

## General Terms and Conditions of Purchase of Würth Industrie Service GmbH & Co. KG ("WIS")

### I. Preamble

This Agreement sets out provisions governing the partnership between the Supplier and WIS. WIS is a company belonging to the Würth Group. WIS supplies, among other things, standard and customized fasteners and special parts, chemical-technical products, small electrical parts, sealing and storage technology, tools, hydraulic and pneumatic parts, personal protective equipment, rope and lifting technology, as well as storage and removal systems for medium and large industries national and international, including to the automotive supply industry and to automotive manufacturers, supplemented by a variety of logistical services.

WIS is certified according to DIN EN ISO 9001:2015, DIN EN ISO 14001:2015 and other standards that can be viewed on the WIS homepage. Particularly in the industrial environment and in the automotive supplier and manufacturer sector, WIS customers place the highest requirements on product and process quality and delivery reliability. Delivery delays can cause production lines to stop for customers. Quality defects can result in international recalls. WIS offers its customers logistics concepts that guarantee the highest level of delivery reliability, quality and traceability of individual products while maintaining a high level of flexibility in material flows.

WIS strives for a sustainable and long-term business partnership with its suppliers. The goal is early integration of the supplier into the WIS processes.

In order to meet these requirements, the following basic principles need to be considered especially by the supplier:

- Use of cross-functional teams
- Promotion of information flows and communication
- Planned procedures in all areas
- Efficiency and effectiveness
- Prevention and avoiding errors
- Strong processes instead of checks to discover errors
- The lowest possible and constant reduction in deviations from target values in all processes and areas of the company
- Commitment to continuous improvement
- Compliance with all legal provisions with particular consideration of environmental, social and governance aspects

### II. Scope of validity

(1) These General Terms and Conditions of Purchase (hereinafter referred to as the "Terms and Conditions of Purchase") apply to all suppliers of WIS (hereinafter referred to as the "Supplier") with regard to the supply of movable items (hereinafter referred to as "Goods" or "Product(s)") and/or the provision of services, irrespective of whether the Supplier performs the service itself or purchases it from vendors. The Terms and Conditions of Purchase only apply if the Supplier is an "entrepreneur" ("*Unternehmer*", section 14 of the German Civil Code (hereinafter referred to as the "BGB")), a public-law legal entity or a public-law fund.

(2) The Terms and Conditions of Purchase also apply, as amended, as a framework agreement for future agreements on the sole and/or the supply of movable items and/or the provision of services with the same Supplier, without WIS having to refer to them again in each individual case; the current valid version of the Terms and Conditions of Purchase can be accessed at [www.wuerth-industrie.com](http://www.wuerth-industrie.com).

(3) These Terms and Conditions of Purchase apply exclusively. Any deviating or supplementary general terms and conditions of business of the Supplier, or general terms and conditions of business of the Supplier that run contrary to these Terms and Conditions of Purchase, shall only become part of the agreement if and to the extent that WIS has explicitly consented to their validity.

The need for WIS' consent shall apply in all cases, for example even if, being aware of the Supplier's general terms and conditions of business, WIS accepts the Supplier's deliveries subject to no reservations.

(4) Any individual agreements reached with the Supplier on a case-by-case basis (including collateral agreements, supplements and amendments) shall take precedence over these Terms and Conditions of Purchase. With regard to the content of such agreements, however, a written agreement/written confirmation issued by WIS shall be decisive.

(5) Any declarations and notifications that are of legal significance and that the Supplier has to submit to WIS following the conclusion of the agreement (e.g. the setting of deadlines, reminders, declarations of withdrawal) must be made in writing in order to be valid.

(6) Any references to the validity of statutory provisions shall only serve as clarification. Even without such clarification, the statutory provisions shall apply unless they have been directly amended or explicitly excluded in these Terms and Conditions of Purchase.

(7) In addition to the Purchase Conditions of WIS, the Transport and Packaging Regulations (TuV) of WIS also apply. The TuV apply in their relevant version, without the WIS having to refer to them again in each individual case. The relevant current version of the TuV can be downloaded at [www.wuerth-industrie.com](http://www.wuerth-industrie.com).

### III. Contract negotiation

(1) Quotes, drafts, samples and specimens of the Supplier shall be free of charge for WIS. These must be taken back by the Supplier without delay and at the Supplier's own expense at the request of WIS.

(2) Offers are binding for the supplier and shall remain valid for a minimum period of twelve (12) weeks commencing on the date of the offer.

(3) Remuneration shall not be granted for visits or for the preparation of quotes, projects, etc. unless such remuneration has been explicitly agreed or there is a statutory entitlement to it.

(4) When submitting an offer, the supplier is subject to a special inspection and due diligence obligations, in particular with regard to references vendor material numbers. WIS accepts information regarding specifications provided the supplier (vendor's material numbers) without further review.

