

DATE: 1 JULY 2022

INVESTMENT AGREEMENT

Between

EJL SLOVAKIA S. R. O.

THE SLOVAK REPUBLIC

and

VALALIKY INDUSTRIAL PARK, S.R.O.

TABLE OF CONTENTS

TABLE OF CONTENTS

1.	Interpretation	3
2.	Project.....	3
3.	Investment Aid	3
4.	Acquisition and Preparation of the Site.....	5
5.	Other Support	10
6.	Organization	13
7.	Covenants	14
8.	Representations and Warranties	15
9.	Indemnification.....	15
10.	Force majeure	16
11.	Confidentiality.....	16
12.	Notices.....	18
13.	Termination	19
14.	Miscellaneous	24
15.	Governing Law and Jurisdiction.....	26
16.	Language	27

SCHEDULES:

SCHEDULE 1 - INTERPRETATION

SCHEDULE 2 – PROJECT DESCRIPTION

SCHEDULE 3 – MELIORATION PLOT

SCHEDULE 4 – SITE

SCHEDULE 5 – SITE REMEDIATION WORKS

SCHEDULE 6 – MILESTONES

SCHEDULE 7 – GENERAL MAP

SCHEDULE 8 - WARRANTIES

SCHEDULE 9 – ORGANISATION

SCHEDULE 10 – GENERAL PUBLIC INFRASTRUCTURE AND PUBLIC UTILITIES

THIS INVESTMENT AGREEMENT (the “**Agreement**”) is entered into on 1 July 2022

BETWEEN:

- (1) **EJL Slovakia s. r. o.**, with its seat at Laurinská 18, Bratislava - mestská časť Staré Mesto 811 01, Id. No. 54 490 383, registered with the Commercial Register kept by the District Court Bratislava I, Section Sro, File No. 159207/B (the “**Company**”);
- (2) the **Slovak Republic**, acting through the Ministry of Economy of the Slovak Republic (“**Slovakia**”); and
- (3) **Valaliky Industrial Park, s. r. o.**, with its seat at Mlynské nivy 44/a, Bratislava - mestská časť Ružinov 827 15, Id. No. 54 485 053, registered with the Commercial Register kept by the District Court Bratislava I, Section Sro, File No. 159129/B (“**Valaliky Industrial Park**”) or (“**VIP**”).

BACKGROUND:

- (A) Slovakia is currently developing the Strategic Park in the Region of Košice. The Strategic Park is situated within the municipalities of Valaliky, Haniska, Geča and Čaňa. The Strategic Park forms part of a larger area, which has been subject to development plans and feasibility studies for a long time for the purpose of creating an industrial park for industrial and manufacturing purposes.
- (B) Volvo Car Group, including its parent company Volvo Car AB (publ.), Volvo Car Corporation and all its subsidiaries (the “**Investor**”) is interested in establishing a new manufacturing plant in the Strategic Park for production of fully electrical passenger vehicles. In reliance on the commitments made and support agreed to be provided by Slovakia and Valaliky Industrial Park under this Agreement and subject to its terms, the Investor wishes to implement the Project through the Company.
- (C) The Company is majority owned by Volvo Car Corporation. The Investor plans to carry out the Project through the Company.
- (D) Slovakia recognise the major positive contribution that the completion of the Project would have for the economy of Slovakia, specifically the Region of Košice.
- (E) Slovakia wishes to support the successful and timely completion of the Project at the Site, *inter alia*, by granting the Investment Aid in accordance with the laws of Slovakia and the EU.
- (F) The Company recognises that the Investment Aid comprises an incentive to opt to locate the Project on the Site (“*location decision*”) in accordance with Section 5.2 paragraph 59 (2) of the Regional Aid Guidelines.
- (G) The Parties wish to set out in clear terms in this Agreement their respective commitments in relation to the implementation and support of the Project.
- (H) At its meeting held on 1 July 2022, the Government of Slovakia approved the proposed Investment Aid and Slovakia’s entry into this Agreement and authorised Mr. Eduard Heger, Prime Minister of Slovakia, and Mr. Richard Sulík, Minister of Economy of Slovakia, to execute this Agreement on behalf of Slovakia.

IT IS THEREFORE AGREED AS FOLLOWS:

1. INTERPRETATION

- 1.1** In addition to terms defined elsewhere in this Agreement, the definitions and other provisions in Schedule 1 (*Interpretation*) shall apply throughout this Agreement, and this Agreement shall be interpreted in accordance with the interpretation provisions set out in that Schedule.

2. PROJECT

- 2.1** Subject to the terms of this Agreement, in particular, subject to the receipt of Investment Aid, the Investor intends to implement the Project at the Site, through the Company in accordance with the parameters set out in Schedule 2 (*Project Description*).

3. INVESTMENT AID

3.1 Granting Investment Aids

- 3.1.1** In accordance with the Investment Incentives Act and the Regional Aid Guidelines, subject to Clause 3.1.3 below, the government of Slovakia has approved to provide the regional aid to the Company in relation to the Project (the “**Investment Aid**”) in the manner, amount and structure set out in the decision granting the Investment Aid (the “**Investment Aid Decision**”) which will be issued subject to the EU Approval. The Investment Aid will be provided as a cash grant for the investment costs payable to the Company free of any deductions and or withholdings.
- 3.1.2** The Company agrees and accepts that the amount of Investment Aid has been calculated exclusively on the basis of the Request for Aid.
- 3.1.3** The Company agrees and accepts that the granting of the Investment Aid is subject to EU Approval. If the European Commission does not make a decision on the approval of the granting of the Investment Aid required by the Company until 3 April 2023 or anytime decides, in the first instance, either not to approve the granting of the Investment Aid at all, or to approve it in an amount which is lower than the amount mentioned in Clause 3.1.1, or in a manner or under conditions which are different than those set out in this Agreement and/or which could materially affect the Project, the Company shall have the option to do any of the following:
- (a) request Slovakia to challenge the decision of the European Commission before the appropriate EU judicial authorities; and/or
 - (b) either prior to, during or after (or instead of) the procedure mentioned in paragraph (a), accept in writing such different form or conditions or lower amount of approved Investment Aid, in which case the other provisions of this Agreement shall continue to apply accordingly; and/or
 - (c) enter into good faith discussions with Slovakia to explore and seek whether this Agreement can continue in force in its current form or in a modified form.
- 3.1.4** If the Company and Slovakia fail to reach an agreement pursuant to Clause 3.1.3 (c) within 3 (three) months from entering into good faith discussions, or in accordance with the above Clause 3.1.3 (a) the Company requested Slovakia to challenge the decision of the European

Commission before the appropriate EU judicial authorities and Slovakia failed to challenge the decision without delay or the challenge has been unsuccessful, the Company may terminate this Agreement in accordance with Clause 13.3 and the terms as set forth in Clause 13.3. shall apply for the settlement of the claims between the Company and Slovakia. In order for the Company to exercise the right of termination it must provide Slovakia with a written notice of termination within 3 (three) months from expiry of the aforementioned three-months negotiation period.

- 3.1.5 Upon receipt of the EU Approval and subject to the procedure set out in Clause 3.1.3, the Ministry shall issue a decision on granting of the Investment Aid under Section 20(4) of the Investment Incentives Act. The decision shall be considered as an integral part of this Agreement.
- 3.1.6 Slovakia and the Company recognise that certain administrative procedures, filings and decisions need to be made under Slovak law in order for the Investment Aid to be considered finally granted and to be disbursed to the Company (the “**Approvals**”). Subject to the Company complying with the relevant obligations of the applicable laws, Slovakia undertakes to exercise its best efforts to ensure that in accordance with the scope of its competence, the Approvals will be granted to the Company without undue delay following the Company’s submission of the necessary filings and applications with the relevant authorities and in any case within the minimum possible time period stipulated by Slovak law.

