

General Terms and Conditions of Purchase for Capital Goods

of

WELSER PROFILE GERMANY GMBH
Edisonstraße 23
59199 Bönen

1. General provisions

- 1.1. WELSER PROFILE Deutschland GMBH ("WELSER") places all its orders for the manufacture, delivery, assembly and commissioning of capital goods (e.g. tools, devices etc. ("Capital Goods")) ("Services") with the Contractor exclusively in accordance with the following General Terms and Conditions of Purchase for Capital Goods ("Contract Terms"). These Contract Terms shall also apply to all investment orders placed by companies belonging to the WELSER group of companies.
- 1.2. These Contract Terms do not apply to purchases of raw materials and other production materials.
- 1.3. General terms and conditions for the sale and supply of products and services or other deviating terms of the Contractor are not applicable, unless WELSER has explicitly acknowledged these terms in writing. These Contract Terms are also applicable in all cases in which WELSER accepts the Contractor's deliveries without objecting to terms of the Contractor which are different from these Contract Terms (whether or not WELSER is aware of those terms). WELSER hereby explicitly objects to any reference by the Contractor to the application of its general terms and conditions for the sale and supply of products (e.g. in offers) or to other different terms. These Contract Terms are also applicable to all future transactions with the Contractor.
- 1.4. All relevant legal regulations in the field of licensing, accident prevention, worker protection, occupational health and safety (in particular the Machine Protection Act [*Maschinenschutzgesetz*], Ordinance on Hazardous Working Materials [*Verordnung über gefährliche Arbeitsstoffe*], environmental protection, fire safety as well as all relevant guidelines and decisions of competent bodies and the recognized rules of technology shall apply.

2. Conclusion of contract

- 2.1 Enquiries WELSER makes with the Contractor about its Services and the terms of provision or requests by WELSER for the submission of offers will not be legally binding on WELSER in any way.
- 2.2 Any order placed by WELSER subject to these Contract Terms shall constitute an offer to the Contractor to purchase/obtain Services from the Contractor. Orders placed by WELSER are binding only if made in writing. WELSER is not obliged to sign these orders. The written form requirement is met if orders are transmitted by fax, e-mail or by way of electronic communication. The Contractor shall ensure at its own cost and expense that the conditions for electronic communication at any time are in place.
- 2.3 A binding contract for the provision of Services by the Contractor including these Contract Terms shall only be concluded by a written order within the meaning of Section 2.2 submitted to the Contractor. The written acceptance of this order by the Contractor in the form of an order confirmation must be received by WELSER within ten (10) working days after receipt of the order by the Contractor. If the order confirmation deviates from the order, such deviations must be marked and specifically highlighted.
- 2.4 Oral orders or orders by telephone are not binding and do not create a contractual relationship under any circumstances. Oral agreements must be confirmed in writing. Also contract changes as well as ancillary agreements are effective only if made in writing.

3. Prices and terms of payment

- 3.1 The prices and terms of payment are determined in the order and are binding. These are fixed prices and represent the total price for the provision of Services. The price does not include legal value-added tax, which will be calculated separately.
- 3.2 The price includes delivery "DDP" according to Incoterms 2020 including packaging. In particular, freight, cartage, insurance, customs formalities and customs duties as well as other such costs are included in the price, unless the parties have agreed otherwise in the contract.
- 3.3 The original copies of the invoices must be sent to WELSER via e-mail, unless the parties have agreed otherwise in the contract. They must not be enclosed with the delivery. Partial invoices due to only partially performed deliveries and/or Services are only permissible if this has been agreed in writing upon conclusion of the contract.
- 3.4 Payment periods shall commence with the delivery and/or Service accepted by WELSER without objection and the subsequent receipt of the invoice, unless the parties have agreed otherwise in the contract. The dispatch of the means of payment by WELSER within the payment period shall be sufficient for compliance with the payment periods. If the payment date falls on a weekend or a public holiday, payment shall be made on the next working day. Fees for international payment transactions shall be borne by the Contractor. In the event of premature deliveries, WELSER reserves the right to pay the invoices at the point in time which would be contractually due in the event of timely delivery/Service provision. Securities are required for advanced payments. Details in this regard are regulated in the order.
- 3.5 If WELSER is in default of payment in whole or in part, the Contractor shall be entitled to default interest at the statutory rate.
- 3.6 The Contractor may only set off claims against WELSER which are uncontested or finally established. The Contractor may exercise its right of retention only if the Contractor's counterclaim on the basis of which the Contractor exercises that right is based on the same contract and is uncontested or finally established.
- 3.7 Except with the prior express written consent of WELSER, the Contractor may not adjust prices or charge additional costs of any kind. WELSER may withhold payments in case of late performance of Services or invoices and deficient performance of Services.

