

General Terms and Conditions of Purchase of Gebr. Pfeiffer SE and its affiliated companies with registered offices in Germany¹⁾

Section 1 General information, scope

(1) These General Terms and Conditions of Purchase of Gebr. Pfeiffer SE and its affiliated companies with registered offices in Germany (hereinafter referred to as "General Terms and Conditions of Purchase") are an integral part of the contracts for deliveries and services between the goods supplier or service provider (hereinafter referred to as "Supplier") and Gebr. Pfeiffer SE or the companies associated with it with registered offices in Germany (hereinafter referred to as "we"). All the deliveries, services and offers of our Suppliers shall be based exclusively on these General Terms and Conditions of Purchase. These are an integral part of all contracts which we conclude with our Suppliers concerning their deliveries or services. They also apply for all future deliveries, services or offers of the Supplier to us, even if they are not once again specifically agreed.

(2) Terms and conditions of our suppliers or third parties shall not apply, even if we do not specifically object to their application in individual cases. Even if we make reference to a written document which contains or refers to the terms and conditions of the Supplier, this shall not be construed as expressing agreement with the validity of those terms and conditions. These General Terms and Conditions of Purchase also apply if we accept or pay for the delivery and/or service of the Supplier while having knowledge of conditions of the Supplier which are contrary to or divergent from these General Terms and Conditions of Purchase.

(3) These General Terms and Conditions of Purchase shall not apply if the Supplier is not a business entity within the meaning of the German Civil Code ("BGB"), a corporate body under public law or a public sector special fund.

Section 2 Orders and conclusion of the contract

(1) Orders and call-off orders from blanket orders as well as supplements and amendments to the agreements made, including these General Terms and Conditions of Purchase, must be in writing in order to be effective. With the exception of our managing director and authorised signatory, our employees are not authorised to make verbal agreements which deviate from this. Transmission by telecommunication shall be deemed sufficient to comply with the requirement of written form.

(2) Call-off orders from a blanket order become binding if the Supplier does not object to them in writing within seven calendar days of receipt.

(3) We are entitled to request changes concerning the time and place of the delivery or service, the type of packaging and/or changes of the delivery or service object in terms of design and execution inasmuch as this is reasonable for the Supplier. We shall reimburse the Supplier for any verified and reasonable additional costs incurred in each case resulting from the change; reduced costs shall reduce the contract price. If such changes result in delivery delays which cannot be avoided in the course of the Supplier's normal production and business operations with reasonable effort, the originally agreed delivery date shall be adjusted accordingly. The Supplier shall promptly notify us in writing of any additional costs or delays in delivery to be expected upon its careful assessment, but at the latest within seven calendar days of receipt of our notification pursuant to Sentence 1. Otherwise, the Supplier shall not be entitled to any compensation for additional costs and/or to postponement of the deadline.

(4) We are entitled to withdraw from the contract at any time by written declaration stating the reason if we can no longer use the ordered products in our business operations or can only use them at considerable expense due to circumstances that occurred after the conclusion of the contract and for which the Supplier is responsible (such as a lack of compliance with legal requirements).

(5) If the economic situation of the Supplier deteriorates during the term of the order in such a way that the performance of the contract is seriously jeopardised, if the Supplier ceases to make payments (also temporarily), if insolvency proceedings or comparable statutory proceedings are applied for by the Supplier or as permitted by us or another creditor, or if such proceedings are opened or if the opening of such proceedings is rejected for lack of assets, we shall be entitled to terminate the contract or to withdraw from the contract for the part not performed. We are entitled to withdraw if a partial performance is of no interest to us. In the event of termination, we are entitled to demand compensation for damages due to non-performance of the remaining part.

(6) Irrespective of Paras. 4 and 5, we are entitled to terminate the contract at any time pursuant to Sec. 648 BGB with the legal consequences stated therein, even if the contract concerned is not a contract for services. The right to termination for good cause shall remain unaffected by this.

Sec. 3 Prices, terms of payment, invoice details

(1) The price stated in the order is a fixed price and is binding. The price includes all parts and services, even if they are not listed individually in detail, which are necessary for flawless operation and for the contractually intended purpose of the product or service.