3.2 Rules applicable to the Investment Aid

- 3.2.1 The annual time schedule for the disbursement of the Investment Aid shall be set forth in the Request for Aid.
- 3.2.2 The Investment Aid is subject to the conditions set out in the Investment Aid Decision and the Investment Incentives Act.
- 3.2.3 In the event the Company fails to meet the obligations set forth in the Investment Incentives Act which led to cancellation of the Investment Aid Decision, the Ministry may cancel the Investment Aid Decision and request the Company to return the full amount of Investment Aid received in accordance with the requirements stipulated by the Investment Incentives Act. The foregoing remedy shall be the sole remedy available to Slovakia in connection with any breach or default by the Company in its obligations set forth in Investment Incentives Act which led to cancellation of the decision granting the Investment Aid. The Agreement will survive the cancellation of the Investment Aid Decision, however, Slovakia, Valaliky Industrial Park and Company shall in good faith discuss with the view to enter into an amendment to this Agreement that will proportionally adjust Slovakia’s and Valaliky Industrial Park's obligations under this Agreement taking into account the actual needs of the Project and the Strategic Park (the “**Amendment**”). Either Party may, by written notice, ask the other Parties to enter into the Amendment within 60 (sixty) days from the cancellation of the Investment Aid Decision. The Amendment shall be entered into within 2 (two) months from a notice of any of the Parties. If any of the Parties refuses to enter into the Amendment within 3 (three) months from the notice, any Party shall have the right to refer the matter to arbitration according to Clause 15.2-15.3 which shall determine the contents of the Amendment in accordance with Article 290 Section 2 of the Commercial Code taking into

account the actual needs of the Project and preparation of the GPI for the needs of the Strategic Park.

3.3 Investment Aid Proceedings

- 3.3.1 The Parties shall cooperate and use their best efforts to prepare a notification of the Investment Aid to the European Commission for the purpose of obtaining the EU Approval. The Ministry shall, subject to the Company's satisfaction of its undertakings under Clause 3.3.3 below, ensure the preparation and submission of a notification of the Investment Aid as provided in Section 20 of the Investment Incentives Act (complying with all applicable laws, in particular complying with the Implementing Regulation, and with the terms set out in this Agreement) to the European Commission.
- 3.3.2 Slovakia undertakes to the Company that, in matters arising out of or in connection with the EU Approval, it will:
- (a) immediately inform the Company of any material communication between Slovakia (and its bodies, authorities and emanations) and the European Commission; and
 - (b) allow, to the extent permitted by the European Commission and its procedures, a representative or an advisor of the Company to attend any meeting between Slovakia (and its bodies, authorities and emanations) and any representative of the European Commission, and will give the Company a reasonable notice of such meeting. The Company and Slovakia undertake to each other that they will use their best endeavours to obtain the EU Approval to the Investment Aid as soon as possible.
- 3.3.3 The Company shall comply with any necessary filing and application requirements in order to obtain the EU Approval and provide in that respect all reasonable cooperation.

3.4 Revocation

- 3.4.1 If the European Commission decides on revocation of its decision approving the granting of the Investment Aid (i.e., the EU Approval) pursuant to Article 9 of the Implementing Regulation, the Company shall enter into good faith discussions with Slovakia to explore and seek ways for this Agreement to continue in force in a similar form to its current form or in a modified form notwithstanding the decision of the European Commission. If the Company and Slovakia fail to reach an agreement pursuant to the previous sentence within 3 (three) months from entering into good faith discussions, the Company may terminate this Agreement in accordance with Clause 13.3, however no later than six (6) months following the decision on revocation by the European Commission.

4. ACQUISITION AND PREPARATION OF THE SITE

4.1 Demarcation of the Site

- 4.1.1 The Site constitutes a part of the Strategic Park. The parcels constituting the Site are listed in Schedule 4 (*Site*).
- 4.1.2 The General Map contains a specification of the Site within the Strategic Park. In case of an inconsistency between the General Map and the parcels in Schedule 4 (*Site*), the General Map shall prevail.

4.2 Slovakia's Undertakings

4.2.1 Slovakia undertakes, represents and warrants that Valaliky Industrial Park, a 100% wholly owned subsidiary of the Ministry, shall:

- (a) become an unrestricted and registered owner of the entire and complete land constituting the Site no later than by 1 February 2023, except for the Melioration Plot which Valaliky Industrial Park instead shall become an unrestricted and registered owner to no later than by 15 May 2023;
- (b) allow or arrange for reasonable access of the Company and/or its advisors and contractors to the Public Land comprising the Site and (in as much extent as possible) to the Private Land comprising the Site for the purpose of usual surveys and preparation of the Project to the extent that such access does not restrict the Site Remediation Works and other actions summarized in Schedule 5 (*Site Remediation Works*);
- (c) procure that the Site Remediation Works and other actions summarized in Schedule 5 (*Site Remediation Works*) are completed within the time frame stated therein and/or in Schedule 6 (*Milestones*);
- (d) transfer ownership to the Site to the Company in accordance with the Agreement on Future Agreements and Purchase Agreement;
- (e) execute the Agreement on Future Agreements on the same day when the Parties execute this Agreement; and
- (f) carry out any other tasks agreed between the parties in any Implementation Agreement.

4.2.2 Slovakia further undertakes to:

- (a) procure that Valaliky Industrial Park duly and timely satisfies and complies with all its obligations, representations and warranties under the Agreement on Future Agreements and/or the Purchase Agreement, or any obligations arising in connection with such agreements;
- (b) procure that no part of the ownership interest in, or enterprise of, Valaliky Industrial Park is in any way transferred and that no similar corporate action is taken or Change of Control takes place, and that the State shall at all times (and notwithstanding any such transfer) continue to Control the Valaliky Industrial Park for as long as the Valaliky Industrial Park has any liabilities or obligations under any Implementation Agreement.

4.3 Acquisition of the Public Land

4.3.1 Slovakia must ensure that the respective Public Entity that is registered as the owner of the Public Land comprising the Site shall enter into final and binding sale-purchase agreement(s) with Valaliky Industrial Park on the sale of the Public Land comprising the Site or that the Public Land comprising the Site is otherwise acquired by Valaliky Industrial Park by the date(s) specified Schedule 6 (*Milestones*).

4.3.2 Slovakia must ensure that Valaliky Industrial Park: (i) pays the purchase price for the Public Land in full; and (ii) applies for the registration and is registered in the Cadastral Register as

the owner of the Public Land comprising the Site by the date(s) specified in Schedule 6 (*Milestones*).

- 4.3.3 Upon the Company's request, in the event of a delay in the acquisition of the Site by the Company not caused substantially by a default of the Company, Slovakia shall ensure that the respective Public Entities provide the Company with any and all Construction Rights necessary for the issuance of the Building Permit and the commencement of the construction until the Company acquires the ownership title to the entire Site. This does not in any way limit or prejudice any of the Company's rights otherwise given by this Agreement and the Implementation Agreements, including (without limitation) rights to claim the Losses, to proceed or not to proceed with the acquisition of the Site, to start or not to start construction on the Site, or to terminate the Agreement.

4.4 Acquisition of the Private Land

- 4.4.1 Slovakia shall exert its best efforts to ensure that the current owners of all parts of the Site enter into a final and binding sale-purchase agreement with Valaliky Industrial Park on the sale of the entire Private Land comprising the Site by the date(s) specified in Schedule 6 (*Milestones*).
- 4.4.2 In the event that some parcels constituting the Private Land cannot be acquired from the owners by agreement, Slovakia shall ensure, in accordance with and subject to law and applying the constitutional principle of proportionality of interference of the state with the right of ownership, that the relevant expropriation proceedings are pursued in relation to these parcels.
- 4.4.3 Slovakia shall ensure that Valaliky Industrial Park (i) pays the purchase price or the respective consideration for all of the Private Land in full; and (ii) applies for the registration and is registered in the Cadastral Register as the owner of the Private Land comprising the Site by the date(s) specified in Schedule 6 (*Milestones*).
- 4.4.4 Upon the Company's request, in the event of a delay in the acquisition of the Site by the Company not caused by breach of the Company's obligations, Slovakia shall exert its best efforts to ensure that the current owner(s) of the Private Land provide the Company with any and all Construction Rights necessary to issue the Building Permit and the commencement of the construction of the Project on the Private Land, and maintain their validity and effectiveness until the Company acquires the ownership title to the entire Site. This does not in any way limit or prejudice any of the Company's rights otherwise given by this Agreement and the Implementation Agreements, including (without limitation) rights to claim Losses, to proceed or not to proceed with the acquisition of the Site, to start or not to start construction on the Site, or to terminate the Agreement.

