

## 1. DEFINITIONS

In these Terms and Conditions the following definitions apply:

"Buyer" means the company of PepsiCo Group placing an Order.

"Goods" means the materials, articles or services (or any of them) which are the subject of an Order.

"Services" means the services which are the subject of an Order.

"Order" means an order for Goods or Services placed by the Buyer.

"Seller" means the person, firm or company to whom an Order for good purchase is addressed.

"Supplier" means the person, firm or company to whom an Order for services purchase is addressed.

## 2. ACCEPTANCE OF TERMS

These General Terms and Conditions of Purchase shall be incorporated into an Order. The Seller's or Supplier's commencement of work on the Goods, under the terms of an Order, or shipment of the Goods, whichever occurs first, shall be deemed to be the Seller's or Supplier's acceptance of the Order. If the Buyer issues an Order for provision of Services, the commencement of the provision of the Services contemplated in that Order by the Supplier shall be deemed to be the Seller's or Supplier's acceptance of the Order. The seller's or the supplier's acceptance is limited to acceptance of these general terms and conditions and does not include any additional or different terms proposed by the seller or supplier to vary these general terms and conditions.

## 3. COMPLETION

Time is of the essence in relation to any delivery dates communicated by Buyer to Seller or Supplier and Seller or Supplier shall meet such delivery dates, or in relation to any performance dates communicated by the Buyer to the Supplier, the Supplier shall meet such performance dates. If the Goods are not delivered on the date(s) specified in the Order or the Supplier fails to meet such performance dates, the Buyer may, without liability and without prejudice to any other rights or remedies it may have: (a) terminate the Order by notice to the Seller or Supplier effective upon receipt in respect of Goods not yet shipped or Services not yet fully rendered; (b) refuse to accept any subsequent delivery of the Goods which Seller attempts to make or any subsequent performance of the Services, which Supplier attempts to make; and (c) buy substitute Goods or procure substitute Services elsewhere and recover from the Seller or Supplier any additional expenditure reasonably incurred.

## 4. QUALITY/PERFORMANCE

The Seller or Supplier warrants that the Goods or Services shall:

(a) be of the best quality, material and workmanship, and, in case of Services, be performed by appropriately experienced, qualified and trained personnel with all reasonable skill, care and diligence and in accordance with generally recognised commercial practices and standards in the industry for similar services;

(b) conform in all respects with (i) the terms of the Order, (ii) any performance criteria, specifications, samples, patterns or artwork requested by the Buyer and (iii) any descriptions and specifications provided by the Buyer, including any and all proposals, project specifications and project plans;

(c) be merchantable and safe and appropriate for the purpose for which Goods of this kind are normally used (only applicable to Goods);

(d) be properly contained, packaged, marked and labelled Goods (only applicable to Goods);

(e) be fit for the particular purpose for which the Buyer intends to use them if the Seller has reason to know such particular purpose (only applicable to Goods);

(f) not infringe any third party's rights;

(g) be free from any third party lien, claim, title or interest; and

(h) comply with all relevant requirements of European Community legislation (including but not limited to health and safety rules and regulations) and legislation of any country which is connected with the Order. The Supplier shall inform the Buyer, when becoming aware, of any changes in such legislation.

The Buyer's rights under these General Terms and Conditions are in addition to the statutory terms implied in favour of the Buyer by applicable legislation.

The warranties herein shall survive any delivery, acceptance or payment pursuant to these General Terms and Conditions and shall extend to any Goods or Services provided by the Seller or Supplier.

