

**General Terms and Conditions of Purchase of DINOL GmbH, Pyrmonter Straße 76, 32676 Luegde ("DINOL")**

**I. Scope of application**

(1) Present General Terms and Conditions of Purchase ("Terms and Conditions of Purchase") shall apply to all business relationships with business partners and suppliers of DINOL ("Supplier") with regard to the delivery of movable goods ("goods" or "product(s)") and/or services, irrespective of whether the Supplier provides the service itself or purchases it from sub-suppliers. The Terms and Conditions of Purchase shall only apply if the Supplier is an entrepreneur (equivalent to § 14 of the German Civil Code; "BGB" Germany), a legal entity under public law or a special fund under public law.

(2) The Terms and Conditions of Purchase shall also apply in their respective version as a framework agreement for future contracts for the sale and/or delivery of movable goods and/or services with the same supplier. The current version of the Terms and Conditions of Purchase is available at [www.dinol.com/en/impressum](http://www.dinol.com/en/impressum)

(3) Present Terms and Conditions of Purchase shall apply exclusively. Deviating, conflicting or complementary general terms and conditions of the Supplier shall only become part of the contract if and to the extent of DINOL's expressed consent to their application in writing. This requirement of consent shall apply in any case, for example even if DINOL accepts the Supplier's deliveries without reservation in the knowledge of the Supplier's general terms and conditions.

(4) Individual agreements made with the Supplier in individual cases (including collateral agreements, supplements and amendments) shall take precedence over these Terms and Conditions of Purchase. However, the content of such agreements shall be governed by a written contract with or written confirmation from DINOL.

(5) Legally relevant declarations and notifications to be made by the Supplier to DINOL after conclusion of the contract (e.g. setting of deadlines, reminders, declaration of withdrawal) must be made in writing to become valid.

(6) References to the validity of statutory provisions are for clarification purposes only.

**II Conclusion of contract**

(1) An order from DINOL shall be deemed binding not earlier than upon written submission or confirmation. Deliveries without existing written purchase orders will not be accepted. A written purchase order or confirmation is equivalent to a purchase order placed by EDI procedure or comparable digital ordering systems. Lack of DINOL's response to offers, requests or other declarations made by the Supplier shall only constitute consent with prior consent expressed in writing. The Supplier shall notify DINOL without delay of any obvious errors (e.g. typing and calculation errors) and/or incomplete orders or missing order documents for the purpose of correction or completion; otherwise, the contract shall be considered not having been concluded.

- (2) Insofar as no change to DINOL's order is necessary on the part of the Supplier regarding quantity, price or delivery date, DINOL in principle waives the transmission of a written order confirmation. At the express request of DINOL, however, the Supplier undertakes to confirm the purchase order in writing within a period of one (1) week or to execute the same without delay and without reservation.
- (3) An amended or delayed acceptance is considered being a new offer and is always subject to DINOL's acceptance. The same applies to acceptance subject to extensions, restrictions or other changes.
- (4) Offers, drafts, samples and specimens of the Supplier shall be free of charge for DINOL. The Supplier shall take them back immediately and at own expense at DINOL's request.

### **III Delivery time and delay in delivery**

- (1) The lead time indicated by DINOL in the purchase is binding. The Supplier undertakes to inform DINOL immediately in writing, giving reasons and the estimated delay, if it is foreseeable that agreed lead times cannot be met. Partial deliveries or deliveries at a date earlier than the agreed date of delivery may only be carried out upon prior written consent of DINOL.
- (2) If the Supplier fails to perform or fails to perform within the agreed lead time or is in default, DINOL's rights – particularly regarding order cancellation and damages - shall be determined in accordance with applicable statutory provisions. The provisions in paragraph 3 shall remain unaffected.
- (3) If the Supplier is in default, DINOL may demand a contractual penalty of 50 euros (EUR) per overdue customer order item. DINOL is entitled to demand the contractual penalty in addition to performance and as a minimum amount of damages owed by the Supplier in accordance with statutory provisions; the right to claim further damages remains unaffected. If DINOL accepts the delayed performance, DINOL shall claim the contractual penalty not later than with the final payment.
- (4) DINOL's claim for delivery shall only be excluded if the Supplier pays full compensation in lieu of supply at DINOL's request. Acceptance of the delayed delivery shall not constitute a waiver of claims for damages or the contractual penalty.