4. Terms of delivery

- 4.1 The INCOTERMS®, as amended from time to time, agreed upon when the contract was concluded shall apply.
- 4.2 Agreed delivery dates or delivery periods shall be binding and the Contractor must strictly adhere to them. If a calendar week is agreed as the delivery date, the last delivery date shall be the Friday of that week. If such a Friday falls on a public holiday, the directly following business day shall be deemed the delivery date. The exact delivery date is stated in the respective order. Delivery dates or

delivery periods shall only be deemed to have been complied with if the agreed scope of supply and Services arrives at its destination on the agreed date or within the agreed period. In the event of non-compliance with delivery dates or delivery periods, WELSER shall be entitled to withdraw from the contract after the Contractor fails to deliver within a reasonably set grace period, even if the Contractor is not at fault for exceeding the date or period. Claims of WELSER for damages shall remain unaffected therefrom. The acceptance of delayed supplies of Capital Goods or performance of Services shall not constitute a waiver of claims for compensation. The Contractor shall, in any case, compensate WELSER for all additional costs incurred from a delayed supply of Capital Goods or performance of Services, in particular in the event of a withdrawal from the contract. Any additional freight costs incurred due to a delayed supply of Capital Goods shall be borne by the Contractor.

- 4.3 If the supply relationship is disrupted by unexpected and unavoidable events beyond a party's control and responsibility, such as force majeure, labour disputes (strike and lockout), war, unrest, terrorist attacks, epidemics/pandemics (such as COVID-19) and natural disasters, the parties shall be released from their obligations to the extent of the effects and duration of such disruption, and throughout a reasonable period of time thereafter. If it is impossible to predict the end of any such disruption or if it persists for more than two (2) months, either party may withdraw from the relevant contract (or from its non-performed parts) or give notice of immediate termination.
- 4.4 The acceptance of Capital Goods and Services shall take place at WELSER's premises after the full size of the order has been delivered, installed and commissioned, provided that the Capital Goods and Services comply with all stipulated characteristics and do not exhibit any other defects. A record of the acceptance shall be drawn up and signed by both parties. Acceptance testing shall take place within a reasonable period of time after operational readiness has been declared.
- 4.5 As soon as any delays are identified and/or occur, the Contractor shall immediately notify WELSER in writing, stating the expected delay or exceeding of the deadline. If the Contractor fails to give such notice, he shall not be entitled to invoke the delaying event vis-à-vis WELSER.
- 4.6 If the Contractor does not fulfil the contractual Services on the agreed delivery date or within the agreed delivery periods, the Contractor shall be obligated to pay a contractual penalty. This penalty shall amount to 0.2% of the net total of the order for each business day of delay but not more than 5% of the agreed net total of the order. Furthermore, the Contractor shall be liable in accordance with the relevant statutory provisions. The contractual penalty shall be set off against WELSER's claim for compensation for the damage caused by the delay.

