



HEINRICH RÖNNER GRUPPE

General Terms and Conditions of Purchase

of the Heinrich Rönner Group

Art. 1 General provisions

- (1) The following General Terms and Conditions of Purchase form an integral part of any and all contracts for goods/ services/ performance of work ("Werksleistungen") concluded at present and in the future between the affiliated companies of the Heinrich Rönner Group (hereinafter referred to as "us"), and our Suppliers and other contractors (both hereinafter referred to as the "Supplier"). In addition, these Terms and Conditions, as amended, also serve as a master agreement for any future contracts with the Supplier, without need to making express reference to these Terms and Conditions in each case.
- (2) The General Terms and Conditions of Purchase shall apply in their respective current version.
- (3) Validity *vis-à-vis* consumers within the meaning of Sec. 13 of the German Civil Code (*Bürgerliches Gesetzbuch; BGB*) is excluded.
- (4) The validity of any general or special terms and conditions of the Supplier is excluded, even if their inclusion has not been expressly objected to. The contrary shall only apply if we have given our express written consent. Our acceptance of a delivery/ goods, a performance of work or a service of the Supplier does not constitute an implied acceptance of the Supplier's general terms and conditions. Silence in response to an order confirmation of the Supplier is not to be regarded as consent to the general terms and conditions of the Supplier either.

Art. 2 Offer, Conclusion of Contract

- (1) The Supplier shall submit any offers in writing and, unless otherwise requested in our enquiry/ call for tender, must be drawn up in German. The Supplier's offers are to be submitted non-binding and free of charge.
- (2) Verbally placed orders or explanations, as well as all amendments, alterations supplements and ancillary agreements are only deemed to have been concluded with legal effect upon our express written confirmation.
- (3) Offers have to be submitted completely, i.e. the Supplier shall adhere to our request / call for ten-

der in his offers/tenders in terms of quantity, quality, description, assembly, etc. If the offer/tender deviates from our request/ call for tender, the Supplier must expressly and clearly point out, in writing, any deviations in its offers.

- (4) Unless otherwise requested in our enquiry/ call for tender, offers/tenders are binding for the Supplier within the customary acceptance period (at least 4 weeks).
- (5) An offer/A tender shall only be deemed to be accepted if it has been confirmed by us in writing (electronic form is equivalent).

Art. 3 Scope of Performance, Deliveries and Services

- (1) The scope of performance/delivery/service shall completely and exclusively be determined in accordance with the purchase order placed. All drafts, documents, samples, etc., which are created within the scope of delivery/service, are subject of the Supplier's obligation to deliver and perform and are included in the agreed remuneration (order price).
- (2) The Supplier undertakes to perform its deliveries/services with the utmost care, at least with the due care and diligence of a prudent businessman, observing the state of the art of science and technology at the time of acceptance of the delivery/service, the safety regulations of authorities and trade associations and the Supplier's inherent know-how. The Supplier guarantees compliance with all statutory regulations (i.e. minimum wage), technical specifications, other requirements and compliance with all applicable occupational safety regulations. The Supplier is obliged to provide us with sufficient evidence of the above. The Supplier is further obliged to submit corresponding declarations of commitment. The aforementioned also applies to subcontractors used by the Supplier. In the event that the Supplier has not paid the minimum wage owed or has violated other obligations under the German Minimum Wage Act (*Mindestlohngesetz; MiLoG*), we shall be entitled to an extraordinary right of termination. The Supplier shall be liable for the damages incurred by us as a result of the extraordinary termination. In the event of future liability claims or official sanction measures due to breaches of these obligations by

the Supplier, its subcontractors or rental companies commissioned by the Supplier, the Supplier is obliged to compensate us for all resulting damages.