(5) Offers from the supplier must always be submitted on the basis of specifications provided by WIS and require a feasibility study to have been prepared by the supplier. Should the Supplier be unable to process the provided documents and files, the Supplier shall inform WIS thereof without delay. If WIS makes documents available electronically via a link for suppliers, the supplier is obliged to retrieve these documents. For inquiries made available in the Würth Supplier Portal, documents such as drawings and specifications can be identified by an icon in the respective inquiry position and must be expressly taken into account when submitting an offer. Furthermore, if the feasibility analysis shows that the product cannot be manufactured in accordance with the specification provided by WIS, the product may be offered differently in absolute exception. Upon submission, an alternative offer must be explicitly and clearly marked as such on the offer. The note "Variance" is mandatory. As part of the offer, features that deviate from the specifications provided by WIS must be clearly highlighted and the basis of the offer must be presented in the form of a target/actual comparison.

(6) The supplier is required to inform WIS immediately in writing of any obvious errors (e.g. typing and computational errors), incomplete tenders, missing tender documents and inconsistent tender documents (e.g. discrepancies between WIS

tender specifications and the vendor's material numbers indicated in the tender documents) so that they may be corrected or supplemented as applicable.

(7) Should the supplier violate its statutory obligations or the obligations set out above during the contract negotiation phase, it will be liable for any damages resulting therefrom.

#### IV. Conclusion of the agreement

(1) Contracts, consignment specifications and orders (hereinafter referred to as an "order" or "orders" for sake of readability) from WIS shall be deemed binding upon submission at the earliest. The submission is in writing or electronically. Deliveries for which no orders were placed shall not be recognized. Failure on the part of WIS to respond to quotes, requests or other declarations made by the Supplier shall only be deemed to consent if this has been explicitly agreed in writing.

(2) The WIS specification comprises the contractual basis. If WIS makes documents available electronically via a link for suppliers, the supplier is obliged to retrieve these documents. For orders provided in the Würth Supplier Portal, documents such as drawings and specifications can be identified by an icon on the respective order item and are therefore part of the contract. The Supplier shall notify WIS without delay should it be unable to process documents and files provided to it. The products / services must conform to all agreed characteristics (WIS article number, specifications, data sheets, drawing, etc.), applicable provisions of law and the current state of the art. Furthermore, standards to which reference is made as well, as other documents that have been designated as a basis of the contract, must be adhered to. References to quotations from the Supplier and references to its material numbers are not elements of the contractual basis.

(3) The Supplier is obliged to match the WIS specification with the characteristics of the Supplier's product as in point III. Contract negotiation (5). As a rule, no deliveries may be made without written approval from WIS should this comparison find a deviation. The Supplier shall archive WIS's approval for a period of at least 10 years and submit it to WIS upon request.

(4) The Supplier shall notify WIS in writing of obvious errors (e.g. spelling and calculation errors), incomplete orders, missing documents and contradictory order references without delay for the purpose of correction or completion.

(5) If the Supplier does not object to an order within 5 (five) working days of receiving it, then the Agreement shall be concluded in accordance to the WIS order. Objections are permissible only if the Supplier cannot be reasonably expected to accept the order. Any deviation from the order shall constitute an objection. Order confirmations only serve as a declaratory statement that the Supplier has received the order. If WIS can prove that it sent off a declaration, then the Supplier shall be deemed to have received this declaration.

(6) Order confirmations must be sent as PDF files to the following e-mail address: [orderconfirmation@wuerth-industrie.com](mailto:orderconfirmation@wuerth-industrie.com) within 7 (seven) working days of receipt of the order.

(7) The sending of confirmations (e.g. "Sales Contract") from WIS to the supplier only constitutes a declaratory statement that WIS has received the order confirmation from the supplier.

#### V. Contract

(1) Contracts must be confirmed by the Supplier. Upon confirmation of the first call order, the contract shall be deemed to have been confirmed even absent contract confirmation. The term of a contract is extended accordingly by the duration between the date of issue of the contract and the date of confirmation by the vendor of the contract or the first release order.

(2) The Supplier shall always maintain safety stock of at least 25% of the contract quantity on-hand.

#### VI. Delivery period and default on delivery

(1) The delivery period stated by WIS in the order is binding. If the Supplier can foresee that it will be unable to adhere to the agreed delivery periods, it must inform WIS in writing without delay stating the reasons and the likely duration of the delay. Before the agreed delivery deadline, partial deliveries or other deliveries may only be made with the prior written consent of WIS.

(2) If the Supplier fails to perform its services either at all, or by the agreed delivery deadline, or if the Supplier defaults, then the rights of WIS - in particular to rescission and damages - shall be based on the statutory provisions. This is without prejudice to the provisions of the following paragraph.

(3) If the Supplier is in default, then WIS can demand a lump-sum processing fee of EUR 50 for each customer backlog and for each item that is in default. Within this context, the Supplier waives the defense of treating consecutive violations of this provision as one violation for the purpose of this provision (*Einrede des Fortsetzungszusammenhangs*). WIS is entitled to levy the processing fee in addition to performance and as the minimum amount of damages owed by the Supplier based on the statutory provisions; the right to assert claims to further damage shall remain unaffected. If WIS accepts the delayed performance, then WIS shall assert its claim to the processing fee along with the final payment at the latest.