4.5 Site Remediation Works and Cooperation

- 4.5.1 Slovakia undertakes, represents and warrants that Slovakia through Valaliky Industrial Park shall be responsible for the execution of the Site Remediation Works as outlined in Schedule 5 (*Site Remediation Works*) according to the time schedule set out in Schedule 6 (*Milestones*).
- 4.5.2 The Parties have agreed in relation to conducting the Site Remediation Works as follows:

- (a) Slovakia shall ensure that all Site Remediation Works are duly and professionally tendered in compliance with the EU law and Slovak law;
- (b) Slovakia shall ensure that an open book policy is maintained for the Company with respect to Company Specific Site Remediation Works, if ordered by the Company, and the Company shall be entitled to review any and all costs related to such Company Specific Site Remediation Works;
- (c) Slovakia shall ensure that the Company may conduct inspections, tests and quality controls of all Site Remediation Works, upon reasonable request;
- (d) Slovakia shall ensure that any warranty claim in respect to the Site Remediation Works are rectified promptly at no costs to the Company or if the warranty claim is rectified by the Company, Slovakia shall ensure reimbursement of the costs incurred by the Company, including any Losses.

4.5.3 In addition to the Site Remediation Works (as outlined in Schedule 5 (*Site Remediation Works*)), Slovakia, in its own name or through Valaliky Industrial Park, shall use its best lawful endeavours to ensure that the relevant authorities provide assistance so that the permits, decisions or documents specified below which are necessary for the construction of the Project on the Site are issued or obtained by Valaliky Industrial Park or the Company (as specified in Schedule 5 (*Site Remediation Works*) or as otherwise agreed between Slovakia and the Company) within the timeline specified in Schedule 6 (*Milestones*), in particular, without limitation:

- (a) Local Master Plans and Zoning Permit (if applicable);
- (b) certificate of "significant investment" pursuant to Clause 5.1;
- (c) any and all agreements and decisions of the administrative authorities related to the relevant surveys specified in Schedule 5 (*Site Remediation Works*);
- (d) an environmental impact assessment (EIA) related to the performance of the Project on the Site;
- (e) a Building Permit (including IPPC); and
- (f) any other permits, decisions or opinions of the relevant authorities necessary for the performance of the Project on the Site.

(provided that in relation to (b) – (f) the above, the Company provides reasonable support and input required by the statutory regulation).

4.5.4 Slovakia declares that no part of the Site will be classified as agricultural land pursuant to Act No. 220/2004 Coll. on the Protection and Use of the Agricultural Land, as amended, prior to its acquisition by the Company.

4.5.5 Subject to applicable laws, commencing on the date hereof and continuing until the completion of the acquisition of the Site, Slovakia shall provide the Company and its agents reasonable access to the Site and access to all relevant documents related to the Site, to permit the Company to verify that the Site has zoning, permitting, licensing, site conditions, soil conditions, title matters and survey matters suitable for the Project and for use by the Company.

4.5.6 In case any issue arising in relation to the Site that is jeopardising the keeping of the timeline specified in Schedule 6 (*Milestones*) or that is otherwise likely to be or become detrimental to the implementation of the Project, Slovakia shall immediately inform the Company hereof and take all necessary measures to rectify the issue without undue delay.

4.6 Delay in the Acquisition of the Site and the Site Remediation Works

4.6.1 Slovakia shall procure, acting in its own name or through a Third Party, that the acts and procedures as specified in Clauses 4.2 to 4.5 are duly and punctually performed without delay; otherwise, Slovakia shall be liable for Losses of the Company and the Company shall not be held liable for any delay in the performance of its obligations and/or for the failure to meet the time limits within which the Company is obliged to perform its obligations hereunder and/or under the Agreement on the Future Agreements and/or the Purchase Agreement during and as a result of such delays caused or not prevented by Slovakia. In such event, the time limits determined for the Company under this Agreement and/or under the Agreement on the Future Agreements and/or the Purchase Agreement to perform its obligations shall be reasonably extended by the period of such delay.

4.7 Sale of the Site to the Company

4.7.1 In accordance with the terms of the Agreement on Future Agreements, Valaliky Industrial Park and the Company shall enter into the Purchase Agreement on 6 March 2023, unless agreed otherwise by the Parties. Slovakia shall ensure that the conditions precedents set out in the Agreement on Future Agreements are duly and timely fulfilled.

4.7.2 The total purchase price for the Site has been determined as a sum of:

- (a) market value of the land comprising the Site (considering the acquisition costs of the land by Valaliky Industrial Park) including the Site Remediation Works, however excluding the Company Specific Site Remediation Works, if ordered by the Company;
- (b) the Costs of Company Specific Site Remediation Works, if ordered by the Company, on a Euro for Euro basis.

4.7.3 The market value was determined based on the Expert Opinion in compliance with the European Commission Land Communication (97/C 209/03) before execution of this Agreement. The Company Specific Remediation Works, if ordered by the Company, will be procured and initially paid by Slovakia and/or Valaliky Industrial Park and thereafter paid by the Company to Valaliky Industrial Park on euro for euro basis.

4.7.4 Details of the calculation, the sum and the manner of payment of the purchase price is specified in the Agreement on Future Agreements and/or the Purchase Agreement. The purchase price shall form the complete and final consideration for the transfer of the Site. In addition to the purchase price for the Site, the Company shall pay Euro by Euro for (a) the design work for the railway tracks and shunting yard to be situated on the Site (the “**Company Specific Railway Design**”) and (b) the extension from the public connection point to the Site for potable water, waste water and gas, if ordered by the Company. For clarity, no other work than the Company Specific Railway Design related to the railway tracks and shunting yard to be situated on the Site will be carried out by Slovakia or Valaliky Industrial Park for the Company.

4.7.5 At any time, even prior to the performance of the terms and conditions under Clause 4.7.1 above and/or under the Agreement on Future Agreements, the Company shall be entitled to require in writing that Valaliky Industrial Park enter into the Purchase Agreement and transfers the Site (or any part thereof), if the deadline specified herein for the performance of the activity set out in Clause 4.7.1 above is not met in all substantial respects. In such case, on the date on which the transfer of the Site (or any part thereof) becomes effective (i.e. on the date of registration of the ownership to the Site (or any part thereof) in the Cadastral Register in favour of the Company):

- (a) any and all of Slovakia's non-performed liabilities to ensure a certain act, result or activity by Valaliky Industrial Park shall be deemed transformed to the obligation to provide any and all reasonable assistance to the Company upon the ensuring of such act, result or activity;
- (b) liability of Slovakia and /or Valaliky Industrial Park shall remain unaffected;
- (c) the Company shall be entitled to assume any and all rights and obligations arising from any agreement entered into by Valaliky Industrial Park for the purposes of the acquisition of the Site and Valaliky Industrial Park will be obliged to provide the Company with all necessary support for the purpose of assuming any and all such rights and obligations.

4.8 Early access to existing buildings

4.8.1 Slovakia shall, by a short term lease from 1 March 2023, provide the Company with an early access to the existing building as outlined in Schedule 7 (General Map), the building to be used as a temporary office for the Company. The lease shall be on standard terms for short term lease agreement with a lease fee corresponding fair market value.

5. OTHER SUPPORT

5.1 Designation as a "significant investment"

5.1.1 Upon a request of the Company and subject to compliance with relevant statutory requirements, the government of Slovakia shall approve the "significant investment" and the Ministry shall issue the Company a certificate of "significant investment" within the meaning of the Significant Investments Act in respect of the Project without undue delay and not later than 60 (sixty) days from submitting the request, which complies with the requirements under the Significant Investments Act. Pursuant to the certificate, the development of the Project shall be designated as a "significant investment".

5.2 Other support for approvals

5.2.1 All necessary approvals, licenses, permits, tax rulings and all other steps including the delivery of any benefits, services or decisions which are required to be taken, issued, granted, delivered or done, as the case may be, by the Government of Slovakia and other bodies of Slovakia that are necessary for the implementation of the Project shall be taken, issued, granted, delivered or done, as the case may be, in the manner and by the dates set out herein.

5.2.2 To the fullest extent permitted by law, Slovakia will support the Company's efforts to obtain all needed permits to execute the Project, especially to have the Building Permits either

effective or issued by the respective authorities with an exclusion of the suspensive effect of an appeal pursuant to Article 55(2) of the Administrative Code, allowing the Company an early start of the construction works before full validity of the respective Building Permit and start manufacturing and selling cars across borders in time to ensure start of construction of the manufacturing facilities on the Site according to the agreed deadline set out in Schedule 6 (*Milestones*).

