

HITACHI RAIL TERMS AND CONDITIONS OF PURCHASE FOR GOODS AND/OR SERVICES

1. DEFINITIONS AND INTERPRETATION

1.1 In these terms and conditions:

"Affiliates" means (a) a subsidiary company of Seller; (b) a parent company of Seller; or (c) any other subsidiary company of a parent company of Seller;

"Anti-Bribery and Anti-Corruption Laws" means all applicable laws, rules and regulations (including international treaties and conventions) regarding anti-bribery or kickbacks, fraud, illegal payments and gratuities, anti-money laundering, anti-terrorism and economic sanction and anti-boycott laws and/or similar practices, including the Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, any applicable international conventions of similar effect (including legislation implementing any such convention) and any other applicable local anti-bribery laws, in each case as each may be amended from time to time;

"Business Day" means a day that is not a Saturday, Sunday or bank holiday in England;

"CBAM Goods" means any goods, products or items in respect of which CBAM Regulations apply or would apply if such goods, products or items were to be shipped or re-shipped into a jurisdiction in which CBAM Regulations apply;

"CBAM Regulations" means the Carbon Border Adjustment Mechanism (CBAM) Regulation (EU) 2023/956 and any equivalent legislation in the UK;

"Confidential Information" means all information concerning or relating to HRL or any person, firm or company HRL deals, and which is not public;

"ESG Targets" means HRL's targets relating to environmental, social and governance matters announced on HRL's website from time to time;

"Goods" means the goods ordered by HRL from Seller as set out in the Order;

"HRL" means Hitachi Rail Limited;

"IPR" means all patents, trademarks, service marks, trade names, copyright (including rights in computer software), moral rights, database rights, rights in designs, rights in inventions, rights in know-how and other intellectual property rights, in each case whether registered or unregistered, and all rights or forms of protection having equivalent or similar effect anywhere in the world which relate to the Goods/Services;

"Order" means together the relevant HRL purchase order and these terms and conditions;

"Privacy Regulations" means all applicable data protection and privacy laws, rules and regulations relating to personal data which apply to a party including: (a) the General Data Protection Regulation ((EU) 2016/679) as it forms part of the law of England and Wales by virtue of section 3 of the European Union (Withdrawal) Act 2018; and (b) the Data Protection Act 2018;

"Related Parties" means subcontractors and suppliers of Seller or of any subcontractors and suppliers of Affiliates;

"Representatives" means the employees, authorised agents, representatives, consultants, and any other person acting directly for, or on behalf of, Seller;

"Seller" means the person, firm or company to whom the Order is addressed and who is to supply the Goods/Services;

"Services" means the services ordered by HRL from Seller under the Order;

"Sanctioned Person" means: (a) any person, organisation or vessel listed on, or owned or controlled (as such terms, including any applicable ownership and control requirements, are defined and construed in the applicable Sanctions or in any related official guidance) by one or more persons or organisations listed on, a Sanctions List; (b) a government of a Sanctioned Territory; (c) an agency or instrumentality of, or an organisation directly or indirectly owned or controlled by, a government of a Sanctioned Territory; (d) any person, organisation or vessel resident or located in, operating from, or incorporated under the laws of, a Sanctioned Territory; or (e) any person, organisation or vessel otherwise a target of any Sanctions, or acting on behalf or at the direction of any of the persons listed in paragraphs (a) to (d) above for the purpose, or having the intended effect, of evading or avoiding or intending to evade or avoid, or facilitating the evasion or avoidance of, any Sanctions;

"Sanctioned Territory" means, at any time, any country, region or other territory which is the subject or target of comprehensive territory-wide or country-wide Sanctions;

"Sanctions" means any economic or financial sanctions laws, regulations, trade embargoes, restrictive measures, applicable export control laws or other similar measures enacted, administered, implemented, imposed or enforced from time to time by any Sanctions Authority;

"Sanctions Authority" means any relevant government, agency or legislature of the United Nations, the U.S., the UK, the European Union or its member states, or other jurisdiction in which Seller operates, including to: OFAC, the U.S. State Department, the United Nations Security Council, OFSI and the UK's Foreign, Commonwealth and Development Office;

"Sanctions List" means any of the lists of natural persons or entities which are the subject of Sanctions as maintained by any Sanctions Authority, each as amended, supplemented or substituted from time to time, including the List of Specially Designated Nationals and Blocked Persons, Foreign Sanctions Evaders List and Sectoral Sanctions Identifications List, each maintained by OFAC; the Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions; and the Consolidated List of Financial Sanctions Targets and the Investment Ban List maintained by OFSI;

"Supplier Sustainability Programme" means the programme run by HRL or its third party ESG partner to assess the sustainability performance of its supplier and/or calculate the greenhouse gas emissions it produces.