5. Transfer of risk, incoming goods inspection and warranty

- 5.1 The risk of accidental loss or deterioration shall pass to WELSER upon handover or acceptance of the Capital Goods at the destination specified in the order.
- 5.2 WELSER shall inspect the Capital Goods delivered by the Contractor upon receipt for any deviations in identity and quantity as well as any externally visible damage, to the extent and as soon as this is feasible in the ordinary course of business. WELSER will without undue delay notify any defects discovered during that inspection to the Contractor. Apart from that Contractor waives any extended incoming goods inspection at WELSER. Other defects which WELSER discovers only when the delivered Capital Goods are used according to their intended purpose will be notified by WELSER to the Contractor without undue delay after the defects were discovered. The Contractor will not plead late notice of defects in this respect. This Section 5.2 shall not apply if the order is governed solely by the provisions of the contract for work and services.
- 5.3 The Contractor cumulatively warrants that all parts of its deliveries or Services comply in particular with the agreed quality features, the intended use according to the order, the legally relevant and technically applicable regulations and the recognised rules of technology, and that they are handed over with the agreed accessories and the agreed instructions, including assembly and installation instructions. The agreed quality also includes, in particular, functionality, compatibility, interoperability and other requirements agreed between the parties for the Capital Goods or the Services. Insofar as assembly is to be carried out, the Capital Goods supplied shall comply with the assembly requirements if the assembly has been carried out properly in particular. The statutory regulations shall apply in addition.
- 5.4 Any analysis costs necessary to determine whether the supplied Capital Goods comply with the contractual provisions shall be borne by the Contractor.
- 5.5 The warranty claims to which WELSER is entitled shall come under the statute of limitations within the statutory periods. The statute of limitations of the WELSER's warranty claims shall be barred as long as the Contractor has not ultimately rejected WELSER's claims in writing.
- 5.6 If defects are detected within the warranty period or if guarantees given by the Contractor with regard to the Capital Goods or the object of performance of Services are not complied with, WELSER may initially, at its discretion, demand subsequent performance by repair or replacement delivery or production of a new Capital Goods. The Contractor shall bear the expenses required for the purpose of repair or replacement delivery or production of a new Capital Goods, in particular transport, travel, labour and material costs. If WELSER has chosen repair, this shall be deemed to have failed after the first unsuccessful attempt. Apart from that, WELSER shall be entitled to the statutory claims in case of material defects and defects of title.
- 5.7 Where defective Capital Goods and Services are repeatedly provided, WELSER shall be entitled to terminate the contract without observing a period of notice after giving prior warning and after a defect has occurred anew for successive or blanket agreements.
- 5.8 If, as a result of a defective supply of Capital Goods and Services, it becomes necessary to perform an overall inspection that exceeds the usual level of incoming goods inspection, the Contractor shall bear the costs therefrom.

6. Liability, product liability and insurance as well as EC directives and CE certification

- 6.1 The Contractor shall compensate WELSER for or indemnify WELSER against all direct or indirect claims (including claims for death, personal injury or damage to property), damages (including all indirect and consequential damages as well as environmental damage), costs, expenses and losses ("damages") caused by the delivery of the defective Capital Goods or by the breach of an obligation under the contract. In the case of fault-based liability, this shall not apply if the Contractor is not at fault.
- 6.2 Should Services of the Contractor also include work on the business premises of WELSER, the Contractor will take all necessary precautions to prevent personal injury and property damage in the course of such work. The Contractor compensates and holds

harmless and indemnifies WELSER for and against any damage caused by the Contractor's work on the business premises, unless the Contractor is not at fault.

In addition, the Contractor must observe the house rules of WELSER which will be provided to the Contractor at its request.

- 6.3 If the Contractor has caused and/or is responsible for a product defect (depending on the underlying cause of action), the Contractor is obliged to compensate the damage and to hold harmless and indemnify WELSER for and against all claims of third parties, provided that the cause of the claim is within the Contractor's control and organization and the Contractor would itself be liable towards third parties. If WELSER is obliged to carry out a recall action vis-à-vis third parties due to a defect of Capital Goods supplied by the Contractor, the Contractor shall bear the costs associated with the recall action. To the extent that WELSER has contributed to causing or has contributory responsibility for a defect, the Contractor may assert this towards WELSER. The share of damages payable by WELSER and the Contractor depends on their respective contributory fault/responsibility for the defect.
- The Contractor is also obliged to pay the expenses WELSER has incurred for having to retain legal assistance or otherwise in connection with defending product liability claims. If WELSER is subject to special rules concerning the burden of proof towards the injured party, these rules are applicable also to the relationship between WELSER and the Contractor, unless the circumstances to be proven are attributable to WELSER's responsibility.
- 6.4 The Contractor undertakes to procure adequate insurance (including but not limited to business liability, product liability, and recall insurance) for its obligations under the contract. The Contractor shall provide appropriate documentary evidence of the insurer to WELSER.
- 6.5 The Contractor is liable for its representatives or subcontractors to the same extent as for its own conduct.
- 6.6 The Contractor shall prepare the entire technical documentation required by the respective EU (EC) directives applicable to the Capital Goods or Services and the applicable provisions transposing these directives (cf. Section 10.5), such as hazard analyses, risk assessments, operating instructions, validation documents, manufacturer's/installation/conformity declarations, etc., and shall hand over these documents in German and/or English language (as agreed in the relevant contract) to WELSER in due time before the first delivery of the Capital Goods or the first provision of the Services.
- 6.7 If applicable, the Contractor shall provide WELSER with all data required for CE certifications still to be performed and all safety-related facilities and measures still to be fulfilled for this purpose in writing, correctly and in the German and/or English language (as agreed in the relevant contract) with its delivery or performance of Services.