5.3 Slovakia's undertakings related to GPI

- 5.3.1 Subject to the terms of this Agreement and with the understanding that the following may be, without limitation, for the benefit of the Region of Košice, Slovakia, the Strategic Park and investors to the Strategic Park, including, inter alia, the Company, Slovakia undertakes to procure, and where relevant provide adequate financing to the Region of Košice or other public bodies, that the Pre-Planned GPI set out in Schedule 10 (*General Public Infrastructure and Utilities*) are completed in according to the deadline set out in Schedule 6 (*Milestones*).
- 5.3.2 Slovakia acknowledges that the infrastructure around the Site (existing GPI and Pre-Planned GPI) is a key parameter in the Company's site selection process and that timely completion of the Pre-Planned GPI is of outmost importance for the Company and other investors to the Strategic Park. The Pre-Planned GPI set out in Schedule 10 constitutes the minimum infrastructure to be developed for the needs of the benefit of the Region of Košice, Slovakia, the Strategic Park and investors to the Strategic Park. A traffic study is currently being carried out by Slovakia and will be finalised by 15 August 2022. If the results of such traffic study demonstrate that additional infrastructure is required to serve the needs of the Region of Košice, Slovakia, the Strategic Park and investors to the Strategic Park, Slovakia is committed to finance and procure that additional infrastructure is developed in a timely manner.
- 5.3.3 Slovakia shall inform the Company in writing about the progress of the Pre-Planned GPI and shall prior to the relevant deadlines set out in Schedule 6 (*Milestones*) provide the Company with information demonstrating that the relevant milestone has been achieved. Acceptance of the relevant milestone shall be deemed to have been given either if the Company in writing approves the milestone or if the Company fails to give notice about any non-conformities within ten (10) Business Days. If non-conformities are detected by the Company, Slovakia shall promptly remedy such non-conformities.
- 5.3.4 In case any issue arising in relation to the performance of the Pre-Planned GPI that is jeopardising the keeping of the timeline specified in Schedule 6 (*Milestones*) or that is otherwise likely to be or become detrimental to the implementation of the Project, Slovakia shall immediately inform the Company hereof and take all necessary measures to rectify the issue without undue delay. A notice regarding anticipated delay or delay shall not release Slovakia from its obligations with regard to the delay.
- 5.3.5 Slovakia has informed the Company that even further electricity capacity can be provided to the Strategic Park, but that a significant capacity increase will require time in order to establish the needed infrastructure. Slovakia undertakes to provide a new or updated connection point with an increased capacity within three (3) years from receiving a written notice from the Company requiring additional electricity capacity to the Strategic Park.

5.4 Slovakia's undertakings

- 5.4.1 Subject to the terms of this Agreement and with the understanding that the following may be, without limitation, for the benefit of the Region of Košice, Slovakia, the Strategic Park and investors to the Strategic Park, including, inter alia, the Company, Slovakia undertakes to provide further support as follows:
- (a) to use best efforts to increase the number of engineering and other relevant courses at universities and technical schools relevant for the automotive industry;
 - (b) to use best efforts to ensure an effective environment for employee relations for investors;
 - (c) to use best efforts to ensure the operation of an employee recruitment program including also promotion of jobs and availability of premises for the recruitment and related initiatives to accommodate the required number of applicants;
 - (d) to use best efforts to utilise existing or possible financial tools and schemes supporting labour mobility, trainings, preparation for the labour market and creation of jobs;
 - (e) to use best efforts to support availability of medical and dental care as well as medical emergency system with fast reaction time;
 - (f) to seek expedited granting of residence and working permits for non-EU nationals;
 - (g) to cooperate with relevant self-governing entities (including the City of Košice, the self-governing region of Košice and the Municipality of Valaliky) to assist the Company in satisfying public transportation, education and accommodation needed in the region as a consequence of the temporary and permanent increase of population, due to the Project, and in this respect, Slovakia is committed to provide full financial support to the relevant self-governing entities, subject to available resources and applicable laws; and
 - (h) to use their best efforts to not change the non-taxation status of test vehicles; and
 - (i) to support the Company in its objective to have a climate neutral plant from the start of production and for this purpose collaborate with the Company in order to find solutions which enables the Company to achieve this objective.
- 5.4.2 Subject to the terms of this Agreement, Slovakia shall use its best endeavours to procure that any third-party operator of operational, infrastructural and utility services to users of the Strategic Park provides such services on a fair, reasonable, continuous and non-discriminatory basis.
- 5.4.3 Subject to the terms of this Agreement, Slovakia shall use its best endeavours to ensure that:
- (a) within its statutory limitations, the Region, the City of Košice and the Municipality of Valaliky comply with their obligations set out in the agreements regarding the implementation of the Strategic Park;
 - (b) The respective authorities are reasonably staffed to ensure due and timely fulfilment of Slovakia's commitments;
 - (c) The Company shall have a dedicated, senior point of contact in the tax authority for VAT matters;

- (d) The Company shall have a dedicated, senior point of contact in the customs authority for customs matters;
 - (e) The Company and customs authorities of Slovakia shall co-operate within the measures permitted by law in order to resolve any issues or concerns in relation to any application for inward processing relief and obtaining authorised economic operator status by the Company;
 - (f) The customs authorities of Slovakia shall facilitate the Company's application for the inward processing relief suspension regime and authorised economic operator status and approve these without undue delay in accordance with law once the Company has met its relevant obligations; and
 - (g) The customs authorities of Slovakia shall fairly resolve any customs issues (whether arising as a result of an inspection or otherwise).
- 5.4.4 Slovakia declares its intention to facilitate for flight service providers, within the framework of applicable laws, to implement regular and direct Gothenburg-Košice flights as new route from the date of start of construction on the Site.
- 5.4.5 Subject to the terms of this Agreement Slovakia shall exercise its best efforts that the Company be notified of any material changes in laws or enactments of new laws in Slovakia which may have a material detrimental impact on the business of the Company. Slovakia shall provide such notification in writing in the English language or Slovak language as soon as possible after the occurrence of any relevant development.
- 5.4.6 To the extent permitted by law and subject to available resources, Slovakia agrees to use its best efforts to assist the Company with its attempts to qualify for all applicable statutory tax credits, sales tax exemptions and other tax benefits for which the Company may qualify.
- 5.4.7 Slovakia shall, as requested by the Company, facilitate and coordinate the activities and communications by and between the Company and other public parties and private entities that will be involved in the implementation of the Project.

6. ORGANIZATION

- 6.1 The Seller shall establish a steering group as further specified in appendix 9 (the "Steering Group"). The Steering Group shall consist of representative from the Company (two persons), Slovakia (one person), the Valaliky Industrial Park (one person) and the City of Košice (one person). On a case-by-case basis, the Steering Group shall call also one representative each from the Municipality of Valaliky and the Self-Governing Region of Košice. The main objectives of the Steering Group shall be to follow up the progress of the Project, mainly focusing on the deliveries from the public parties, and to identify risks and solutions. Each of Slovakia and the Valaliky Industrial Park shall immediately inform the Company as soon as it becomes aware of any event that could have a significant negative impact on the Company and/or the Project. Slovakia shall ensure that the notification obligation as per above shall be adhered to by the City of Košice as well.
- 6.2 Any change in respect of the representatives set forth in the attached Schedule 9 or in the organizational structure of the project management shall be agreed upon in the Steering Group in advance. Slovakia, the Valaliky Industrial Park and the City of Košice shall replace within

15 days its representative, in case the Company raises any reasonable objection in respect of the performance of such person.

- 6.3 The representative of the Valaliky Industrial Park shall provide to the Steering Group a [weekly] progress report on the fulfilment of the Milestones. Should the Valaliky Industrial Park foresee that a delay will occur in respect of the Milestones, the Valaliky Industrial Park shall provide the Company as soon as possible even without any specific request from the Company a detailed action plan in writing, but within 5 (five) Business Days at the latest after the occurrence of the delay, on the steps to be taken by the Valaliky Industrial Park to achieve the upcoming Milestones within the deadlines specified in the Milestones. The Company may make reasonable comments to such action plan and the Valaliky Industrial Park shall take into consideration all such reasonable comments.
- 6.4 The Steering Group shall appoint relevant project groups within the different work streams, with representatives from the Company and the Valaliky Industrial Park, and, where applicable, Slovakia, the City of Košice the Municipality of Valaliky and the Self-Governing Region of Košice. Each project group, including any personnel responsible for project management and their staff and consultants, shall be responsible for management of its tasks and obligations set forth in this Agreement.