(2) If no divergent written agreement is made, the price includes the delivery, transportation and unloading at the place of delivery stated in the order, including packaging.

(3) If the price agreement reached does not include the packaging and the charge for the packaging – which is not provided merely on a loan basis – is not expressly specified, it is to be invoiced at the verified cost price. Upon our request, the Supplier must take back the packaging at its own expense.

(4) Cost estimates and offers made by the Supplier are binding. There shall be no charge for them except if other terms have been expressly agreed in writing.

(5) Unless otherwise agreed, we shall pay the contract price within 21 days of delivery of the goods or acceptance of the service and receipt of the invoice with a 3% discount or within 60 days net. The receipt of our transfer order by our bank shall be sufficient to establish the timeliness of the payments due on our part.

(6) All order confirmations, delivery documents and invoices must state our order number with purchase order line item, the article number or statement of work, the delivery or service quantity and the delivery address or place of performance as well as the time of performance. If one or more of these details are missing and this delays our processing within the normal course of business, the payment deadlines stated in Para. 5 shall be extended by the period of the delay.

(7) The invoice is to be sent separately from the goods exclusively by e-mail to our following e-mail address: rechnungseingang@gebr-pfeiffer.com.

(8) No interest on arrears shall be owed. The statutory provisions shall apply for the occurrence of default; however, in deviation from this, a written reminder received by us from the supplier shall be required in every case.

Section 4 Delivery time and delivery, passing of risk, acceptance

(1) The delivery time specified in the order (delivery date or period or performance date or period) is binding. In particular, the reservation of timely receipt of deliveries from Supplier's own suppliers is excluded. The decisive factor for compliance with the delivery time is the receipt of the goods at the place of delivery specified in the order in the case of deliveries, or, in the case of services, written notification to us and the state of readiness for acceptance.

(2) The Supplier is obliged to inform us immediately in writing if circumstances occur or become apparent according to which it will not be possible to meet the delivery time; as part of this notification, the Supplier must also inform us in writing of the expected duration of the delay in delivery.

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¹⁾ These General Terms and Conditions of Purchase apply for Gebr. Pfeiffer SE and its affiliated companies with their registered offices in the Federal Republic of Germany within the meaning of Para. 15 ff of the German Stock Corporation Act (AktG). We will provide the Supplier with a list of these affiliated companies upon request.

- (3) If the day on which the delivery or service is to take place at the latest can be determined on the basis of the contract, the Supplier shall be in default at the conclusion of this day without our being required to issue a reminder.
- (4) In the event of a delay in delivery or performance, we shall be entitled to all statutory claims without restriction, whereby we may only exercise a right of withdrawal or assert claims for damages instead of performance after the ineffectual expiry of a reasonable grace period.
- (5) In the event of the Supplier's delay in delivery or performance, we are entitled to demand a contractual penalty in the amount of 0.2% of the net contract price per business day of the delay in delivery, but only up to a maximum of 5% of the net contract price. A reservation for the contractual penalty upon acceptance of the delivery or the service is not required; however, this must be made at the latest with the final payment. The contractual penalty shall be offset against the damage caused by the delay which is to be compensated by the Supplier.
- (6) The Supplier is not entitled to make premature deliveries and/or partial deliveries or services without our prior written consent. In the event of delivery or performance before the agreed delivery time, both the warranty period and the payment period shall commence at the earliest only on the date of the originally agreed delivery time, unless a later date has been agreed.
- (7) The INCOTERMS® 2020 shall apply to any trade terms specified in the order. Unless otherwise stipulated in the order, the risk shall pass to us only when the goods are handed over to us at the agreed place of delivery or, in the case of services, when these are accepted; this shall also apply if dispatch has been agreed. The statutory provision governing when we are in default of acceptance remains unaffected. Unless stated in the order and unless otherwise agreed, the delivery or, in the case of services, the acceptance shall take place at our registered office in Kaiserslautern, Germany.
- (8) Services require formal acceptance by us. Deliveries require formal acceptance by us if acceptance is agreed in the contract. Any implied and fictitious acceptance is excluded. The Supplier must notify us of the readiness for acceptance in good time, but at least two weeks in advance, in writing or in text form. The parties shall draw up a joint acceptance certificate on the acceptance, in which, if applicable, the type and scope of the defects and, if applicable, the deadline for remedying the defects must be evident. Acceptance shall take place after complete delivery of all the goods or completion of the entire service. The Supplier is not entitled to request acceptance of parts of the performance.