- (3) Partial deliveries / services are excluded, unless otherwise expressly agreed in writing.
- (4) In any case, Subcontracting is subject to our prior written consent. The Supplier shall be liable for the proper selection of subcontractors.
- (5) If services are performed on our premises or under our supervision, the Supplier shall be subject to our exclusive right to issue instructions. The Supplier shall be liable for the selection of the personnel.
- (6) At our request, the Supplier will provide information on the composition of the performance/delivery to be provided, issue requested certificates and prepare / hand over required documents regarding the performance/delivery.
- (7) We shall be entitled, within the scope of what is reasonable, to make changes to the order as long as the Supplier has not yet fulfilled its contractual obligations. The effects, including the delivery date and any additional or reduced costs incurred, of such changes are to be regulated by mutual agreement. The Supplier is obliged to immediately express to us any concerns regarding the changes.

Art. 4 Customer-Supplied Materials, Documentation, Accident Prevention

- (1) The Supplier is liable for the loss of or damage to materials, substances, tools etc. supplied by us. In the event of loss, damage or defectiveness of materials, substances, etc. provided by us, the Supplier shall immediately interrupt the processing/ performance and immediately notify us in writing or by e-mail.
- (2) Any Items supplied by us (i.e. materials, substances) will be processed on our behalf and will remain our sole property throughout the processing stages. Where materials supplied by us are processed together with other materials, we will acquire co-ownership in the new product in proportion to the value of the materials supplied by us to the value of all materials used in the production as well as the Supplier's input during the processing. To this extent, the Supplier shall keep the new product in custody on our behalf, free of charge. The preceding sentences apply *mutatis mutandis*, should our property cease to exist as a result of commingling, intermingling or joining.
- (3) The Supplier may only use any documentation and data provided to the Supplier by us for the processing of the offer and the rendering of the

goods/services ordered. The Supplier shall treat any such item with all due care and protect them from unauthorised use (duty of confidentiality). Any such items (including any copies or reproductions) must be returned to us, without undue delay and without needing to be prompted, after our request has been processed or the ordered goods/services have been rendered.

- (4) If the Supplier performs its delivery and/or services on our premises and/or ships/docks, both prior to the commencement and the completion of the work, its responsible site manager shall contact our operating engineer in charge (the "Coordinator"). The Supplier is responsible for instructing its employees and subcontractors in general and in particular in accordance with the German regulation for the prevention of accidents (UVV) 1.0 Sec. 2 Para 1 and Sec. 6 Para 2. Our coordinator is responsible for the prevention and elimination of any and all hazards. The Coordinator's instructions must be followed without undue delay. Any and all accidents must be reported to the Coordinator without undue delay. All works must be carried out in a way as to not interfere with our workflow. The Coordinator will be in charge of coordinating the schedule for the goods/services to be rendered by the Supplier. The Supplier shall ensure a clean work place at all times. After completion of the work, the work place must be handed over to our Coordinator in a tidy, clean condition.
- (5) The Supplier shall ensure that all deliverables do not contain any materials that are hazardous to health. Furthermore, the Supplier shall not use, process or deliver legally prohibited substances and materials.
- (6) The Supplier shall inform himself about the accident prevention and other safety regulations as well as the company regulations applicable on our premises and strictly comply with them. This applies, in particular, to smoking bans, rules for the performance of so called "hot works" (i.e. burning, welding, soldering, cutting, etc.), as well as protective measures for the handling, processing and removal of asbestos and materials containing asbestos. To the extent that this is required, the Supplier's employees must wear appropriate protective clothing, with additional precautions also being taken when necessary. If applicable, the Supplier shall ensure that its subcontractors also comply with the same requirements.
- (7) The Supplier shall dispose of any waste produced at its own expense and for its own account and - insofar as necessary or requested - provide us with the corresponding disposal certificates free of charge. The use of our waste/recyclables collection facilities requires our prior express consent.