7. Involvement of third parties in processing the order

The agreed Service must always be provided in full by the Contractor itself. Any involvement of third parties in providing Services, in particular when the Service is passed on to subcontractors, requires the express written consent of WELSER.

8. Confidentiality clause

Unless the parties have reached separate non-disclosure agreements, the following shall apply:

- 8.1 The Contractor undertakes to keep confidential any confidential information directly or indirectly received from WELSER. Also orders and all related commercial and technical details constitute and shall be treated as confidential information. Especially all illustrations, drawings, calculations, quality policies, samples and similar items must be kept confidential. Confidential information may be reproduced and disclosed only within the framework of operational requirements. Confidential information may only be disclosed to third parties with the prior consent of WELSER in written form.
- 8.2 The aforementioned obligations are not applicable if the Contractor can prove that confidential information
- (i) has already been in the public domain at the time of disclosure or came into the public domain thereafter without its fault;
 - (ii) has already been in its possession at the time of disclosure;
 - (iii) has been provided to it by a third party that is not subject to an obligation of confidentiality and non-use, always provided that those third parties have not directly or indirectly received that information from WELSER;
 - (iv) must be disclosed according to legal provisions.
- 8.3 The Contractor undertakes to subject sub-suppliers to the same scope of confidentiality. The Contractor may use confidential information provided by WELSER only for their intended purpose.
- 8.4 The confidentiality obligation survives also after termination of the supply relationship for a period of 5 years. The Contractor undertakes to surrender to WELSER after termination of the supply relationship any confidential information received, whether in printed form or on electronic storage media. At WELSER's request, the Contractor shall confirm in writing that it has fulfilled the obligations laid down in the last two sentences.
- 8.5 Culpable non-compliance with this confidentiality obligation shall entitle WELSER to claim for the damage incurred.
- 8.6 Furthermore, the Contractor is not permitted to use or publish logos, photos, names, addresses of WELSER as a reference, for reference stories, etc. without the express written consent of WELSER.

9. Proprietary rights

- 9.1 Upon full payment of the respective Capital Goods, it shall become the property of WELSER. Any extended or expanded retention of title by the Contractor to the Capital Goods is excluded.
- 9.2 Insofar as it is not possible, for whatever reason (with the exception of the non-payment or incomplete payment of the price for the respective Capital Goods), to transfer ownership of the Capital Goods to WELSER, the Contractor shall be obliged to take all necessary and possible steps to place WELSER in such a position as if it had acquired ownership of Capital Goods; this shall include, in particular, the possibility for WELSER to use and exploit the Capital Goods.
- 9.3 The Contractor shall do everything to prevent interference with WELSER's property by third parties (e.g. enforcement measures, removal of the Capital Goods or other impairments of the property). In the event of an interference with WELSER's property by third parties, the Contractor shall immediately notify WELSER thereof in writing. In particular, the Contractor is not permitted to transfer, hand over, enter into a rental relationship with or grant any rights to the Capital Goods of or for WELSER to third parties under any

circumstances. The Contractor shall compensate WELSER for all damages and costs incurred by a culpable breach of these obligations and by intervention measures required with third parties as a result thereof.

- 9.4 Drawings, samples, models, profiles, standard sheets, print templates and other documents and auxiliary means provided by WELSER, as well as Capital Goods manufactured according to them, may neither be passed on to third parties nor used for purposes other than the contractual purposes without WELSER's prior written consent. They shall remain the property of WELSER, and the Contractor shall store them free of charge, secure them against unauthorised inspection or use, maintain them, protect them against damage and loss and return them to WELSER without being asked to do so after the contract has ended. Culpable failure to comply with the above obligations shall entitle WELSER to assert damages for the damage incurred.

