

LAWO AG

General Terms and Conditions of Purchase, March 2024

1. APPLICABILITY

These General Terms and Conditions of Purchase ("General Terms and Conditions") shall apply to all business relationships with our contractual partners, service providers and suppliers (each: the "Supplier") in the version communicated at the time of the order or in any event communicated most recently to the Supplier in text form as a framework agreement also for similar future contracts, without us having to refer to them again in each individual case. These General Terms and Conditions shall only apply if the Supplier is an entrepreneur (section 14 Civil Code (Bürgerliches Gesetzbuch, "BGB")), a legal entity under public law or a special fund under public law. They shall apply in particular to contracts for the sale and/or delivery of movable goods ("Goods"), irrespective of whether the Supplier manufactures the Goods itself or purchases them from other suppliers. These General Terms and Conditions shall apply exclusively. Deviating, conflicting or supplementary terms and conditions of the Supplier shall not become part of the contract, even if we do not expressly object to their application or if we accept performance or pay for it without expressly objecting to the application of such terms and conditions.

2. CONTRACT; FULFILMENT OF CONTRACT

Offers from the Supplier shall be binding and can be accepted during a period of one month. Should quantity or quality specifications or specifications regarding the manner of implementation in the Supplier's offer deviate from an invitation to tender issued by us or a delivery request made by us, the Supplier must expressly point this out. Should the Supplier fail to do so, it cannot demand any remuneration over and above the agreed remuneration.

We place our orders exclusively in writing. The Supplier must notify us of any obvious errors, e.g. typing or calculation errors, and missing information in the order, including the order documents. Unless our order is placed in acceptance of a contractual offer from the Supplier, the Supplier has a period of ten days in which to accept our order, either by way of written confirmation or by rendering performance. After the expiry of this period, we shall no longer be bound by our order. Should the order confirmation or performance deviate from the order, we shall only be bound if we agree to the deviation in writing. Acceptance of the performance or payment for it shall not constitute consent.

Our orders are placed in writing only and exclusively by the purchasing department. Our employees are not authorised to agree to the application of terms and conditions other than these General Terms and Conditions on delivery notes, confirmations of receipt and the like.

Changes to confirmed orders must always be made in writing.

The use of vicarious agents, in particular subcontractors, shall not be permitted unless we have given our prior consent for this. The Supplier shall not be authorised to pass on either the whole order or substantial parts thereof or to change the place of production without our written consent. Should we give our consent, the Supplier shall remain responsible for fulfilling the contract.

Legally relevant declarations and notifications which the Supplier must submit to us after conclusion of the contract (e.g. setting deadlines, reminders, rescission) must be made in writing in order to be valid.

3. PRICES/PAYMENT

The price given in the order shall be binding. All prices include the statutory VAT, unless this is shown separately. Unless otherwise agreed in writing, the price shall be delivery "free domicile", Incoterms 2010 DDP, including insurance and any and all costs, outlays, charges and/or duties.

Should the Supplier reduce its list prices after the order is placed but before the payment deadline, we shall only have to pay the reduced price. The Supplier shall be obliged to notify us of the reduction and provide proof of the reduced amount in the event of a dispute. Daily price clauses or other provisions that allow the Supplier to increase the agreed price after a certain period of time or due to the occurrence of certain events or changed circumstances shall not be accepted. The Supplier may not increase agreed prices, not even in the case of unforeseen events or changed circumstances that were not foreseeable, and also not if the basis of the contract changes. The Supplier shall bear the procurement and price risk. The agreed prices shall not depend, either wholly or partially, on changes in indices of any kind.

Our payments shall be due 60 days after receipt of a proper invoice. Unless otherwise agreed in writing, we shall make payment within 14 days of the due date minus a 3% prompt payment discount or within 30 days minus a 2% prompt payment discount. Payment shall only be due if delivery has been made and an invoice that complies with the VAT Act (Umsatzsteuergesetz) and the VAT Implementing Ordinance (Umsatzsteuer-Durchführungsverordnung) has been received. We can only process invoices if they – in accordance with the specifications in our order – indicate the order number given therein; the Supplier shall be responsible for any and all consequences arising from non-compliance with this obligation, unless it can demonstrate that it is not responsible for such non-compliance. We shall not owe any default interest.

