



General Terms and Conditions of Purchase (GTCP) – MAPAL Dr. Kress SE & Co. KG

1. Scope

- (1) All contracts with entrepreneurs within the meaning of section 14 German Civil Code (BGB), legal entities under public law or a special fund under public law ("Supplier"), the subject of which is the delivery of existing movable assets to be manufactured or produced, the transfer of rights or the delivery of other items to us ("Purchase Transactions"), will be concluded exclusively on the basis of the following General Terms and Conditions of Purchase ("GTCP").
- (2) We hereby expressly reject any conflicting, deviating or more extensive terms and conditions of the Supplier, in particular those included in any general terms and conditions. These will not become part of the contract without our express written consent. Our participation in the performance of the contract (e.g. acceptance, payments) will in no case imply that we agree to any deviations from our GTCP.
- (3) The current version of our GTCP will also apply to all future Purchase Transactions, insofar as they are similar transactions.
- (4) Our GTCP will also apply to the other companies in the MAPAL Group, unless otherwise agreed. An overview of the member companies can be found at www.mapal.com.

2. Conclusion of contract, contract amendments

- (1) All declarations regarding the conclusion of a contract must be made at least in text form in accordance with section 126b German Civil Code (BGB). The same applies to subsequent amendments or additions. Verbal agreements of any kind – including subsequent amendments and additions – are only binding if they are confirmed in writing by our management. Implied conclusions of contracts are generally excluded.
- (2) We are bound by our offer to conclude a Purchase Transaction (order) for two weeks from the date of dispatch. Call-offs under an order and call-off plan are binding if the Supplier does not oppose them within three (3) working days of receiving them.
- (3) Documents we provide to the Supplier in connection with the order, such as drawings, other technical documents, samples or models, remain our property and we retain the exclusive right of disposal and use. The documents must be returned to us without undue delay if the Supplier does not accept our order within the period specified in clause 2 (2). Any right of retention is excluded. The same applies to software or software components we provide. As an alternative to returning the software, it may also be deleted; this must be confirmed in writing.
- (4) Orders must be confirmed by the Supplier without undue delay. The order confirmation must include the order number.

3. Delivery dates and performance of contract

- (1) Unless otherwise agreed with the Supplier, delivery will be made "DDP – delivered duty paid" in accordance with Incoterms® 2020 to the MAPAL receiving plant designated by us; delivery including customs clearance will be at the Supplier's expense and risk. Agreed dates and deadlines are binding. The date of receipt of the goods at the receiving plant designated by us determines whether delivery dates or deadlines have been complied with. Acceptance of a delayed delivery or service does not constitute a waiver of claims for compensation. This applies until full payment of the remuneration we owe for the service in question.
- (2) The Supplier is required to notify us without undue delay in writing if circumstances arise or become apparent which mean that the delivery dates or deadlines cannot be complied with. In this case, the Supplier must state the reason for and expected duration of the delay in delivery. Unless expressly agreed otherwise, partial deliveries will not be deemed to comply with the deadline within the meaning of this section.
- (3) If the Supplier is in default of delivery or performance, we will be entitled to claim a contractual penalty of 0.2 % of the price (net invoice value) of the delayed delivery or performance per full working day (i.e. working day at our registered office), but not more than 5 % of the price (net invoice value) of the delayed delivery or performance. We may assert the reservation of the contractual penalty until the final payment of the relevant delivery or performance. Any further-reaching rights we may have will not be affected. The contractual penalty must be offset against any compensation claim.
- (4) The Supplier may only cite the absence of necessary documents that we are to provide if it requested the documents in writing and did not receive them within a reasonable period of time. The burden of proof lies with the Supplier. Proof must be provided by presenting the relevant written documents.
- (5) Unless otherwise proven, the numbers of units, weights and measurements determined by our incoming goods inspection and/or quality control will be authoritative.
- (6) Only the quantities and numbers of units ordered will be accepted. Incomplete deliveries or deliveries in excess of the quantity ordered are only permitted after prior agreement with us. If partial quantities have been agreed, the remaining quantity must be specified.
- (7) Dispatch notes, packing slips, delivery notes and invoices must include order numbers and other identifiers for our orders as well as our material numbers, if applicable. The invoice must not be included with the shipments.
- (8) Transport and packaging materials must be taken back by the Supplier at its own expense at our request and collected from the contractually agreed point of delivery. For environmental reasons, recyclable and unmixed materials should be used for packaging which are environmentally



friendly and easy to dispose of, and which are labelled in accordance with the requirements of the waste management industry.