### **IV. Delivery, packaging, transfer of risk, default of acceptance**

- (1) Unless otherwise agreed in individual cases, deliveries shall be made "free domicile" (DAP destination according to INCOTERMS® 2020) to the place specified in the purchase order. If the place of destination is not specified and nothing else has been agreed, delivery shall be made to DINOL's purchase order address. The respective place of destination is also the place of performance (debt to be discharged at the buyer's domicile).
- (2) Delivery must be made in accordance with the current version of DINOL's Supplier Guideline; the current version of the Supplier Guideline is available at [www.dinol.com/en/impressum](http://www.dinol.com/en/impressum).

- (3) The supplier pays attention to the sustainability of the packaging materials used and to packaging methods as environmentally friendly as possible. In particular, the packaging material used shall be minimized, the utilization of renewable and/or recycled raw materials shall be preferred. The packaging shall be designed for reuse and/or recycling. Furthermore, the supplier complies with all relevant legal requirements with respect to sustainability and disposal.
- (4) If the Supplier or its subcontractor culpably violates any provision of DINOL's Supplier Guidelines, DINOL may demand a flat-rate processing fee of EUR 100.00 per delivery. DINOL is further entitled to charge the Supplier the costs of rework and other expenses demonstrably incurred as a result of non-compliance with DINOL's supplier guidelines; the right to claim further damages remains unaffected.
- (5) The risk of accidental loss and accidental deterioration of the goods shall pass to DINOL upon handover at the place of performance. If acceptance has been agreed, this shall be decisive for the transfer of risk.
- (6) Statutory provisions shall be effective to the occurrence of default of acceptance on the part of DINOL. However, the Supplier must also expressly offer its performance to DINOL if a specific or determinable calendar time has been agreed for an action or cooperation by DINOL. If DINOL is in default of acceptance, the Supplier may demand compensation for its additional expenses in accordance with applicable statutory provisions.

## **V. Duty to provide information, subcontractors, minimum wage**

- (1) The Supplier must inform DINOL in good time in writing of any changes to manufacturing processes, changes to materials or sub- components for products or services, relocation of production sites, and also to procedures or equipment for testing parts or other quality assurance measures in advance. DINOL shall be entitled to check whether the changes may have a detrimental effect on the product. Upon request, the Supplier shall make the necessary documents available for this purpose and allow audits to an appropriate extent.
- (2) DINOL must be notified in writing of the use of subcontractors, freelancers, sub-suppliers and other third parties (collectively "subcontractors") who are not employees of the Supplier in connection with the provision of services owed to DINOL. In relation to the sub-contractor, the Supplier must contractually ensure that all services are performed completely and properly, that the proper provision of services can be comprehensively checked by DINOL by means of appropriate documentation and regular audits and that the obligations arising from the contractual relationship with DINOL also apply in relation to the subcontractor.
- (3) Agents are deemed to be the Suppliers' subcontractors. Delivery failures, delays, disruptions, poor performance or other deficiencies in the deliveries and services of the subcontractors, irrespective of the cause of such failures, shall not release the Supplier from its obligation to perform under the contract concluded with DINOL.
- (4) If the Supplier or an authorized representative is supposed to perform services on DINOL's premises, the Supplier shall ensure that the external company agreement submitted by DINOL

prior to the performance of the services is signed and that both such external company agreement and the other provisions of the company regulations are fully obeyed by the persons concerned.

(5) The Supplier guarantees to pay his employees and other beneficiaries engaged in work for DINOL at least the statutory minimum wage in accordance with the applicable Minimum Wage Act at all times and on time. The Supplier undertakes to prove compliance with this obligation to DINOL upon request - if necessary, several times and regularly. DINOL is entitled to verify compliance with the obligation to pay the minimum wage by inspecting the books on the Supplier's business premises at any time after prior notification, either personally or through a person bound to secrecy.

(6) The supplier shall contractually oblige subcontractors - insofar as they are subject to the applicable Minimum Wage Act - to pay the minimum wage and to regularly check compliance with this obligation in a suitable manner. The supplier shall undertake to oblige its subcontractors and supervise their own subcontractors accordingly.