In the case of a bank transfer, payment shall be deemed to have been made in good time if our transfer instruction is received by

our bank before the payment deadline. We shall not be responsible for delays caused by the banks involved in the payment process. A written reminder from the Supplier shall always be required to establish default. Section 286(3) BGB shall not apply. Should we be in default, the statutory default interest rate shall apply at most. We shall have rights of set-off and retention to the extent permitted by law, also in respect of claims of or against our affiliated companies. The Supplier shall only be entitled to exercise a right of retention or set-off if its claims against us are undisputed, have become final and incontestable or are ready for a decision. Claims against us may only be assigned with our prior written consent. Section 354a Commercial Code (Handelsgesetzbuch, "HGB") shall remain unaffected by this. We shall be entitled to transfer rights under this contract to third parties.

In the event of defective performance or imminent or actual insolvency on the part of the Supplier, we shall be entitled to withhold a reasonable amount as security until the contract has been duly and properly fulfilled or for the duration of the warranty period.

4. DELIVERY

We shall be free to use the products supplied by the Supplier without restriction. Restrictions must be agreed in writing in individual cases.

The performance period specified in our order or otherwise agreed shall be binding. It shall commence upon receipt of the order by the Supplier. Compliance with the performance period and date shall be contingent upon the performance being received at the place of receipt designated by us. The Supplier shall be in default after expiry of the performance period without the need for a reminder. The Supplier must inform us in writing without undue delay of the possible postponement of delivery dates. The Supplier may not make delivery contingent on it being supplied by its own suppliers; the Supplier shall bear the procurement risk. Acceptance by us of the delayed delivery shall not constitute a waiver of claims for damages.

Performance shall be deemed to have been rendered in full and on time only if all the legally prescribed and agreed documents have been submitted in the agreed language; these may include approvals, test certificates, certificates of conformity, DIN or EN safety data sheets, operating and maintenance instructions, spare parts lists, user manuals, etc.

Unless otherwise agreed, delivery shall be made in accordance with INCOTERMS 2020 DDP, including insurance, free domicile at place of receipt. This place shall also be the place of performance. This Incoterm also governs the transfer of risk. Where an acceptance procedure has been agreed, this shall be decisive for the transfer of risk. In all other respects, too, the provisions of the law on contracts for work and services shall apply mutatis mutandis in the event of acceptance.

We shall be in default of acceptance if the statutory provisions have been fulfilled. Should we have agreed to take action or cooperate, the Supplier shall still be required to expressly offer

us its performance. The Supplier may only cite the absence of documents, data, material etc. to be supplied by us if it has issued a written reminder and has not received the items within a reasonable period of time. Should the contract relate to a non-fungible item to be manufactured by the Supplier (custom-made item), the Supplier shall only have additional rights if we have undertaken to cooperate and are responsible for any failure to do so. The Supplier must fully insure the transport of the Goods at its own expense.

If we have agreed to ex works pricing from the Supplier's factory/sales warehouse or if we are the freight payer, the shipment shall be transported at the lowest cost in each case or as set forth in the corresponding routing order. We must be notified in advance of all transport costs so that we can arrange for the Goods to be collected ourselves if necessary. Where we are to bear the costs, packaging shall be charged at cost.

INCOTERMS 2020 FCA shall apply to cross-border deliveries. In addition, the Supplier shall engage the freight forwarder at our expense. Where we are the freight payer, the freight forwarder must be instructed that we waive insurance within the meaning of section 21 German Freight Forwarders' Standard Terms and Conditions (Allgemeinen Deutschen Spediteurbedingungen) and do not recognise any amounts for cartage and forwarding insurance. The Supplier shall inform us without undue delay should a delivery be subject to any export restrictions.

A corresponding shipping notification containing the same information must be sent to us separately from the delivery note. The Supplier shall be obliged to indicate the contents of the delivery (item number and quantity) as well as our order identification (date and number) on all shipping documents; should the Supplier fail to do so, we shall not be responsible for any resulting delays in processing and payment. Should delays occur as a result of missing documentation or missing approvals, we may charge any processing costs incurred in this regard.

The agreed delivery quantities shall be binding. Neither quotas or allocations nor partial deliveries shall be permitted. In the event of partial or premature deliveries, we reserve the right to refuse acceptance and to return the Goods at the Supplier's expense or not to make payment until the agreed due date.