(4) The Supplier can only plead that WIS failed to submit documents that it was responsible for submitting if the Supplier issued a written reminder in respect of these documents and did not receive them within a reasonable period.

(5) WIS can exclude its delivery claim if the Supplier has paid damages in full in lieu of delivery at the request of WIS. The acceptance of the delayed delivery shall not be deemed tantamount to a waiver of claims for damages or the processing fee.

(6) Force majeure shall release the Parties from their performance obligations for the duration of the disruption and to the extent of its impact. The Parties are obliged, to the extent that can be deemed reasonable, to make the necessary information available without delay and to adjust their obligations to reflect the new circumstances in good faith. WIS is released, either in full or in part, from its obligation to accept the delivery/service ordered and is entitled to withdraw from the agreement within this context if the delivery/service is no longer of any use to WIS due to the delay caused by force majeure - taking financial aspects into account.

(7) If the Goods/Products are delivered prior to the agreed date, WIS shall reserve the right to return them at the Supplier's expense. If the delivery is not returned although it was received prior to schedule, it shall be stored at WIS until the agreed date of delivery at the expense and risk of the Supplier. In the event of early delivery, WIS reserves the right not to make payment until the agreed due date.

#### VII. Delivery, transfer of risk, default in acceptance, packaging

(1) Notification shall be based on the transportation and packaging regulations of WIS, as amended. The current valid version is available at [www.wuerth-industrie.com](http://www.wuerth-industrie.com). All costs that arise up until the time of handover to the forwarding agent, including loading and carriage, shall be borne by the Supplier.

(2) The Incoterm between geographically European suppliers and WIS is FCA, the Incoterm between geographically non-European suppliers and WIS is FOB and the respective port of dispatch (according to INCOTERMS 2020).

(3) Delivery shall be based on the transportation and packaging regulations of WIS, as amended. The current valid version is available at [www.wuerth-industrie.com](http://www.wuerth-industrie.com).

(4) Certificates for 3.1 Items subject to certification must be sent by the Supplier before arrival of the Goods at WIS as a PDF file to the e-mail address [certificates@wuerth-industrie.com](mailto:certificates@wuerth-industrie.com) and stating the order number, item number and article number of WIS in the subject of the e-mail.

(5) All documents Within the scope of an initial sample inspection the supplier shall send a single PDF file to the e-mail address [jsir@wuerth-industrie.com](mailto:jsir@wuerth-industrie.com) before arrival of the initial samples at WIS, stating the order number and the article number of WIS in the subject of the e-mail.

(6) If the Supplier or its vicarious agent culpably breaches requirements set out in the transportation and packaging regulations of WIS, then WIS is entitled to demand a lump-sum processing fee of EUR 100 per delivery. Within this context, the Supplier waives the defense of treating consecutive violations of this provision as one violation for the purpose of this provision (*Einrede des Fortsetzungszusammenhangs*). What is more, WIS is entitled to invoice the Supplier for the costs associated with reworking and other expenses that it can prove were incurred due to the failure to comply with the transportation and packaging regulations of WIS; the right to assert claims for further damage shall remain unaffected.

(7) The Supplier is responsible for ensuring appropriate packaging that ensures safe transportation (§411 HGB). Damage caused during transportation that insurers do not recognize due to insufficient packaging shall be charged to the Supplier.

(8) The risk of accidental loss or deterioration of the Goods shall pass to WIS at the time of handover at the place of performance. If official acceptance (*Abnahme*) has been agreed, then this shall determine the transfer of risk.

(9) The statutory provisions shall apply regarding when WIS is in default with regard to acceptance of the Goods. The Supplier must, however, explicitly offer WIS its services even if a calendar date that has been, or can be, specified has been agreed for an action or form of cooperation. If WIS defaults with regard to acceptance of the Goods, the Supplier is entitled to demand compensation for its additional expenses in accordance with the statutory provisions.

(10) WIS shall only assume the quantities or number of items ordered. The delivery of smaller quantities is not permitted. The delivery of quantities exceeding those ordered by up to 10% is permitted. All deliveries exceeding this amount are only permitted subject to a prior agreement reached with WIS. If the quantity delivered exceeds the quantity ordered by more than 10%, WIS shall reserve the right to return the Goods at the Supplier's expense. Excess deliveries shall only be accepted in quantities that correspond to set packaging units. Excess deliveries that do not correspond to set packaging units can be scrapped at the Supplier's expense.

#### **VIII. Information obligations, sub-contractors**

(1) The Supplier shall provide WIS with timely written notification of any changes in manufacturing processes, changes in materials or supplied parts used in Products or services, the relocation of production locations, as well as before making any changes to procedures or installations used to test components or other quality assurance measures. WIS is entitled to perform checks to the extent that is necessary in order to see whether the changes could have a detrimental impact on the Product. The Supplier shall make the necessary documents required in this respect available on request and allow audits to be conducted to the extent necessary.