7. COVENANTS

7.1 Covenants by the Company

7.1.1 Subject to the terms of this Agreement, the Company hereby covenants the following:

- (a) to comply with the relevant provisions of the Investment Incentives Act;
- (b) generally, to meet and fulfil and procure all its obligations and undertakings contained in and arising from this Agreement, the Agreement on Future Agreements and the Purchase Agreement.

7.2 Covenants by Slovakia

7.2.1 Subject to the terms of this Agreement and for the benefit of the Company, Slovakia hereby covenants the following:

- (a) To provide the Investment Aid to the Company under the conditions of this Agreement;
- (b) To ensure the transfer of the Site to the Company under terms and conditions set forth in this Agreement;
- (c) To provide the Company with all the support and assistance which the Company may reasonably require in order to give effect to the terms of this Agreement or which is necessary in order for the Project to be realised in accordance with this Agreement;
- (d) To ensure that the milestones regarding the Site are achieved by the agreed deadline set out in Schedule 6 (*Milestones*).
- (e) To ensure that the state budget for the relevant years has sufficient funds within the relevant budget chapters to meet its obligations to pay the Investment Aid and other costs as provided under this Agreement;

- (f) To maintain Significant Investment Status for the Strategic Park for at least 7 (seven) years from issuance of the certificate of “significant investment” by the Ministry pursuant to Clause 5.1.1; and
- (g) Generally, to meet and fulfil and procure all its obligations and undertakings contained in and arising from this Agreement, the Agreement on Future Agreements and the Purchase Agreement and to adhere to any and all applicable obligations set out in the Investment Incentives Act and to meet and fulfil and procure the same in respect of Valaliky Industrial Park.

8. REPRESENTATIONS AND WARRANTIES

- 8.1** The Company represents and warrants to Slovakia, and shall procure, that each of the statements set out by the Company in Schedule 8 (*Warranties*) is true and accurate as of the date of this Agreement.
- 8.2** Slovakia represents and warrants to the Company, and shall procure, that each of the statements set out by Slovakia in Schedule 8 (*Warranties*) is true and accurate as of the date of this Agreement.

9. INDEMNIFICATION

- 9.1** Slovakia undertakes to compensate and pay to the Company an amount equal to any Losses incurred by it as a result of or in connection with a breach of its obligations under this Agreement, or as a result of any of the Warranties given by Slovakia to the Company being untrue, inaccurate or misleading on the date on which the Warranty was given or deemed to be given unless in any such case it is proven that such breach was caused by an Event of Force Majeure, without prejudice to the right of the Company to terminate this Agreement.
- 9.2** Slovakia undertakes to compensate and pay to the Company an amount equal to any Losses incurred by it as a result of or in connection with (i) a successful challenge of any expropriation proceedings referred to in Clause 4.4.2 of this Agreement and (ii) circumstances occurred in 13.2.1(f) and/or 13.2.1(h).
- 9.3** Slovakia undertakes to compensate and pay to the Company an amount equal to any Losses incurred by the Company as a result of or in connection with any failure on the part of Slovakia or Valaliky Industrial Park to achieve the agreed deadlines and remedy periods set out in Schedule 6 (*Milestones*) without prejudice to the right of the Company to terminate this Agreement, if and as provided so in Schedule 6 (*Milestones*). The Company is entitled to compensation for Losses in respect of the failure to achieve the milestones only if they exceed the liquidated damages specifically provided in Schedule 6 (*Milestones*).
- 9.4** The Company undertakes to compensate Slovakia for any Losses incurred by Slovakia or Valaliky Industrial Park as the case may be, as a result of or in connection with a breach of the Company’s obligations under this Agreement, or as a result of any of the Warranties given by the Company being untrue, inaccurate or misleading on the date on which the Warranty was given or deemed to be given unless in any such case it is proven that such breach was caused by an Event of Force Majeure. The Company, however, shall not be obliged or held liable to reimburse Slovakia for any costs (whether factual, administrative or any other) of any works, including the Site Remediation Works that benefit of the Strategic Park or from which

Slovakia, the Region of Košice or any other third party, including any potential investors, may benefit.

10. FORCE MAJEURE

- 10.1** None of the Parties shall be liable for the non-performance of their respective obligations resulting from the occurrence of an Event of Force Majeure. Furthermore, the obligations affected by such occurrence shall be suspended for the duration of such Event of Force Majeure.
- 10.2** Any Party that invokes an Event of Force Majeure shall notify the other Party in writing of the main elements of such Event of Force Majeure and its probable consequences as soon as possible but in any case within 15 (fifteen) days of observing or becoming aware of it.
- 10.3** In all cases, the Party concerned shall take all necessary measures to minimise the impact of the Event of Force Majeure on the performance of its obligations and to ensure, as soon as possible, the resumption of the normal performance of the obligations affected by the Event of Force Majeure.
- 10.4** If the suspension of obligations resulting from an Event of Force Majeure exceeds 3 (three) months, the Parties shall meet as soon as possible to examine the impact of the events on the implementation of the Project. The Parties shall consider all solutions permitting the adaptation of the Project to the new situation, taking into account, in particular, all measures which would permit the Company to continue with the Project.
- 10.5** If an Event of Force Majeure lasts for more than 6 (six) months and where the Parties have agreed or where an arbitral tribunal hereunder has decided that it is impossible under the circumstances to adapt the Project to make it economically feasible due to the Event of Force Majeure, either Party may terminate this Agreement pursuant to Clause 13.3.

11. CONFIDENTIALITY

11.1 Confidentiality undertakings

11.1.1 The Parties agree that in connection with the Project:

- (a) Slovakia shall ensure that it and any Government Entity and their employees, agents, representatives and advisors maintain the confidentiality of all Confidential Information, and that such Confidential Information shall not be used by them or their employees, agents, representatives or advisors other than specifically for the purposes of the Project; and
- (b) the Company shall ensure that its employees, agents, representatives and advisors and/or employees, agents, representatives and advisors of the Company maintain the confidentiality of all Confidential Information, and that such Confidential Information shall not be used by the Company, or their employees, agents, representatives or advisors other than specifically for the purposes of the Project.

11.1.2 This confidentiality obligation shall not apply to information which:

- (a) is publicly available at the time of its disclosure to the Company, Slovakia, Valaliky Industrial Park or to any Government Entity;

- (b) becomes generally available to the public after it has been provided to the Company, Slovakia or Valaliky Industrial Park, except for cases when it became publicly available due to a breach of this Clause;
 - (c) in relation to Confidential Information that is provided by the Company and explicitly designated in writing by the Company as non-confidential, and in relation to Confidential Information that is provided by Slovakia or Valaliky Industrial Park and is explicitly designated in writing by Slovakia or Valaliky Industrial Park, respectively, as non-confidential; or
 - (d) is disclosed pursuant to a requirement that it be disclosed by law (including the Freedom of Information Act), stock market rules, a competent court, an applicable regulatory authority or an authority adjudicating a dispute between the parties, subject to the disclosing party informing the other parties, as promptly as practicable, in advance of the requirement for such a disclosure; such disclosure is to be made only after informing the other parties, if possible, and after the disclosing party has consulted with the other party with a view to minimising the disclosure and mitigating the manner of disclosure.
- 11.1.3 A Party may disclose Confidential Information to its auditors or external advisors, subject to such entities being informed of and acceding to a confidentiality undertaking on terms substantially to those set out in similar to this Agreement.
- 11.1.4 The Company may disclose Confidential Information to its shareholders, controlling bodies or other entities within its group.
- 11.1.5 The State may disclose Confidential Information to Valaliky Industrial Park, and other State-controlled entities, which are tasked with certain activities related to the performance hereof.
- 11.1.6 Neither Party, nor their employees, agents, representatives or advisors shall make or permit to be made any announcement or other disclosure concerning the subject of this Agreement or any ancillary matter without the consent of the other Party, or any such disclosure at all concerning the subject of this Agreement or any ancillary matter, except for matters pursuant to Clause 11.2.
- 11.1.7 Slovakia and Valaliky Industrial Park as well as all authorities and/or affiliates shall each ensure that any of its employees who come into contact with Project related Confidential Information, as well as any agents, representatives and advisors are aware of the confidentiality undertaking set out in this Agreement and are bound to observe its terms in perpetuity regardless of any change of contractual status of such person or entity.
- 11.1.8 The Company shall ensure that any of its employees who come into contact with Project related Confidential Information, as well as any agents, representatives and advisors are aware of this Clause and are bound to observe its terms in perpetuity regardless of any change of contractual status of such person or entity.
- 11.2 Provision of information under the Freedom of Information Act**
- 11.2.1 The Parties recognise that this Agreement must be published to become effective. The Parties agree, to the extent possible under Slovak law, that the contents of Schedules 2, 5 and 6 contain the commercial secrets of the Parties that may not be disclosed. The Parties further agree that

the Company will, to the extent permitted by law, be notified in advance of the nature of any disclosure of provisions in the Agreement containing information which must be disclosed upon request pursuant to the Freedom of Information Act before such disclosure is made.