In the event of a culpable delay in delivery, we shall be entitled to demand liquidated damages amounting to 1% of the net delivery value of the Goods whose delivery is delayed for each week of delay or part thereof, but not more than 5%, in terms of which we may prove that the actual damage incurred is higher and the Supplier may prove that no damage was incurred at all or that the damage was significantly lower than this liquidated amount.

In the event of defective performance affecting a part of the delivery, we may withdraw from the entire delivery subject to the statutory prerequisites if, as a result of the defective performance, we have no interest in the part of the delivery not affected thereby. We shall not accept any restrictions on the delivery obligation

due to force majeure; the statutory regulations shall apply in this respect, in particular with regard to temporary impossibility.

5. LIABILITY FOR DEFECTS

The statutory provisions and the criteria set out below shall apply to our rights with regard to material defects and defects in title of the Goods, including wrong and short delivery, as well as other breaches of duty by the Supplier:

The Goods must be of the agreed quality upon transfer of risk. Product descriptions which are the subject matter of the respective contract – especially by having been designated or referred to in our order – or which have been included in the contract in the same way as these General Terms and Conditions shall in any event be deemed to be an agreement as to quality. It makes no difference in this regard whether the product description originates from us, the Supplier or the manufacturer.

In the case of Goods with digital elements or other digital content, the Supplier shall be responsible for providing and updating the digital content in any case to the extent that this results from an agreement as to the quality or other product descriptions of the manufacturer or on its behalf, in particular on the internet, in advertising or on the Goods label.

Deviations in quantity, quality, weight etc. from what has been agreed shall not be permitted in any case, regardless of their extent or significance. The Supplier shall deliver the Goods free of material defects and defects in title, in accordance with the latest state of the art in design and manufacture and in compliance with the production regulations, as well as with due observance of the relevant safety and environmental protection standards for the locations where the Goods are to be used – insofar as it is aware of these – and shall ensure that the Goods conform unconditionally to the samples, specimens and descriptions supplied by it. The Supplier warrants compliance with all statutory provisions of German and European law applicable to the delivered product as well as the law of the country where the delivered product is to be used – insofar as the Supplier is aware of such country – as well as all contractually or legally required technical data, DIN or EN standards, quality assurance requirements, specifications, certifications and quality standards, official requirements and any other requirements specified by us.

Notwithstanding section 442(1), sentence 2 BGB, we shall also be entitled to claims for defects without restriction if the defect remained unknown to us upon conclusion of the contract due to gross negligence.

The statutory provisions (sections 377, 381 HGB) shall apply to the commercial obligation to inspect and give notice of defects subject to the following proviso: our obligation to inspect the Goods following receipt shall be limited to defects that become apparent during our incoming goods inspection based on a visual assessment, including of the delivery documents, as well as during our quality control checks based on random sampling (e.g. damage sustained in transit, wrong or short delivery). There shall be no

obligation to inspect if the parties have agreed on an acceptance procedure. In all cases, our notice of defects shall be deemed to have been given without undue delay and in a timely manner if it is received by the Supplier within ten working days.

Subsequent performance shall also include the removal of the defective Goods and reinstallation if the Goods were incorporated in another item or attached to another item in accordance with their nature and intended use before the defect became apparent; our statutory claim to reimbursement of corresponding expenses (installation and removal costs) shall remain unaffected. The costs incurred by the Supplier for the purpose of carrying out checks and repairing defects (including any costs of removal, installation, labour, materials, road tolls and transportation) shall be borne by the Supplier even if it should prove to be the case that there was in fact no defect. Our liability for damages in the event of unjustified demands for the remedying of defects shall not be affected; in this regard we shall however only be liable if we realised or – as a result of gross negligence – failed to realise that there was no defect. Payment does not imply recognition of the performance as compliant with the contract; the same shall apply to the acceptance or approval of submitted documents (drawings, drafts, models, samples, specimens, including interim performance etc.) and does not constitute a waiver of any warranty claims.

In the event of defects, we shall be entitled to assert the statutory claims at our choice without restriction. We shall also be entitled to claims for damages or reimbursement in accordance with the statutory provisions.

The Supplier must bear all the costs required for subsequent performance, in particular the costs of transport, labour, materials, expert opinions, removal and installation.