(2) WIS must be informed in writing of the use of any sub-contractors, freelancers employees, sub-suppliers and other third parties (hereinafter referred to as "Agents") who are not employees of the Supplier in connection with the services owed vis-à-vis WIS. In its relationship with the Agents, the Supplier shall take contractual measures to ensure that all services are performed in full and in a due and proper manner, that the due performance can be checked comprehensively by way of corresponding documentation and regular audits

conducted by WIS, and that the obligations under the contractual relationship with WIS also apply in the relationship with the Agents.

(3) Agents shall be deemed vicarious agents of the Supplier. Any failures, delays, disruptions, poor performance or other faults affecting the deliveries and services of the Agents, regardless of what these failures are attributable to, shall not release the Supplier from its performance obligation under the agreement concluded with WIS.

(4) If the Supplier or an Agent has to be perform services on the plant premises of WIS, then the Supplier shall ensure that the external company agreement presented by WIS before the performance of the services is signed and that both this external company agreement and the other provisions of the company rules and regulations are adhered to in full by the individuals concerned.

(5) In the event of impending insolvency, at the latest when insolvency proceedings are filed, the supplier is obliged to inform WIS without any delays. The information must be sent to the responsible purchaser as well as to [strategic.purchasing@wuerth-industrie.com](mailto:strategic.purchasing@wuerth-industrie.com) and [kreditoren@wuerth-industrie.com](mailto:kreditoren@wuerth-industrie.com).

#### **IX. Prices, invoices, payment terms, set-off and retention**

(1) The price stated in the order is binding. All prices exclude statutory VAT, even if it is not shown separately. The agreed prices are fixed prices and exclude subsequent claims of any kind. Ancillary costs such as costs associated with packaging, surcharges for small quantities and other (flat-rate) processing fees and customs duties are included in the prices agreed. Any notified price adjustment requests shall only become valid upon written confirmation by WIS. Silence on the part of WIS regarding price adjustment requests shall not represent consent.

(2) Delivery notes, waybills, invoices and all correspondence must include the WIS order no.

(3) Invoices should preferably be issued as invoices for individual items in pdf format, specifying the invoice number, order number, WIS article number, quantity price and other classification characteristics, and are to be sent by e-mail to the following e-mail address: [rechnungseingang-mm@wuerth-industrie.com](mailto:rechnungseingang-mm@wuerth-industrie.com).

(4) In cases involving deliveries from territories outside of the EU customs area, the goods delivery shall include a copy of the invoice/a pro forma invoice. The values of the pro forma invoice must correspond to the values of the related commercial invoice.

(5) If a Product delivered by the Supplier is subject to the reverse charge procedure, then the Supplier shall inform WIS accordingly in the form of a separate invoice and shall mark corresponding invoices with a suitable reference to the reverse charge procedure.

(6) Payments shall be made in line with the individually agreed payment conditions. If no individually agreed payment condition has been agreed, the payment condition is the 25th of the following month 3% discount or 60 days net. In cases involving bank transfers, payment shall be deemed to have been made on time if the transfer instruction is received by WIS' bank from WIS before the expiry of the payment deadline. WIS is not responsible for delays caused by the banks involved in the payment process. Payment is subject to an invoice check.

(7) WIS shall not owe any overdue payment interest (*Fälligkeitszinsen*). The rate of interest on defaulted payments (*Verzugszins*) shall be five (5) percentage points above the base interest rate per annum. The statutory provisions shall apply regarding when WIS is in default on payment. In any event, however, the Supplier must issue a written reminder.

(8) WIS shall have rights of set-off and retention, as well as the right to object to contractual non-performance, to the extent set out by law. In particular, WIS is entitled to retain due payments for as long as WIS still has claims vis-à-vis the Supplier resulting from incomplete or defective deliveries.

(9) The Supplier shall only have a right of set-off or retention on the basis of counter-claims that have been determined in a non-appealable judgment or are undisputed.

#### **X. Reservation of title and provision of materials**

(1) The transfer of the ownership shall take place at the time the Goods are handed over to WIS subject to no conditions and irrespective of the payment of the price. If, however, WIS accepts an offer made by the Supplier for the transfer of ownership, subject to the condition that the purchase price is paid, then the reservation of title of the Supplier shall lapse, at the latest, when the purchase price for the Goods delivered is paid. The extended or prolonged reservation of title (*verlängerte oder erweiterte Eigentumsvorbehalt*) on the part of the Supplier is excluded.

(2) The processing, mixing or combination by the Supplier of WIS objects that are made available shall be performed for WIS. It is agreed that WIS shall become the co-owner of any Products manufactured using objects that it has made available, in line with the ratio of the value of the objects made available to the value of the overall product; these Products shall be deemed held in custody by the Supplier for WIS up until the time of the handover.