1.2 Unless expressly stated otherwise, the following rules of interpretation will apply in these terms and conditions: (a) references to any law, rule, legislation, statute, enactment, order, regulation or other similar instrument shall be construed as a reference to such as amended or replaced from time to time; (b) use of the word "including" means "including", without limitation; (c) a reference to writing or written includes emails; and (d) obligations on the Supplier in clauses 14-21 (inclusive) also apply to Affiliates, Related Parties and Representatives where relevant.

2. ACCEPTANCE & VARIATION

- 2.1 The Order constitutes an offer by HRL to purchase the Goods/Services at the prices and on the terms and conditions stated in the Order. The parties agree that these terms and conditions form part of the Order, to the exclusion of any other terms that Seller seeks to impose or incorporate, or which are implied by law (except where such law is required to prevail), trade custom, practice or course of dealing.
- 2.2 The Order shall be deemed to be accepted on the earlier of: (a) Seller issuing a written acceptance of the Order; and (b) Seller doing any act consistent with fulfilling the Order, at which point the Order shall come into existence.
- 2.3 No variation of the Order will be valid unless agreed in writing and signed by HRL and Seller.

3. DELIVERY & RISK

- 3.1 Delivery of all Goods/Services shall be made by Seller at the address(es) specified by HRL in the Order. Delivery charges, if any, shall be as detailed in the Order and shall be clearly identified in the relevant invoice.
- 3.2 Goods shall be delivered and Services completed on the date specified in the Order. HRL may reject Goods/Services and terminate the contract in whole/part if any part is not delivered or provided on the specified date.
- 3.3 Title and risk in Goods shall remain with Seller until they are delivered to HRL at which point title and risk in Goods shall pass to HRL.

4. PACKAGING

- 4.1 All Goods must be packed securely so as to be delivered in perfect condition.
- 4.2 Packaging material is not returnable and will be free of charge unless agreed otherwise by HRL.
- 4.3 Packaging shall be clearly labelled with any requirements specified from time to time by HRL to Seller.

5. PRICES & PAYMENT

- 5.1 The prices of the Goods/Services shall be the price set out in the Order and such price shall be and remain firm.
- 5.2 No Goods/Services shall be invoiced before the date of delivery of such Goods or completion of the provision of such Services. All invoices shall be evidenced by an acknowledgment receipt of Goods/Services on behalf of HRL. Invoices must comply with HRL's invoicing requirements which are located online and available for inspection at invoice-standards-hitachi-rail-ltd.pdf (hitachirail.com) or such other web address as may be notified to Seller by HRL from time to time.
- 5.3 Payment for the Goods/Services shall be made sixty (60) days after HRL's receipt of a valid invoice, unless otherwise stated in the Order.
- 5.4 Unless otherwise stated in the Order, the prices for all Goods/Services shall be exclusive of value added tax (or equivalent sales tax) which, if chargeable, shall be added to the relevant invoice for the Goods/Services.
- 5.5 Improperly delayed payments of undisputed charges or any other sums properly due under the Order shall be subject to interest on the amount unpaid from the due date to the actual date of payment at a rate equivalent to one (1) per cent. per annum above the Bank of England's base rate.

6. CONFIDENTIALITY

- 6.1 Seller undertakes that it shall not at any time disclose to any person any Confidential Information, except as permitted by clause 6.2.
- 6.2 Seller may disclose Confidential Information: (a) to Affiliates, Related Parties and Representatives who need to know such information for the purposes of Seller exercising its rights or carrying out its obligations under the Order ("Permitted Recipients") and Seller shall ensure that such Permitted Recipients maintain the confidentiality of such Confidential Information; and (b) as may be required by applicable law.