We shall be entitled without restriction to the statutory claims for the reimbursement of expenses and for recourse within a supply chain pursuant to sections 478, 445a, 445b, 445c, 327(5), 327u BGB in addition to the claims for defects. We shall in particular be entitled to demand from the Supplier precisely the type of subsequent performance (repair or replacement) that we owe our customer; in the case of Goods with digital elements or other digital content, this shall also apply with regard to the provision of any necessary updates. Our statutory right of choice (section 439(1) BGB) shall not be limited by this.

Our claims to recourse against suppliers shall also apply if the defective Goods have been combined with another product or processed further in any other way by us, our customer or a third party, e.g. through fitting, mounting or installation.

Warranty claims may be asserted against the Supplier; referral to the manufacturer is not permitted.

6. LIABILITY; INSURANCE COVERAGE; LIMITATION PERIOD

The Supplier shall be liable to us for any fault or negligence and any damage or loss, including on the part of or caused by its representatives and vicarious agents. The Supplier may not exclude or limit this liability. Inspections carried out by us do not release the

Supplier from the obligation to deliver Goods free of defects.

Should the Supplier be responsible for damage caused by a product, it shall be obliged to indemnify us against third-party claims insofar as the cause falls within its sphere of control and organisation and it is itself liable vis-à-vis third parties. Within the scope of its indemnification obligation, the Supplier shall reimburse us for any and all expenses incurred as a result of or in connection with a third-party claim, including recalls carried out by us. Wherever possible and reasonable, we shall notify the Supplier of the scope and substance of the recall measures to be carried out and give the Supplier the opportunity to respond. Other statutory claims and rights of recourse shall remain unaffected.

The Supplier shall insure itself against any and all risks arising from product liability, including the risk of recall, with cover of at least EUR 10 million per claim and year and provide us with proof of such insurance upon request.

The mutual claims of the contracting parties shall become statute-barred in accordance with the statutory provisions, unless otherwise stipulated below.

Notwithstanding section 438(1), no. 3 BGB, the general limitation period for claims for defects and the reimbursement of expenses shall be three years as from the transfer of risk. If an acceptance procedure has been agreed, the limitation period shall begin to run upon acceptance. The three-year limitation period shall also apply mutatis mutandis to claims arising from defects in title without affecting the statutory limitation period for in rem restitution claims of third parties (section 438(1), no. 1 BGB); furthermore, claims arising from defects in title shall not become statute-barred for so long as the third party can still assert rights against us, in particular because these have not become statute-barred.

The limitation periods laid down in sales law, including the extension thereof laid down above, shall apply – to the extent permitted by law – to all contractual claims for defects. Insofar as we are also entitled to non-contractual claims for damages on account of a defect, the standard statutory limitation period shall apply in this regard (sections 195, 199 BGB) unless applying the limitation periods laid down in sales law leads to a longer limitation period in a particular case. The statutory limitation period shall always apply to any other claims we have against the Supplier.

7. TITLE

Title to the Goods must be transferred to us unconditionally and regardless of the payment of the price. However, should – in an individual case – we accept an offer by the Supplier stipulating that transfer of title is subject to payment of the purchase price, the Supplier's retention of title shall expire at the latest on payment of the purchase price for the delivered Goods. We may resell the Goods in the ordinary course of business even before the purchase price is paid, subject to advance assignment of the resulting claim. We may also process the Goods. All other forms of retention of title, in particular expanded retention of title, passed-on retention of title and retention of title extended to cover further processing

shall be excluded.

Should the Supplier process, mix or combine provided items (further processing), this shall be done on our behalf. The same shall apply should we carry out further processing of the delivered item, so that we shall be deemed to be the manufacturer and shall acquire title to the item in accordance with the statutory provisions at the latest upon such further processing. Should the items be processed or mixed in such a way that the Supplier's item is to be regarded as the main item, it shall be deemed agreed that the Supplier shall transfer joint title to us on a pro rata basis; the Supplier shall preserve sole title or joint title for us insofar as it is in possession of the processed item.