#### **XI. Confidentiality, documents and reference**

(1) All business or technical information made available by WIS shall be treated as confidential vis-à-vis third parties for as long and insofar as it cannot be proved to be public knowledge and must only be made available to those individuals within the Supplier's own company who require the information for the purpose of the deliveries to be made to WIS and who have also been subjected to confidentiality requirements.

(2) WIS shall reserve the property rights and copyrights to all documents and aids made available to the Supplier for the execution of an order placed by WIS, in particular drawings, graphics, drafts, calculations, descriptions, plans, models, samples, technical specifications, data media, other written documents, tools, parts and materials. Such documents and aids are to be used exclusively for the contractual services and, once the agreement has been completed, shall be returned to WIS in full (including any copies or records made). Products manufactured based on documents or aids provided by WIS must not be either used by the Supplier itself, or offered or delivered to third parties.

(3) Any technical documents, records, drawings, diagrams, charts, graphics, photographs, layout templates or other documentation produced by the Supplier in connection with the execution of the order - be it on data media, in printed form or as material for the purposes of printing (preparation) - as well as all templates, tools, materials and other operating resources, shall become the property of WIS at the time they are made available. What is more, WIS shall be granted all property, use and exploitation rights in respect of all of the abovementioned copyrightable work - to the extent that is permissible by law. No separate remuneration shall be owed by WIS for the transfer of the rights referred to above; it is included in full in the prices specified in the orders.

(4) Without prior explicit written consent, the Supplier is prohibited from naming WIS or the business relationship between the Supplier and WIS as a reference in any form whatsoever.

#### **XII. Defective deliveries**

(1) Unless otherwise provided below, the rights of WIS in the event of quality defects and defects of title relating to the Goods and in the event of other breaches of duty by the Supplier are subject to the statutory provisions.

(2) In accordance with statutory provisions, the Supplier's liability shall include, in particular, the assurance that the goods have the agreed characteristics upon the passage of risk to WIS. The term "agreement on characteristics" shall, in any event, be taken to mean those product descriptions that form part of the agreement in question - in particular because they are specified or referred to WIS' order - or are incorporated into the agreement in the same way as these Terms and Conditions of Purchase. The question as to whether the product description originates from WIS or from the Supplier shall be irrelevant in this regard.

(3) Notwithstanding the provisions set out in section 442 (1) sentence 2 BGB, WIS shall be entitled to assert claims for defects without limitation even if WIS did not become aware of the defect upon conclusion of the agreement due to gross negligence.

(4) The statutory provisions (sections 377, 381 of the German Commercial Code (HGB)) shall apply to the commercial duty to inspect the Goods and object to any defects, subject to the following: WIS' duty to inspect the Goods shall be limited to defects that become apparent as part of a visual check performed during the incoming goods control process, include the delivery documents (e.g. damage caused during transportation, delivery of the wrong Goods or the wrong quantities). If official acceptance has been agreed, then there shall be no duty to inspect the Goods. The question as to how feasible an inspection is, taking into account the circumstances of the individual case, in the ordinary course of business shall also be decisive.

(5) The right to object to defects that are discovered at a later date shall remain unaffected. In any event, objections raised by WIS (notification of defects) shall be deemed to have been raised without delay and in a timely manner if they are received by the Supplier within 10 calendar days of WIS recognizing the defect.

(6) The costs incurred by the Supplier in order to check and improve the Goods (including any dismantling and installation costs) shall be borne by the Supplier even if it turns out that the Goods were not, in fact, defective. WIS' liability to provide compensation for damages caused by unjustified requests for the repair of defects remains unaffected. However, WIS shall only be liable in the event that it recognized or, acting with gross negligence, failed to recognize that the goods in question were not defective.

(7) If the Supplier does not fulfill its obligation to provide a remedy (either by rectifying the defect or by delivery of a non-defective product, as chosen by WIS) within a reasonable period determined by WIS, then the latter is entitled to rectify the defect itself and claim compensation for the required expenses or corresponding advance payments from the Supplier. If the Supplier's subsequent performance has failed or cannot be reasonably expected of WIS (e.g. due to particular urgency, risks to operational safety or the imminent risk of disproportionate damage), then no deadline needs to be set; WIS shall inform the Supplier of such circumstances without delay, and in advance where possible.

(8) If the Supplier fulfills its obligation to provide a remedy by delivering a replacement product, the limitation period shall start anew for the Goods delivered as a replacement from the time of their delivery, unless, at the time of providing the remedy, the Supplier explicitly and correctly stated that it was only delivering a replacement product as a goodwill gesture, to avoid disputes or in the interests of continuing the supply relationship.

(9) In the event of material defects or defects of title, WIS is also entitled to reduce the purchase price or withdraw from the agreement based on the statutory provisions. WIS shall also be entitled to damages and the reimbursement of expenses in line with the statutory provisions.