Art. 5 Prices, Place of Performance, Terms of Billing and Payment

- (1) All prices are fixed prices in EURO exclusive of value-added tax. Deviating currencies will not be accepted unless otherwise requested in our enquiry/call for tender.
- (2) The price include the entire remuneration for transport, insurance, customs duties and packaging, etc. Subsequent demands for delivery costs etc. will not be accepted.
- (3) Goods shall be delivered DDP (Incoterms 2020 ®) to a place of destination chosen by us.
- (4) The Supplier shall pack its deliverables in regards to avoiding damages during transport and loading. Packaging materials shall only be used to the extent necessary. The statutory provisions shall also apply to the obligation to take back goods with regard to transport and packaging. The Supplier assures that its transport of the deliverables and their packaging meets the specific industry requirements and complies with the statutory regulations. The Supplier shall be liable for any non-compliance. This also applies to the absence of information or incorrect information.
- (5) Upon rendering agreed goods/services, the Supplier shall provide us with original invoices (in quadruplicate), for each purchase order separately, stating the purchase order number including date, cost unit/account and commission number. Value-added tax must be shown separately.
- (6) The Supplier's invoices are payable 30 days from the rendering of the deliverables/services in accordance with the contract, or – to the extent that a work product/service had to be completed – from acceptance of such work, and proper billing in accordance with the preceding Clause 5.5. Where the Supplier delivers early, the 30-day period will commence no earlier than upon the contractual delivery or completion date. In the event of payment within 14 days of receipt of the invoice, a 3% early-payment discount on the net amount invoiced shall apply. In the event of payment within 20 days of receipt of the invoice, we shall be entitled to a 2% early-payment discount on the net amount invoiced.
- (7) Advance payments and payments on account can only be claimed by the Supplier if it has been expressly agreed to in writing between both parties.
- (8) In the event of agreed partial performance, payment will only become due upon the last delivery, unless otherwise agreed to in writing.
- (9) We shall be entitled to all statutory rights of exercising set-off and retention. Any offsetting of counterclaims by the Supplier shall only be permitted if

such counterclaims are undisputed or have been finally determined by enforceable court decision.

- (10) We are entitled to reduce invoices by the value of returned goods and any claims for damages and expenses.
- (11) Without our prior written consent, the Supplier is not entitled to transfer any of its rights and entitlements in relation to us, in whole or in part, to third parties.

Art. 6 Delivery Date, Delay in Delivery

- (1) Delivery and completion dates specified in the orders are binding for the Supplier. The Supplier is aware of the delivery and completion dates being of the essence and time-critical for us and that the Supplier's delayed delivery/completion constitutes a material breach of contract.
- (2) In the event of a delay in delivery, we may exercise (Clause 6.6 below notwithstanding) the remedies available to us under the law without any restriction (exclusions and limitations of liability in particular).
- (3) If the delivery is made ahead of the agreed delivery date, we reserve the right not to accept the delivery and to return or store it at the Supplier's expense and risk. Where the Supplier becomes aware of the fact that a deadline cannot be met, the Supplier must inform us, in writing and without undue delay, of the reason for and the duration of the expected delay. In addition, the Supplier shall immediately propose suitable measures to us to avert or reduce the consequences of the delay.
- (4) In the event of us accepting the delayed delivery/completion, our statutory right to claim damages for delay shall remain in force even if we did not expressly reserve this right when accepting the delivery/completion, provided that we have claimed the damages for delay in accordance with Clause 6.6 below, at the latest by the time the counter-performance has been provided in full (e.g. by reducing the final invoice accordingly).
- (5) Where we are in default of acceptance, the Supplier's demand for damages shall be limited to 0.3% of the net order value per each week, limited to a maximum of 5% of the net contract value of the delivery. The aforementioned shall not apply if the delay is due to intentional or grossly negligent breach of duty by one of our vicarious agents or legal representatives.
- (6) Where the Supplier is in default, we shall be entitled to demand a contractual penalty of 0.3% of the net order value per each working day of the default, limited to a maximum of 5% of the net contract value of the delayed delivery. We reserve the right to assert further claims. Changes to the delivery/completion dates do not constitute a waiver

of the assertion of the aforementioned contractual penalties.

