

GENERAL TERMS AND CONDITIONS OF PURCHASE FOR NON-PRODUCTION MATERIAL OF GRAMMER AG AND AFFILIATED COMPANIES PURSUANT TO ARTICLE 15 OF THE GERMAN PUBLIC COMPANIES ACT [AktG] ('GRAMMER')

1. PROTECTIVE CLAUSE, CONCLUSION OF AGREEMENT

- 1.1 The following terms and conditions shall apply exclusively to the legal relationship between the Supplier and GRAMMER regarding the supply of non-production material. Supplier General Terms and Conditions of Business or terms and conditions deviating from these shall only apply if they have been accepted by GRAMMER in writing. Neither silence nor acceptance of the goods or service or payment for these by GRAMMER shall be considered acceptance.
- 1.2 Contracts as well as any amendments, addenda, declarations regarding their termination together with other declarations and notifications shall require the written form unless otherwise agreed in these terms and conditions. GRAMMER expects confirmations of order within 14 days of the respective order date. GRAMMER may, however, if a confirmation of order is not received within the period specified above, also cancel the order at its discretion.
- 1.3 Suppliers commissioned by GRAMMER to carry out planning or monitoring tasks, shall, unless otherwise agreed in writing, in principal have no general power of representation, in particular shall not be entitled to alter contractual provisions, extend performance periods or postpone deadlines for execution or legally approve invoice amounts, compensation guarantees for work performed and materials provided, work charged on a costs plus basis or similar.
- 1.4 Quotations provided by the Supplier shall be free of charge for GRAMMER and non-binding. The Supplier shall be responsible for checking local circumstances carefully prior to submitting a quotation and for obtaining a clear picture by consulting the documentation concerning the performance of services and compliance with technical and other specifications. Additional costs, which the Supplier incurs as a result of not having taken sufficient account of documentation as well as local and seasonal factors, where appropriate by asking GRAMMER questions, shall not be approved after an order has been placed.

2. SCOPE OF SERVICES, CHANGES

- 2.1 The respective current environmental standards and works regulations shall apply to all services provided on a GRAMMER premise. The Supplier shall follow the works security instructions.
- 2.2 The Supplier shall ensure that it is aware in good time of all information and circumstances that are significant for the fulfilment of its contractual obligations as well as of the intended use by GRAMMER of its services. The Supplier shall check documentation given to it also in relation to local factors, for correctness and, where appropriate, performance of preparatory work by a third party. It shall inform GRAMMER of any concerns immediately in writing giving the reasons for these concerns and shall reach an agreement with GRAMMER on how to proceed further with the work. The Supplier guarantees that its services are suitable for safe and economic use in accordance with specifications as well as for the intended use. When providing its services the Supplier shall comply with all relevant standards, legislation and legal provisions applicable for the Supplier's services. The Supplier shall clarify any official authorisations required and reporting obligations with GRAMMER duly in advance.
- 2.3 GRAMMER may, in the context of what is financially and actually reasonable for the Supplier, request changes to a service free of charge. The Supplier shall implement such changes within an appropriate period. Appropriate provisions shall be mutually agreed with regard to the impact of such changes, in particular in terms of additional or reduced costs as well as delivery deadlines.
- 2.4 The Supplier is obliged to suggest changes which it considers necessary or advisable for GRAMMER. It shall implement such changes following written agreement by GRAMMER. If a change entails an increase or a reduction in costs and/or the missing of a deadline, the Supplier undertakes to refer GRAMMER to this in its change proposal or immediately after receipt of the change request and to submit a corresponding revised quotation. In this case, the change shall be agreed as binding if a supplementary written agreement has been

reached between the Parties regarding the payment of the additional costs or the consideration of reduced costs as well as regarding the schedule.

- 2.5 GRAMMER shall be entitled, but not obliged, to accept deliveries and services in the absence of the Supplier on its behalf. GRAMMER shall not, however, be liable even in the event of written confirmation of receipt for the completeness and correctness of these deliveries and services. The Supplier shall bear all the storage risks.
- 2.6 The Supplier shall document inspections carried out in the course of executing contracts and their results, in order to ensure a clear allocation to the respective services. This documentation must be kept according to the periods prescribed by law. It must be made available to GRAMMER on request.
- 2.7 Even without a separate agreement, assembly and operating instructions, design and CAD data in German and English must be provided in text or e-format or on suitable data carriers that can be copied arbitrarily.
- 2.8 Technical elements and components of delivery items must be designed in accordance with the state-of-the-art and arranged in such a way that they can be maintained quickly and easily, checked, repaired and replaced. Parts subject to regular wear and tear must be designed and arranged in such a way that they have maximum durability. State-of-the-art within these terms shall mean: a developed stage of technical possibilities at a specific point in time, as far as products, processes and services are concerned, based on the knowledge of science, engineering and know-how to this effect.
- 2.9 The Supplier shall carry out an appropriate outgoing goods inspection prior to delivery to ensure that the goods or services are suitable for their agreed and intended use and meet the quality standards imposed by GRAMMER and the customer. Deliveries shall be made DAP (according to the latest Incoterm version), including packaging, to the location designated by GRAMMER unless otherwise agreed, in writing.