11.3 Announcements and press releases

- 11.3.1 Prior to the publication of any press release or any other form of public announcement by any Party in connection with the subject of this Agreement, the Parties shall consult and agree on the form of such press release or public announcement to ensure that it is made in a positive and constructive manner.

12. NOTICES

- 12.1 Any notice or other formal communication given under this Agreement (which does not include e-mail communication) must be in writing, in English (unless otherwise agreed) and may be delivered by hand, registered post or courier using an internationally recognised courier company to the Party to be served at his/its address appearing in this Agreement as follows:

to the Company at:

EJL Slovakia s.r.o.

Attention: Björn Helldén

Laurinská 18, Bratislava - mestská časť Staré Mesto 811 01, Slovakia

email: bjorn.hellden@volvocars.com

with a copy to:

Volvo Car Corporation

Attention: SVP General Counsel

Dept 50090, SE 405 31 Göteborg, Sweden

email: legal@volvocars.com

to Slovakia at:

Attention: Minister of Economy

Mlynské nivy 44/a, 827 15 Bratislava 212, Slovakia

email: minister@mhsr.sk

to Valaliky Industrial Park at:

Attention: Miloslav Durec, Executive ("Konatel")

Mlynské nivy 44/a, Bratislava - mestská časť Ružinov 827 15, Slovakia

email: m.durec@valaliky.eu

or to any other name, address provided by any of the Parties to the other Parties under this Clause.

- 12.2 Any notice or other communication shall be deemed to have been given if delivered by hand, registered post, courier using an internationally recognised courier company, at the time of delivery.

13. TERMINATION

13.1 Termination by Slovakia

- 13.1.1 Slovakia may, by a notice to the Company, terminate this Agreement and all Implementation Agreements in the event that the Agreement on Future Agreements or the Purchase Agreement is terminated by Valaliky Industrial Park.
- 13.1.2 Prior to the termination by Slovakia, Slovakia is obliged to notify the Company of the intention to terminate and provide the Company an additional reasonable period of time, but not less than 60 (sixty) days to rectify the situation and/or find an amicable solution satisfactory to the Parties.
- 13.1.3 Following the termination by Slovakia, the Company shall be obliged to return to Slovakia the full amount of all Investment Aid actually received by the Company, together with interest calculated pursuant to the EU Interest Communication, within 15 (fifteen) days after receipt of the termination notice.
- 13.1.4 Following the termination of this Agreement by Slovakia under Clause 13.1.1 from the effective date of the termination, this Agreement shall be deemed to have been terminated and the Parties specifically agree that the following shall apply:
- (a) the Company shall have no obligation to make further investments;
 - (b) if the termination takes place before the effective purchase of the Site (or any part thereof) by the Company, i.e. before registration of the ownership to the Site (or any part thereof) in the Cadastral Register in favour of the Company
 - (i) the Company shall have no right to acquire the Site;
 - (ii) any costs of removal of the construction works carried out by the Company (if any) or on behalf of the Company by Valaliky Industrial Park/ Slovakia (if any) shall be part of Slovakia's Losses without compensation right against the Company and without the Company's obligation to pay any compensation;
 - (iii) the Company shall bear no cost and will have no obligation to return the Site to its original condition;
 - (iv) Slovakia shall have no obligation to pay any compensation to the Company for works (if any) carried out by the Company; and
 - (v) if the costs for the Company Specific Site Remediation Works cannot be recovered by Valaliky Industrial Park/ Slovakia in any other way (e.g., from a third party/new investor), the Company shall compensate to Valaliky Industrial Park / Slovakia the costs of the Company Specific Site Remediation Works finished as of the date of termination of the Agreement, but the compensation for Company Specific Site Remediation Works shall be decreased by an amount by which the value of the Site has increased due to works (if any) carried out by the Company or on behalf of the Company by Valaliky Industrial Park/ Slovakia

(e.g. Company Specific Site Remediation Works and/or construction works that have taken place up to the date of termination).

- (c) if the termination takes place after effective purchase of the Site (or any part thereof) by the Company, i.e. after registration of the ownership to the Site (or any part thereof) in the Cadastral Register in favour of the Company, the Company shall be obliged to return the Site to the Valaliky Industrial Park. The return of the Site to the Valaliky Industrial Park, shall take place on a date defined by the Company, but not later than 3 (three) months from submitting the termination notice by Slovakia to the Company. The following steps shall be taken:
- (i) Valaliky Industrial Park shall return the total purchase price paid by the Company within 60 (sixty) days of the date of the handover of the Site to Valaliky Industrial Park,
 - (ii) any costs of removal of the construction works carried out by the Company (if any) or on behalf of the Company by Valaliky Industrial Park/ Slovakia shall be part of Slovakia's Losses without compensation right against the Company and without the Company's obligation to pay any compensation;
 - (iii) the Company shall bear no cost and will have no obligation to return the Site to its original condition;
 - (iv) Slovakia shall have no obligation to pay any compensation to the Company for construction works (if any) carried out by the Company; and
 - (v) If the costs for the Company Specific Site Remediation Works cannot be recovered by Valaliky Industrial Park/ Slovakia in any other way (e.g., from a third party/new investor), the Company shall compensate to Valaliky Industrial Park / Slovakia the costs of the Company Specific Site Remediation Works partially carried out or fully completed as of the date of termination of the Agreement, but the compensation of the Company Specific Site Remediation Works shall be decreased by an amount by which the value of the Site has increased due to works carried out by the Company (if any) or on behalf of the Company by Valaliky Industrial Park/ Slovakia (e.g. Company Specific Remediation Works that have taken place up to the date of termination).
- (d) Slovakia, other than the compensation referred to in Clause 13.1.4(b)(v) and 13.1.4(c)(v), shall have no right to claim any Losses from the Company in connection with the termination of this Agreement by Slovakia under Clause 13.1.1.
- (e) If there is a dispute or disagreement between the Parties regarding the compensation referred to in Clause 13.1.4(b)(v) and 13.1.4(c)(v) and the Parties are unable to reach an agreement, then each the Company and Slovakia may engage any of the Independent Experts to make the determination on the matter being disputed and the average value between the two decisions of the Independent Experts shall determine the disputed amount. The Parties shall allow the Independent Experts to investigate the documents and information necessary for the decision of the Independent Experts. The Independent Experts shall use the market-standard RICS Red Book principles in their valuation. In case the appointment of the Independent Expert terminates for

whatever reason, or the appointment of the Independent Expert would result in a conflict of interest at either of the Parties, each the Company and Slovakia shall appoint a substitute entity from the list of Independent Experts. The Parties undertake to accept the decisions handed over and delivered by the Independent Experts and the average value of the decisions as binding to them, except for the case when the decision of the Independent Expert is apparently mistaken or obviously wrong or the Independent Expert has passed its decision with fraud or gross negligence.

- (f) If there is no dispute between the Parties, the compensation payable by the Company to Valaliky Industrial Park / Slovakia (i) as per Clause 13.1.4(b)(v) shall be paid within 60 (sixty) days after termination of this Agreement by Slovakia and (ii) as per Clause 13.1.4(c)(v), the compensation shall be paid by the Company within 60 (sixty) days from the date when the Company hands over the Site to Valaliky Industrial Park. If there is a dispute between the Parties regarding the amount of the compensation payable by the Company to Valaliky Industrial Park / Slovakia as per Clause 13.1.4(b)(v) or 13.1.4(c)(v), the compensation shall be paid within 60 (sixty) days from the date when the Independent Expert issues its decision to the Parties on the disputed amount.