(7) The Supplier undertakes to indemnify DINOL internally against all claims and costs arising from claims under the applicable Minimum Wages Act due to non-payment of the minimum wage to the Supplier's own employees and employees of subcontractors.

(8) If the Supplier culpably breaches an obligation under paragraphs (6) to (7), DINOL may demand a contractual penalty, waiving the objection of continuation of offence. The contractual penalty shall amount to EUR 5,000.00 for breaches of paragraph (5) and EUR 2,500.00 for breaches of paragraphs (6) and (7).

## **VI Prices, invoices, terms of payment, offsetting and retention**

(1) The price stated in the purchase order is binding. All prices stated are excluded statutory VAT, even if it is not separately indicated. This also applies to any additional services supposed to be rendered by the supplier.

(2) Unless otherwise agreed in individual cases, the price shall include all services and ancillary services of the Supplier as well as all ancillary costs (e.g. proper packaging, customs, import duties, transportation costs including any transportation and liability insurance).

(3) Invoices must be sent electronically to DINOL in a single copy, stating the invoice number, order number, quantity, price and other allocation features (in particular DINOL article number), or as a PDF attachment by e-mail to the relevant contact address. The invoices shall be sent separately from the delivery of goods. In the case of deliveries from areas outside the customs territory of the EU, a copy of the invoice or a pro forma invoice in accordance with the regulations must be enclosed with the delivery of goods.

(4) Payments shall be made in accordance with the individually agreed terms of payment. In the case of bank transfer, payment shall be deemed to have been made on time if DINOL's transfer order is received by DINOL's bank before expiry of the payment deadline; DINOL shall not be responsible for delays caused by the banks involved in the payment process. Payment shall be made under reserve of invoice verification.

(5) DINOL shall not owe any interest on arrears. Interest in arrears shall amount to five (5) percentage points per annum above the prime rate. The statutory provisions shall apply to the occurrence of default on the part of DINOL. In any case, however, a written reminder from the Supplier is required.

(6) DINOL is entitled to the rights of set-off and retention as well as the objection of non-performance of the contract to the extent permitted by law. DINOL is especially entitled to withhold due payments as long as DINOL is still entitled to claims against the Supplier arising from incomplete or defective performance.

(7) The Supplier shall only have the right of set-off or retention based on legally established or undisputed counterclaims.

## **VII Retention of title and provision of materials**

(1) Transfer of ownership shall take place unconditionally upon the handover of the goods to DINOL and irrespective of payment of the price. If, however, DINOL accepts in an individual case an offer from the Supplier for transfer of ownership conditional upon payment of the purchase price, the Supplier's reservation of title shall expire at the latest upon payment of the purchase price for the delivered goods. Any prolonged or extended retention of title by the Supplier is excluded.

(2) Any processing, mixing or combination by the Supplier of items provided by DINOL shall be carried out on behalf of DINOL. It is agreed that DINOL shall become co-owner of the products manufactured using the items provided in the ratio of the value of the items provided to the value of the overall product, which shall be stored by the Supplier for DINOL until the time of handover.

(3) DINOL reserves the right of ownership and copyright to orders and contracts placed by DINOL and 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 himself or through third parties without the expressed consent of DINOL. At the request of DINOL, the Supplier shall return these documents in full to DINOL if they are no longer required by him in the ordinary course of business or if negotiations do not lead to 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 retention obligations and the storage of data for backup purposes within the scope of normal data backup.

(4) Tools, devices and models which DINOL makes available to the Supplier, or which are manufactured for contractual purposes and invoiced separately to DINOL by the Supplier, shall remain the property of DINOL or shall become the property of DINOL. They are to be marked by the Supplier as the property of DINOL, stored carefully, protected against damage of any kind and used only for the purposes of the contract. In the absence of any agreement to the contrary, the costs of their maintenance and repair shall be borne equally by the contractual partners. However, insofar as these costs are attributable to defects in such items manufactured by the Supplier or to improper use by the Supplier, its employees or other subcontractors, they shall be borne solely by the Supplier. The Supplier shall notify DINOL without delay of any damage to such items which is

not merely insignificant. Upon request, the Supplier is obliged to return the items to DINOL in proper condition if they are no longer required by him for the fulfillment of the contracts concluded with DINOL.