(10) In the event that WIS identifies a defect affecting a Product supplied by the Supplier, or a defect is identified at a later point in time on the basis of a justified customer complaint, and WIS has to recall and/or block the Product as a result, then WIS shall be entitled to charge the Supplier a lump-sum processing fee of

EUR 100. The lump-sum processing fee shall not be offset against any claims for damages. WIS is entitled to collect defective items, in particular mass-produced items, and send them to the Supplier in larger entities. For each return shipment of defective Products, WIS is entitled to charge the Supplier the standard market freight costs, plus a lump-sum processing fee corresponding to no more than EUR 100. Within this context, the Supplier waives the defense of treating consecutive violations of this provision as one violation for the purpose of this provision (*Einrede des Fortsetzungszusammenhangs*). The Supplier is also obliged, in such cases, to reimburse WIS for the costs of any required reworking and other expenses.

(11) Any Products marked with the Würth brand which have been legitimately returned or not accepted by WIS must be destroyed by the Supplier and may not be sold on to third parties. Each violation of this provision shall be subject to a contractual penalty amounting to twice the value of the Goods, but no less than EUR 15,000 (fifteen thousand). The defense of treating consecutive violations of this provision as one violation for the purpose of this provision (*Einrede des Fortsetzungszusammenhangs*) is hereby excluded.

### **XIII. Supplier recourse**

(1) WIS is entitled to assert the recourse claims provided for by law within a supply chain (supplier recourse in accordance with sections 478, 479 BGB) in addition to the claims for defects subject to no limitations. WIS' right of recourse includes, but is not limited to, demanding exactly the same remedy (repairs or replacement deliveries) from the Supplier that WIS has to provide to its customer in the case in question. The above provision does not in any way limit WIS' statutory right to choose an appropriate remedy (section 439 (1) BGB).

(2) Before WIS recognizes or settles a claim for defects made by its customer (including the reimbursement of expenses in accordance with sections 478 (3) and 439 (2) BGB), WIS shall notify the Supplier, provide a brief description of the matter and request a written statement from the Supplier. If the statement is not issued within a reasonable period and if no amicable solution can be reached, then the claim based on defects actually granted by WIS shall be deemed owed to its customer; in such cases, the Supplier shall have the burden of furnishing proof to the contrary.

(3) The claims of WIS pursuant to sub-section 1 above shall also apply if the Goods have already been processed or treated further by WIS or a customer of WIS, e.g. through installation, before being sold on to a consumer.

### **XIV. Subcontracting, inspection obligations of the supplier, ownership and duty of care, insurance**

(1) The goods provided to the supplier remain in the ownership of WIS. Upon acceptance of the goods, they shall become the possession of the supplier for the commissioned service. This shall not affect WIS's ownership of the goods at any time. Section 690 of the German Civil Code (BGB) shall not apply.

(2) The supplier has to subject the goods handed over to an identification and quantity check.

(3) The supplier shall store the parts provided with the diligence of a prudent businessman. The supplier shall maintain an insurance at its own expense which adequately protects the goods against loss, fire damage, theft, storm, water and other natural hazards as well as third party damage.

### **XV. Product liability and compulsory insurance**

(1) The Supplier shall indemnify WIS against any product liability claims asserted against WIS to the extent that the damage incurred is the result of a defect affecting the Goods delivered by the Supplier. In cases involving liability resulting from fault or negligence, however, this shall only apply if the Supplier is at fault. If the reason for the damage lies in the sphere of responsibility of the Supplier, the latter must prove that it was not at fault.

(2) Within the framework of its indemnification provision, the Supplier shall bear all costs and expenses incurred by WIS in connection with claims asserted by third parties, including any recall measures taken by WIS. WIS shall notify the Supplier in advance of any recall measures, provide the Supplier with sufficient opportunity to cooperate and coordinate the efficient execution of the recall with the Supplier. This is not necessary if the notification and involvement of the Supplier is impossible because of the urgency of a recall.

(3) Furthermore, the Supplier shall also be liable for any damage incurred by WIS as a result of reasonable precautions to limit any claims under non-contractual liability which fall under the responsibility of the Supplier (e.g. public advertisements).

(4) This shall not affect any further-reaching statutory claims.

(5) The Supplier shall always maintain sufficient product liability insurance cover, with a limit of indemnity for bodily injury and physical loss or damage of at least EUR 5 million per case, at its own expense. The insurance policy must cover dismantling/installation costs and recalls. If a Supplier supplies automotive components, it shall maintain sufficient product liability insurance cover, with a limit of indemnity for bodily injury and physical loss or damage of at least EUR 10 million per case, at its own expense. The insurance policy must also cover dismantling/installation costs and recalls. Upon request, the Supplier shall provide WIS with corresponding proof that the product liability insurance has been taken out and that it is being maintained.

### **XVI. Limitation**

(1) In the absence of any provisions to the contrary below, the claims shall become statute-barred based on the statutory provisions.

