

# **GENERAL TERMS AND CONDITIONS OF PURCHASE**

## **of Henkelhausen GmbH & Co. KG**

### **status March 2022**

#### **Art. 1 General scope of application**

1. Our General Terms and Conditions of Purchase (General T&Cs of Purchase) shall apply exclusively. We do not acknowledge any terms and conditions of the Supplier or contracting partner which are contrary to or differ from our General Terms and Conditions of Purchase unless we have expressly approved their validity; otherwise they shall be rejected. Our General Terms and Conditions of Purchase shall also apply exclusively if we accept the Supplier's delivery and/or service without reservation in the knowledge of terms and conditions of the Supplier which are contrary to or differ from our General Terms and Conditions of Purchase.
2. Upon making delivery or providing the service for the first time on the basis of these General Terms and Conditions of Purchase, the Supplier acknowledges the Terms and Conditions for all further deliveries as well.
3. Any framework agreements or individual agreements concluded between ourselves and the Supplier shall take precedence over the General T&Cs of Purchase. Unless more specific provisions are made therein, such agreements shall be supplemented by these General Terms and Conditions of Purchase.
4. All agreements reached between ourselves and the Supplier for the execution of a contract must be set down in written or text form in the contract. Section 305b *BGB* [German Civil Code] (*precedence of an individual agreement*) remains unaffected for individual agreements of whatever form.
5. Our General Terms and Conditions of Purchase shall apply exclusively to companies pursuant to Section 14 *BGB* i.e. to such natural persons or legal entities or partnerships having legal capacity which are performing their commercial or independent professional activities when concluding the contract.

#### **Art. 2 Data, illustrations, formulas, drawings, calculations provided**

1. We shall retain the exclusive ownership right and copyright to illustrations, formulas, manufacturing instructions or instructions for use, drawings, calculations and other documents provided by us. They may not be made accessible by the Supplier to third parties without our express consent. Furthermore, they are *only* to be used for processing our purchase order or for executing the contractual relationship entered into with us and must be returned to us or destroyed at our request, including all copies, free of charge, without being asked to do so, after processing of the purchase order and, in the case of continuous obligations, upon their termination. The Supplier must keep them secret with respect to third parties unless there is an official or legal obligation for the Supplier to disclose them. If these illustrations, formulas, drawings, calculations and other documents are contained in data, these must be deleted by the Supplier completely by overwriting at any time at our request and their deletion confirmed to us by the Supplier in writing or text form immediately.
2. Products manufactured by the Supplier or its vicarious agents in accordance with documents and/or data drafted by us and/or our vicarious agents (e.g. drawings, samples or models and the like) or in accordance with information identified or designated as confidential by them or with such characteristics that are not in the public domain and/or properties of a product or their tools or reproduced tools may neither be used by the Supplier itself nor for the benefit of third parties outside our order nor offered or supplied to third parties. The Supplier shall agree that the vicarious agents it uses shall be bound by this as well and as third-party beneficiary contract for our benefit and shall prove this to us at our first request.

#### **Art. 3 Supplier's quotations, performance by the Supplier strictly itself**

1. The Supplier's quotations shall be given in writing or text form. They are not binding and free of charge for us.
2. The Supplier's quotations must describe the delivery item/service in full and shall include a full list of all necessary additional products and/or services, required for our safe and economically efficient use of the delivery item/service, and shall specify their price in the Supplier's quotation.
3. Goods or parts of goods and/or services or parts of services which are not listed in the Supplier's quotation but which are indispensable for safe operation according to the intended purpose or relevant use of the goods and/or service pursuant to the agreed properties shall, unless otherwise agreed, be deemed an integral part of the delivery item and/or service and as due from the Supplier together with the delivery item and/or service.
4. The Supplier shall expressly indicate by highlighting in writing or text form any dangers and environmental hazards or the potential infringement of third-party rights, which are connected with the delivered goods or provision of the agreed service, and any need for special handling of the goods (especially storage) with its quotation and, in the case of new findings by the Supplier after making the quotation, immediately after becoming aware of them.
5. Unless otherwise expressly agreed, the performance owed by the Supplier shall be performed by the Supplier "strictly itself" i.e. in the case of legal entities exclusively with own employees.

#### **Art. 4 Purchase order, declaration of acceptance, conclusion of contracts, order processing**

1. In order to enable our orderly controlling of the contract, only purchase orders in writing and text form provided with our sender identification shall be valid on our part. If framework contracts exist with the Supplier, purchase orders can also be placed via data interchange (EDI) or electronically.

Amendments to and modifications of our purchase order shall only be valid when given in writing or text form. This shall also apply to the cancellation of the written form requirement itself, whereby this shall not affect the precedence of an individual agreement pursuant to Section 305b *BGB* for individual agreements of any form. Our silence regarding the Supplier's quotations, requests or other declarations shall only be deemed to be our consent if this was expressly agreed. The order shall be based exclusively on the content of the purchase order.

2. The Supplier shall be obliged to specify our purchase order number and the ordering party as well as our vendor number and article number exactly on all shipping documents and delivery notes. If the Supplier fails to do so, we shall not be responsible for delays in processing and payment.
3. The Supplier must confirm the purchase order in writing or text form within 5 working days (at the Supplier's registered office) after receipt of the purchase order, in the case of a purchase order placed by us on an electronic ordering platform of the Supplier, within 3 working days at the Supplier's registered office, whereby timeliness shall be determined by our receipt of the confirmation. After expiry of this period, we shall have the right as a legal consequence, in the absence of other agreement, to revoke our purchase order without substitution. Claims by the Supplier based on a valid revocation for this reason shall be excluded.
4. In the case of recurring purchase orders on our part, in particular call-offs for delivery, the Supplier shall be obliged to confirm the purchase order to us in writing or text form within 5 working days (at the Supplier's registered office) of receipt of the purchase order (in the case of a purchase order by us on an electronic ordering platform of the Supplier, within 3 working days at the Supplier's registered office), whereby receipt of the confirmation by us shall determine compliance with the time limit. After this time limit expires, we shall have the right as legal consequence in the absence of other agreement to revoke our purchase order without substitution. Claims by the Supplier, based on a valid revocation for this reason, shall be excluded.
5. *In ongoing business relations between ourselves and the Supplier, our call-offs for delivery can be adjusted by us in respect of the timing of our customer's call-offs for delivery, if this is reasonable for the Supplier in terms of logistics, we inform the Supplier of this immediately following notice of our customer's call-off for delivery and a reasonable time limit for supply remains and we compensate for economic burdens of the Supplier connected herewith. Paragraph 4 shall apply mutatis mutandis to the Supplier's possibility of objection.*
6. The Supplier shall expressly indicate to us in writing or text form in its declaration of acceptance relating to the purchase order dangers to life, limb or health or other property and environmental hazards connected with the goods to be delivered or use of the service covered by the contract and any need for special handling of the goods to be delivered by the Supplier and its vicarious agents or when using the service to be provided.
7. We ask the Supplier to submit the order confirmation as a single copy. The Supplier's quotations and estimates of cost shall be submitted, unless otherwise expressly agreed, *free of charge* and they shall be without binding force for us.
8. As regards numbers of items, weights, dimensions and quantities delivered, values determined by authorities, or in the absence of such, values determined by us after goods receipt shall prevail unless otherwise agreed and subject to other proof. For all shipments, weights must be stated in the shipping documents accompanying the goods, if this is customary in the trade or has been agreed with us or the remuneration is calculated according to weight.
9. If our purchase order or the documents or data on which this is based contain(s) errors, mistakes, typing and calculation errors, which are obvious or recognised by the Supplier, we shall not be bound in this respect. On the contrary, in such cases, the Supplier shall be obliged to notify us of the relevant errors in writing or text form immediately to allow us to correct and replace our purchase order. If documents which are obviously required have not been forwarded with the purchase order, this obligation shall apply accordingly.