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

(1) All business or technical information made accessible by DINOL must be kept secret from third parties for the time and to the extent it is not demonstrably publicly known. Such information may only be made available within the Supplier's own company to those persons who require this information for the purpose of supplying DINOL and who have also been bound by the same obligation of confidentiality.

(2) DINOL reserves the right of ownership and copyright to all documents and aids provided to the Supplier by DINOL for the execution of an order, such as drawings, illustrations, drafts, calculations, descriptions, plans, models, samples, technical specifications, formulae, formulas, data carriers, other documents, tools, parts and materials. Such documents and aids shall exclusively be used for contractual performance. Products manufactured based on DINOL's documents and aids may neither be used by the Supplier itself nor offered or supplied to third parties. Confidential information which DINOL has handed over to the Supplier must be returned or destroyed after completion of the work. This obligation shall not apply to routinely made backup copies of electronic data traffic. Furthermore, this obligation shall not apply to confidential information and copies thereof which the Supplier is required to retain under applicable law.

(3) Technical documentation, documents, drawings, diagrams, schematics, graphics, photographs, layout templates and other documentation produced by the Supplier in the course of the order's execution - whether on data carriers, in printed form or as material for print preparation or printing - as well as all samples, tools, materials and other operating resources shall become the property of DINOL upon provision. Furthermore, DINOL shall acquire all rights of ownership, use and exploitation in respect of all the aforementioned copyrightable works - to the extent permitted by law. No separate remuneration is owed by DINOL for the transfer of aforementioned rights; it is included in full in the prices stated in the purchase orders.

(4) The Supplier is prohibited from naming DINOL or the business relationship between the Supplier and DINOL as a reference in any form whatsoever without DINOL's prior written consent.

### **IX. Defective delivery**

(1) The statutory provisions shall apply to DINOL's rights in the event of material defects and defects of title in the goods and in the event of other breaches of duty by the Supplier, unless otherwise stipulated below.

(2) In accordance with the statutory provisions, the Supplier is especially liable for ensuring the goods' agreed quality upon transfer of risk to DINOL. Especially such descriptions which - for example by designation or reference in DINOL's order - are the subject matter of the



respective contract shall be considered being an agreement as to quality. It makes no difference whether the description originates from DINOL or from the Supplier.

(3) The Supplier warrants that the goods supplied do not infringe the industrial property rights of third parties. The Supplier undertakes to carry out appropriate researches for conflicting industrial property rights at own expense and to inform DINOL of the results of such researches.

(4) Notwithstanding Section 442 (1) sentence 2 BGB or nationally applicable equivalent, DINOL shall be entitled to claims for defects without restriction even if the defect remained unknown at the time of contract conclusion as a result of gross negligence.

(5) The statutory provisions (§§ 377, 381 of the German Commercial Code (HGB) or nationally applicable equivalent) apply to the commercial duty to inspect and give notice of defects with the following provision: DINOL's duty to inspect is limited to defects which are clearly recognizable during the incoming goods inspection by DINOL under external inspection including the delivery documents and during DINOL's quality control by random sampling (e.g. transport damage, incorrect and short delivery). If acceptance has been agreed, there is no obligation to inspect. Otherwise, it depends on the extent to which an inspection is feasible in the ordinary course of business, considering the circumstances of the individual case. The obligation to give notice of defects discovered later remains unaffected. In all cases, DINOL's complaint (notification of defects) shall be deemed to be immediate and timely if it is received by the Supplier within 10 calendar days counted from the discovery of the defect. The Supplier shall align own outgoing goods inspection with DINOL's reduced incoming goods inspection.

(6) The costs incurred by the Supplier for the purpose of inspection and rectification shall be borne by the Supplier even if it turns out that there was in fact no defect. DINOL's liability for damages in the event of an unjustified demand for rectification of defects remain unaffected. In this respect, however, DINOL shall only be liable if DINOL recognized or negligently failed to recognize that there was no defect.

(7) The obligation to hand over defective products to the Supplier for inspection by DINOL is limited to a random sample determined by DINOL. The defect complained must be comprehensible on the basis of the random sample; moreover, the random sample must be appropriate, in particular on the basis of the type of defect, the significance of the individual case and the effort required to bring the defective products from the field. The supplier has no right of retention.