- (9) The Supplier must provide the contractual services itself. Third parties (e.g. subcontractors) may only be engaged with our prior written consent.

4. Force majeure

- (1) Circumstances of force majeure, in particular fire, natural disasters, epidemics, pandemics, floods, war, insurrection, unrest, official or sovereign measures and other unforeseeable events and those which cannot be avoided with reasonable care release the parties from their performance obligations for the duration of their existence and to the extent of their effects. As far as can be reasonably expected, the parties will provide the respective other party with whatever information is necessary without undue delay and adjust their contractual obligations to the changed circumstances in good faith.
- (2) If events which release the parties from their performance obligations last for longer than four (4) weeks, or if it is clear that the events will last for longer than four (4) weeks, each party will have a right to rescind the contract affected by the event in accordance with the statutory provisions.

5. Prices

- (1) The prices stated in the order are binding. They are not subject to subsequent changes.

6. Terms of payment, set-off, assignment

- (1) Unless otherwise agreed with the Supplier, we will pay invoices either within fourteen (14) calendar days with a 3 % discount or within thirty (30) calendar days without a discount. The payment period will commence from the date on which we receive both the invoice and the goods and/or on which the other contractual services have been provided in full. Payment is subject to verification of the invoice.
- (2) Payments will not constitute acceptance of the delivery or service as being in accordance with the contract.
- (3) Claims against us may only be set off or a right of retention asserted with undisputed or final and absolute counterclaims established by a competent court. Furthermore, the Supplier may only exercise a right to set-off and the right of retention to the extent that its counterclaim arises from the same legal relationship.
- (4) Claims of the Supplier against us may only be assigned with our express written consent, which may not be unreasonably withheld. This will have no effect on section 354a German Commercial Code (*HGB*).

7. Liability for defects

- (1) The Supplier warrants that the deliveries and services are free from material defects and defects in title, that they comply with the subjective requirements and – if no such requirements have been agreed – the objective

requirements (section 434 German Civil Code (*BGB*)) as well as the latest state-of-the-art technology and all relevant statutory provisions, regulations and requirements of authorities in the country of manufacture and the country of final destination.

- (2) By submitting samples, the Supplier warrants that the material, processing, quality and durability are at least of the same standard as the sample.

- (3) We must be notified of any changes in the type or composition of the processed material or in the design compared to earlier similar deliveries and services before production begins, and such changes require our written consent. We are not required to check deliveries and services for similarity in this respect upon receipt.

- (4) The Supplier undertakes to check that the goods conform with the contract, in particular that they comply with the specifications, as part of a comprehensive outgoing goods inspection and to provide us, on request, with proof that the inspection has taken place. We only carry out an incoming goods inspection with regard to obvious defects, recognisable transport damage and deviations in the identity and quantity of the goods. We will notify the Supplier of any defects discovered during the inspection within ten (10) calendar days of receipt of the goods. Any latent defects will be deemed to have been reported in a timely manner if they are reported within ten (10) calendar days of discovery.

- (5) We are entitled to all statutory claims for defects. In any case, we are entitled to demand that the Supplier remedy the defect or deliver a new item within a reasonable period of time at our discretion. We expressly reserve the right to compensation, in particular the right to compensation in addition to performance.

- (6) Claims for defects – for whatever legal reason – will become time-barred 36 months after delivery. Longer contractual or statutory limitation periods remain unaffected by this.

- (7) If the Supplier fulfils its obligation of subsequent performance by providing a replacement delivery, the limitation period for the replacement goods will recommence upon delivery.

- (8) If the Supplier does not fulfil its obligation of subsequent performance within the reasonable period set by us or if subsequent performance has failed, we may, in addition to asserting our statutory rights, remedy the defect ourselves or have it remedied by a third party.

- (9) If we incur costs as a result of the defective delivery of the goods, in particular costs for transport, infrastructure, labour, materials or for the inspection and analysis of a defect, the Supplier will have to bear these costs. Furthermore, the Supplier will have to reimburse the costs of removing the defective goods and installing the subsequently improved or new defect-free goods delivered.

8. General liability

- (1) To the extent that a breach of duty by the Supplier leads to a claim against us by a third party, the Supplier will indemnify us against this claim and reimburse us for all other losses caused by the breach of duty. This does not



apply if the Supplier is not responsible for the breach of duty.

- (2) If we are unable to meet a delivery or performance obligation towards a customer because the Supplier has failed to comply with its delivery date or delivery deadline or its performance date or performance deadline under a contract, the Supplier must indemnify us against any claims for compensation or contractual penalties claimed by the customer, unless the Supplier is not responsible for the failure to comply with the delivery date or delivery deadline or the performance date or performance deadline.
- (3) The Supplier's liability in accordance with the statutory provisions remains unaffected.