The Supplier shall also indicate to us in writing or text form with the order confirmation *by highlighting* if the delivery items are dual-use goods, items, technologies and knowledge, which are used as a rule for civil purposes but can also be used for military purposes and fall within the scope of the EU Dual-Use Regulation. If the Supplier culpably fails to do so, the Supplier shall indemnify us against all claims of third parties and damages arising therefrom.

10. The Supplier declares that it is willing at our request to allow authorities and employers' liability insurance associations and insurance institutions, which are responsible for quality management and environmental management, the prevention of hazards to health or the approval of our products, the safety of production and social security matters at our registered office, at the place of delivery and/or service and/or at the Supplier's registered office, access to the Supplier's production facilities, and to provide us with every support, which is technically, economically or logistically reasonable for the Supplier, in this connection, if authorities inspect because of a product or substance supplied to us by the Supplier and/or a service provided to us by the Supplier or approach us because of supposed statutory violations by such products and/or service, on which the Supplier has cooperated by making a delivery or providing sub-contractor services or has thereby

enabled the production of our service. We likewise undertake vice versa to act accordingly for the benefit of the Supplier.

11. If the Supplier accepts our purchase order only with deviations, the Supplier must identify these deviations clearly and by highlighting them in its order confirmation.
12. The Supplier shall furthermore indicate to us in writing or text form changes to contract terms or ordering information and/or purchase conditions.

The Supplier shall notify us of any amendments/extensions of the scope of the contract, the necessity of which only becomes evident when the contract is executed, immediately in writing or text form. The amendments/extensions shall only have legal effect when we have given our express consent. The Supplier is not authorised to change the products or the processes underlying the products, designs and materials or to accept corresponding changes by its sub-suppliers, without previously obtaining our express approval. New costs incurred for the validation of products by us or our customers due to changes by the Supplier (except in the case of required changes) shall be borne, in the absence of other express agreement with us, by the Supplier to the usual and reasonable extent. In such case, we shall determine the appropriate amount of the validation costs jointly with the Supplier.

Unless otherwise agreed, the Supplier shall be obliged, when assembly, repair or construction services are commissioned, to inform itself sufficiently before providing the service about the nature of the execution and scope of the service by inspecting the plans available at our company and about the local conditions relevant to the service to be provided by carrying out a visual inspection of the construction site and/or assembly site resp. the site of other services to be provided by the Supplier at the place of performance.

13. In the case of safety-related parts in delivery items, which are specially marked e.g. with an "X" in the technical documents or specified by separate agreement with the Supplier, the Supplier shall in addition state in specific records how, when and by whom the delivery items have been tested for characteristics which are subject to documentation and the results provided by the required quality tests. These test documents shall be kept for us for 10 years and submitted to us if required free of charge. Consideration for this is included in the remuneration for the Supplier's principal service covered by the contract. If permitted by law, the Supplier shall oblige any upstream suppliers to the same extent.
14. The Supplier shall specify to us fully in writing or text form documents to be provided by us in due time before providing the service and request them from us with prior notice reasonable for us. The same shall apply to other cooperation on our part.
15. If the Supplier has to provide us with samples of materials, test reports, quality documents or other documents according to the terms of the contract or as accessory obligation, the completeness of the delivery and/or service shall also require that such samples, reports and documents are provided in full in German.
16. If waste is produced within the scope of the Supplier's fulfilment of the contract, the Supplier shall, unless otherwise agreed, remove and dispose of such waste itself at its expense according to the relevant waste legislation. Ownership, risk and responsibility according to waste legislation shall pass to the Supplier at the time the waste arises.
17. We shall have the right in the alternative circumstances set forth below to rescind the contract in respect of the part not fulfilled and, in the case of a continuing obligation concluded with the Supplier, to exercise extraordinary termination of the contract without notice if alternatively
  - (i) the Supplier, in the case of a quoted price offered by the Supplier with the possibility of a unilateral price increase, for its part increases the price for the goods sold or the service to be provided by the Supplier; and/or
  - (ii) the Supplier files a petition in insolvency or suspends its payments or a petition for institution of insolvency proceedings against the Supplier's assets is dismissed for lack of assets, where, in the above-mentioned cases, the Supplier culpably violates an obligation arising from the contract concluded with us at the time of rescission or we cannot be expected to adhere to the contract.

In the above-mentioned cases, the Supplier shall not be entitled to any claims against us, in particular for damages or reimbursement of expenses, because of our rescission or our termination.

**Art. 5 Prices, payment, invoice, assignment, set-off, retention, packaging, waste disposal**

1. Unless otherwise expressly agreed, prices agreed are fixed prices and, unless otherwise agreed in writing or text form, include all costs for packaging, transport to the agreed receiving or shipment office (delivery DDP - Incoterms 2020), and for customs formalities and customs. Unless otherwise expressly agreed, the place of delivery shall be deemed our registered office. Prices shall include the applicable value added tax unless the price was expressly designated and agreed as a net price.
2. Please understand that we can only process invoices if they state the purchase order number and/or the ordering party given on the purchase order, according to the specifications in our purchase order, and can be verified. If such information is not stated, we shall not be responsible for any delays in processing and payment.
3. Unless otherwise expressly agreed, we shall pay incoming invoices received by us as follows:
  - less a 3% cash discount within 14 days of the invoice date;
  - net within 30 days of the invoice date.

Cash discounts shall also be admissible if we avail ourselves of a right of set-off.

4. Payments on our part shall not constitute acceptance or waiver of any rights arising from defects and shall not be deemed any acknowledgement whatsoever of performance according to the contract.
5. If early delivery and/or service is accepted, the due date, unless otherwise agreed, shall correspond to the delivery date originally agreed.
6. In the event of incomplete or incorrect delivery and/or service, we shall have the right to withhold payment in whole or in proportion to the value in the relation between the delivery/service free of defects and the proportionate defective delivery/service until proper performance.
7. Invoices to be issued by the Supplier shall be sent after fulfilment of the contract according to the respective purchase order separately by post to the invoice address stated on the purchase order. All accounting records must be attached in full. Invoices for partial services must be marked "advance invoice", "invoice for partial service", "final invoice". Electronic invoices shall be deemed properly issued only if we have expressly agreed this with the Supplier.
8. If advance payments are agreed, they shall only be due when the Supplier has provided us with an absolute guarantee, issued by a German financial institution or German savings bank which participates in the Deposit Protection Fund, to secure the advance payment.
9. The Supplier shall only have rights of retention and set-off against our claims for those claims which have been acknowledged by us or have been recognised by declaratory judgment. Set-off shall also be admissible if the counterclaim for set-off as principal claim is in the synallagma (i.e. in the relationship of reciprocity between two performances in the contract concluded with us) with our claim.
10. The Supplier may only assign claims against us with our prior consent unless these are pecuniary claims in the course of trade (Section 354a HGB [German Commercial Code]).
11. The Supplier shall pack the items/substances to be delivered only in environment-friendly packaging material or environment-friendly containers so as to ensure that transport and storage damages are prevented in the case of handling customary in the trade. Packaging of the respective delivery items shall be included in the price unless otherwise expressly agreed by us with the Supplier. Where delivery or assembly is performed by the Supplier, the Supplier shall dispose of any waste generated free of charge.
12. If, by way of exception, we and the Supplier have reached other agreements, the Supplier shall charge for packaging at cost price. In such case, the Supplier must select the packaging specified by us and shall request us to make the selection to that effect in due time in text form. If this packaging selected by us is not suitable to package the delivery item safely and appropriately, the Supplier shall notify us of this immediately in writing or text form.
13. If the packaging used to ship the goods is invoiced separately on the basis of an agreement, we shall be free to make the packaging available again in a serviceable condition, carriage paid, in exchange for a credit of at least 2/3 of the calculated net price for this, unless otherwise expressly agreed by us with the Supplier. The Supplier shall be free to prove that the value of the returned packaging is considerably lower (at least 10% lower). In this case, the refund shall be adjusted accordingly.
14. In the case of paragraph 13 above, we shall have the right to send the packaging to the Supplier at its expense.