(2) By way of derogation from section 438 (1) no. 3 BGB, the general limitation period for claims based on defects is 3 years from the time of the transfer of risk. The 3-year limitation period shall also apply accordingly to claims based on defects of title. In this respect, the statutory limitation period for third-party real rights to demand the return of property (section 438 (1) no. 1 BGB) shall remain unaffected; what is more, claims based on defects of title shall not, under any circumstances, become statute-barred for as long as the third party can still assert the right - in particular in the absence of limitation - against WIS.

(3) The limitation periods under sales law, including the extension referred to above, shall apply - within the statutory scope - to all contractual claims based on defects. Insofar as WIS also has extra-contractual claims to damages based on a defect, then the regular statutory limitation period (sections 195, 199 BGB) shall apply in this regard unless the application of the limitation periods under sales law results in a longer limitation period in the case in question.

### **XVII. Export control and customs**

(1) The Supplier is obliged to inform WIS in writing of any authorization obligations relating to its Goods based on the current valid German, European (EU), US export, customs and foreign trade legislation, as well as based on the export, customs and foreign trade legislation of the country of origin of its Goods, as soon as possible before the delivery date. Within this context, the Supplier has to provide the following information and data:

- the export list number pursuant to Appendix (AL) to the German Foreign Trade and Payments Regulation (AWV) or corresponding list positions of applicable export lists;
- the "Export Control Classification Number (ECCN)" pursuant to the "U.S. Commerce Control List" (CCL), insofar as the Goods are subject to the "U.S. Export Administration Regulations" (EAR);
- the statistical goods number (HS/CN code);

- the country of origin (trade policy/non-preferential origin), codes for indicating origin: T = third country/E = EU/F = EFTA;
- (long-term) suppliers' declarations on preferential origin (for EU Suppliers) or certificates relating to preferences (for non-EU Suppliers);
- all other information and data that WIS requires for export and import and, in the event of further sale, for the re-export of the Goods.
- the information about listed items in accordance with the European foreign trade law and the EC Dual-Use Regulation (in accordance with Annex I of Regulation (EC) No 428/2009).

The Supplier is obliged to inform WIS in writing without delay of any changes to the abovementioned information and data.

(2) The supplier is obliged to comply with the respective sanctions of the EU. In doing so, the supplier has the obligation, to offer or supply WIS with non-sanctioned products without exception. This includes the input materials, auxiliary and operating materials as well as services used for production. The same shall apply to trade goods of the supplier. Should the supplier subsequently become aware that an infringement has occurred, the supplier has a duty to notify WIS in writing and must send this to the following e-mail address: [foreigntrade@wuerth-industrie.com](mailto:foreigntrade@wuerth-industrie.com)

(3) If the supplier violates its above-mentioned obligations, it shall bear all expenses and damages and other disadvantages (e.g. subsequent claims for foreign import duties, administrative fines) incurred by WIS as a result. This shall not apply if the Supplier is not responsible for the breach of duty.

### **XVIII. Code of Conduct and compliance**

(1) The Supplier undertakes to adhere to the WIS Code of Conduct. The Code of Conduct can be accessed at [www.wuerth-industrie.com](http://www.wuerth-industrie.com) and forms an integral part of the contractual relationship.

(2) The Supplier undertakes to adhere to the provisions of the German Minimum Wage Act (*Mindestlohngesetz*).

(3) The Supplier is obliged to adhere to the recognized technical standards (in particular German industry (DIN) norms, regulations of the German Institute of Electrical Engineers (VDE), guidelines of the Association of German Engineers (VDI), DVGW (German gas and water association) rules and regulations) and the statutory provisions governing product safety (in particular the German Product Safety Act (*Produktsicherheitsgesetz*)), the internationally valid minimum labor law standards, in particular all conventions of the International Labour Organization ("ILO") with regard to employee rights, working hours and occupational health and safety, as well as all valid statutory and official provisions.

(4) The Supplier gives assurances that he will comply with the requirements of the "Restriction of Hazardous Substances" (RoHS) 2011/65/EU Directive including its amending Directive 2015/863/EU in the relevant valid version. According to the latter, none of the substances listed in Annex II of the Directive are permitted to exceed the maximum concentration in the homogeneous material. Insofar as exceptions are used in accordance with Annex III or Annex IV, these exceptions are to be sent to the following e-mail address of the WIS: [produktmanagement@wuerth-industrie.com](mailto:produktmanagement@wuerth-industrie.com)

The Supplier gives assurances that the thresholds mentioned in the RoHS Directive will not be exceeded for all non-electrical or electronic products. Information regarding failure to comply with these thresholds must be sent to the WIS at the following e-mail address: [produktmanagement@wuerth-industrie.com](mailto:produktmanagement@wuerth-industrie.com)