## 5. VENDOR ASSURANCE PROGRAM, FOOD SAFETY, ENVIRONMENTAL AND OTHER POLICIES

The Seller or Supplier will (where deemed appropriate by the Buyer) maintain a commitment to best practise food safety and Vendor Assurance procedures at Seller's or Supplier's cost. In particular, Seller or Supplier will:

(a) Apply the best practices regarding food safety and comply with the requirements of PepsiCo Supplier Approval and

Compliance Programmes ("Vendor Assurance"), assuming the Seller or Supplier the costs;

(b) ensure all materials comply with all EU and national legal requirements including, without limitation, requirements relating to traceability;

(c) ensure compliance with any agreed, signed specifications;

(d) ensure that all Goods will comply with the PepsiCo Raw Materials Food Safety Policy (available on request) including, without limitation, PepsiCo requirements relating to traceability;

(e) commit to engage with Buyer to develop sustainability programmes and participate with such sustainability initiatives as may be communicated to it from time to time by the Buyer.

## 6. BUYER'S RIGHTS

The Buyer's signature of receipt, inspection, testing, payment for or use of the Goods furnished under an Order or the Buyer's payment for the Services furnished under an Order shall not affect the Seller's or Supplier's obligations under the warranties contained in these terms and conditions which shall survive the Buyer's inspection, testing, acceptance, use and/or the Buyer's payment.

The Buyer may inspect the Goods and may accept or reject at any time any and all of the Goods which are, in the Buyer's judgement, defective or which do not conform to any warranty. The Buyer may, at the Seller's expense, return to the Seller rejected Goods and Goods supplied in excess of quantities ordered.

In the case of a Services Order, the Buyer may monitor, record and assess the performance of the Services and may accept or reject at any time any and all of the Services, which are, in the Buyer's judgement, unsatisfactory or which do not conform to warranties. Without prejudice to any of its other rights or remedies, the Buyer may require the Seller or Supplier to promptly replace or correct any Goods which are defective or non-conforming, at its sole cost and expense, provided the Buyer notifies the Seller or Supplier within a reasonable time of its knowledge of the defect or non-conformity.

In case of services, without prejudice to any of its other rights or remedies (including but not limited to the right of termination of the Order and/or the withholding from payment to the Supplier any sums that are allocable to the nonconforming and/or non-continuing Services) the Buyer may require the Supplier to promptly re-perform or remedy any unsatisfactory or non-conforming Services or remove the cause of non-performance of any Services, at the Supplier's sole cost and expense, provided the Buyer notifies the Supplier within a reasonable time of discovering that the Services are unsatisfactory or non-conforming.

The Buyer shall also be entitled to terminate the Order and obtain such other remedies as may be available to it either under this agreement or otherwise at equity or law, including but not limited to the withholding from payment to Supplier and/ or recovering as a sum of money due from Supplier all or any portion of the charges paid in relation to the non-conforming or non-continuing Services.

The Seller or Supplier will reimburse the Buyer for any costs resulting from any non-conformity or defect or any other breach of these terms and conditions on the part of Seller or Supplier including without limitation any additional of sourcing the Goods or the Services from another supplier.

## 7. PAYMENT TERMS

The payment term will be 60 days from the invoice date (except for the purchase of non-perishable food or agricultural products, in which case the payment term of 60 days from the delivery date will apply, and except for the purchase of perishable food products, in which case the payment term of 30 days from the delivery date will apply). Backdated invoices will not be accepted.

## 8. PRICE WARRANTY/ FREIGHT CHARGES/ SET OFF

The Seller or Supplier warrants that the prices for the Goods or Services are complete and no less favourable than those currently extended to the Seller's or Supplier's other customers of similar account size for similar quantities of the same or similar Goods or similar account size for performance of the same or similar Services. Without the Buyer's prior written consent the Seller or Supplier shall not add any charges, including without limitation, charges for shipping, packaging, labelling, storage, insurance, boxing or crating, customs duties or taxes. If the Seller or Supplier offers better prices for the Goods or Services to other customers of similar account size during the term of this Order the Seller or Supplier will reduce the Buyer's prices correspondingly. If the Seller uses published freight charges for Goods, the Seller shall credit to the Buyer any decrease in the charges. If the Buyer has a claim against the Seller or Supplier resulting from the Order or any transaction the Buyer may deduct or set off disputed amounts from the Seller's or Supplier's claims for amounts due under this Order.