10. Documentation

Unless the parties have expressly agreed otherwise in writing, the delivery of documentation (technical documentation, quality records, etc.) shall be a principal contractual obligation. In particular, Section 6.6 of these Contract Terms shall apply in this respect. Two copies of the technical documentation shall be delivered: the first as a hard copy in a DIN A4 format and the second in a digital format (e.g. CD-ROM/DVD-ROM) in German and/or English language (as agreed in the relevant contract). The technical documentation must comply with the recognized rules of technology. In the event of non-compliance with this obligation, WELSER shall be entitled to refuse acceptance and hold off on paying the agreed amount.

11. Compliance, Supply Chain Compliance

- 11.1 The Contractor must ensure that it conducts its business in compliance with all applicable laws and regulations (together the "Laws"). This applies in particular to all Laws relating to (i) bribery and corruption, (ii) export and import of products including customs and foreign trade law, (iii) antitrust and competition law, (iv) taxation, (v) labour and employment, (vi) health and safety and (vii) environmental protection.

- 11.2 The Contractor must comply with the principles and guidelines defined in WELSER's Business Partner and Supplier Code for sustainable, ethical/moral and legally correct conduct in business, available on the WELSER homepage at <https://www.welser.com/en/downloads>. In the event of a breach of these principles defined in the Business Partner and Supplier Code, WELSER shall be entitled to the rights defined in Section 11.7 (in particular also the right of termination) accordingly.

If WELSER is itself obliged to comply with supplier codes of other economic participants, e.g. of WELSER's customers, the requirements set forth therein shall also apply to the Contractor, but only provided to the extent WELSER has made the further supplier codes available to the Contractor prior to the conclusion of the contract.

- 11.3 The Contractor must ensure that all relevant statutory human rights and environmental provisions and measures along its supply chain are complied with in its area of responsibility, in particular also at third parties active in connection with the provision of Services.

- 11.4 The Contractor must ensure that its employees and other representatives have sufficient knowledge of the laws, the mandatory requirements set out in the WELSER Business Partner and Supplier Code and, in particular, laws on corporate due diligence in supply chains, including through an appropriate and effective internal compliance programme and regular training and education, and also comply with the laws and requirements set out in sentence 1.

- 11.5 In the event of actual indications of a violation of the provisions of Section 11.3, the Contractor shall, upon WELSER's request, provide all necessary information and disclosures and shall, upon reasonable advance notice and during normal business hours, allow WELSER to inspect its premises so that WELSER can verify the Contractor's compliance with the provisions of Section 11.3. WELSER may also commission a third party bound to secrecy (e.g. auditor) with this inspection. Data protection provisions as well as business and trade secrets of the Contractor shall be respected. Audit rights from other provisions remain unaffected.

In the event of a violation of statutory human rights or environmental obligations, the Contractor undertakes to plan and take appropriate remedial measures together with WELSER which are suitable for preventing, terminating or minimising the extent of a violation. In such cases, the Contractor shall immediately inform WELSER of its knowledge.

- 11.6 The Contractor shall pass on the contents of the WELSER Business Partner and Supplier Code applicable pursuant to Section 11.2 as well as other supplier codes applicable pursuant to Section 11.2 as the case may be to its sub-suppliers and shall do its best to enforce the requirements contained therein and the obligations arising from this Section 11 vis-à-vis the sub-suppliers by means of suitable contractual provisions.

- 11.7 A breach of the provisions in Section 11.3 shall in particular entitle WELSER to set the Contractor a reasonable period of time to remedy the breach and to withdraw from or terminate the contract after unsuccessful expiry of this period. No time limit need be set in the event of a very serious breach of the provisions of Section 11.3. A very serious breach shall exist in particular in the case of a violation of protected legal positions under the Act on Corporate Due Diligence in Supply Chains ("*Gesetz über unternehmerische Sorgfaltspflichten in Lieferketten*") or in the case of other violations of human rights provisions. In the event of a withdrawal or termination pursuant to Section 11.7, WELSER shall not be obliged to compensate the Contractor for any damage resulting from the withdrawal or termination. Any other rights to which WELSER is entitled shall remain unaffected by this provision.