(8) If the Supplier fails to meet the obligation to provide retrospective fulfilment - at DINOL's discretion either by remedying the defect (rectification) or by supplying a defect-free item (replacement delivery) - within a reasonable period set by DINOL, DINOL may remedy the defect itself and demand reimbursement of the necessary expenses or a corresponding advance payment from the Supplier. If subsequent performance by the Supplier has failed or is unreasonable for DINOL (e.g. due to particular urgency, endangerment of operational safety or imminent occurrence of disproportionate damage), no deadline needs to be set; DINOL shall inform the Supplier of such circumstances without delay, if possible in advance.

(9) If the supplier fulfills its obligation of subsequent performance by making a replacement delivery, the limitation period for the goods delivered as a replacement shall begin to run anew after their delivery, unless the supplier has expressly and correctly reserved the right to make the replacement delivery only as a gesture of goodwill, to avoid disputes or in the interest of the continuation of the supply relationship.

(10) Moreover, in the event of a material defect or defect of title, DINOL is entitled to reduce the purchase price or to withdraw from the contract in accordance with the statutory provisions. In addition, DINOL is entitled to compensation for damages and expenses in accordance with the statutory provisions.

(11) In the event that DINOL discovers a defect in a product delivered by the Supplier, or a defect is discovered later due to a justified customer complaint and DINOL has to take back and/or block the product for this reason, the Supplier is obliged to reimburse DINOL a processing fee of EUR 100. The processing fee shall not be offset against any claim for damages. DINOL may collect defective articles, in particular mass-produced articles, and send them to the Supplier in larger units. For each return of defective products, the Supplier undertakes to pay a processing fee of EUR 100. In this case the Supplier shall also reimburse DINOL for the costs of the necessary rework and other expenses.

## **X. Exclusivity**

(1) Products labeled with a DINOL brand (e.g. DINITROL, DEKALIN) or with a third-party brand commissioned by DINOL (customer-specific private label) may not be sold to third parties; if these products are legitimately returned by DINOL or not accepted by DINOL, they must be destroyed, and proof of destruction must be provided.

(2) The supplier shall be obliged to pay a contractual penalty for each individual culpable breach of duties under paragraph 1.

(3) The contractual penalty for breaches of paragraph 1 shall be twice the value of the goods concerned, but at least EUR 15.000 ( in words fifteen thousand).

(4) This provision shall not affect DINOL's right to assert further claims for damages, in particular because of statutory claims.

## **XI. Supplier recourse**

(1) DINOL is entitled without restriction to the legally determined rights of recourse within a supply chain (supplier recourse pursuant to §§ 478, 445a, 445b BGB or nationally applicable equivalent) in addition to the claims for defects. DINOL is entitled to demand from the Supplier precisely the type of subsequent performance (rectification or replacement delivery) which DINOL owes its customer in the individual case. DINOL's statutory right of choice (§ 439 para. 1 BGB or nationally applicable equivalent) is hereby not restricted.

(2) Before DINOL acknowledges or fulfills a claim for defects asserted by its customer (including reimbursement of expenses pursuant to §§ 478 (3), 439 (2), (3) BGB or nationally



applicable equivalent), DINOL shall notify the Supplier and request a written statement, briefly explaining the facts of the case. If the statement is not made within a reasonable period and no amicable solution is obtained, the claim for defects actually granted by DINOL shall be considered owed to their buyer; in such case the Supplier has the reversal burden of proof.

## **XII Product liability and insurance obligation**

(1) For the case that a claim is made against DINOL on the basis of product liability, the Supplier shall undertake to indemnify DINOL against such claims insofar as the damage was caused by a defect in the goods supplied by the Supplier. In cases of fault-based liability, however, this shall only apply if the Supplier is at fault. If the damage's root cause lies within the supplier's area of responsibility, the supplier has the burden of proof of no own fault.

(2) Within the scope of his obligation to indemnify, the Supplier shall bear all costs and expenses arising out of or in connection with claims asserted by third parties, including recall actions carried out by DINOL. Prior to a recall campaign, DINOL shall inform the Supplier, enable him to cooperate sufficiently and consult with him on efficient implementation; this shall not be necessary if the Supplier cannot be informed or involved due to urgency.

(3) The Supplier shall also be liable for damages caused to DINOL as a result of reasonable precautionary measures taken to protect DINOL against claims arising from non-contractual liability which are largely attributable to the Supplier (e.g. public advertising measures).