8. CONFIDENTIALITY/INTELLECTUAL PROPERTY RIGHTS

The Supplier shall treat all contents of the contract, in particular prices and discounts, know-how and technical and commercial documents provided, as strictly confidential and shall use them only to fulfil the order; in addition, the provisions of the Trade Secrets Act (Geschäftsgeheimnisgesetz) shall apply. Such contents may only be made accessible to third parties with express written consent. These third parties must be informed in writing of the ownership rights and copyrights and be obliged to maintain confidentiality. The obligation to maintain confidentiality shall continue to apply after this contract has been completed. It shall not apply if the contents are publicly known without the obligation to maintain confidentiality having been breached.

Only we shall be authorised to use and/or exploit work results created for us. Should the Supplier have copyrights or intellectual property rights, it hereby grants us an irrevocable, exclusive and perpetual right of use and exploitation.

The Supplier warrants that it has checked for possible third-party intellectual property rights in the country in which the performance is to be received or used and that no third-party intellectual property rights are infringed in connection with its performance, insofar as the Supplier was aware of the country in which the performance would be received or used. Should a third party assert claims against us in this connection, the Supplier shall be obliged to indemnify us against these claims in Germany or abroad upon first written request. The Supplier's indemnification obligation shall also apply should claims for damages be asserted due to the violation of public law provisions. The Supplier shall reimburse us for all reasonable expenses incurred in connection with a claim. We may at the Supplier's expense obtain the necessary permission to use and distribute etc. the performance from the intellectual property rights holder if the costs incurred as a result are likely to be considerably lower than the damage to be incurred by reversing the transaction. There is no obligation to do so.

After completion of the order or if no contract is concluded, all documents including copies thereof must be returned to us and stored data must be deleted, unless there is a legal obligation to retain them. In such a case, the documents must be returned or the data deleted after the retention period has expired.



The Supplier must treat the conclusion of the contract with us as confidential. No reference may be made to the business relationship with us, in particular for advertising purposes, without prior written consent.

Should the Supplier culpably breach one of the obligations under this section 8, it must pay us a contractual penalty. We may set the amount of this contractual penalty at our reasonable discretion. The criteria for exercising discretion shall include, in particular, the significance of the breached obligation for us, the severity and extent of the breach and the risk it poses to us, the disadvantage to us resulting from the breach (including the non-material disadvantage), the purpose of this contractual penalty as a sanction and its function of preventing further breaches, as well as the degree of fault on the part of the Supplier. Should the Supplier object to the amount of the contractual penalty determined based on the exercising of this discretion, a judge designated by the president of the court with jurisdiction to rule on the dispute in accordance with these General Terms and Conditions shall issue a binding ruling on this as an arbitrator (section 317 et seq. BGB) after hearing the parties (which may also be done in writing only). The right to assert further claims for damages and injunctive relief shall be unaffected.

The Supplier consents to the processing of its data as needed for business purposes. The foregoing is deemed to constitute notification pursuant to section 33(1) Federal Data Protection Act (Bundesdatenschutzgesetz).

9. TITLE AND COPYRIGHTS; SPARE PARTS

We reserve title and/or copyrights in and to any technical and commercial documents provided or commissioned by us, in particular design plans, data sheets, calculations, instructions, sketches, samples, dummies and software custom-made to our specifications (including source code). They must be used solely for the contractual performance and returned to us once the contract has been fulfilled. They may not be made accessible to third parties without our prior written consent. Any commercial use for the benefit of third parties shall be excluded.

The Supplier guarantees the supply of spare parts for at least eight years after the last delivery and, in the case of composite deliveries, for at least the same period. The obligation to keep spare parts shall expire at the end of this period and subject to our written consent. Consent may only be refused for good cause.

10. FINAL PROVISIONS

Amendments and additions to the contract that are not based on an individual agreement must be made in written form (including fax and e-mail). This shall also apply to a waiver of the written form requirement. Should any provisions of these terms be or become invalid, this shall not affect the validity of the remaining terms. Unless otherwise indicated in the order, our registered office shall be the place of performance, irrespective of the agreed INCOTERMS; this shall also apply to our payments.

German law shall apply to all legal relationships established in connection with the contract or these General Terms and Conditions. In the event of disputes, the German wording of these General Terms and Conditions shall be binding.

Baden-Baden Regional Court shall have exclusive international, local and subject-matter jurisdiction for all disputes arising from the contractual relationship or in connection with the establishment thereof. We shall however be entitled to sue the Supplier at its registered office.