Art. 7 Defects, Breach of Duty

- (1) The Supplier warrants that the deliverables and performances have the agreed quality, correspond to the state of the art science and technology at the time of acceptance and that there are no inherent attributes that would impair or negate the value or the suitability of the deliverable for its customary or intended use under the contract entered into with ourselves. In addition, the Supplier shall ensure that the utilisation of the deliverable will not infringe third-party rights (patents or and other industrial property rights in particular).
- (2) Where the deliverable is defective or for any other reasons non-contractual, we shall have any and all statutory rights and entitlements without restriction (exclusions and limitations of liability in particular) with the proviso that the time limit for giving notice of defect pursuant to section 377 of the German Commercial Code (*Handelsgesetzbuch; HGB*) must be no less than eight working days. In the case of hidden defects (particularly those that only become apparent upon processing or commissioning of the deliverable), the time limit for giving notice of defect will only commence upon their discovery.
- (3) The period of limitation for material defects or deficiency in title is governed by the provisions of the German Civil Code (*Bürgerliches Gesetzbuch; BGB*) with the proviso that the periods specified therein are extended by a further six months.
- (4) Where supplementary performance is required, the Supplier shall also bear any additional expenses (transport, infrastructure, labour and material costs in particular) arising as a result of the subject matter of the delivery/service being subsequently relocated to a place other than the place of performance, provided that such relocation is in line with the intended use of the subject matter of the delivery/service.
- (5) Furthermore, the Supplier shall bear all costs for installation and removal within the scope of his obligation of supplementary performance. The aforementioned shall also apply to consequential damages of defects.
- (6) To the extent that we have perused the assembly dimensions as well as the general technical specifications on the basis of the drawings provided to us and have released a sample of the deliverable for serial production, this will not exempt the Supplier from the contractual performance of any of its obligations. More specifically, our inspection does not extend to sufficient dimensioning and the proper selection of materials used.

- (7) During the Supplier's operating hours, our agents and the agents of our customers are entitled to request information on the contractual performance from the Supplier, to attend site tests and to perform tests themselves. Any costs for repeated tests caused by previously detected defects shall be borne by the Supplier.
- (8) The Supplier hereby guarantee the supply of spare parts for the deliverables at market conditions and prices at least for the duration of the standard lifetime of the relevant deliverable.

Art. 8 Liability, Liability Insurance Protection

- (1) Claims for damages or for reimbursement of expenses (hereinafter collectively referred to as "Claims for Damages") on the part of the Supplier *vis-à-vis* ourselves are excluded, irrespective of the legal grounds, unless any such claims are based on the provisions of the German Product Liability Act (*Produkthaftungsgesetz; ProdHaftG*), the deliberate or grossly negligent violation of contractual or statutory obligations by ourselves, injury to body or harm to health on the part of the Supplier as a result of a breach of duty attributable to ourselves.
- (2) Where third parties assert a claim for damages against us as a result of a product defect, the Supplier shall indemnify us against such claims if and to the extent that any such damage was caused by raw materials or sub-products supplied or serviced by the Supplier. Furthermore, the Supplier is obligated to reimburse us for any expenses and losses resulting from a third party asserting a claim against us, particularly in connection with a product recall carried out by ourselves. In such cases, we will notify the Supplier – where possible and reasonable – of both content and scope of the recall measures to be taken and provide the Supplier with an opportunity to make a statement. Any further liability of the Supplier under the law shall remain unaffected.
- (3) The Supplier shall be liable without limitation in accordance with the statutory provisions for any and all damages incurred by us in the performance of the contractual delivery/service by the Supplier or its vicarious agents.
- (4) In the event of the Supplier assembling the deliverable, it shall at the same time assume the duty of road safety. Within the scope of the order, the Supplier must reliably secure all danger points and is thus responsible to any third party under tort law. We shall be responsible for monitoring and controlling compliance with the road safety obligations. The Supplier shall indemnify us against any and all liability within the scope of its responsibility.