3 DEADLINES, DELAY

- 3.1 The delivery deadlines and quantities specified in orders are essential for the smooth running of processes. If agreed delivery deadlines or quantities cannot be met by the Supplier, the respective delivery shall be deemed late. The Supplier shall notify GRAMMER immediately in the event of late delivery and take any action required in order to ensure prompt delivery. The Supplier shall compensate and hold GRAMMER harmless for damage and expenses incurred as a result of late deliveries.
- 3.2 Relevant in terms of compliance with delivery deadlines shall be the receipt of defect-free goods by GRAMMER or the recipient specified by GRAMMER.
- 3.3 Part deliveries or part services must be approved by GRAMMER in writing in advance.

4 SUBCONTRACTING

The Supplier shall be liable for vicarious agents and/or other parties employed. Irrespective of this, the Supplier shall notify GRAMMER in writing in advance of any large-scale subcontracting to a third party and shall only allow this to go ahead with prior approval from GRAMMER. GRAMMER may only refuse to give its approval for good cause and this shall not release the Supplier from its liability.

5 ACCEPTANCE, INCOMING GOODS INSPECTION

- 5.1 If an acceptance of the services takes place it shall always be subject to the proviso of an inspection for defects. The Supplier shall notify GRAMMER duly and in writing of readiness for acceptance following the completion as per specifications of the commissioned services and shall hand over all the required documents belonging to the subject of the contract. If the inspection of services provided by the Supplier shall require the commissioning of services that is the subject of the contract or similar for test purposes, acceptance shall take place following successful completion of the test.
- 5.2 A partial acceptance procedure shall be carried out by way of exception if the Supplier's services are likely to forgo a subsequent technical check as a result of advancing contract execution.

- 5.3 Unless otherwise expressly agreed an acceptance shall be carried out formally as part of a joint on-site inspection. A written record of the progress and result of acceptance procedures shall be produced and signed by both Parties. Any fiction of acceptance procedures shall not be permitted.
- 5.4 The additional costs incurred by the Supplier and GRAMMER on account of repeated acceptance procedures for which GRAMMER is not responsible shall be borne by the Supplier. Otherwise each Party shall bear costs itself.
- 5.5 An incoming goods inspection shall only be made by GRAMMER in terms of externally visible damage and differences in terms of identity and quantity that can be identified externally. GRAMMER shall notify the Supplier of such defects immediately. GRAMMER reserves the right to carry out further incoming goods inspections. Moreover, GRAMMER shall notify the Supplier of defects as soon as they are identified according to the circumstances of correct business processes. The Supplier shall refrain from objecting to late notices of defect in this respect.

6 PRICES, PAYMENT TERMS

- 6.1 The prices agreed shall be fixed prices unless invoicing on the basis of negotiated hourly rates is agreed. Unless otherwise agreed, payment shall be made within the agreed payment period without deduction. Periods shall commence on receipt of services as per contract and an invoice in proper and verifiable form. In the event that services are accepted early, however, the period shall commence on the agreed delivery date at the earliest.
- 6.2 All additional services shall be paid for at the contractually agreed price. Invoices shall contain details of nature and scope which shall be made available to GRAMMER.
- 6.3 The Supplier shall not be entitled to assign claims against GRAMMER that it is entitled to make or to allow these to be collected by a third party. If the Supplier assigns a claim against GRAMMER to a third party nevertheless, the assignment shall still be valid. GRAMMER may, however, at its discretion, pay the Supplier or the third party with discharging effect.
- 6.4 The Supplier shall only be entitled to offset against claims by GRAMMER or to assert a right of retention if and insofar as its claim is indisputable, has reached a stage of final judgement or its counterclaim is legally established as final and absolute.
- 6.5 If advance payments are due, unless otherwise agreed in writing, the Supplier must submit an open-ended, directly enforceable guarantee from a recognised credit institution within the European Union in which said institution undertakes, waiving rights to contest, offset or pursue any other remedies, to pay GRAMMER an amount up to the amount of the advance payment.

7 WARRANTY

- 7.1 If a service/delivery is defective, claims shall be made by GRAMMER in accordance with statutory provisions unless indicated otherwise below. If operating safety is placed in jeopardy, in order to avoid further damage or to maintain the ability to deliver to GRAMMER customers, GRAMMER may undertake subsequent performance itself or arrange this to be provided by a third party. Costs incurred as a result of this shall be borne by the Supplier. The Supplier shall be liable for all damage and expenses resulting directly or indirectly from defects in the service/delivery incurred by GRAMMER.
- 7.2 The Supplier shall be liable for defects that occur within 36 months of receipt and/or acceptance of the service as per contract. In the case of services in connection with building work or property, the Supplier shall be liable for defects in accordance with statutory provisions. In addition, in the case of electrical installations, the Supplier shall ensure for a period of 36 months that the design is suitable and adequate for the type of use as per contract (functional guarantee).
- 7.3 Insofar as results of the service or parts therefrom are protected by copyrights or designs of the Supplier its employees, or third parties the Supplier shall herewith grant GRAMMER the non-exclusive and transferable right, unlimited in time and space, to freely use and exploit these work results in all types of use, in particular to reproduce, process, issue, modify and revise them, provided the intellectual characteristic of the work is preserved.