## 9. CHANGES

The Buyer may, at any time, change e.g. the drawings, designs, specifications, materials, packaging, time and place of delivery, and method of transportation under an Order. The Seller or Supplier agrees to accept any changes and if necessary the parties agree to modify any terms of the Order in writing accordingly.

In the case of a Services Order, the Buyer may, at any time, request a change to the scope or execution of the Services under the Order. If the Buyer requests a change to the scope or execution of the Services, (a) the Supplier shall, within a reasonable time, provide a written estimate to the Buyer of: (i) the likely time required to implement the change; (ii) any necessary variations to the Supplier's charges arising from the change; and (iii) any other impact of the change on the terms of the Order.

(b) if the Buyer does not wish to proceed, there shall be no change to the Order; and

(c) If the Buyer wishes the Supplier to proceed with the change, the Supplier shall do so after agreement on the necessary variations to its charges, the Services and any other relevant terms of the Order to take account of the change and the Order shall be amended accordingly.

#### **10. INDEPENDENT CONTRACTOR**

The parties agree that the Seller or Supplier, its employees, agents and sub-contractors are performing services as independent contractors and not as the Buyer's employees, regardless of where they perform services.

#### **11. OWNERSHIP**

Seller or Supplier acknowledges and agrees that any intellectual property created solely as a result of this Order ("IP") will be deemed "work made for hire" and, as such, Buyer's sole and exclusive property. Seller or Supplier further acknowledges and agrees that if any IP does not qualify as "work made for hire," then Seller or Supplier hereby assigns all IP to Buyer. Seller or Supplier will perform, at Buyer's request and expense, any act (including, without limitation, executing any documents) for Buyer to fully enjoy and protect IP, with title vested in Buyer.

#### **12. LICENSE**

Seller or Supplier hereby grants Buyer an irrevocable, perpetual, non-exclusive, worldwide, fully paid-up, royalty-free license to use intellectual property rights owned or licensed by Seller or Supplier or a third party to the extent such intellectual property rights are included in the Goods, including applicable software.

#### **13. INDEMNIFICATION**

In addition to Seller or Supplier's other obligations hereunder, Seller or Supplier will indemnify, defend, and hold harmless Buyer, their affiliates and successors, assigns, officers, directors, and employees (collectively, "Buyer Indemnitees") from and against all claims, actions, damages, losses, liabilities, costs, royalties and expenses (including without limitation, legal fees and expenses) of any kind (collectively, "Losses") incurred by Buyer Indemnitees arising out of any known or unknown defect in the Goods, or any negligence or breach of these terms and conditions by Seller or Supplier, its agents, employees or sub-contractors. Further, Seller or Supplier guarantees to Buyer that neither the Goods furnished by Seller, Services provided by Supplier, nor the use or any related deliverables by Buyer, will infringe any valid patent or other intellectual property right of any third party. Seller will defend, indemnify, and hold harmless Buyer Indemnitees from and against all Losses incurred by Buyer Indemnitees in connection with any third party claims of infringement with respect thereto.

Buyer will give Seller prompt written notice of any claim or action and cooperate in the defence thereof.

#### **14. INSURANCE**

Supplier or Seller will maintain at its sole cost and expense general liability/public liability coverage, workers compensation/employers liability coverage and any additional commercial insurance coverage in amounts sufficient to cover its obligations hereunder and as required by local authorities in the respective jurisdictions where Supplier or Seller will perform such obligations. Further, Supplier or Seller will maintain at its sole cost and expense any additional commercial insurance coverages appropriate and commensurate with the risks generated by an operation of the size and scope of the Supplier or Seller, including but not limited to property, business interruption and automobile coverage, or the equivalent of such listed coverages in the respective jurisdictions. The insurance requirements set forth above are minimum coverage requirements and shall not be construed as a limitation on Seller or Supplier's liability hereunder.

#### **15. DATA PROTECTION**

The parties undertake to comply with the provisions of the General Data Protection Regulation (EU) 2016/679 and any other Regulation regarding the processing of personal data that may be applicable in the framework of the present General Terms and Conditions and related Orders.