**Art. 6 Sub-contracts**

The Supplier shall have the right to award sub-contracts *if and insofar as it has been agreed that the Supplier shall not perform strictly itself*. We shall, however, have the right, in this case of the Supplier's right to award sub-contracts, to object to the placement of sub-contracts by the Supplier for good cause. In such case, the Supplier shall perform the order itself or through another sub-contractor. Good cause exists in particular if the sub-contractor does not, when considered objectively, guarantee that the contract concluded by us with the Supplier and the work undertaken by the sub-contractor in this respect shall be fulfilled as stipulated in the contract. The Supplier must inform us in writing or text form of the use of the sub-contractor in due time, stating all relevant details (e.g. company name, address, qualifications, references) to enable us to check before the planned performance whether good cause exists as defined above and we can still inform the Supplier of the result of our check.

**Art. 7 Delivery, service**

1. The delivery and/or service dates and periods agreed must be complied with. Compliance shall be determined by receipt of the goods at our premises or at the agreed place of delivery, where it is agreed that the obligation is to be performed at our place of business.
2. The Supplier shall be obliged to notify us immediately in writing or in text form if circumstances arise or become known to the Supplier indicating that agreed dates for the delivery or service cannot be met. This shall also apply if the Supplier is not responsible for delays in delivery. We shall be entitled to compensation from the Supplier for resulting damage if this obligation is culpably violated.
3. Where the delivery or service is provided earlier than agreed, we reserve the right of return at the Supplier's expense or refusal of performance of the service or refusal of the delivery. If goods delivered early are not returned, the goods shall be stored at the Supplier's expense and risk until the delivery date.

4. Partial deliveries or partial services shall only be admissible when expressly agreed with us. If partial deliveries are agreed, the residual quantity to be delivered must be clearly specified.
5. If the Supplier has to provide us with certificates, samples of materials, test reports, quality documents or other documents and/or data according to the terms of the contract or as accessory obligation, the completeness of the delivery and/or service and the date on which the remuneration payable by us begins to fall due shall also require that such documents and/or data are provided in full.

**Art. 8 Passing of risk, documents, MindestlohnG [German Minimum Wage Law], ElektroG [German Electrical and Electronic Equipment Act], traceability, pallets**

1. Unless otherwise agreed with us, delivery shall be made DDP (Incoterms 2020) as obligation to be performed at our place of business and at the risk of the Supplier until the date on which delivery is completed, and, in the case of services provided under contracts for work, until the date of acceptance at the contractually agreed place of performance by us.

If DDP is not agreed and in the absence of other agreement, the delivery shall be an obligation to be performed at our place of business.

2. The Supplier shall be obliged within the context of the business relationship to handle each individual purchase order separately in all business correspondence. The Supplier shall be required to specify at least the full purchase order number, purchase order date and ordering party's reference as well as our transaction number in all correspondence e.g. emails, letters, dispatch notes, delivery and packing notes, invoices, consignment notes, dispatch addresses etc.
3. The above-mentioned documents such as invoices, delivery and packing notes must be attached to each consignment in a single copy. In the case of deliveries of goods, these documents must at least include (unless anything additional is deemed to be agreed above):

Quantity and unit of quantity, gross, net and, if applicable, calculated weight, purchase order number, article description, residual quantity in the case of partial deliveries and our purchase order number.

4. We shall have the right to request the Supplier to submit certificates of origin and inspection with respect to the delivery items in German or English. Consideration for this is already included in the remuneration for the principal service.
5. In the case of contracts for work and such purchase contracts, where acceptance of the delivery item is agreed, the risk shall pass only when we formally accept the service and/or delivery. Otherwise the risk shall pass when the delivery item is delivered to us resp. to the agreed place of delivery and service. Fictitious acceptance shall be excluded in such cases.
6. The Supplier is obliged, within the framework of the services for us, to comply fully with the provisions of the *Mindestlohngesetz* and shall indemnify us against all third-party claims which are based on a culpable violation on the Supplier's part in this respect.
7. If the Supplier is the manufacturer of electrical or electronic equipment pursuant to Section 3 No 9 *ElektroG*, the Supplier shall be obliged to register as manufacturer with the competent authority (Stiftung ear) according to Section 6 *ElektroG*. If the manufacturer does not have a branch in the territory of the Federal Republic of Germany, the manufacturer must instruct an authorised representative in writing and in the German language for the duration of the entire supply relationship for the purpose of registering with the competent authority (Stiftung ear) and fulfilling further manufacturer's obligations and specify the name of the authorised representative to the competent authority (Stiftung ear) pursuant to Section 8 (3), sentence 1 and 2, *ElektroG*. A copy of the confirmation of the instruction to be issued by the competent authority (Stiftung ear) according to Section 8 (3), sentence 3, *ElektroG* shall be provided to us unsolicited when the contract is concluded and thereafter at any time at our request. If the Supplier intends to change the authorised representative, we must be notified of this immediately in writing or text form but at the latest with prior notice of six weeks. Sentence 3 shall apply accordingly after confirmation of the instruction when there is a change in the authorised representative. If the Supplier has the delivery items / contract products manufactured by a third party, the Supplier shall be obliged to ensure that that third party complies with the obligations stipulated in this paragraph 7.
8. The Supplier shall ensure by sufficiently marking the delivery items due or, if this is impossible or impractical, by other suitable measures, so that it can determine immediately, in case a defect occurs in the delivery items, which other delivery items could be affected. The Supplier shall inform us about its marking systems or its other measures so that we can make our own assessments as necessary as to which production and delivery batch the delivery item belongs.
9. If goods are delivered on wooden pallets, the Supplier shall ensure that the pallets comply with the following conditions: the pallets are made of certified wood, were stored at all times in enclosed spaces and are free from 2, 4, 6-Tribomphenol (TBP) and any other exposure to phenol-based fungicides and comply with the "International Standards for Phytosanitary Measures Publication No. 15, 2009 Revision (ISPM 15) for Heat Treatment only". Deviating from ISPM 15, which relates to the use of methyl bromide (MB), the pallets must also be free from all methyl bromides. All wooden pallets must display a clear marking, showing compliance with ISPM 15 Annex II. Furthermore, it must be evident that the pallets have been heat-treated. Failure to comply with these requirements shall entitle the customer to reject the goods supplied at the Supplier's expense.