7. WARRANTIES

- 7.1 Seller warrants that: (a) the Goods are manufactured with due skill and care and are of satisfactory quality (within the meaning of the Sale of Goods Act 1979), comply in all respects with any regulatory standards and specifications applicable or relevant to their supply and are fit for the purposes for which they are required; and (b) the Services will be supplied in a proper and skilful manner by appropriately qualified and experienced personnel and in line with what is generally accepted to constitute best practice in Seller's industry.
- 7.2 Seller warrants that it shall comply with all applicable laws and regulations, together with all specifications and relevant standards relevant to the Order.
- 7.3 Seller shall, where relevant, bring to the attention of all of Affiliates, Related Parties and Representatives, HRL's health and safety and on-site requirements (as may be amended, replaced or supplemented from time to time) and shall ensure that such requirements are observed as required.
- 7.4 Seller warrants that all action required to minimise and eliminate any risk to health and safety resulting from use of Goods and receipt of Services have been both carried out and brought to the attention of HRL.
- 7.5 Without prejudice to any other relevant warranty as set out in the Order or which otherwise applies, Seller supplies the Goods/Services with a minimum of a twelve (12) months' warranty period protection (such warranty period beginning on the relevant date of delivery) during which time Seller shall replace/re-perform defective Goods/Services at no additional cost to HRL.

8. DEFECTS RIGHT TO REJECT

- 8.1 HRL may reject any Goods which do not conform with the Order. Such rejected Goods shall be returned to Seller at Seller's sole risk and expense. Seller will indemnify HRL against any loss related to such default.
- 8.2 If, in the opinion of HRL, Seller is unable to perform the whole or any part or parts of the Order, HRL may cancel the whole or any part or parts of the Order by giving written notice to Seller and Seller shall forthwith repay to HRL any money paid in relation to such Order.

9. IPR

- 9.1 Except as assigned to HRL pursuant to clause 9.2 below, Seller grants to HRL a royalty-free, worldwide, non-exclusive licence to use, copy and maintain: (a)