If an Order contains personal data, this will be included in a Buyer's data file, for the only purposes to manage the commercial relationship. The rights of access, rectification, erasure, objection, restriction of processing and personal data portability may be exercised by filling in the [PepsiCo Europe Privacy Office Form](#).

#### **16. PEPSICO GLOBAL INFORMATION SECURITY REQUIREMENTS**

The Seller or Supplier will, at all times, maintain and follow a written information security program that complies with all applicable laws and

regulations in each jurisdiction where it provides products and/or services to the Buyer. Such written information security program shall include appropriate administrative, physical, and technical security safeguards consistent with industry standards designed to: (i) ensure the security and confidentiality of the Buyer's information; (ii) protect against any anticipated threats or hazards to the security or integrity of the Buyer's information; (iii) protect against unauthorized destruction, modification, disclosure, access to or use of the Buyer's information; and (iv) prevent against the accidental loss of or damage to the Buyer's information. Such measures shall be no less stringent than those used to secure the Seller or Supplier's own information of a similar type, and in no event less than reasonable in view of the type and nature of the information involved. Seller or Supplier will use industry-standard and up to date security tools and technologies, as industry standards change over time, in providing the products and/or services to the Buyer's, and ensure that its employees, subcontractors and agents who perform work under this Agreement do the same. In the event of any unauthorized disclosure or use of, or access to, the Buyer's information, Seller or Supplier will notify the Buyer within 72 hours of such disclosure, use or access at [PepsiCoSecurity@pepsico.com](mailto:PepsiCoSecurity@pepsico.com) with a copy to [ITLegalNotice@pepsico.com](mailto:ITLegalNotice@pepsico.com).

To the extent PepsiCo's Global Information Security Addendum ("GISR") is applicable to the products and/or services provided by the Seller or Supplier to the Buyer, the GISR is deemed incorporated by this reference, whether attached hereto or made available online, and made part of this Agreement.

#### **17. CONFIDENTIALITY**

The Seller or Supplier shall consider as "Confidential Information" all non-public information provided by the Buyer, all specifications or other documents prepared by either party and accepted by the Buyer in connection with an Order; the fact that the Buyer has contracted to purchase Goods or Services from the Seller or Supplier and all other nonpublic information provided by the Buyer in relation with the Order. Without the Buyer's prior written consent, the Seller or Supplier shall not disclose or use any Confidential Information for any purpose other than performing an Order.

#### **18. ASSIGNMENT/ SUBCONTRACTING**

The Seller or Supplier may not assign nor subcontract any part of an Order without the Buyer's prior written consent. If the Seller or Supplier subcontracts any part of an Order, it shall bind each of its sub-contractors by the Order's terms; provided however that nothing contained in any sub-contract shall create, nor be represented to create, a contractual relationship between any sub-contractor and the Buyer.

#### **19. TERMINATION FOR CONVENIENCE**

Upon notice to the Seller or Supplier, the Buyer may terminate an Order or any part thereof solely for its convenience. Upon its receipt of the Buyer's notice of termination, the Seller or Supplier will immediately stop and cause all of its suppliers and sub-contractors to stop all work under the Order or the part which has been terminated.

The Buyer will pay the Seller's or Supplier's actual direct costs resulting from the termination but the Buyer will not pay the Seller or Supplier for any work performed after receipt by the Seller or Supplier of the notice of termination, nor for any costs that the Seller or Supplier could reasonably have avoided.

#### **20. TERMINATION FOR CAUSE**

Without prejudice to any of its other rights or remedies and without incurring any liability, the Buyer may terminate an Order or any part thereof in the event that the Seller or Supplier commits a material breach of its obligations contained in the Order. Upon receipt of a notice of termination from the Buyer, the Seller or Supplier shall immediately stop and cause all of its suppliers and sub-contractors to stop all work under the Order or the part, which has been terminated.