**Art. 9 Default**

1. In the event of default in delivery and/or service by the Supplier, we shall have full recourse to legal claims. In particular, we shall have the right to request damages in lieu of performance after a reasonable period has elapsed without result.
2. In the event of default in delivery and/or service by the Supplier, we shall have the right to request a contractual penalty of 0.5% of the net remuneration for the delivery resp. service in default for each full week of default but not more than a total of 5% of the net remuneration for the delivery resp. service in default. We reserve the right to further legal claims, in particular damage claims, but subject to the contractual penalty being set off in full. We can assert the contractual penalty within 3 months of becoming aware of default.
3. In the event of delay in a delivery and/or service that is imminent or has already occurred, the Supplier shall allow us on request to inspect all relevant documents in connection with the legal relationship on which the delivery or service is based vis-à-vis its suppliers and/or sub-contractors and shall specify to us all sub-suppliers and suppliers in this respect as customers entitled to inspect. The Supplier shall be obliged to disclose trade secrets within the meaning of Section 2 *Geschäftsgeheimnisgesetz* [German Trade Secrets Act] in this respect, however, only based on an offer of a non-disclosure agreement by us in the Supplier's possession which binds us for the benefit of the Supplier in respect of the information to be disclosed.
4. If, in the event of a delay in delivery or in the performance of a service by the Supplier, there should be an objective reason for this for our benefit, the Supplier shall grant us the rights to contact all sub-suppliers and suppliers in question on its part within the scope of order processing for us directly in order to avert or reduce as far as possible any resulting delay in delivery and/or in the performance of a service.
5. If the situation in paragraph 3 and 4 above exists, full responsibility for the order shall remain with the Supplier.
6. Acceptance of a late delivery shall not constitute any waiver of damage claims and a contractual penalty agreed for our benefit.

**Art. 10 Change management**

1. The need for changes to the order content cannot always be avoided, also due to change requests from our final customers. We shall have the right, therefore, to request changes to the delivery item and/or service, also after the contract is concluded, according to the regulations set forth below, if, when considered objectively, the deviations, taking into account the Supplier's business and its production or service knowledge and order book of the Supplier, can be reasonably expected of the Supplier in technical and logistical terms. The Supplier shall review the change request immediately and notify us immediately in writing or text form of its effect on the contract framework. This notification duty shall include a declaration as to whether the requested changes are at all feasible technically and/or logistically and expedient and a declaration concerning the effects of the change requests on the contract framework agreed by then such as the concept, periods, deadlines, acceptance modalities and remuneration in the form of a quotation. We shall then give the Supplier a decision immediately on the implementation of the changes.
2. In the case of a positive decision and agreement on the changes to the contract terms, the change to the purchase order shall become an integral part of the contract.
3. Where changes are technically insignificant and economically insignificant for the Supplier, the Supplier cannot request a change to the contract terms.

**Art. 11 Acceptance**

1. All services provided by the Supplier, for which acceptance is possible, are subject to formal acceptance. If the inspection of the Supplier's services requires the start-up of a system or machine, acceptance shall take place only after the successful completion of the agreed function tests. Otherwise the test period shall be 4 weeks for us after receipt of notification of completion unless otherwise expressly agreed. The Supplier shall waive any objection to a delayed notice of defects in this respect.
2. If the Supplier has to provide a service that requires our acceptance, the Supplier shall be obliged to notify us in writing or text form of its request for acceptance at least 14 calendar days prior to the acceptance date to be agreed.
3. If defects are established at the acceptance test, partial acceptance of services which are free of defects shall be possible after agreement with us. This partial acceptance shall, however, not be deemed final acceptance within the meaning of Section 640 *BGB*.
4. Acceptance shall require an acceptance report in writing or text form, signed by the parties. Fictitious acceptance shall be expressly excluded if we do not use the work result as intended commercially on a continuous basis for purposes other than for test purposes for more than 14 calendar days.

**Art. 12 Inspection for defects, warranty, liability for defects, limitation of claims due to material defects and defects of title**

1. The Supplier warrants and guarantees within the scope of application of the UN Sales Convention (CISG) that (i) all deliveries/services comply in full with the agreed specifications, are free of contaminants and pesticides within the meaning of the relevant provisions of food law, in the case of technical items, conform to the current state of the art at the time the contract was concluded, the relevant legal provisions and the regulations and guidelines of authorities, employers' liability insurance associations and trade associations of the Federal Republic of Germany and the European Union, in particular where applicable the Machinery Directive of the European Union, and the country of use notified prior to conclusion of the

contract and (ii) have the agreed quality and (iii) have such properties which are usually inherent in delivery items or services of the kind ordered. The provision of Section 434 BGB (material defect) remains unaffected by this.

The Supplier warrants and guarantees within the scope of application of the UN Sales Convention (CISG) furthermore that the delivered products and packaging materials are environmentally friendly.

The Supplier undertakes to comply with all relevant statutory provisions and guidelines relating to the delivery item and/or the services covered by the contract. If compliance with technical regulations and standards such as CE, CSA or UL specifications has been agreed for the products or their components, the Supplier shall provide proof of this to us and make it available to us with the invoice as condition for the payment claim to fall due.

2. We shall be entitled to full statutory claims for defects and, within the scope of application of the UN Sales Convention (CISG), the full rights arising therefrom in the event of a defective delivery and/or service.
3. We shall be entitled in any case at our option to request the Supplier to remedy defects or deliver a new article.
4. If the delivered products do not correspond to the warranty resp. within the scope of application of the CISG guarantee assumed by the Supplier, the Supplier shall be liable for all damages resulting therefrom, including consequential damages. Section 254 BGB (contributory negligence) remains unaffected.
5. In the event of a warranty claim (*breach of duty due to defective performance*), the Supplier shall be obliged to bear all costs required to remedy defects or to make a substitute delivery. These costs shall also include the costs of disassembly and reassembly in respect of the delivery item. The Supplier shall also bear those costs that are incurred or increase due to the delivery item having been taken to a place other than our branch or the place of delivery. Place of rectification is the place where the delivery item is located as intended at the time of the notice of defects.
6. We shall have the right to examine any deviation of the goods in terms of quality or quantity by taking representative random samples e.g. according to AQL random checks (DIN 2859) if this conforms with the circumstances of the ordinary course of business and the nature and scope of the delivery.
7. If the Supplier defaults in remedying a defect or is behind schedule within the scope of application of the CISG, we shall have the right to request a contractual penalty for default in remedying the defect of 0.5% of the net remuneration agreed for the defective delivery and/or service for each full period of default of 7 calendar days but at most 5% of the agreed net remuneration for the defective delivery or service without further proof of damage. The Supplier shall, however, have the opportunity to prove to us that we incurred no damage or materially more minor damage (= at least 10% lower). This shall not affect further statutory and contractual claims and our rights resulting herefrom within the scope of application of the UN Sales Convention (CISG). The above contractual penalty shall be set off in full against any damage claim. We can assert the contractual penalty within three months of becoming aware of the Supplier's default in remedying the defect.
8. In the event of defects of title due to a culpable breach of duty by the Supplier or the Supplier's vicarious agents, the Supplier shall indemnify us and our customers against third-party claims in this respect including the costs of legal defence and our administrative costs. If the Supplier has produced its delivery or service according to documents provided by us, such as models or drawings, or at our express instruction, and could not have known that this would infringe third-party property rights, the foregoing obligation to indemnify shall not apply.
9. If we take back products finished and/or sold by us as a result of the defectiveness of the delivery item supplied by the Supplier or claims have otherwise been asserted against us as a result, we shall have the right to full recourse against the Supplier, whereby setting a period otherwise required to exercise our rights in respect of defects shall no longer be required.
10. Claims on our part against the Supplier for material defects shall become statute-barred in the case of purchase contracts 36 months after the risk passes, in the case of contracts for work 36 months after acceptance, unless a longer limitation period in respect of warranty applies by law. In the latter case, this shall apply.
11. The limitation period for defects of title is 5 years, calculated as of acceptance; in the absence of stipulated acceptance, as of delivery of the outcome of performance due according to the contract.
12. If the Supplier undertakes with our consent to verify whether a defect exists or to remedy a defect, the limitation period shall be interrupted until the Supplier has notified us of the result of the verification in writing or text form or states to us that the defect has been remedied in the above-mentioned form or refuses vis-à-vis ourselves continuation of the remedy or the remedy itself in writing or text form.