9. Product liability, insurance

- (1) If a customer or other third party asserts a claim against us on the basis of product liability, the Supplier will be required to indemnify us against such claims if and to the extent that the damage was caused by a defect in the goods delivered by the Supplier and the Supplier will be liable in relation to the third party. In cases of liability based on fault, this will not apply if the Supplier is not at fault.
- (2) In such cases, the Supplier will bear any costs and expenses, including the costs for any legal action or recall campaign. We will inform the Supplier of the content and scope of such recall measures – as far as possible and as far as can be reasonably expected – and give it the opportunity to comment. This does not affect other statutory claims.
- (3) The Supplier is required to take out a business and product liability insurance policy that is customary in the industry, but in any case with a minimum cover of EUR ten (10) million, which will also include cases of recall, and to maintain it during the term of the contract, including limitation periods. If we are entitled to any further compensation claims, they remain unaffected by this. The Supplier must provide us with a copy of the valid insurance policy upon request. The same applies to the submission of copies of (current) payment instructions for insurance premiums. Taking out the insurance policies does not release the Supplier from its liability to us.
- (4) The Supplier is required to keep itself informed of the latest product liability requirements and obligations and to ensure that it acquires and maintains this knowledge.

10. Property rights of third parties

- (1) The delivery and our use of it must not infringe any third-party property rights within the Federal Republic of Germany. We will notify the Supplier of any claims asserted by third parties. We will not acknowledge such claims on our own initiative. In this respect, we authorise the Supplier to handle the dispute with the third parties in and out of court.
- (2) In the event of an infringement of third-party property rights, the Supplier will, at its own expense, defend against any claims asserted against us by third parties for infringement of property rights based on the Supplier's

deliveries and services, unless the Supplier is not responsible for this. The Supplier will indemnify us against all claims arising from the use of such property rights, unless the Supplier is not responsible for this.

- (3) If our use of the delivery is impaired by existing property rights of third parties, the Supplier must, at its own expense, either obtain the relevant authorisation or modify or replace the affected parts of the delivery in such a way that the use of the delivery is no longer impeded by property rights of third parties and at the same time complies with the contractual agreements.

11. Working on our factory premises

- (1) Persons carrying out work on one of our factory premises in order to perform the contract must observe the provisions of the respective company regulations and follow the instructions of the management staff.
- (2) We accept no liability for accidents on our factory premises unless we caused them intentionally or through gross negligence.
- (3) Our company regulations cover the relevant safety rules. These must be observed at all times in the factory. Safety instructions from our employees or site security are binding for the Supplier and any subcontractors employed by the Supplier.

12. Items Provided

- (1) Material, tools, devices, parts, substances, containers and special packaging and all other items (e.g. finished and semi-finished products) which we provide to the Supplier for the performance of an existing contract with us ("Items Provided") must be marked by the Supplier as our property, stored carefully and free of charge for us and recorded for us free of charge as part of our inventory work. The MAPAL Group retains title to the reserved goods during treatment, processing or alteration.
- (2) If Items Provided by us are processed or altered by the Supplier (section 950 German Civil Code), such processing will always be carried out for us as manufacturer in our name and for our account and we will directly acquire title or – if processing or altering makes use of materials belonging to two or more owners or if the value of the newly created item is higher than the value of the Items Provided – joint title (fractional co-ownership) in the newly created item commensurate with the ratio of the value of the Items Provided to the value of this newly created item.
- (3) The Supplier undertakes to treat the Items Provided with care, to store them free of charge and suitably in accordance with the product characteristics and to insure them adequately at replacement value against fire, water damage and theft at its own expense.
- (4) The Supplier is not authorised to pass on the Items Provided to third parties, to pledge them or to assign them as security.



13. Transfer of title

- (1) Unless expressly agreed otherwise in these GTCP, title in the goods will pass to us at the time of delivery, but no later than at the time of payment of the price. If, contrary to sentence 1, the Supplier reserves title to the goods in individual cases, all forms of (i) extended reservation of title, or (ii) reservation of title extended to resale, processing, altering, combining or intermixing are excluded as a matter of principle. We will in all cases have a right to use and sell the goods in the ordinary course of business without restriction.
- (2) In cases where the goods are processed, intermixed, combined or transformed by us, we will acquire title to the end product in accordance with the statutory provisions at the latest when such further use takes place.