13.2 Termination by the Company

13.2.1 The Company may, by a notice to Slovakia and Valaliky Industrial Park, terminate this Agreement and all Implementation Agreements in the event that:

- (a) the Company has pursued termination of this Agreement pursuant to Clause 3.1.4;
- (b) the Company has pursued termination of this Agreement pursuant to Clause 3.4;
- (c) Slovakia breaches any of its obligations pursuant to Clauses 7.2.1(a), 7.2.1(b), 7.2.1(e) and/or 7.2.1(f);
- (d) Slovakia breaches any of its obligations pursuant to Clauses 7.2.1(c) and/or, 7.2.1(g) and this event causes a materially negative effect on the Project, including, without limitation, delays in Project delivery timeline, increase of Project construction costs or decrease of profitability of the Project;
- (e) any of the undertakings of Slovakia and/or Valaliky Industrial Park contained in Clause 11 have been breached resulting in Business Critical Information being disclosed to any unauthorised party;
- (f) other than due to the reasons solely attributable to the Company, any of the Approvals, approvals, permits or decisions by a Government Entity (including, without limitation, the Building Permit) are not granted or are delayed, and this event causes a materially negative effect on the Project, including, without limitation, delays in Project delivery timeline, increase of Project construction costs or decrease of profitability of the Project;
- (g) Slovakia is in delay in disbursing the Investment Aid to the Company under the conditions set out in this Agreement;

- (h) the Agreement on Future Agreement or Purchase Agreements is terminated by the Company or by Valaliky Industrial Park or either of the mentioned agreements are declared to be null and void and not replaced as anticipated therein; and
 - (i) a termination event provided in Schedule 6 (*Milestones*) has occurred and is continuing, provided however the termination right must be exercised not later than 9 (nine) months from the start of the delay (otherwise the right of termination shall be deemed waived, however all other remedies available to the Company shall remain unaffected).
- 13.2.2 Prior to the termination by the Company, the Company is obliged to notify Slovakia of the intention to terminate and provide Slovakia an additional reasonable period of time, but not less than 30 (thirty) days to rectify the situation and/or find an amicable solution satisfactory to the Parties. For the avoidance of doubt if the Company terminates this Agreement in accordance with Clause 13.2.1 for any reason attributable to Slovakia and/or Valaliky Industrial Park, the Company shall be entitled to claim all Losses but only those that are in excess of the liquidated damages which are due to the Company under this Agreement.
- 13.2.3 Following the termination of this Agreement by the Company under Clauses 13.2.1(c) to 13.2.1(j), from the effective date of the termination, this Agreement shall be deemed to have been terminated and the Parties specifically agree that the following shall apply:
- (a) the Company shall have no further obligation to make further investments;
 - (b) if the termination takes place before the effective purchase of the Site (or any part thereof) by the Company, i.e. before registration of the ownership to the Site (or any part thereof) in the Cadastral Register in favour of the Company, the Company shall have the right, but shall not be obliged to acquire the Site. If the Company decides not to acquire the Site, the following steps shall be taken:
 - (i) costs of the construction works carried out by the Company (if any) or on behalf of the Company by Valaliky Industrial Park/ Slovakia shall be compensated by Slovakia to the Company to the extent and amount that the value of the Site has increased due to such construction works;
 - (ii) any costs of removal of the construction works carried out by the Company (if any) or on behalf of the Company by Valaliky Industrial Park/ Slovakia shall be part of Slovakia's Losses without compensation right against the Company and without the Company's obligation to pay any compensation; and
 - (iii) the Company shall bear no cost and will have no obligation to return the Site to its original condition.
 - (c) if the termination takes place after effective purchase of the Site (or any part thereof) by the Company, i.e. after registration of the ownership to the Site (or any part thereof) in the Cadastral Register in favour of the Company, the Company shall have the right, but shall not be obliged to return the Site to Valaliky Industrial Park. If the Company decides to return the Site to Valaliky Industrial Park, such return shall take place on a date defined by the Company, but not later than 3 (three) months from submitting the termination notice by Company to Slovakia. The following steps shall be taken:

- (i) Valaliky Industrial Park shall return the total purchase price paid by the Company, including the price for the Company Specific Site Remediation Works as stated in Clause 4.7.2(c) of this Agreement within 60 (sixty) days of the date of the handover of the Site to Valaliky Industrial Park;
- (ii) costs of construction works carried out by the Company (if any) or on behalf of the Company by Valaliky Industrial Park/ Slovakia shall be compensated by Slovakia to the Company to the extent and amount that the value of the Site has increased due to such construction works;
- (iii) any costs of removal of the construction works carried out by the Company (if any) or on behalf of the Company by Valaliky Industrial Park/ Slovakia shall be part of Slovakia's Losses without compensation right against the Company and without the Company's obligation to pay any compensation; and
- (iv) the Company shall bear no cost and will have no obligation to return the Site to its original condition.

13.3 Termination linked to EU Approval Process or due to Force Majeure

13.3.1 In case of termination of this Agreement by the Company under Clauses 13.2.1(a) and/or 13.2.1(b), or by either Party under Clause 10.5 from the effective date of the termination, this Agreement shall be deemed to have been terminated and the Parties specifically agree that the following shall apply:

- (a) the Company shall have no obligation to make further investments;
- (b) if the termination takes place before the effective purchase of the Site (or any part thereof) by the Company, i.e. before registration of the ownership to the Site (or any part thereof) in the Cadastral Register in favour of the Company, the Company shall have no right to acquire the Site. The following steps shall be taken:
 - (i) Valaliky Industrial Park and/or Slovakia shall bear the costs and will have the obligation to compensate the Company for any amounts by which the value of the Site has increased due to works carried out by the Company (if any) or on behalf of the Company by Valaliky Industrial Park/ Slovakia (e.g. construction works that have taken place up to the date of termination);
 - (ii) no costs of removal of the construction works carried out by the Company (if any) or on behalf of the Company by Valaliky Industrial Park / Slovakia shall be compensated to Valaliky Industrial Park / Slovakia by the Company,
 - (iii) the Company shall bear no cost and will have no obligation to return the Site to its original condition; and
 - (iv) no Party shall have a right to claim any Losses.
- (c) if the termination takes place after effective purchase of the Site (or any part thereof) by the Company, i.e. after registration of the ownership to the Site (or any part thereof) in the Cadastral Register in favour of the Company, the Company shall be obliged to return the Site to Valaliky Industrial Park. Such return shall take place on a date defined by the Company, but not later than 3 (three) months from submitting the

termination notice by Slovakia to the Company or by the Company to Slovakia. The following steps shall be taken:

- (i) Valaliky Industrial Park shall return the total purchase price paid by the Company including the price for the Company Specific Site Remediation Works as stated in Clause 4.7.2(c) of this Agreement within 60 (sixty) days of the date of the handover of the Site to Valaliky Industrial Park,
 - (ii) Valaliky Industrial Park and/or Slovakia shall bear the costs and will have the obligation to compensate the Company for any amounts by which the value of the Site has increased due to works carried out by the Company (if any) or on behalf of the Company by Valaliky Industrial Park/ Slovakia which were not part of the total purchase price (e.g. construction works that have taken place up to the date of termination);
 - (iii) no costs of removal of the construction works carried out by the Company (if any) or on behalf of the Company by Valaliky Industrial Park / Slovakia shall be compensated to Valaliky Industrial Park / Slovakia by the Company;
 - (iv) the Company shall bear no cost and will have no obligation to return the Site to its original condition; and
 - (v) no Party shall have a right to claim any Losses.
- (d) Regarding any dispute and/or compensation payment in relation to Clause 13.3.1(c)(i) and 13.3.1(d)(ii) the provisions of Clause 13.1.4(e) and 13.1.4(f) shall be applied *mutatis mutandis*.

13.4 No other Right to Terminate

- 13.4.1 Save for the Parties' express right to terminate in Clauses 13.1, 13.2 or 13.3, the Parties shall not be entitled to terminate (in any form) this Agreement, and the Parties waive all and any rights of termination (in any form) which it may have in respect of any matter to the full extent permitted by law.

13.5 Surviving Clauses

- 13.5.1 If a Party terminates this Agreement or the Agreement is otherwise terminated, the matters set out in Clauses 1, 7 - 16 shall survive such termination of this Agreement indefinitely.