#### Art. 13 **Force majeure**

Force majeure, industrial disputes, operational disruptions for which we are not responsible, unrest, epidemics, pandemics (*including the COVID 19 pandemic*) and other events unavoidable for us shall entitle us, regardless of our other rights, to rescind the contract in whole or in part, provided such events are not of an insignificant duration (i.e. persist for longer than 4 weeks) and result in a substantial reduction in our requirements (greater than 15% of the order volume with the Supplier) and we notify the Supplier of the obstruction immediately unless we have assumed liability under a guarantee.

#### Art. 14 **Product liability, indemnification, third-party liability insurance coverage**

1. If the Supplier is culpably responsible for product damage on our part, or on the part of a third party, whom we have accordingly supplied, as a result of our supply with a defective product, the Supplier shall be obliged, unless otherwise expressly agreed, to indemnify us and our customers in this respect against all customary and reasonable third-party claims for damages and the reimbursement of expenses provided such damages were caused in its area of control and organisation. Apart from payment of damages to third parties, the Supplier's duty to compensate shall also include customary and necessary costs of legal defence (up to an hourly rate of EUR 300.-/hour plus any value added tax incurred), costs of recall, inspection, assembly and disassembly. Section 254 BGB (contributory negligence) shall remain unaffected by this.
2. Within the scope of its liability for damage in terms of paragraph 1, the Supplier shall also be obliged to reimburse any expenses resulting from or in connection with a recall campaign performed by us. We shall inform the Supplier in advance of the content and scope of the recall measures to be performed if this is possible and can be reasonably expected of us in terms of time in relation to the risk to be eliminated and shall give the Supplier the opportunity to comment. This shall not affect any other statutory or contractual claims.
3. The Supplier undertakes, as of the date when the first contract is concluded with us for a period of up to 36 months after the last delivery and/or service provided to us, to maintain a business liability insurance with a minimum - lump-sum - amount insured of EUR 2,500,000.00 per event of personal injury/damage to property and EUR 1,000,000.00 for pecuniary loss. This shall not affect any further damage claims to which we are entitled. The Supplier must provide us with proof of the above-mentioned insurance and premium payment for this on first request. If proof of the insurance and premium payment is not provided to us at our request within 7 calendar days, we shall have the right to rescind contracts not yet fulfilled in whole or in part (with respect to the part not yet fulfilled).

#### Art. 15 **Rights of use, inventions**

1. If drawings, individual EDP programs, photographic material, film footage and layouts for print media or other such documents and/or data are created for the deliveries or services to be performed by the Supplier on our behalf, we shall receive an exclusive, transferable right of use, unlimited in time, location and content, for all types of use, such right being discharged in full by the agreed price for the delivery item.
2. If the deliveries or services are protected by the Supplier's copyrights, the Supplier shall grant us the irrevocable, transferable right, unlimited in time, location and content, to use the delivery or service at our discretion for all types of use without charge, in particular to reproduce, disseminate, display, modify and process the delivery or service.
3. If copyrighted rights of use, industrial property rights and/or other rights to performance results and other written, machine-readable and other work results arise for the deliveries or services to be performed by the Supplier on our behalf, we shall be entitled to them exclusively and fully as part of performance and they shall be discharged in full by the agreed price for the delivery item. The Supplier shall be obliged to notify us immediately of the existence of any such circumstances in text form and agree on further action with us.
4. The Supplier shall be further obliged to use inventions of its employees and, if applicable, sub-suppliers at its expense and indemnify us so that the Supplier can transfer the rights to these inventions to us if this is necessary for use of the delivery item according to the contract by us and our customers.
5. If we register an invention as a property right, we shall assume the costs incurred for registration and maintenance of the property right.
6. If we decide not to register inventions/work results or we are no longer interested in an existing property right, the Supplier may pursue the registration or maintenance of the property right at its own expense. We shall, however, in such case retain a non-exclusive and transferable right of use thereto free of charge.
7. If, in the context of our exploiting the deliveries or services, it is necessary to use the Supplier's property rights, which existed for the Supplier before provision of the delivery or service, we shall have a non-exclusive and transferable right to use these property rights from the Supplier, such right being discharged in full by the agreed price for the delivery item.

#### Art. 16 **Spare parts and readiness for delivery**

1. The Supplier warrants that it shall ensure the supply of spare parts for a period corresponding to the usual period of technical use for the delivery item but for at least 10 years after delivery of the last supply of the relevant delivery item to us unless a different availability of spare parts was expressly agreed with us. During this period, the Supplier undertakes to supply these parts to us on market, economic and legal conditions at the time of our purchase request.
2. If the Supplier intends to discontinue the supply of the spare parts covered by the contract for the delivery item after expiry of the above-mentioned period, the Supplier shall give us the opportunity with prior notice of at least 90 calendar days to place a final purchase order, which must be able to correspond at least to the last average order quantities for the relevant product of the last three years. This shall also apply if the supply of spare parts is discontinued prior to expiry of the period, whereby our reordering shall not cause us to forfeit our damage claims.