(4) Further legal claims remain unaffected.

(5) During the contractual relationship with DINOL, the Supplier shall always maintain adequate product liability insurance at own expense. Upon request, the Supplier shall provide DINOL with evidence of the conclusion and existence of the product liability insurance.

## **XIII Compensation for antitrust damage**

If, on the basis of a legally binding or final court or official decision, it is established that the Supplier was involved in an agreement or concerted practice in breach of antitrust law concerning the fixing of prices or conditions, the restriction of production or sales or the allocation of markets or customer groups relating to goods or services purchased by DINOL, the Supplier shall pay to DINOL liquidated damages amounting to 10 % of the net invoice price, unless the Supplier proves in the individual case that no loss or only a significantly lower loss has incurred. DINOL reserves the right in individual cases to assert a claim for damages which demonstrably exceeds the lump-sum compensation. Further contractual or statutory claims and rights of DINOL shall remain unaffected.

## **XIV Statute of limitations**

(1) Unless otherwise stipulated in the following provisions of this clause, claims shall become time-barred in accordance with the statutory provisions.

(2) In deviation from § 438 Para. 1 No. 3 BGB or nationally applicable equivalent, the general limitation period for claims for defects is 3 years from the transfer of risk. The 3-year limitation period also applies accordingly to claims arising from defects of title, whereby the statutory limitation period for third-party claims in rem (Section 438

(1) No. 1 BGB or nationally applicable equivalent) shall remain unaffected; furthermore, claims arising from defects of title shall in no case become time-barred as long as the third party can still assert the right against DINOL – especially in absence of a limitation period.

(3) The limitation periods under sales law, including the above extension, shall apply - to the extent permitted by law - to all contractual claims for defects. Insofar as DINOL is also entitled to non-contractual claims for damages due to a defect, the regular statutory limitation period (Sections 195, 199 BGB or nationally applicable equivalent) shall apply, unless the application of the limitation periods of the purchasing right leads to a longer limitation period in individual cases.

## **XV Export control and customs**

(1) The Supplier undertakes to inform DINOL as early as possible before the delivery date of any licensing and notification obligations or restrictions on the goods (goods, software and technology subject to the respective purchase order) in accordance with the applicable export control and customs regulations. The notification must be made in the Supplier's business documents and via communication channels specified by DINOL (e.g. platforms) or by e-mail to [logistic@dinol.com](mailto:logistic@dinol.com). For this purpose, the Supplier must provide the following information and data:

- the export control list number according to Annex AL to the German Foreign Trade and Payments Directive or comparable list items of relevant export lists;
- the "Export Control Classification Number" according to the "U.S. Commerce Control List" (ECCN), if the goods are subject to the "U.S. Export Administration Regulations" (EAR);
- if the ITAR Regulations are applicable, the USML number;
- the commodity code (HS/KN code).
- the country of origin (commercial/non-preferential origin), key for origin markings according to ISO Alpha 2 Code.
- (Long-term) supplier declarations of preferential origin (for EU suppliers) or certificates of preference (for non-EU suppliers).
- a certificate of origin must be issued if required.
- all the other information and data that DINOL requires for the export and import of the goods and, in the case of resale, for the re-export of the goods.

(2) For supplies of goods crossing customs borders, the supplier is obliged to enclose all necessary documents such as commercial invoice, delivery note and information for a complete and correct

import customs declaration with the delivery. With regard to the invoice the following must be observed:

- Costs not included in the price of the goods (e.g. research and development costs, license fees, tool costs, materials provided by the Buyer in relation to the delivery of goods) must also be indicated separately in the invoice.
- In the case of free deliveries, the supplier is obliged to indicate a value on the pro forma invoice that reflects a standard market price, as well as the note "For Customs Purpose Only".

(3) The Supplier shall support DINOL by all appropriate means to reduce or minimize DINOL's payment obligations regarding customs duties or customs clearance costs.

(4) The Supplier is obliged to inform DINOL immediately by e-mail to [logistic@dinol.com](mailto:logistic@dinol.com) of any changes to the above information and data.

(5) If the Supplier violates obligations under the above paragraphs, he shall bear all expenses and damages as well as other disadvantages (e.g. additional claims for foreign import duties, fines) incurred to DINOL as a result. This shall not apply if the Supplier is not responsible for the breach of duty.