WELSER shall have the discretion to waive termination under this provision and to order the Contractor to immediately prepare and present to WELSER as well as implement a concept to terminate or minimise the breach and to avoid future breaches. During the period of implementation of the concept, WELSER shall be free to temporarily suspend the business relationship.

12. Customs and Foreign Trade Law

- 12.1 In the case of deliveries of Capital Goods across customs barriers, the Contractor shall enclose with the delivery all necessary documents, in particular commercial invoice, delivery note and information for a complete and correct import customs declaration.

In case of deliveries and Services from a country outside Germany that is a member of the European Union (EU), the Contractor must provide its EU VAT identification number.

- 12.2 Imported Capital Goods shall be delivered duty paid. The Contractor shall bear all costs associated with export and import customs clearance. Insofar as the customs declaration and, insofar as this is incurred, the payment of the import-turnover tax is not legally possible for the Contractor, WELSER shall undertake the customs declaration and pay the import-turnover tax at the Contractor's expense. WELSER may request a corresponding advance payment.

- 12.3 The Contractor shall be obliged to provide any declarations and information required within the framework of Regulation (EU) No. 2015/2447 of 24 November 2015 (OJ of 29.12.2015, L 343/558) at its own expense, to permit inspections by the customs authority and to provide any official confirmations required.
- 12.4 The Contractor shall comply with all EU, United States of America (USA) or other export control laws and regulations, as applicable.
- 12.5 The Contractor is obliged to inform WELSER of the trade-political origin of his Capital Goods. This is to be stated on the respective commercial invoice and, if required, a certificate of origin is to be issued.
- 12.6 If the Contractor has its place of business and/or manufacturing facility within the EU, it is obliged to provide a supplier's declaration in accordance with the applicable EU implementing regulation on the preferential origin of the Capital Goods and its parts. A certified biennial supplier's declaration (long-term supplier's declaration) must be provided at the latest at the time of delivery. This declaration must be renewed without being asked before the end of this period. Any change with regard to the origin of the Capital Goods and its parts must be notified to WELSER without delay.
- 12.7 If the Contractor has its place of business and/or a manufacturing plant in a country with which an EU free trade agreement exists, it is obliged to issue a preference certificate for each delivery. The provisions of the preferential agreement must be complied with.
13. Final provisions
- 13.1 The Contractor must select its employees/subcontractors in such a way that they are suitable for the Services to be provided in terms of professional and safety aspects and are able to follow the instructions of WELSER. The Contractor expressly acknowledges that its employees/subcontractors will be subjected to a safety briefing prior to performing the Service, whereby the time and material expenditures involved therewith will not be reimbursed.
- 13.2 The place of performance for all supplied Capital Goods and Services is the place of destination WELSER specifies in the order.
- 13.3 WELSER is entitled to premature termination of the contract if a petition for bankruptcy is filed in respect of the Contractor's assets, or if such petition is rejected by a court of competent jurisdiction due to insufficient assets.
- 13.4 If the business circumstances of one of the parties should verifiably deteriorate, e.g. due to a global or national economic crisis and lead to a declines in sales of up to 15% or similar operational disadvantages, or if these are imminent with sufficient probability, each party shall have the right to terminate these contracts by giving three months' notice.
- 13.5 The place of jurisdiction for all disputes arising from a contractual relationship based on these Contract Terms shall be the competent court for subject matter jurisdiction at the WELSER's registered office, both for actions brought by WELSER and for actions brought against WELSER. The relationship between WELSER and the Contractor shall be governed exclusively by the law of the country in which WELSER has its registered office, but excluding the law of conflict, the Hague Conventions Relating to a Uniform Law on the International Sale of Goods and the Convention on International Sales Contracts (CISG).
- 13.6 If individual provisions of these Contract Terms are or become invalid, the validity of the remaining provisions shall not be affected thereby. The invalid provision shall be replaced by a legally valid provision which comes as close as possible to the purpose of the invalid provision.
- Side agreements, amendments or additions to the contract must be made in writing. This shall also apply to any amendment or cancellation of these Contract Terms.