14. MISCELLANEOUS

14.1 Order of Agreements

In case of any conflict between the wordings in this Agreement, the Agreement on Future Agreement, the Purchase Agreement, the Purchase Agreement for the Melioration Plot and the three agreements regarding the implementation of the Strategic Park with the Region, the City of Košice and the Municipality of Valaliky respectively, , this Agreement shall prevail.

14.2 Effectiveness

This Agreement is entered into on the date on which it is executed by the Company, Valaliky Industrial Park and Slovakia and becomes effective on the date following publication in the Central Register of Contracts (Centrálny register zmlúv). Slovakia shall submit this Agreement

for publication in the Central Register of Contracts (Centrálny register zmlúv) on the next Business Day after its execution by the Parties at latest.

14.3 Entire Agreement

This Agreement contains the entire agreement between the Parties relating to the subject of this Agreement at the date hereof to the exclusion of any terms implied by law which may be excluded by the Agreement and it supersedes any previous written or oral agreement between the Parties in relation to the matters dealt with in this Agreement.

14.4 Exclusion of Application

Without prejudice to any provision of this Agreement, the Parties agree that the application of any provision of Slovak law that is not of a strictly mandatory nature is expressly excluded to the extent that it could alter (fully or partially) the meaning, interpretation or purpose of any provision of this Agreement.

14.5 Waiver

No failure or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege, provided such a right, power or privilege is exercised within the limitation period specified in this Agreement.

14.6 Expenses

Except as otherwise provided in this Agreement, each of the Parties shall bear its own costs incurred in connection with the preparation, negotiation, execution and implementation of this Agreement and the matters contemplated herein.

14.7 Amendments

No variation, supplement, modification to or waiver of this Agreement shall be binding unless made in writing. Unless expressly or otherwise provided for in this Agreement, all of the above must be signed by each of the Parties hereto, except for any waiver, which may be made unilaterally.

14.8 Assignment and Benefit of the Agreement

This Agreement is entered into for the benefit of Slovakia, Valaliky Industrial Park and the Company. Without obtaining Slovakia's prior written consent, the Company may assign any of its rights or obligations under this Agreement, in whole or in part, whether by operation of the law or otherwise, to, or cause any of its obligations under this Agreement to be performed by another Affiliate.

14.9 Further assurances

All Parties shall do or procure all things as may be required to give effect to this Agreement and to execute and give effect to the Implementation Agreements and all other agreements contemplated hereby, including, without limitation, the execution of all documents, the arranging for the convening of all meetings, the giving of all necessary waivers and consents and the passing of all resolutions and otherwise exercising all powers and rights available to them.

14.10 Unenforceability

If any provision of this Agreement is or becomes invalid or unenforceable, such invalidity or unenforceability shall not invalidate the remaining provisions of this Agreement, except where the provisions cannot be severed from the rest of this Agreement due to the nature of the Agreement, its subject or the circumstances in which this Agreement was concluded. The Parties agree to do everything necessary to achieve the same results intended by any such invalid or unenforceable provisions.

14.11 Binding Provisions

All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assignees.

14.12 Legal Regulations

Notwithstanding any provision of this Agreement, any state aid, support, cooperation or effort may only be provided to the extent, in the form and by a procedure which is in compliance with the laws of Slovakia and EU regulations governing the provision of state aid.

14.13 No Double Recovery

None of the Parties to this Agreement and/or no third party shall be entitled to recover damages or claim indemnity or otherwise obtain reimbursement or restitution more than once in respect of the same loss (including for avoidance of doubt the Loss) or matter. In case liquidated damages apply, the Company shall have the right to claim Losses only to the extent the actual loss exceeds the liquidated damages paid or payable to the Company.

15. GOVERNING LAW AND JURISDICTION

15.1 This Agreement is governed by Slovak law.

15.2 The Parties shall aim to immediately settle by discussion and mutual agreement any disputes arising in connection with the fulfilment of commitments under the Agreement or in connection therewith. If the Parties are unable to settle any such dispute within 30 (thirty) days of the origin of that dispute, Clause 15.3 of the Agreement shall apply.

15.3 Notwithstanding Clause 15.2 of the Agreement, all disputes arising out of or in connection with this Agreement shall be finally settled by arbitration under the Rules of Arbitration of the International Chamber of Commerce (ICC) which rules are deemed to be incorporated by reference into this Clause 15. The Emergency Arbitrator Provisions shall not apply. The tribunal shall consist of 3 (three) arbitrators. The claimant(s), irrespective of the number, shall jointly nominate one arbitrator; the respondent(s), irrespective of the number, shall jointly nominate the second arbitrator; and a third arbitrator, who shall serve as chairman, shall be appointed by the Secretary General of the ICC International Court of Arbitration if the 2 (two) arbitrators cannot agree upon a chairman within 30 (thirty) days of the confirmation of the second of the first 2 (two) arbitrators. In the event either the claimant(s) or the respondent(s) shall fail to nominate an arbitrator, then all 3 (three) arbitrators (including the chairman) shall be appointed by the Secretary General. The seat of the arbitration shall be in Vienna, Austria. The language of the arbitration shall be English. Judgment on the award rendered by the tribunal may be entered in any court having jurisdiction thereof. Nothing in this clause shall

be construed as preventing either Party from seeking conservatory or similar interim relief in any court of competent jurisdiction. Any provisions of the ICC Rules relating to court-ordered interim measures shall not apply. The Parties agree to keep confidential all matters relating to the arbitration, including related court proceedings, to the greatest extent practicable. The arbitration agreement shall be governed, construed and interpreted in accordance with the laws of Slovakia.

15.4 Waiver of Sovereign Immunity

To the extent Slovakia or any of its respective assets has or hereafter may acquire any right to immunity from set-off, legal proceedings, enforcement proceedings (including enforcement of an arbitral award or a court judgment) on the grounds of sovereignty, then to the extent permitted by law of the forum concerned, Slovakia hereby irrevocably waives such rights to immunity in respect of its obligations arising out of this Agreement. Such waiver of immunities constitutes only a limited and specific waiver by Slovakia for the purposes of this Agreement and under no circumstances shall it be construed as a general waiver by Slovakia or a waiver with respect to proceedings unrelated to this Agreement. Notwithstanding the foregoing, under the laws of Slovakia, the funds, assets, rights and general property of a military character controlled by a military or defence agency or authority of Slovakia; or mineral resources, underground waters, natural resources and water flow streams of Slovakia located in the Slovak Republic; or assets set out in Section 8(10) of Act No. 523/2004 Coll. on Budget Rules for Public Authorities, as amended, Section 61c of Act No. 233/1995 Coll. on Court Executors and Executions, as amended or Section 5 of the Act. on Winding-up of the National Property Fund of the Slovak Republic, as adopted by the National Council of the Slovak Republic on 12 November 2015 are immune from execution and attachment and any process in the nature thereof and the foregoing waiver shall not constitute a waiver of such immunity or of any immunity from execution or attachment or process in the nature thereof with respect to Slovakia's diplomatic missions in any jurisdiction outside Slovakia or with respect to the assets of Slovakia necessary for the proper functioning of Slovakia as a sovereign power.

15.5 Compliance with Laws

The Company, Slovakia and Valaliky Industrial Park shall comply with all applicable laws, rules and regulations when performing its obligations under the Agreement, including procuring and maintaining any relevant licenses, permits and authorisations required to perform the obligations under the Agreement. Furthermore, Valaliky Industrial Park shall comply with Volvo Cars' Code of Conduct for Business Partners, <https://group.volvocars.com/sustainability>, or similar principles. Failure to comply with this Clause 15.5 shall give the right to the Company to terminate the Agreement.

16. LANGUAGE

16.1 This Agreement is made in the English language.

16.2 In case of any discrepancy between the English version of this Agreement and any translation thereof, the English version shall prevail.

IN WITNESS WHEREOF this Agreement has been signed by the Parties (or their duly authorised representatives) on the date stated at the beginning of this Agreement.

[SIGNATURES ON THE FOLLOWING PAGE]

Signatures

For the Slovak Republic:

By:

Printed Name: Eduard Heger

Title: Prime Minister

By:

Printed Name: Richard Sulík

Title: Deputy Prime Minister, Minister of Economy

For EJJ Slovakia s.r.o.:

By: _____

Printed Name: _____

Title: _____

By: _____

Printed Name: _____

Title: _____

For Valaliky Industrial Park:

By:

Printed Name: Miloslav Durec

Title: Executive (*"Konateľ"*)