## **XVI Environment, Social and Governance (ESG)**

(1) The Supplier undertakes to comply with the internationally applicable minimum standards under labor law, in particular all conventions of the International Labor Organization ("ILO") with regard to employee rights, working hours and occupational health and safety, as well as all applicable statutory and regulatory provisions.

(2) DINOL operates an environmental management system in accordance with ISO 14001. Environmental protection has high priority within DINOL's understanding of quality. The Supplier undertakes to comply with the relevant statutory regulations on environmental protection and to introduce and maintain an environmental management system in accordance with DINOL's ecological corporate guidelines which, unless otherwise agreed, complies at least with the provisions of ISO 14001 in its most recent version, and to work to permanently reduce the adverse effects of its activities on people and the environment.

(3) The Supplier undertakes to introduce and/or maintain an energy management system which, unless otherwise agreed, complies at least with the provisions of ISO 50001 in its currently valid version.

(4) The Supplier undertakes to introduce and/or maintain an occupational health and safety management system which, unless otherwise agreed, complies at least with the provisions of ISO 45001 in its currently valid version.

(5) The Supplier shall not participate, actively or passively, directly or indirectly, in any form of bribery or corruption, violation of human rights or discrimination against its employees, forced labor or child labor.

(6) The supplier undertakes to comply with the locally applicable provisions on so-called conflict minerals, derived in particular from Section 1502 of the "Wall Street Reform and Consumer Protection Act" ("Dodd-Frank Act") applicable in the USA. If the regulated minerals are required for the manufacture or function of the products delivered by the supplier, their origin must be disclosed. Upon request, the Supplier shall make the documentation on the use and origin of so-called conflict minerals available to DINOL and, if applicable, to contracted service providers in full and without delay.

(7) The supplier undertakes to comply with the Code of Compliance of the Würth Group and the Würth Supplier Code of Conduct as amended from time to time, available at [www.dinol.com](http://www.dinol.com)

## **XVII Product compliance and product quality**

(1) The supplier is obliged to comply with the recognized rules of technology (in particular DIN standards, VDE regulations, VDI guidelines, DVGW regulations) and the statutory provisions on product safety.

(2) The Supplier undertakes to introduce and/or maintain a quality management system (QM system) which, unless otherwise agreed, complies at least with the provisions of ISO 9001 in its currently valid version. The Supplier warrants the effectiveness of the QM system throughout the entire manufacturing process. The supplier shall regularly subject the products to interim inspections and a comprehensive final inspection before delivery along with appropriate documentation of the same. Compliance with the test procedure does not release the supplier from the responsibility for the perfect quality and function of the products subject to supplies.

(3) The Supplier is obliged to inform DINOL of any changes to the manufacturing process or the organization of his QM system prior to the first affected delivery without separate call for doing so. At the same time, the Supplier undertakes to provide DINOL on request with the complete technical documentation, in particular specifications, data sheets, product documentation, processing instructions and test reports. Changes to the product specifications do always require the prior written consent of DINOL before the first delivery.

(4) The Supplier shall also ensure that the products supplied comply with the provisions of Regulation (EC) No. 1907/2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH Regulation"). The substances contained in the supplier's products are, insofar as required under the provisions of the REACH Regulation, pre-registered or registered after expiry of the transitional periods, unless the substance is exempt from registration.

(5) Suppliers with their registered office in countries outside the EU undertake to appoint an Only Representative ("OR") in accordance with Art. 8 of the REACH Regulation based in the EU, whose name and address must be notified to DINOL. The OR shall assume all registration and other REACH obligations of the supplier. If the OR has carried out a pre-registration or registration, DINOL must be informed about that, indicating the registration number. In the

event of a change of the OR or discontinuation of the OR's activities, the Supplier shall inform DINOL without delay.

(6) The Supplier assures DINOL that the products supplied do not contain any substances on the so-called authorization list pursuant to Art. 55 et seq. of Annex XIV of the REACH Regulation, unless the Supplier has a corresponding authorization; the Supplier shall forward the authorization to DINOL without being requested to do so. The Supplier undertakes to inform DINOL in writing without delay and without being requested to do so if products supplied by him contain restricted substances or substances on the candidate list pursuant to Art. 57, 59 of the REACH Regulation; this applies in particular in the event of extension/addition to the restrictions or the candidate list. The supplier shall namely declare the individual substances and provide the restriction or the mass percentage in relation to the individual product components as precisely as possible.