#### Art. 17 **Provision, co-ownership, retention of title**

1. Raw materials, tools, materials, parts, containers and packaging we provide may only be used by the Supplier for their intended purpose for the Supplier's execution of the order placed by us. If they are passed on to sub-suppliers, the Supplier shall also ensure this on the part of the sub-suppliers as contract for our benefit and prove this to us without being requested to do so.
2. We shall retain title to any tools provided by us.
3. If we provide parts to the Supplier, we shall retain title to them (**goods subject to retention of title**). The Supplier shall undertake processing or transformation of them on our behalf. If our goods subject to retention of title are processed with other items that do not belong to us, we shall acquire co-ownership of the new article in the ratio of the gross value of our item (purchase price plus value added tax) to the other processed items at the time of processing.
4. If the article we provide is inseparably mixed with other items that do not belong to us, we shall acquire co-ownership of the new article in the ratio of the gross value of the article subject to retention of title (purchase price plus value added tax) to the other mixed items at the time of mixing. If the items are mixed in such a way that the Supplier's article is deemed to be the principal article, it shall be deemed agreed that the Supplier shall transfer co-ownership to us on a pro rata basis in the above-mentioned ratio. The Supplier shall safeguard sole ownership or co-ownership on our behalf.
5. The Supplier shall be obliged to insure the raw materials and tools that belong to us and are made available to the Supplier at their replacement value at the Supplier's own expense against damage caused by fire, water and theft. At the same time, the Supplier herewith assigns to us now all claims for compensation under this insurance. We herewith accept the assignment.
6. The Supplier shall also be obliged to carry out any required maintenance and inspection work and all repair and servicing work on our tools in due time at its own expense and to prove to us that this has been carried out. The Supplier must notify us immediately in writing or text form of any failure of the machines and/or tools provided. If the Supplier culpably fails to do so, we shall be entitled to damages in case of a claim.
7. The Supplier shall also be obliged to keep strictly confidential any illustrations, drawings, calculations and other documents and information as well as data received from us, on whatever form of media, unless there is a legal or official obligation of disclosure. They may only be disclosed to third parties with our express written consent if they are subject to an obligation of confidentiality. The obligation of confidentiality shall also apply after fulfillment of the contract. It shall lapse if and when the construction and/or manufacturing know-how included in the illustrations, drawings, calculations and other documents as well as data provided has entered the public domain without violation of the obligation of confidentiality.
8. If the security interests, to which we are entitled according to paragraphs 2 to 4, exceed the purchase price of all our goods subject to retention of title which are not yet paid by more than 10%, we shall be obliged at the Supplier's request to release the security interests at our option.
9. We recognise no extended or prolonged retention of title. We shall recognise simple retention of title only to the extent that it permits us to sell, process and mix the supplied goods in the ordinary course of business.

**Art. 18 Third-party property rights**

1. The Supplier warrants that no third-party rights within the Federal Republic of Germany and the European Union and the country of delivery or use of the delivery item and/or service notified to the Supplier by us before or together with the purchase order are violated in connection with the Supplier's delivery and/or service. Liability shall be excluded if the Supplier proves that it neither knew nor could have known about the existence of such rights or their occurrence in the future when the delivery item was delivered or the service provided.
2. If a claim is made against us by a third party for a (culpable) violation (outside the scope of application of the CISG) of such rights according to paragraph 1 by the Supplier, the Supplier shall be obliged to indemnify us at first written request against these claims. We shall not have the right to enter into any agreements with the third party, in particular to conclude a settlement with the holder of the rights, without the Supplier's consent.
3. The Supplier's obligation to indemnify shall apply to all expenses we necessarily incur from or in connection with any claim made by a third party.
4. The limitation period for liability arising from the violation of property rights shall commence as soon as the claim arises and the circumstances on which the claim is based have come to our knowledge or should have come to our knowledge without gross negligence. The limitation period for such claims on our part is 5 years.

**Art. 19 Documents, data and confidentiality**

1. All business, technical or product-related information, especially calculation data, manufacturing instructions, production information and other company information and data of whatever kind made accessible by us to the Supplier, including other development or manufacturing characteristics laid down in writing as samples, properties or as data which are to be taken from any items, documents or data provided by us or our vicarious agents to the Supplier and other know-how or experience on our part or of our customers provided to the Supplier must be kept confidential with respect to third parties, unless and until they are proven to be in the public domain or a legal or official obligation of disclosure exists, and may only be made available to those persons in the Supplier's own company who must necessarily be involved in their use for the purpose of the delivery or service to us and who are likewise obliged in writing to treat them as confidential. We shall retain the exclusive title to such items. This is irrespective of

whether they are trade secrets within the meaning of Section 2 *GeschGehG* [German Law on the Protection of Trade Secrets] or not. The provisions of the *GeschGehG* remain unaffected.

2. Such information may not be reproduced or used commercially, other than for deliveries to us, without our prior express consent. The above agreement of confidentiality shall also survive the termination of the supply relationship until it is legally disclosed but at most for 5 years after the delivery and/or service to us. The above obligation of confidentiality shall not exist if the Supplier can prove that it has legally developed the information provided itself or already knew about it (in which case the Supplier shall notify us immediately in writing or text form after transmission of the information - at the latest within 14 calendar days thereafter - otherwise the Supplier can no longer invoke that exception) or the information has entered the public domain as a result of an act on our part or there is an official or statutory obligation of disclosure.
3. At our request, all information and data originating from us (including, if applicable, any copies or records made) and any objects loaned shall be returned to us immediately and in full or destroyed and their destruction confirmed in writing or text form. If information provided to the Supplier is contained in data or transmitted to the Supplier by us, such data shall be deleted in full by overwriting at any time at our first request and deletion must be confirmed immediately in writing or text form, unless there is a legal retention obligation. In such case, the obligation of confidentiality shall also apply to the compulsory retention period. After this, the data are to be deleted immediately as described above and deletion notified in writing or text form.
4. In the case of data transmitted by us to the Supplier, we shall also have the right to have the Supplier make a declaration to cease and desist with a penalty clause to us which shall include a contractual penalty for each case of culpable contravention of the obligation to cease and desist from further data usage of the data transmitted by us or copies thereof, their return and/or deletion by the Supplier, which can be determined by us at our reasonably exercised discretion (Section 315 *BGB*) relative to the Supplier's remuneration and the damage propensity of the breach of duty. At the Supplier's request, this can be reviewed and reduced by a court of law (Section 315 (3) *BGB*). The Supplier shall not be obliged to cease and desist here if the Supplier is subject to an official or legal obligation of disclosure or obligation of data usage.
5. We reserve all rights to such information and data (including copyrights and the right to register industrial property rights such as patents, utility models, trademark protection etc.). If such information and data were made accessible to us by third parties, this retention of rights shall also apply for the benefit of such third parties.
6. Licences or warranties shall not be connected to the samples, models, information and/or data transmitted to the Supplier.
7. Products manufactured in accordance with documents drafted by us e.g. drawings, samples or models and similar items or in accordance with our confidential specifications or with our formulas that are not in the public domain or with our tools or reproduced tools may neither be used by the Supplier itself nor offered or supplied to third parties.
8. If a separate non-disclosure agreement has been concluded between ourselves and the Supplier, its provisions shall, in the event of an inconsistency or further provisions, take precedence over the foregoing provisions of this Art. 19.

**Art. 20 Safety provisions, other requirements of deliveries and services, corporate responsibility**

1. For its deliveries/services, the Supplier must comply with safety regulations which are valid in the Federal Republic of Germany and the European Union and the country of delivery or use notified to the Supplier prior to conclusion of the contract and with the technical data or limits corresponding to the current state of the art when the contract is concluded or any other additional technical data or limits agreed for the Supplier's delivery/service.
2. The Supplier undertakes to use exclusively materials that comply with the respectively applicable statutory safety requirements and provisions within the European Union, in particular for poisonous and hazardous materials and, if relevant, the REACH Regulation (*Regulation (EC) 1907/2006*) of the EU. This shall also apply to environmental protection regulations and regulations with regard to electricity and electromagnetic fields. The above obligation shall include all regulations applicable to the Federal Republic of Germany, the European Union and the country of use notified to the Supplier prior to conclusion of the contract in relation to the delivery and/or service covered by the contract, and also the regulations of customer countries notified to the Supplier before or together with the purchase order, if such regulations differ from the above regulations. The Supplier shall provide us with proof of compliance with these regulations at our first request and cooperate in providing corresponding proof to the respectively competent authorities.
3. If the Supplier's products culpably do not comply with the requirements of paragraphs 1 to 2, we shall have the right to rescind the contract. This shall not affect further damage claims and claims for reimbursement of expenses on our part. We shall have such rights within the scope of application of the CISG also in the case of blameless breach of duty by the Supplier.
4. We must be notified in writing or text form of any intended changes to the delivery item and service. Such changes shall require our prior written consent.
5. In the context of its corporate responsibility, the Supplier is committed, when manufacturing products resp. providing services, to the protection of human rights, compliance with relevant labour standards and that discrimination,

forced labour and child labour are not tolerated. The Supplier undertakes not to tolerate or engage in this in any way in any form of corruption and bribery.