8 SUPPLIES

Materials, parts, containers, special packaging, measuring equipment or similar (supplies) provided by GRAMMER shall remain the property of GRAMMER and shall be made available to the Supplier on a loan basis only. The Supplier shall not have a right of retention, irrespective of the reason, in respect of the supplies unless this is indisputable, ready for decision or established as final and absolute. Supplies, as well as copies of these, may not be made accessible to third parties (including subcontractors) without the prior written consent of GRAMMER and may not be used for purposes other than those agreed or for supply of GRAMMER.

9 FORCE MAJEURE

Industrial disputes, civil disturbances, official actions and other unforeseeable and unavoidable events shall release the Supplier and GRAMMER from their service obligations for the duration of the respective disruption and to the extent of their respective impact. The party affected shall notify the other contracting party immediately providing comprehensive information and shall take any reasonable action to limit the impact of such events. The party affected shall notify the other contracting party immediately of the end of the respective disruption.

10 CONFIDENTIALITY

The Parties shall keep confidential information such as drawings, documents, findings, prototypes, manufacturing equipment, models, data carriers etc. mutually handed over or of which they become aware in another manner. The Parties shall not make these accessible to third parties (including subcontractors and sub-suppliers) without the written consent of the disclosing party and shall not use them for purposes other than those specified for the mutual business relationship. This obligation shall not apply to information which a Party was already legitimately aware of on receipt without an obligation to maintain confidentiality or which - without breach of contract by one of the Parties - is generally known or becomes known or in respect of which the disclosing party grants written permission for other use.

11 INSURANCE

11.1 The Supplier shall ensure with regard to liability for personal injury, material damage, damage to products and property on account of executing the contract that it has taken out adequate insurance cover based on cause and extent and shall provide written evidence of this on request.

11.2 Taking out insurance policies shall not limit the Supplier's liability.

12 CANCELLATION RIGHTS

12.1 GRAMMER shall have the right to terminate the supplier relationship giving 3 months' notice to terminate at the end of a respective half-year (30.06./31.12.), unless a different project-specific provision has been agreed. A partial cancellation of the delivery of individual delivery items is possible. If a contract concluded in connection with this agreement can be terminated on serious grounds, this right of termination shall also extend to the supplier relationship associated with it.

12.2 The right to written termination in the event of good cause shall remain unaffected by the above. Good cause shall exist in particular but not limited to, if (i) the Supplier fails to comply with the agreed quality standards, (ii) one of the Parties files for insolvency or becomes unable to pay in accordance with Article 17 of the German Insolvency Statute; (iii) if the Supplier is taken over by a competitor of GRAMMER, irrespective of form (change of control), (iv) if one of the Parties breaches a significant contractual obligation and this breach is not remedied within 30 days in spite of a written reminder.

12.3 If the regulatory content of individual provisions in these terms and conditions extends beyond the end of the supplier relationship, these provisions shall remain effective even after the end of the supplier relationship. This shall apply unless expressly dispensed with in writing in individual cases, particularly in relation to the obligation regarding spare parts, warranty, product liability, insurance, keeping evidence and confidentiality.

13 GENERAL

- 13.1 GRAMMER commits itself to the Verhaltensrichtlinie des Bundesverbandes für Materialwirtschaft, Einkauf und Logistik e.V. („BME Code of Conduct“) and expects its Suppliers and sub-suppliers to comply with this BME Code of Conduct or similar guidelines. The BME Code of Conduct is available at:
<https://www.grammer.com/en/supplier-support/purchasing.html>
- 13.2 The parties agree that the courts having jurisdiction over the principal place of business of the ordering GRAMMER entity shall have exclusive jurisdiction.
- 13.3 The terms of any order including this Terms and Conditions shall be governed in accordance with the laws of the country of the ordering GRAMMER entity’s principal place of business. Application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) of 11 April 1980 and the applicable conflict of laws principles are hereby expressly excluded. In the event that a third party brings to court a claim against GRAMMER for death, personal injury or property damage resulting from a product defect, GRAMMER may, at its discretion, conduct the court procedures necessary to enforce the indemnification against Supplier in terms of these Terms and Conditions. In such a case the laws of the forum state shall govern exclusively the rights and obligations of the parties involved.
- 13.4 If a provision is or shall become invalid, this shall not affect the validity of the other provisions. The contracting parties undertake to replace the invalid provision with another provision that most closely reflects the commercial intention of the original provision.
- 13.5 Additional agreements have not been reached. Amendments or additions shall only be possible in writing. This also applies to amendments to this written form clause.
- 13.6 For the purpose of executing this Agreement or any amendment or supplement thereof, facsimile signatures, PDF image signatures or electronic signatures rendered via an electronic signature service (e.g. DocuSign, AdobeSign) shall be treated as original signatures if in accordance with the applicable law and any such document shall be deemed to be in writing.