(7) Furthermore, the Supplier undertakes assurance that the products supplied to DINOL fulfill all requirements of Regulation (EC) No. 1272/2008 ("CLP Regulation"). Especially, non-EU suppliers are responsible for ensuring that their OR has notified the classification and labeling inventory for the products supplied in accordance with Art. 39-42 CLP Regulation.

(8) The Supplier shall provide DINOL with the information required for registration in public product databases, namely the SCIP database of the ECHA, the EPREL database of the European Commission, the EUDAMED database of the European Commission and comparable portals. If referencing in the respective database is permitted, it is sufficient to provide the data that can be used for referencing. The Supplier shall ensure that the business relationship with DINOL is not publicly recognizable from the database entry he may have to create himself as a supplier; in particular, the Supplier is not entitled to register products under a DINOL trademark in a public database, unless expressly agreed otherwise.

(9) If the products supplied are not private label products under a DINOL brand, the Supplier shall ensure that it fully complies with its obligations under the regulations on extended producer responsibility, in particular the regulations on the registration and return of packaging, waste electrical and electronic equipment and batteries. If the supplier is based outside Germany, he shall ensure that he has duly appointed an authorized representative for the implementation of the above legal obligations and that this representative fulfils the obligations.

(10) For private label products, i.e. products which the Supplier supplies to DINOL for the purpose of further distribution under a DINOL brand, the following provisions shall apply in addition:

- a) If the subject of the contract between the Supplier and DINOL is the delivery of a product within the meaning of the European harmonization legislation, the Supplier is obliged to provide DINOL without delay and in a suitable permanent form with all the information required to carry out the conformity assessment and draw up the declaration of conformity and to affix the CE marking to these products in accordance with the applicable legal provisions, in particular the applicable harmonization legislation and Article 30 of Regulation (EC) No. 765/2008.

- b) If the subject of the contract between the Supplier and DINOL is the delivery of a construction product within the meaning of Regulation (EU) No. 305/2011 ("CPR"), the Supplier is obliged to provide DINOL immediately and in a suitable permanent form with all information required for the assessment and verification of constancy of performance (AVCP) and for the preparation of the declaration of performance and to affix the CE marking to these products in accordance with the applicable legal provisions, in particular the CPR and Art. 30 of Regulation (EC) No. 765/2008.
- c) The Supplier shall provide DINOL, or a service provider commissioned by DINOL immediately upon request with all further information required by DINOL for the lawful marketing and sale of the products.

(11) In the event of the Supplier's breach of one the aforementioned obligations, the Supplier shall indemnify DINOL, the companies affiliated with DINOL and their customers against all costs, third-party claims (in particular direct or indirect claims for damages) and other disadvantages (e.g. fines) arising from the breach of the provisions of this Section XVII. This shall not apply if the Supplier is not responsible for this breach of duty. Furthermore, DINOL is entitled at any time to cancel the relevant purchase order immediately and to refuse acceptance of the relevant delivery without incurring any costs. Any existing claims for damages shall remain unaffected by this. Cancellation or refusal of acceptance shall not constitute a waiver by DINOL of any claims for damages.

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

- (1) These Terms and Conditions of Purchase and all legal relationships between DINOL and the Supplier shall be governed by the law of the Federal Republic of Germany under exclusion of international uniform law, in particular the UN Convention on Contracts for the International Sale of Goods. The conditions and effects of the retention of title shall be governed by the law of the place where the goods are located if the choice of German law is inadmissible or ineffective under the provisions of national law.
- (2) If the supplier is a merchant within the meaning of §§ 1 ff. HGB or nationally applicable equivalent, a legal entity under public law or a special fund under public law, the exclusive - also international - place of jurisdiction for all disputes arising from or in connection with the contractual relationship shall be DINOL in 32676 Luegde, Germany. However, DINOL is also entitled to bring an action at the place of performance of the delivery obligation or at the Supplier's general place of jurisdiction. Overriding statutory provisions, especially regarding exclusive competences, shall remain unaffected.

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