(5) The Supplier gives assurances that he will satisfy the requirements of the EC Chemicals Regulation REACH 1907/2006/EC in the relevant valid version. If products contain substances on the SVHC list (Candidate List of Substances of very High Concern), which exceed the permitted mass concentration of 0.1%, the Supplier is obliged to send this information immediately stating the substance name, the mass concentration and CAS number to the following e-mail address: [produktmanagement@wuerth-industrie.com](mailto:produktmanagement@wuerth-industrie.com)

This obligation to provide information in accordance with Article 33 also applies to ongoing deliveries, if previously unlisted substances have been included in this list. This also applies to substances, which are contained in REACH Annexes XIV (Substances subject to authorisation) and XVII (limited substances). The relevant latest SVHC list can be viewed on the website of the European Chemicals Agency (ECHA): <https://echa.europa.eu/de/candidate-list-table>

(6) The Supplier should draw up measures, which ensure to the best of his knowledge and belief that the 3TGs (conflict minerals) used in the products he produces are not used directly or indirectly to finance or support armed groups, which are guilty of committing serious breaches of human rights in crisis regions in accordance with the Dodd-Frank Act § 1502. The Supplier should exercise care regarding the origin and supervisory chain of these minerals and disclose these precautionary measures to his customers on request.

If products that are delivered contain 3TGs from conflict regions in accordance with the Dodd-Frank Act § 1502, the Supplier is obliged to send this information immediately to the following e-mail address: [produktmanagement@wuerth-industrie.com](mailto:produktmanagement@wuerth-industrie.com)

The Conflict Minerals Reporting Template (CMRT) is to be used for communication along the entire supply chain. The relevant valid version of the template can be downloaded here: <http://www.conflictfreesourcing.org/conflict-minerals-reporting-template/>

(7) If hazardous substances within the meaning of the German Ordinance on Hazardous Substances (*Gefahstoffverordnung*) or Products whose use does not rule out the release of such substances, are delivered, then the Supplier shall make the data required to prepare the safety data sheet available to WIS or the service provider commissioned by WIS without having to be asked to do so.

(8) If the Products that the Supplier delivers to WIS are "construction products" within the meaning of Regulation (EU) No 305/2011 (the "Construction Products Regulation"), then the Supplier is obliged to make all of the information required to prepare the declaration of performance/the declarations of performance prepared by the Supplier available to WIS without delay and in a suitable permanent form, and to add the CE marking to these Products/arrange for the CE marking to be added to these Products in line with the valid legal provisions, in particular the Construction Products Regulation and Art. 30 of Regulation (EC) No 765/2008. By adding the CE marking, the Supplier guarantees that the construction product complies with the performance declared by it and with all valid legal provisions in connection with the affixation of the CE marking.

(9) In the case of articles with a conditional shelf life, the best-before date (BBD) must be clearly indicated on the delivery bill and on the product - alternatively, the date of manufacture in conjunction with the storage period. The format of the date corresponds to DD.MM.YYYY. Articles subject to minimum shelf life must still have at least 85% of the total shelf life at the time of provision.

(10) In the event that the Supplier breaches one of the obligations set out above, then the Supplier shall indemnify WIS, the companies affiliated with WIS and their customers from all costs, third-party claims (in particular from direct or indirect claims for damages) and other disadvantages (e.g. administrative fines) resulting from the breach of the provision set out above. This shall not apply if the Supplier is not responsible for this breach of duty. Furthermore, WIS shall be entitled to cancel the corresponding order without delay at any time and refuse to accept the corresponding delivery without any costs being incurred by WIS

in this regard. Any claims for damages shall remain unaffected. Cancellation or refused acceptance shall not constitute a waiver of any claims for damages.

(11) WIS reserves the right to measure and evaluate the supplier's performance at regular intervals and, if necessary, to transmit it to the supplier.

#### **XIX. Language**

(1) Communication shall take place in German or English - in the absence of any agreements to the contrary. All documents, e.g. testimonials, certificates, drawings and initial sample test reports shall be made available in German or English by the Supplier upon request at the latest.

#### **XX. Choice of law and place of jurisdiction**

(1) The law of the Federal Republic of Germany shall apply to these Terms and Conditions of Purchase and all legal relationships between WIS and the Supplier, to the exclusion of uniform international law, in particular the UN Convention on the International Sale of Goods (CISG). The requirements for, and the impact of, the reservation of title shall be subject to the law that applies in the location where the Goods are located insofar as the choice of law in favor of German law is inadmissible or ineffective under the provisions of national law.

(2) If the Supplier is a businessperson (Kaufmann) within the meaning of the German Commercial Code, a legal entity under public-law or a special fund under public-law, the exclusive place of jurisdiction - including international jurisdiction - shall be Bad Mergentheim. WIS is, however, also entitled to file claims against the Supplier at the Suppliers place of jurisdiction. Overriding statutory provisions, in particular regarding exclusive jurisdiction, shall remain unaffected. For the relationships between the Supplier and WIS, only German law shall apply to the exclusion of uniform international law, in particular the UN Convention on the International Sale of Goods (CISG). The language of the Agreement is English.

As at: July 2024