loading into the main memory, running and other duplication of the Software on a hardware of this service provider.

4.3. If the Software is provided by means of download and installation, the right of use granted by the Contractor shall also include the storage and installation as well as the use of the Software on any hardware environment, including the use of the Software on productive, integration, test, backup and emergency systems (hot/cold stand by) as well as the use of older versions of the Software within the scope of use under the contract ("**Downgrade Right**") without any obligation to notify the Contractor or the manufacturer of such use;

4.4. The granting of rights referred to in this Section 4 shall apply equally to the Documentation.

4.5. If, in connection with the use of the Software, additional license terms of third-party suppliers apply which must be observed by the Principal when using the Software, these shall be provided to the Principal in full with the Contractor's offer in printed or printable form. If such license terms are not delivered, only the rights of use pursuant to these Special Conditions shall apply. In addition, clause 11 of the General Terms and Conditions of Purchase (infringement of industrial property rights) shall apply.

5. Reduction of the Scope of Use or Functionality of the Software by the Contractor

If the contractual scope of use or functionality of the Software for the Principal is reduced during the term of the contract, the Contractor shall be obliged to adjust the remuneration to be paid to this changed scope of use or functionality. Further statutory or contractual rights of the Principal shall neither be restricted nor excluded by this.

6. Rights of Subsequent Purchases and Additional Purchases, Reconfiguration, Spin-off

6.1. The Principal shall have the right to purchase additional units of the same Software at any time at the contractual and commercial conditions agreed in the contract or at more favorable conditions, in particular at the agreed discounts ("**Subsequent Purchase**"). The list prices of the Contractor in effect at the time of the Subsequent Purchase shall be applicable, using the discounts agreed in the contract.

6.2. Furthermore, the Principal shall have the right to purchase further (other) software products of the Contractor at any time under the same or more favorable contractual and commercial conditions ("**Additional Purchase**"). The list prices of the Contractor in effect at the time of the Subsequent Purchase shall be applicable, using the discounts agreed in the contract.

6.3. During the term of the contract, Principal shall have the right, if necessary, to reconfigure the units acquired under the contract in accordance with the applicable license metrics of different software products among themselves at any time (for example, to reduce the number of users for one software product and simultaneously increase the number of users for another software product by the same number of users), as long as the total number of licenses acquired and the remuneration are not significantly reduced as a result ("**Reconfiguration**").

6.4. During the term of the contract, the Principal shall be entitled to continue to make all software products of the Contractor under the contract available to any former Affiliated Company, that has left the corporate group of companies of Principal, on an installation of the Principal under the terms and conditions of the contract for a maximum period of twenty-four (24) months after the respective departure of an affiliated company from the corporate group of the Principal ("**Spin-Off**"). The employees of the formerly affiliated company shall be deemed to be authorized users for the aforementioned period.

6.5. In order to exercise any of the above rights (Subsequent Purchases and Additional Purchases, Reconfiguration, Spin-Off), the Principal shall submit a written request to the Contractor not later than one month before the relevant change is to become effective. The Contractor may reject this request only for good cause.

7. Further Developments of the Software

7.1. The Contractor shall continuously provide further developments of the Software during the term of the contract. The Contractor's further developments publicly released during the term shall automatically be included in the scope of the contract without any change in the remuneration and shall be available to all users who are entitled to use the software under the contract.

7.2. "Further Developments" shall include the following changes to the Software:

- **"Patch"** or **"Bugfix"**: Temporary fix of a defect and/or malfunction in the Software without interfering with the source code.
- **"Update"**: Adaptation of the Software to legal, technical or other general developments and requirements, as well as minor functional improvements and/or adjustments to the Software in a single delivery, changing the last digit of the version number.
- „**Upgrade**": More than minor functional improvements and/or adaptations of the Software in a single delivery with a change of the middle digit of the version number.
- „**Release/Version**": New development stage of the Software, which differs significantly from the previous release or version in the range of functions and/or data, changing the first digit of the version number.

8. Defects and Deficiencies in Performance

8.1. The Contractor shall make the Software available to the Principal during the entire term in accordance with the contract and free of defects and maintain it in a condition as contractually agreed. The Contractor warrants in particular that the Software provides the functions specified in the Documentation, delivers the contractually agreed results, runs in a controlled and stable manner, has no vulnerabilities in information security and can be operated as described in the Documentation.

8.2. If the Principal discovers defects in the Software or in the Documentation, it shall notify the Contractor of such defects.