- (5) The Supplier is responsible for all damages in connection with its deliverables/performances resulting from a breach of environmental protection regulations. In this context, the Supplier will indemnify us against all possible third-party liability claims. In addition, the costs for damages incurred are to be borne by the Supplier.
- (6) The Supplier shall take out third-party liability insurance and product liability insurance cover customary in the industry with a sufficient minimum coverage insured. Upon our request, the Supplier shall submit a corresponding confirmation of its insurer prior to the commencement of the delivery/service/performance. We reserve the right to demand other conditions, in particular certain coverage insured, depending on the type and scope of the delivery/service and/or taking into account other conditions.

Art. 9 Confidentiality, Third-Party Rights

- (1) The conclusion of the contract shall be treated confidential. The contractual relationship with us may not be used in advertising brochures, websites or other media accessible to third parties for advertising or other purposes. Advertising is only permitted with our express prior written consent.
- (2) Commercial, operational and technical details shall be treated as business secrets. Third parties used by the Supplier to fulfil the obligations resulting from the contract shall be contractually bound accordingly.
- (3) The Supplier guarantees that no rights of third parties are infringed in connection with the fulfilment of its delivery, service or performance obligation, irrespective of the legal grounds. The Supplier shall indemnify us against all third-party claims on first demand. This indemnity obligation also refers to expenses necessarily incurred by us in connection with the claim by a third party (i.e. legal fees). The Supplier shall also maintain sufficient insurance cover in this respect.
- (4) Any kind of recording of sound and image material is strictly prohibited. In the event of breach of this prohibition, we shall be entitled to an extraordinary right of termination against the Supplier. The Supplier shall be obliged to compensate us for the resulting damage.

Art. 10 Child Labour

- (1) We strictly exclude child labour in our supply and production chains.
- (2) The Supplier fully recognises the rights of the child according to Art. 32 of the UN Convention on the Rights of the Child.
- (3) The Supplier shall comply with all laws and regulations enacted by the States Parties to the UN

Convention on the Rights of the Child for the protection of children against economic exploitation and by the Members of the International Labour Organisation Conventions 138 and 182 pertaining to the minimum age and the prohibition of and measures for the elimination of the worst forms of child labour.

Art. 11 Severability

If provisions of a contract concluded with the Supplier, of which these General Terms and Conditions of Purchase are an integral part, should be or become partly or wholly ineffective, the remaining terms and provisions of that contract shall continue to apply. Instead of the ineffective provision, such a provision shall be deemed agreed with the Supplier which comes as close as possible to the economic purpose pursued by the ineffective provision in a legally effective manner.

Art. 12 Data Protection

The Supplier hereby consents to us electronically storing any data of the Supplier that may be required in connection with the business relationship and the individual contracts as well as to us processing and using this data in compliance with the statutory provisions of the German Federal Data Protection Act (Datenschutz-Grundverordnung; *DSGVO*) for our business purposes.

Art. 13 Applicable Law, Place of Jurisdiction

- (1) All legal relations between the Supplier and us are governed by the laws of the Federal Republic of Germany, excluding the application of the provisions of the United Nations Convention on Contracts for the International Sale of Goods (*CISG*) or other conventions and internal law referring thereto.
- (2) These General Terms and Conditions of Purchase have been translated from the German "Allgemeine Einkaufsbedingungen of Heinrich Rönner Group". In case of doubt, in the event of any discrepancy between the German version and this translation thereof, the German version shall prevail.
- (3) Ancillary agreements, amendments or supplements must be made in writing to be effective. This shall also apply to the waiver of the written form requirement itself.
- (4) The exclusive place of jurisdiction for any and all disputes arising directly or indirectly from the contractual relationship between us and the Supplier is Bremen. However, we remain entitled to sue the Supplier, at our discretion, at the courts having jurisdiction at the Supplier's place of business.

As at: 04 April 2022