Section 5 Scope of delivery and services

- (1) The Supplier's deliveries and services shall be provided in accordance with the current state of the art at the time of handover or acceptance. They must be of the best, flawless quality, have the agreed condition, comply with the relevant statutory provisions, EU directives and EU regulations as well as the safety recommendations of the relevant German professional associations (e.g. DIN, VDE, ZWEI, VDI, ElektroV, etc.). If specified in the order, our technical company standards ("CS") listed there shall apply first and foremost. The CS shall be provided to the Supplier on request.
- (2) The Supplier is obliged to test the goods to be delivered in accordance with general German industrial standards and to provide us with the test results free of charge on request. We are also entitled, but not obliged, to test the goods. These tests are not valid as acceptance.
- (3) The Supplier guarantees the factual correctness and completeness of the documents and calculations it is required to prepare.
- (4) The Supplier must inform us immediately of any reservations about the intended type of execution.
- (5) Compliance with the accident prevention regulations is the sole responsibility of the Supplier. Deliveries and services must comply with environmental protection regulations, in particular the Ordinance on Hazardous Materials. Written disposal instructions etc. must be supplied if the environmental protection regulations prescribe a special means of disposal.
- (6) The Supplier must ensure that all substances used which fall under the EU Chemicals Regulation, REACH, are registered with us or are permitted in accordance with this regulation and taking into account the use of the substances as covered by this contract. This also applies for suppliers outside of the EU. The Supplier shall provide suitable documentation of compliance with this obligation upon our request.
- (7) The Supplier shall ensure batch traceability through labelling and archiving in its procurement/production/supply chain.
- (8) The Supplier shall notify us in writing in good time prior to any deviation from its previous production methods.
- (9) The Supplier may only engage third parties, such as subcontractors, to fulfil its obligations with our prior written consent, which we may only refuse if there is good cause. Such third parties must be competent, efficient and reliable and in particular must fulfil their legal obligations to pay taxes and social welfare contributions. We are entitled to demand corresponding documentation at any time.
- (10) We are entitled to inspect the execution of the deliveries and services at the Supplier's works after giving due notice; this does not constitute acceptance and the Supplier's obligation to perform in accordance with the contract remains unaffected thereby.

Section 6 Incoming goods inspection

- (1) Acceptance of the goods shall be subject to an inspection for freedom from defects, in particular also for correctness and completeness, insofar as and as soon as this is feasible in the ordinary course of business.
- (2) With regard to the statutory commercial duty to inspect and make notice of defects pursuant to Sections 377, 381 HGB (German Commercial Code), insofar as this applies, the following shall apply: Our obligation to inspect is limited to defects which are obvious during the incoming goods inspection by means of external examination including the delivery documents enclosed with the goods and which are conspicuously recognisable during an inspection using a sampling procedure. The duty to inspect and make notice of defects is excluded if acceptance is to take place.
- (3) In the event of deviations in weight, the weight determined by us on receipt of the goods shall apply, unless the Supplier proves that the weight it has calculated was determined correctly in accordance with a generally recognised method. This applies accordingly for quantity deviations.