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- Seller IPR; and (ii) any third party IPR (in each case) to the extent necessary for HRL to obtain the full benefit of the Goods/Services.
- 9.2 Seller hereby assigns absolutely, with full title guarantee, and transfers such right, title and interest it has in IPR which is created in connection with the performance of the Order and/or any work which has been carried out under the Order pursuant to a specific request by HRL (in each case) to HRL.
- 9.3 Seller warrants that: (a) (i) it is the sole legal and beneficial owner of, and owns all the rights and interests in the IPR assigned to HRL pursuant to clause 9.2, or it has sufficient rights to grant the licence it provides to HRL pursuant to clause 9.1; (b) it has not licensed or assigned any of the IPR to a third party and the IPR is free from any security interest, option, mortgage, charge or lien; (c) it is unaware of any infringement or likely infringement of any of the IPR; and (d) as far as it is aware, exploitation of the IPR will not infringe the rights of any third party.
- 9.4 Seller will at its own expense provide all reasonable assistance to enable HRL to resist any claim, action or proceedings brought against HRL in respect of any infringement, or any other cause of action arising from the IPR whether occurring before, on, or after the date of the (a) licence; or (b) assignment of the IPR under the Order to HRL.
- 9.5 Seller shall execute all documents and do all acts and things required by HRL for the purpose of giving effect to the terms of this clause 9.
- 9.6 Seller will not copy or disclose any technical or other specifications supplied by HRL or developed by Seller as required under the Order.
- 10. INDEMNITIES**
- Seller will indemnify HRL against any and all damages, costs, claims, liabilities, expenses, losses and demands arising from or incurred in connection with, directly or indirectly (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) its: (a) breach of any of the warranties in respect of the Goods/Services, whether express or implied, by statute, the Order or otherwise; (b) breach of clauses 6 or 15; (c) actual or alleged infringement of third party IPR or commercial rights by the use or sale of any Goods/Services; and (d) negligent acts/omissions of Seller, Affiliates, Related Parties or Representatives, including where such acts/omissions result in any claim from a third party against HRL (i) for death, personal injury or damage to property arising out of or in connection with defects in Goods/Services; and (ii) arising out of or in connection with the supply or receipt of the Goods/Services.
- 11. INSURANCE**
- During the term of the Order, Seller shall ensure that it maintains insurance cover in such amount and for such risks as: (a) are reasonable in the circumstances to cover all liabilities that may arise under the Order or (b) HRL shall require, including (in each case) employer's liability insurance to cover all Representatives; insurance to cover loss or damage to the Goods (to full reinstatement value) for the period during which title to the Goods is with Seller; and third party public liability insurance.
- 12. LIMITATION OF LIABILITY**
- 12.1 Nothing in the Order shall impose any obligation or liability (express or implied) on HRL (other than the obligation to pay for the Goods/Services and obligations and liabilities that cannot be excluded at law).
- 12.2 Seller's aggregate liability under the Order shall be limited (other than in respect of (i) claims under clauses 10(b) and 10(c) where there shall be no limit, (ii) liabilities insured or required to be insured pursuant to clause 11; and/or (iii) liabilities which cannot be excluded or limited at law) in respect of Goods to 100% and in respect of Services to 500% (in each case) of the value of the relevant Order.
- 13. TERMINATION**
- Without limiting the generality of any other term of the Order, HRL may terminate the Order if Seller: (a) is in material breach of any term of the Order and such breach (if capable of remedy) is not remedied within ten (10) Business Days of notification of the relevant breach to Seller by HRL; (b) persistently breaches any term of the Order and such persistent breaches together constitute a material breach of the Order; or (c) becomes bankrupt or has a receiving or administration order made against it or makes any composition or arrangement with its creditors or has any application made against it under any Insolvency Act or other act dealing with bankruptcy, or if any resolution shall be passed, or an order of the Court be made that Seller be wound up or a receiver or manager appointed, or Seller suspends or threatens to suspend or ceases or threatens to cease to carry on all or substantial part of its business, or Seller's financial position deteriorates so far as to reasonably justify the opinion that its ability to give effect to the Order is in jeopardy.
- 14. SUPPLIER CODE OF CONDUCT**
- Seller shall comply with HRL's Supplier Code of Conduct (as may be amended, replaced or supplemented from time to time) which is located on HRL's website or such other web address as may be notified to Seller by HRL from time to time.
- 15. DATA PROTECTION**
- Seller shall comply with the Privacy Regulations when processing HRL personal data under the Order.
- 16. ETHICS & ANTI-HARASSMENT**
- 16.1 HRL may exclude from its premises Seller, Affiliates, Related Parties or Representatives whose conduct breaches reasonable standards of behaviour.
- 16.2 Seller shall not engage in discrimination or harassment of HRL employees.
- 16.3 Seller shall ensure that the Goods/Services are provided in an ethically compliant manner.
- 17. HUMAN RIGHTS & MODERN SLAVERY COMPLIANCE**
- In performing its obligations under the Order, Seller shall comply with (a) all applicable anti-slavery, human rights, and human trafficking laws, statutes,

regulations and codes in force (including the Modern Slavery Act 2015), and (b) the following obligations: (i) to respect the human rights of its employees and others in its business operations, supply chain, and its activities for the Order; (ii) not to employ workers younger than sixteen (16) years of age or below the applicable minimum age, whichever is higher; and (iii) not to use forced, prison or indentured labour, or workers subject to any form of compulsion or coercion, or to engage in or abet trafficking in persons.

18. ANTI-BRIBERY

- 18.1 Seller shall comply with all relevant Anti-Bribery and Anti-Corruption Laws.
- 18.2 Seller represents and warrants that: (a) neither it nor any Affiliates, Related Parties or Representatives will pay, promise to pay, or authorise payments of any money or anything of value, directly or indirectly, to any person for the purpose of obtaining or retaining business in connection with the Order, or the transactions contemplated by the Order; (b) to the best of its knowledge and belief, neither it nor its Affiliates, Related Parties or Representatives are being or have been convicted of, or investigated for, any offence under the Anti-Bribery and Anti-Corruption Laws; and (c) any prior convictions, investigations, or ongoing matters before a competent court or authority related to bribery or corruption allegations against Seller, Affiliates, Related Parties or Representative shall be promptly disclosed to HRL.
- 18.3 Seller shall have and maintain in place throughout the term of the Order its own policies and procedures to ensure compliance with Anti-Bribery and Anti-Corruption Laws and shall provide to HRL such supporting evidence of compliance with this clause 18 as HRL may reasonably request.