#### **21. TAX**

In the event any Tax becomes due by reason of this Agreement, such Tax shall be borne by the party upon whom such Tax is imposed by applicable law. 'Tax' means: all foreign, federal, state, provincial, national, local and other taxes, fees, levies, duties and other assessments or charges whatever kind (including without limitations, income, excise, customs duties, tariffs, stamp, transfer, property, occupancy, value added, use, real estate, sales, payroll, gains, gross receipts, withholding and franchise taxes) together with any interest, penalties or additions payable in connection with such taxes, fees, levies, duties or other assessments or charges.

#### **22. TITLE AND RISK (FOR GOODS)**

Title to the Goods shall pass to the Buyer upon delivery to the designated delivery point without prejudice to any right of rejection, which may accrue to the Buyer under these terms and conditions. Delivery of the Goods to the designated delivery point extinguishes the Seller's proprietary rights in them and the Seller retains no title. The Seller shall: (a) be responsible for and bear the risk of loss of or damage to the Goods until they are delivered to the designated delivery point and accepted by the Buyer, and (b) bear all risks and expenses related to the return of rejected Goods requiring

correction, including without limitation, freight, duties, insurance, packaging, materials and labour costs.

### **23. WAIVER AND REMEDIES**

Neither the Buyer's failure to insist on the performance of any of these terms and conditions, nor its failure to exercise any right or privilege, nor its waiver of any breach hereunder, shall be deemed to be a waiver of any of these terms or conditions or breaches by the Seller or Supplier of an Order whether of the same or a similar type.

Rights and remedies provided by these T&Cs are cumulative and are not exclusive of any rights or remedies provided by law.

### **24. ENTIRE AGREEMENT**

An Order shall incorporate these terms and conditions and shall constitute the entire agreement of the Seller or Supplier and the Buyer regarding the supply of Goods or Services and shall override and supersede any previous agreement or arrangement whether oral or in writing between the Seller or Supplier and the Buyer unless expressly accepted in writing and signed by an authorised representative of the Seller or Supplier and the Buyer. An Order may not be modified except in writing signed by an authorised representative of the Seller or Supplier and the Buyer.

### **25. SUPPLIER CODE OF CONDUCT AND ANTI-BRIBERY POLICY COMPLIANCE**

- (a) The Order shall be subject to, and the Supplier or Seller shall at all times adhere to:
  - the PepsiCo's Supplier Code of Conduct, which is available at the following website: [www.pepsico.com/SupplierCodeofConduct](http://www.pepsico.com/SupplierCodeofConduct), and which may be amended from time to time by the Company; and
  - the PepsiCo's Global Anti-Bribery Compliance Policy (the "Anti-Bribery Policy"), which may be amended from time to time by PepsiCo, the U.S. Foreign Corrupt Practices Act and any other applicable laws relating to anti-bribery.
- b) The Supplier or Seller represents, warrants and covenants that, to its knowledge, neither the Supplier or Seller nor its officers nor anyone acting on its behalf has in the past five years nor shall it in the future, corruptly make any offer, payment, promise of gifts or money or any other thing of value to either a Government Official (as defined in the Anti-Bribery Policy) or any representative of a third party for the purpose of improperly influencing any act or decision of such person or a Government Official to act in violation of his/her lawful duty for the purpose of securing any improper advantage or obtaining or retaining business.
- c) The Supplier or Seller represents that none of its shareholders, officers, directors or employees are a Government Official.
- d) The Supplier or Seller agrees to maintain accurate books and records in accordance with all applicable laws and generally accepted accounting practices.
- e) The Supplier or Seller agrees to notify Buyer of any known or suspected breach of this clause. The Supplier or Seller will cooperate fully in any investigation conducted by the Supplier or Seller (to the satisfaction of the Buyer), the Buyer or any governmental entity, and will take all necessary measures to remediate any breach.

### **26. GOVERNING LAW AND JURISDICTION**

An Order shall be governed by and construed in accordance with law of the country where the Buyer is based and the parties submit to the jurisdiction of the courts of that country over any claim or matter arising under or in connection with an Order and the legal relationships established by the Order.