Section 7 Warranty claims

- (1) We are entitled to the statutory claims for defects without restriction. In all cases, we are entitled within the scope of Sec. 439 BGB to demand that the Supplier, at our discretion, either rectify the defect or deliver a new item. The right to damages, in particular the right to damages in lieu of performance, is expressly reserved. Insofar as the Supplier allows a deadline set for subsequent performance to expire fruitlessly, we shall also be entitled to carry out subsequent performance ourselves or have it carried out by third parties, in either case at the Supplier's expense.
- (2) Insofar as an acceptance of the delivery or service is required by contract or by law, we are also entitled to demand the rectification of a defect prior to acceptance if there is a defect in the goods already handed over or services already rendered and, after the ineffectual expiry of a reasonable period set by us for subsequent performance, to rectify the defect ourselves and demand reimbursement of the required expenses from the Supplier, unless the Supplier justifiably refuses to rectify the defect.
- (3) Should the Supplier fail to commence subsequent performance immediately after being requested to do so by us, we shall be entitled in urgent cases, in particular to avert acute danger or to avoid major damage, to carry out subsequent performance ourselves or have it carried out by third parties, in either case at the Supplier's expense, before the expiry of the deadline.
- (4) The warranty also applies in full to the parts of the Supplier's sub-suppliers. We do not waive any warranty claims by accepting, agreeing to or approving drawings, calculations, other documents, samples or specimens submitted.
- (5) The warranty period is 36 months. Longer statutory periods of limitation shall remain unaffected by this. The same applies to the suspension of expiry pursuant to Sec. 445b BGB. In the absence of any agreement to the contrary, it shall commence, insofar as acceptance is to be carried out, upon acceptance.

(6) Upon the Supplier's receipt of our written notice of defects, the limitation period for warranty claims shall be suspended until the Supplier rejects our claims or declares the defect rectified or otherwise refuses to continue negotiations concerning our claims. In the event of replacement delivery and rectification of defects, the warranty period for replaced and rectified parts shall begin again unless we had to assume based on the Supplier's conduct that the Supplier did not consider itself obliged to take the measure but only undertook the replacement delivery or rectification of defects as a gesture of goodwill or for similar reasons.

Section 8 Liability, product liability and insurance coverage

(1) The Supplier's liability is unlimited. The Supplier is liable for all types of damage.

(2) The Supplier shall be responsible for all claims asserted by third parties for personal injury or property damage attributable to a defective product supplied by it and shall be obliged to indemnify us against any liability resulting therefrom. If we are obliged to carry out a recall campaign over and against third parties due to a defect in a product supplied by the Supplier, the Supplier shall bear all costs associated with the recall campaign. Any further legal liability of the Supplier shall remain unaffected by this.

(3) The Supplier is obliged to maintain at its own expense a public and product liability insurance with an insured sum of at least EUR 5,000,000 per claim, maximised twice a year, for property damage and personal injury, including financial losses arising therefrom, and of at least EUR 500,000 per claim, maximised twice a year, for pure financial losses, which, unless otherwise agreed in individual cases, need not cover punitive or similar damages. The Supplier shall send us a copy of the liability policy at any time upon request.

Section 9 Third-party industrial property rights

(1) The Supplier warrants that its deliveries and services and their exploitation and use do not infringe upon any patents or other industrial property rights of third parties in Germany or abroad. Insofar as the deliveries or services provided by the Supplier infringe upon the industrial property rights of third parties, the Supplier shall indemnify us against all claims of the rights holders and shall be obliged to reimburse us for all necessary expenditures in connection with this claim. There shall be no claim for indemnification if the Supplier can prove that it is neither at fault for the infringement of the property right nor should have been aware of the infringement at the time of delivery or performance of the service if it had exercised due commercial care.

(2) Our further legal claims due to defects of title of the products delivered to us remain unaffected.

(3) If the exploitation or use by us of the deliveries or services provided by the Supplier is impaired due to the existence of third party property rights, the Supplier shall, at its own expense, either acquire the relevant authorisation or modify or replace the affected parts of the delivery or service in such a way that the exploitation and use no longer conflict with any third-party property rights and at the same time comply with the contractual agreements.

(4) Claims for defects of title shall become statute-barred at the earliest at five years after delivery or acceptance.

Section 10 Ownership protection, granting usage rights

(1) We reserve the ownership of or copyright to orders and job orders we have placed, as well as to drawings, illustrations, calculations, descriptions and other documents made available to the Supplier. The Supplier may neither make them accessible to third parties nor use or reproduce them itself or through third parties without our express consent. The Supplier shall return these documents to us in their entirety at our request if it no longer needs them in the ordinary course of business or if negotiations do not result in the conclusion of a contract. In this case, any copies made by the Supplier shall be destroyed; the only exceptions to this are storage within the scope of statutory obligations to preserve records and the storage of data for backup purposes in the context of normal data backup.