**Art. 21 Quality and documentation**

1. Unless otherwise expressly agreed, the Supplier shall bear the costs for declarations of conformity, certificates of origin, other certification (e.g. if applicable ISO 9001, ISO 13485, CE, CSA or UL specifications). Declarations of conformity must be submitted to us immediately in German and English with each delivery/service.
2. Notwithstanding the foregoing, the Supplier must comply with and continuously verify the quality of the delivery item until its delivery. The Supplier must notify us of any potential improvements immediately. The Supplier must notify us immediately in writing or text form of any evident errors in specifications and foreseeable complications.
3. This must be ensured and documented by suitable test and measurement procedures. We shall have the right to require disclosure of the results of such verification from the Supplier at any time and without additional costs. The Supplier shall provide disclosure of the results in writing or text form.
4. The scope of delivery shall include product-specific and/or technical documentation, certificates of conformity (at our option in German and/or English) and other documents and certificates, operating instructions, product labels, warning notices and other user information necessary for the ordered item or its use, at our option in German and/or English, and the marking of the parts and product and/or its packaging required by law.
5. The Supplier shall ensure that the delivery items can be traced exactly through batches and series numbers.

**Art. 22 Software**

1. If the delivery item contains software produced for us, we shall, without any special further remuneration, receive the source code and have the right to use the software, also at companies affiliated with us pursuant to Section 15 AktG [German Stock Corporation Act] or otherwise under company law, to reproduce it at our discretion, modify it and provide it together with the delivery item to third parties throughout the world free of charge. We shall also have a right to provision of any update released by the Supplier for the product without additional remuneration. On the contrary, this is included in the product price.
2. We shall have the right to decompile the software for maintenance and further development purposes. If the Supplier develops individualised software for us, we shall be entitled to use the source code without restriction at our option.
3. Remuneration for software shall be due only after formal acceptance procedure has been completed with our written declaration of acceptance.
4. When supplying software, supplementary performance with new versions of the program shall only be permitted with our prior express consent. If our consent is given, the Supplier shall be obliged to instruct our employees in the new version of the program free of charge at the Supplier's expense.

**Art. 23 Auditing**

1. We, and as third-party beneficiary contract within the meaning of Section 328 BGB also our customers (**Parties with Authorisation to Audit**), shall have the right but shall not be obliged, also with respect to any own certification, to audit the Supplier ourselves or have an expert and/or advisor of our choice perform the audit. This shall include an inspection of the Supplier's business and quality assurance system and a subsequent assessment. The Supplier shall ensure, within the framework of its legal means, that its sub-suppliers grant us and our customers the same right to audit. Findings acquired here shall form the basis of our awarding further orders and our internal *rating* of the company.
2. We and the Parties with Authorisation to Audit stated in paragraph 1 shall have the right to make announced inspections of the Supplier's regular business operations and to monitor its quality assurance measures during normal business hours and with prior notification.
3. We shall have the right, if we prove a justified legal interest, to inspect the Supplier's relevant documents. Such justified interest shall exist in particular where such an inspection might yield information which can enable us to assess the necessity and scope of a recall or the existence of a defect in delivery items from the Supplier to us.
3. Within the scope of our exercising rights pursuant to paragraphs 1 to 3 above, the Supplier shall not be obliged to disclose trade secrets within the meaning of Section 2 *GeschGehG* (see Art. 9 (3)) unless the conclusion of a non-disclosure agreement regarding the above-mentioned trade secrets within the meaning of Section 2 *Geschäftsgeheimnisgesetz* was offered in writing to the Supplier by the Party with Authorisation to Audit exercising the right to audit. The offer is only necessary if the Party with Authorisation to Audit has not already concluded a non-disclosure agreement with the Supplier covering the required information/documents/data.

In connection with the right to audit, we reserve the right to inspect the delivery item already during manufacturing or prior to shipment at the Supplier itself or have it inspected by authorised representatives. Art. 3 (1) shall apply *mutatis mutandis* in this respect.

**Art. 24 Sustainability and occupational health and safety**

1. The Supplier undertakes in its production facilities to comply with the respectively applicable legal systems and internationally recognised human rights. The Supplier warrants that the production and working conditions existing there are in accordance with the ILO Conventions, the UN Global Compact, the OECD Guidelines and the United Nations Universal

Declaration on the Rights of the Child. If different regulations apply side by side, the one that provides the highest degree of protection and safety to employees shall be applied in each case.

2. If products to be supplied to us by the Supplier or their primary products are manufactured outside the European Economic Area (EEA), the Supplier shall provide to us additionally,
  - (i) both for the Supplier and
  - (ii) for all sites before them in the supply and production chain for the sites located outside the European Economic Area,a valid social standard certificate, issued by a recognised and independent certification institute, this at least according to standard SA 8000 or a comparable standard (in particular BSCI or Sedex).
3. The use of child labour, as defined in the ILO and UN Conventions and/or relevant nationally applicable law, shall not be accepted by us. The minimum age for the employment of minors to be complied with by the Supplier is 15 unless ILO derogations apply. The Supplier must also comply with all other regulations for the protection of children and adolescent employees. All forms of forced, slave and prison labour by the Supplier/supplier are inadmissible. No employee may be forced into employment, either directly or indirectly, by coercion or force.
4. The Supplier shall refrain from discrimination. This includes discrimination on the basis of race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, disability, political opinion, membership of a labour organisation or trade union or other personal characteristics (e.g. skin colour). Furthermore, the Supplier/supplier shall observe the equal opportunities of its employees.
5. Employees must have an employment contract in written form from the Supplier. Minimum requirements for this are: name, date and place of birth, home address, start of employment, duration of the employment contract, working hours, substance of performance owed, remuneration, vacation entitlement, conditions for termination, signature of employee and employer. In the case of personnel leasing, the Supplier must ensure that its contracting partner fulfils these requirements.
6. The Supplier's wages may not in any case fall below the local minimum wages. Social security contributions required by law must be granted. Illegal and unjustified wage deductions, especially in the form of disciplinary measures, are not permitted.
7. The Supplier shall comply with the maximum working hours required by law.
8. The Supplier shall ensure in particular safe and health-compliant working conditions. The Supplier must carry out regular occupational health and safety exercises and measures to ensure that accidents and occupational diseases are prevented.
9. The Supplier is prohibited from carrying out any kind of corporal punishment, threat of violence and harassment, intimidation or abuse, especially in a physical, sexual, psychological or verbal form. Disciplinary measures may be taken only in accordance with national laws and internationally recognised human rights.
10. The Supplier shall ensure in its companies and at company level across the entire supply and production chain used by the Supplier the establishment of effective complaint mechanisms for employee grievances about negative effects arising from employee work situations. Employees who lodge a complaint based on the principles to be complied with of Art. 24 of these General Terms and Conditions of Purchase and/or applicable national/international law may not be subjected to any form of disciplinary or retaliatory measures by the Supplier.
11. The Supplier must comply with the environmental standards respectively applicable to the Supplier and strive in addition, pursuant to the principles of sustainable development of the Rio Declaration of 1992, for the continuous reduction and prevention of environmental pollution as well as the continuous improvement of environmental measures.
12. Waste management, the handling and disposal of chemicals and other hazardous substances, emissions and wastewater treatment by the Supplier must comply at least with respectively applicable statutory provisions and standards. Environmentally and socially responsible production are to be promoted by the Supplier.
13. If the products to be delivered or their primary products are produced outside the European Economic Area, the Supplier must submit to us a current environmental certificate, at least according to standard DIN ISO EN 14001 or a comparable standard, issued in each case by a recognised and independent certification institute, for the Supplier and for all sites before the Supplier in its supply and production chain relating to the delivery to us for the sites located outside the EEA.
14. The Supplier is obliged across the Supplier's entire supply and production chain to carry out appropriate controls in the production facilities concerned at regular intervals to ensure the requirements relating to compliance with Art. 24 of these General Terms and Conditions of Purchase.
15. We only conclude contracts with suppliers who comply with minimum social and environmental standards according to the *Lieferkettensorgfaltspflichtgesetz (LkSG)* [German Act on Corporate Due Diligence in Supply Chains]. The Supplier shall ensure the establishment of a risk management in this respect within the meaning of the *LkSG*, the performance of regular risk analyses for this purpose, the implementation of preventive measures in the Supplier's own business area vis-à-vis direct suppliers, the adoption, where applicable, of corrective measures immediately and the establishment of a suitable complaints procedure for this purpose and the performance of the due diligence obligations of the *LkSG*, also with respect to indirect suppliers, as well as the proper documentation of the above-