14. Confidentiality

- (1) The Contractor must treat information we provide it, in particular all samples, illustrations, drawings, designs, presentations, analyses, calculations, manufacturing processes, assembly procedures, product compositions, models, data as well as our other know-how, which it becomes aware of in the course of fulfilling or performing a contract or in any other way, whether in embodied or unembodied form, and which are marked as confidential or the confidentiality of which results from the specific circumstances of the transfer or the nature of the information ("Confidential Information") as strictly confidential and to protect it from access by and knowledge of it being gained by third parties, in particular by taking appropriate technical and organisational measures. The Supplier may only use Confidential Information for the purpose of performing a contract and will only disclose it or make it available to employees and subcontractors who are legitimately involved if this is necessary for the purpose of performing a contract (need-to-know basis). The Supplier will also impose these obligations on these employees and subcontractors in accordance with section 14.
- (2) The confidentiality obligation exceptionally does not apply to data and information which,
 - i) at the time of disclosure to the Supplier, were in the public domain or entered the public domain after this time without this being the result of a breach of a confidentiality obligation,
 - ii) at the time of disclosure to the Supplier, were already in the Supplier's lawful possession without it being under a confidentiality obligation in this regard,
 - iii) the Supplier lawfully received from a third party without being placed under a confidentiality obligation,
 - iv) the Supplier independently discovered without using Confidential Information, or
 - v) the Supplier is under an obligation to disclose on grounds of statutory or regulatory obligations, whereby the Supplier must inform us without undue delay of this obligation to disclose the Confidential Information.

- (3) The obligations under this section 14 apply to performance of the respective contract and for a period of five (5) years thereafter.
- (4) Upon expiry or termination of the contract, the Supplier must delete the Confidential Information without undue delay and without being requested to do so and destroy all physical copies, unless retention is required by statute.
- (5) Confidential Information may only be used for the purposes of the contract in connection with which it was provided.
- (6) Any breach of the confidentiality obligation will entitle us to terminate the contract without notice and to assert claims for damage caused thereby.
- (7) Products manufactured in accordance with documents drafted by us, such as drawings, models and other Confidential Information, or in accordance with our concrete specifications or using our tools or tools modelled on ours may not be used by the Supplier itself or offered or delivered to third parties.

15. Data protection and information security

- (1) When processing personal data, the Supplier is required to comply with all data protection regulations (including GDPR, German Federal Data Protection Act (*BDSG*)) in their respective current version.
- (2) The Supplier must take the technical and organisational measures necessary to ensure a level of IT and information security with respect to the Supplier's products and services and the IT systems used by the Supplier to provide its services that at least corresponds to the current state of the art. The Supplier will ensure that its subcontractors take the same measures.
- (3) In the event of an information security incident, the Supplier will inform us without undue delay.
- (4) The information security guidelines, which are available at www.mapal.com, also apply.

16. MAPAL Dr. Kress SE & Co. KG – Supplier Code of Conduct

- (1) MAPAL Dr. Kress SE & Co. KG and all companies in the German MAPAL Group consider sustainability to be an essential part of our business processes. As a technology group with a high level of tool expertise, we source raw materials, goods and services from suppliers worldwide in order to ensure the long-term success of our customers with innovative product and service solutions.
- (2) MAPAL Dr. Kress SE & Co. KG expects its suppliers to comply with all the principles and requirements described in the "Supplier Code of Conduct", which can be viewed at www.mapal.com, and to communicate these to their subcontractors and suppliers and also take them into account when making their selection. Suppliers will encourage their subcontractors and suppliers to comply with the described standards on human rights, working conditions, corruption prevention and environmental protection as part of the fulfilment of their contractual obligations.



17. Place of performance

- (1) The place of performance is the MAPAL receiving plant designated by us.

18. Partial invalidity

- (1) Should one or more provisions of these GTCP or of the contract concluded with the Supplier be invalid in whole or in part, this will not affect the validity of the remaining provisions. The same applies if these GTCP do not contain a provision that is actually necessary. Insofar as the invalid provisions contain a valid, reasonable part, this will remain in force. The Supplier undertakes to agree a replacement provision with us which comes as close as possible to the economic result of the invalid clause.

19. Applicable law, place of jurisdiction

- (1) These GTCP and contractual relationship with the Supplier will be solely subject to German substantive law, excluding the UN Convention on Contracts for the International Sale of Goods (CISG).
- (2) Any disputes will be settled exclusively by the courts having jurisdiction at our registered office. However, we also have the right to file claims at the general place of jurisdiction of the Supplier.