(2) Tools, work fixtures and models which we make available to the Supplier or which are manufactured for contractual purposes and charged to us separately by the Supplier shall remain our property or pass into our ownership. They are to be identified by the Supplier as our property, stored carefully, protected to an appropriate extent against damage of any kind and only used for the purposes of the contract. In the absence of any agreement to the contrary, the contracting parties shall each bear half of the costs of their maintenance and repair. However, insofar as these costs are attributable to defects in the items manufactured by the Supplier or to improper use on the part of the Supplier, its employees or other vicarious agents, they shall be borne solely by the Supplier. The Supplier shall notify us immediately of any damage to these items that is not merely insignificant. Upon request, the Supplier shall be obliged to return them to us in proper condition if they are no longer required by it for the performance of the contracts concluded with us.

(3) Retentions of title by the Supplier shall only apply insofar as they relate to our payment obligation for the respective products to which the Supplier retains title. In particular, extended or prolonged reservations of title are not permitted.

(4) The Supplier shall grant us the non-exclusive right of use without limitation in terms of content, space and time to all documents the Supplier is required to provide to us. The right of use shall in particular also include our authority to modify, reproduce, use, exploit and destroy these ourselves in whole or in part without the Supplier's cooperation. We are entitled to transfer the aforementioned rights to third parties and to grant third parties rights of use. The remuneration for all aforementioned rights of use and other rights is compensated with the agreed remuneration. These provisions also apply in the event of termination of the contract.

Section 11 Spare parts

(1) The Supplier is obliged to keep spare parts for the products delivered to us for a period of at least ten years after delivery or, if acceptance has taken place, from acceptance.

(2) If the Supplier intends to discontinue the production of spare parts for the products delivered to us, he shall inform us of this immediately after the decision on the discontinuation. Subject to Para. 1, this decision must be taken at least 6 months before production is discontinued.

Section 12 Confidentiality

(1) The Supplier is obliged to keep the terms and conditions of the order as well as all information and documents made available to it for this purpose (with the exception of publicly accessible information) secret for a period of three years after expiry of the warranty period in accordance with Section 7 Para. 5 Sentence 1 and to use them only for the execution of the order. The obligation to maintain secrecy for trade secrets in accordance with the German Law on the Protection of Trade Secrets (GeschGehG) remains unaffected by this.

The Supplier shall return them to us after completion of enquiries or after processing of orders immediately upon request.

(2) The Supplier may not refer to our business relationship in advertising material, brochures, etc. or otherwise for advertising purposes and may not exhibit goods manufactured for us without our prior written consent.

(3) The Supplier shall oblige its sub-suppliers and subcontractors in accordance with this Section 12.

Section 13 Set-off and assignment

(1) We are entitled to assign all claims arising from the contract even without the Supplier's consent. The Supplier may not assign its claims arising from the contractual relationship to third parties, either in whole or in part, without our express written consent. Section 354a German Commercial Code (HGB) remains unaffected.

(2) We are entitled to the statutory rights of set-off and retention as well as the defence of non-performance of the contract to the extent provided by law. A right of set-off and/or retention on the part of the Supplier is excluded, unless its claim is undisputed or legally established.

Section 14 Compliance with laws, Minimum Wage Act, Posted Workers Act, Code of Conduct

(1) In connection with the contractual relationship, the Supplier is obligated to comply with the respective statutory provisions applicable to it. This concerns anti-corruption and money laundering laws in particular as well as antitrust, labour and environmental protection regulations.

(2) The Supplier shall ensure that the goods to be delivered by it comply with all relevant requirements for being placed on the market in the European Union and the European Economic Area. Upon request, it shall provide us with evidence of conformity by submitting suitable documents.

(3) The Supplier shall employ reasonable efforts to ensure compliance by its sub-suppliers with the obligations incumbent on the Supplier under this Section 14.