8.3. Defects reported by the Principal shall be remedied by the Contractor without undue delay and free of charge. Response times, recovery times or other measurable performance targets for the Contractor ("**Service Levels**"), which the Parties may have agreed in a separate Service Level Agreement ("**SLA**"), shall remain unaffected. If the Contractor fails to meet its warranty obligations under the contract, the Principal shall be entitled to the statutory remedies pursuant to §§ 536 et seq. BGB (German Civil Code). Any further legal remedies agreed in an SLA in the event of non-compliance with service levels shall remain unaffected.

8.4. If the Software has a security defect, such defect shall always be remedied without undue delay.

8.5. In the event of failure to remedy the defect, the Principal shall be entitled to extraordinary termination of the contract pursuant to Section 543 (2) sentence 1 no. 1 of the German Civil Code (BGB) after unsuccessful expiry of a reasonable grace period. Further legal or contractual rights of the Principal shall remain unaffected.

9. Liability

Unless otherwise provided for in these Special Conditions and the General Conditions of Purchase, the Contractor shall be liable in accordance with the legal provisions.

10. Term, Termination

10.1. The subscription period begins on the date specified in the contract. It ends automatically at the end of the contractually agreed term. An automatic extension of the term is excluded.

10.2. Either party may terminate the contract without notice for good cause. Good cause shall be in particular, in addition to clause 17.2 of the General Terms and Conditions of Purchase, serious violations of the provisions of the contract or other obligations.

11. Return and Deletion

11.1. Upon ending the lease, the Principal shall discontinue the use of the Software and, upon request, return the Software as well as all program copies (including the backup copy) as well as all Documentation, materials and other documents provided to the Contractor.

11.2. If the Contractor has made the Software available to the Principal by download, the Principal shall delete the Software as well as other program copies and destroy the Documentation, materials and other documents provided..

12. Handover to Successor Supplier

Upon expiration or termination of the contract and upon request of Principal, Contractor shall provide reasonable support to Principal and/or its Affiliates and/or the third-party taking over the services in whole or in part from Contractor ("**Successor Provider**") against reasonable compensation in order to enable the continuation of the services without interruption or impairment and to facilitate the proper handover of the services to the Successor Provider. The exact scope of such transition support shall be subject to a separate contract.

13. Release of Principal's Data

All data which the Principal has made available to the Contractor within the scope of the contract or which the Contractor has otherwise received from the Principal, in particular data which the Contractor has hosted for the Principal, shall at the Principal's request at any time either (i) be made available to the Principal in a machine-readable customary standard format, and/or (ii) be demonstrably destroyed. The Contractor shall have no right of retention - on whatever legal grounds - with regard to its obligations under this section.

If the Contractor has obtained documents, records, plans and drawings from the Principal within the scope of the contractual cooperation or for the purpose of its execution, it shall hand these over to the Principal without delay in the event of termination by either party. This shall apply accordingly in the event of withdrawal from the contract.

14. Data Protection

14.1. The parties will comply with the applicable data protection requirements.

14.2. The parties shall conclude a data processing agreement (Art. 28 (3) GDPR) if this becomes necessary.

15. Cyber Security Assessment

15.1. During the first three (3) months of the contract term, Principal and Contractor shall cooperate at the request of Principal to perform a security and risk assessment of the Software including the related interfaces and the integration into BASF's IT landscape ("**Cyber Security Assessment**"). The Cyber Security Assessment shall thereby include the realization of an advanced simulation of adversary attacks on IT systems and IT networks of the Provider ("**Penetration Test**").

15.2. In the event that a Penetration Test is performed, it shall be performed exclusively by an independent service provider with appropriate expertise ("**Pen-Tester**"). In order to enable the Penetration Test to be performed in accordance with applicable law, the parties shall enter into a tripartite agreement with the Pen-Tester in which the further details of the Penetration Test shall be agreed. The Contractor may refuse to commission the Pen-Tester in writing within five (5) business days after notification by the Principal only if this is justified for objective reasons, e.g. if the Pen-Tester and/or one of its affiliates should be a competitor of the Contractor.

15.3. If the Penetration Test reveals significant risks for the Principal's IT systems or security vulnerabilities of the Software, the Principal shall be entitled to withdraw from the contract with immediate effect. If the parties have conducted a Penetration Test, it shall be assumed that there are sufficient legal grounds for immediate withdrawal from the contract if the Penetration Test result reaches a CVSS score of 10 ("Critical") according to the "Qualitative Severity Rating Scale".

15.4. All payments made by the Principal under the respective contract up to the moment of immediate withdrawal shall be refunded to the Principal.