19. CYBER RESILIENCE

- 19.1 Seller shall take measures consistent with industry best practice to prevent and detect threats to its networks, including malware and cyber-attacks, from affecting its internal and external operations.
- 19.2 Seller shall ensure that no malware is introduced into any of HRL's systems or networks, or into any systems used and/or owned by HRL, as a result of the acts or omissions of Seller, Affiliates, Related Parties or Representatives. If malware is found to have been coded or otherwise introduced because of the action or inaction of Seller, Affiliates, Related Parties or Representatives, then without prejudice to any other liability that may accrue under the Order, Seller shall immediately and at its own cost: (a) take all necessary remedial action to eliminate the malware; and (b) if the malware causes loss of operational efficiency or loss of HRL's data, take all steps necessary to remedy such operational efficiency and provide all assistance required by HRL to mitigate the loss of or damage to such data and to restore the efficacy of such data.

20. EXPORT, TRADE CONTROL & SANCTIONS

- 20.1 Seller shall comply with all applicable export control and trade regulations.
- 20.2 Seller shall: (a) not conduct or engage in any activity, conduct, sale, purchase, transaction, business, dealings or deliveries in or with or from or to any Sanctioned Territory or, Sanctioned Person, in each case directly or indirectly; and (b) not be and shall not employ any Sanctioned Person or have engaged in any transaction activity or conduct that could reasonably be expected to result in it or its employees becoming a Sanctioned Person.

21. ESG

- 21.1 Seller shall comply with Hitachi Group Sustainable Procurement Guidelines, which is located online and available for inspection on HRL's website or such other web address as may be notified to Seller by HRL from time to time.
- 21.2 Seller acknowledges and understands HRL's ESG Targets and shall perform its obligations in a way that assists HRL in achieving its ESG Targets.
- 21.3 Where requested, Seller shall participate in HRL's supplier sustainability programme, which shall include at Seller's own cost: (a) subscribing to and maintaining a valid subscription to the programme; (b) taking any assessments and/or providing data as required by the programme; (c) maintaining a minimum sustainability rating for the duration of the Order; and (d) pro-actively taking any corrective action required by HRL or as advised by its chosen ESG rating partner.
- 21.4 In respect of CBAM Goods, Seller shall prior to date of shipment of such CBAM Goods (i) provide all information required by HRL in order for it to comply with the CBAM Regulations (including written confirmation of its relevant representative within 30 days of an Order); and (ii) facilitate any pre-authorisation requirements implemented by HRL for shipment of CBAM Goods. HRL may decline to authorise shipments and may reject and/or withhold payment of CBAM Goods if Seller fails to comply with this clause.

22. RIGHT OF SET-OFF

HRL reserves the right to set off any payment due by HRL to Seller against any sums that Seller owes to HRL.

23. WAIVER

No admission, act or omission made by HRL shall constitute a waiver or release of Seller from any liability under the Order.

24. ASSIGNMENT & SUB-CONTRACTING

- 24.1 Seller shall not assign, transfer, charge, declare a trust of, or otherwise part with the benefit or burden of, the Order or any part of it.
- 24.2 If Seller sub-contracts any of the Services or provision of Goods, any acts or omissions of such subcontractor shall be deemed to be those of Seller.

25. THIRD PARTY RIGHTS

The Contracts (Rights of Third Parties) Act 1999 shall not apply to the Order and no person other than the parties shall have any rights under the Order.

26. GOVERNING LAW & JURISDICTION

- 26.1 The Order (and any dispute, proceedings or claim relating to the Order or its formation) shall be governed by and construed in accordance with English law.
- 26.2 Each party agrees that the courts of England shall have exclusive jurisdiction in respect of the Order and each party irrevocably submits to such jurisdiction.