mentioned measures and the provision of proof to us in an appropriate form at first request.

16. In the event of a violation of the obligations arising from this Art. 24, the Supplier shall implement appropriate corrective measures immediately, shall document them and provide us with proof of them immediately.
17. If the Supplier culpably violates an obligation arising from paragraphs 1-16 above, the Supplier shall indemnify us in respect of all damages, costs and expenses (regarding costs and expenses, if these are customary, appropriate and proved). The objection of contributory negligence (Section 254 BGB) shall remain unaffected.
18. If the Supplier culpably violates an obligation arising from paragraphs 1-16 above, the Supplier shall owe us a contractual penalty, the amount of which shall be determined by us at our reasonably exercised discretion (Section 315 BGB) taking into account the Supplier's remuneration for the performance under the contract and the damage propensity of the breach of duty. The Supplier's right to review and reduction of the contractual penalty by a court of law (Section 315 III BGB) shall remain unaffected. The assertion of further or other rights, especially to reimbursement of expenses and damages (subject to the contractual penalty being set off in full) shall remain unaffected for us. The contractual penalty may not exceed the amount of EUR 30,000 in the individual case and EUR 300,000 for all conceivable cases of its occurrence.

5. Place of performance is the agreed place of delivery/service, in the absence of such agreement, our registered office.
6. Place of jurisdiction is the location of our company's registered office. We shall, however, also have the right at our option to bring an action against the Supplier at the location of its registered office or at the place of performance.
7. We store data arising from the contractual relationship in accordance with Section 26 *Bundesdatenschutzgesetz* [German Federal Data Protection Act] and the EU General Data Protection Regulation for the purpose of data processing

Krefeld, March 2022

**Henkelhausen GmbH & Co. KG**

**Art. 25 Differing provisions for the commissioning of construction services**

If construction services are the object of the order and there are no mandatory statutory provisions to the contrary, the *VOB/B* [German Construction Contract Procedures/Part B] and Art. 1 to 24 and the provisions of these General Terms and Conditions of Purchase set forth below shall apply with the following restrictions:

- (1) If the parties have concluded a unit price contract, the invoice shall be according to mass pursuant to the provisions of the contract. The fixed price agreement pursuant to Art. 5 (1) of these General Terms and Conditions of Purchase shall then relate only to the respective unit prices.
- (2) Art. 9 (2) shall not apply to the commissioning of construction services. Instead the following provision shall apply: if the Supplier defaults in complying with the completion date for (culpable) reasons, for which it is responsible, the following contractual penalty shall be deemed agreed: for each working day of default in the completion of the contractual service, the Supplier shall owe the customer 0.2% of the net fixed lump-sum price resp. of the provisional total price in the case of a unit price contract. The contractual penalty shall amount at most (in total) to a maximum of 5% of the net fixed lump-sum price resp., if a provisional total fixed price was agreed, of the provisional total price in the case of a unit price contract. Reservation of the contractual penalty must not be declared at acceptance. It is sufficient that the contractual penalty is asserted when the final payment is due. This shall not affect the customer's claim to compensation for damage exceeding the contractual penalty. Contractual penalties paid by the Supplier shall be set off in full against damage claims. If there is a change in the course of the construction process in the contract periods agreed or subsequently fixed by mutual consent, the contractual penalty must not be agreed again, instead the above provisions shall also apply to this.
- (3) If the customer has the right pursuant to Art. 5 (6) to withhold the payment, Section 641 (3) *BGB* shall apply.
- (4) Art. 12 (warranty) shall not apply and shall not be replaced. Unless otherwise stipulated in the construction order, the warranty provisions of the *VOB/B* shall apply with the exception of the warranty period. This is five (5) years for construction services as of acceptance by the customer. The construction services shall in any case require formal acceptance.

**Art. 26 General provisions, severability clause, jurisdiction, choice of law, data storage**

1. The business connection with ourselves may be disclosed to third parties for advertising purposes or as reference only with our express consent.
2. If any provision of this contract is or shall become invalid/void or unenforceable in whole or in part for reasons relating to the law of general terms and conditions according to Sections 305 to 310 *BGB*, statutory provisions shall apply.

If any current or future provision of the contract is or shall become invalid/void or unenforceable in whole or in part for reasons other than the provisions relating to the law of general terms and conditions according to Sections 305 to 310 *BGB*, this shall not affect the validity of the remaining provisions of this contract unless the implementation of the contract, also in consideration of the provisions set forth below, would present an unreasonable hardship for either party. This shall also apply if, after the contract is concluded, it is found to have a gap that requires filling.

The parties shall replace an invalid/void/unenforceable provision or gap that requires filling for reasons other than the provisions relating to the law of general terms and conditions according to Sections 305 to 310 *BGB* by a valid provision that corresponds in its legal and economic content to the invalid/void/unenforceable provision and the purpose of the contract as a whole. Section 139 *BGB* (partial nullity) is expressly excluded, also within the meaning of a provision relating to the burden of proof. If the invalidity of a provision in the above case is due to a measure of performance or time (time limit or date) stated therein, a measure which most closely corresponds to the original measure in a legally admissible way must be agreed for that provision.

3. The law of the Federal Republic of Germany exclusively shall apply. If the requirements of Art. 1, 3 *CISG* are fulfilled, the provisions of the UN Sales Convention (*CISG*) shall apply.
4. The language of contract, proceedings and official language in court is German if legal proceedings are conducted in the Federal Republic of Germany.