(4) The Supplier shall in particular comply with the respective applicable provisions of the Minimum Wage Act. Insofar as the Supplier uses subcontractors and/or labour hire companies for the fulfilment of its obligations, it shall take all possible measures to ensure that these also comply with the respective applicable provisions of the Minimum Wage Act. Any requirements to obtain our consent for the use of subcontractors/labour hire companies remain unaffected by this. If claims are asserted against us by third parties due to a violation of the Minimum Wage Act by the Supplier or by the subcontractors and/or labour hire companies used by the Supplier, the Supplier shall indemnify us against such claims. The indemnification obligation shall apply both to liability under civil law and to fines imposed on us due to violations by the Supplier or by subcontractors or labour hire companies used by the Supplier, insofar as the claims and demands asserted are based on an alleged violation of the Supplier's, subcontractor's or labour hire company's obligations under the Minimum Wage Act. The obligation to indemnify shall expressly also apply to claims by social insurance institutions and tax authorities. If the Supplier culpably violates these obligations, we are entitled to terminate the contract extraordinarily.

(5) Paragraph 4 shall apply analogously to compliance with and violations of the Posted Workers Act.

(6) The Supplier undertakes to comply with the ten principles of the United Nations Global Compact. The ten principles of the United Nations Global Compact can be found in detail at <https://www.globalcompact.de/de/en/about-us/dgcn-ungc.php>. They include, in particular, the protection of international human rights, the right to freedom of association and collective bargaining, the abolition of forced and child labour, the elimination of discrimination in respect of employment and occupation, the taking of responsibility for the protection of the environment and the prevention of corruption, extortion and bribery. To this end, the Supplier shall in particular comply with the obligations set forth in the Code of Conduct for Suppliers, available at <https://www.gebr-pfeiffer.com/en/downloads/conditions/>.

(7) The Supplier shall inform its sub-suppliers and subcontractors of the contents of paragraph 6, shall use its best endeavours to obligate them accordingly and shall regularly check compliance with these obligations.

(8) Should a breach of the provisions of paragraph 6 and/or 7 be ascertained, we may grant the Supplier a reasonable grace period to bring its conduct into line with these provisions. If such a breach has occurred culpably and this makes it unreasonable for us to continue the contract until the ordinary termination, we are entitled to terminate the contract extraordinarily after the ineffectual expiry of the set deadline if we threatened to do so when we specified the grace period. The right to extraordinary termination without granting a grace period pursuant to Sec. 314 Para. 2 Sentence 3 BGB remains unaffected, as does the right to claim damages. We can only terminate within a reasonable period after we have become aware of a reason for termination.

Section 15 Place of performance, place of jurisdiction, applicable law

(1) The place of performance is the place of delivery pursuant to Sec. 3 Para. 2, for payments, our registered office.

(2) If the Supplier is a merchant, a corporate body under public law or a public sector special fund or if it has no general place of jurisdiction in the Federal Republic of Germany, the place of jurisdiction for any disputes arising from the business relationship between us and the Supplier shall be Kaiserslautern, Germany or the Supplier's registered office, at our discretion. However, Kaiserslautern, Germany, shall be the exclusive place of jurisdiction for actions against us in such cases. Mandatory statutory provisions on exclusive places of jurisdiction shall remain unaffected by this provision.

(3) The relationships between us and the Supplier shall be governed exclusively by the laws of the Federal Republic of Germany. The provisions of private international law which would lead to application of a law other than that of the Federal Republic of Germany are excluded. The United Nations Convention on Contracts for the International Sale of Goods of the 11th of April 1980 (CISG) is excluded.

(4) Insofar as the contract or these General Terms and Conditions of Purchase contain loopholes, those legally effective provisions shall be deemed agreed to fill these loopholes which the contracting parties would have agreed in accordance with the economic objectives of the contract and the purpose of these General Terms and Conditions of Purchase if they had been aware of the loophole.

(5) Should individual provisions of the contract or of these General Terms and Conditions of Purchase be or become invalid in whole or in part, this shall not affect the validity of the remaining provisions. The wholly or partially invalid provision shall be replaced by a provision which the contracting parties would have agreed in accordance with the economic objective of the contract and the purpose of these General Terms and Conditions of Purchase if they had been aware of the invalidity.